

COOPERATIVE AGREEMENT

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

County of San Mateo, a political subdivision of the State of California, referred to hereinafter as COUNTY. COUNTY, together with CALTRANS, are referred to herein as PARTNERS or FUNDING PARTNERS.

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, the PROJECT shall mean the following: to construct shoreline protection and bank stabilization device using sheetpile retaining wall, rock slope protection, trail improvements, and a staircase to Surfer's Beach in the City of Half Moon Bay in San Mateo County coastside on Route 1 at PM 32.0 to 32.2, will be referred to hereinafter as PROJECT. This description only serves to identify the PROJECT. The project scope of work is defined more specifically in the appropriate authorizing documents for the PROJECT pursuant to the Project Development Procedures Manual.
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)
 - CONSTRUCTION SUPPORT
 - CONSTRUCTION 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 the PROJECT has been completed:
 - CALTRANS approved a Damage Assessment Form (DAF) dated May 30, 2014.

6. In this AGREEMENT, capitalized words represent either defined terms or acronyms.
7. PARTNERS hereby set forth the terms, covenants, and conditions of this AGREEMENT, under which they will accomplish OBLIGATIONS.
8. The parties agree that the COUNTY shall be responsible for fulfilling permit requirements due solely to the construction and maintenance of the PROJECT's trail improvements and CALTRANS shall be responsible for permit requirements for the shoreline protection and bank stabilization device and the rock slope protection components of the PROJECT within CALTRANS right of way and slope easement.

RESPONSIBILITIES

Sponsorship

9. CALTRANS and COUNTY will co-SPONSOR the PROJECT COMPONENTS included in this AGREEMENT in the following percentages.

CALTRANS	78%
COUNTY	22%

Funding

10. FUNDING PARTNERS, funding limits, spending limits, billing, and 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, billing and payment details of the PROJECT 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.

11. All costs incurred for WORK except those that are specifically excluded in this AGREEMENT are OBLIGATIONS COSTS. OBLIGATIONS COSTS are to be paid from the funds shown in the FUNDING SUMMARY. Costs that are not OBLIGATIONS COSTS are to be paid by the PARTNER incurring the costs from funds that are outside the scope of this AGREEMENT.

Implementing Agency

12. COUNTY is IMPLEMENTING AGENCY for PA&ED.
13. COUNTY is IMPLEMENTING AGENCY for PS&E.

14. COUNTY is IMPLEMENTING AGENCY for RIGHT OF WAY.
15. CALTRANS is IMPLEMENTING AGENCY for CONSTRUCTION.
16. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will provide a Quality Management Plan (QMP) for that component as part of the PROJECT MANAGEMENT PLAN.
17. 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 (IQA)

18. CALTRANS will provide Independent Quality Assurance (IQA) for the portions of WORK within existing and proposed SHS right of way.

The cost of CALTRANS' IQA is not an OBLIGATIONS COST.

Environmental Document Quality Control (EDQC) Program

19. Per NEPA assignment and CEQA statutes, CALTRANS will perform Environmental Document Quality Control and NEPA Assignment Review Procedures for environmental documentation.

The cost of CALTRANS' EDQC is not an OBLIGATIONS COST.

CEQA/NEPA Lead Agency

20. CALTRANS is the CEQA lead agency for the PROJECT.
21. CALTRANS is the NEPA lead agency for the PROJECT.

Environmental Permits, Approvals and Agreements

22. 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.
23. Unless otherwise assigned in this AGREEMENT, CALTRANS is responsible for all PROJECT COMPONENT WORK associated with coordinating, obtaining, implementing, renewing, and amending the PROJECT permits where the permits are identified in the planned project scope of work or become necessary in the course of completing the PROJECT. PARTNERS understand and agree that with respect to all permits required for the PROJECT, including the permits that COUNTY is required to obtain pursuant to the terms of this AGREEMENT, CALTRANS shall be the applicant for such permit.

