

SACRAMENTO TRANSPORTATION AUTHORITY
MEMORANDUM OF UNDERSTANDING

**MEASURE A
ON-GOING ANNUAL PROGRAMS**

This Memorandum of Understanding is made as of June 8, 2009 by and between the *Sacramento Transportation Authority*, a local transportation authority formed pursuant to the provisions of Public Utilities Code 180000 et seq., hereinafter called "Authority", and the *County of Sacramento*, hereinafter called "Entity."

THE PARTIES AGREE AS FOLLOWS:

1. Purpose. The purpose of this Memorandum of Understanding (MOU) is to provide for the allocation by the Authority of sales tax revenue for On-going Annual Programs and the expenditure thereof by Entity.
2. Definitions. Unless the context otherwise requires, as used in this MOU, the following terms shall have the following meanings:
 - a. "Act" means the Local Transportation Authority and Improvement Act set forth in the provisions of the Public Utilities Code commencing with Section 180000.
 - b. "Board" means the Governing Board of the Sacramento Transportation Authority.
 - c. "On-going Annual Programs" means the following programs established by New Measure A as defined in Attachment A to this MOU:
 - City Street and County Road Maintenance
 - Traffic Control and Safety Program
 - Safety, Streetscaping, Pedestrian and Bicycle Facilities
 - d. "Distribution Factor" means the percentage of Formula-Based program revenue to be allocated to Entity, set by the Board on an annual basis based on the Ordinance requirement that funding to the County and cities for On-going Annual Programs be distributed based 75% on relative population and 25% on total maintained street/road mileage.
 - e. "Measure A" or "New Measure A" or "Ordinance" means Sacramento Transportation Authority Ordinance No. STA 04-01.

3. Revenue Allocations. The amount of revenue allocated to Entity for each of the On-going Annual Programs shall be determined annually by the Board based on gross Measure A revenue projections, requirements of the Ordinance, and, where applicable, the Distribution Factor. Gross Measure A revenues for FY 2009-10 are estimated to be **\$92,000,000**.

In the event that STA subsequently concludes that total revenues for On-going Annual Programs in any fiscal year are likely to be less than originally estimated, STA shall give notice to Entity of the expected change. Entity will be required to adjust its annual expenditures for On-going Annual Programs accordingly.

4. Disbursements. Allocations for On-going Annual Programs shall be disbursed as funds are received from the State (currently monthly).

5. Entity Obligations.

- a. Allocations for each On-going Annual Program shall be expended by Entity only for purposes that are consistent with the Definitions of Eligible Expenditures set forth in Attachment A.
- b. Entity shall keep a separate account for each On-going Annual Program. Interest earned on unexpended funds in each account shall be retained in the account and expended only on qualified expenditures for that Program.
- c. The use and expenditure of Measure A sales tax revenue by Entity shall be in full compliance with the provisions of the Act, the Ordinance, applicable resolutions of the Board, this MOU, and all other applicable contractual and legal requirements.
- d. Entity shall file a pavement and bridge maintenance system report on a biennial basis with the Authority regarding progress in maintaining local streets and roads.
- e. Entity shall file with the Authority an annually updated five-year program for use of the funds.
- f. Entity shall establish a transportation management association (TMA) to promote the use of carpools, public transit, and alternative travel modes. Entity shall file an annual report with the Authority describing its TMA programs.

6. Entity Certifications

- a. Maintenance of Effort. Entity certifies that it is currently in compliance, and will remain in compliance throughout the term of this Contract, with the maintenance of effort requirements set forth in the Ordinance:
 - i. Entity shall not reduce the amount of its non-federal, non-state, non-Measure A transportation expenditure while receiving sales tax revenue.

- ii. Entity shall continue to impose its local (non-SCTMFP) transportation mitigation fees at rates that are not less than the local transportation mitigation fees imposed by Entity during Fiscal Year 2008-2009.
 - b. Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). Entity certifies that it is implementing the SCTMFP in accordance with STA Resolution STA-06-0006 and the SCTMFP Agreement on Operating Protocols.
7. Reporting. Entity shall submit quarterly status reports in approved STA format for each On-going Annual Program for which Entity receives funding. Reports shall include:
- Amount of funds received
 - Interest earned
 - Amount of funds expended
 - Specific listing of expenditures made, including type of expenditure, quantity of work accomplished, and location of work accomplished, if applicable
8. Audits. Annual audits of the Measure A program will be performed by an independent auditor and reviewed by the Independent Taxpayer Oversight Committee (ITOC). As part of that audit, Entity expenditures will also be audited. Expenditures found to be in noncompliance with this MOU shall be disqualified and may be withheld from future payments.
9. Designation of Measure A Manager. Entity shall designate a Measure A program manager who shall be the responsible representative of Entity to Authority staff in connection with administration of this MOU.
10. Signs. At each specific *capital* project site, Entity shall post signage stating that the project is funded with Measure A funds. The signs shall be substantially similar to those depicted in Attachment B.
11. Indemnity and Hold Harmless. Entity shall indemnify and save harmless the Sacramento Transportation Authority, its officers, employees, and agents, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, and expenses of every type and description to which any or all of them may be subjected, by reason of or resulting from, directly or indirectly, the performance of this MOU by Entity whether or not caused in part by passive negligence of a party indemnified hereunder. The foregoing shall include, but not be limited to, any attorney fees reasonably incurred by Authority.

The parties promise and agree to abide by the terms of this Memorandum of Understanding as set forth above.

SACRAMENTO TRANSPORTATION AUTHORITY

By _____

Dated: _____

COUNTY OF SACRAMENTO

By: _____
(Authorized Officer)

(Officer's Printed Name)

(Officer's Title)

Attachment A: Definitions of Eligible Expenditures

Attachment B: Public informational sign template