



MEETING AGENDA

TIME/DATE: 9:30 a.m. / Wednesday, March 11, 2020

LOCATION: BOARD ROOM
County of Riverside Administrative Center
4080 Lemon Street, First Floor, Riverside

COMMISSIONERS

Chair – Ben J. Benoit

Vice Chair – Jan Harnik

Second Vice Chair – V. Manuel Perez

Kevin Jeffries, County of Riverside, District 1
Karen Spiegel, County of Riverside, District 2
Chuck Washington, County of Riverside, District 3
V. Manuel Perez, County of Riverside, District 4
Jeff Hewitt, County of Riverside, District 5
Art Welch / Daniela Andrade, City of Banning
Lloyd White / Julio Martinez, City of Beaumont
Joseph DeConinck / Johnny Rodriguez, City of Blythe
Larry Smith / Linda Molina, City of Calimesa
Randall Bonner / Jeremy Smith, City of Canyon Lake
Raymond Gregory / Mark Carnevale, City of Cathedral City
Steven Hernandez / Megan Beaman Jacinto, City of Coachella
Wes Speake / Jim Steiner, City of Corona
Scott Matas / Russell Betts, City of Desert Hot Springs
Clint Lorimore / Todd Rigby, City of Eastvale
Linda Krupa / Russ Brown, City of Hemet
Dana Reed / Kimberly Muzik, City of Indian Wells

Waymond Fermon / Oscar Ortiz, City of Indio
Brian Berkson / Chris Barajas, City of Jurupa Valley
Kathleen Fitzpatrick / Robert Radi, City of La Quinta
Bob Magee / Natasha Johnson, City of Lake Elsinore
Bill Zimmerman / Dean Deines, City of Menifee
Yxstain Gutierrez / Carla Thornton, City of Moreno Valley
Scott Vinton / Christi White, City of Murrieta
Berwin Hanna / Ted Hoffman, City of Norco
Jan Harnik / Kathleen Kelly, City of Palm Desert
Lisa Middleton / Dennis Woods, City of Palm Springs
Michael M. Vargas / Rita Rogers, City of Perris
Ted Weill / Charles Townsend, City of Rancho Mirage
Rusty Bailey / Andy Melendrez, City of Riverside
Andrew Kotyuk / Russ Utz, City of San Jacinto
Michael S. Naggar / Maryann Edwards, City of Temecula
Ben J. Benoit / Joseph Morabito, City of Wildomar
Mike Beauchamp, Governor's Appointee Caltrans District 8

Comments are welcomed by the Commission. If you wish to provide comments to the Commission, please complete and submit a Speaker Card to the Clerk of the Board.

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

www.rctc.org

MEETING AGENDA*

****Actions may be taken on any item listed on the agenda***

9:30 a.m.

Wednesday, March 11, 2020

BOARD ROOM

**County of Riverside Administrative Center
4080 Lemon Street, First Floor, Riverside, CA**

In compliance with the Brown Act and Government Code Section 54957.5, agenda materials distributed 72 hours prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to the meeting at the Commission office, 4080 Lemon Street, Third Floor, Riverside, CA, and on the Commission's website, www.rctc.org.

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, and the Federal Transit Administration Title VI, please contact the Clerk of the Board at (951) 787-7141 if special assistance is needed to participate in a Commission meeting, including accessibility and translation services. Assistance is provided free of charge. Notification of at least 48 hours prior to the meeting time will assist staff in assuring reasonable arrangements can be made to provide assistance at the meeting.

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

- 4. PUBLIC COMMENTS** – *Each individual speaker is limited to speak three (3) continuous minutes or less. The Commission may, either at the direction of the Chair or by majority vote of the Commission, waive this three-minute time limitation. Depending on the number of items on the Agenda and the number of speakers, the Chair may, at his/her discretion, reduce the time of each speaker to two (2) continuous minutes. In addition, the maximum time for public comment for any individual item or topic is thirty (30) minutes. Also, the Commission may terminate public comments if such comments become repetitious. Speakers may not yield their time to others without the consent of the Chair. Any written documents to be distributed or presented to the Commission shall be submitted to the Clerk of the Board. This policy applies to Public Comments and comments on Agenda Items.*

Under the Brown Act, the Commission should not take action on or discuss matters raised during public comment portion of the agenda that are not listed on the agenda. Commission members may refer such matters to staff for factual information or to be placed on the subsequent agenda for consideration.

- 5. ADDITIONS / REVISIONS** – *The Commission may add an item to the Agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Commission subsequent to the posting of the agenda. An action adding an item*

to the agenda requires 2/3 vote of the Commission. If there are less than 2/3 of the Commission members present, adding an item to the agenda requires a unanimous vote. Added items will be placed for discussion at the end of the agenda.

6. APPROVAL OF MINUTES – JANUARY 8 AND 31 AND JANUARY 30-31, 2020 WORKSHOP

7. CONSENT CALENDAR – *All matters on the Consent Calendar will be approved in a single motion unless a Commissioner(s) requests separate action on specific item(s). Items pulled from the Consent Calendar will be placed for discussion at the end of the agenda.*

7A. QUARTERLY SALES TAX ANALYSIS

Page 1

Overview

This item is for the Commission to receive and file the sales tax analysis for Quarter 2, 2019.

7B. SINGLE SIGNATURE AUTHORITY REPORT

Page 10

Overview

This item is for the Commission to receive and file the Single Signature Authority report for the second quarter ended December 31, 2019.

7C. AGREEMENT WITH EIDE BAILLY FOR AUDIT SERVICES

Page 12

Overview

This item is for the Commission to:

- 1) Award Agreement No. 20-19-021-00 to Eide Bailly LLP (Eide Bailly) for audit services for a three-year term, with three one-year options to extend the agreement, for \$1,461,198, plus a contingency in the amount of \$138,802, for a total amount not to exceed \$1.6 million;
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreement, including options years, on behalf of the Commission; and
- 3) Authorize the Executive Director or designee to approve contingency work up to the total not to exceed amount as required for these audit services.

7D. FISCAL YEAR 2019/20 MID-YEAR BUDGET ADJUSTMENTS

Page 44

Overview

This item is for the Commission to approve Fiscal Year 2019/20 mid-year budget adjustments for a net increase of \$22,041,000 and \$21,506,000 in revenues and expenditures/expenses, respectively.

7E. PROPOSED POLICY GOALS AND OBJECTIVES FOR FISCAL YEAR 2020/21 BUDGET

Page 47

Overview

This item is for the Commission to:

- 1) Review and approve the proposed Commission Policy Goals and Objectives for the Fiscal Year 2020/21 Budget; and
- 2) Review and approve the Fiscal Accountability Policies for the FY 2020/21 Budget.

7F. STATE AND FEDERAL LEGISLATIVE UPDATE

Page 54

Overview

This item is for the Commission to receive and file an update on state and federal legislation.

7G. RIVERSIDE COUNTY 2020 FEDERAL TRANSPORTATION IMPROVEMENT PROGRAM FINANCIAL RESOLUTION

Page 58

Overview

This item is for the Commission to approve Resolution No. 20-002, “*Resolution of the Riverside County Transportation Commission Certifying Riverside County Has Resources to Fund Projects in the Federal Fiscal Years 2020/21 Through 2025/26 Transportation Improvement Program and Affirming Commitment to Implement All Projects in the Program*”.

7H. 91 EXPRESS LANES MONTHLY STATUS REPORTS

Page 65

Overview

This item is for the Commission to receive and file the 91 Express Lanes Monthly Reports for the six months from July to December 2019.

7I. CALTRANS MAINTENANCE AMENDMENT FOR RCTC 91 EXPRESS LANES AND 15 EXPRESS LANES

Page 66

Overview

This item is for the Commission to:

- 1) Approve Agreement No. 17-31-021-03, Amendment to No. 3 to Agreement No. 17-31-021-00, with the California Department of Transportation (Caltrans) for roadway maintenance of the RCTC 91 Express lanes and 15 Express Lanes in an amount not to exceed \$400,000 for FY 2020/21; and
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreement on behalf of the Commission.

7J. AGREEMENT WITH SELECTED CONSULTANTS FOR ON-CALL TRAFFIC AND REVENUE STUDY SERVICES

Page 76

Overview

This item is for the Commission to:

- 1) Award the following agreements to provide on-call traffic and revenue study services for a five-year term in the amount of \$3.9 million, plus a contingency amount of \$195,000, for a total amount not to exceed \$4,095,000:
 - a) Agreement No. 20-31-019-00 to C&M Associates, Inc. (C&M Associates);
 - b) Agreement No. 20-31-051-00 to CDM Smith, Inc. (CDM Smith); and
 - c) Agreement No. 20-31-052-00 to Stantec Consulting Services, Inc. (Stantec);
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreements on behalf of the Commission;
- 3) Authorize the Executive Director or designee to execute task orders awarded to the consultants under the terms of agreements; and
- 4) Authorize the Executive Director or designee to approve the use of the contingency amount as may be required for the task order services.

7K. QUARTERLY PUBLIC ENGAGEMENT METRICS REPORT, OCTOBER-DECEMBER 2019

Page 192

Overview

This item is for the Commission to receive and file the Quarterly Public Engagement Metrics Report for October – December 2019.

7L. AMENDMENT TO AGREEMENT WITH T.Y. LIN INTERNATIONAL FOR FINAL DESIGN SERVICES RELATED TO THE MID COUNTY PARKWAY INTERSTATE 215/PLACENTIA AVENUE INTERCHANGE IMPROVEMENT PROJECT AND AGREEMENT FOR CONSTRUCTION ZONE ENFORCEMENT ENHANCEMENT PROGRAM SERVICES FOR THE PROJECT

Page 198

Overview

This item is for the Commission to:

- 1) Approve Agreement No. 16-31-066-04, Amendment No. 4 to Agreement No. 16-31-066-00, with T.Y. Lin International (T.Y. Lin) to complete final design services and prepare the Interstate 215/Placentia Avenue interchange improvement (I-215/Placentia Avenue) project for advertising and award, in the amount of \$386,663, plus a contingency amount of \$38,666, for an additional amount of \$425,329, and a total amount not to exceed \$5,171,185;
- 2) Approve Agreement No. 20-31-051-00 with the California Highway Patrol (CHP) for Construction Zone Enforcement Enhancement Program (COZEEP) services in an amount not to exceed \$279,900;
- 3) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreements on behalf of the Commission; and
- 4) Authorize the Executive Director or designee to approve the use of the contingency amount as may be required for the project.

7M. AMENDMENT TO AGREEMENT FOR CALIFORNIA HIGHWAY PATROL CONSTRUCTION ZONE ENHANCEMENT ENFORCEMENT PROGRAM SERVICES DURING THE CONSTRUCTION OF THE STATE ROUTE 60 TRUCK LANES PROJECT

Page 218

Overview

This item is for the Commission to:

- 1) Approve Agreement No. 19-31-038-01, Amendment No. 1 to Agreement No. 19-31-038-00, with the California Highway Patrol (CHP) for Construction Zone Enhanced Enforcement Program (COZEEP) services during the construction of the State Route 60 Truck Lanes project (Project) in the amount of \$350,000, plus a contingency amount of \$100,000, for an additional amount of \$450,000, and a total amount not to exceed \$1,490,070;
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreement on behalf of the Commission; and
- 3) Authorize the Executive Director, or designee, to approve contingency work as may be required for the agreement.

8. REFINANCING OF 91 EXPRESS LANES TOLL DEBT

Page 223

Overview

This item is for the Commission to:

- 1) Receive and file the presentation regarding the refinancing of the Commission's Toll Revenue Senior Lien Bonds, 2013 Series A (2013A Bonds) and 2013 Transportation Infrastructure Financing and Innovation Act (TIFIA) Loan (2013 TIFIA Loan) related to the State Route 91 Corridor Improvement Project (91 Project) with the issuance of taxable and tax-exempt senior lien and second lien toll revenue refunding bonds (2020 Refunding Toll Bonds);
- 2) Approve the refinancing plan to refund all or a portion of the 2013A Bonds, currently outstanding in the amount of \$123.8 million, and prepay all or a portion of the 2013 TIFIA Loan, currently outstanding in the amount of approximately \$481 million;
- 3) Adopt Resolution No. 20-001, *"Resolution Authorizing the Issuance and Sale of Not to Exceed \$725,000,000 Aggregate Principal Amount of Riverside County Transportation Commission Toll Revenue Refunding Bonds in One or More Series, the Refunding of Outstanding Bonds, the Execution and Delivery of One or More Supplemental Indentures, One or More Purchase Contracts, One or More Official Statements, One or More Continuing Disclosure Agreements and One or More Escrow Agreements, the Adoption of a Restated Debt Management Policy, and the Taking of All Other Actions Necessary in Connection Therewith"*;
- 4) Approve the proposed form of the Preliminary Official Statement for the issuance of not to exceed \$725 million in 2020 Refunding Toll Bonds and authorize the Executive Director to approve and execute the printing and distribution of the final form of the Official Statement;
- 5) Approve the proposed form of the Continuing Disclosure Agreement related to the 2020 Refunding Toll Bonds, by and between the Riverside County Transportation Commission and Digital Assurance Certification, L.L.C., as dissemination agent, and authorize the Executive Director to approve and execute the final form of the Continuing Disclosure Agreement;
- 6) Approve the proposed forms of the Third Supplemental Indenture and Fourth Supplemental Indenture for the 2020 Refunding Toll Bonds, each by and between the Riverside County Transportation Commission and U.S. Bank National Association (US Bank), as Trustee, and authorize the Executive Director to approve and execute the final forms of the Third Supplemental Indenture and Fourth Supplemental Indenture;
- 7) Approve the proposed form of the Bond Purchase Agreement(s), also referred to as Purchase Contract(s), between the Riverside County Transportation Commission and Bank of America Securities, Inc. (BoFA), as Underwriter Representative acting on behalf of itself and Goldman, Sachs & Co. (Goldman), Wells Fargo Securities (Wells Fargo), J.P. Morgan (JPM), and Siebert Cisneros Shank & Co., LLC (Siebert), (collectively the Underwriters), for the 2020 Refunding Toll Bonds and authorize the Chief Financial Officer to approve and execute the final form of the Bond Purchase Agreement;

- 8) Approve the proposed form of the Escrow Agreement, by and between the Commission and US Bank, as Escrow Agent, and authorize the Executive Director to approve and execute the final Escrow Agreement;
- 9) Approve the estimated costs of issuance, including estimated underwriter's discount, of \$3,723,592 to be paid from the proceeds of the 2020 Refunding Toll Bonds;
- 10) Approve Agreement No. 05-19-510-17, Amendment No. 17 to Agreement No. 05-19-510-00, with Orrick, Herrington, & Sutcliffe LLP (Orrick) for bond counsel services related to the issuance of the 2020 Refunding Toll Bonds for an additional amount of \$325,000 and a total amount not to exceed \$3,330,000;
- 11) Approve Agreement No. 09-19-072-15, Amendment No. 15 to Agreement No. 09-19-072-00, with Norton Rose Fulbright US LLP (Norton Rose) for disclosure counsel services related to the issuance of the 2020 Refunding Toll Bonds for an additional amount of \$155,000 and a total amount not to exceed \$1,022,600; and
- 12) Approve adjustments to the Fiscal Year 2019/20 budget in the amounts of \$665,392,399 to increase sources related to the issuance of the 2020 Refunding Toll Bonds and \$631,270,196 to increase uses related to the use of the proceeds of the 2020 Refunding Toll Bonds.

9. AWARD OF INTERSTATE 15/RAILROAD CANYON ROAD INTERCHANGE PROJECT CONSTRUCTION AGREEMENT TO RIVERSIDE CONSTRUCTION COMPANY

Page 234

Overview

This item is for the Commission to:

- 1) Award Agreement No. 20-31-034-00 to Riverside Construction Company to construct the Interstate 15/Railroad Canyon Road Interchange Project (Project), in the amount of \$27,698,589, plus a contingency amount of \$2,769,859, for potential change orders and supplemental work in the amount of \$910,000 during construction, for a total amount not to exceed \$31,378,448;
- 2) Approve Agreement No. 20-31-046-00 with the Pechanga Band of Luiseño Indians (Pechanga) for an amount not to exceed \$100,000 for Native American monitoring services during construction of the Project;
- 3) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreements on behalf of the Commission; and
- 4) Authorize the Executive Director, or designee, to approve contingency work as may be required for the Project.

10. AWARD OF: (1) DESIGN-BUILD CONTRACT; AND (2) AMENDMENT TO PROJECT AND CONSTRUCTION MANAGEMENT SERVICES AGREEMENT FOR THE INTERSTATE 15/STATE ROUTE 91 EXPRESS LANES CONNECTOR PROJECT

Page 259

Overview

This item is for the Commission to:

- 1) Award Agreement No. 19-31-074-00 to Myers-Rados, a Joint Venture (Myers-Rados JV) as the design-build contractor to design and construct the Interstate 15/State Route 91 Express Lanes Connector project (15/91 ELC) in the amount of \$164,840,000, plus a contingency amount of \$10,487,000, for a total amount not to exceed \$175,327,000;
- 2) Approve Agreement No. 15-31-001-07, Amendment No. 7 to Agreement No. 15-31-001-00, with Parsons Transportation Group (Parsons) to provide project and construction management services for the proposed 15/91 ELC in the amount of \$14,825,000, plus a contingency amount of \$1,482,000, for a total amount not to exceed \$16,307,000, and extend the term to June 30, 2024;
- 3) Authorize the Chair or the Executive Director, pursuant to legal counsel review, to finalize and execute the agreements on behalf of the Commission; and
- 4) Authorize the Executive Director or designee to approve contingency work up to the total amounts as required for the project.

11. ITEM(S) PULLED FROM CONSENT CALENDAR AGENDA

12. COMMISSIONERS / EXECUTIVE DIRECTOR REPORT

Overview

This item provides the opportunity for the Commissioners and the Executive Director to report on attended meetings/conferences and any other items related to Commission activities.

13. CLOSED SESSION

13A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Agency Negotiator: Executive Director or Designee

Item	APN(s)	Property Owner	Buyer(s)
1	229-082-010 and 229-082-003	RCTC	JJ Realty 401K Trust and DH Realty Investments
2	117-122-001 and 117-112-002	RCTC	AD Heavy Equipment Rental
3	117-121-003, 117-121-008, and 117-112-009	RCTC	AD Heavy Equipment Rental

14. ADJOURNMENT

The next meeting of the Commission is scheduled to be held on **Wednesday, April 8, 2020**, Board Room, First Floor, County Administrative Center, 4080 Lemon Street, Riverside.

AGENDA ITEM 6

MINUTES

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

MEETING MINUTES

Wednesday, January 8, 2020

1. CALL TO ORDER

The Riverside County Transportation Commission was called to order by Chair Ben J. Benoit at 9:33 a.m. in the Board Room at the County of Riverside Administrative Center, 4080 Lemon Street, First Floor, Riverside, California, 92501.

2. ROLL CALL

Commissioners/Alternates Present

Rusty Bailey
Ben J. Benoit
Randall Bonner
Joseph DeConinck
Jamal Elsaleh
Waymond Fermon
Kathleen Fitzpatrick
Raymond Gregory
Berwin Hanna
Jan Harnik
Steven Hernandez
Jeff Hewitt
Kevin Jeffries
Andrew Kotyuk
Clint Lorimore*
Bob Magee

Scott Matas
Lisa Middleton
Kimberly Muzik
Michael Naggar
V. Manuel Perez
Wes Speake
Karen Spiegel
Larry Smith
Carla Thornton
Michael M. Vargas
Scott Vinton
Chuck Washington
Ted Weill
Lloyd White
Art Welch
Bill Zimmerman

Commissioners Absent

Brian Berkson
Linda Krupa

*Arrived after the meeting was called to order.

3. PLEDGE OF ALLEGIANCE

Commissioner Rusty Bailey led the Commission in a flag salute.

4. PUBLIC COMMENTS

There were no requests to speak from the public.

5. ADDITIONS / REVISIONS

There were no additions or revisions to the agenda.

6. APPROVAL OF MINUTES – DECEMBER 11, 2019

M/S/C (Vargas/Gregory) to approve the December 11, 2019 minutes as submitted.

Abstain: Thornton

7. CONSENT CALENDAR

M/S/C (Gregory/Vargas) to approve the following Consent Calendar items.

7A. QUARTERLY FINANCIAL STATEMENTS

Receive and file the Quarterly Financial Statements for the three months ended September 30, 2019.

7B. FISCAL YEAR 2019/20 MID-YEAR REVENUE PROJECTIONS

- 1) Approve the mid-year Fiscal Year 2019/20 revenue projections of \$202 million for Measure A revenues, \$103 million for Local Transportation Fund (LTF) revenues, and \$27 million for Transportation Uniform Mitigation Fee (TUMF) revenues;
- 2) Approve the budget increase adjustments to Measure A revenues of \$9 million and expenditures of \$3,717,000 to reflect the revised Measure A projection;
- 3) Approve the budget increase adjustments to LTF revenues of \$6 million, transfers in of \$719,000, and expenditures and transfers out of \$898,000 to reflect the revised LTF projection; and
- 4) Approve the budget increase adjustments to TUMF revenues of \$2 million to reflect the revised TUMF projection.

7C. FISCAL YEAR 2020/21 REVENUE PROJECTIONS

- 1) Approve the projection for Measure A revenues of \$207 million for Fiscal Year 2020/21;
- 2) Approve the projection for Local Transportation Fund (LTF) apportionment of \$106 million for the Western Riverside County, Coachella Valley, and Palo Verde Valley areas for FY 2020/21; and
- 3) Approve the projection for Transportation Uniform Mitigation Fee (TUMF) revenues of \$28 million for FY 2020/21.

