

EXCHANGE AGREEMENT AND ASSIGNMENT OF FEDERAL SURFACE  
TRANSPORTATION PROGRAM – LOCAL FUNDS

This Exchange Agreement and Assignment of Federal Surface Transportation Program – Local Funds (“AGREEMENT”), is made and entered into as of April 23, 2013, by and between City of Hermosa Beach (the “CITY”) and the Los Angeles County Metropolitan Transportation Authority (“LACMTA”).

RECITALS:

- A. CITY is eligible for and has available Federal Surface Transportation Program-Local funds (the “STP-L Funds”).
- B. CITY desires to exchange \$239,978 of CITY’s STP-L Funds for a like amount of LACMTA STP-L Local Transportation Funds (the “LACMTA Funds”).
- C. LACMTA is willing to exchange \$239,978 in LACMTA Funds for a like amount of CITY’s STP-L Funds subject to the terms and conditions contained herein.
- D. An exchange of CITY’s STP-L Funds with LACMTA Funds is beneficial to and in the general interest of CITY and LACMTA.

NOW THEREFORE, in consideration of the mutual benefits to be derived by CITY and LACMTA and of the promises contained herein, it is hereby agreed as follows:

AGREEMENT:

- 1. CITY hereby assigns to LACMTA \$239,978 of CITY’S STP-L Funds. LACMTA shall be authorized to deduct such amount from CITY’s STP-L Fund balance. This assignment shall be automatically effective upon full execution of this AGREEMENT without the necessity of the execution, delivery or recording of any further instrument whatsoever. Notwithstanding the foregoing, at LACMTA’s request, CITY shall execute and deliver such documents and instruments as may be required to evidence such assignment of STP-L Funds.
- 2. LACMTA hereby accepts CITY’s assignment of CITY’s STP-L Funds for use on Federal-aid-eligible project(s), to be determined by LACMTA in its sole and absolute discretion.
- 3. Upon receipt of (i) a fully executed AGREEMENT, (ii) CITY’s written certification of the amount of CITY’s STP-L Fund Balance, as defined herein, which CITY’s STP-L Fund Balance shows that CITY has sufficient STP-L funds to meet its obligations hereunder, and (iii) LACMTA’s deduction of the CITY’s STP-L Funds as

provided in paragraph 1 above, LACMTA shall pay CITY \$235,178 of LACMTA Funds which includes the deduction for the processing fee described in paragraph 5 below . For purposes of this AGREEMENT, the CITY's STP-L Fund Balance shall mean the amount of funds contained in CITY's STP-L Fund account as of the date this AGREEMENT is fully executed plus CITY's FY 2013 and 2014 apportionment share of STP-L Funds. If the STP-L Fund Balance is insufficient to satisfy CITY's exchange obligations hereunder, CITY hereby authorizes LACMTA to deduct from CITY's future STP-L Funds until LACMTA has in the aggregate received the amount of CITY's STP-L Funds specified in paragraph 1 above.

4. LACMTA will make all disbursements electronically unless an exception is requested in writing. CITY must complete an Automated Clearing House (ACH) form as provided in Exhibit A. Disbursements via ACH will be made at no cost to CITY.

5. CITY shall pay LACMTA a two (2) percent processing and administrative fee ("Processing Fee") in connection with the exchange contemplated by this AGREEMENT. The Processing Fee shall be assessed against the total amount of LACMTA Funds payable to CITY. The CITY hereby authorizes LACMTA to deduct the Processing Fee from the amount LACMTA is to pay CITY hereunder.

6. CITY shall expend the LACMTA Funds on STP-L Eligible Projects by the date that is three (3) years from the date this Agreement is fully executed (the "Lapsing Date") and any LACMTA Funds not expended by the Lapsing Date shall lapse and be returned to LACMTA within thirty (30) days from the Lapsing Date for further programming to third parties as LACMTA determines in its sole discretion.

