

PROGRAM SUPPLEMENT NO. F050 Rev. 1
to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR FEDERAL-AID PROJECTS NO 08-5058F15

Adv. Project ID
0812000280

Date: June 03, 2025
Location: 08-RIV-0-RIV
Project Number: CML-5058(081)
E.A. Number: 08-0G0454
Locode: 5058

This Program Supplement hereby adopts and incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on 04/07/2017 and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. approved by the Administering Agency on (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by the State of any funds derived from sources noted below obligated to this PROJECT, the Administering Agency accepts and will comply with the special covenants or remarks set forth on the following pages.

PROJECT LOCATION: On Third Street from Vine Street to Park Avenue.

TYPE OF WORK: Construct a railroad underpass at the existing at-grade crossing of Third Street and the railroad. **LENGTH:** 0.1(MILES)

Estimated Cost	Federal Funds	Matching Funds		
	Z40E \$18,000,000.00	LOCAL	STATE \$5,000,000.00	OTHER
\$28,000,000.00		\$5,000,000.00		\$0.00

CITY OF RIVERSIDE

STATE OF CALIFORNIA
Department of Transportation

By _____

By _____

Title _____

Chief, Office of Project Management Oversight
Division of Local Assistance

Date _____

Attest _____

Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer Mekbib Woldegebriel
CERTIFIED AS TO FUNDS AVAILABILITY:

Date 07/07/2025

\$23,000,000.00

BY: [Signature]
ASSISTANT CHIEF FINANCIAL OFFICER

APPROVED AS TO FORM
BY: [Signature]
Deputy City Attorney

SPECIAL COVENANTS OR REMARKS

1.
 - A. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.
 - B. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).
 - C. STATE and ADMINISTERING AGENCY agree that any additional funds which might be made available by future Federal obligations will be encumbered on this PROJECT by use of a STATE-approved "Authorization to Proceed" and Finance Letter. ADMINISTERING AGENCY agrees that Federal funds available for reimbursement will be limited to the amounts obligated by the Federal Highway Administration.
 - D. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

Failure to do so will cause a delay in the State processing invoices for the construction phase. Attention is directed to Section 15.6 "Award Package" of the Local Assistance Procedures Manual.

E. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumbrances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

SPECIAL COVENANTS OR REMARKS

F. Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

G. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

H. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Exclusion List. Exclusions can be found at www.sam.gov.

SPECIAL COVENANTS OR REMARKS

2.
 - A. ADMINISTERING AGENCY shall conform to all State statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 Code of Federal Regulation (CFR) and 2 CFR Part 200 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.
 - B. Invoices shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.
 - C. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.
 - D. Indirect Cost Allocation Plan/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.
 - E. STATE will withhold the greater of either two (2) percent of the total of all federal funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.
 - F. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.

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G. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

H. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree, that Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items.

I. Every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

J. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, 23 CFR, 48 CFR, Chapter 1, Part 31, and other applicable STATE and FEDERAL regulations, are subject to repayment by ADMINISTERING AGENCY to STATE.

K. STATE reserves the right to conduct technical and financial audits of PROJECT WORK and records and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by the following paragraph:

ADMINISTERING AGENCY, ADMINISTERING AGENCY'S contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT, and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.

L. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management system

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of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices set to or paid by STATE.

M. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends \$750,000 or more in Federal Funds in a single fiscal year of the Catalogue of Federal Domestic Assistance.

N. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with 2 CFR, Part 200.

O. ADMINISTERING AGENCY shall not award a non-A&E contract over \$5,000, construction contracts over \$10,000, or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

P. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain provisions B, C, F, H, I, K, and L under Section 2 of this agreement.

3. Appendix E of the Title VI Assurances (US DOT Order 1050.2A)

During the performance of this agreement, the ADMINISTERING AGENCY, ADMINISTERING AGENCY'S contractors and subcontractor, (hereinafter referred to as the "contractor") agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

Pertinent Nondiscrimination Authorities:

A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.

B. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

C. Federal-Aid Highway Act of 1973, (23 U.S.C. 324 et seq.), (prohibits discrimination on the basis of sex);

D. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 794 et seq.), as

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amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;

E. The Age Discrimination Act of 1975, as amended, (42 U.S.C. 6101 et seq.), (prohibits discrimination on the basis of age);

F. Airport and Airway Improvement Act of 1982, (49 U.S.C. 4 71, Section 4 7123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

G. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, subrecipients and contractors, whether such programs or activities are Federally funded or not);

H. Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;

I. The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

J. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

K. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

4. A. This PROJECT is programmed to receive STATE funds from Section 190 Grade Separations Program (SEC190GS). The ADMINISTERING AGENCY agrees to administer the PROJECT in accordance with the State SEC190GS Program Guidelines and amendments, the Local Assistance Procedures Manual (LAPM), the Local Assistance Program Guidelines (LAPG), this PROGRAM SUPPLEMENT, and the attached PROJECT specific SEC190GS Grant Agreement.
- B. This PROGRAM SUPPLEMENT also serves as ADDENDUM to any prior MASTER AGREEMENT with the ADMINISTERING AGENCY but only with regard to this PROJECT.
- C. ADDENDUM is defined a post-contract attachment that modifies, alters, or totally changes some of the terms of a previously established contract. Typically, this adds something new to a preexisting document. Once all parties named in a contract agree to an addendum, it becomes a part of the new contract. An

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amendment, on the other hand, is a change to the original contract that alters some of its original clauses or sections.

D. ADMINISTERING AGENCY and CALTRANS hereby agree that any references to California Transportation Commission (CTC) in the MASTER AGREEMENT are hereby deemed to be a reference to California Public Utilities Commission (CPUC) as appropriate for purpose of this PROJECT, and that CPUC and CTC may have delegated certain actions within MASTER AGREEMENTS to CALTRANS.

E. Funding may be provided under one or more components. Components are defined here as Environmental & Permits (E&P), Plans, Specifications and Estimate (PS&E), Right-of-Way (R/W) and Construction (CON) phases of a project. Prior component(s) must be certified completed, and any required documents must be provided before funds for subsequent component(s) could be allocated. Funds may be moved between components as necessary.

F. This PROGRAM SUPPLEMENT, a STATE- approved Allocation Letter and a STATE- approved Finance Letter are prepared to allow reimbursement of eligible PROJECT expenditures for the allocated component(s). Unless otherwise determined, the effective date of the component specific allocation will constitute the start of reimbursable expenditures for the component(s).

G. STATE and ADMINISTERING AGENCY agree that any additional funds made available by future allocations will be encumbered on this PROJECT by use of a STATE-approved Allocation Letter and a STATE-approved Finance Letter. ADMINISTERING AGENCY agrees that STATE funds available for reimbursement will be limited to the amount allocated by the STATE.

H. Upon ADMINISTERING AGENCY request, the CPUC and/or STATE may approve supplementary allocations, time extensions, and fund transfers between components. Approved supplementary allocations, time extensions, and fund transfers between components made after the execution of this PROGRAM SUPPLEMENT will be documented and considered subject to the terms and conditions thereof. Documentation will consist of a STATE-approved Allocation Letter, Finance Letter, Fund Transfer Letter, and Time Extension Letter, as appropriate.

I. This PROJECT is subject to the timely use of funds provisions enacted by the SEC190GS Statutes and CPUC Guidelines, as adopted or amended, and approved by CPUC and State procedures.

J. Funds allocated for the component(s) are available for expenditure until STATE funds disbursement deadline provided in the attached PROJECT specific SEC190GS Grant Agreement.

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K. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer immediately after project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract. Failure to do so will cause a delay in the State processing of invoices for the construction phase.

L. ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within 180 days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current LAPM provisions.

M. ADMINISTERING AGENCY agrees to comply with the requirements in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (applicable to Federal and State Funded Projects).

N. The costs attributable to Project are limited to those described in the attached PROJECT specific SEC190GS Grant Agreement. All additives, overhead, or administrative costs other than those mentioned in the attached SEC190GS Grant Agreement are excluded from the determination of the cost of Project.

O. ADMINISTERING AGENCY agrees, and will assure, that every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

P. ADMINISTERING AGENCY agrees and will assure that its contractors and subcontractors will be obligated to agree, that Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., and all applicable Federal and State laws and regulations, shall be used to determine the allowability of individual PROJECT cost items.