7D. AGREEMENT FOR RISK MANAGEMENT AND BROKER SERVICES

- 1) Award Agreement No. 20-19-010-00 to Alliant Insurance Services, Inc. for risk management and broker services for a three-year term, plus two two-year options to extend the agreement, in an amount of \$260,000, plus a contingency amount of \$26,000, for a total amount not to exceed of \$286,000;
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreement, including option years, on behalf of the Commission; and
- 3) Authorize the Executive Director or designee to approve the use of the contingency amount as may be required for these services.

7E. 2020 STATE AND FEDERAL LEGISLATIVE PLATFORM AND PREVIEW

- 1) Adopt the Commission's 2020 State and Federal Legislative Platform; and
- 2) Receive and file an update on state and federal legislation.

7F. UTILITY AGREEMENTS FOR THE STATE ROUTE 91 CORRIDOR OPERATIONS PROJECT

- 1) Approve the following utility agreements required for the State Route 91 (SR-91) Corridor Operations Project (COP) in the aggregate amount of \$449,000, plus a contingency amount of \$45,000, for a total amount not to exceed \$494,000;
 - a) Agreement No. 20-31-028-00 to American Telephone and Telegraph Company (AT&T);
 - b) Agreement No. 20-31-036-00 to city of Corona Department of Water and Power (DWP);
 - c) Agreement No. 20-31-027-00 to Southern California Edison (SCE); and
 - d) Agreement No. 20-31-026-00 to Southern California Gas Company (SoCalGas);
- 2) Authorize the Executive Director, pursuant to legal counsel review, to finalize and execute the utility agreements for an amount not to exceed \$494,000; and
- 3) Authorize the Executive Director or designee to approve contingency work up to the total amount not to exceed as required for the project.

7G. COOPERATIVE AGREEMENT NO. 20-33-023-00 WITH SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY FOR ENGINEERING AND ENVIRONMENTAL SUPPORT SERVICES FOR THE MORENO VALLEY MARCH FIELD METROLINK STATION TRACK AND PLATFORM EXPANSION PROJECT

- 1) Approve Cooperative Agreement No. 20-33-023-00 between the Commission and Southern California Regional Rail Authority (SCRRA) for engineering and environmental support services for the Moreno Valley/March Field Metrolink Station Track and Platform Expansion Project (Project) in the amount of \$354,000, plus a contingency amount of \$70,800, for a total amount not to exceed \$424,800;
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the cooperative agreement on behalf of the Commission; and
- 3) Authorize the Executive Director or designee to approve the use of a contingency, as may be required for these services.

7H. AMENDMENT TO COMMISSION'S COMMUTER RAIL PROGRAM FISCAL YEAR 2019/20 SHORT RANGE TRANSIT PLAN

- 1) Amend the Commission's Commuter Rail Program's Fiscal Year 2019/20 Short Range Transit Plan (SRTP) to allocate \$4 million of Federal Transit Administration (FTA) Section 5337 funds and reduce \$4 million of Local Transportation Funds (LTF) operating assistance for the Southern California Regional Rail Authority (SCRRA) subsidy;
- 2) Allocate \$4 million of FTA Section 5337 funds for the FY 2020/21 SRTP for Commuter Rail's operating assistance subsidy for SCRRA service;
- 3) Allocate \$10,701,750 of FTA Section 5337 funds for the FY 2020/21 SRTP for Commuter Rail's capital subsidy for SCRRA rehabilitation projects; and
- 4) Authorize staff to program FTA Section 5337 grant funds into the Federal Transportation Improvement Program (FTIP).

7I. COOPERATIVE AGREEMENT WITH THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR THE REIMBURSEMENT OF CONSTRUCTION FREEWAY SERVICE PATROL SERVICES ON CALTRANS PROJECTS

- 1) Approve Agreement No. 20-45-037-00 with the State of California Department of Transportation (Caltrans) for the funding of Freeway Service Patrol (FSP) service on various construction areas in Riverside County; and
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the cooperative agreement on behalf of the Commission.

**7J. AMENDMENT TO AGREEMENT WITH STEVE’S TOWING FOR 15 EXPRESS LANES
FREEWAY SERVICE PATROL SERVICE**

- 1) Approve Agreement No. 16-45-103-02, Amendment No. 2 to Agreement No. 16-45-103-00 with Steve’s Towing (Steve’s) to include Freeway Service Patrol (FSP) service for the 15 Express Lanes through December 31, 2021, in the amount of \$780,179, plus a contingency amount of \$78,018, for an additional amount of \$858,197, and a total amount not to exceed \$2,063,197;
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreement on behalf of the Commission; and
- 3) Authorize the Executive Director or designee to approve contingency work up to the total amount not to exceed as required for the project.

At this time, Commissioner Clint Lorimore joined the meeting.

8. BLYTHE WELLNESS EXPRESS PILOT PROGRAM FINAL REPORT

Lorelle Moe-Luna, Multimodal Services Director presented the Blythe Wellness Express (BWE) Pilot Program final report, highlighting the following areas:

- Federal Transit Administration (FTA) rides to wellness program – Ride to Wellness Goals:
 - Increase access to care
 - Improve health outcomes
 - Reduce healthcare costs
- In 2016, RCTC was awarded on behalf of PVVTA to operate BWE for an 18-month period
 - Total award = \$185,753 and Total Operating = \$305,254
- FTA media attention for this project due to highlighting the health care needs in rural communities
- Supporting Partners
- Service Profile and BWE route map:
 - 265 miles roundtrip
 - Deviated fixed-route
 - Riders register and reserve trip
 - 3 days per week
 - \$15 roundtrip
 - Major destinations – Desert Regional Medical Center, Eisenhower Medical Center, J.F. Kennedy Memorial, and Kaiser Indio
- Rider profile – By age and percentage; about 60 percent of riders indicated they do not have access to a vehicle; and about 81 percent have health insurance
- Final report findings:

- 85 percent of the trips were for health-related purposes
- Over 2/3 were for specialist appointments
- 42 percent indicated that they were unable to go to the doctors in the last six months due to lack of transportation
- Self-reported health status: 45 percent indicated an improvement; 43 percent maintained their health status; and 11 percent stated that their health status declined

At this time, Ms. Moe-Luna welcomed and introduced George Colangeli, General Manager, PVVTA to present what this has meant to the community and how the service has sustained itself.

Mr. Colangeli expressed appreciation to represent those people in the Palo Verde Valley and the city of Blythe, and highlighted the following:

- Customer feedback
- Antique Adams a rider that benefited from the BWE Program; Sandra Carter featured in the Desert Sun in the Coachella Valley stated that if it was not for the BWE Program she would not have that link for her life due to declining health care; Robert Goldstein was in a wheelchair in a low income area and after going through the BWE Program he no longer needed a wheelchair and is employed; and Lincoln Edmond was a founding board member of the PVVTA and wanted the BWE Program to emerge and then fell into bad health and needed help for transportation and rode this bus for dialysis and has since passed away

He expressed gratitude to Anne Mayer and the Commission for all the resources given to the Palo Verde Valley and the city of Blythe. He then presented the following:

- Moving forward:
 - Funding from AB 2766 and FTA Section 5311
 - Service modifications:
 - 2-days a week (Monday & Friday)
 - 1st & 5rd Friday of each month
 - Increase roundtrip to \$20
 - More general public trips
- Expanded marketing and branding

Commissioner Joey DeConinck expressed gratitude to Anne Mayer as this began at its January Commission Workshop when Ms. Mayer met with him to discuss the issues in the city of Blythe. He stated staff met with him at the city of Blythe City Hall, which is how this program evolved. He then expressed gratitude to George Colangeli for all of his hard work and stated he actually drives the bus too. He discussed how they made a trip to Imperial Valley, Brawley, and El Centro as they already had a program going to San Diego and used some of their ideas. Commissioner DeConinck expressed appreciation to the Cancer Society and the hospital for all their help. He stated Lincoln Edmond was one of

the first members on the PVVTA and stayed there until he retired. He expressed appreciation to Commissioner V. Manuel Perez for helping with some more funding for this program and stated he served on the Mojave Desert Air Quality Board and was able to work some deals there too.

Commissioner Waymond Fermon expressed appreciation to Commission staff, the city of Blythe, and Commissioner Perez for this service. He expressed this service is personal to his family since Mr. Adams that was depicted in the presentation is his uncle and he knows personally this program saved his life. He explained it just demonstrates for all the people that it is a quality of life issue and also for some of those people that Mr. Colangeli spoke about it is extending these people's lives.

Commissioner Perez expressed appreciation when the Commission is able to bring equity, quality, and resources to people that sometimes are forgotten, or do not have a voice, the people of the city of Blythe are hardworking, compassionate, and loving. Commissioner Perez expressed appreciation to George Colangeli and his staff for an outstanding job and to Commissioner DeConinck and his city council for continuing to push. Commissioner Perez expressed appreciation for the individuals in the presentation that has used this program it is heartwarming and real as this program is very important. He expressed gratitude to the Commission for their efforts and the leadership, and stated this needs to continue and there is a need for more funds and to make it more flexible to allow families to visit each other.

Commissioner Michael Vargas concurred with the Commissioners' comments and stated it was a great presentation and this is what the Commission and the local jurisdictions does and it is great to hear all these success stories.

Anne Mayer expressed this is a program of which staff is proud as the Commission does big dollar projects, but this is one that fills staff with pride as it has made a big difference. She expressed gratitude to George Colangeli and his team for all the hard work on the Federal Grant, the administrative requirements, and ensuring they were serving the people they were intending on serving. She suggested if the Commission pushes through a Federal Grant to make it work they can find ways to make it work in the future.

Receive and file a presentation on the final report of the Blythe Wellness Express (BWE) Pilot Program.

9. COUNTYWIDE TRAFFIC RELIEF PLAN DRAFT

Aaron Hake, External Affairs Director, presented the draft Traffic Relief Plan and highlighted the following areas:

- Working towards solutions:
 - 2016 – Strategic Assessment

- 2017 – AB 1189 (Garcia) Public opinion survey stakeholder engagement
 - 2019 – Long range planning status quo evaluation #RebootMyCommute public opinion survey Traffic Relief Plan formation
 - 2020 – Draft Traffic Relief Plan Public review and outreach (January-June) Commission decision (June)
- Draft Traffic Relief Plan
 - Responsive
 - Aspirational
 - Comprehensive
 - Trust and accountability
 - Equity and balance
 - Major investments
- Your guide to the Traffic Relief Plan – Better roads, faster highways, easier highway access, more train service, frequent bus service, help with my commute, longer trails, new technology, and flood and dust control
- Coachella Valley:
 - Local prioritization
 - Regional approach to roads
 - Flood and dust control
 - Tech and signal synch
 - Rail investments
- Palo Verde Valley:
 - Local prioritization
 - Road safety, maintenance, and capacity
 - Public transit: access to healthcare, education, and employment
- Western Riverside County:
 - Traffic bottleneck relief
 - Internal county connectivity
 - Metrolink and express bus
 - Specialized transit
 - Regional trail backbone
 - Rethinking transportation
- Additional staff request for consideration – Authorize staff to correct any non-substantive typos, error, or omissions

Commissioner Jeff Hewitt stated if this was simply a list of priorities, which there has been a great deal of work done the last several years over which projects are most important, it is a big county and expressed appreciation for the direction that it has gone. He explained it is difficult when there are different entities on the Commission and each Commissioner has their own desires. Commissioner Hewitt expressed if this were only that he would vote yes on it, but because it is tied to the upcoming half-cent sales tax not only is he against the sales tax there is a tax worry population. He suggested the chance

of this sales tax passing is much less than the Commissioners consider it is and that is why he will be voting no.

Commissioner Bill Zimmerman stated this is important to him and expressed gratitude to the team and the Traffic Relief Strategy (TRS) Committee for putting together the list of projects. He explained as Commissioner Hewitt mentioned this is going to be tied to the half-cent sales tax request if this Commission votes to put it on the ballot. He stated being an advocate but there are no projects in the city of Menifee (Menifee) and there is one that is really needed. It is an interchange added to Garbani Road at Interstate 215, which is on the cities capital improvement budget for this year to begin environmental and right of way acquisition and it is one of their local plans identified for Menifee. He referred to Page 16 of the draft Traffic Relief Plan and the list of projects under I-215 Corridor and respectfully asked the Commission to support his request to add another bullet point to construct an interchange at Garbani Road in Menifee. He stated if there is a motion to approve he would appreciate the Commission consider approving an amended plan with that addition.

Commission Lloyd White stated he commented at its December Commission meeting he does not support the priority as the Commission is allowing the I-10 Corridor to be the next Corona and Temecula problem by not addressing it. He concurred with Commissioner Hewitt's comments and explained this is not a building block and there were a number of Commissioners that voted to approve using the Commissions funds to campaign against Proposition 6. He discussed how the Commissioners spoke out the Commission is not necessarily approving a tax and these building blocks the Commission has been voting on this last year, which many of them made sense but needed studies and to understand the Commission's position. He expressed today is not a vote on the building block it is a vote on a tax and he will vote against it as well.

In response to Commissioner Spiegel's inquiry when the Commission was originally formed how the Commissioners determined the priority of projects and since then how has the Commission continued to develop the priorities, Anne Mayer replied her understanding in the first Measure A that was passed in 1988 and then in 2002 was when the last Measure A was passed is that the list of projects were developed based on the decisions of the Commission at the time. At that time there were only seven members on the Commission and referred to legal counsel to clarify.

Steve DeBaun, Legal Counsel, replied in 1988 it was seven members by 2002 it was a full Commission.

Anne Mayer explained the 1988 Measure A the plan was developed in conjunction with the original seven representatives throughout the County and then in 2002 it would have been a membership such as this current body.

Commissioner Spiegel explained fundamentally she cannot differ from Commissioners Hewitt and White but this is clearly set that this is a plan that can be utilized afterwards and this is not a vote for the tax as that is clear that is on at its June 10 Commission meeting.

Anne Mayer replied at its June 10 Commission meeting would be the decision point for the Commission to decide to put it on the ballot for the voters to decide in November.

In response to Commissioner Spiegel's clarification that this is just for the plan that can be utilized anytime whether at the June Commission meeting is a positive or negative for this Commission so this is confirming the work of the Commission over the last two years, Anne Mayer replied correct.

Commissioner Steven Hernandez expressed gratitude to staff for putting this effort together and he understands a tax is difficult for many of the Commissioners. He stated without a tax the future looks a lot different in terms of projects moving forward. In 1988 there were leaders that looked at how they wanted to shape this county, and how it wanted to progress and look at transportation corridors as a whole. He suggested this Commission is at that point where it is looking at what the next 30 years is going look like for the county of Riverside. Commissioner Hernandez stated the plan is not perfect but it is a plan and is something down the road that can be amended to include other projects. He expressed appreciation for staff doing a great job in working with the cities to accommodate their needs. He supports this measure and without this and without the revenue that is projected he suggested the residents need to be told as well as to what to expect if it does not pass.

Commissioner Jan Harnik expressed appreciation for the Commissioners' comments and stated it is understood there is a considerable funding gap if the Commission is going to address the needs of Riverside County. She explained in 1988 there were Commissioners that recognized there were issues, took some bold steps, and this Commission needs those bold steps today. There may be people that are tax weary, traffic weary, they are lack of quality of life weary, and transportation is about quality of life. Commissioner Harnik expressed after hearing about the success of the Blythe Wellness Express Program the Commissioners cannot ignore the needs of the County. She referred to I-10 and the housing developments and stated the Commission will have to accommodate the needs of those people who are moving into those areas and in the rural areas. She explained in the big picture and looking out at the future of the County and the future of the community members this is necessary and for that reason she will support this vigorously.

Commissioner Magee referred to Page 193, which depicts the entire Traffic Relief Plan.

Aaron Hake requested to display the Western Riverside County map.

Commissioner Magee referred to the map and the overpass at Nichols Road and I-15 in Lake Elsinore where Temescal Canyon High School and the outlet center is located, which are clearly two traffic generators. He stated that the plan currently does not include any additional work at that section of the freeway and referred to the area between Weirick and SR-74 shown in grey. This Commission voted to approve \$29 million to provide environmental services to look at the dirt median between Corona and Lake Elsinore and provide for environmental clearance. He expressed appreciation although he does not concur with spending funds that way, but understands it has to be done. Commissioner Magee referred to the TRS Committee and stated the rest of I-15 is in green on the map and inquired about the plan for getting the concrete and steel as this area cannot be bypassed again. He referred to the I-15 Corridor Improvement Project (CIP) Ad Hoc Committee as the Commission's mission was additional lanes from Cajalco to the County Line south, which this omits this very critical section. He suggested to add it back in and requested the Chair to consider forming a committee that is an expansion of the Commission's I-15 CIP Ad Hoc Committee that includes District 1 and the city of Corona and the rest of the I-15 CIP Ad Hoc members.

Commissioner Lisa Middleton expressed gratitude to all the individuals involved in producing this draft plan. She referred to the slide in the Coachella Valley with the flooded Indian Canyon Road in the city of Palm Springs and stated on the opposite side of that road on either side is the city of Desert Hot Springs and Desert Regional Medical Center and when trying to get to the hospital from Desert Hot Springs or from other locations in the Coachella Valley that is what is in the way. She discussed going through many parts of Coachella and places in the eastern Coachella Valley every rainstorm brings flooding of their streets. Commissioner Middleton expressed being honest with the people and if the Commission is going to create the transportation network that is needed for the 21st Century and respond to the future it is going to cost more money. She explained the belief that the Commission could fix all of the problems that plague this county from Southwestern Riverside, to Corona, to Riverside, to the Coachella Valley, and to the Palo Verde Valley without additional resources will not occur and she supports this measure.

Commissioner Andrew Kotyuk concurred with some of the Commissioners' comments as he is against taxes. He expressed he is for democracy and for communities to determine what their priorities are whether it is public safety, schools, or in this case transportation corridors. Commissioner Kotyuk stated the Commissioners have been driven to be self-help cities and communities, which is along that same path and it has built many successful corridors that would not occur if the Commission relied on the state or federal government. Commissioner Kotyuk explained he does approve the projects on the list and many are in his region that they have been waiting decades for and have hurt many of the local residents and businesses as well. He expressed this is not approving a sales tax it is approving the right for democracy to work and for the constituents to vote on what is their priority. Commissioner Kotyuk stated this voting is on the priorities and potentially to allow the people to vote for what they choose.

In response to Commissioner Kevin Jeffries' clarification when the current Measure A sales tax expires, Anne Mayer replied 2039.

Commissioner Jeffries expressed concern convincing the voters to approve this sales tax measure especially with the state's tax increases and fee increases for transportation. He stated Riverside County is adding one small city a year somewhere between 20,000 and 30,000 and referred to Page 181 the second block of items listed on the left. He read the sales tax in Riverside County will go up by one-half cents until ended by the voters, and stated this implies there is no end in this tax. He expressed that is unusual for government to not have an end date and clarified the voters would have to petition and do their own initiative to stop the tax. He discussed getting the signatures that would need to be collected throughout the County and notifying the voters how to stop the tax 20 to 50 years from now. He suggested the voters need to know there is no end ever to this sales tax even after the projects are built.

In response to Commissioner Michael Vargas' clarification as part of the plan was to establish a carpool lane from Nuevo up to the SR-60 on I-215, Anne Mayer replied that section is actually in this plan.

At this time, Commissioner Hewitt left the meeting.

In response to Commissioner Vargas' inquiry in the plan is to add an extra lane on both sides from Van Buren to SR-60 what happened to the rest of it from Nuevo to SR-60, Anne Mayer replied there is a portion of that project that is being built as a part of one of the first segments of the Mid County Parkway project and staff will check on that.

Commissioner Vargas clarified that is just the interchange for Placentia. Anne Mayer replied there are improvements that have to be done on I-215 and she will follow up on that and check on the limits.

Commissioner Scott Matas expressed not supporting taxes such as SB 1, but this is a state where it is difficult to get funding for these major projects. He stated the reason why he chose to be on the TRS Committee is to see what will need to be done in the future. Commissioner Matas expressed supporting this sales tax and stated the Commission has to find funding and the question is does the Commission allow the voters to choose to tax themselves or not and if not how much will be spent in interest on bonds the Commission will have to pay for in the future. He suggested to not throw the plan out due to not supporting the tax being put on the ballot for the voters to make the choice. Regarding the plan itself he stated staff would sit down with each city and or county district and discuss their issues and noted this is a draft plan. He stated over the next six months with public input and the input from the cities he is certain staff will be able to implement the needs of their area.

Commissioner Scott Vinton expressed appreciation for the presentation and concurred with some of the Commissioners as he is tired of taxes. As a civil engineer that does transportation projects his company pushed hard to ensure SB 1 stayed although he voted against it. Commissioner Vinton stated this needs to go to the voters as there is a serious problem with the County's transportation system. He concurred with Commissioner Jeffries' comment as this should not be made a tax forever and requested to change it. As a member of the TRS Committee the committee tried to find many projects that could be covered with a great deal of the funding obviously as Mr. Hake noted it is not enough to cover all those projects. He explained the list is not meant to be exclusive, that will come later if it passes and the Commission determines how to prioritize projects. Commissioner Vinton stated having said that he is in support of giving it to the voters to make the decision.

Commissioner Wes Speake stated as a member of the TRS Committee he is appreciative of the hard work on this list as it was exhaustive. This is the Commission's second view of this and expressed gratitude to staff for putting it together for their colleagues at their cities and the residents to review. He concurred with Commissioners Jeffries and Vinton that a never ending tax could be levied against this tax or these projects going forward. Commissioner Speake stated as Commissioner Kotyuk noted this is a self-help county and in speaking with people from other counties that proudly proclaim that suggested the Commissioners speak out with some venom to their state representatives. He expressed the Commissioners need to push the state representatives to fund transportation as they cannot allow the state and the federal government to absolve themselves of the issues occurring in this County as Riverside County has about \$10 billion worth of needs.