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

ENVIRONMENTAL PERMITS/REQUIREMENTS						
Permit	Coordinate	Prepare	Obtain	Implement	Renew	Amend
Amendment to existing Coastal Development Permit issued by the California Coastal Commission	CT	CT	CT	CT	CT	CT

Project Approval and Environmental Document (PA&ED)

25. As IMPLEMENTING AGENCY for PA&ED, COUNTY 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.
26. Notwithstanding Articles 12 and 25 of this Agreement, CALTRANS will be responsible for completing the following PA&ED activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)	OBLIGATION COST
165.20.xx.xx Section 106	No
165.25.15 Categorical Exemption/Categorical Exclusion Determination	No

27. The PARTNER preparing the environmental documentation, including the 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)

28. CALTRANS will determine the type of environmental documentation required and will cause that documentation to be prepared in accordance with CEQA requirements.
29. 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.
30. CALTRANS as the CEQA lead agency for the PROJECT will review, comment, and approve all environmental documentation prepared by the COUNTY (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.
31. 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.

32. COUNTY will submit CEQA-related public notices to CALTRANS for review, comment, and approval prior to publication and circulation.
33. COUNTY 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 COUNTY to review, comment, and concur on those changes at least three (3) working days prior to the public meeting date.
34. CALTRANS will attend all CEQA-related public meetings.
35. 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)

36. 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 and will cause the NEPA documentation to be prepared.

CALTRANS, as the NEPA lead agency for PROJECT, will review, comment, and approve all environmental documentation prepared by the COUNTY (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, as required.

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

37. 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.
38. 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.
39. COUNTY will prepare, publicize, and circulate all NEPA-related public notices, except Federal Register notices. COUNTY will submit all NEPA-related 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.

40. CALTRANS will attend all NEPA-related public meetings.
41. COUNTY 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.
42. 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.

CALTRANS 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)

43. As IMPLEMENTING AGENCY for PS&E, COUNTY 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.

44. Notwithstanding Articles 13 and 43 of this Agreement, CALTRANS will be responsible for completing the following PS&E activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)	OBLIGATION COST
255.20 Final District PS&E Package	No
260 Contract Bid Documents Ready to List	No
265 Awarded and Approved Construction Contract	No

45. COUNTY 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.
46. COUNTY 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)

47. As IMPLEMENTING AGENCY for R/W, COUNTY 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.
48. The cost to perform R/W SUPPORT activities, whether inside or outside SHS right of way, will be determined in accordance with federal and California laws and regulations, and CALTRANS' policies, procedures, standards, practices, and applicable agreements.
49. COUNTY 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.
50. COUNTY 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.
51. COUNTY 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.

52. COUNTY 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.
53. COUNTY 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.

COUNTY 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.

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

54. 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.
55. CALTRANS' acceptance of right of way title is subject to review of an Updated Preliminary Title Report provided by COUNTY verifying that the title is free of all encumbrances and liens. Upon acceptance, COUNTY will provide CALTRANS with a Policy of Title Insurance in CALTRANS' name.
56. The California Transportation Commission will hear and may adopt any Resolutions of Necessity required for the PROJECT. However, the authorization to hear and adopt Resolutions of Necessity may be assigned to COUNTY if such assignment is approved in writing by CALTRANS.

Construction

57. As IMPLEMENTING AGENCY for CONSTRUCTION, CALTRANS is responsible for all CONSTRUCTION SUPPORT WORK except those CONSTRUCTION SUPPORT activities and responsibilities that are assigned to another PARTNER in this AGREEMENT and those activities that may be specifically excluded.
58. 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.
59. CALTRANS will advertise, open bids, award, and approve the construction contract in accordance with the California Public Contract Code and the California Labor Code.

By accepting responsibility to advertise and award the construction contract, CALTRANS also

accepts responsibility to administer the construction contract.

60. If the lowest responsible construction contract bid is greater than the funding commitment to CONSTRUCTION CAPITAL, PARTNERS must agree in writing on a course of action within fifteen (15) working days. If no agreement is reached within fifteen (15) work days the IMPLEMENTING AGENCY may determine not to award the construction contract.
61. CALTRANS will provide a RESIDENT ENGINEER and CONSTRUCTION SUPPORT staff that are independent of the design engineering company and construction contractor.
62. CALTRANS will provide a landscape architect who will be responsible for all landscaping activities within the SHS.
63. CALTRANS will implement changes to the construction contract through Change Orders. PARTNERS will review and concur on all Change Orders over \$50,000.
64. CALTRANS will require the construction contractor to furnish payment and performance bonds naming CALTRANS as obligee and to carry liability insurance in accordance with CALTRANS Standard Specifications.
65. After OBLIGATION COMPLETION, SHS maintenance will be handled through a new maintenance agreement.
66. Upon OBLIGATION COMPLETION, ownership and title to all materials and equipment constructed or installed for the operations and/or maintenance of the SHS within SHS right of way and/or the CALTRANS' slope easement as part of WORK transfer to CALTRANS.

CALTRANS will not accept ownership or title to any materials or equipment constructed or installed outside SHS right of way or slope easement.

Schedule

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

Additional Provisions

68. PARTNERS will perform all OBLIGATIONS in accordance with federal and California laws, regulations, and standards; FHWA STANDARDS; and CALTRANS STANDARDS.
69. 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.
70. Each PARTNER will ensure that personnel participating in OBLIGATIONS are appropriately qualified or licensed to perform the tasks assigned to them.

71. PARTNERS will invite each other to participate in the selection of any consultants who participate in OBLIGATIONS.
72. CALTRANS will issue, upon approval of a proper application, the encroachment permits required for WORK within SHS right of way. Contractors and/or agents, and utility owners will not perform activities 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, at no cost.
73. COUNTY will issue any encroachment permits that might be necessary for WORK within its jurisdiction and outside the SHS Right of Way. COUNTY will provide encroachment permits to CALTRANS, its contractors, consultants and agents, at no cost.
74. 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.
75. 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.

76. If a PARTNER receives a public records request pertaining to OBLIGATIONS, that PARTNER will notify all other 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.
77. If HM-1 or HM-2 is found during a PROJECT COMPONENT, IMPLEMENTING AGENCY for that PROJECT COMPONENT will immediately notify PARTNERS.
78. 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. The cost for HM MANAGEMENT ACTIVITIES related to HM-1 found within the existing SHS right of way is not an OBLIGATIONS COST and CALTRANS will pay, or cause to be paid, all costs for HM-1 ACTIVITIES.

79. COUNTY, independent of the PROJECT, is responsible for any HM-1 found within the PROJECT limits and outside the existing SHS right of way. COUNTY will undertake, or cause to be undertaken, HM MANAGEMENT ACTIVITIES related to HM-1 with minimum impact to the PROJECT schedule. The cost of HM MANAGEMENT ACTIVITIES related to HM-1 found within the PROJECT limits and outside of the existing SHS right of way is not an OBLIGATIONS COST and COUNTY will pay, or cause to be paid, all costs for HM-1 ACTIVITIES.
80. 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.
81. 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.
82. IMPLEMENTING AGENCY for each PROJECT COMPONENT will furnish PARTNERS with written monthly progress reports, which may consist of minutes from project meetings, during the implementation of OBLIGATIONS in that component.
83. Any PARTNER that is responsible for completing OBLIGATIONS will accept, reject, compromise, settle, or litigate claims arising from those OBLIGATIONS.
84. 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 or compromise the rights of another PARTNER until after PARTNERS confer on claim and receive the written consent of the other PARTNER.
85. PARTNERS will maintain, and will ensure that any party hired by PARTNERS to participate in OBLIGATIONS will maintain, a financial management system that conforms to Generally Accepted Accounting Principles (GAAP), and that can properly accumulate and segregate incurred PROJECT costs and billings.
86. If FUNDING PARTNERS fund any part of OBLIGATIONS with state or federal funds, each PARTNER will comply, and will ensure that any party hired to participate in OBLIGATIONS will comply with the federal cost principles of 2 CFR, Part 225, and administrative requirements outlined in 49 CFR, Part 18. These principles and requirements apply to all funding types included in this AGREEMENT.
87. PARTNERS will maintain and make available to each other all OBLIGATIONS-related documents, including financial data, during the term of this AGREEMENT.