Q. Any Fund expenditures for costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, or 48 CFR, Chapter 1, Part 3, are subject to repayment by ADMINISTERING AGENCY to STATE. Should ADMINISTERING AGENCY fail to reimburse Funds due STATE within 30 days of demand, or within such other period as may be agreed in writing between the Parties hereto, STATE is authorized to intercept and withhold future payments due ADMINISTERING AGENCY from STATE or any third-party source, including, but not limited to, the State Treasurer, the State Controller, and the California Transportation Commission.

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R. Payments to ADMINISTERING AGENCY will be released by STATE as reimbursements of actual allowable PROJECT costs already incurred and paid for by ADMINISTERING AGENCY.

S. By executing this PROGRAM SUPPLEMENT, ADMINISTERING AGENCY agrees to provide the STATE, upon request, with the information related to the PROJECT for the purpose of project evaluation or other purposes, and comply with all reporting requirements in accordance with the SEC190GS guidelines, as adopted or amended.

T. The ADMINISTERING AGENCY shall construct the PROJECT in accordance with the scope of work presented in the approved application, or any amendments approved by the CPUC. Any changes to the approved PROJECT scope without the prior expressed approval of the CPUC are ineligible for reimbursement and may result in the entire PROJECT becoming ineligible for reimbursement.

Attachments: PROJECT specific Section 190 Grade Separation Grant Agreement

SECTION 190 GRADE SEPARATION PROGRAM GRANT AGREEMENT

City of Riverside
Third Street Grade Separation
Priority List 2024-2025, Rank No.3
Grade Separation#-6143
Federal/State Project Number:STPL-5058(081)
Advantage Project ID: 812000280

I hereby certify upon my own personal knowledge that budgeted funds are available for this encumbrance:

BY: Diane Bystrom DATE: 7/1/2025
NAME: Diane Bystrom
DLA Accounting Officer

2023-2024 \$5,000,000 - Last Invoice by April 1, 2029

Chapter	Statutes	Item	Fiscal Year	Program Code	Category	Fund Source
12	2023	2660.102.0042	2023-24	20.30.010.400	21800	SHA

AGREEMENT

This AGREEMENT made and entered into this **30th** day of **July 2025**, or upon approval by and between the STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION, hereinafter referred to as "STATE", and the **City of Riverside (CITY)**, hereinafter referred to as "ADMINISTERING AGENCY", a political subdivision of the State of California, **whichever is later.**

WITNESSETH

WHEREAS, pursuant to the provisions of Section 2452 et seq of the Streets and Highways Code, the Public Utilities Commission of the State of California, by **Decision Establishing Priority List for Fiscal Year 2024-2025 as part of Investigation I.21-06-018**, established a Priority List of Grade Separation Projects for the Fiscal Year of **2024-2025**; and

WHEREAS, said Priority List includes a project proposed by the ADMINISTERING AGENCY to construct an **underpass** at **Third Street**, to carry the roadway **under** the

tracks of **BNSF RAILWAY COMPANY (BNSF)**, hereinafter referred to as "Project", as shown on Exhibit "A" Site Map, attached hereto and application was made for an allocation of **\$5,000,000;**

WHEREAS, by decision No. **XREQ 20250300001**, dated **March 24, 2025**, the Public Utilities Commission authorized ADMINISTERING AGENCY to construct a crossing at separated grade identified as **CPUC Crossing Number 002B-9.50 and DOT Number 026480N**, whereby **Third Street, between Vine Street and Park Avenue**, will pass under the tracks of the **BNSF**, hereinafter referred to as "Railroad";

WHEREAS, on **March 18, 2025**, ADMINISTERING AGENCY and Railroad entered into an agreement for the construction and maintenance of said Project, and wherein Railroad has agreed to contribute a portion of the cost of Project as required by law;

WHEREAS, ADMINISTERING AGENCY has herein certified to the STATE that sufficient ADMINISTERING AGENCY funds are available to finance its share of Project cost, and that all matters prerequisite to the awarding of the construction contract can be accomplished within two years after the allocation of the funds for the project;

WHEREAS, the California Transportation Commission, by Resolution No. M-136, has authorized the Department of Transportation to allocate funds from the Grade Separation Fund to local agencies in accordance with the applicable annual priority list as established by the Public Utilities Commission;

WHEREAS, an agreement is to be entered between ADMINISTERING AGENCY and STATE to provide reimbursement to ADMINISTERING AGENCY in a sum not to exceed **\$5,000,000**, provided, however, ADMINISTERING AGENCY establishes to the satisfaction of STATE that all sums expended by ADMINISTERING AGENCY for Project are reasonable and a necessary part of Project;

NOW THEREFORE, in consideration of the premises and mutual undertakings of the parties hereto, as hereinafter set forth, STATE and ADMINISTERING AGENCY agree as follows:

1. ADMINISTERING AGENCY hereby certifies it has sufficient ADMINISTERING AGENCY funds available to finance its share of Project cost.
2. ADMINISTERING AGENCY in cooperation with Railroad, will undertake Project, which consists of acquisition and clearing of necessary rights of way, preliminary and construction engineering, work by Railroad forces, and construction of Project.
3. The costs attributable to Project are limited to the following depending on the allocated component(s):
 - (a) Right of Way: The cost of right of way shall include condemnation attorney fees, escrow fee, other necessary acquisition costs, the actual payment to property owners for right of way obtained, the right of way agent's time plus travel expenses not to exceed the amounts set forth in the Department's travel guidelines available at <https://accounting.onramp.dot.ca.gov/caltrans-travel-guide> and normal payroll additives, the cost of clearing the right of way including utility relocation to the extent required by law and all relocation assistance benefit payments for the participating parcel as required by law, less the value of excess land obtained in such transactions.
 - (b) Engineering: The cost of engineering shall include the actual time of engineers and designers plus travel expense not to exceed the amounts set forth in the Department's travel guidelines available at <https://accounting.onramp.dot.ca.gov/caltrans-travel-guide> and normal payroll additives.
 - (c) Construction: The cost of construction shall include the amounts actually paid to the contractor(s) and the amounts directly expended for field supervision and inspection, normal payroll additives, laboratory tests, and work by Railroad forces.
 - (d) Direct incidental costs: Direct incidental costs shall be limited to the cost of advertising for bids.All additives, overhead, or administrative costs other than those mentioned above are excluded from the determination of the cost of Project.
4. As promptly as possible, and in any event **not more than two years** after the allocation by the Director of Transportation, **CITY** shall award a contract for construction of Project pursuant to the laws governing **CITY** in the advertising and

award of public construction contracts, and in conformance with plans and specifications prepared by or on behalf of **CITY** in accordance with the California Department of Transportation "Bridge Design Specifications for Overhead and Under Crossings Structures". Each plan sheet shall be signed and stamped by the responsible design engineer who shall be registered in the State California. Construction shall be under the control of **CITY**.

5. Within 60 days after award of contract by **CITY** for construction of Project and upon being furnished with a copy of the executed contract and the plans and specifications, and an itemized statement from **CITY** showing expenditures actually and necessarily made by **CITY** prior to award of contract for engineering, right of way and utility relocation directly connected with Project, State will reimburse **CITY** for up to **\$5,000,000**, or a portion of said expenditures by the ratio of State's estimated share of the total Project cost to such Project cost, whichever is less.
6. Thereafter, as the work progresses, once funds have been made available by the Legislature, and the California Transportation Commission, then been added to this Agreement by amendment, upon being furnished with copies of the contractor's progress estimates as certified by a Civil Engineer registered in the State of California on behalf of **CITY** that the costs are true and correct, or other proof satisfactory to State as to amounts actually paid the contractor and necessarily expended directly for field supervision and inspection as certified by a Civil Engineer registered in the State of California on behalf of **CITY**, State will reimburse **CITY** up to the total amount allocated for Project by the State for a portion of the amount of said payments to the contractor, and the amounts expended by **CITY** directly for field supervision and inspection, equal to the product obtained by multiplying said expenditures by the ratio of State's estimated share of the total Project cost to such total Project cost **or \$5,000,000** whichever is less.
7. Within 180 days after completion of the work and acceptance thereof by **CITY**, a Final Report of Expenditures including a detailed statement of the direct cost of Project and a final invoice will be prepared by **CITY** and furnished to State, whereupon a final accounting will be made based on the direct cost of the work to

CITY, using the definition of cost herein provided in Section 3. State's share of said cost will be equal to 80 percent of the direct cost of State's participating portion of Project, up to a **total not to exceed \$5,000,000**. If upon final accounting it is determined that State paid more than its share of Project cost, computed in said manner, **CITY** will refund to State the difference between State's share of the participating portion of Project cost, and the amount paid by State.

8. All books, papers, records, and accounts of the parties hereto, and the contractors and subcontractors, insofar as they relate to the items of expenses for labor and material or are in any way connected with the work herein contemplated, shall at all reasonable times be open to inspection and audit by the agents and the authorized representatives of the parties hereto, and the records relating thereto shall be retained by the parties and the contractors for a minimum of three years from the date that the final payment is made.
9. The portion of the total project which is the participating project for determination of State's share of the cost of Project is shown on Exhibit "B", attached hereto and made part hereof.
10. Any obligation by State for payment of moneys contained herein is subject to and contingent upon the **CITY** establishing to the satisfaction of State that all sums expended by **CITY** for Project, for which **CITY** requests partial reimbursement from State, are reasonable and are a necessary part of Project.
11. Disbursements of State funds to **CITY**, which are encumbered to pay for State's share of the participating portion of Project, must be made prior to June 30, 2029 for **\$5,000,000** otherwise the undisbursed balance shall revert to and become part of the fund from which the appropriation was made. If the **CITY** does not bill in a timely fashion, funds from a particular budget year may no longer be available in which case the State will not replace reverted funds from other sources of any kind.
12. Any progress payments made by State pursuant to Sections 6 and 7 herein are not an admission by State that such expenditures were reasonable and a necessary part of the project, and if State finds in final accounting that such expenditures were

not reasonable and a necessary part of the project, **CITY** will reimburse State for such advance funds.

13. An original invoice, including supporting documentation and invoice summary shall be submitted to State. Invoices should be submitted in accordance with the Local Assistance Procedures Manual found at <https://dot.ca.gov/programs/local-assistance/guidelines-and-procedures/local-assistance-procedures-manual-lapm>
14. All invoices for payment must be submitted to the appropriate Caltrans District Local Assistance Engineer (DLAE).
15. All invoices and all written correspondence from **CITY** to State shall reference the State Project Number and Advantage Project IDs provided in this Agreement, and the name of the street crossing at separated grade (**Third Street, between Vine Street and Park Avenue**).
16. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. Any changes to the terms of this Agreement must be set forth in a formal Agreement amendment.

This Agreement will expire on July 30, 2028.

Attachments:

- Exhibit A - Scope of Work and Site Map
- Exhibit B - Project Budget and Finance Plan
- Exhibit C - Schedule

EXHIBIT A: Scope of Work and Site Map,
EXHIBIT B: Project Cost Estimate and Finance Plan
EXHIBIT C: Schedule

EXHIBIT A: Scope of Work and Site Map:

The City of Riverside, within the County of Riverside, proposes to construct a railroad grade separation at Third Street and the BNSF railroad tracks. Third Street will be lowered from about Vine Street to Park Avenue and a bridge will be constructed to convey rail traffic. The project will require the realignment of Commerce Street, construction of slopes, retaining walls, storm water pump station, and relocation of wet and dry utilities. The purpose of the project is to eliminate the at-grade railroad crossing on Third Street. The project is needed to eliminate the interface between vehicle, pedestrian, and railroad infrastructure which would result in enhanced safety and eliminate delay due to the railroad crossing along Third Street. Additional right of way will be required for this project.