Commissioner Kathleen Fitzpatrick expressed appreciation for the follow up work the staff has done and for meeting with her colleagues in the Coachella Valley after its November Commission meeting to have some serious discussions about how to make it work for Coachella Valley. She concurred it is imperative for the Commission to allow the public to evaluate this plan and see what the values are going forward as far as the transportation needs of the Coachella Valley. She discussed the lack of planning or insufficient planning that created bottle necks in Western Riverside. Commissioner Fitzpatrick expressed the Commission owes the citizens an opportunity to take a look at the plan and using CVAG to develop a model to move projects forward in the Valley together as a valuable tool to establish priorities and change priorities moving forward. She supports this plan and supports educating the Coachella Valley citizens about what the needs are and allow the voters to make that decision on whether there should be an additional tax or not.

Commissioner Michael Naggar stated the city of Temecula's position about this 30-year plan although it can be updated and a criteria has not been laid out is the following: What the criteria is going to be based on, quality of life, economic development, health safety and welfare, or will decisions be made to do infrastructure based on matching funds that are available. He clarified if the Commission will make decisions on the ability to generate

more funds to do projects that have potential to create more road improvement funds. He suggested the Commissioners in their cities begin partnerships, grant writing, look for matching funds, and what is the highest and best need. He discussed how Temecula sought a federal grant and obtained \$50 million and being heavily invested in SB 1 funds of \$82 million and bid on the French Valley Parkway Phase II it turned out to be \$140 million due to the escalation of costs as this 30-year time limit goes by. He stated through the Interstate 15 Lane Expansion Task Force Caltrans agreed to give matching SHOP funds to put acceleration and deceleration lanes on the I-15, which Temecula is putting up \$8 million. He suggested a semi-annual report on grant funds that are available and applications being made by every city showing forth an effort that the Commissioners are making. In the polling done by the Commission the citizens said they had no problem the sales tax did not expire as the Commission understands that this tax over 30 years will not pay for the current project list. Commissioner Naggar concurred with Commissioner Magee's comments and is curious how that section dropped off as it is a critical section from Cajalco to the southern corridor. He expressed concern there are so many people in the southwest Riverside County who have contributed to causing a \$1 billion a year economic development effort and that area is a critical regional economic development creator and exponentially starts to affect quality of life if traffic does not move through that area. He suggested all Commissioners need to start looking out over the years, first to get this passed and if it is being put on the ballot and putting forth this list he will presume the Commissioners want this to pass as this is the only way to solve it. Commissioner Naggar referred to Commissioner Zimmerman's interchange project he suggested to put on the list, and he has no problem putting that on the list, but these funds must come from somewhere else and to start those partnerships now.

Commissioner Perez suggested to bring back the I-15 Corridor Improvement Project Ad Hoc Committee to discuss Bundy Canyon Road and put it on the table and continue the advocacy efforts at the federal and state level. This is a draft plan so that is the purpose behind this conversation and the Commissioners need to bring up their points of concern, the challenges and list them and move forward. He supports this and expressed working together to make this happen.

At this time, Commissioner Vargas left the meeting.

Commissioner Kimberly Muzik stated this is her first Commission meeting since Commission Reed was not able to attend and expressed concern about the open ended tax. She suggested it will confuse the residents when they go to the ballot and suggested it would be better to say it will be a forever tax rather than stating it is open ended. She stated to put it as it is the half percent it will take care of Riverside County's roads and leave it at that.

Commissioner Jan Harnik expressed hearing two important things, which is to educate the voters and to be honest with the people the Commissioners represent. She explained the Commissioners are here to entertain the thought of adopting a draft plan, this is not

saying the Commissioners are voting for a tax they are voting to adopt a draft plan. There has been a lot of work put into it and the Commission has always shown themselves to be nimble and respond to what the needs are as they change, which will happen as they go forward. She moved staff's recommendation along with the wording that Mr. Hake provided.

Chair Benoit clarified if this motion would include Garbani and the I-15 corridor items that were brought up.

Commissioner Harnik replied the two projects yes and clarified if they could entertain the sunset, but when the two focus groups were conducted it was found with all the outreach that there was not opposition to having it written that the voters can repeal this at some point. If the Commissioners need to entertain that thought they can however, they need to take into consideration the lessons learned.

Anne Mayer explained the Commissioners are raising a question about the term that they expect to be a hot topic of conversation over the next five months of public review and comment. She suggested the instinct would have been there should be a term on the tax as it shows that it will end. As Commissioner Harnik mentioned in all the focus group conversations and the feedback received that answer the Commission has gotten from the members of the public is no they want to be in control. If they do not think the money is being spent correctly they want the power to be able say the tax ends. Anne Mayer stated that is why it is the way it is in the draft; that being said she expects this to be an area where there will be many public comments on multiple fronts. She would expect that no matter whether the Commission puts it in as 30 years or as indefinite now this will be a topic of conversation for the Commissioners in June about which way to go.

Commissioner Washington expressed not being certain where he stood and leading up to this point he has voted against the tax. As he reads the staff report and read that the final plan will be presented to the Commission on June 10 for consideration to be placed on the November ballot. He continued to read as the Commission previously stated there is independent public value to creating a Traffic Relief Plan to set a blue print for future Riverside County regardless of whether the plan is put to a vote of the people there is no fiscal impact to the approval of the draft plan for public circulation. Commissioner Washington explained as a County Supervisor and his colleagues on the Commission will understand his comments as they all have cities within their districts and listening to the comments from at least three of the four cities in his district that are represented and one is not here. He stated they are asking for support of the plan and he expressed supporting the plan due to the information he just read and does not feel that is inconsistent with his previous vote about the tax and will reevaluate in June. He suggested the Commission needs a plan whether they vote to submit it to the voters or not.

Commissioner Bailey expressed having a great discussion and summarized there is an information gap not just a funding gap with the public and this gives the Commissioners an opportunity for them who probably understand it from his perspective and the public feedback received they have an elementary education on the transportation systems not just of today but of tomorrow. This is an opportunity for the Commission to not just fill the funding gap but the information gap and to take the elementary education to a college degree in transportation moving forward transportation of the future. As representatives they are going to educate their constituents and as problem solvers as the problem was discovered a Level of Service (LOS) "F" in the transportation system and coming soon what will be done. He explained the decision making they are not the ultimate decision makers it will be the voters, and the Commission's job is to receive public input over the next five months and make a decision later to put the tax on the ballot and he is supportive of that.

Commissioner Naggar clarified the motion as it supports staff's language and that was his second for discussion and that also includes the list that was presented.

Anne Mayer replied if the Commissioners approve staff's recommendation and this plan it includes all the projects included in this, which all of the projects that were included in the investment list in December is in this plan. She also heard in this motion that Garbani I-215 and I-15 southern extension from Cajalco to SR-74 would be included.

In response to Commissioner Naggar's clarification with Commissioner Harnik that is part of her motion, Commissioner Harnik replied that is accurate.

Commissioner Naggar stated his second will reflect that as well. He asked Anne Mayer when talking about "the plan" is the plan the list or is the plan a plan of priorities, funding, inflation, etc.

Anne Mayer referred to Legal Counsel Steve DeBaun to respond.

Steve DeBaun replied the plan is the Traffic Relief Plan that is attached to the staff report. That is the technical plan that is referred to in state law as the expenditure plan that is required to be attached to the ordinance when adopted so that is the plan.

Commissioner Naggar concurred and stated he does not want to necessarily get into semantics and understands the legality so it is the list. There is no functional plan and clarified that this plan is the one that is being proposed to be used in the ballot measure.

Anne Mayer replied yes and stated whatever final version of this plan would be attached and if it goes forward this would be the expenditure plan.

Commissioner Naggar asked if it is reasonable to assume this Commission at some point will have an actual plan a plan that puts things in a matter of priority based on some criteria the Commission establishes and when would it occur.

Anne Mayer replied implementation of an expenditure plan approved by the voters would be handled the same way it has been done with the two other sales tax measures, which is the expenditure plan and the ordinance are the parameters under which this Commission would have to create implementation criteria. If this were to pass by the voters the Commission would decide how to implement the plan as approved by the voters. She stated the expenditure plan is not just a list, it also has intent built in. If the voters approve a plan that talks about what the objectives are this Commission would have to adhere to what those objectives are in addition to the list of projects.

Commissioner Naggar inquired understanding there is a list that cannot be implemented yet and so some people were selling something that may not get delivered absent a true plan.

Chair Benoit stated the motion was verbally made by Harnik and seconded by Naggar.

M/S/C (Harnik/Hanna) to:

- 1) Discuss and provide input on the draft Countywide Traffic Relief Plan (Plan);**
- 2) Approve the draft Plan for public circulation and comment through June 10, 2020;**
- 3) *Authorize staff to correct any non-substantive typos, error, or omissions; and***
- 4) *Support draft language all projects included with the addition of Garbani I-215 and I-15 southern extension from Cajalco to SR-74.***

No: Jeffries, Lorimore, Welch, and White

In response to Chair Benoit's clarification to Commissioner Magee if the project added was enough or if he wanted to discuss the I-15 Corridor Improvement Project Ad Hoc Committee, Commissioner Magee suggested this be discussed at its Commission Workshop.

10. ITEM(S) PULLED FROM CONSENT CALENDAR FOR DISCUSSION

There were no items pulled from the Consent Calendar.

11. COMMISSIONERS/EXECUTIVE DIRECTOR'S REPORT

- 11.A** Anne Mayer wished the Commissioners a Happy New Year. She reminded the Commissioners about the Annual Commission Workshop on Thursday and Friday, January 30-31, 2020, at the Hilton Palm Springs. Please RSVP regarding their attendance if they have not yet done so.

- Reminder there are no Committee meetings in January due to the Commission Workshop.

12. CLOSED SESSION

12A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Agency Negotiator: Executive Director or Designee

Item	APN(s)	Property Owner	Buyer(s)
1	102-091-006	RCTC	Dr. Gulabrai B. Ukani

There were no announcements from the Closed Session Items.

13. ADJOURNMENT

There being no further business for consideration by the Riverside County Transportation Commission, Chair Washington adjourned the meeting at 11:13 a.m. The next Commission meeting is scheduled to be held at 9:30 a.m., Thursday and Friday, January 30-31, 2020, at the Hilton Palm Springs, Palm Springs.

Respectfully submitted,



Lisa Mobley
Clerk of the Board

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

MEETING MINUTES

Friday, January 31, 2020

1. CALL TO ORDER

The Riverside County Transportation Commission was called to order by Chair Ben J. Benoit at 8:33 a.m. at the Hilton Palm Springs Hotel, 400 E Tahquitz Canyon Way, Palm Springs, California.

2. PLEDGE OF ALLEGIANCE

Commissioner Lisa Middleton led the Commission in a flag salute.

3. ROLL CALL

Commissioners/Alternates Present

Mike Beauchamp
Ben J. Benoit
Brian Berkson
Randall Bonner
Joseph DeConinck
Kathleen Fitzpatrick
Raymond Gregory
Yxstain Gutierrez
Berwin Hanna
Jan Harnik
Steven Hernandez
Jeff Hewitt
Kevin Jeffries
Linda Krupa
Clint Lorimore

Scott Matas
Lisa Middleton
V. Manuel Perez
Dana Reed
Larry Smith
Wes Speake
Karen Spiegel
Chuck Washington
Art Welch
Lloyd White
Michael Vargas
Scott Vinton
Bill Zimmerman

Commissioners Absent

Rusty Bailey
Waymond Fermon
Andrew Kotyuk
Bob Magee
Michael Naggar
Ted Weill

4. PUBLIC COMMENTS

There were no requests to speak from the public.

5. ADDITIONS / REVISIONS

There were no additions or revisions to the agenda.

6. ADDITIONAL AWARDS FISCAL YEAR 2019/20 SB 821 BICYCLE AND PEDESTRIAN FACILITIES PROGRAM FUNDING RECOMMENDATIONS

Jenny Chan, Management Analyst, presented the additional awards for Fiscal Year 2019/20 SB 821 Program, highlighting the following areas:

- SB 821 – 2 percent of Local Transportation Fund (LTF) revenue; Bicycle and pedestrian projects; and bike and pedestrian Master Plans
- Past Commission actions: June 2019 Commission meeting – Four awarded projects in the Coachella Valley and eight awarded projects in Western Riverside County
- A list of the awarded projects
- Staff recommendation: Additional award projects
- A map of the FY 2019/20 additional awards, which project locations are approximate

M/S/C (Jeffries/Gregory) to:

- 1) Approve additional project awards for the Fiscal Year 2019/20 SB 821 Bicycle and Pedestrian Facilities (SB 821) program for an additional amount of \$1,611,395 and a total amount of \$5,513,310;**
- 2) Direct staff to prepare memorandums of understanding (MOUs) with the project sponsors to outline the project schedules and local funding commitments; and**
- 3) Authorize the Chair or Executive Director to execute the MOUs with the project sponsors, pursuant to legal counsel review.**

7. COUNTY OF RIVERSIDE REQUEST FOR A LOAN ON HAMNER BRIDGE PROJECT

Lorelle Moe-Luna, Multimodal Services Director, presented the County of Riverside request for a loan on Hamner Bridge Project, highlighting the following:

- A map that depicts the project location in Western Riverside County
- Cash flow to contractor, cash flow from FHWA, and Loan request

Anne Mayer stated that per the federal legislative panel discussion the next transportation act would include the bridge program again. She discussed the last act and the federal government trying to streamline their funding programs in that they eliminated the highway bridge program that had been funding deficient bridges across the country.

Commissioner Spiegel expressed this is an extremely important project as the Hamner Bridge has been long term there were many issues that needed to be addressed, and it is

a vital connection between the cities on the other side of I-215 and with that she made the motion to approve.

Commissioner Berwin Hanna discussed the flooding at the north end of the freeway bridge in Norco and how the city manager and the engineer went to Congressman Ken Calvert's office and former Supervisor John Tavaglione and discussed the situation. At that point, the city of Norco started working on it along with the Commission, Congressman Calvert, and WRCOG getting involved. He expressed appreciation for the Commission's support on this two-lane bridge, as it is 74 years old, and the traffic caused from the residents coming south to get to the I-15.

Commissioner Lorimore expressed appreciation for the comments, as this bridge is vitally important as traffic conditions are getting worse throughout the area. The bridge has been on the verge of going down before and getting to a point with the increased traffic and with having access to I-15 at Limonite there needs to be an alternate access point. He expressed appreciation for the Commissioner's support on this.

M/S/C (Spiegel/Lorimore) to:

- 1) Approve a loan to the County of Riverside (County) of 2009 Measure A Western County Regional Arterial (MARA) and/or Transportation Uniform Mitigation Fee (TUMF) Regional Arterial program funds in the amount of \$33,463,000 for construction of the Hamner Bridge Replacement and Widening Project (Hamner Bridge Project) with the County's repayment of the loan anticipated from federal Highway Bridge Program (HBP) funds;**
- 2) Authorize the Executive Director to develop, finalize and execute Agreement No. 18-31-074-03, Amendment No. 3 to Agreement No. 18-31-074-00, with the County and cities of Eastvale and Norco for the construction of the Hamner Bridge Project to include terms of a loan agreement, pursuant to legal counsel review;**
- 3) Authorize the Executive Director, pursuant to legal counsel review, to develop, finalize, and execute a new or amend an existing agreement with the California Department of Transportation (Caltrans) related to the Commission's loan on the Hamner Bridge Project; and**
- 4) Authorize the Executive Director, pursuant to legal counsel review, to develop, finalize, and execute agreements with the County, city of Eastvale, city of Norco, and/or Caltrans related to the loan for the Hamner Bridge Project.**

Abstain: Speake

8. REMEDIAL WORK CONTRACT FOR THE STATE ROUTE 91 CORRIDOR IMPROVEMENT PROJECT

David Thomas, Toll Project Manager, provided an overview for the remedial work contract for the SR-91 Corridor Improvement Project.

In response to Commissioner Scott Vinton's inquiry about reimbursement, David Thomas replied the Commission would invoice them as part of the settlement agreement.

In response to Commissioner Vinton's question about the additional work that is listed in Exhibit A, David Thomas discussed the details of the additional work.

M/S/C (Vargas/Spiegel) to:

- 1) Approve Agreement No. 20-31-043-00 with Atkinson/Walsh a Joint Venture (AWJV) to perform remedial work for the State Route 91 Corridor Improvement Project (SR-91 CIP) in an amount not to exceed \$500,000; and**
- 2) Authorize the Executive Director, pursuant to legal counsel review, to finalize and execute the agreement.**

10. COMMISSIONERS/EXECUTIVE DIRECTOR'S REPORT

- 10A.** Commissioner Jan Harnik referred to the January 30 CTC meeting and requested Tom Kirk, CVAG Executive Director, to provide details from the meeting.

Tom Kirk announced CVAG was allocated \$29.5 million for CV Link and looks forward to working with Caltrans on the rest of the project.

- 10B.** Anne Mayer announced:

- There is no February Commission meeting due to the County holiday.
- Recruitment for the new Citizens and Specialized Transit Advisory Council (CSTAC) and if there are any constituents who might be interested to share the application information.

11. ADJOURNMENT

There being no further business for consideration by the Riverside County Transportation Commission, the meeting adjourned at 8:57 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Lisa", with a long horizontal flourish extending to the right.

Lisa Mobley
Clerk of the Board

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

MINUTES

Thursday and Friday, January 30-31, 2020

The Riverside County Transportation Commission Workshop was called to order by Chair Ben J. Benoit at 1:00 p.m., at the Hilton Palm Springs Hotel, 440 E Tahquitz Canyon Way, Palm Springs, California.

PLEDGE OF ALLEGIANCE

Commissioner Dana Reed led the Commission in a flag salute.

COMMISSION ROUNDTABLE – 2020 WHAT NEEDS OUR ATTENTION?

Chair Ben Benoit explained there is no action being taken on this item as this is an opportunity to discuss transportation, where are the concerns, where do you see the Commission going, and where the Commission is at.

The Commissioners provided the following recommendations:

- Create an I-15 Corridor Task Force Committee and the I-10 corridor impacts the I-15 so the I-10 Corridor should have official representation in this task force committee for that area
- Related to State Route 79, create a task force with the surrounding cities such as the cities of Murrieta, Temecula, and the Pass Area to partner; use the city of Temecula that received state and federal funds as a model; and the key points of economic development so infrastructure supports that
- With the addition of SR-79 and the Mid County Parkway Project enable economic growth manufacturing in that area to keep the systems in the city of Hemet as 80 percent of the city of Hemet's residents works outside the city

At this time, Commissioner Kevin Jeffries joined the meeting.

- Continue to focus on rail service to the Coachella Valley
- Continue to focus on the county connectivity discussions and the next chapter to enter into is to be a team and focus to make an investment in Riverside County and their regions and tie one side to the other
- Put more pressure on the state and federal representatives to attract grant funds; have a single voice along with smaller voices to encourage the residents to put pressure on the state and federal representatives that Riverside County needs more capacity; and push for the representatives and Caltrans to help fund their own projects as well
- Do more advocating for the Commission and getting more editorials that mention the cities or entities they are representing and advocating RCTC was involved; and work

within the districts to have the cities work more cohesively as a county and putting their voices forward even when issues are going on

At this time, Commissioner Jeff Hewitt joined the meeting.

- Receive information on development and the impact on transportation with successful land planning and zoning and the nexus of successful or failing transportation come together. This will be beneficial information to work together in their communities to resolve better economic development and quality of life

PREVIEW OF DEBT REFINANCING OPPORTUNITIES

Theresa Trevino, Chief Financial Officer, presented a preview of 91 Express Lanes debt refinancing opportunities, highlighting the following areas:

- No leveraging of surplus toll revenues: Desire to preserve future financings involving surplus toll revenues from RCTC toll facilities; may return in future with innovative financing ideas; and existing surplus toll revenues still available to fund 91 corridor projects
- Current 91 Express Lanes Toll debt
- Why consider a refinancing – Debt management tool and criteria
- Proposed plan of refinance – Debt today and debt after refinancing

At this time, Commissioners Clint Lorimore, V. Manuel Perez, and Yxstain Gutierrez joined the meeting.

- 2020 refinancing objectives – Burdensome covenants and future debt service
- Historical Basis for tax-exempt rates
- Summary: Option 1 – Maintain existing debt structure
- Summary: Option 2 – Refinance debt

The Commissioners had a thorough discussion regarding Options 1 and 2, including the following areas:

- Suggested waiting 90 days from the March schedule to pursue refinancing
- They discussed the difference if the Commission went with Option 2 vs. Option 1
- There was support for staff's and B of A's recommendation
- There was concern there were no handouts for this item

Theresa Trevino discussed the following:

- Based on the current schedule is to sell the bonds late March and closing the transaction in the last week of March.

- What triggers a financing if the Commission goes past the 60 days the internal costs to be incurred that would be associated with that such as the financial team has to be paid, legal counsel is involved, the bankers are contingent on the deal being done.
- The difference with Option 2, which is a cash flow available within the time frame the Commission needs them for projects the toll team can start working on the necessary procurements in the next few months for fund the following three projects: 15/91 ELC, 91 Corridor Operations and the 71/91 Interchange Projects.
- The numbers are still being worked on the financial analysis that has been changing daily this week as they continue to engineer the analysis and at the Committee/Commission cycle there will be numbers available. Currently she has the amount of debt that would be refunded, which is \$683 million, which is the Commissions' largest refunding to date.

At this time, Anne Mayer clarified staff is not asking for the Commissioners' approval of this deal today; that will come at a future meeting. She explained they did not want to get too far down the road conceptually, so the question is does the Commission want staff to continue to gather the data and detailed information and bring it back through the committee process or do they want staff to discontinue.

The Commissioners then discussed the following:

- For Option 1 there was discussion on the tolling authority.
- Asked staff to continue to do what they are doing and bring it back as soon as possible.
- If the Commission went forward with this and did the refinancing at the end of March could it be redone again in the summer or sometime later in the year if the rates did dive down and the Commission could potentially save more.

Theresia Trevino stated the tolling authority is 50 years from when the lanes open, which was 2017 so the term of the authority is still the same. Theresia Trevino's assumption would be no the refinancing could not be done again at least on a tax exempt basis, which has slightly lower rates because the TIFIA would be refunded primarily with tax exempt debt.

At this time Commissioner Steven Hernandez joined the meeting.

The Commissioners continued to discuss the options, highlighting the following:

- For the 15/91 ELC Project the funding for that was SB 132 and needed more information on the funding for that. Also to be cautious as markets can tumble and things can happen really quickly.
- As part of the conversation this allows the Commission to go forward with some of the projects and as part of the analysis that staff brings back to look at what the costs are of not moving forward and increased costs that may be associated with doing this at a later date as opposed to doing this now.
- Option 2 was supported.

Anne Mayer stated for the 15/91 Northbound Connector Project \$180 million came from SB 132 and the projects costs are greater than that so the Commission will use surplus toll revenue for the rest.

Anne Mayer explained this item will be coming back to the February Budget and Implementation Committee and forwarded to the March Commission with all the proposals, detailed staff report and official statements for discussion. She clarified with Theresia Trevino about the process the Commission goes through to create all of the official legal documents the Commission would need to approve and how long would that process take for an offering of this size.

Theresia Trevino replied this is a refunding so it is a lot easier than doing a new financing with a new security such as the toll revenues or the sales tax so a couple of months to get the documents in good shape, which is what the team has been working on at this point. There are agency rating meetings and at that time there will be better numbers to present.

Anne Mayer stated in order to put a deal together it takes approximately two months to bring to the Commission for approval. She explained if the market changes in July it would take two to three months to catch that and all the details will be brought to the Budget and Implementation Committee in February for discussion.

At this time, Commissioner Michael Vargas joined the meeting.

At this time, Chair Benoit presented Past Chair Chuck Washington with an award to commemorate his tenure as Chair for 2019.

RCTC AT WORK: PANEL DISCUSSION

Cheryl Donahue, Public Affairs Manager, moderated a panel discussion with the following staff: Stephanie Blanco, Capital Projects Manager, Jennifer Crosson, Toll Operations Manager, Mark Lancaster, Capital Projects Manager, David Lewis, Capital Projects Manager, Bryce Johnston, Capital Projects Manager, and David Thomas, Toll Projects Manager. She focused on existing projects in Western Riverside County, the Pass Area, and the Coachella Valley.

The panel then discussed the toll projects going on due to the public interests and discussion about the significance of these projects, updates, the challenges, and questions related to these projects in Western Riverside County, the Pass Area and in the Coachella Valley and also women in transportation.

At this time, Commissioners Andrew Kotyuk and Lisa Middleton left the meeting.

Cheryl Donahue opened it up for discussion. The Commissioners and the panel discussed the following: The connector bridge on to SR-71 as part of the future expansion of SR-71, turning over the tolling statements, the 40 signs that will be put up, the anticipated ribbon cutting, the Army Corps of Engineers challenges, I-15 from Corona to Lake Elsinore and going down to San Diego County, about being on target and moving forward for the I-15 Railroad Canyon project, I-

10 major project that is going from Pennsylvania Street in Beaumont to Highway 111 and the coordination with the SR-60 lane closures, improvements for the 71/91, lessons learned after the successful 55-hour closure in Corona, the Riverside Downtown Station improvements and the study that was done through Metrolink of similar stations and issues related to safety and security, why the existing switchable transponders no longer beep, the I-15 toll lane on the Eastvale side right before the south side on SR-60, which is a mile from San Bernardino County Line and what coordination is being done, request to have Caltrans update the Commission on the swarm projects on SR-60, I-10, and I-215, and solving the problem of moving these environmental documents related to CEQA projects more quicker.

Anne Mayer explained for the I-15 Corridor there is one currently under construction and the next phase that goes to the city of Lake Elsinore is underway, and the stretch from Lake Elsinore to the Los Angeles County Line there is no funding to keep that moving forward and Commissioner Magee had requested to bring back the I-15 Corridor Improvement Project Ad Hoc Committee and Chair Benoit has authorized that so at the first meeting it will be discussed what is next and the French Valley Parkway project will be included.

At this time Commissioners Ferman, Matas, Spiegel, and White left the meeting.

Chair Benoit also left the meeting, therefore Vice-Chair Jan Harnik assumed the position as Chair.

LEGISLATIVE PANEL – WHAT’S HAPPENING IN WASHINGTON, D.C. AND SACRAMENTO?

David Knudsen, Legislative Affairs Manager, moderated a panel discussion with the Commission’s Sacramento and Washington D.C. lobbyists Mark Watts, Kathy Ruffalo, and Cliff Madison, to update and provide information on what is going on in the nation and the state capitol related to State and Federal Legislation, and predictions for 2020.

Anne Mayer started off the discussion about the SAFE rule and the fact the Commission will not be in conformity at the SCAG Region, and what does that mean.

Mark Watts stated it means if the project needs a minor tweak done to it that cannot be done. Anything that needs to be added to the project through FTIP it cannot conform to that.

Anne Mayer stated if that cannot be done that is why Highway Administration cannot make any decisions, which means Federal Highway Administration cannot give any rules on any federal document they cannot approve any federal obligations of any funds, which is a significant issue.

There was discussion about how CEQA is much longer and much more complicated and it slows down projects, and the water quality at the state level, and if there is any legislative push to challenge that in Riverside County as the Governor said he does not want to fund any kind of passing. Mark Watts expressed concern in the Governor’s budget that refers to the STIP as a source of funding for sustainable uses and the RTIP is for SCS, which can be interrupted as positive or extremely negative on making progress on making projects. He then discussed the congested corridor grant programs.

Anne Mayer discussed the effort that is underway a few years ago to modify the State Transportation Improvement Program where it was decided that 75 percent of state funding of the County and what the priorities are. She discussed the California Transportation Commission (CTC) and how this region has been represented by Commissioner Joe Tavaglione for several years and how the next several weeks will tell the Commission a great deal.

There was discussion about the framework being done in Washington about the Fix It First prioritization, which is a way of stating not to add funds to capacity to fixing what you have now, which is uncertain what that means and it could mandate not just at the federal level but at the state level.

WRAP UP AND NEXT STEPS

At this time, Anne Mayer announced the workshop is done for the day and that dinner will be served at 6:00 p.m. Lauren Skiver, GM/CEO from SunLine will have a presentation about technology at the dinner. Breakfast will be served from 7:30 a.m. – 8:30 a.m. and from 8:30 a.m. – 9:00 a.m. there will be a Commission meeting, and then the Workshop will commence at 9:00 a.m.

At 5:05 p.m., Chair Harnik called for a recess until 6:00 p.m.

PRESENTATIONS ON SUNLINE AND NEW TECHNOLOGY

Lauren Skiver, GM/CEO presented an overview of Today's Transit for Tomorrow's World – How SunLine Transit Agency is Revolutionizing Transit, highlighting the following areas:

- Routes - 14 local fixed-routes, one express line, one Riverside commuter link, and ADA paratransit; Fleet – 61 CNG, 16 Electric Hydrogen Fuel Cell, 4 Electric Battery BYD, 39 CNG paratransit vehicles; and Revenue Miles vs. Passenger Trips – 4.3 million revenue miles and 4.5 million passenger trips
- Transit and System improvements
- Hydrogen basics, benefits, safety, and cost/benefit
- SunLine's Technology Contribution
- CARB Innovative Clean Transportation (ICT) Regulations and Transit Requirements
- CARB Advanced Clean Truck (ACT) Regulations/Medium & Heavy Duty Requirements
- SunLine's Hydrogen Program
- Powering a Clean Tomorrow – Today: Potential Funding Sources; and How can we do it
- Completed Training Modules – Advanced Technology Technician Training; Planning and executing ZEB's in service; Procurement Insights for ZEB purchases; and Leadership, mission, value creation for a successful ZEB program
- Looking for Partners – Local Academic Institutions, Manufactures, Private Business; and Coachella Valley Leaders

There being no further business for consideration by the Riverside County Transportation Commission, the workshop adjourned at 7:15 p.m. The Commission Workshop will reconvene Friday, January 31 at 9:00 a.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Lisa", with a long horizontal flourish extending to the right.

Lisa Mobley
Clerk of the Board

MINUTES

Friday, January 31, 2020

The second day of the Riverside County Transportation Commission Workshop was called to order by Chair Ben J. Benoit at 9:00 a.m., at the Hilton Palm Springs Hotel, 440 E Tahquitz Canyon Way, Palm Springs, California.

SB 743 – VMT – THE FUTURE IN CALIFORNIA IS CHANGING

At this time, Commissioner V. Manuel Perez left the meeting.

Anne Mayer welcomed and introduced Charity Schiller, Best Best and Krieger, LLP, to provide a presentation on the implementation of SB 743. She explained hearing Mark Watts at the legislative panel discussion from yesterday talking about a lot of conversation that is occurring in Sacramento about the fact that while there may not be any new legislation that's a big ticket for conversation implementation of law using policy and procedures this is going to be a very weak year. She then discussed the conversations in Sacramento about all the different priorities and there are really good goals and objectives but many of those policies are bumping up against each other. She expressed a lot of the conflict is going to come in under the SB 743, which is why Ms. Schiller is here to discuss the implementation of SB 743.

Charity Schiller presented the details of SB 743, highlighting the following areas:

- Background:
 - CEQA requires agencies to consider transportation and traffic impacts prior to approving projects
 - Historically, a delay-based metric has been used
 - Level of Service(LOS) measures how efficiently traffic flows through roadways and intersections on an A through F scale
 - LOS impacts are often mitigated through roadway efficiency improvements (widening, restriping, signalization, interchange improvements, connectivity between communities, and fair-share fees)
 - Separate from CEQA, LOS standards are also reflected in most city/county general plans
- The state steps in:
 - By the early 2000s, there were growing concerns regarding greenhouse gases (GHG) and global warming: AB 32: Legislature recognizes global warming and establishes state-wide GHG reduction targets
 - State focuses on the transportation-sector, sought to encourage infill, and tried to limit "sprawl": SB 375: Each Metropolitan Planning Organization must develop a Regional Transportation Plan that "caps" through a "Sustainable Communities Strategy"
- The state's next step: SB 743:
 - SB 743 amended CEQA to require that transportation impacts in certain areas be analyzed using something other than LOS

- Legislature focused on Vehicle Miles Traveled (VMT) as the new metric
 - CEQA Guidelines 15064.3 confirmed that VMT is generally the most appropriate metric going forward
- Is SB 743 a step forward or step back:
 - Extensive debate on whether VMT is “better” than LOS. (If your trip is only ten miles, but it takes you two hours to make that trip because of congestion, are you really reducing GHGs?)
 - Although intended to facilitate residential infill, does SB 743 unintentionally worsen the housing crisis by making it harder/more expensive for less urbanized areas to build affordable housing?
 - Doesn’t the switch to VMT disproportionately affect development in areas that are not yet fully developed (like much of the Inland Empire)?
- The bottom line requirement
 - Regardless of the uncertainty and arguments, agencies must change their method of analyzing traffic impacts in CEQA documents no later than July 1st. LOS/delay will no longer be considered a “impact”
 - VMT analysis is “generally” required
 - Caveat per *Citizens for Positive Growth & Preservation v. City of Sacramento* (cert. 12/2019). Argument that LOS is no longer a CEQA impact now
- Why is the July 1st deadline important?
 - It flips traditional traffic impact analysis and mitigation on its head
 - Things that we once viewed as traffic mitigation because they reduced vehicle delay (i.e., new, wider, better roads), might now be viewed as causing a traffic impact because they arguably facilitate VMT in some circumstances
- Why is the July 1st deadline important (continued)?
 - Issues re Cost/Timing: “If the [CEQA] document meets the content requirements in effect when the document is sent out for public review,” it need not be updated (CEQA Guideline 15007)
 - But some real uncertainties with regard to documents that are in mid-preparation
- Issues re how much VMT is “significant”?
 - Do agencies want a jurisdiction-wide threshold; a regional threshold; or attempt to address on a project-by-project basis
 - If VMT threshold is too low, an EIR will be required for virtually every project (Discourages development?)
 - If VMT threshold is too high, an EIR may never be required. (Illusory?)
 - OPR recommends a threshold of reducing VMT to a level of “15% below that of existing development”
 - What happens when thresholds conflict?
 - Any threshold must be supported by substantial evidence and be adopted through a public process
- Issues re Caltrans and RTPs:
 - Caltrans working on a proposed VMT threshold
 - How will it apply when local sponsor (RCTC or others) are CEQA lead agency, but Caltrans review is required?

- Will RTPs re-focus on reducing VMTs, rather than facilitating vehicular circulation?
- Issues re technical analysis:
 - CEQA process still fundamentally the same: describe project; calculate VMT impact; compare to threshold; mitigate if significant
- However, technically complex:
 - How “far out” from Project site must VMT be calculated? When does it become speculative?
 - Particularly for transportation projects, how do we calculate the existing “baseline” VMT for purposes of evaluating the impact
- Issues re mitigation:
 - CEQA requires all “feasible” mitigation for significant impacts
 - Greater emphasis on measures that reduce VMT (bicycles, pedestrian, train, busing, carpool)
 - But can we “feasibly” mitigate to a level of less-than-significant for large projects?
 - Large-scale mitigation comes with large-scale price tags. A regional mitigation approach may be an option
- More issues re mitigation:
 - How to show that “mitigation” is additive (over and above what would normally happen)?
 - More pressure to “bundle” projects that reduce VMT with projects that increase VMT? A new way of looking at project planning?
 - If LOS is no longer an “impact,” what does this mean for current “mitigation” schemes?
- Litigation issues:
 - CEQA continues to be a cudgel for many groups
 - Every uncertainty is an opportunity for legal challenge
 - Litigation costs are especially tough on public projects without private sponsors – including nearly all transportation projects
- With all the uncertainties around VMT, can agencies at least scratch LOS off their list?
 - Probably not.
 - LOS still used in many planning documents (e.g., general plans)
 - Land use consistency, land use adjacency, public health, and quality of life issues are tied to LOS in some jurisdictions
 - LOS goals might still be an important factor for decision-makers to weigh before acting on a proposed project

At this time in the presentation of “Where do we go from here?” Charity Schiller turned it over to Anne Mayer to discuss.

Anne Mayer explained wanting to bring this to the Commissioners’ attention not only to ensure they are aware for their jurisdictions but also the practical implications for the Commission. She used the I-15 Southern Extension as an example, as the Commission is starting the I-15 Southern Extension environmental document, there have been public scoping meetings, issued a notice of preparation to the public, and it is likely going to be the Commission’s first project that will have to analyze VMT as part of its traffic analysis. She expressed there is no guidance yet, the guidance

is being developed and collectively the transportation stakeholders are not actively engaged in that effort. She explained in order to reduce GHG emissions one of the most effective things that can be done is toll lanes and congestion pricing, which is the most effective way to reduce GHG emissions, however the I-15 Express Lanes will reduce GHG but it will increase VMT and how does that get mitigated. She then discussed the Commission's options in working with other agencies in Southern California about six months ago and requested the Caltrans team in Headquarters putting this plan together to meet with them about the plan and the implications on project delivery. Anne Mayer stated this is being shared with the Commissioners in order to get input and direction.

The Commissioners then discussed the following areas:

Suggested to track VMT by businesses that open or businesses that have expanded and keeping track of how many people and coming up with VMT to link those two things together; have a program mitigation fee that goes to WRCOG to help fund this bill; suggested if the VMT is the next step to start having the tie to the individual consumers and having to do the travel paid through the VMT process; while focusing on exporting 400,000 people per day out of the County if they continue to focus inward instead of outward to get credit for that while trying to reduce the exportation of workers by virtue of investing in infrastructure that serves the County internally; suggested this is a dangerous law and that it favors urbanization; asked about the benefits of this law and encouraging more urban form as its important they balance the change with some positives that benefit here with this law; what is the incentive of San Francisco; who grades the A-F LOS; concurred there needs to be more housing when there are jobs, but the problem is there that there is no differentiation between Coast Mesa, Irvine, San Jacinto, and Coachella; and there needs to be a sliding scale on what's important because where they make the most money is going to dictate. It was requested to keep the Commissioners informed as this program progresses.

Charity Schiller explained with the VMT and tying it to the individual consumers it could be and she then used San Francisco as an example, and discussed their incentive program to help drive less miles. Ms. Schiller concurred about getting credit for trying to reduce the exportation of workers by virtue of investing in infrastructure that serves the County internally. She stated from an analyst prospective they would want to look at a project if they are required to look at projects in terms of where everyone is driving they should also be able to claim credit or adjust the housing affects because that does reduce VMT on a regional basis that specific project appears to create VMT. Ms. Schiller explained the focus of transportation today was the challenges that came up with this law because of the risk of litigation, but the benefits they are urban with the legislative history and the guidelines, which are: responsibility of downtowns, prioritizing expenditure of funding on trails and bicycle projects, industrial improvements on railway expansions, basically given direction to put more effort towards those projects. The other benefit is hopefully in the long term it will reduce GHG emissions from the transportation sector. Charity Schiller stated not being familiar with San Francisco's program as San Francisco has a government based incentive program also private sector programs and the tracker used is on the privacy side of things. She stated the A-F LOS of standards are set in the local general plans for each jurisdiction.

Anne Mayer explained in addition to the technical aspects it is staff's recommendation like the ideas currently being shared that the Commission does everything it can in partnership with CVAG, WRCOG, and other partners to create their own mitigation programs as the state is in the process of creating mitigation programs. It is better to be proactive and create programs that work here based on what the Commissioners want staff to focus on than be told what to do. Anne Mayer stated this could be an opportunity to incentivize communities to have integrated planning. She expressed the problem is in the implementation the way it appears to be headed from an implementation standpoint is punitive not incentivizing.

At this time, Commissioners Berkson, Gutierrez, Jeffries, Lorimore, and White left the meeting.

ZERO FATALITIES TASK FORCE RECOMMENDATIONS

Commissioner Lisa Middleton welcomed the Commissioners to the city of Palm Springs. She then presented a review of the draft of the final report for the Zero Fatalities Task Force, which could have some changes before this gets to final form. It is now resting with the Secretary of the California State Department of Transportation for his final approval before moving on to the Legislature. Commissioner Middleton presented the findings, highlighting the following areas:

- 85th Percentile Rule
- The Task Force Members included 40 people – Police Chiefs, Traffic Engineers, Academics in the Transportation Area, two Elected Officials, the city of Culver City Mayor, and Commissioner Middleton
- The Task Force made 17 findings and 26 recommendations, which she then highlighted some of the findings
- There are a set of changes being recommended and provided a basic idea behind how speed limits will be set in the future if the recommendations were approved by looking at a matrix
- The matrix would include the following:
 - What type of roadway are we talking about
 - How many lanes of traffic are there
 - Is there or is there not a physical division of traffic
 - What type of division of traffic is there
 - What is the environment: rural, industrial, commercial, mixed, urban, or suburban and each of these would be a factor
 - What is the presence in the number of pedestrians and cyclists on the roadway and are pedestrians and cyclists even permit some maximum speeds are going to be on rural freeways with physical barriers between ongoing traffic, multiple lanes of traffic, no ability for pedestrians or cyclists to enter that roadway and there are a number of miles between the points of entry and points of exit on that freeway
- Cities could establish a central business district this could be used to set the limits that were specific to their business district
- Revise accordingly how the state of California sets the guidelines to make the guidelines easier to follow for municipalities all of which to reduce the average speed the people follow

- California allow automated speed control by the cameras to identify speeds and that each municipality could be allowed to set up cameras to watch speeds; There are provisions that this cannot be used to simply be an income generator for the municipalities

The Commissioners then discussed the following areas:

In 1970 the speed limit was 55 MPH and several years later it went up to 70 MPH - were there any problems with that and how did that affect the way of thinking here; local jurisdictions are going to have the ability to change their speed limits based off those matrix and jurisdictions have speed traps, how do they avoid that from a driver consumer prospective; and what is the timeline on this.

Commissioner Middleton explained certainly the traffic engineers will say if you artificially take a speed down to below what is realistic for people to drive that driving 55 MPH in a middle of an open freeway found it is an unrealistic speed, and the goal is to not get down to unrealistic speeds. She stated one of the conversations over the course of being on this Task Force is the 85th Percentile Rule that is extremely efficient but there is no application of local knowledge in a setting of speed limits. In talking to people from San Francisco to rural parts of Northern California to Los Angeles and this region it is clear that everyone knows from driving and living in their communities where traffic issues are the worst, and not being given an opportunity to apply that knowledge when it comes to setting speed limits is a local control issue she wants to get back. Commissioner Middleton suggested the matrix as she has seen it laid out is one that is not going to give the municipality the ability to take in a rapid change of what a speed limit is going to be. Every city is going to be applying that matrix and there will be some differences from one city to another. Commissioner Middleton stated the timeline on this is about a little over two weeks past due to be released from the Secretary's office, it will then go out into the public and what they are expecting is that Assembly Member Laura Friedman is going to take those recommendations and turn them into a piece of legislation, which will probably be a 2021 introduction.

Anne Mayer expressed appreciation and commended Commissioner Middleton for her participation on this Task Force as this Task Force is an example of how everyone can work well. She discussed how she had the opportunity to sit in briefly on one of the meetings and they are an impressive group of people throughout the state really committed to this idea of solving a problem that has been around for a long time and to do so in the name of safety. The Task Force has done a tremendous job and she looks forward to supporting from a staff perspective of the legislation that comes out.

