



Los Angeles County  
Metropolitan Transportation Authority

# Metro Transmittal

<b>To</b>	Ivan Altamirano Attn: Claude McFerguson City of Commerce	<b>From</b>	Eduardo Alvarez
<b>Phone</b>	310-377-1521	<b>Email</b>	alvarezed@metro.net
		<b>Phone</b>	213-922-7348
<b>Date</b>	8/16/2016	<b>No. of pages</b>	11 (including cover)
<b>Enclosures</b>	STPL Exchange Agreement ACH Payment Form		
<input type="checkbox"/> Per your request <input checked="" type="checkbox"/> Please review <input type="checkbox"/> Please comment <input checked="" type="checkbox"/> For your approval <input type="checkbox"/> For your information			

Please review the attached STPL Exchange Agreement. Both the City Manager and the City Attorney must sign the 3 pages at the end of the agreement. Return the signed STPL Exchange Agreement in its entirety (pages 1-4 of the STPL Exchange Agreement **and** the 3 signed pages at the end of the agreement) to Eduardo Alvarez at:

Eduardo Alvarez  
One Gateway Plaza, #99-23-3  
Los Angeles, CA 90012

Complete and sign the attached Automated Clearing House (ACH) Form. Return the confidential ACH Form along with a voided check to Metro Accounts Payable at:

Metro Accounts Payable  
P.O. Box 512296  
Los Angeles, CA 90051

Contact Remy Maranan at 213-922-6812 or at marananr@metro.net if you have any questions regarding the Automated Clearing House (ACH) form.

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 August 1, 2016, by and between the City of Commerce ("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 ("STP-L Funds").
- B. CITY desires to exchange \$352,704.56 of CITY's STP-L Funds for a like amount of LACMTA Local Transportation Funds ("LACMTA Funds").
- C. LACMTA is willing to exchange \$352,704.56 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 \$352,704.56 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 CITY's STP-L Funds as provided in paragraph 1 above, LACMTA shall pay CITY \$345,650.47 of LACMTA Funds which includes the deduction for the processing fee described in paragraph 5 below. For purposes of this AGREEMENT, CITY's "STP-L Fund Balance" shall mean the amount of funds contained in CITY's STP-L Fund account as of the date that this AGREEMENT is fully executed

plus CITY's FY16 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. CITY must complete an Automated Clearing House (ACH) form as provided in Exhibit A to allow LACMTA to make disbursements electronically. Disbursements via ACH will be made at no cost to CITY. If electronic disbursements are not the preferred method of disbursement, CITY may request an exception in writing.

5. CITY shall pay LACMTA a two-percent (2%) processing and administrative fee ("the 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. 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 Lapsing Date. For the purposes of this AGREEMENT, "the Lapsing Date" shall mean the date that is five (5) years from the date that this AGREEMENT is fully executed. Any LACMTA Funds not expended by the Lapsing Date shall lapse and be returned to LACMTA within thirty (30) days of the Lapsing Date for further programming to third parties as LACMTA determines in its sole discretion.

- A. For the purposes of this AGREEMENT, the term "STP-L-Eligible Project" shall mean any transportation capital improvement that would normally qualify for the STP-L program, provided however, that any applicable federal regulations and standards related to procurement and other project delivery issues may be substituted with applicable state and local regulations, standards, and policies.
- B. The term "expend" as used in Section 6 shall mean "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 to be in default and agrees that such outstanding payments shall be paid from CITY funds in the following priority: first, from any of CITY's unobligated STP-L balance funds, then from CITY's Proposition A local return funds, then from CITY's Proposition C local return funds, and then from CITY's 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 CITY, CITY hereby authorizes LACMTA to withhold the applicable STP-L 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 must use the LACMTA Funds in the most cost-effective manner. If CITY intends to use a consultant or contractor to implement all or part of the STP-L-Eligible Project, LACMTA requires that such activities be procured in accordance with CITY's contracting procedures and be consistent with State law as appropriate. CITY will also use the LACMTA

Funds in the most cost-effective manner when the LACMTA Funds are used to pay "in-house" staff time. CITY staff or consultants with project oversight roles may not award work to companies in which they have a financial or personal interest. This effective use of funds provision will be verified by LACMTA through on-going project monitoring and through 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, as deemed appropriate, such as financial and compliance audits; interim audits; pre-award audits, performance audits, and final audits. CITY agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). 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 five years following CITY's last use of the LACMTA Funds. CITY shall reimburse LACMTA for any expenditure not in compliance with the Scope of Work and/or not in compliance with other terms and conditions of this AGREEMENT. The allowability of costs for CITY's own expenditures submitted to LACMTA for the STP-L-Eligible Project shall be in compliance with Office of Management and Budget (OMB) Circular A-87. The allowability of costs for CITY's contractors, consultants, and suppliers expenditures submitted to LACMTA through CITY's Monthly Progress Reports and Quarterly Expenditures shall be in compliance with OMB Circular A-87 or Federal Acquisition Regulation (FAR) Subpart 31 (whichever is applicable). Findings of the LACMTA audit are final. When LACMTA audit findings require CITY to return monies to LACMTA, CITY agrees to return the monies within thirty (30) days after the final audit is sent to CITY.

9. The terms of this AGREEMENT shall commence on the date that this AGREEMENT is fully executed and shall terminate once 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 COMMERCE:

Ivan Altamirano  
Mayor  
City of Commerce  
2535 Commerce Way  
Commerce, CA 90040

LACMTA:

Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza  
Los Angeles, California 90012  
Attn: William Ridder

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.

**LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION  
AUTHORITY**

**CITY OF COMMERCE**

By: \_\_\_\_\_

Phillip A. Washington  
Chief Executive Officer

By: \_\_\_\_\_

Ivan Altamirano  
Mayor

**APPROVED AS TO FORM:**

MARY C. WICKHAM  
County Counsel

By:  \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
City Attorney



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

**SECTION I: Supplier Information**

Supplier Number:

Company Name: CITY OF COMMERCE

Payment Address: 2535 COMMERCE WAY

City: COMMERCE

State: CA

Zip Code: 90040

Contact Name: VILKO DOMIC

Contact

Phone Number: 323-722-4805 EXT 2322

Email Address: VILKOD@CI.COMMERCE.CA.US

**SECTION II: Banking Information**

Tax ID: 95-6006477

Bank Name (Required): CITIZENS BUSINESS BANK

Account Name: CITY OF COMMERCE

Account Type (Required): ☒ Checking ☐ Savings

Account Number (Required): 248037881

Routing Number (Required): 122234149

**SECTION III: Authorization**

Print Name of Authorized Person: VILKO DOMIC

Print Title : DIRECTOR OF FINANCE

Phone Number: (323) 722-4805 EXT 2322

Signature of Authorized Person:

Date:

2/25/16

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

Approved by:

Date:

Entered by:

Date:

Field	Description
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