- A. For purposes of this Agreement, STP-L Eligible Projects shall mean any transportation capital improvements that would normally qualify for the STP-L program, provided however, any federal regulations and standards relating to procurement and other project delivery issues that might apply may be substituted with applicable state and local regulations, standards and policies.
- B. The term "expend" as used in this Section 6 shall mean that the LACMTA Funds have been encumbered by an awarded contract.
- C. If the LACMTA Funds have lapsed and CITY has not returned all or a portion of the lapsed LACMTA Funds to LACMTA, then CITY shall be considered in default and agrees and instructs LACMTA that such outstanding payments shall be paid from CITY funds in the following priority: first, from any unobligated STP-L balance fund, then from CITY's Proposition A local return funds, then from Proposition C local return funds, and then from Measure R local return funds. IF CITY is in default hereunder, in addition to all rights and remedies available to LACMTA at law or in equity and without further notice or ability to cure by the CITY, CITY hereby authorizes LACMTA to withhold the applicable STP-L balance funds or local return funds in the amount needed to satisfy the outstanding amount of lapsed LACMTA funds due and owing to LACMTA prior to LACMTA transferring the balance of such

local return funds to the CITY in accordance with the applicable state laws or ordinances.

7. CITY's employee, officers, councilmembers, board members, agents, or consultants (a CITY's Party) are prohibited from participating in the selection, award, or administration of a third-party contract or sub-agreement supported by the exchange funds if a real or apparent conflict of interest would be involved. A conflict of interest would include, without limitation, an organizational conflict of interest or when any of the following parties has a financial or other interest in any entity selected for award: (a) a City Party (b) any member of a City Party's immediate family, (c) a partner of a City Party; or (d) any organization that employs or intends to employ any of the above. This conflict of interest provision will be verified by any LACMTA interim and final audits.

8. LACMTA, and/or its designee, shall have the right to conduct audits of CITY'S use of the LACMTA Funds to determine compliance with terms and conditions of this AGREEMENT. CITY shall establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). CITY shall reimburse LACMTA for any expenditure not in compliance with this AGREEMENT. CITY's records shall include, without limitation, any supporting evidence deemed necessary by LACMTA to substantiate CITY's use of LACMTA funds. These records must be retained by CITY for three years following CITY's last use of the LACMTA Funds.

9. The term of this AGREEMENT shall commence on the date this AGREEMENT is fully executed and, shall terminate once the CITY has expended all the LACMTA Funds and all LACMTA audit and reporting requirements have been satisfied.

10. CITY shall fully indemnify, defend and hold LACMTA and its officers, agents and employees harmless from and against any liability and expenses, including, without limitation, defend costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damages of any nature whatsoever arising out of (i) a breach of CITY's obligations under this AGREEMENT; or (ii) any act or omission of CITY or its officers, agents, employees, contractors or subcontractors in the use of the LACMTA Funds.

11. LACMTA shall fully indemnify, defend and hold CITY and its officers, agents and employees harmless from and against any liability and expenses, including, without limitation, defend costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damages to or loss of risk of property, any environmental obligations, any legal fees and any claims for damages of any nature whatsoever arising out of (i) a breach of LACMTA's obligations under this AGREEMENT; or (ii) any act or omission of LACMTA or its officers, agents, employees, contractors or subcontractors in the use of CITY'S STP-L Funds.

12. This AGREEMENT may be amended or modified only by mutual written consent of LACMTA and CITY.

13. Any correspondence, communication, or contact concerning this AGREEMENT shall be directed to the following:

CITY OF HERMOSA BEACH

Tom Bakaly, City Manager  
1315 Valley Drive  
Hermosa Beach, CA 90254

LACMTA:

Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza  
Los Angeles, California 90012  
Attn: David Yale

14. This AGREEMENT shall be interpreted and governed by the laws of the State of California.

15. This AGREEMENT constitutes the entire understanding between the parties with respect to the subject matter herein.

/

/

/

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed by their respective officers as of the date stated below.

CITY OF HERMOSA BEACH

By: 

Name: Tom Bakaly, City Manager

Its: \_\_\_\_\_

Date: 4/23/13

LACMTA:

Los Angeles County Metropolitan Transportation Authority

By:  05/16/13  
ARTHUR T. LEAHY DATE  
Chief Executive Officer

Approved as to form:

JOHN F. KRATTLI  
County Counsel

By:  DEPUTY





**Metro**

# AGREEMENT ROUTING FORM

## FUNDING AGREEMENT INFORMATION

<b>Agreement Number</b> <i>(Type Over)</i>	<b>Agreement Type</b> <i>(Select List)</i>	<b>Amendment Number</b> <i>(Select List)</i>
MOU.STPLEXHBII	Exchange Agreement (EA)	
<b>Funding Agreement Summary:</b> <i>(Type purpose of agreement/amendment request.)</i>		
Exchange Agreement and assignment of Federal Surface Transportation program-Local Funds (STP-L)		