PARTNERS will retain all OBLIGATIONS-related records for three (3) years after the final voucher.
88. PARTNERS have the right to audit each other in accordance with generally accepted

governmental audit standards.

CALTRANS, the state auditor, FHWA (if the PROJECT utilizes federal funds), and COUNTY will have access to all OBLIGATIONS-related records of each PARTNER, and any party hired by a PARTNER to participate in OBLIGATIONS, for audit, examination, excerpt, or transcription.

The examination of any records will take place in the offices and locations where said records are generated and/or stored and will be accomplished during reasonable hours of operation. The auditing PARTNER will be permitted to make copies of any OBLIGATIONS-related records needed for the audit.

The audited PARTNER will review the draft audit, findings, and recommendations, and provide written comments within thirty (30) calendar days of receipt.

Upon completion of the final audit, PARTNERS have thirty (30) calendar days to refund or invoice as necessary in order to satisfy the obligation of the audit.

Any audit dispute not resolved by PARTNERS is subject to mediation. Mediation will follow the process described in the General Conditions section of this AGREEMENT.

89. If FUNDING PARTNERS fund any part of the PROJECT with state or federal funds, each FUNDING PARTNER will undergo an annual audit to the extent required under the Single Audit Act and the federal Office of Management and Budget (OMB) Circular A-133.
90. 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*.
91. PARTNERS will not incur costs beyond the funding commitments in this AGREEMENT. If IMPLEMENTING AGENCY anticipates that funding for WORK will be insufficient to complete WORK, IMPLEMENTING AGENCY will promptly notify SPONSORS.
92. If WORK stops for any reason, IMPLEMENTING AGENCY will place the PROJECT right of way in a safe and operable condition acceptable to CALTRANS.
93. 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.
94. Unless otherwise documented in the FUNDING SUMMARY, all fund types contributed to a PROJECT COMPONENT will be spent proportionately within that PROJECT COMPONENT.

95. Unless otherwise documented in the FUNDING SUMMARY, any savings recognized within a PROJECT COMPONENT will be credited or reimbursed, when allowed by policy or law, in proportion to the amount contributed to that PROJECT COMPONENT by each fund type.
96. If FUNDING PARTNERS fund OBLIGATIONS with American Recovery and Reinvestment Act (ARRA) funds, PARTNERS will adopt the terms, conditions, requirements, and constraints of the American Recovery and Reinvestment Act of 2009.
97. If FUNDING PARTNERS fund OBLIGATIONS with Proposition 1B Bond funds, PARTNERS will meet the requirements of California Government Code Section 8879.20 et al. (Proposition 1 legislation), the governor's Executive Order 2007-S-02-07, and the California Transportation Commission (CTC) program guidelines for the applicable account.

Right of way purchased using Proposition 1B Bond funds will become the property of CALTRANS, and any revenue from the sale of excess lands originally purchased with bond funds will revert to CALTRANS.

98. CALTRANS will administer any federal subvention funds shown in the FUNDING SUMMARY table.
99. The cost of awards, judgments, or settlements generated by OBLIGATIONS is an OBLIGATIONS COST.
100. The cost of legal challenges to the environmental process or documentation is an OBLIGATIONS COSTS.
101. The cost of coordinating, obtaining, complying with, implementing, renewing, and amending resource agency permits, agreements, and approvals is an OBLIGATIONS COST.
102. Fines, interest, or penalties levied against a PARTNER are not an OBLIGATIONS COST and will be paid, independent of OBLIGATIONS COST, by the PARTNER whose actions or lack of action caused the levy.
103. 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.
104. Travel, per diem, and third-party contract reimbursements are an OBLIGATIONS COST only after those hired by PARTNERS to participate in OBLIGATIONS incur and pay those costs.

Payments for travel and per diem will not exceed the rates paid rank and file state employees under current California Department of Personnel Administration (DPA) rules current at the effective date of this AGREEMENT.

If COUNTY invoices for rates in excess of DPA rates, COUNTY will fund the cost difference and reimburse CALTRANS for any overpayment.

105. If CALTRANS reimburses COUNTY for any costs later determined to be unallowable, COUNTY will reimburse those funds.
106. 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.

107. If there are insufficient funds in this AGREEMENT to implement applicable commitments and conditions included in the PROJECT environmental documentation, permits, agreements, and/or approvals that are in effect at a time that WORK stops, each PARTNER accepts responsibility to fund their respective OBLIGATIONS until such time as PARTNERS amend this AGREEMENT.

Each PARTNER may request reimbursement for these costs during the amendment process.

108. After PARTNERS agree that all WORK is complete for a PROJECT COMPONENT, PARTNER(S) will submit a final accounting for all OBLIGATIONS COSTS. Based on the final accounting, PARTNERS will refund or invoice as necessary in order to satisfy the financial commitments of this AGREEMENT.

GENERAL CONDITIONS

109. 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.
110. All OBLIGATIONS of CALTRANS under the terms of 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.
111. When CALTRANS performs IQA activities it does so for its own benefit. No one can assign liability to CALTRANS due to its IQA activities.
112. Neither COUNTY 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 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 COUNTY 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 and/or its agents under this AGREEMENT.

113. 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 COUNTY, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon COUNTY under this AGREEMENT. It is understood and agreed that COUNTY, 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 COUNTY, its contractors, sub-contractors, and/or its agents under this AGREEMENT.
114. 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.
115. PARTNERS will not assign or attempt to assign OBLIGATIONS to parties not signatory to this AGREEMENT without an amendment to this AGREEMENT.
116. COUNTY will not interpret any ambiguity contained in this AGREEMENT against CALTRANS. COUNTY 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.

117. 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.
118. 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.
119. 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 COUNTY 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.

120. PARTNERS maintain the ability to pursue alternative or additional dispute remedies if a previously selected remedy does not achieve resolution.
121. 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.
122. PARTNERS intend this AGREEMENT to be their final expression that supersedes any oral understanding or writings pertaining to the OBLIGATIONS.
123. 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.
124. Except as otherwise provided in the AGREEMENT, PARTNERS will execute a formal written amendment if there are any changes to OBLIGATIONS.
125. 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.
126. 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.

127. PARTNERS agree to sign a COOPERATIVE AGREEMENT 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.

DEFINITIONS

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

ARRA – The American Recovery and Reinvestment Act of 2009.

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.

CONSTRUCTION – See PROJECT COMPONENT.

CONSTRUCTION CAPITAL – See PROJECT COMPONENT.

CONSTRUCTION SUPPORT – See PROJECT COMPONENT.

COOPERATIVE AGREEMENT 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.

DFM (Department Furnished Materials) – Any materials or equipment supplied by CALTRANS. Previously referred to as State Furnished Materials (SFM).

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 Guideline 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, designated in the FUNDING SUMMARY, that commits a defined dollar amount to fulfill OBLIGATIONS. Each FUNDING PARTNER accepts responsibility to provide the funds it commits in this AGREEMENT.

FUNDING SUMMARY – An executed document that names FUNDING PARTNER(S), includes a FUNDING TABLE, SPENDING SUMMARY, deposit amounts, 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) – Ensuring that the IMPLEMENTING AGENCY’s quality assurance activities result in WORK being developed in accordance with the applicable standards and within an established Quality Management Plan (QMP). IQA does not include any efforts necessary to develop or deliver WORK or any validation by verifying or rechecking work performed by another PARTNER.

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 all amendments to this AGREEMENT, and have signed a COOPERATIVE AGREEMENT CLOSURE STATEMENT.

OBLIGATIONS COST(S) – The cost(s) to complete the responsibilities assigned in this AGREEMENT. Costs that are specifically excluded in this AGREEMENT or that are not incurred in the performance of the responsibilities in this AGREEMENT are not OBLIGATIONS COSTS. OBLIGATIONS COSTS are to be paid from the funds shown in the FUNDING SUMMARY. Costs that are not OBLIGATIONS COSTS are to be paid by the party that incurs the cost from funds that are outside the scope of this AGREEMENT.

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.

RESIDENT ENGINEER – A civil engineer licensed in the State of California who is responsible for construction contract administration activities. The Resident Engineer must be independent of the design engineering company and the construction contractor.