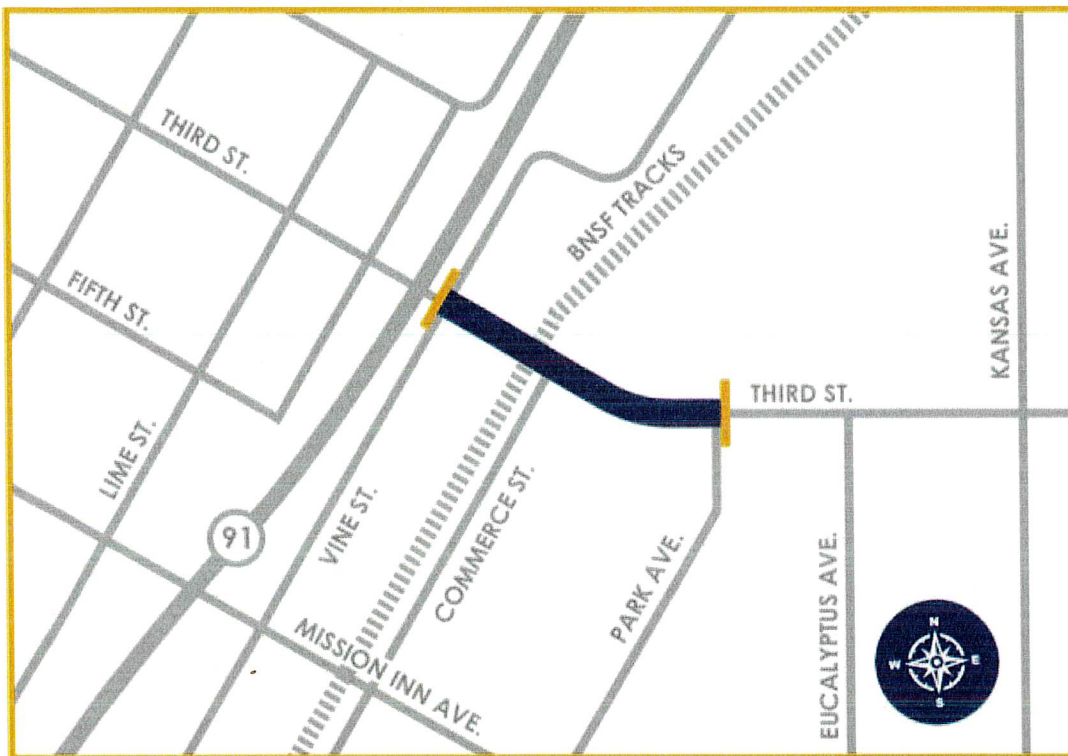


EXHIBIT B: Project Cost Estimate and Finance Plan:

Cost Estimate of Grade Separation (Theoretical)	\$75,009,647.86
Railroad Contribution (5%)	\$3,750,482.39
Total Project Cost Estimate	\$93,551,186.16

Milestones	Approved Project Funding	PFIP	PFIP HPGS/SHA TIRCP Cycle 6 SoCal	Section 190 GS	Other State	Federal	Local & Private	Allocated (Yes/No)
PA&ED	\$1,500		\$0	\$0		\$0	\$1,500	Yes
PS&E	\$2,500		\$0	\$0		\$0	\$2,500	Yes
RW Support	\$0		\$0	\$0		\$0	\$0	
Con Support	\$0		\$0	\$0		\$0	\$0	
RW Capital	\$23,000		\$0	\$0		\$18,000	\$5,000	Yes
Con Capital	\$66,500		\$22,000	\$5,000		\$18,000	\$21,500	Yes
Total	\$93,500	\$0	\$22,000	\$5,000	\$0	\$36,000	\$30,500	

EXHIBIT C: Project Schedule:

Project Milestones	Existing	Proposed
Project Study Report Approved		
Begin Environmental (PA&ED) Phase		01/22/18
Circulate Draft Environmental Document	Document Type	
Draft Project Report		05/27/20
End Environmental Phase (PA&ED Milestone)		05/15/24
Begin Design (PS&E) Phase		05/15/22
End Design Phase (Ready to List for Advertisement Milestone)		12/31/24
Begin Right of Way Phase		12/31/23
End Right of Way Phase (Right of Way Certification Milestone)		12/31/25
Begin Construction Phase (Contract Award Milestone)		06/30/26
End Construction Phase (Construction Contract Acceptance Milestone)		12/31/28
Completion Report		01/01/29
Begin Closeout Phase		01/01/29
End Project (End All Project Expenditures)		07/01/29
Final Delivery Report		01/01/30
End Closeout Phase		01/01/30