## PROJECT INFORMATION

<b>CFP/ID</b>	<b>Funding Total</b>	<b>Funding Type(s)</b>	<b>Date</b>
N/A	\$ 235,178	STPL	5/1/13
<b>Project #</b>	<b>Task #</b>	<b>Cost Center #</b>	<b>Fund Segment #</b>
405525	01	0441	3563
<b>Project Title</b>			
STP-L Exchange			
<b>Project Sponsor/Grantee</b>			
City of Hermosa Beach			
<b>Programmed Years/Funding</b> <i>(Select appropriate Fiscal Year period using each Drop-down list.)</i>			
<b>FY Prior</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
\$	\$	\$	\$
			\$ 235,178
			\$

## PROJECT MANAGEMENT

<b>Project Manager (PM)</b>	<b>PM Signature</b>	<b>Extension</b>	<b>Initial Date</b>	<b>Final Date</b>
Maria I Lopez		23803		5/1/13
<b>Director/DEO</b> <i>(Select List)</i>	<b>Director Signature</b>	<b>Extension</b>	<b>Initial Date</b>	<b>Final Date</b>
David Yale		22469		
<b>RCD Manager</b>	<b>RCD Manager Signature</b>	<b>Extension</b>	<b>Initial Date</b>	<b>Final Date</b>
Mona Jones / Shirley Glover		23085 / 27348	5/1/2013	
<b>Comments:</b>	The City of Hermosa Beach has agreed to exchange \$239,978 of Federal STP-L for \$235,178 of STPL-LTF.			

## ROUTING

### APPROVAL SEQUENCE

- (1) Executive Officer Review/Approval *(Select List)*
- (2) Countywide Planning Review/Approval  
Renee Berlin, Executive Director
- (3) Regional Programming Review/Approval  
David Yale, Executive Officer  
*(over \$7M and Caltrans)*
- (4) Legal Approval to Form  
Joyce Chang, County Counsel  
*(for John F. Krattli, County Counsel)*
- (5) Regional Capital Development Review/Execution  
Frank Flores, Executive Officer  
*(for Arthur T. Leahy, CEO)*

### INITIAL REVIEW/APPROVAL

INITIALS	DATE
	5/7/13
5/1/13	JVC

### FINAL AGREEMENT EXECUTION

INITIALS	DATE
	5/15/13
	5-16-13

Execute Instructions: Transportation Development and Implementation (TDI) will prepare form and forward to Regional Capital Development (RCD) with agreement & attachments; RCD will forward to Mona Jones (2-3085) or Shirley Glover (2-7348).

For Caltrans agreements, please provide five [5] originals for execution. For all other Agreements, Metro requires three [3] original documents: 1) TDI, 2) Project Sponsors & 3) RCD distribution. Please provide supporting & authorizing documents with this form: (A) Board Report or Change Authorizing Document (B) Budget, (C) Original Agreement and (D) [ALL] subsequent amendments.

Return to Linda Tam: Mail Stop 99-23-3, Ext 22407

			FIS:
--	--	--	------



LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION AUTHORITY  
AUTOMATED CLEARING HOUSE (ACH) PAYMENT  
AUTHORIZATION

**SECTION I: *Supplier Information***

Supplier Number:

Company Name: City of Hermosa Beach

Payment Address: 1315 Valley Drive

City: Hermosa Beach

State: CA

Zip Code: 90254

Contact Name: Maria Ghassemi

Contact  
Phone Number: 310-318-0315

Email Address: mghassemi@hermosabch.org

**SECTION II: *Banking Information***

Tax ID: 95-6000720

Bank Name (Required): Bank of America

Account Name: City of Hermosa Beach

Account Type (Required): ☒ Checking ☐ Savings

Account Number (Required): 00638-80200

Routing Number (Required): 121000358

**SECTION III: *Authorization***

Print Name of Authorized Person: Viki Copeland

Print Title: Finance Director

Phone Number: 310-318-0225

  
Signature of Authorized Person:

Date: 4/24/13

**SECTION IV: *Approval - Metro Use Only***

Approved by:

Date:

Entered by:

Date: