

PROJECT FUNDING AGREEMENT NO. 24-1003172

FOR

NATIONAL TRAILS HIGHWAY BRIDGE REPLACEMENTS PROJECT

(SAN BERNARDINO COUNTY)

THIS Project Funding Agreement (“Agreement”) is made and entered into by and between the San Bernardino County Transportation Authority (“SBCTA”) and San Bernardino County (“COUNTY”). SBCTA and COUNTY are each a “Party” or collectively “Parties.”

RECITALS

A. The Measure I 2010-2040 Expenditure Plan and the North Desert Subarea transportation planning partners have identified projects eligible for funding from Measure I 2010-2040 North Desert Subarea Major Local Highway Projects Program (“MLHP”) and State and Federal funds; and

B. The National Trails Highway Bridge Replacements Project (“PROJECT”) is one of the projects identified as eligible for such funding and is described more fully in Attachment A; and

C. COUNTY has requested an allocation of \$61,004,382 in the North Desert Subarea’s share of State and Federal funds for all phases of the PROJECT; and

D. This Agreement is intended to delineate the duties and funding responsibilities of the Parties for the PROJECT; and

E. This Agreement is to be carried out in accordance with the policies in the Measure I 2010-2040 Strategic Plan as adopted by SBCTA; and

NOW, THEREFORE, SBCTA and COUNTY agree to the following:

SECTION I

SBCTA AGREES:

1. To allocate to COUNTY up to a maximum of \$61,004,382 for those eligible PROJECT expenses that are incurred by COUNTY for the PROJECT as set forth in Attachment B to this Agreement. SBCTA shall have no further responsibilities to provide any funding for the PROJECT exceeding this amount unless a written amendment to this Agreement is signed by both Parties.
2. In the case that Measure I funds are allocated to the PROJECT, to reimburse COUNTY within 30 days after COUNTY submits an electronic copy of signed invoices in the

proper form covering those actual allowable PROJECT expenditures that were incurred by COUNTY, consistent with the invoicing requirements of the Measure I 2010-2040 Strategic Plan, including providing backup information. Invoices may be submitted to SBCTA as frequently as monthly.

3. When conducting an audit of the costs claimed under the provisions of this Agreement, to rely to the maximum extent possible on any prior audit of COUNTY performed pursuant to the provisions of State and Federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SBCTA when planning and conducting additional audits.
4. To assign a project liaison for the purpose of attending Project Development Team (PDT) meetings.

SECTION II

COUNTY AGREES:

1. To be the lead agency for this PROJECT and to diligently undertake and complete in a timely manner the Scope of Work for the PROJECT as shown in Attachment A.
2. To be responsible for expending that portion of allocated funds on eligible PROJECT expenses in an amount not to exceed \$61,004,382, unless this Agreement is amended and approved increasing PROJECT costs. Reimbursement by SBCTA shall be in accordance with Section I, Paragraph 2. Additionally, expenses relative to time spent on the PROJECT by COUNTY staff are considered eligible PROJECT expenses and may be charged to the PROJECT, subject to SBCTA, State, and Federal guidelines.
3. In the case that State and Federal funds are allocated to the PROJECT, to secure all necessary State and Federal authorizations that are required before incurring eligible PROJECT expenditures.
4. To abide by all applicable SBCTA, COUNTY, State, and Federal laws, regulations, policies, and procedures pertaining to the PROJECT.
5. In the case that Measure I funds are allocated to the PROJECT, to prepare and submit to SBCTA an electronic copy of signed invoices for reimbursement of eligible PROJECT expenses. Invoices may be submitted to SBCTA as frequently as monthly.
6. To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SBCTA or until audit resolution is achieved, whichever is later, and to make all such supporting information available for inspection and audit by representatives of SBCTA during normal business hours at COUNTY. Copies will be made and furnished by COUNTY upon written request by SBCTA.

7. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support COUNTY's requests for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT work elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, indirect cost allocation, and other allowable expenditures by COUNTY.
8. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Final Report of Expenditures and final invoice no later than one hundred twenty (120) days following the completion of those expenditures. An original and two copies of the Final Report of Expenditures shall be submitted to SBCTA and must state that these PROJECT funds were used in conformance with this Agreement and for those PROJECT-specific work activities described.
9. To cooperate in having a PROJECT-specific audit completed by SBCTA, at SBCTA's option and expense, upon completion of the PROJECT. The audit must state that all funds expended on the PROJECT were used in conformance with this Agreement.
10. To repay to SBCTA any reimbursement for Measure I costs that are determined by subsequent audit to be unallowable within one hundred twenty (120) days of COUNTY's receipt of notice of audit findings, which time shall include an opportunity for COUNTY to respond to and/or resolve the findings. Should the findings not be otherwise resolved and COUNTY fail to reimburse moneys due SBCTA within one hundred twenty (120) days of audit findings, or within such other period as may be agreed between both Parties, SBCTA reserves the right to withhold future payments due COUNTY from any source under SBCTA's control.
11. To include SBCTA in Project Development Team (PDT) meetings if and when such meetings are held and in related communications on PROJECT progress, to provide at least quarterly schedule updates to SBCTA, and to consult with SBCTA on critical issues relative to the PROJECT.
12. In the case that Measure I funds are allocated to the PROJECT, as an eligible PROJECT expense, to post signs at the boundaries of the PROJECT noting that PROJECT is funded with Measure I funds. Signs shall bear the logos of SBCTA and COUNTY.
13. To include in all contracts between COUNTY and contractors for the PROJECT the requirement that SBCTA be named as an additional insured under general liability insurance policies maintained by the contractor for the PROJECT.

SECTION III

IT IS MUTUALLY AGREED:

1. To abide by all applicable Federal, State, and Local laws and regulations pertaining to the PROJECT, including policies in the applicable program in the Measure I 2010-2040 Strategic Plan, as amended, as of the Effective Date of this Agreement.
2. The final PROJECT cost may ultimately exceed current estimates of PROJECT cost. Any additional eligible costs resulting from unforeseen conditions over the estimated total of the PROJECT cost shall be borne by COUNTY unless prior authorization has been approved by the SBCTA Board of Directors pursuant to Section III, Paragraph 3 of this Agreement.
3. In the event COUNTY determines PROJECT work may exceed the not to exceed amount identified in Section I, Paragraph 1, COUNTY shall inform SBCTA of this determination and thereafter the Parties shall work together in an attempt to agree upon an amendment to the PROJECT amounts identified in this Agreement. In no event, however, shall SBCTA be responsible for PROJECT costs in excess of the PROJECT amounts identified herein absent a written amendment to this Agreement that is approved by the Parties.
4. Eligible PROJECT reimbursements shall include only those costs incurred by COUNTY for PROJECT-specific work activities that are described in this Agreement and shall not include escalation or interest.
5. Neither SBCTA nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by COUNTY under or in connection with any work, authority or jurisdiction delegated to COUNTY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, COUNTY shall fully defend, indemnify and save harmless SBCTA, its officers and employees 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 COUNTY under or in connection with any work, authority or jurisdiction delegated to COUNTY under this Agreement. COUNTY's indemnification obligation applies to SBCTA's "active" as well as "passive" negligence but does not apply to SBCTA's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.
6. Neither COUNTY nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by SBCTA under or in connection with any work, authority or jurisdiction delegated to SBCTA under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, SBCTA shall fully defend, indemnify and save harmless COUNTY, its officers and employees 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 SBCTA under or in connection with any work, authority or jurisdiction delegated to SBCTA under this Agreement. SBCTA's indemnification obligation applies to COUNTY's "active" as well as "passive" negligence but does not apply to COUNTY's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

7. In the event COUNTY and/or SBCTA is found to be comparatively at fault for any claim, action, loss or damage which results from their respective obligations under this Agreement, COUNTY and/or SBCTA shall indemnify the other to the extent of its comparative fault.
8. This Agreement will be considered terminated upon reimbursement of all eligible costs by SBCTA or June 30, 2032, whichever is sooner, provided that the provisions of Paragraphs 6, 7, 8, 9, and 10 of Section II, and Paragraphs 5, 6 and 7 of Section III, shall survive the termination of this Agreement. The Agreement may also be terminated by SBCTA, in its sole discretion, in the event the PROJECT work described in Attachment A has not been initiated within twelve (12) months of the Effective Date of this Agreement.
9. SBCTA may terminate this Agreement if COUNTY fails to perform according to the terms of this Agreement and if this failure jeopardizes the delivery of the PROJECT according to the terms herein.
10. The Recitals to this Agreement are true and correct and are incorporated into this Agreement.
11. Attachment A, Description of Project and Milestones, and Attachment B, Summary of Estimated Costs, are attached to and incorporated into this Agreement.
12. The Agreement may be signed in counterparts, each of which shall constitute an original.
13. This Agreement is effective and shall be dated on the date executed by SBCTA.

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

IN WITNESS WHEREOF, the Parties have executed this Agreement by their authorized signatories below.

**SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY**

SAN BERNARDINO COUNTY

By: _____
Ray Marquez, President
Board of Directors

By: _____
Dawn Rowe, Chair
Board of Supervisors

Date: _____

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Julianna K. Tillquist
SBCTA General Counsel

By: _____
Aaron Gest
County Counsel

Date: _____

Date: _____

Attachment A

NATIONAL TRAILS HIGHWAY BRIDGE REPLACEMENTS PROJECT

Description of Project and Milestones

Project Title	
National Trails Highway Bridge Replacements Project	
Location, Project Limits, Description, Scope of Work	
<p>The National Trails Highway Bridge Replacements Project addresses existing gaps in service in a vital rural transportation corridor which a full closure would result in national impacts on interstate commerce, national security and the preservation of one of America’s historical treasures. The National Trails Highway Bridges Replacement Project is located on a section of National Trails Highway, from the town of Daggett to Amboy Road through an essential section of the historic U.S. Route 66 (also known as “National Trails Highway” or “Route 66”).</p> <p>Phase 1 includes replacing three bridges along the National Trails Highway between 0.96 miles east of Amboy Road and 0.55 miles east of Kelbaker Road.</p> <p>Phase 2 includes replacing three bridges between 3.25 miles east of Goffs Road and 9.72 miles east of Goffs Road.</p> <p>Phase 3 includes replacing five bridges along the National Trails Highway between 17.74 miles east of Crucero Road and 19.92 miles east of Crucero Road.</p> <p>Phase 4 includes replacing nine bridges along the National Trails Highway between 0.6 miles east of Dagget-Yermo Road and 0.35 miles west of Hidden Springs Road.</p> <p>Phase 5 includes replacing eight bridges along the National Trails Highway between 0.92 miles west of Fort Cady Road and 8.74 miles east of Hector Road.</p> <p>Phase 6 includes replacing five bridges along the National Trails Highway between 2.15 miles east of Crucero Road and 6.75 miles east of Crucero Road.</p>	
Project Milestone	Proposed
Begin Environmental (PA&ED) Phase (3 Bridges)	August 2024
Begin Environmental (PA&ED) Phase (30 Bridges)	August 2024
End Environmental Phase (PA&ED Milestone) (3 Bridges)	February 2025
End Environmental Phase (PA&ED Milestone) (30 Bridges)	January 2026
Begin Design (PS&E) Phase (3 Bridges)	February 2025
Begin Design (PS&E) Phase (30 Bridges)	January 2026
End Design Phase (Ready to List for Advertisement Milestone) (3 Bridges)	April 2025
End Design Phase (Ready to List for Advertisement Milestone) (30 Bridges)	March 2030
Begin Right of Way Phase (3 Bridges)	February 2025
Begin Right of Way Phase (30 Bridges)	January 2026
End Right of Way Phase (Right of Way Certification Milestone) (3 Bridges)	April 2025
End Right of Way Phase (Right of Way Certification Milestone) (30 Bridges)	February 2030
Begin Construction Phase (Contract Award Milestone) (3 Bridges)	June 2025
Begin Construction Phase (Contract Award Milestone) (30 Bridges)	June 2026Ray
End Construction Phase (Construction Contract Acceptance Milestone) (3 Bridges)	March 2026
End Construction Phase (Construction Contract Acceptance Milestone) (30 Bridges)	March 2031
Begin Closeout Phase (3 Bridges)	March 2026
Begin Closeout Phase (30 Bridges)	March 2027
End Closeout Phase (Closeout Report) (3 Bridges)	May 2027
End Closeout Phase (Closeout Report) (30 Bridges)	June 2032

ATTACHMENT B

NATIONAL TRAILS HIGHWAY BRIDGE REPLACEMENTS PROJECT

Summary of Estimated Costs

Phase	Total Cost	SBCTA Share ⁽¹⁾	COUNTY Share	FUTURE
PA&ED	\$5,775,000	LPP \$2,887,500	\$2,887,500	
PS&E	\$5,775,000	LPP \$2,887,500	\$2,887,500	
ROW				
CON Ph1	\$7,554,382	STP \$7,554,382		
CON Ph 2	\$7,375,000	STP \$7,375,000		
CON Ph 3	\$17,700,000	STIP \$5,700,000		\$12,000,000
CON Ph 4	\$18,800,000	STIP \$12,800,000		\$6,000,000
CON Ph 5	\$21,800,000	STIP \$21,800,000		
CON Ph 6	\$13,500,000			
TOTAL	\$98,279,382	\$61,004,380	\$5,775,000	\$18,000,000

⁽¹⁾ SBCTA's Share can be from sources under control of SBCTA including but not limited to Measure I Major Local Highways program, Local Partnership Program (LPP), State Transportation Improvement Program (STIP), Surface Transportation Block Grant Program (STP), or other funds without necessitating an amendment of this agreement. SBCTA share of funding can be moved between the phases, subject to State and Federal funding guidelines and limitations.