

Memorandum

Tab 63

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 20, 2014

Reference No.: 4.16
Action

From: ANDRE BOUTROS
Executive Director

Subject: **DISPOSITION OF PROCEEDS FROM THE SALE OF
PROPOSITION 108-FUNDED SURPLUS SAUGUS MAIN LINE PROPERTY
RESOLUTION G-14-09, AMENDING RESOLUTION BFP-90-5 AND FTA 07G426**

ISSUE

The Los Angeles County Metropolitan Transportation Authority (LACMTA) plans to sell surplus Saugus Main Line property acquired in 1991 with State Proposition 108 bond funds.

The Commission, as an investor in perpetuity in the Saugus Main Line property, is entitled to share in the profits received from the sale of the surplus Saugus Main Line property. LACMTA proposes that the Commission allow LACMTA to retain the State's share (50%) of the proceeds from the sale of the surplus property and dedicate the proceeds to fund passenger rail capital projects in Los Angeles County that are eligible for funding as provided by Proposition 108.

LACMTA's proposal presents the Commission with two choices:

- Allow LACMTA to retain the State's share of the proceeds from the sale of the surplus Saugus Main Line property and require that the proceeds be used to fund passenger rail capital projects in Los Angeles County; or
- Require that the State's share of the proceeds from the sale of the surplus Saugus Main Line property be returned for reallocation by the Commission.

RECOMMENDATION

Staff recommends that the Commission select the first option above and allow LACMTA to retain the State's share of the proceeds generated from the sale of the surplus Saugus Main Line property as long as the proceeds are used to fund passenger rail capital projects in Los Angeles County. This recommendation is based on:

- The findings by the State Treasurer's Office (STO) that the tax-exempt status of the Proposition 108 bonds will not be endangered as proceeds generated from the sale of the surplus Saugus Main Line property will not be returned to the State.
- Assurance by LACMTA that sale of the surplus Saugus Main Line property will not impact the Southern California Regional Rail Authority's (Metrolink's) Ventura County Line and Antelope Valley Line, the Metrolink commuter rail services to Ventura County and the northern region of Los Angeles County.

- Agreement by LACMTA to set up a separate account to: 1) track the proceeds from the surplus property sale; 2) track expenditures; and 3) comply with anticipated state audits.
- Acceptance by LACMTA that all other terms and conditions of Resolution BFP-90-5 and the Fund Transfer Agreement (FTA) 07G426 continue to apply to the proceeds from the surplus Saugus Main Line property sale.
- Assurance by LACMTA that since the Commission allocated Proposition 108 bond funds to acquire right of way (a capital expenditure) the State's share of the proceeds from the surplus property sale shall be dedicated to fund passenger rail capital projects and not for operating, planning or maintenance expenditures.

BACKGROUND

In June 1990 the voters approved Proposition 108, the Passenger Rail and Clean Air Bond Act of 1990, authorizing the sale of general obligation bonds for rail transit purposes.

On July 18, 1991, the Commission adopted Resolution BFP-90-5, approving \$3,400,000 in Proposition 108 bond funds, matched by \$3,400,000 in local funds, for the purchase of the Saugus Main Line in Los Angeles, at a cost of approximately \$6,800,000 from the Southern Pacific Transportation Company.

The Proposition 108 bond funds were allocated to Los Angeles County Transportation Commission (LACTC), now Los Angeles County Metropolitan Transportation Authority (LACMTA), and were administered through Fund Transfer Agreement (FTA) 07G426 (a copy of FTA 07G426 is attached and incorporates Resolution BFP-90-5). The funding resolution required that if Saugus Main Line property was not used for the intended public passenger rail purposes, that the surplus property be sold and the proceeds be used for other mass transportation purposes to benefit Los Angeles County. Service is now provided by the Ventura County and Antelope Valley lines, the Metrolink commuter rail services to Ventura County and northern Los Angeles County.

In a January 21, 2014 letter (attached), LACMTA notified the Commission of its intent to sell as surplus property approximately 39,395 square feet of a 93,976-square feet property that is part of the Saugus Main Line right of way purchased in 1991 with \$3,400,000 in Proposition 108 bond funds, matched by \$3,400,000 in local funds.

With the letter, LACMTA also requested Commission approval to retain the State's share of the sale proceeds to fund passenger rail capital projects in Los Angeles County.

ATTACHMENTS:

Resolution G-14-09

January 21, 2014 letter - Notification of Intent to Sell Surplus Property and Retain Proceeds

Copy of Fund Transfer Agreement 07G426 (includes Resolution BFP-90-5).

CALIFORNIA TRANSPORTATION COMMISSION
Approval to Retain Proceeds from
Sale of Surplus Saugus Main Line Property
Los Angeles County Metropolitan Transportation Authority

Resolution G-14-09, Amending Resolution BFP-90-5 and FTA 07G426

- 1.1 WHEREAS, in the June 1990 election, the electorate enacted Proposition 108, the Passenger Rail and Clean Air Bond Act of 1990, authorizing the sale of general obligation bonds for rail and mass transportation purposes; and
- 1.2 WHEREAS, on July 18, 1991, the Commission adopted Resolution BFP-90-5, allocating \$3,400,000 in Proposition 108 bond funds, matched by \$3,400,000 in local funds, to Los Angeles County Transportation Commission (LACTC), now the Los Angeles County Metropolitan Transportation Authority (LACMTA), for the purchase of the Saugus Main Line right of way in Los Angeles, for the purpose of establishing passenger transit service; and
- 1.3 WHEREAS, on January 21, 2014, LACMTA notified the Commission of its intent to sell 39,395 square feet of a 93,976-square feet property, part of the Saugus Main Line purchased in 1991; and
- 1.4 WHEREAS, LACMTA has requested Commission approval to retain the State's share of the sale proceeds to fund passenger rail capital projects in Los Angeles County.
- 2.1 NOW THEREFORE BE IT RESOLVED, that the Commission hereby approves LACMTA's request to retain the State's share of proceeds from the surplus property sale and dedicate the proceeds to fund passenger rail capital projects in Los Angeles County; and
- 2.2 BE IT FURTHER RESOLVED, that LACMTA shall not use the State's share of the sale proceeds for operating, planning or maintenance expenditures; and
- 2.3 BE IT FURTHER RESOLVED, that LACMTA assures that sale of the surplus Saugus Main Line property will not impact the Ventura County Line or the Antelope Valley Line, the Southern California Regional Rail Authority's (Metrolink's) commuter rail services to Ventura County and northern Los Angeles County; and
- 2.4 BE IT FURTHER RESOLVED, that the Commission, as an investor in perpetuity in the Saugus Main Line property, requires LACMTA to track the sale proceeds under a separate account to: ensure eligible uses of such revenues to fund passenger rail capital projects in Los Angeles County; track expenditures; comply with anticipated state audits; prevent the State's share of such revenues from being used for hazardous waste clean-up costs, damages, or liability associated with contamination of the Saugus Main Line property; and

- 2.5 BE IT FURTHER RESOLVED, that LACMTA accepts that all terms, conditions and provisions of Resolution BFP-90-5 and those in FTA 07G426 not amended by this action continue to apply to the proceeds from the sale of surplus property; and
- 2.6 THEREFORE, BE IT THEN RESOLVED, that Resolution BFP-90-5 and FTA 07G426 are hereby amended, are incorporated into and made a part of this resolution; and thus, be it also resolved that Resolution G-14-09 is hereby adopted.



Metro

January 21, 2014

Andre Boutros, Executive Director
California Transportation Commission
1120 N Street, Room 2221 (MS-52)
Sacramento, California 95814

NOTIFICATION OF PLANNED SALE OF SURPLUS SAUGUS MAIN LINE PROPERTY AND REQUEST FOR APPROVAL OF RELATED ITEMS

Dear Mr. Boutros:

The Los Angeles County Metropolitan Transportation Authority (LACMTA) plans to sell approximately 39,395 square feet of our Saugus Main Line property (the "Property"). The Property was purchased under Fund Transfer Agreement No. 07G426 (the "Agreement"). The Agreement provided State Proposition 108 funds to purchase right-of-way for public passenger rail service. We are requesting your approval to:

- i) Implement a purchase and sale agreement for the planned sale of the Property; and
- ii) Retain the State of California's 50 percent share (\$650,000) of the proceeds estimated to be generated from the Property sale to fund passenger rail capital projects in Los Angeles County.

The LACMTA Board of Directors will be requested to approve the proposed sale of the Property and give authorization to enter into an Agreement for Purchase of Real Property and Joint Escrow Instructions (Purchase and Sale Agreement) at its March 27, 2014 meeting. Sale of the Property and entering into a Purchase and Sale Agreement is contingent upon receipt of the approvals set forth above.

The Property is currently part of a larger LACMTA-owned railroad right of way. The Property has been surveyed and separated from the remainder of the right of way (as shown on Enclosure A). It will become a separate legal parcel at the conclusion of the lot line adjustment process. The appraised value of the Property is \$1,300,000 based on a rate of \$33.00 per square foot. The negotiated final purchase price is \$1,170,000 after an adjustment of about \$130,000 for the remediation of the environmental condition of the site and for the relocation of utilities.

We would appreciate an expedited review of this request and, if approved, a timely issuance of an authorization-to-proceed, so that we may move forward with the proposed sale. The following sections include a brief Property description and certifications regarding uses of the remaining Saugus Main Line property, the proposed use of Property sale revenues, and revenue and expenditure monitoring. Also included is a statement regarding our overall compliance with the provisions of the Agreement.

Property Description

The Property is a portion of a larger group of LACMTA-owned parcels (assessor's parcel numbers 5409-001-900 and 5409-001-901, approximately 93,976 square feet shown highlighted on Enclosure A). It is sandwiched between the Los Angeles River, Baker Street, private property, and another parcel owned by LACMTA. The Metrolink commuter rail line operates on the adjacent right-of-way (Ventura Line and Antelope Valley Line). The Property is a portion of the Saugus Main Line that was purchased from the Southern Pacific Transportation Company in July 1991 at a cost of \$6.8 million. The purchase was partially funded under the Agreement with Proposition 108 funds (50 percent of the purchase price). The 50 percent balance of the purchase price was paid with local funds.

Certification of Property Use

The Agreement requires that LACMTA not sell or otherwise dispose of the Saugus Main Line property for 20 years from the Agreement's July 18, 1991 effective date. We have complied with this requirement as we celebrate the 23rd anniversary of the Saugus Main Line property purchase this year. Also, the remainder of the Saugus Main Line property will continue to be dedicated for public transportation purposes. Specifically, the Metrolink commuter rail service is located along the Saugus Main Line property and serves Ventura County and the northern region of Los Angeles County.

Certification Revenue Uses

The Agreement requires LACMTA to share any profits resulting from the sale of the Saugus Main Line property with the State of California. We plan to use the proceeds generated by the Property sale (including the State's share) to fund Los Angeles County transportation projects and programs that are eligible for funding as provided by Proposition 108 (i.e., acquisition of rights-of-way, capital expenditures, and acquisitions of rolling stock).

Certification of Revenue and Expenditure Monitoring

We will track the proceeds received from the proposed Property sale and the expenditures thereof through a separate account to ensure compliance with anticipated State audits.

Compliance with Agreement Provisions

The proposed Property sale does not violate or ignore any conditions of the Agreement. LACMTA is committed to continue dedicating the remainder of the Saugus Main Line property for public transportation purposes. We also will continue to conform to the environmental obligations established in the Agreement at our own cost and without any financial contribution or obligation by the State of California.

Notification of Planned Sale of Surplus Saugus Main Line Property
January 21, 2014
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We ask that the California Transportation Commission (CTC) approve our request at its March 2014 meeting, so that we may meet the deadlines related to the Property sale. Thank you for your consideration of our request. Should you or your staff have questions regarding our request, please contact Ms. Cosette Stark at (213) 922-2822 or Mr. Ashad Hamideh at (213) 922-4299.

Sincerely,



FRANK FLORES
Executive Officer, Countywide Planning

Enclosures

cc: Elhami Nasr (Caltrans District 7)

Juan Guzman (California Transportation Commission)

AGMT TRS/FZ

ORIGINAL

DEPARTMENT OF TRANSPORTATION

DIVISION OF RAIL
P.O. BOX 942874
SACRAMENTO, CA 94274-0001



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~~TDD 653-0145~~ TDD 654-4014
(916) 653-0145

DEC 12 1991

MICROFILMED
COPY IN 3186

December 12, 1991

Mr. Neil Peterson, Executive Director
Los Angeles County Transportation Commission
818 West Seventh Street, Suite 1100
Los Angeles, CA 90017



Dear Mr. Peterson:

RE: Fund Transfer Agreement No. 07C426
(CTC Resolution Number BFP-90-5)

Your Fund Transfer Agreement regarding a project entitled Southern Pacific Right of Way Acquisition authorized by California Transportation Commission Resolution No. BFP-90-5 is approved and executed by the State of California.

A fully executed original copy of the agreement is enclosed for your records.

Sincerely,

Deborah Vaughn
DEBORAH VAUGHN
Acting Departmental Contract Officer

Enclosures

ORIGINAL

Agreement No. 07G426
Sheet 1 of 2

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
PROPOSITION 108 (1990) - FUND TRANSFER AGREEMENT**

**COVERING ALLOCATIONS OF PASSENGER RAIL
& CLEAN AIR ACT BOND FUNDS**

This Agreement entered into on July 18, 1991, is between Los Angeles County Transportation Commission, a public entity, hereinafter referred to as RECIPIENT, and

STATE OF CALIFORNIA, acting by and through its Business, Transportation and Housing Agency, Department of Transportation, hereinafter referred to as STATE.

1. RECIPIENT has applied to the STATE for funds to be allocated by the California Transportation Commission (CTC) for the purpose of Southern Pacific Right of Way Acquisition, a public passenger rail project which will be dedicated to that described public use in perpetuity by RECIPIENT or its successors.

2. STATE has allocated funds for (one phase of) said project in CTC Resolution BFP-90-5, attached as part of the Standard Provisions of Grant and made a part of this Agreement. RECIPIENT shall be bound to the terms and conditions of the attached Resolution and all restrictions, rights, duties and obligations established therein shall insure to the benefit of the CTC and be subject to any necessary enforcement action by CTC.

3. STATE has prepared "Standard Provisions of Grant," attached and made a part of this Agreement, which, together with this document and all referenced attachments and addendums, sets forth the terms and conditions under which said funds are to be expended.

4. STATE and RECIPIENT have negotiated and RECIPIENT has submitted the "Project Description", attached as part of the Standard Provisions of Grant and made a part of this Agreement, which describes the entire project to be constructed or acquired by RECIPIENT.

5. STATE and RECIPIENT have negotiated and RECIPIENT has submitted the "Scope of Work," attached as part of the Standard Provisions of Grant and made a part of this Agreement, which sets forth the tasks and the estimated amounts of progress payments to be made from funds payable under this Agreement. State funding limits and the drawdown schedule established in each original or amended "Scope of Work" shall not be exceeded or modified without a subsequent amendment and encumbrance.

6. STATE fund certification and approval of the Scope of Work document is attached as part of the Standard Provisions of Grant and made a part of this Agreement.

7. Funding available to RECIPIENT under this Agreement will terminate on January 18, 1992, unless earlier terminated upon written notice from STATE to RECIPIENT. Funds will be expended by RECIPIENT for purchase of Southern Pacific Right of Way in Los Angeles and Ventura Counties no later than January, 18, 1992. The failure of RECIPIENT to expend these funds within the time established herein shall obligate RECIPIENT for all applicable arbitrage interest, penalties and damage to holders of the Passenger Rail and Clean Air Act Bonds.

8. This Agreement may be modified, altered, or revised with the written consent of RECIPIENT and STATE.

9. RECIPIENT shall not award a contract over \$10,000 on the basis of a noncompetitive negotiation for work under this Agreement without the prior written approval of STATE.

10. RECIPIENT shall conform to the environmental obligations established in the attached CTC Resolution G-91-2 at the sole cost of RECIPIENT and without further financial contribution or obligation of STATE.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized officers.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

BY Deborah Vaughn
DEBORAH VAUGHN
Acting Dept. Contract Officer

LOS ANGELES COUNTY
TRANSPORTATION COMMISSION

BY Neil Peterson
NEIL PETERSON
Executive Director

Exempt from Dept. of
General Services



CALIFORNIA TRANSPORTATION COMMISSION
RESOLUTION G-91-2

Commission Policy Resolution for Hazardous Waste Identification
and Cleanup for Rail Right-of-Way

WHEREAS, the Commission has programmed funding for rail right-of-way acquisition in the 1990 State Transportation Improvement Program and may allocate funds for rail right-of-way acquisition from the Clean Air and Transportation Improvement Act; and

WHEREAS, hazardous wastes, based upon federal and state statutes and regulations, include but are not limited to such categories as heavy metals, (e.g., lead), inorganic (e.g., excessive mineral levels) and organic compounds (e.g., petroleum products), and can occur on a property's surface and subsurface; and

WHEREAS, rail properties often have hazardous wastes exceeding State of California and federal hazardous waste standards; and

WHEREAS, such properties contaminated with hazardous wastes require mitigation prior to using them for rail purposes; and

WHEREAS, hazardous wastes discovered on rail property may significantly impact property value, project scheduling and future liability for the grant applicant; and

WHEREAS, the Commission must be assured that acquisition of rail properties have been fully reviewed by the grant applicant, and if warranted, the grant applicant has tested for hazardous wastes; and

WHEREAS, if hazardous wastes exist, the Commission must be assured that the hazardous wastes identified has either been cleaned up, or financial responsibility for the cleanup has been determined prior to title transfer to the grant applicant; or easement has been secured in lieu of purchasing the property, and the subsurface rights and liability for hazardous wastes remain with the property seller; and

WHEREAS, hazardous wastes identified subsequent to title transfer to the grant applicant will be cleaned up by the seller or a mechanism to recover cleanup costs is established and executed as a condition prior to title transfer; and

WHEREAS, full due diligence is necessary in discovering hazardous waste and is an essential element in acquiring rail right-of-way properties by the grant applicant; and

NOW THEREFORE BE IT RESOLVED, that acquisition of all rail right-of-way properties will be fully investigated by the grant applicant to determine the absence/presence of hazardous wastes. Investigations shall be conducted in accordance to the standards and practices of the local, state and/or federal regulatory agencies having jurisdiction and by personnel adequately trained in hazardous waste investigation; and

BE IT FURTHER RESOLVED, that all properties, discovered with hazardous wastes which exceed the federal/state standards, will be cleaned up to the satisfaction of the responsible local, state and/or federal regulatory agency. The appropriate regulatory agency shall certify to grant applicant that the cleanup has been completed; and

BE IT FURTHER RESOLVED, that the grant applicant will certify by formal resolution to the Commission that all reasonable steps have been completed to assure full due diligence in the discovery of hazardous waste has been achieved during the acquisition of rail right-of-way and the state is held harmless from cleanup liability or damages, both present and future; and

BE IT FURTHER RESOLVED, that the grant applicant will certify by formal resolution that it will not seek further state funding, for cleanup, damages, or liability cost associated with hazardous wastes on or below acquired property's surface; and

BE IT FURTHER RESOLVED, that the grant applicant will certify to the Commission:

- o that all rail right-of-way acquisition properties have been investigated and have been found clean;
- o or that the cleanup of discovered hazardous waste has been completed prior to acquisition of the property;
- o or that the grant applicant has obtained permanent easement and the subsurface rights and liability and full responsibility to pay for and remove such hazardous waste remains with the seller in conformance with applicable State and Federal law;
- o or if hazardous wastes are known to exist prior to acquisition and if the applicant determines that time is of the essence for acquisition, then and in that event, an enforceable agreement will be entered into requiring the responsible party(ies) to clean all hazardous wastes by a date certain, with the option of funds sufficient for the clean-up costs deposited in escrow by the seller.

In the event of failure to clean up by the date determined, the recipient of the grant will make full restitution to the State for its participation. This resolve does not preclude the recipient from requesting re-allocation not to exceed the refunded amount after the hazardous waste(s) have been fully removed from the subject site; and

BE IT FURTHER RESOLVED, that the grant applicant will certify to the Commission that the seller from whom properties have been acquired retain liability for any hazardous waste investigation and/or cleanup, and damages discovered subsequent to the transfer of title; and

BE IT FURTHER RESOLVED, the Commission declares all future liability resulting from hazardous wastes remain with the seller or the grant applicant, not the state, and the grant applicant has been indemnified by the seller for any costs resulting from failure to eliminate hazardous wastes; and

BE IT FURTHER RESOLVED, no state funds will be made available for any future costs associated with cleanup, damages, or liability costs associated with hazardous wastes on or below the acquired property's surface.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
PROPOSITION 108 (1990) STANDARD PROVISIONS OF GRANT**

**COVERING ALLOCATIONS OF PASSENGER RAIL
AND CLEAN AIR ACT BOND FUNDS**

The recipient of Passenger Rail Bond Funds, referred to herein as the RECIPIENT, has agreed to accept the provisions contained herein as a condition of its acceptance of a grant from these sources. The State of California, acting through the Department of Transportation, referred to herein as STATE, shall have the administrative responsibilities described in these provisions.

I. RECITALS

1. The RECIPIENT proposes to implement a project described in the attached Project Description. The Project Description has been prepared by the RECIPIENT and approved by the STATE. The Project property acquired or constructed with these funds will be dedicated in perpetuity to that public purpose.
2. The RECIPIENT has received an commitment of State bond funds to complete all or a portion of the project, as set forth in the attached resolution, and in accordance with applicable provisions of the Public Utilities Code or the Streets and Highways Code.
3. The RECIPIENT has submitted a Scope of Work document to STATE, describing tasks to be accomplished under the terms of this agreement, and the document has been approved by STATE.
4. The grant administrators for the parties shall be: for STATE, the District Director of Transportation for the District in which the project is located, and for the RECIPIENT, its Executive Director or designee.

II. PROJECT DESCRIPTION

1. The RECIPIENT agrees to complete the Project as described in the attached Project Description.

2. The RECIPIENT agrees that if the STATE funds prove insufficient to complete construction of the Project and open it to revenue operation, that payment of any additional amounts required shall be the sole responsibility of the RECIPIENT, and further agrees that it will secure and provide, without further STATE assistance, additional resources as are necessary to pay these additional amounts and expeditiously complete the Project.

III. SCOPE OF WORK

1. The RECIPIENT shall be responsible for performance of the work described in the approved Scope of Work document for the particular phase of the project corresponding to its commitment of future State bond funds. The work description contained in the document is referred to herein as "the Project Phase". RECIPIENT acknowledges and agrees that RECIPIENT is the sole control and manager of the proposed project and its subsequent employment for the benefit of the public. RECIPIENT shall be solely responsible for complying with the funding and use restrictions established by the Passenger Rail and Clean Air Bond Act, the CTC, the State Treasurer, the Internal Revenue Service, and the terms of this Agreement. RECIPIENT shall indemnify, defend, and hold harmless the STATE, the CTC and the State Treasurer relative to any misuse of Bond Act funds, project property, project generated income or other fiscal acts or omissions of RECIPIENT.
2. A Schedule of Tasks and Estimated Progress Payments shall be included in the Scope of Work document. STATE need not reimburse the RECIPIENT in a cumulative amount greater than the cumulative amount shown in the Schedule for any time period or earlier than as authorized in the drawdown schedule of payments.
3. The Scope of Work shall include a completion date for each of the project components or items of work identified therein.

IV. PAYMENT

1. Future funds committed for use on the Project Phase shall be payable to the RECIPIENT only after completion of identified segments of work.

2. RECIPIENT agrees to contribute at least the statutorily required amount of the cost of the Project Phase, or the amount specified in the commitment of future State funds, whichever is greater, from funds available to it. RECIPIENT shall contribute its required amount of the cost of the Project Phase in accordance with a schedule of payment prepared by RECIPIENT and attached to the Scope of Work document.
3. RECIPIENT agrees to submit Plans, Specifications and Estimates upon completion as documentation that work is completed and prior to the State providing funds for construction of the project or acquisition of passenger vehicles.
4. Not more frequently than once a month, RECIPIENT will prepare and submit to STATE, Progress Payment Vouchers consistent with the Scope of Work document, in the format that is attached to the Standard Provisions of Grant. Each such voucher will be accompanied by a report describing the overall work status and progress on tasks. If applicable, the first voucher shall also be accompanied by a report describing any tasks specified in the Scope of Work document which were accomplished prior to the date of allocations and for which costs are to be credited toward the required local contribution described in Section IV, Paragraph 2 of these Provisions. Final payment vouchers shall be submitted not less than three months prior to the last date on which a payment can be made from the allocated funds, as specified in the Scope of Work document. Reimbursement will be made only for work performed after the date of this Agreement and prior to the submittal date of the final voucher.
5. Delivery by STATE of these bond funds is contingent upon and subject to the sale of bonds. In the event bond sales are delayed or canceled, the STATE shall not be held liable for any damage or penalty resulting from such delay or cancellation.
6. RECIPIENT is prohibited from loaning any portion of the bond proceeds to a private person or business.
7. Notwithstanding the attached CTC Resolution, STATE reserves the right to reduce the amount of these funds being made available to the Project upon written notice to RECIPIENT. Any such reduction shall be affected by delivery to RECIPIENT of a letter indicating the amount of the reduction which shall become effective not less than 30 days after receipt.

8. STATE reserves the right to terminate its share of funding for the Project Phase upon written notice to the RECIPIENT in the event that RECIPIENT fails to proceed with the work in accordance with the Scope of Work document or bonding requirements, or otherwise violates the conditions of these Provisions or the allocation such that substantial performance of the Project Phase is significantly endangered. In the event of such termination, RECIPIENT shall be reimbursed the STATE's share of allowable project costs incurred prior to the date of termination provided that all other terms and conditions of Agreement have been met. Any such termination shall be effected by delivery to the RECIPIENT of a Notice of Termination which shall become effective not less than 30 days after receipt specifying the reason for the termination, the extent to which performance of work under these provisions is terminated, and the date upon which such termination becomes effective. During the period before the effective termination date, RECIPIENT and STATE shall meet to attempt to resolve the dispute without proceeding to termination of the Agreement.

V. REPORTS AND RECORDS

1. In carrying out work on the Project Phase, RECIPIENT may enter into contracts with other public agencies or private firms, for the procurement of project equipment, materials or other services in accordance with Federal and State third-party agreement provisions.
2. RECIPIENT is required to notify the Department before entering into any written agreements with private businesses that would result in "private payments" being made to the State or local agency (i.e., lease fees, rental payments, etc.).
3. RECIPIENT, its prime contractors or subcontractors shall pay to any subcontractor, not later than 10 days of receipt of each progress payment, unless otherwise agreed to in writing, the respective amounts allowed the contractor on account of the work performed by the subcontractors, to the extent of each subcontractor's interest therein. In the event that there is a good faith dispute over all or any portion of the amount due on a progress payment from the prime contractor or subcontractor to a subcontractor, then the prime contractor or subcontractor may withhold no more than 150 percent of the disputed amount.

Any contractor who violates this section shall pay to the subcontractor a penalty of 2 percent of the amount due per month for every month that payment is not made. In any action for the collection of funds wrongfully withheld, the prevailing party shall be entitled to his or her attorney's fees and costs.

4. RECIPIENT and its contractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred costs by project line item and project phase. RECIPIENT and contractor accounting systems shall conform to generally accepted accounting principles (GAAP), and enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment requests. All accounting records and other supporting papers of RECIPIENT and its contractors connected with the performance of the project or contract shall be maintained for a minimum of three years from the date of final payment under these provisions and shall be held open to inspection and audit by representatives of STATE and the Auditor General of the State of California. In conducting an audit of the costs claimed under these provisions, STATE will rely to the maximum extent possible on any audit arranged by RECIPIENT pursuant to the provisions of the federal and state laws. In the absence of such an audit, any audit work performed by RECIPIENTS' external and internal auditors and/or the Federal Government auditors will be relied upon and used when planning and conducting additional audits.
5. RECIPIENT and its contractors agree that the contract cost principles, 48 CFR, Federal Acquisition Regulation System, Chapter 1, Part 31, shall be used to determine the allowability of individual items of cost. RECIPIENT and its contractors also agree to comply with Federal procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments.
6. For the purpose of determining compliance with Public Contract Code 10115, et seq., Sections 999 et seq. of the Military and Veterans Code and Title 2, California Code of Regulations, Section 1896.60 et seq., when applicable, and other matters connected with the performance of the contract pursuant to Government Code 10532, the Contractor, subcontractors and the State shall maintain all books, documents, papers, accounting records, and other evidence

pertaining to the performance of the contract, including but not limited to, the costs of administering the contract. All parties shall make such materials available at their respective offices at all reasonable times during the contract period and for three years from the date of final payment under the contract. STATE, the State Auditor General, FHWA or any duly authorized representative of the Federal government shall have access to any books, records, and documents of the Contractor and subcontractors that are pertinent to the contract for audits, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested.

7. RECIPIENT will insert clauses to the effect of paragraphs 2, 3, 4, and 5 above in all its contracts funded by STATE under these Provisions.
8. (a) RECIPIENT and STATE agree to conduct, on a quarterly basis, on-site reviews of all aspects of the progress of the project.