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.

SPENDING SUMMARY – A table that identifies the funds available for expenditure by each PARTNER. The table shows the maximum reimbursable expenditure for each PARTNER in each PROJECT COMPONENT.

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. 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 sections 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.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

Helena (Lenka) Culik-Caro
Deputy District Director, Design

Certified as to funds:

Interim District Budget Manager

COUNTY OF SAN MATEO

Dave Pine
President, Board of Supervisors

Attest:

John Maltbie
County Manager/Clerk of the Board

Approved as to form and procedure:

John C. Beiers
County Counsel
By John D. Nibbelin, Chief Deputy

FUNDING SUMMARY

<u>FUNDING TABLE</u>									
<u>IMPLEMENTING AGENCY</u> →			<u>COUNTY</u>	<u>COUNTY</u>	<u>COUNTY</u>		<u>CALTRANS</u>		
Source	FUNDING PARTNER	Fund Type	PA&ED	PS&E	R/W SUPPORT	R/W CAPITAL	CONST. SUPPORT	CONST. CAPITAL	Totals
State	CALTRANS	SHOPP *	0	0	0	0	300,000	1,183,500	1,483,500
Local	COUNTY	Local	74,500	187,000	5,000	10,000	0	138,500	415,000
Totals			74,500	187,000	5,000	10,000	300,000	1,322,000	1,898,500

* This fund type includes federal funds

SPENDING SUMMARY

<u>SPENDING SUMMARY</u>												
Fund Type	PA&ED		PS&E		R/W SUPPORT		R/W CAPITAL	CONST. SUPPORT		CONST. CAPITAL		Totals
	CALTRANS	<u>COUNTY</u>	CALTRANS	<u>COUNTY</u>	CALTRANS	<u>COUNTY</u>	<u>COUNTY</u>	<u>CALTRANS</u>	COUNTY	<u>CALTRANS</u>	DFM CALTRANS	
State Funds												
SHOPP	0	0	0	0	0	0	0	300,000	0	1,183,500	0	1,483,500
Local Funds												
Local	0	74,500	0	187,000	0	5,000	10,000	0	0	138,500	0	415,000
Totals	0	74,500	0	187,000	0	5,000	10,000	300,000	0	1,322,000	0	1,898,500

Invoicing and Payment

1. PARTNERS will invoice for funds where the SPENDING SUMMARY shows that one PARTNER provides funds for use by another PARTNER. PARTNERS will pay invoices within forty-five (45) calendar days of receipt of invoice.
2. If COUNTY has received Electronic Funds Transfer (EFT) certification from CALTRANS then COUNTY will use the EFT mechanism and follow all EFT procedures to pay all invoices issued from CALTRANS. COUNTY will pay all invoices via EFT within five (5) days of receipt of invoice.
3. When CALTRANS is to be reimbursed from state or federal funds that are provided by COUNTY and CALTRANS administers those funds then CALTRANS will draw from those funds without invoicing COUNTY.
4. When a PARTNER is reimbursed for actual costs from funds administered by another PARTNER, invoices will be submitted each month for the prior month's expenditures.

Project Approval and Environmental Document (PA&ED)

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

Plans, Specifications, and Estimate (PS&E)

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

Right of Way Support (R/W SUPPORT)

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

Right of Way Capital (R/W CAPITAL)

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

CONSTRUCTION SUPPORT

9. No invoicing or reimbursement will occur for the CONSTRUCTION SUPPORT COMPONENT.

CONSTRUCTION CAPITAL

10. CALTRANS will invoice COUNTY for a \$10,000 initial deposit after execution of this

AGREEMENT and thirty (30) working days prior to the commencement of CONSTRUCTION CAPITAL expenditures. This deposit represents two (2) months' estimated costs.

Thereafter, CALTRANS will invoice and COUNTY will reimburse for actual costs.

Signatures

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

Ron Moriguchi
District Division Chief

Date _____

Interim District Budget Manager

HQ Accounting

COUNTY OF SAN MATEO

John Maltbie
County Manager/Clerk of the Board

Date _____