

PROJECT FUNDING AGREEMENT NO. 25-1003288

FOR

RIVER STREET WIDENING PROJECT

(CITY OF NEEDLES)

THIS Project Funding Agreement (“AGREEMENT”) is made and entered into by and between the City of Needles ("CITY") and the San Bernardino County Transportation Authority ("SBCTA"). SBCTA and CITY are each a “Party” and collectively “Parties.”

RECITALS

- A. The Measure I 2010-2040 Expenditure Plan and the Colorado River Subarea transportation planning partners have identified projects eligible for funding from Measure I 2010-2040 Colorado River Subarea Major Local Highway Projects Program ("MLHP") funds; and
- B. The River Street Widening Project (“PROJECT”) is one of the projects identified as eligible for such funding and is described more fully in Attachment A; and
- C. The proposed PROJECT will consist of roadway widening of River Street from BNSF to River Road; and
- D. CITY identified a need of \$13,500 in Measure I 2010-2040 Colorado River Subarea MLHP funds to complete the Project Approval & Environmental Documentation (PA&ED) Phase of the PROJECT; and
- E. PROJECT WORK is defined as the PA&ED Phase; and
- F. This AGREEMENT is to be carried out in accordance with the policies in the Measure I 2010-2040 Strategic Plan as adopted by SBCTA; and
- G. CITY desires to proceed with the PROJECT WORK in a timely manner; and
- H. This AGREEMENT is intended to delineate the duties and funding responsibilities of the Parties for the PROJECT WORK.

NOW, THEREFORE, the Parties agree to the following:

SECTION I

SBCTA AGREES:

1. To reimburse CITY for the actual cost of the PROJECT WORK up to a maximum of \$13,500 in Measure I 2010-2040 Colorado River Subarea MLHP funds. An estimate of costs for the PROJECT WORK is provided in Attachment B. SBCTA shall have no further

responsibilities to provide any funding for PROJECT WORK exceeding this amount without an amendment to this AGREEMENT.

2. To reimburse CITY within 30 days after CITY submits an electronic copy of the signed invoices in the proper form covering those actual allowable PROJECT WORK expenditures that were incurred by CITY up to a maximum amount identified in Section I, Paragraph 1 of this AGREEMENT, consistent with the invoicing requirements of the Measure I 2010-2040 Strategic Plan, including backup information. Invoices may be submitted to SBCTA as frequently as monthly.
3. When conducting an audit of the costs claimed under the provisions of this AGREEMENT, to rely to the maximum extent possible on any prior audit of CITY performed pursuant to the provisions of State and Federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SBCTA when planning and conducting additional audits.
4. To assign a project liaison for the purpose of attending Project Development Team (PDT) meetings.

SECTION II

CITY AGREES:

1. To be the lead agency for PROJECT WORK and to diligently undertake and complete in a timely manner the Scope of Work for the PROJECT WORK as shown in Attachment A.
2. To be responsible for expending that portion of allocated MLHP funds on eligible PROJECT WORK expenses in an amount not to exceed \$13,500 in Measure I 2010-2040 Colorado River Subarea MLHP funds unless AGREEMENT is amended and approved increasing PROJECT WORK costs. Reimbursement by SBCTA shall be in accordance with Section I, Paragraph 2. Additionally, expenses relative to time spent on the PROJECT WORK by CITY staff are considered eligible PROJECT expenses and may be charged to the PROJECT, subject to SBCTA's guidelines.
3. To secure all necessary State and Federal authorizations that are required before releasing an invitation for bids for the Construction Phase of PROJECT.
4. To abide by all applicable SBCTA, CITY, State and Federal laws, regulations, policies and procedures pertaining to the PROJECT WORK.
5. To prepare and submit to SBCTA an electronic copy of signed invoices for reimbursement of eligible PROJECT WORK expenses. Invoices may be submitted to SBCTA as frequently as monthly.
6. To maintain all source documents, books and records connected with its performance under this AGREEMENT for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SBCTA or until audit resolution is achieved, whichever is later, and to make all such supporting information available for inspection and audit by

representatives of SBCTA during normal business hours at CITY Hall. Copies will be made and furnished by CITY upon written request by SBCTA.

7. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support CITY's requests for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT WORK elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, indirect cost allocation, and other allowable expenditures by CITY.
8. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT WORK costs expended for those activities described in the work activities, and to submit that Final Report of Expenditures and final invoice no later than one hundred twenty (120) days following the completion of those expenditures funded under this AGREEMENT. The Final Report of Expenditures shall be submitted to SBCTA and must state that these PROJECT WORK funds were used in conformance with this AGREEMENT and for those PROJECT WORK-specific work activities described.
9. To cooperate in having a PROJECT-specific audit completed by SBCTA, at SBCTA's option and expense, upon completion of the PROJECT WORK. The audit must state that all funds expended on the PROJECT WORK were used in conformance with this AGREEMENT.
10. To repay to SBCTA any reimbursement for Measure I costs that are determined by subsequent audit to be unallowable within one hundred twenty (120) days of CITY receiving notice of audit findings, which time shall include an opportunity for CITY to respond to and/or resolve the findings. Should the findings not be otherwise resolved and CITY fail to reimburse moneys due SBCTA within one hundred twenty (120) days of audit findings, or within such other period as may be agreed between both Parties, SBCTA reserves the right to withhold future payments due CITY from any source under SBCTA's control.
11. To include SBCTA in Project Development Team (PDT) meetings if and when such meetings are held and in related communications on PROJECT WORK progress, to provide at least quarterly schedule updates to SBCTA, and to consult with SBCTA on critical issues relative to the PROJECT WORK.
12. To post signs at the boundaries of the PROJECT noting that PROJECT is funded with Measure I funds. Signs shall bear the logos of SBCTA and CITY.
13. In the case that Measure I 2010-2040 Colorado River Subarea MLHP funds are used in the Construction Phase of the PROJECT, to include in all contracts between CITY and contractors for the Construction Phase the requirement that SBCTA be named as an additional insured under general liability insurance policies maintained by the contractor for the PROJECT.

SECTION III

IT IS MUTUALLY AGREED:

1. To abide by all applicable Federal, State and Local laws and regulations pertaining to the PROJECT WORK, including policies in the applicable program in the Measure I 2010-2040 Strategic Plan, as amended, as of the Effective Date of this AGREEMENT.
2. The final PROJECT WORK cost may ultimately exceed current estimates of PROJECT WORK cost. Any additional eligible costs resulting from unforeseen conditions over the estimated total of the PROJECT WORK cost shall be borne by CITY unless prior authorization has been approved by the SBCTA Board of Directors pursuant to Section III, Paragraph 3 of this AGREEMENT.
3. In the event CITY determines PROJECT WORK costs may exceed the not to exceed amount identified in Section I, Paragraph 1, CITY shall inform SBCTA of this determination and thereafter the Parties shall work together in an attempt to agree upon an amendment to the PROJECT WORK amounts identified in this AGREEMENT. In no event, however, shall SBCTA be responsible for PROJECT WORK costs in excess of the amounts identified herein absent a written amendment to this AGREEMENT that is approved and signed by both Parties.
4. Eligible PROJECT WORK reimbursements shall include only those costs incurred by CITY for PROJECT WORK-specific work activities that are described in this AGREEMENT and shall not include escalation or interest.
5. Neither SBCTA nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless SBCTA, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this AGREEMENT. CITY's indemnification obligation applies to SBCTA's "active" as well as "passive" negligence but does not apply to SBCTA's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.
6. Neither CITY nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by SBCTA under or in connection with any work, authority or jurisdiction delegated to SBCTA under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, SBCTA shall fully defend, indemnify and save harmless CITY, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by SBCTA under or in connection with any work, authority or jurisdiction delegated to SBCTA under this AGREEMENT. SBCTA's

indemnification obligation applies to CITY's "active" as well as "passive" negligence but does not apply to CITY's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

7. In the event CITY and/or SBCTA is found to be comparatively at fault for any claim, action, loss or damage which results from their respective obligations under this AGREEMENT, CITY and/or SBCTA shall indemnify the other to the extent of its comparative fault.
8. This AGREEMENT will be considered terminated upon reimbursement of all eligible costs by SBCTA or June 30, 2029, whichever is sooner, provided that the provisions of Paragraphs 6, 7, 8, 9, and 10 of Section II, and Paragraphs 5, 6 and 7 of Section III, shall survive the termination of this AGREEMENT. The AGREEMENT may also be terminated by SBCTA, in its sole discretion, in the event the PROJECT WORK described in Attachment A has not been initiated by CITY within twelve (12) months of the Effective Date of this AGREEMENT.
9. SBCTA may terminate this Agreement if CITY fails to perform according to the terms of this AGREEMENT and if this failure jeopardizes the delivery of the PROJECT WORK according to the terms herein.
10. The Recitals to this AGREEMENT are true and correct and are incorporated into this AGREEMENT.
11. Attachment A (Description of Project and Milestones) and Attachment B (Summary of Estimated Costs) are attached to and incorporated into this AGREEMENT.
12. The AGREEMENT may be signed in counterparts, each of which shall constitute an original.
13. This AGREEMENT is effective and shall be dated on the date executed by SBCTA ("Effective Date").

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

**SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY**

CITY OF NEEDLES

By: _____
Ray Marquez, President
Board of Directors

By: _____
Patrick Martinez
City Manager

Date: _____

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Julianna K. Tillquist
SBCTA General Counsel

By: _____
John O. Pinkney, SBEMP
City Attorney

Date: _____

Date: _____

ATTEST:

By: _____
Candace Clark
Interim City Clerk

Date: _____

ATTACHMENT A

RIVER STREET WIDENING PROJECT Description of Project and Milestones

Project Title	
River Street Widening Project	
Location, Project Limits, Description, Scope of Work, Legislative Description	
River Street from BNSF to River Road: pulverize and pave 4" Asphalt w/widening 1' to 2' for fire access requirements.	
Project Milestone	Proposed
Project Study Report Approved	7/1/2025
Begin Environmental (PA&ED) Phase	7/1/2025
Circulate Draft Environmental Document	10/1/2025
Draft Project Report	12/1/2025
End Environmental Phase (PA&ED Milestone)	7/1/2026
Begin Design (PS&E) Phase	7/1/2026
End Design Phase (Ready to List for Advertisement Milestone)	7/1/2027
Begin Right-of-Way Phase	N/A
End Right-of-Way Phase (Right-of-Way Certification Milestone)	N/A
Begin Construction Phase (Contract Award Milestone)	7/1/2027
End Construction Phase (Construction Contract Acceptance Milestone)	7/1/2028
Begin Closeout Phase	7/1/2028
End Closeout Phase (Closeout Report)	12/31/2028

ATTACHMENT B

RIVER STREET WIDENING PROJECT Summary of Estimated Costs

Phase	Total Cost	SBCTA Funds (1)	CITY Funds
Project Approval and Environmental Documentation (PA&ED)	\$13,500	\$13,500	\$0
TOTAL	\$13,500	\$13,500	\$0

Additional Notes:

1. SBCTA's Share can be from sources under control of SBCTA including but not limited to Measure I Major Local Highways Program (MLHP), State Transportation Improvement Program (STIP), Surface Transportation Program (STP), or other funds without necessitating an amendment of this agreement.