(b) RECIPIENT agrees, in each quarterly progress review, to inform the STATE regarding (1) whether the Project is proceeding on schedule and within budget, (2) any requested changes to the Project Management Plan, (3) major construction accomplishments during the quarter, (4) any problems or anticipated problems which could lead to delays in schedule, increased costs, or other difficulties, (5) the status of the Project Budget and, (6) the status of critical elements of the Project.

(c) The quarterly reviews will include consideration of whether activities are within the scope of the Project and in compliance with STATE laws, regulations, administrative requirements, and implementation of the Project as STATE considers appropriate.

(d) If at any time during the performance of the Project, RECIPIENT and STATE determine that the Project budget may be exceeded, RECIPIENT shall take the following steps:
 - (1) Notify the designated STATE representative of the nature and projected extent of the overrun, and within a reasonable period thereafter, identify and quantify potential cost savings or other measures which will bring the budget into balance, and
 - (2) Schedule the projected overrun for discussion at the next subsequent Quarterly Review meeting.

(e) The first quarterly review meeting shall take place no later than five months after (1) an allocation of State funds to a project, (2) California Transportation Commission approval of Advanced Expenditures of Local Funds, or, (3) California Transportation Commission overall Project Approval.

VI. GENERAL PROVISIONS

1. **Discrimination:** In the performance of work under these provisions, RECIPIENT and its contractor(s) will not discriminate against any employee or applicant for employment because of race (1), color (1), religion (1), ancestry (1), sex (1), age (1), national origin (1), or physical handicap (1). RECIPIENT and its contractor(s) will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race (1), color (1), religion (1), ancestry (1), sex (1), age (1), national origin (1), or physical handicap(1). Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. RECIPIENT and its contractor(s) shall post in conspicuous places, available to employees and applicants for employment, notice to be provided by STATE setting forth the provisions of this Fair Employment Practices Section.
2. **Employment Practices:** RECIPIENT and its contractor(s) will permit access to his/her records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the awarding authority, for the purpose of investigation to ascertain compliance with this Fair Employment Practices Section. RECIPIENT agrees that all workers employed on the PROJECT will be paid not less than the predetermined general prevailing wage rates to comply with the rates as determined by the Department of Industrial Relations.

1 See Government Code 12940 et seq for further details.

3. RECIPIENT agrees to meet, or to make good faith efforts to meet, the following Minority Business Enterprises/Women Business Enterprises/Disabled Veterans Business Enterprises goals in the award of every contract for work to be performed under this Standard Provisions of Grant:

Minority Business Enterprises - 15%
Women Business Enterprises - 5%
Disabled Veterans Business Enterprises - 3%

RECIPIENT shall not award any contracts that do not meet these goals. The RECIPIENT shall have sole authority in determining whether good faith efforts were sufficient as outlined in Public Contracts Code Section 10115 et seq, and the Military and Veterans Code section 999 et seq.

4. Hold Harmless: Neither STATE nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by RECIPIENT, its agents and contractors, under, or in connection with any work, authority, or jurisdiction delegated to RECIPIENT under this Agreement or as respects environmental clean up obligations or duties of RECIPIENT relative to the Project properties. It is also understood and agreed that, pursuant to Government Code Section 895.4, RECIPIENT shall fully indemnify and hold STATE harmless from any liability imposed for injury (as defined by Government Code Section 810.8) or environmental obligations or duties occurring by reason of anything done or imposed by operation of law or assumed by, or omitted to be done by RECIPIENT under or in connection with any work, authority, or jurisdiction delegated to RECIPIENT under this Agreement.
5. State Ownership, Operation or Interests: RECIPIENT is obligated in perpetuity to continue operation of the Project dedicated to the public passenger rail transportation purposes for which the Project was initially approved and constructed. The facilities constructed or reconstructed on the Project site shall remain dedicated to the public transit users in the same proportion and scope as described in this Agreement.
6. RECIPIENT shall for the purposes of right of way acquisition, maintain ownership of the property for a minimum of twenty years or until the bonds have matured, whichever comes first.

7. STATE, or any assignee public body, shall be entitled to a refund or credit at STATE option, equivalent to the proportionate funding participation by STATE and other public funds toward the project acquisition or construction in the event that RECIPIENT ceases to utilize the Project for the intended public passenger rail purposes or sells or transfers title to the Project. STATE shall also be granted an acquisition credit for future purchases or condemnation of all or portions of the Project by STATE. The refund or credit due STATE in each instance will be measured by the ratio of STATE and other public funding to that provided by RECIPIENT and that ratio applied to the then fair market value of the Project property. —
8. In accordance with the attached Resolution of the CTC, RECIPIENT shall deliver to STATE a share in the profits equivalent to the State's percentage participation in the project, received from the sales, rentals, or other use of the properties which generate a revenue stream from other than the basic passenger rail transportation services. Examples of this include but are not limited to sale of acquired properties for non-transportation purposes, fiber optic technology, rental properties, rental of or lease agreement for air space or underground use.
9. These Standard Provisions of Grant, the CTC Resolutions, the Project Description and the Scope of Work document approved by STATE constitute the entire terms of the grant between the parties for the work to be performed pursuant to this grant. The Project Description and/or the Scope of Work document may be modified, altered or revised with the written consent of RECIPIENT and STATE.
10. Additional funding for subsequent phases of the project may be granted through amendments to this Agreement by attachment of a new allocation resolution, and submission by RECIPIENT of a revised Scope of Work document. When necessary, the Project Description shall also be revised with the amendment.

ATTACHMENT I

Name of Recipient: LACTC
 Name of Project: Southern Pacific Right of Way Acquisition
 Resolution No.: BFP-90-5
 Date of Resolution: 7/18/91
 Amount of Allocation: \$27,800,000.00
 Fund Source: Prop. 108 - Passenger Rail & Clean Air Act Bond Funds
 Expiration Date of Funds: 1/18/92

SCOPE OF WORK
SCHEDULE OF TASKS AND ESTIMATED PROGRESS PAYMENTS

QUARTER	TASKS**	ESTIMATED FUNDS NEEDED EACH QUARTER		
		Current State Allocation	Other State Allocation	Federal Local
July-Sept.		\$	\$	\$
Oct.-Dec.	Acquisition of SP ROW Parcels on: Baldwin Park Branch in L.A. and San Bernardino Counties; Saugus Main Line in L.A. County; and Ventura Main Line in L.A. County.	27,800	0	27,800
Jan.-March				
April-June				
second fiscal year:				
July-Sept.				
Oct.-Dec.				
Jan.-March				
April-June				
...continue for succeeding fiscal years, if necessary.		TOTAL(S)	\$0	\$27,800

*Commencing with the fiscal year during which the current state allocation was made.
 **Indicate by an asterisk tasks completed in the quarter.
 ***This format is provided to indicate the minimum amount of project detail and task description required by the State.

PROJECT DESCRIPTION

LOS ANGELES COUNTY TRANSPORTATION COMMISSION
COMMUTER RAIL
LOS ANGELES/VENTURA CORRIDOR

Southern Pacific Transportation Company Property Acquisition -
\$ 27,800,000.00 - CTC Resolution # BFP-90-5

<u>Parcels:</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
Baldwin Park Branch/L.A. County	10.3 M	10.3 M	20.6M
Baldwin Park Branch/San Bernardino Co.	5.2 M	5.2 M	10.4M
Saugus Main Line/L.A. County	3.4 M	3.4 M	6.8M
Ventura Main Line/L.A. County	<u>8.9 M</u>	<u>8.9 M</u>	<u>17.8M</u>
TOTAL:	<u>27.8 M</u>	<u>27.8 M</u>	<u>55.6M</u>

Agreement No. 07G426
Attachment III

Name of Recipient: LA CTC
 Name of Project: Southern Pacific Right of Way Acquisition
 Resolution Number: BFP-90-5
 Date of Resolution: 7/18/91
 Amount of Allocation: \$27,800,000.00
 Fund Source: Passenger Rail & Clean Air Act Bond Funds - Prop. 108
 Expiration Date of Funds: 1/18/92

SCOPE OF WORK APPROVAL:

The Department of Transportation hereby certifies that the attached "Scope of Work" document has been submitted by the recipient named above and that its description of tasks to be accomplished with the allocated funds is complete and in conformance with the allocating resolution specified above.

J. L. Bedolla

Deputy District Director for
Planning and Public Transportation

11/22/91
Date

SOURCE		CHARGE		EXP AUTH		SPECIAL DESIGNATION		OBJECT	AMOUNT	DR CR	FISCAL YEAR	ENCUMBRANCE DOCUMENT NUMBER
DIST	UNIT	DIST	UNIT	GEN LED	SUB-ACCT.	SUB JOB NO	TRAV PERM NO					
				WORK ORDER NO	FE	LOCATION	BRIDGE NO.					
0171		0178	1410	910101	1218	310101	112	0140	27,800,000.00		91	R1B1F131010112
<p>I hereby certify upon my own personal knowledge that budgeted funds are available for the printing and purpose of the expenditure stated above.</p>												
<p>ITEM 101-756 CHAPTER 467 STATUTES 1990 FISCAL YEAR 1990-91</p>								<p>SIGNATURE OF ACCOUNTING OFFICER <i>Nancy Kataoka</i></p>			<p>DATE 11-27-91</p>	

Memorandum

Item No. 2.5(c)(ii)

To: Chair and Members
California Transportation Commission

Date: July 17, 1991

From: DEPARTMENT OF TRANSPORTATION
Director's Office

File: BFP-90-5
ACTION REQUIRED

Subject: Financial Resolution

RECOMMENDATION:

It is recommended that the following resolution be approved:

ALLOCATIONS FOR
MASS TRANSPORTATION BOND PROJECTS
RESOLUTION NO. BFP-90-5



- 1.1 WHEREAS, the electorate enacted Proposition 108, the Passenger Rail and Clean Air Bond Act of 1990, in the June, 1990, election authorizing the sale of General Obligation Bond funds for rail transit capital purposes; and
- 1.2 WHEREAS, the California Transportation Commission approved the 1990 STIP, which includes a \$320 million reserve for the acquisition of rail transit properties in Southern California; and
- 1.3 WHEREAS, the Commission previously has allocated \$41.6 million from the \$320 million Southern California acquisition reserve and has an available balance of \$278.4 million; and
- 1.4 WHEREAS, STIP Amendment Number 90-12 provides \$27,800,000 for the acquisition of Southern Pacific Transportation Company properties in Los Angeles and Ventura counties for passenger rail transit; and
- 1.5 WHEREAS, the Commission adopted Resolution G-91-10 as the governing policy for distributing bond proceeds to rail passenger projects when demand exceeds anticipated bond proceeds, including shifting funds from construction projects to property acquisitions; and
- 1.6 WHEREAS, Commission Resolution G-91-15 will distribute available Proposition 108 and 116 bond sale proceeds in fiscal years 1990-91 and 1991-92 to projects; and
- 1.7 WHEREAS, the proposed distribution includes \$250.5 million for the planning and construction of Southern California Commuter Rail projects; and
- 1.8 WHEREAS, the Los Angeles County Transportation Commission, acting pursuant to that joint powers agreement, is the designated legal agent and recipient of bond funds for the Southern California Regional Rail Authority consisting of the Los Angeles County Transportation Commission, the Orange County Transportation Commission, the Riverside Transportation Commission, the San Bernardino Associated Governments, and the Ventura County Transportation Commission; and

Chair and Members
July 17, 1991.
Page 2

- 1.9 WHEREAS, the Los Angeles County Transportation Commission has provided a listing of specific Southern California Commuter Rail construction projects and identified the amounts to be reduced from state funding otherwise to be provided as detailed in Attachment A of the pending pro rata distribution established by Resolution G-91-15 which will be finalized following enactment of the 1991-92 State Budget; and
- 1.10 WHEREAS, the Southern California Regional Rail Authority and its member agencies have, as part of that agreement, committed to providing any required local matching funds and to fully fund the implementation of the Southern California regional commuter rail program.
- 2.1 NOW THEREFORE BE IT RESOLVED that \$27,800,000 in 1990 Passenger Rail and Clean Air Bond funds be allocated from Item 2660-101-756, Budget Act of 1990, for the eligible property acquisition projects described in Attachment A at such time as bond funds are made available by the State Treasurer's Office, and subject to the following conditions:
- A. The State funds are to be used on parcels that will be incorporated into rail transit services by the year 2000;
 - B. The allocation of State funds for these acquisitions is not to be construed as Commission endorsement of the recipient's assumptions as to the appropriate rail technology that should be used; and
- 2.2 NOW THEREFORE BE IT FURTHER RESOLVED that these funds shall reimburse a portion of those costs already incurred by the Los Angeles County Transportation Commission for the purchase of right-of-way from the Southern Pacific Railroad; and
- 2.3 NOW THEREFORE BE IT FURTHER RESOLVED that reimbursement for the projects specified on Attachment A shall be governed by a fund transfer agreement, or agreements, executed between the Los Angeles County Transportation Commission, acting on behalf of the Southern California Regional Rail Authority, and the Department of Transportation; and
- 2.4 NOW THEREFORE BE IT FURTHER RESOLVED that the Los Angeles County Transportation Commission, acting on behalf of the Southern California Regional Rail Authority, shall provide a guarantee, in the form of a resolution from its Board delivered to this Commission prior to the execution of a fund transfer agreement, said guarantee to be incorporated within said fund transfer agreement, to adhere to the applicable Internal Revenue Service tax regulations, to conform to future guidelines issued by the State Treasurer regarding the use of funds derived from bond sales, and to hold harmless and indemnify the California Transportation Commission, California Department of Transportation, and the State Treasurer against any penalties or costs related to the failure of the Los Angeles County Transportation Commission, the Ventura County Transportation Commission or the Southern California Regional Rail Authority to meet these commitments; and

- 2.5 NOW THEREFORE BE IT FURTHER RESOLVED that the Los Angeles County Transportation Commission, acting pursuant to its responsibilities as identified in the agreement signed by the member agencies, shall certify, in the form of a formal resolution of its Board delivered to this Commission by October 1, 1991, that it has entered into an enforceable agreement with the Southern Pacific Transportation Company for clean-up of hazardous wastes pursuant to the requirements of Resolution G-91-2 regarding Hazardous Waste Identification and Clean-up for Rail Right-of-Way; that the State and the California Transportation Commission are held harmless from cleanup liability or damage, both present and future; and that no additional State funds will be requested for cleanup, damages, or liability associated with hazardous waste on or below the acquired properties; and
- 2.6 NOW THEREFORE BE IT FURTHER RESOLVED that the Commission shall be entitled to a then present value refund, or credit, at State's option, equivalent to the proportionate funding participation by the State and other public funds towards property acquisition and project construction in the event that the Los Angeles County Transportation Commission, the Ventura County Transportation Commission, the Southern California Regional Rail Authority, or their constituent members or successor public agencies, cease to utilize the projects for the intended public passenger rail purposes or sell or transfer title to the projects to other than a public entity. This Commission shall also be granted an acquisition credit for future purchases or condemnation of all or portions of the projects by the State Department of Transportation; and the refund or credit due the Commission in each instance will be measured by the ratio of State and other public funding to that provided from the recipients, that ratio to be applied to the then fair market value of the project property; and
- 2.7 NOW THEREFORE BE IT FURTHER RESOLVED that in accordance with this Resolution, the Los Angeles County Transportation Commission, the Ventura County Transportation Commission, the Southern California Regional Rail Authority, or any successor public entity shall deliver to the State an equal share in all net profits received from the sales, rentals, or other use of the properties which generate a revenue stream from other than the basic passenger rail transit services. Examples of this include, but are not limited to, the sale of acquired properties for non-transportation purposes, fiber optic technology, rental properties, rental of or lease agreements for air space or underground use; and
- 2.8 NOW THEREFORE BE IT FURTHER RESOLVED that the Los Angeles County Transportation Commission shall ensure that all operative terms relative to this project allocation resolution shall be incorporated into the joint powers agreement among the members of the Southern California Regional Rail Authority and all sub-agreements entered into by those member entities and the Authority relating to these funded projects; and
- 2.9 NOW THEREFORE BE IT RESOLVED that the recipient, Los Angeles County Transportation Commission, shall provide the Department of Transportation, commencing with the first quarterly review, with an updated quarterly expenditure plan by category for the balance of all funded project allocations; and

Chair and Members
July 17, 1991
Page 4

2.10 NOW THEREFORE BE IT FURTHER RESOLVED that the Commission intends that this resolution act as a "declaration of official intent" issued on behalf of the State of California within the meaning of U.S. Treasury Regulations Section 1.103-17 (c) (1), in that the Commission intends to cause or facilitate the issuance of up to \$27,800,000 of tax exempt bonds under Proposition 108 to reimburse the expenditures made by the Los Angeles County Transportation Commission for the property acquisitions described in Attachment A; and

2.11 NOW THEREFORE BE IT FURTHER RESOLVED that this allocation is subject to the enactment of the 1991 Budget Act and to completed bond sales authorized by the State Treasurer.

DEPARTMENT SUMMARY AND CONCLUSIONS:

This resolution proposes allocating \$27,800,000 from 1990 Proposition 108 Bond funds to the Los Angeles Transportation Commission for three STIP Commuter property acquisition projects shown below. Details of the transactions are included on Attachment A.

<u>Project</u>	<u>Recipient</u>	<u>Fund</u>	<u>Amount</u>
1. Southern Pacific Co. Property Acquisitions			
(a.) Baldwin Park Branch	LACTC	90 Bond	\$15,500,000
(b.) Saugus Mainline	LACTC	90 Bond	\$3,400,000
(c.) Ventura Mainline	LACTC	90 Bond	\$8,900,000

The project \$15,500,000 for the acquisition of the Baldwin Park Branch right-of-way includes \$10,300,000 from Los Angeles County and \$5,200,000 from San Bernardino County.

The project is programmed in the STIP as a 1990-91 acquisition project funded from the Southern California reserve of \$320 million. STIP Amendment 90-12 reflects the specific addition of this project along with a corresponding reduction of the reserve amount. Following this allocation a \$250.6 million reserve balance will be available for future allocations.

The project has met, prior to allocation pursuant to Commission Resolution G-91-10, the requirements for Department of Transportation review as required in Sections 14085 - 14088 of the Government Code.

Chair and Members
July 17, 1991
Page 5

The pro rata distribution proposes \$250.5 million for Southern California Commuter Rail projects. This amount will be reduced by \$27.8 million as a consequence of this shift from construction and capital improvements to property acquisition. The balance remaining for Southern California Commuter Rail projects, following deductions for this and Resolution BFP-90-6, is \$208.4 million.

As of May 31, 1991, the Los Angeles County Transportation Commission TCI allocations were \$29.4 million. There have been no expenditures to date.

The LACTC has also received one 1990 Bond allocation totalling \$41.6 million. This amount has been totally expended.



MARTIN KIFF
Deputy Director
Transportation Financing

Attachment



JUL 18 1991

RESOLUTION BFP-90-5

ALLOCATIONS FOR NEW BOND FUNDED RAIL TRANSIT PROJECTS

ATTACHMENT A
JULY 17, 1991
Agenda Item 2.5(c) (11)

Project Description	Recipient Expend Cal. Program Code	District County	STIP Number STIP Amount STIP Year STIP Program	RESOLUTION ALLOCATION			Budget Item No.	Budget Encumbrances End/ Liquidations End	RPA Advanced Project Approvals	ALM Advanced Local Match	Pro Rata Category/ Category Total
				State Funds	Federal Funds	Local Amount					

-1- SOUTHERN PACIFIC RIGHT-OF-WAY - Acquisition of Southern Pacific Transportation Company Baldwin Park Branch right-of-way in Los Angeles County.	Los Angeles County Transportation Commission	07	9105B (\$10,300,000)	STATE FUNDS: 90 BOND \$ 10,300,000 SHA \$ 0 TP&D \$ 0 PVEA \$ 0 PROP 116 \$ 0 STATE TOTAL \$ 10,300,000 Federal \$ 0 Local \$ 10,300,000	1990 Ch. 467/90	101-756					Acquisition SE Switch from So. California Commuter Rail construction project prorata amount of \$250.5 M (\$10.3 M)
30.20.020 Los Angeles	Commuter	90-91	Project Total \$ 20,600,000		6-30-93						

-2- SOUTHERN PACIFIC RIGHT-OF-WAY - Acquisition of Southern Pacific Transportation Company Baldwin Park Branch right-of-way in San Bernardino County.	Los Angeles County Transportation Commission	08	0002RA (\$5,200,000)	STATE FUNDS: 90 BOND \$ 5,200,000 SHA \$ 0 TP&D \$ 0 PVEA \$ 0 PROP 116 \$ 0 STATE TOTAL \$ 5,200,000 Federal \$ 0 Local \$ 5,200,000	1990 Ch. 467/90	101-756					Acquisition SE Switch from So. California Commuter Rail construction project prorata amount of \$250.5 M (\$5.2 M)
30.20.020 San Bernardino	Commuter	90-91	Project Total \$ 10,400,000		6-30-93						

-3- SOUTHERN PACIFIC RIGHT-OF-WAY - Acquisition of Southern Pacific Transportation Company Saugus Mainline right-of-way in Los Angeles County.	Los Angeles County Transportation Commission	07	9105C (\$3,400,000)	STATE FUNDS: 90 BOND \$ 3,400,000 SHA \$ 0 TP&D \$ 0 PVEA \$ 0 PROP 116 \$ 0 STATE TOTAL \$ 3,400,000 Federal \$ 0 Local \$ 3,400,000	1990 Ch. 467/90	101-756					Acquisition SE Switch from So. California Commuter Rail construction project prorata amount of \$250.5 M (\$3.4 M)
30.20.020 Los Angeles	Commuter	90-91	Project Total \$ 6,800,000		6-30-93						

Project Description	Recipient Expend Cal. Program Code	District County	STIP Number STIP Amount STIP Year STIP Program	RESOLUTION ALLOCATION			Budget Act & Chapter Financing Ends* Encumbrances End/ Liquidations End	RPA Advanced Project Approvals	ALM Advanced Local Match	Pro Rata Category/ Category Total	CEQA
				State Funds	Federal Funds	Local Amount					
-4- SOUTHERN PACIFIC RIGHT-OF-WAY - Acquisition of Southern Pacific Transportation Company Ventura Mainline in Los Angeles County.	Los Angeles County Transportation Commission Local Assistance	07	9105D (\$8,900,000)	STATE FUNDS: 90 BOND \$ 8,900,000 SHA \$ 0 TP&D \$ 0 PVEA \$ 0 PROP 116 \$ 0 STATE TOTAL \$ 8,900,000 Federal \$ 0 Local \$ 8,900,000		1990 Ch. 467/90		(\$0)		Acquisition SE Switch from so. California Commuter Rail construction project protata amount of \$250.5 M	
	30.20.020 Los Angeles		90-91 Commuter			6-30-93	(\$0)				
				Project Total \$ 17,800,000		6-30-95				(\$8.9 M)	

*Reflects Governor's Budget Encumbrance & Liquidation time-frames. General Obligation Bond funds have encumbrance and liquidation time-frames more restrictive than provided in the Governor's Budget.



BEFORE THE LOS ANGELES COUNTY
TRANSPORTATION COMMISSION

Resolution No. 63A

On the motion of Mrs. Bacharach
Duly seconded by Mr. Patsouras
the following resolution is
adopted.

**REVISED RESOLUTION AUTHORIZING EXECUTIVE DIRECTOR TO EXECUTE STATE
FUNDING AGREEMENTS FOR SOUTHERN PACIFIC RAIL RIGHT-OF-WAY
ACQUISITION PROJECT & COMMITTING TO ACTIONS RELATED TO HAZARDOUS
WASTES ON THE STATE-FUNDED PROJECT**

WHEREAS, the Los Angeles County Transportation Commission ("LACTC") has entered into a purchase and sale agreement dated October 11, 1990 with the Southern Pacific Transportation Company to acquire property for the LACTC's Southern Pacific Rail Right-of-Way Acquisition Project ("the Project"); and

WHEREAS, the LACTC has approved a \$450.0 million financing plan that includes \$217.5 million of state financial assistance and \$232.5 million of local funds for the Project; and

WHEREAS, the LACTC has applied to the California Transportation Commission ("CTC") for state funds to assist in financing the Project; and

WHEREAS, by way of Resolution No. PRB-91-4 dated February 21, 1991 the CTC took final action on a January 23, 1991 motion to allocate \$41.6 million of Proposition 108 State Rail Bond Funds for the Project; and

WHEREAS, CTC Resolution No. PRB-91-4 dated February 21, 1991 also incorporates a January 23, 1991 motion that includes a provision regarding the CTC's investment policy towards the Project. For the Taylor Yard Properties only (including Taylor Yard, Cornfield [Chinatown], Union Station [LAUPT], and Los Angeles River Bridge parcels), the LACTC will comply with the CTC's investment policy. The LACTC reserves the right to negotiate a different investment policy in future contract agreements for right-of-way; and

WHEREAS, the LACTC will continue to seek the balance of state funding needed from the CTC for the Project as outlined in the LACTC's \$450.0 million financial plan; and

WHEREAS, to invoice against state funds allocated by the CTC for the Project, the LACTC is required to execute agreements with Caltrans; and

WHEREAS, the CTC has adopted Resolution No. G-91-2 dated February 21, 1991 as a policy for Hazardous Waste Identification and Clean-Up for Rail Right-of-Way; and

WHEREAS, by Resolution No. G-91-2 dated February 21, 1991 the CTC requires that the LACTC certify that all reasonable steps will have been completed to assure full due diligence in the discovery of hazardous waste is achieved during the Project and that the State of California is held harmless from clean-up liability or damages, both present and future; and

WHEREAS, also by Resolution No. G-91-2 dated February 21, 1991 the CTC requires that the LACTC commit not to seek further state funding for clean-up, damages, or liability costs associated with hazardous wastes on or below the surface of property acquired for the Project.

NOW, THEREFORE, BE IT RESOLVED, by the Los Angeles County Transportation Commission:

- (1) That the Executive Director is authorized to execute Fund Transfer Agreements, assurances, certifications, and all other necessary documents and contracts on behalf of the Commission with Caltrans to secure state financial assistance for the Project.
- (2) That the Executive Director is authorized to furnish such additional information as may be required for receiving state financial assistance for the Project.
- (3) That the Executive Director is authorized to certify to the California Transportation Commission on behalf of the Los Angeles County Transportation Commission that all reasonable steps will have been completed to assure that full due diligence in the discovery of hazardous waste has been achieved in acquiring Project property and that the State of California will be held harmless by the Los Angeles County Transportation Commission from clean-up liability or damages, both present and future on the state-funded Project.

BE IT FURTHER RESOLVED, that except for the Taylor Yard Properties for which the above authorizations are immediately effective, the authorizations given by the Los Angeles County Transportation Commission under this resolution are made subject

to a favorable agreement regarding the CTC's investment policy towards the Project with such favorable agreement indicating:

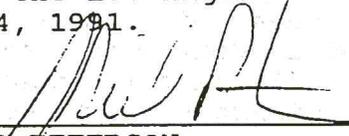
- (1) That title to Project property shall be vested exclusively in the name of the Los Angeles County Transportation Commission.
- (2) That the Los Angeles County Transportation Commission may act alone in making determinations with respect to the sale, lease, rental, or other investment use of Project property if revenues received from such investment use are used according to the following two requirements.
- (3) That use of revenues received by the Los Angeles County Transportation Commission from the sale, lease, rental, or other investment use of Project property shall be limited to mass transportation purposes.
- (4) That, in particular, the revenues which the Los Angeles County Transportation Commission receives from any sale, lease, rental, or other investment use of Project property not exclusively used for mass transportation purposes shall reflect a fair market return, giving consideration to the improvements, dedications, fees and other contributions others agree to make to the mass transportation system, including intermodal facilities and other public facilities. Such revenues also shall be deposited into a special fund to be kept separate and apart from other funds and used solely to pay or reimburse the Los Angeles County Transportation Commission for all costs it has incurred or will incur in connection with the development, operation and maintenance of Project property and the mass transportation system thereon. However, if and when such revenues exceed such costs and an adequate reserve for anticipated future costs computed on an annual basis, the State of California shall be entitled to such excess revenues in a prorata share equivalent to the State of California's participation in the Project property for such annual period, to be restricted for use by the California Transportation Commission for mass transportation projects funded in the State Transportation Improvement Program (STIP) or the Transit Capital Improvement (TCI) Program.

BE IT FURTHER RESOLVED, that the Los Angeles County Transportation Commission will not seek further state funding for clean-up, damages, or liability costs associated with hazardous wastes on or below the surface of property acquired with state funds as part of the Project.

C E R T I F I C A T I O N

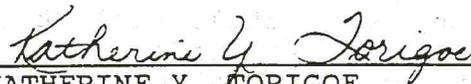
The undersigned, duly qualified and the Executive Director of the Los Angeles County Transportation Commission, certifies that the foregoing is a true and correct copy of the Resolution adopted at a legally convened meeting of the Los Angeles County Transportation Commission held on April 24, 1991.

APPROVED: _____


NEIL PETERSON
Executive Director

4/25/91
DATE

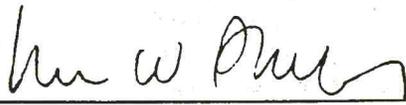
ATTEST: _____


KATHERINE Y. TORIGOE
Executive Secretary

4/25/91
DATE

APPROVED AS TO FORM:

DE WITT W. CLINTON
County Counsel


NINA W. PHILLIPS
Deputy County Counsel

RES3912