HIGHWAY TECHNOLOGY UPDATE

Anne Mayer welcomed and introduced Darren Henderson, WSP to present Highway Technology and noted the Traffic Relief Strategy Committee received a brief presentation on this a couple of months ago. She explained Mr. Henderson has a great deal of expertise related to operations; he is going to discuss since we can't build our way out of it there are some potential solutions to make the system we have work better.

Darren Henderson introduced Daniel Suter, Transmax and Adam Myers, Transmax and then presented the Highway Technology Update: Smart Freeways the most important transportation strategy you've probably never heard of, highlighting the following areas:

- Smart Freeways provides a new approach to fully control freeway operations:
 - Refines the way we use familiar highway traffic management technologies
 - Provides a comprehensive package of strategies to better manage freeway operations and optimize traffic flows
- Smart Freeways uses technology to optimize freeway operations in real time:
 - Works by synchronizing the flow of vehicles entering and exiting the freeway to those already on the freeway
 - Provides real time demand management to control traffic and optimize overall freeway efficiency
- Precise data and advanced system management technology are key to smart freeways
 - Can Include:
 - Frequent highly precise vehicle detection
 - Coordinated dynamic ramp metering
 - Land-use management systems: Variable speed limits; Variable lane control; and Shouldering running
 - Incident detection and CCTV surveillance
 - Traveler information
 - Comprehensive and coordinated ITS control system running advanced traffic algorithms
- Strategic design considerations are integral to Smart Freeways effectiveness:
 - Can include:
 - Addressing mainline bottlenecks
 - On ramp queue storage and discharge
 - Merge lanes and weave areas
 - Off ramp discharge
 - Priority vehicle lanes and ramp queue bypass
- Managed freeways is not a trivial matter:
 - Requires embracing a new holistic approach to freeway traffic operations
 - ✓ Systems approach to freeway planning, design and operations
 - ✓ Necessitates appropriate organizational and managerial support
 - ✓ Must be implemented with a robust partnership with Caltrans
- Smart Freeways are operating on multiple freeway corridors in Australia:
 - Initially developed by VicRoads
 - Melbourne's Managed Motorway system now extends over more than 100 miles of freeways
 - Also in operation in Brisbane
- Smart Freeways is the only proven strategy to reliably control freeway operations:
 - Melbourne's throughput on Smart Freeways increased by up to 25% during the peak periods

- The economic benefits of the initial Smart Freeway made the business case for completing the entire network

At this time, Daniel Suter presented the Smart Freeways case study: Bruce Highway, Brisbane, Australia, highlighting the following:

- An image of the Bruce Highway in 2014 – The challenge
- Smart Freeways case study: Bruce Highway, Brisbane, Australia before managed freeways during AM peak period

At this time, Darren Henderson presented the Smart Freeways case study in 2019, highlighting the following:

- Smart Freeways case study in 2019: Bruce Highway, Brisbane, Australia after managed freeways during AM peak period
- Smart Freeways is seeing increasing interest across North America:
 - Arizona, California, Colorado, Georgia, North Carolina, Utah and Ontario are doing or have done initial feasibility assessments
 - ✓ Smart Freeways have been identified as a viable strategy for various freeway corridors
- Smart Freeways is seeing increasing interest across North America:
 - CDOT is proceeding with a demonstration of Smart Freeways on NB I-25 in Denver
 - Smart 25 includes:
 - ✓ Strategic ramp modifications including freeway to freeway connectors
 - ✓ Upgraded vehicle detection capabilities
 - SMART 25 elements include:
 - ✓ Enhanced ITS control system using Transmax STREAMS
 - ✓ Cloud based operations using VicRoads existing control algorithms
 - Construction is ongoing with operations scheduled to commence by fall 2020
- Smart Freeways in Riverside County
 - High level screening of freeways across the county to identify candidate locations
 - Evaluate existing traffic to develop conceptual design and cost for a potential pilot project
- A graphic of moving rapid of flows before and after with site measures, speed, volume, and occupancy during 4:30 AM

The Commissioners and the consultant team discussed the following: What is needed for the feasibility studies; the metering on ramps on the mainline; tweaking ramps and looking at the actual fees; Caltrans focus is on the mainline moving efficiently but with that comes a sacrifice to look at areas outside; if this technology works during concerts and holiday weekends in the Coachella Valley; and if the system is designed to be used in urban centers where there are municipal streets.

At this time, Commissioner Hewitt left the meeting.

Anne Mayer expressed appreciation to the team for a great presentation and noted she authorized under her single signature authority this screening of the feasibility study and they are taking a look at locations throughout the County. They will come back with some high level recommendations and results as soon as it is received staff will be come back to the Commission with a presentation.

Received and discussed information on the use of technology for traffic relief strategies.

PUBLIC ENGAGEMENT UPDATE FOR DRAFT TRAFFIC RELIEF PLAN

Aaron Hake, External Affairs Director, presented the public engagement update for the Draft Traffic Relief Plan, highlighting the following:

- Early qualitative results: January 9-23, 2020, for the roads, freeways, interchanges, trains, buses, help with My Commute, trails and technology
- Our communication tools: Social Media, email notices; digital radio; presentations to city councils, service clubs, industry groups; earned media; member agencies; billboards; mail (English/Spanish); Tele-town hall meetings; and community events
- Traffic Relief Plan new coverage

Aaron Hake discussed the various comments being received.

Received information regarding recent and upcoming public engagement for the Draft Traffic Relief Plan.

RECAP AND FINAL THOUGHTS

Chair Benoit expressed appreciation to everyone that attended the workshop and for a great job.

Anne Mayer expressed staffs' appreciation for the Commissioners attendance as the Chair mentioned this has been the most significant attendance from Commissioners. She expressed gratitude for the Commissioners' feedback and input and received a lot of good policy direction so staff will be implementing the Commissioners' direction in the coming months.

There being no further business for consideration by the Riverside County Transportation Commission, the workshop adjourned at 10:50 a.m.

Respectfully submitted,



Lisa Mobley
Clerk of the Board

AGENDA ITEM 7A

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Michele Cisneros, Deputy Director of Finance
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Quarterly Sales Tax Analysis

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to receive and file the sales tax analysis for Quarter 2, 2019.

BACKGROUND INFORMATION:

At its December 2007 meeting, the Commission awarded an agreement with MuniServices, LLC (MuniServices), an Avenu Company, for quarterly sales tax reporting services plus additional fees contingent on additional sales tax revenues generated from the transactions and use tax (sales tax) audit services. As part of the recurring contracts process in June 2018, the Commission approved a five-year extension through June 30, 2023. The services performed under this agreement pertain to only the Measure A sales tax revenues.

Since the commencement of these services, MuniServices submitted audits, which reported findings and submitted to the California Department of Tax and Fee Administration (CDTFA), for review and determination of errors in sales tax reporting related to 1,077 businesses. Through 2Q 2019, the CDTFA approved 615 of these accounts for a cumulative sales tax recovery of \$10,258,416. If CDTFA concurs with the error(s) for the remaining claims, the Commission will receive additional revenues; however, the magnitude of the value of the remaining findings was not available. It is important to note that while the recoveries of additional revenues will be tangible, it will not be sufficient to alter the overall trend of sales tax revenues.

MuniServices provided the Commission with the Quarterly Sales Tax Digest Summary report for 2Q 2019. Most of the 2Q 2019 Measure A sales tax revenues were received in the third quarter of calendar year 2019, during July 2019 through September 2019, due to a lag in the sales tax calendar. The summary section of the 2Q 2019 report is attached and includes an overview of California's economic outlook, local results, historical cash collections analysis by quarter, top 25 sales/use tax contributors, historical sales tax amounts, annual sales tax by business category, and five-year economic trend for significant business category (general retail).

Taxable transactions for the top 25 contributors in Riverside County generated 24.4 percent of taxable sales for the benchmark year ended 2Q 2019, slightly higher than the 23.1 percent for

the benchmark year ended 2Q 2018. The top 100 tax contributors generated 39.1 percent for the benchmark year ended 2Q 2019, slightly higher than the 37.7 percent for the benchmark year ended 2Q 2018.

In the Economic Category Analysis below, five of the six categories experienced new highs in the 2Q 2019 benchmark year compared to the prior eight benchmark years. The Business to Business category is slightly below the 2Q 2018 benchmark year due to the closure of medical equipment companies in the 2Q 2019 benchmark year.

ECONOMIC CATEGORY ANALYSIS										
% of Total / % Change	RCTC	State Wide	Orange County	San Bernardino County	S.F. Bay Area	Sacramento Valley	Central Valley	South Coast	North Coast	Central Coast
General Retail	28.2 / 5.9	28.6 / 3.5	30.4 / 5.0	26.9 / 1	25.5 / 2.5	27 / 5.1	28.4 / 0.3	28.6 / 4	30.1 / 3.8	28.0 / 1.4
Food Products	17.9 / 2.5	22.8 / 6.5	22.1 / 8.2	17.7 / 6.5	24.6 / 6.9	18.1 / 4.5	17.5 / 7.0	24.7 / 6.3	16.8 / -12.8	35.8 / 14.6
Transportation	24.5 / 3.3	25.3 / 6.8	25.4 / 11.7	29.5 / 1.9	23.7 / 9.6	29.5 / 5.7	27.6 / 6.8	24.7 / 7.5	27.9 / -16.7	23.0 / 2.3
Construction	11.0 / 6.4	9.9 / 2.7	8.8 / -1.2	9.9 / 8.6	10.4 / 1.8	12.8 / -0.7	12.6 / 3.2	9.2 / 4.5	16.6 / -4.7	9.1 / 14.0
Business to Business	15.9 / -0.3	12.5 / -10.7	12.2 / -10.5	14.2 / -2.8	14.9 / -11.3	11.7 / -4.3	13.2 / 9.0	11.9 / -11.8	8.2 / -7.8	3.5 / -26.8
Miscellaneous	2.5 / 4.5	0.9 / -21.7	1.1 / 13.7	1.8 / -3.0	0.9 / -19.8	0.9 / -17.2	0.8 / -39.6	0.9 / -21.6	0.4 / -40.6	0.6 / -29.1
Total	100.0 / 3.6	100.0 / 2.5	100.0 / 4.6	100.0 / 2.3	100.0 / 2.4	100.0 / 3.0	100.0 / 4.1	100.0 / 2.9	100.0 / -8.1	100.0 / 5.3

General Retail: Apparel Stores, Department Stores, Furniture/Appliances, Drug Stores, Recreation Products, Florist/Nursery, and Misc. Retail

Food Products: Restaurants, Food Markets, Liquor Stores, and Food Processing Equipment

Construction: Building Materials Retail and Building Materials Wholesale

Transportation: Auto Parts/Repair, Auto Sales - New, Auto Sales - Used, Service Stations, and Misc. Vehicle Sales

Business to Business: Office Equip., Electronic Equip., Business Services, Energy Sales, Chemical Products, Heavy Industry, Light Industry, Leasing, Biotechnology, I.T. Infrastructure, and Green Energy

Miscellaneous: Health & Government, Miscellaneous Other, and Closed Account Adjustments

An analysis of sales tax performance through 2Q 2019 is attached and illustrates fairly consistent cycles for sales tax performance for most of the economic categories since 2Q 2014.

For 9 of the top 10 segments (restaurants, auto sales-new, department stores, miscellaneous retail, building materials-wholesale, food markets, apparel stores, building materials-retail, and heavy industry) during the eight benchmark year quarters, sales tax receipts reached a new high point. The segments represent 62 percent of the total sales tax receipts. Service stations representing 7.2 percent was higher than the last five benchmark year quarters since 2Q 2014.

The top 10 segments represent 69.2 percent of the total sales tax receipts. For the other 21 segments representing 30.8 percent of the total sales tax receipts, 11 segments representing 14.7 percent of the total sales tax receipts reached new high points in the benchmark year 2Q 2019. In the Economic Segments Analysis below, auto sales-new and department stores have been in the top three economic segments. Restaurants replaced service stations in the top three economic segments beginning in 4Q 2014. The service stations segments high occurred in 4Q 2012 and declined through 1Q 2017 due to lower fuel prices; the 2Q 2019 benchmark year quarter for service stations reflects an increase over the last five benchmark year quarters since 2Q 2014 due to higher fuel prices.

ECONOMIC SEGMENT ANALYSIS										
	RCTC	State Wide	Orange County	San Bernardino County	S.F. Bay Area	Sacramento Valley	Central Valley	South Coast	North Coast	Central Coast
Largest Segment	Restaurants	Restaurants	Restaurants	Restaurants	Restaurants	Restaurants	Department Stores	Restaurants	Department Stores	Restaurants
% of Total / % Change	11.6 / 4.2	16.7 / 8.8	16.4 / 9.8	12.0 / 5.4	18.3 / 9.4	12.6 / 7.3	12.9 / 7.8	18.6 / 8.6	12.2 / 15.2	25.9 / 17.6
2nd Largest Segment	Auto Sales - New	Auto Sales - New	Auto Sales - New	Service Stations	Auto Sales - New	Auto Sales - New	Restaurants	Auto Sales - New	Auto Sales - New	Auto Sales - New
% of Total / % Change	11.0 / 0.8	12.1 / 9.5	13.9 / 20.6	11.0 / 2.7	12.0 / 12.6	11.9 / 3.0	11.8 / 11.1	12.0 / 11.3	11.2 / -13.1	11.9 / 2.6
3rd Largest Segment	Department Stores	Department Stores	Department Stores	Department Stores	Department Stores	Department Stores	Auto Sales - New	Department Stores	Restaurants	Misc Retail
% of Total / % Change	9.9 / 7.2	9.7 / 5.1	9.6 / 7.0	10.7 / 11.2	7.4 / 3.6	10.9 / 6.8	10.9 / 6.4	9.0 / 5.0	10.1 / 15.4	10.1 / 6.7

As reported in the 3Q 2018 Sales Tax Analysis Report, staff notified the Commission of a reporting error by one of the top 25 sales/use tax contributors related to a misallocation of the district tax to the Commission during 2Q 2018 through 4Q 2018, resulting in an overpayment to the Commission estimated in the amount of \$2.5 million. Staff is not certain in which period the misallocation correction will be completed; however, the Fiscal Year 2019/20 sales tax revenues after the correction are expected to continue to reflect an increase over the FY 2018/19 revenues.

Information regarding sales tax comparison by city and change in economic segments (two highest gains and two highest losses) from 2Q 2018 to 2Q 2019 is attached.

Staff continues to monitor sales tax receipts and other available economic data to determine the need for any adjustments to the revenue projections. Staff will utilize the forecast scenarios with the complete report and receipt trends in assessing such projections.

Attachments:

- 1) Sales Tax Digest Summary 2Q 2019
- 2) Sales Tax Performance Analysis by Quarter 2Q 2019
- 3) Quarterly Sales Tax Comparison by City for 2Q 2018 to 2Q 2019

Approved by the Budget and Implementation Committee on February 24, 2020

In Favor: 9 Abstain: 0 No: 0

Riverside County Transportation Commission

Sales Tax Digest Summary

Collections through September 2019
Sales through June 2019 (2019Q2)

CALIFORNIA'S ECONOMIC OUTLOOK

California sales tax receipts increased by 16.2% over the same quarter from the previous year, with Northern California reporting a 16.5% increase compared to 16.0% for Southern California. Receipts for the RCTC increased by 20.8% over the same periods. Unprecedented increases were due to the California Department of Tax and Fee Administration implementation of a new reporting system and delay in the processing of many sales tax returns filed for the same quarter from the previous year.

- **California GDP:** in 2019Q2 was 1.9% change from 2018Q2. From 2019Q1 to 2018Q1 was 2.7%; previous quarter results for 2018Q4 to 2017Q4 was 2.2%. (BEA, November 7, 2019)
- **California's Sales and Use Tax:** For July to September 2019 (first three months of the fiscal year) were \$77 million below forecast. Receipts for September were \$52 million above the month's forecast of \$2.098 billion. Personal Income Tax: \$420 million below forecast. Revenues for September were \$401 million below the month's forecast of \$8.65 billion. Corporation Tax: July to September 2019 were \$682 million above forecast. (DOF, October 2019)
- **Statewide Sales Tax Receipts:** changed by 2.0% as compared to the same quarter from prior year.

LOCAL RESULTS

Net Cash Receipts Analysis

Local Collections	49,801,343
Share of County Pool 0.0%	0
Share of State Pool 0.0%	0
SBE Net Collections	49,801,343
Less: Amount Due County 0.0%	.00
Less: Cost of Administration	(548,970)
Net 2Q2019 Receipts	49,252,373
Net 2Q2018 Receipts	40,788,679
Actual Percentage Change	20.8%

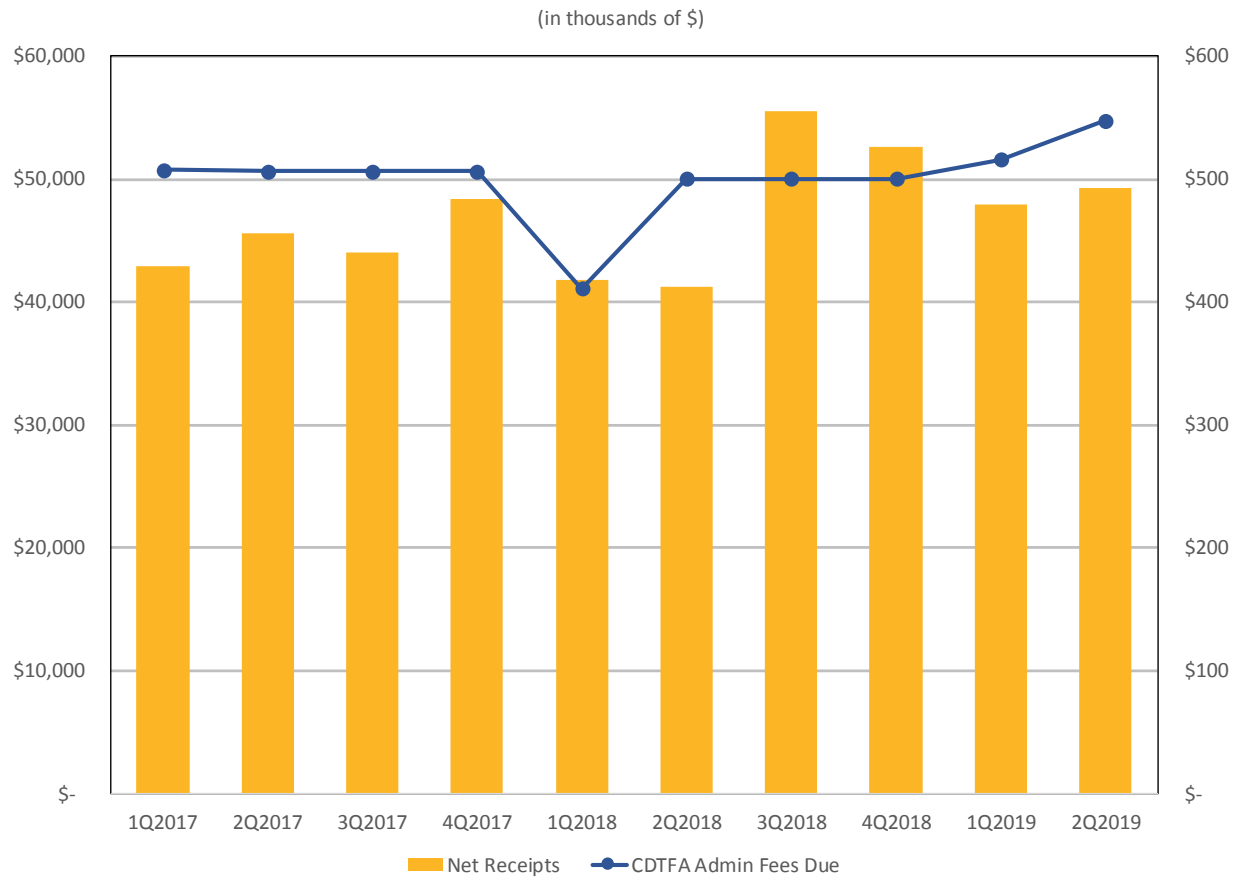
Business Activity Performance Analysis

Local Collections – Economic Basis 2Q2019	\$50,233,521
Local Collections – Economic Basis 2Q2018	\$47,919,063
Quarter over Quarter Change	2,314,458
Quarter over Quarter Percentage Change	4.8%

Avenu Insights & Analytics' On-Going Audit Results

Total Recovered Year to Date	\$10,791,025
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HISTORICAL CASH COLLECTIONS ANALYSIS BY QUARTER



TOP 25 SALES/USE TAX CONTRIBUTORS

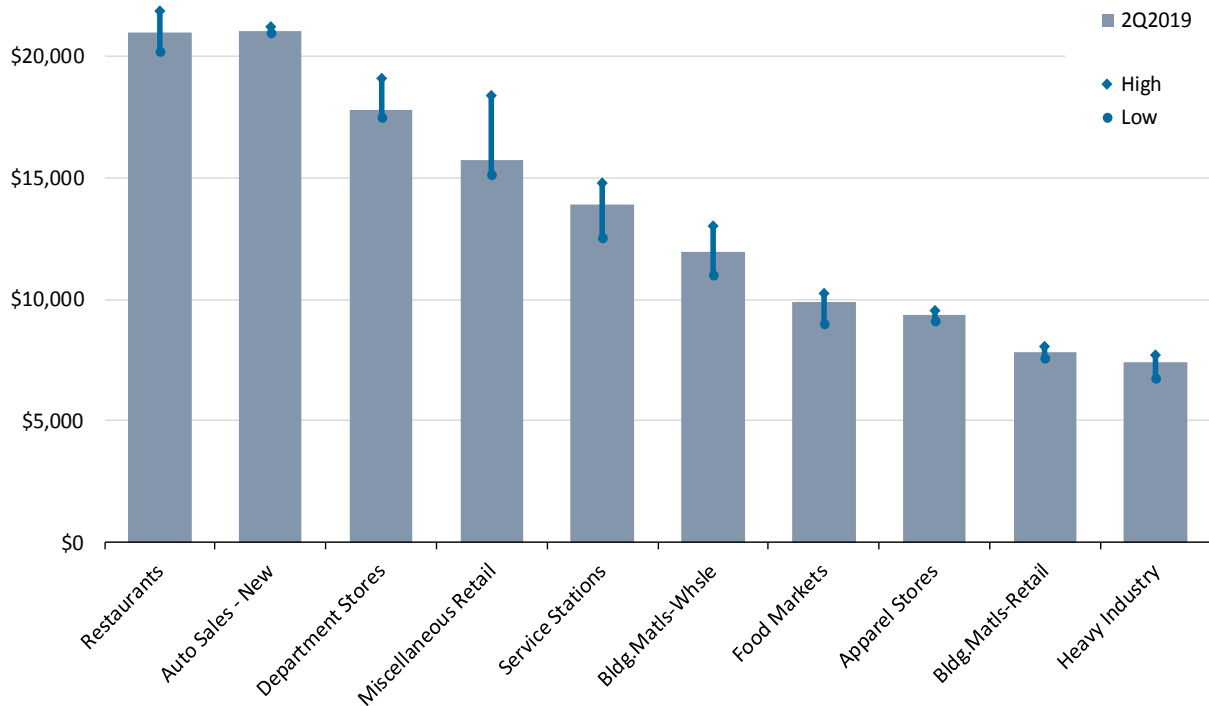
The following list identifies RCTC's Top 25 Sales/Use Tax contributors. The list is in alphabetical order and represents sales from June 2018 to May 2019. The Top 25 Sales/Use Tax contributors generate 24.4% of RCTC's total sales and use tax revenue.

AMAZON.COM
 ARCO AM/PM MINI MARTS
 BEST BUY STORES
 CARMAX THE AUTO SUPERSTORE
 CHEVRON SERVICE STATIONS
 CIRCLE K FOOD STORES
 CONSOLIDATED ELECTRICAL DISTRIBUTORS
 COSTCO WHOLESALE
 DEPARTMENT OF MOTOR VEHICLES
 FERGUSON ENTERPRISES
 FOOD 4 LESS
 HOME DEPOT
 KOHL'S DEPARTMENT STORES

LOWE'S HOME CENTERS
 MACY'S DEPARTMENT STORE
 MCDONALD'S RESTAURANTS
 RALPH'S GROCERY COMPANY
 ROSS STORES
 SAM'S CLUB
 SHELL SERVICE STATIONS
 STATER BROS MARKETS
 TARGET STORES
 TESLA
 VERIZON WIRELESS
 WAL MART STORES

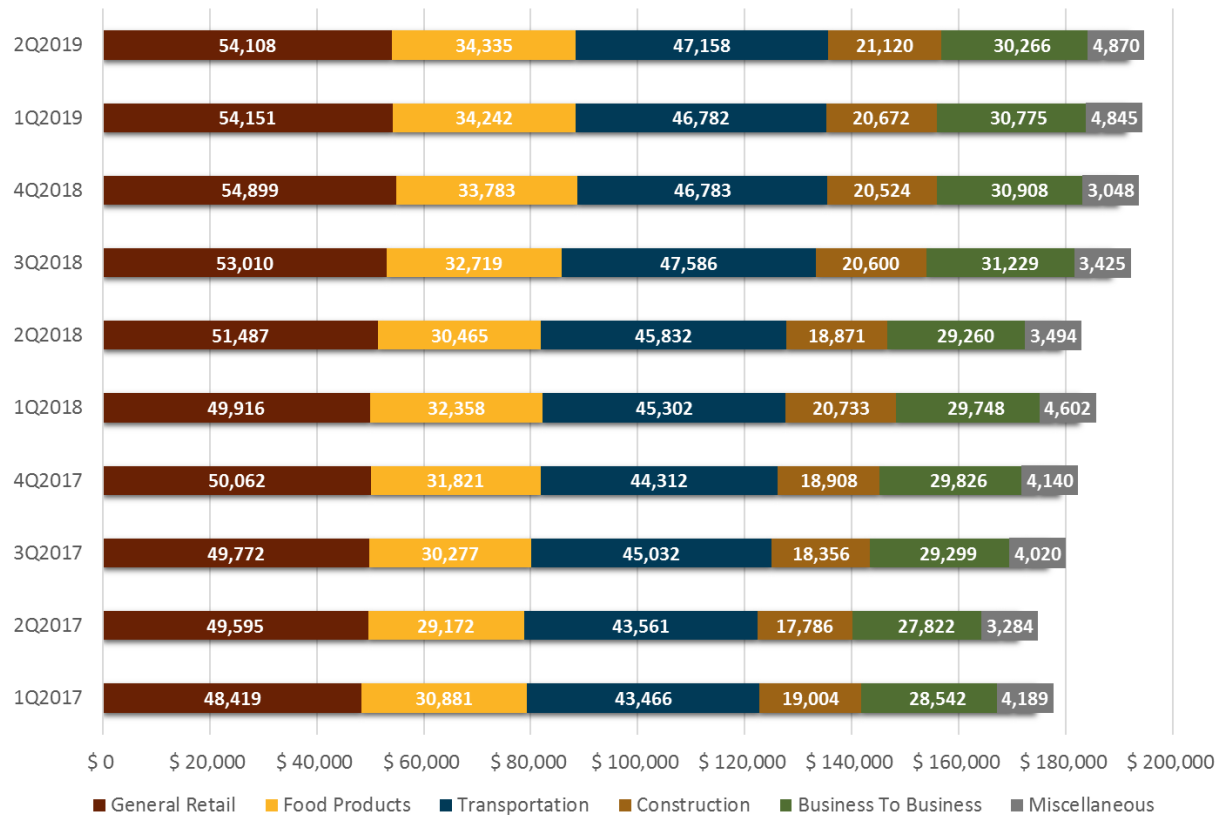
HISTORICAL SALES TAX AMOUNTS

The following chart shows the sales tax level from annual sales through June 2019, the highs, and the lows for each segment over the last two years in thousands of \$.

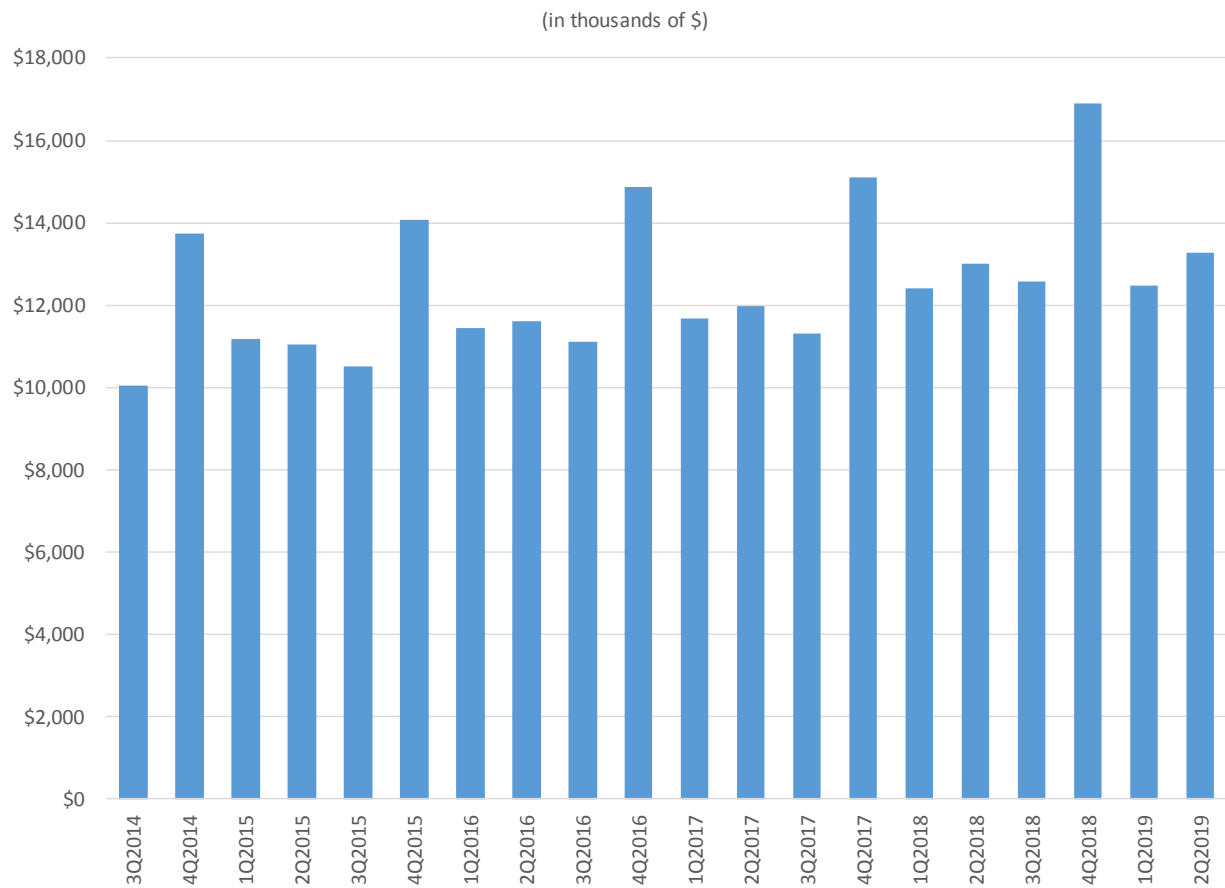


ANNUAL SALES TAX BY BUSINESS CATEGORY

(in thousands of \$)

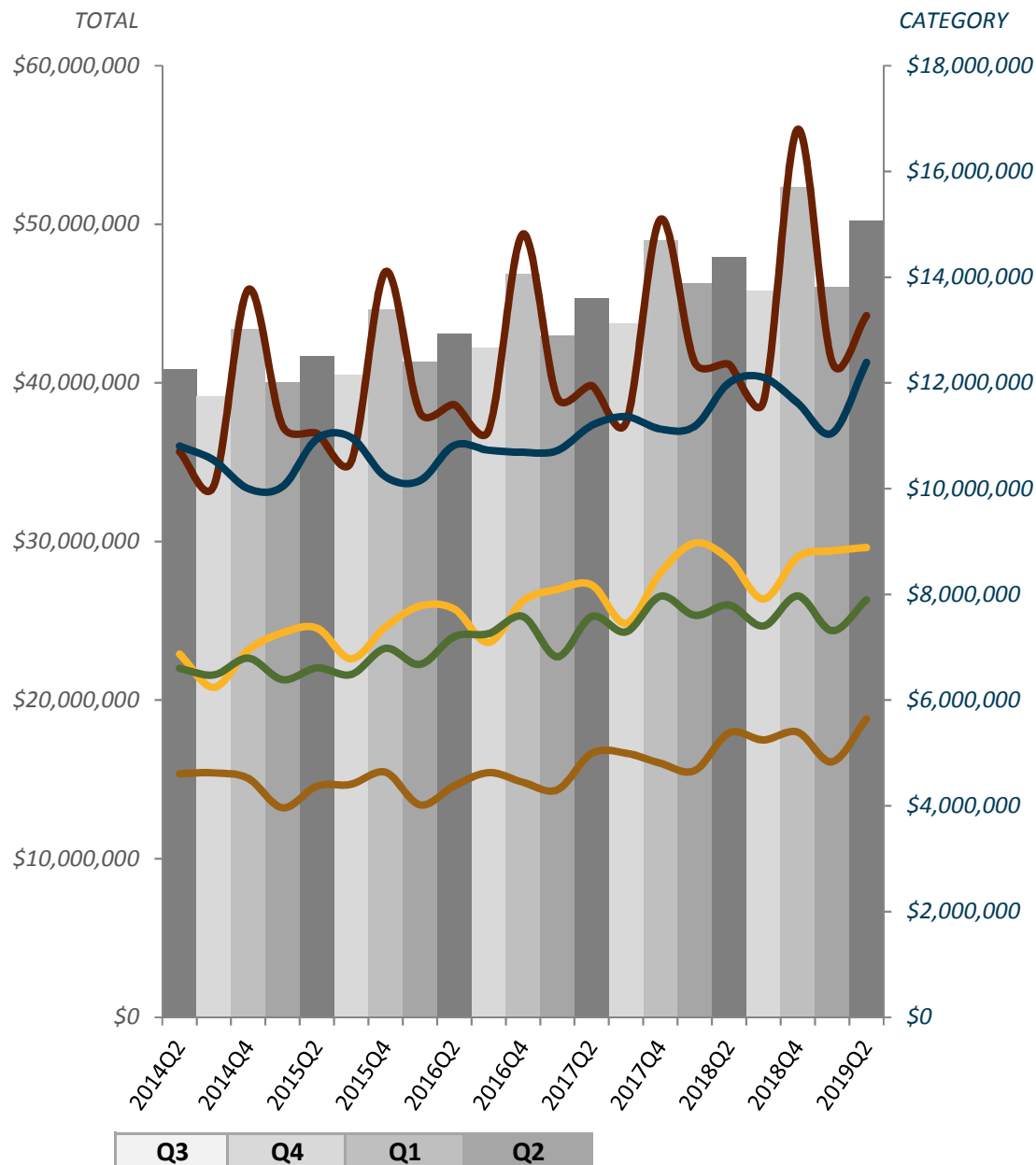


FIVE-YEAR ECONOMIC TREND: General Retail



TOTAL

Economic



TOTAL

2019Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$50,233,521	4.8%	\$2,314,458	4.1%	\$7,572,058

GENERAL RETAIL

2019Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$13,271,893	7.5%	\$921,818	5.9%	\$3,025,769

% of 2019Q2 Total: 26.4%

FOOD PRODUCTS

2019Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$8,888,386	2.6%	\$224,925	2.5%	\$842,816

% of Total: 17.7%

TRANSPORTATION

2019Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$12,386,774	3.2%	\$384,701	3.3%	\$1,486,802

% of Total: 24.7%

CONSTRUCTION

2019Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$5,644,961	4.9%	\$264,523	6.4%	\$1,269,148

% of Total: 11.2%

BUSINESS TO BUSINESS

2019Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$7,896,899	1.3%	\$98,587	-0.3%	-\$78,380

% of Total: 15.7%

QoQ = 19Q2 / 18Q2

YoY = YE 19Q2 / YE 18Q2

RCTC: Quarterly Comparison of 2018Q2 and 2019Q2 (April through June Sales)

	General Retail	Food Products	Transportation	Construction	Business To Business	Miscellaneous	Apr - Jun 2019 (2019Q2)	Apr - Jun 2018 (2018Q2)	% Chg	Gain	Gain	Decline	Decline
RIVERSIDE COUNTY													
BANNING	5.8%	-0.2%	-6.0%	2.0%	9.5%	15.3%	606,286	614,339	-1.3%	MISCELLANEOUS RETAIL	DRUG STORES	AUTO SALES - NEW	MISC. VEHICLE SALES
BEAUMONT	-1.5%	9.3%	7.4%	3.9%	0.5%	37.1%	1,178,800	1,134,736	3.9%	SERVICE STATIONS	RESTAURANTS	FURNITURE/APPLIANCE	MISC. VEHICLE SALES
BLYTHE	-4.0%	5.5%	-14.5%	15.4%	-28.5%	223.3%	338,681	369,182	-8.3%	RESTAURANTS	BLDG.MATLS-RETAIL	AUTO SALES - NEW	SERVICE STATIONS
CALIMESA	8.4%	5.1%	3.7%	-11.8%	-9.4%	32.4%	216,885	208,164	4.2%	SERVICE STATIONS	FOOD MARKETS	AUTO SALES - USED	CHEMICAL PRODUCTS
CANYON LAKE	-9.5%	1.4%	-0.4%	-2.5%	247.5%	52.4%	76,187	65,428	16.4%	FOOD MARKETS	MISC. VEHICLE SALES	RESTAURANTS	SERVICE STATIONS
CATHEDRAL CITY	-4.7%	0.3%	4.2%	-17.2%	6.2%	-16.2%	2,204,186	2,164,584	1.8%	SERVICE STATIONS	AUTO SALES - NEW	BLDG.MATLS-WHSLE	FOOD MARKETS
COACHELLA	32.3%	7.6%	0.6%	32.8%	4.8%	78.9%	882,060	822,162	7.3%	DRUG STORES	FOOD MARKETS	AUTO SALES - USED	LIGHT INDUSTRY
CORONA	5.2%	1.9%	-5.7%	11.5%	-1.2%	-60.4%	10,233,615	10,062,118	1.7%	BLDG.MATLS-WHSLE	MISCELLANEOUS RETAIL	HEAVY INDUSTRY	AUTO SALES - NEW
COUNTY OF RIVERSIDE	-3.5%	4.2%	-6.7%	-7.9%	1.1%	-69.4%	7,321,690	7,576,936	-3.4%	FOOD MARKETS	MISCELLANEOUS RETAIL	APPAREL STORES	BLDG.MATLS-WHSLE
DESERT HOT SPRINGS	-2.3%	5.0%	6.3%	1.6%	1.7%	6.4%	403,226	388,587	3.8%	SERVICE STATIONS	RESTAURANTS	HEAVY INDUSTRY	DEPARTMENT STORES
EASTVALE	39.0%	-11.1%	-12.2%	-9.7%	1.4%	127.0%	2,024,555	1,928,520	5.0%	DEPARTMENT STORES	RESTAURANTS	MISCELLANEOUS RETAIL	FOOD PROCESSING EQP
HEMET	2.5%	-0.9%	9.3%	0.2%	12.1%	-13.0%	2,820,233	2,677,807	5.3%	AUTO SALES - NEW	SERVICE STATIONS	FURNITURE/APPLIANCE	AUTO SALES - USED
INDIAN WELLS	4.1%	18.5%	100.0%	169.8%	-14.1%	-33.2%	266,636	235,846	13.1%	RESTAURANTS	MISCELLANEOUS RETAIL	RECREATION PRODUCTS	APPAREL STORES
INDIO	13.8%	0.6%	-4.9%	7.8%	17.5%	40.8%	2,931,375	2,823,361	3.8%	DEPARTMENT STORES	BLDG.MATLS-WHSLE	SERVICE STATIONS	AUTO SALES - USED
JURUPA VALLEY	-17.8%	5.6%	-9.0%	16.7%	56.0%	-41.3%	3,246,585	2,797,985	16.0%	HEAVY INDUSTRY	DEPARTMENT STORES	MISCELLANEOUS RETAIL	LEASING
LA QUINTA	-0.9%	10.3%	0.5%	15.4%	-1.0%	19.9%	2,050,387	1,973,411	3.9%	RESTAURANTS	BLDG.MATLS-RETAIL	MISCELLANEOUS RETAIL	SERVICE STATIONS
LAKE ELSINORE	5.6%	3.5%	1.0%	0.2%	11.9%	-24.1%	2,352,003	2,262,701	3.9%	RESTAURANTS	AUTO SALES - NEW	FOOD MARKETS	AUTO PARTS/REPAIR
MENIFEE	3.7%	17.2%	-5.6%	24.8%	-7.1%	-79.0%	1,988,167	1,883,659	5.5%	FOOD MARKETS	RESTAURANTS	MISC. VEHICLE SALES	ENERGY SALES
MORENO VALLEY	-1.8%	7.4%	-1.7%	6.4%	-13.6%	17.7%	4,606,430	4,583,687	0.5%	DEPARTMENT STORES	FOOD MARKETS	SERVICE STATIONS	FURNITURE/APPLIANCE
MURRIETA	6.4%	5.2%	5.7%	-0.5%	-12.8%	-2.2%	4,220,341	4,106,912	2.8%	DEPARTMENT STORES	MISCELLANEOUS RETAIL	SERVICE STATIONS	BUSINESS SERVICES
NORCO	2.1%	7.5%	4.8%	4.5%	0.2%	-26.7%	1,688,661	1,623,489	4.0%	AUTO SALES - USED	RESTAURANTS	AUTO SALES - NEW	MISC. VEHICLE SALES
PALM DESERT	4.5%	7.2%	-20.8%	7.8%	-1.5%	234.8%	4,342,766	4,168,734	4.2%	DEPARTMENT STORES	MISCELLANEOUS OTHER	AUTO SALES - NEW	LEASING
PALM SPRINGS	3.7%	5.2%	14.6%	8.1%	4.9%	-35.5%	3,355,107	3,161,465	6.1%	AUTO SALES - NEW	RESTAURANTS	HEALTH & GOVERNMENT	AUTO SALES - USED
PERRIS	37.1%	8.4%	-21.0%	282.9%	-15.4%	48.8%	5,526,998	4,195,423	31.7%	BLDG.MATLS-RETAIL	FURNITURE/APPLIANCE	SERVICE STATIONS	HEAVY INDUSTRY
RANCHO MIRAGE	-1.9%	-2.0%	4.8%	5.1%	26.4%	20.8%	1,335,391	1,269,579	5.2%	AUTO SALES - NEW	MISCELLANEOUS RETAIL	RESTAURANTS	FURNITURE/APPLIANCE
RIVERSIDE	-3.3%	6.4%	0.1%	-5.0%	5.2%	-6.8%	14,856,610	14,734,502	0.8%	FOOD MARKETS	AUTO SALES - NEW	BLDG.MATLS-WHSLE	MISCELLANEOUS RETAIL
SAN JACINTO	3.8%	4.5%	2.6%	-25.9%	-8.1%	-59.3%	726,843	721,178	0.8%	DEPARTMENT STORES	RESTAURANTS	HEALTH & GOVERNMENT	BLDG.MATLS-WHSLE
TEMECULA	2.0%	7.3%	-0.3%	-8.7%	5.1%	-36.9%	8,274,636	8,121,407	1.9%	LIGHT INDUSTRY	DEPARTMENT STORES	SERVICE STATIONS	BLDG.MATLS-WHSLE
WILDOMAR	-9.1%	19.7%	-9.5%	-10.8%	-14.2%	-94.7%	457,420	529,079	-13.5%	FOOD MARKETS	RESTAURANTS	HEALTH & GOVERNMENT	SERVICE STATIONS

AGENDA ITEM 7B

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Jose Mendoza, Senior Procurement Analyst Matt Wallace, Procurement Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Single Signature Authority Report

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to receive and file the Single Signature Authority report for the second quarter ended December 31, 2019.

BACKGROUND INFORMATION:

Certain contracts are executed under single signature authority as permitted in the Commission's Procurement Policy Manual adopted in September 2019. The Executive Director is authorized to sign services contracts that are less than \$250,000 individually and in an aggregate amount not to exceed \$1.5 million in any given fiscal year. Additionally, in accordance with Public Utilities Code Section 130323(c), the Executive Director is authorized to sign contracts for supplies, equipment, materials, and construction of all facilities and works under \$50,000 individually.

The attached report details all contracts that have been executed for the second quarter ended December 31, 2019, under the single signature authority granted to the Executive Director. The unused capacity of single signature authority for services at December 31, 2019 is \$1,200,036.

Attachment: Single Signature Authority Report as of December 31, 2019

<i>Approved by the Budget and Implementation Committee on February 24, 2020</i>				
In Favor:	9	Abstain:	0	No: 0

**SINGLE SIGNATURE AUTHORITY
AS OF December 31, 2019**

CONTRACT #	CONSULTANT	DESCRIPTION OF SERVICES	ORIGINAL CONTRACT AMOUNT	PAID AMOUNT	REMAINING CONTRACT AMOUNT
AMOUNT AVAILABLE July 1, 2019			\$1,500,000.00		
20-31-020-00	WSP USA, Inc.	Managed Freeways - Pre-design report and conceptual design plans	249,983.00	0.00	249,983.00
20-31-024-00	California Highway Patrol	Construction Zone Enhancement Program (COZEED) for SR-91 Pachappa Project	49,981.00	0.00	49,981.00
AMOUNT USED			299,964.00		
AMOUNT USED			299,964.00		
AMOUNT REMAINING through December 31, 2019			\$1,200,036.00		
<u>Agreements that fall under Public Utilities Code 130323 (C)</u>					
None	N/A		\$-	\$-	\$-
Jose Mendoza	Theresia Trevino				
Prepared by	Reviewed by				
Note: Shaded area represents new contracts listed in the second quarter.					

AGENDA ITEM 7C

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Michele Cisneros, Deputy Director of Finance
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Agreement with Eide Bailly for Audit Services

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Award Agreement No. 20-19-021-00 to Eide Bailly LLP (Eide Bailly) for audit services for a three-year term, with three one-year options to extend the agreement, for \$1,461,198, plus a contingency in the amount of \$138,802, for a total amount not to exceed \$1.6 million;
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreement, including options years, on behalf of the Commission; and
- 3) Authorize the Executive Director or designee to approve contingency work up to the total not to exceed amount as required for these audit services.

BACKGROUND INFORMATION:

In accordance with state law and various debt indentures and agreements, the Commission is required annually to publish its financial statements with a report from independent certified public accountants providing an opinion that such financial statements are presented in accordance with generally accepted accounting principles and were audited in accordance with generally accepted auditing standards. The Commission's current auditor, Macias Gini & O'Connell LLP (MGO), was awarded a five-year agreement in April 2015; this agreement has been amended periodically by the Commission in connection with additional audit reports required for express lanes operations and new federal and state funding source reporting and is expiring. Accordingly, staff commenced a competitive procurement for audit services related to the Commission's financial statements. The following table summarizes the scope of audit services required for term of the new audit services agreement:

Task	Task Description
1	Annual Audit of Commission (CAFR), including Required Communications to the Board of Commissioners and Management Letter, as applicable
2	Local Transportation Fund Audit
3	State Transit Assistance Fund Audit
4	State of Good Repair Audit
5	Proposition 1 B Rehabilitation, Safety, and Security Accounts Audit
6	Low Carbon Transit Operations Program Accounts Audit
7	91 Express Lanes Audit
8	15 Express Lanes Audit
9	Single Audit, including Draft of Data Collection Form
10	Compliance with Covenants and Provisions of the Reimbursement Agreement
11	Appropriations Limit Calculation Agreed-Upon Procedures
12	Measure A Commuter Assistance Agreed-Upon Procedures
13	NTD Vanpool Program Agreed-Upon Procedures
14	Pension Accounting
15	OPEB Accounting

Procurement Process

Staff determined the weighted factor method of source selection to be the most appropriate for this procurement, as it allows the Commission to identify the most advantageous proposal with price and other factors considered. Non-price factors include elements such as qualifications of firm and personnel and understanding and approach for audit services as set forth under the terms of Request for Proposals (RFP) No. 20-19-021-00.

RFP No. 20-19-021-00 for audit services was released by staff on November 26, 2019. A public notice was advertised in the *Press Enterprise*, and the RFP was posted on the Commission's PlanetBids website, which is accessible through the Commission's website. Utilizing PlanetBids, emails were sent to 289 firms, 40 of which are located in Riverside County. Through the PlanetBids site, 18 firms downloaded the RFP, and 3 of these firms are located in Riverside County. Staff responded to all questions submitted by potential proposers prior to the December 11 clarification deadline date. Seven firms – Brown Armstrong Accountancy Corporation (Bakersfield), Eadie + Payne LLP (Riverside), Eide Bailly LLP (Riverside), MGO (Newport Beach), Sotomayor & Associates, LLP (Pasadena), The Pun Group LLP (Santa Ana), Vasquez & Company LLP (Glendale) – submitted responsive proposals prior to the 2:00 p.m. submittal deadline on January 8. Utilizing the evaluation criteria set forth in the RFP, all firms were evaluated and scored by an evaluation committee comprised of Commission staff.

Based on the evaluation committee's assessment of the written proposals and pursuant to the terms of the RFP, the evaluation committee short listed and invited 3 firms to the interview phase of the evaluation and selection process. Interviews of the shortlisted firms – Eide Bailly, MGO and The Pun Group LLP – were conducted on February 3, 2020.

As a result of the completion of the evaluation process, the evaluation committee recommends contract award to Eide Bailly to perform the Commission's audits for a three-year term, with three one-year options to extend the agreement, as this firm earned the highest total evaluation score. Eide Bailly's proposed cost for the audit services also ranked first among the three short-listed proposers; cost represented 15 percent of the total written evaluation score. A summary of the proposed costs submitted with the written proposals and the total evaluation score rankings following the final evaluation are summarized below:

Audit Firm	Proposed Cost			Total Evaluation Score Rank
	First 3 Years	3 Option Years	Total	
Eide Bailly	\$ 692,191	\$ 769,007	\$ 1,461,198	1
MGO	798,799	933,341	1,732,140	2
The Pun Group LLP	723,000	799,132	1,522,132	3

Proposing firms submitted proposed fees for an audit report on the 15 Express Lanes and agreed-upon procedures related to the National Transit Database (NTD) Vanpool Program beginning with the Fiscal Year 2020/21 audit. Staff also recommends a \$138,802 contingency for other potential scope changes such as, but not limited to, the following:

- The NTD Vanpool Program reaching the threshold of 100 vehicles operated in maximum service for the FY 2019/20 audit;
- Additional audits required by new funding sources and laws and regulations;
- Additional audit services and consultation regarding complex transactions or matters such as the implementation of new financial system software and accounting standards, including Governmental Accounting Standards Board Statement No. 87 related to leases required to be implemented in the FY 2020/21 audit; and
- Procedures and/or reporting related to new debt issues.

Accordingly, staff recommends the award of an agreement for audit services for a three-year period and three additional one-year options to Eide Bailly for a total amount of \$1.6 million. The Commission's standard form professional services agreement will be entered into with Eide Bailly subject to any changes approved by the Executive Director, pursuant to legal counsel review. Staff also recommends authorization for the Chair or Executive Director to execute the agreement, including option years, and for the Executive Director or designee to approve contingency work as required for these audit services.

Financial Information					
In Fiscal Year Budget:	Yes N/A	Year:	FY 2019/20 FY 2020/21+	Amount:	\$30,000 \$1,570,000
Source of Funds:	2009 Measure A, Transportation Development Act, Transportation Uniform Mitigation Fee, Motorist Assistance funds, and Toll revenues			Budget Adjustment:	No N/A
GL/Project Accounting No.:		001001 65401 00000 0001 101 19 65401			
Fiscal Procedures Approved:		<i>Theresa Trevino</i>		Date:	02/10/2020

Attachment: Draft Agreement No. 20-19-021-00 with Eide Bailly

<i>Approved by the Budget and Implementation Committee on February 24, 2020</i>					
In Favor:	10	Abstain:	0	No:	0

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
AGREEMENT FOR AUDIT SERVICES
WITH EIDE BAILLY LLP**

1. PARTIES AND DATE.

This Agreement is made and entered into this ___ day of _____, 2020, by and between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION ("the Commission") and EIDE BAILLY LLP ("Consultant"), a Limited Liability Partnership.

2. RECITALS.

2.1 Consultant desires to perform and assume responsibility for the provision of certain professional consulting services required by Commission on the terms and conditions set forth in this Agreement. Consultant represents that it is a professional consultant, experienced in providing audit services to public clients, is licensed in the State of California, and is familiar with the plans of Commission.

2.2 Commission desires to engage Consultant to render certain consulting services for the audit services for the Commission ("Project") as set forth herein.

3. TERMS.

3.1 General Scope of Services. Consultant promises and agrees to furnish to Commission all labor materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately provide professional consulting services and advice on various issues affecting the decisions of Commission regarding the Project and on other programs and matters affecting Commission, hereinafter referred to as "Services". The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state, and federal laws, rules and regulations.

3.2 Term. The term of this Agreement shall be from the date first specified above to June 30, 2023, unless earlier terminated as provided herein. The Commission, at its sole discretion, may extend this Agreement for three (3) additional single year terms through June 30, 2026. Consultant shall complete the Services within

the term of this Agreement and shall meet any other established schedules and deadlines.

3.3 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Audit Schedule set forth in Exhibit "A" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, the Commission shall respond to Consultant's submittals in a timely manner. Upon request of the Commission, Consultant shall provide a more detailed schedule of anticipated performance to meet the Audit Schedule.

3.4 Independent Contractor; Control and Payment of Subordinates. The Services shall be performed by Consultant under its supervision. Consultant will determine the means, method and details of performing the Services subject to the requirements of this Agreement. Commission retains Consultant on an independent contractor basis and Consultant is not an employee of Commission. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall not be employees of Commission and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

3.5 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of Commission.

3.6 Substitution of Key Personnel. Consultant has represented to Commission that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence and experience upon written approval of Commission. In the event that Commission and Consultant cannot agree as to the substitution of key personnel, Commission shall be entitled to terminate this Agreement for cause, pursuant to provisions of Section 3.16 of this Agreement. The key personnel for performance of this Agreement are as follows: Roger Alfaro, David Showalter, Ahmad Gharaibeh, Kinnaly Soukhaseum, David Sundstrom, Chad Birdsong, Erika Partida.

3.7 Commission's Representative. Commission hereby designates the Chief Financial Officer, or his or her designee, to act as its representative for the performance of this Agreement ("Commission's Representative"). Commission's representative shall have the power to act on behalf of Commission for all purposes under

this Agreement. Consultant shall not accept direction from any person other than Commission's Representative or his or her designee.

3.8 Consultant's Representative. Consultant hereby designates Roger Alfaro, or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.9 Coordination of Services. Consultant agrees to work closely with Commission staff in the performance of Services and shall be available to Commission's staff, consultants and other staff at all reasonable times.

3.10 Standard of Care; Licenses. Consultant shall perform the Services under this Agreement in a skillful and competent manner, consistent with the standard generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services and that such licenses and approvals shall be maintained throughout the term of this Agreement. Consultant shall perform, at its own cost and expense and without reimbursement from Commission, any Services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein, and shall be fully responsible to the Commission for all damages and other liabilities provided for in the indemnification provisions of this Agreement arising from the Consultant's errors and omissions.

3.11 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to Commission, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold Commission, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.12 Insurance.

3.12.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the Commission that it has secured all insurance required under this section, in a form and with insurance companies acceptable to the Commission. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this section.

3.12.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, code 1 (any auto) or exact equivalent); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *if Consultant has an employees, Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Practices Liability limits of \$1,000,000 per accident.

3.12.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

3.12.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the Commission to add the following provisions to the insurance policies:

(A) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) bodily injury and property damage; (2) personal Injury/Advertising injury; (3) premises/operations liability; (4) products/completed operations liability; (5) aggregate limits that apply per project; (6) explosion, collapse and underground (UCX) exclusion deleted; (7) contractual liability with respect to this Agreement; (8) broad form property damage; and (9) independent consultants coverage.

(ii) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to this Agreement.

(iii) The policy shall give the Commission, its directors, officials, officers, employees, and agents insured status using ISO endorsement forms 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(iv) The additional insured coverage under the policy shall be "primary and non-contributory" and will not seek contribution from the Commission's insurance or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the Commission, its directors, officials, officers, employees and agents shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the Commission, its directors, officials, officers, employees and agents, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the Commission, its directors, officials, officers, employees and agents shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employers Liability Coverage.

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in

accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) The insurer shall agree to waive all rights of subrogation against the Commission, its directors, officials, officers, employees and agents for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages.

(i) Defense costs shall be payable in addition to the limits set forth hereunder.

(ii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth herein shall be available to the Commission, its directors, officials, officers, employees and agents as additional insureds under said policies. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater.

(iii) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the Commission (if agreed to in a written contract or agreement) before the Commission's own insurance or self-insurance shall be called upon to protect it as a named insured. The umbrella/excess policy shall be provided on a "following form" basis with coverage at least as broad as provided on the underlying policy(ies).

(iv) Consultant shall provide the Commission at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the Commission at least ten (10) days prior to the effective date of cancellation or expiration.

(v) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting

period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(vi) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the Commission, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(vii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Commission has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Commission will be promptly reimbursed by Consultant or Commission will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, Commission may cancel this Agreement. The Commission may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(viii) Neither the Commission nor any of its directors, officials, officers, employees or agents shall be personally responsible for any liability arising under or by virtue of this Agreement.

Each insurance policy required by this Agreement shall be endorsed to state that:

3.12.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Commission. If the Commission does not approve the deductibles or self-insured retentions as presented, Consultant shall guarantee that, at the option of the Commission, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Commission, its directors, officials, officers, employees and agents; or, (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.12.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the Commission.

3.12.7 Verification of Coverage. Consultant shall furnish Commission with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the Commission. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the Commission before work commences. The Commission reserves

the right to require complete, certified copies of all required insurance policies, at any time.

3.12.8 Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the Commission that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the Commission as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, the Commission may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

3.13 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.14 Fees and Payment.

3.14.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "B" attached hereto. The total compensation shall not exceed One Million Four Hundred Sixty-One Thousand One Hundred Ninety-Eight Dollars (\$1,461,198) without written approval of Commission's Executive Director ("Total Compensation"). Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.14.2 Payment of Compensation. Consultant shall submit to Commission a monthly statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. Commission shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.14.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by Commission.

3.14.4 Extra Work. At any time during the term of this Agreement, Commission may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by Commission to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from Commission's Executive Director.

3.15 Accounting Records. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred and fees charged under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of Commission during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.16 Termination of Agreement.

3.16.1 Grounds for Termination. Commission may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof. Upon termination, Consultant shall be compensated only for those services which have been fully and adequately rendered to Commission through the effective date of the termination, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.16.2 Effect of Termination. If this Agreement is terminated as provided herein, Commission may require Consultant to provide all finished or unfinished Documents and Data, as defined below, and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

3.16.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, Commission may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.17 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

CONSULTANT:
Eide Bailly LLP
19340 Jesse Ln., Ste. 260
Riverside, CA 92508

Attn: Roger Alfaro

COMMISSION:
Riverside County
Transportation Commission
4080 Lemon Street, 3rd Floor
Riverside, CA 92501
Attn: Executive Director

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.18 Ownership of Materials/Confidentiality.

3.18.1 Documents & Data. This Agreement creates an exclusive and perpetual license for Commission to copy, use, modify, reuse, or sub-license any and all copyrights and designs embodied in plans, specifications, studies, drawings, estimates, materials, data and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data").

Consultant shall require all subcontractors to agree in writing that Commission is granted an exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement.

Consultant represents and warrants that Consultant has the legal right to grant the exclusive and perpetual license for all such Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the Commission.

Commission shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at Commission's sole risk.

All programs, working papers, files and other materials of the Consultant made pursuant to this Agreement shall remain the property of the Consultant. The Commission will have access to this material at any time. All reports delivered by the Consultant and its subcontractors pursuant to the Agreement shall become the property of the Commission without restriction or limitation on their use and shall be made available upon request, to the Commission at any time. Original copies of the deliverable reports shall be delivered to the Commission upon completion of the Services or termination of the Services. The Consultant shall be permitted to retain copies of such items for the furtherance of its technical proficiency; however, publication of this material is subject to the written approval of the Commission.

3.18.2 Intellectual Property. In addition, Commission shall have and retain all right, title and interest (including copyright, patent, trade secret and other proprietary rights) in all plans, specifications, studies, drawings, estimates, materials, data, computer programs or software and source code, enhancements, documents, and any and all works of authorship fixed in any tangible medium or expression, including but not limited to, physical drawings or other data magnetically or otherwise recorded on computer media ("Intellectual Property") prepared or developed by or on behalf of Consultant under this Agreement as well as any other such Intellectual Property prepared or developed by or on behalf of Consultant under this Agreement.

The Commission shall have and retain all right, title and interest in Intellectual Property developed or modified under this Agreement whether or not paid for wholly or in part by Commission, whether or not developed in conjunction with Consultant, and whether or not developed by Consultant. Consultant will execute separate written assignments of any and all rights to the above referenced Intellectual Property upon request of Commission.

Consultant shall also be responsible to obtain in writing separate written assignments from any subcontractors or agents of Consultant of any and all right to the above referenced Intellectual Property. Should Consultant, either during or following termination of this Agreement, desire to use any of the above-referenced Intellectual Property, it shall first obtain the written approval of the Commission.

All materials and documents which were developed or prepared by the Consultant for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of the Consultant. However, unless otherwise identified and stated prior to execution of this Agreement, Consultant represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

Commission further is granted by Consultant a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property otherwise owned by Consultant which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

3.18.3 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of Commission, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the

related industry shall be deemed confidential. Consultant shall not use Commission's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of Commission.

3.18.4 Infringement Indemnification. Consultant shall defend, indemnify and hold the Commission, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by Commission of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.19 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.20 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of such actions.

3.21 Indemnification. Consultant shall defend, indemnify and hold the Commission, its directors, officials, officers, agents, consultants, employees and volunteers free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries, in law or in equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged negligent acts, omissions or willful misconduct of the Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation, the payment of all consequential damages, attorneys fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the Commission, its directors, officials, officers, agents, consultants, employees and volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against the Commission or its directors, officials, officers, agents, consultants, employees and volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse the Commission and its directors, officials, officers, agents, consultants, employees and volunteers, for any and all legal expenses and costs, including reasonable attorney's fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnity shall not be restricted to insurance proceeds, if any, received by the Commission or its directors, officials, officers, agents, consultants, employees and volunteers. This Section 3.21 shall survive any expiration or termination of this Agreement.

3.22 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be supplemented, amended, or modified by a writing signed by both parties.

3.23 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.24 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.25 Commission's Right to Employ Other Consultants. The Commission reserves the right to employ other consultants in connection with this Project.

3.26 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties, and shall not be assigned by Consultant without the prior written consent of Commission.

3.27 Prohibited Interests and Conflicts.

3.27.1 Solicitation. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, Commission shall have the right to rescind this Agreement without liability.

3.27.2 Conflict of Interest. For the term of this Agreement, no member, officer or employee of Commission, during the term of his or her service with Commission, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.27.3 Conflict of Employment. Employment by the Consultant of personnel currently on the payroll of the Commission shall not be permitted in the performance of this Agreement, even though such employment may occur outside of the employee's regular working hours or on weekends, holidays or vacation time. Further, the employment by the Consultant of personnel who have been on the Commission payroll within one year prior to the date of execution of this Agreement, where this employment is caused by and or dependent upon the Consultant securing this or related Agreements with the Commission, is prohibited.

3.27.4 Employment Adverse to the Commission. Consultant shall notify the Commission, and shall obtain the Commission's written consent, prior to

accepting work to assist with or participate in a third-party lawsuit or other legal or administrative proceeding against the Commission during the term of this Agreement.

3.28 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of Commission's Disadvantaged Business Enterprise program, Affirmative Action Plan or other related Commission programs or guidelines currently in effect or hereinafter enacted.

3.29 Subcontracting. Consultant shall not subcontract any portion of the work or Services required by this Agreement, except as expressly stated herein, without prior written approval of the Commission. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.30 Reserved.

3.31 Employment of Apprentices. This Agreement shall not prevent the employment of properly indentured apprentices in accordance with the California Labor Code, and no employer or labor union shall refuse to accept otherwise qualified employees as indentured apprentices on the work performed hereunder solely on the ground of race, creed, national origin, ancestry, color or sex. Every qualified apprentice shall be paid the standard wage paid to apprentices under the regulations of the craft or trade in which he or she is employed and shall be employed only in the craft or trade to which he or she is registered.

3.32 No Waiver. Failure of Commission to insist on any one occasion upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any rights or powers hereunder at any one time or more times be deemed a waiver or relinquishment of such other right or power at any other time or times.

3.33 Eight-Hour Law. Pursuant to the provisions of the California Labor Code, eight hours of labor shall constitute a legal day's work, and the time of service of any worker employed on the work shall be limited and restricted to eight hours during any one calendar day, and forty hours in any one calendar week, except when payment for overtime is made at not less than one and one-half the basic rate for all hours worked in excess of eight hours per day ("Eight-Hour Law"), unless Consultant or the Services are not subject to the Eight-Hour Law. Consultant shall forfeit to Commission as a penalty, \$50.00 for each worker employed in the execution of this Agreement by him, or by any sub-consultant under him, for each calendar day during which such workman is required or permitted to work more than eight hours in any calendar day and forty hours in any one calendar week without such compensation for overtime violation of the provisions of the

California Labor Code, unless Consultant or the Services are not subject to the Eight-Hour Law.

3.34 Subpoenas or Court Orders. Should Consultant receive a subpoena or court order related to this Agreement, the Services or the Project, Consultant shall immediately provide written notice of the subpoena or court order to the Commission. Consultant shall not respond to any such subpoena or court order until notice to the Commission is provided as required herein, and shall cooperate with the Commission in responding to the subpoena or court order.

3.35 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, and the obligations related to receipt of subpoenas or court orders, shall survive any such expiration or termination.

3.36 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.37 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.38 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.39 Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated into this Agreement as though fully set forth herein.

3.40 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.41 Conflicting Provisions. In the event that provisions of any attached exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the Parties and the interpretation of the Parties' understanding concerning the performance of the Services.

3.42 Headings. Article and Section Headings, paragraph captions or marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

3.43 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein,

without the prior written consent of the Commission. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.44 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

[SIGNATURES ON FOLLOWING PAGE]

DRAFT

**SIGNATURE PAGE
TO
RIVERSIDE COUNTY TRANSPORTATION COMMISSION
AGREEMENT FOR AUDIT SERVICES
WITH EIDE BAILLY LLP**

IN WITNESS WHEREOF, this Agreement was executed on the date first written above.

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

**CONSULTANT
EIDE BAILLY LLP**

By: _____
Anne Mayer
Executive Director

By: _____
Signature

Name

Title

Approved as to Form:

Attest:

By: _____
Best Best & Krieger LLP
General Counsel

By: _____
Its: Secretary

* A corporation requires the signatures of two corporate officers.

One signature shall be that of the chairman of board, the president or any vice president and the second signature (on the attest line) shall be that of the secretary, any assistant secretary, the chief financial officer or any assistant treasurer of such corporation.

If the above persons are not the intended signators, evidence of signature authority shall be provided to the Commission.

EXHIBIT "A"

SCOPE OF SERVICES

[INSERTED BEHIND THIS PAGE]

DRAFT

A. General

The Riverside County Transportation Commission (Commission) is issuing this Request for Proposal (RFP) in order to secure services from a certified public accounting firm (Auditor) to audit its financial statements for the fiscal years ending June 30, 2020, 2021, and 2022, with the options to audit its financial statements for three (3) additional one-year terms. The cost proposal shall present all-inclusive audit fees for each year of the contract terms and the three one-year options.

The selected Auditor will be responsible for the Commission's audits and report directly to the audit oversight committee designated by the Commission. The Deputy Director of Finance is designated as the coordinator of the audit and may appoint the Accounting Supervisor to coordinate the day to day work; the Chief Financial Officer will serve as the liaison to the Commission's audit oversight committee.

The audits are to be performed by the Auditor in accordance with generally accepted auditing standards (GAAS), including use of the most current version of each of the following standards and guidelines:

- The standards set forth for financial audits in the U.S. Government Accountability Office (GAO) Government Auditing Standards, also referred to as Generally Accepted Government Auditing Standards (GAGAS);
- The provisions of the federal Single Audit Act of 1984, as amended in 1996, (Single Audit Act) and the U.S. Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance);
- OMB Circular A-133 Compliance Supplement;
- State of California Transportation Development Act (TDA);
- Title 21 of the California Code of Regulations;
- Ordinance No. 02-001, Riverside County Transportation Commission Transportation Expenditure Plan and Retail Transaction and Use Tax Ordinance;
- National Transit Database (NTD) Reporting;
- Special District Reporting Requirements, as specified by the California State Controller; and
- Article XIIIB, Section 1.5 of the California Constitution.

B. Scope of Services to be Performed

The Commission desires to provide the public and its constituents with financial reports that provides complete, accurate, and understandable information about the Commission's financial condition. Accordingly, the Commission desires the Auditor to:

- Express an opinion on the fair presentation of the Commission's basic financial statements in conformity with accounting principles generally accepted in the United States (GAAP). The basic financial statements are part of the financial section of the Commission's comprehensive annual financial report (CAFR).
 - The Auditor shall also be responsible to perform certain limited procedures involving required supplementary information (RSI) required by the Governmental Accounting Standards Board (GASB) and included in the financial section of the CAFR.

- The Auditor is not required to audit other supplementary information that is part of the financial section of the CAFR, including the combining and individual fund nonmajor fund financial statements, budgetary comparison schedules, schedules of expenditures, and schedule of uses of debt proceeds and fund balances; however, the Auditor is to provide an “in relation to” report on the other supplementary information based on the auditing procedures applied during the audit of the basic financial statements.
- The Auditor is not required to audit the introductory or statistical sections of the CAFR.
- Express an opinion on the fair presentation of the fund financial statements for the Riverside County Local Transportation Fund (LTF) and report on compliance and internal control over financial reporting in accordance with California Code of Regulations Section 6661.
- Express an opinion on the fair presentation of the fund financial statements for the Riverside County State Transit Assistance Fund (STAF) and report on compliance and internal control over financial reporting in accordance with California Code of Regulations Section 6751.
- Express an opinion on the fair presentation of the fund financial statements for the Riverside County State of Good Repair (SGR) and report on compliance and internal control over financial reporting in accordance with Senate Bill 1, Chapter 5, Statutes of 2017.
- Express an opinion on the fair presentation of the financial statements for the Proposition 1B Rehabilitation, Safety and Security Project Accounts (Proposition 1B) and report on compliance and internal control over financial reporting in accordance with requirements established by the California Department of Transportation and the California Department of Emergency Management.
- Express an opinion on the fair presentation of the financial statements for the Low Carbon Transit Operations Program Accounts (LCTOP) and report on compliance and internal control over financial reporting in accordance with the Transit, Affordable Housing, and Sustainable Communities Program.
- Express an opinion on the fund financial statements for the 91 Express Lanes.
 - The Auditor shall also be responsible to perform certain limited procedures involving RSI required by the GASB.
- Beginning for the fiscal year ending June 30, 2021, express an opinion on the fund financial statements for the 15 Express Lanes.
 - The Auditor shall also be responsible to perform certain limited procedures involving RSI required by the GASB.
- Express an opinion on the Commission’s compliance with the requirements of its major federal programs.
 - The Auditor is to provide an “in relation to” report on the schedule of expenditures of federal awards based on the auditing procedures applied during the audit of the basic financial statements.

- Perform certain agreed-upon procedures related the Commission's Appropriations Limit Calculation.
- Perform certain agreed-upon procedures related to the Measure A Commuter Assistance Program administered by the William Sale Partnership USA, Inc. (WSP).
- Perform certain agreed-upon procedures related to the NTD reporting requirements per the 2018 NTD Policy Manual, as amended, for Federal Funding Allocation Data over the Commission's vanpool program, once the Commission reaches 100 Vehicles Operated in Maximum Service (VOMS). The Commission anticipates reaching 100 VOMS in FY 2021, although it may occur in FY 2020.
- Provide required communications to the Commission's audit oversight committee.

In connection with the audit services identified above, the Commission desires the following additional services:

- Complete the Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations;
- Prepare and present the accounting journal entries necessary to record the proportionate share of collective pension amounts for the participation in the CalPERS Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan to comply with the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27*;
- Prepare and present the accounting journal entries necessary to record the net Other Post-Employment Benefits (OPEB) liability to comply with the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*; and
- Provision of consultation to the Commission regarding the Commission's participation in the Government Finance Officer's Association (GFOA) Certificate Program, including advice concerning the early implementation of new authoritative pronouncements.

The FY 2019/20 Commission budget includes \$240,000 for audit services substantially similar to the above scope, except for the agreed-upon procedures related to NTD reporting for vanpools. The vanpool program commenced in FY 2017/18 and currently has approximately 75 vanpools participating in the program. Staff anticipates that 100 vanpools may be participating in the program by FY 2020/21.

C. Reports to be Issued

Following completion of the audits and agreed-upon procedures, the Auditor shall issue the following reports addressed to the Board of Commissioners:

- A report of the fair presentation of the Commission's basic financial statements in conformity with GAAP in two forms on report with reference to GAGAS for use with single audit report and one report with no reference to GAGAS for use in publication of the CAFR.

The Commission shall prepare the CAFR, including the basic financial statements and related notes, required supplementary information, and other supplementary information. The Auditor shall deliver to the Commission on or before November 1 of each year one

(1) electronic, reproducible master of the each of the Auditor's opinions on its letterhead to be provided to the Commission for use in the Commission's reproduction of the CAFR.

- A report on the fair presentation of each of the following financial statements in conformity with GAAP and a report on compliance and internal control over financial reporting:
 - LTF;
 - STAF;
 - SGR;
 - Proposition 1B; and
 - LCTOP.

If applicable, the reports shall include a schedule of findings and responses and questioned costs.

The Commission shall prepare each of the financial statements and the related notes and provide a final version to the Auditor for reproduction. The Auditor shall deliver to the Commission on or before November 1 of each year one (1) electronic, reproducible master of each financial and compliance report and five (5) copies of each report.

- A report on the fair presentation of each of the following financial statements in conformity with GAAP:
 - 91 Express Lanes; and
 - 15 Express Lanes.

The Commission shall prepare each of the financial statements, related notes, and required supplementary information. The Auditor shall deliver to the Commission on or before November 1 of each year one (1) electronic, reproducible master of the each of the Auditor's opinions on its letterhead to be provided to the Commission for use in the Commission's reproduction of each of the express lanes' financial reports.

- A single audit report on the fair presentation of the schedule of expenditures of federal awards and on internal control and compliance with laws and regulations related to the audits of the financial statements and federal awards.
 - If applicable, the single audit report shall include a schedule of findings and responses and questioned costs.

The Commission shall prepare the schedule of expenditures of federal awards and provide a final version to the Auditor for reproduction. The Auditor shall deliver to the Commission on or before November 1 of each year one (1) electronic, reproducible master of the single audit report.

- A report on the compliance with covenants and provisions of the Reimbursement agreement with State Street Bank relating to the Commercial Paper Notes (Limited Tax Bonds) Series A.

The Auditor shall deliver to the Commission on or before November 1 of each year one (1) electronic, reproducible master of the report.

- A report on the agreed-upon procedures related to the Appropriations Limit Calculation, as required by Article XIII-B of the California Constitution.

The Auditor shall deliver to the Commission on or before November 1 of each year one (1) electronic, reproducible master of the report.

- A report on the agreed-upon procedures related to the Measure A Commuter Assistance Program administered by WSP.

The Auditor shall deliver to the Commission on or before November 1 of each year one (1) electronic, reproducible master of the report.

- A report on the agreed-upon procedures related to the NTD's reporting requirements over the Commission's vanpool program once the Commission reaches 100 VOMS.

The Auditor shall deliver to the Commission on or before November 1 of each year one (1) electronic, reproducible master of the report.

- A Board of Commissioners or equivalent letter as promulgated by the reporting standards of GAAS related to the completion of audit. A Management Letter addressed to the Commission setting forth recommendations (as applicable) for improvements in the Commission's accounting systems.

The Auditor will provide a draft of the management letter to the Commission's management for review prior to publication. The Auditor shall deliver to the Commission on or before November 1 of each year one (1) electronic, reproducible master of the report.

The Auditor shall also promptly advise and make known to the Commission its findings and recommendations for improvements in internal controls and in accounting practices, procedures, and compliance so that Commission personnel may undertake appropriate actions at the earliest possible date.

In connection with the additional services required by the Commission, the Auditor shall also provide the following:

- A draft of the Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations.

The Auditor shall deliver to the Commission the draft form on or before November 10 of each year to ensure sufficient time for Commission review and submittal of the final form.

- A report on the pension accounting valuation of the miscellaneous risk pool for the applicable measurement date which will include the following deliverables:
 - Journal entries necessary to record the proportionate share of collective pension amounts;
 - The Commission's proportionate share of the net pension liability (NPL), NPL sensitivity, and deferral amounts based on percentages obtained from CalPERS;
 - All employer specific deferrals and associated amortization schedules;

- The adjustment to pension expense for the difference in proportions due to CalPERS methodologies;
- Pension expense, with the employer specific amounts; and
- Other amounts required for the Commission's financial statement note disclosures and required supplementary information.

The Auditor shall deliver to the Commission on or before two weeks prior to the commencement of final fieldwork the report related to pension accounting.

- A report of journal entries necessary to record the OPEB.

The Auditor shall deliver to the Commission on or before two weeks prior to the commencement of final fieldwork the report related to OPEB accounting.

All reports delivered to the Commission must be an unprotected secured document for the Commission to have printing and website posting capabilities.

When delivered to the Commission, the audit reports and financial statements produced under this RFP are public records and will be used:

- (a) to fulfill the requirements of continuing disclosure under SEC rule 15c2-12,
- (b) as inserts or incorporated by reference in offering documents issued by the Commission, and
- (c) for any lawful purpose of the Commission, all without subsequent consent.

D. Required Communications

Prior to the issuance of any final reports, the Auditor shall deliver a draft copy to the Commission for review. The Auditor shall not make any modifications to the Commission-prepared financial statements, including related notes, and supplementary information without prior Commission approval.

Prior the issuance of any final reports, the Auditor shall deliver a draft copy to the Commission for review. Management responses to Auditor findings and recommendations shall be incorporated into all report drafts.

The Auditor shall be required to make an immediate, written report of all irregularities and illegal acts of indication of illegal acts of which they become aware to the Commission's audit oversight committee, Executive Director, and Chief Financial Officer.

In addition to the audit work detailed above, the Commission requires the Auditor to meet with the Commission's audit oversight committee at least twice a year: prior to or during planning phase and upon completion of the audit. Upon completion of the audit, the audit oversight committee will be informed of each of the following:

- The Auditor's responsibility with regard to the financial statement audit;
- Overview of the scope, timing, and deliverables of the financial statement audit;
- Accounting policies and practices including adoption of or change in accounting policies, significant or unusual transactions and management judgements and accounting estimate;

- Audit adjustments;
- Uncorrected misstatements;
- Disagreements with management;
- Consultation with other accountants;
- Significant issues discussed with management;
- Significant difficulties encountered in performing the audit; and
- Certain written communication between management and Auditor.

E. Special Considerations

The Commission shall send its CAFR to the GFOA for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the Auditor shall be required to provide special assistance to the Commission to meet the requirements of that program. It is desirable that at least one audit manager or partner, who is also a member of the GFOA certificate program's Special Review Committee, shall be accessible for this purpose of examining the Commission's financial statements.

The Commission anticipates it may prepare one or more official statements in connection with the sale of debt securities, which shall contain the financial statements and the Auditor's report thereon. The Auditor shall be required, if requested by the municipal advisor and/or the underwriter, to issue a "consent letter" as the Auditor and any necessary "comfort letters".

The Commission has determined that the U.S. Department of Transportation shall function as the cognizant agency in accordance with the provisions of the Single Audit Act and the OMB's Uniform Grant Guidance.

F. Working Paper Retention and Access to Working Papers

All working papers and reports shall be retained, at the Auditor's expense, for a minimum of seven (7) years, unless the firm is notified in writing by the Commission of the need to extend the retention period. The Auditor shall be required to make working papers available, upon request, to the following parties or their designees:

- U.S. Department of Transportation;
- U.S. GAO;
- Parties designated by the federal or state governments or by the Commission as part of an audit quality review process; and
- Auditors of entities of which the Commission is a sub-recipient of grant funds.

In addition, the Auditor shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

G. Audit Schedule and Assistance to be Provided

At a minimum, the following conferences shall be held each year by the dates indicated:

- Entrance conferences prior to interim and year end fieldwork: the purpose of these meetings shall be to discuss prior audit matters, determine the timing of the interim and

year-end fieldwork to be performed, establish an overall liaison for the audit, and arrange for workspace and other needs of the Auditor;

- Progress conferences weekly during interim and final fieldwork: the purpose of these meetings shall be to summarize the results of the preliminary reviews, specifically any findings; identify the key internal controls or other matters to be tested; and discuss work progress and issues, if any; and
- Exit conference prior to October 31: the purpose of this meeting shall be to summarize the results of the fieldwork and review findings, if any.

The Commission shall have all records ready for final audit fieldwork as of the last Monday of September of each year. The Commission shall provide draft financial statements within one week of commencement of final fieldwork. Barring unforeseen circumstances, for each year the Auditor shall:

- Complete interim fieldwork by June 30;
- Provide the Commission a draft listing of schedules and information to be prepared by client (PBC) during interim;
- Provide the Commission a final PBC list of all schedules to be prepared by the Commission by August 1;
- Provide the pension and OPEB accounting reports at least two weeks prior to the commencement of final fieldwork;
- Commence final audit fieldwork by the last Monday of September;
- Conduct the audit activities and complete audit fieldwork by October 31;
- Provide comments on all draft financial statements prepared by the Commission no less than one week prior to the required issuance date;
- Provide drafts of all audit reports, including recommendations to management, no later than one week prior to the required issuance date; and
- Provide all required reports and information to the Commission no later than November 1 of each year.

The Auditor shall have all final audit reports completed by the dates specified above. As soon as it is anticipated that a report due date will not be met, the Audit Partner assigned to the engagement shall be required to meet with Chief Financial Officer and the Deputy Director of Finance to identify the issues causing the delay and propose a plan of action to minimize the delay.

The Finance Department staff and responsible management personnel shall be available during the audit to assist the Auditor by providing information, documentation, and explanations. The preparation of confirmations shall be the responsibility of the Commission based on specific, timely instructions from the Auditor.

The Commission shall provide the Auditor with reasonable workspace, including table and chairs. The Auditor shall also be provided, for audit related purposes, with access to one (1) telephone line and to photocopying facilities.

End of Scope of Services

EXHIBIT "B"

COMPENSATION

[INSERTED BEHIND THIS PAGE]

DRAFT

EXHIBIT "B"

COMPENSATION SUMMARY¹

FIRM	PROJECT TASKS/ROLE	COST
<i>Prime Consultant:</i>		
Eide Bailly LLP	Audit Services	\$ 1,461,198.00
<i>Sub Consultants:</i>		
	<i>*No subconsultants</i>	
SUBTOTAL		1,461,198.00
TOTAL COSTS		\$ 1,461,198.00

FISCAL YEAR	PROJECT	COST
FY 2020/21	Audit Services	\$ 204,320.00
FY 2021/22	Audit Services	241,520.00
FY 2022/23	Audit Services	246,351.00
FY 2023/24 (Option Year 1)	Audit Services	251,277.00
FY 2024/25 (Option Year 2)	Audit Services	256,303.00
FY 2025/26 (Option Year 3)	Audit Services	261,427.00
SUBTOTAL		1,461,198.00
TOTAL COSTS		\$ 1,461,198.00

¹ Commission authorization pertains to total contract award amount. Compensation adjustments may occur; however, the maximum total compensation authorized may not be exceeded.

AGENDA ITEM 7D

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Michele Cisneros, Deputy Director of Finance
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Fiscal Year 2019/20 Mid-Year Budget Adjustments

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to approve Fiscal Year 2019/20 mid-year budget adjustments for a net increase of \$22,041,000 and \$21,506,000 in revenues and expenditures/expenses, respectively.

BACKGROUND INFORMATION:

Staff performed a review of revenues and expenditures/expenses for the six months ended December 31, 2019, and an estimate of expenditures/expenses and revenues for the remaining six months of the fiscal year ending June 30, 2020. As a result of the review, the following mid-year budget adjustments are proposed:

Revenue Adjustment 1 – \$25,331,700

During the development of the FY 2019/20 budget, the Commission took a conservative approach in estimating the RCTC 91 Express Lanes toll revenues, even though it was outpacing the Stantec Consulting Services, Inc. *Investment Grade Traffic and Revenue Study*. The conservative approach was primarily based on only two years of operational history and development of a new *RCTC 91 Express Lanes Toll Policy*. To date, the RCTC 91 Express Lanes has received approximately 96 percent of its FY 2019/20 budgeted toll revenues of \$36.2 million. Therefore, staff revised the toll revenue projection to \$61.5 million and seeks a mid-year budget adjustment of \$25.3 million to increase budgeted toll revenues.

Revenue Adjustment 2 – (\$3,290,700)

During the development of the FY 2019/20 budget, staff estimated investment income rate at 2 percent, as investment income during the first quarter of calendar year 2019 ranged between 2 – 2.5 percent. Since the adoption of the budget in June 2019, the Federal Reserve has cut interest rates three times on August 1, September 19, and the latest on October 31 to a level of 1.50 – 1.75 percent. Although the economy appears to be stable, Federal Reserve officials warn against effects of uncertainty and slowing global demand. It would be prudent for the

Commission to lower its expectation of investment income results and reduce the budget by \$3.3 million, from \$12.8 million to \$9.5 million. The reduction of the investment income budget has no effect on the delivery of projects or programs at the Commission, as it is not a component of project or program funding commitments.

Expenditure Adjustment 1 – \$506,000

As approved by the Executive Committee in May 2019 and Commission in June 2019, the original FY 2019/20 budget included an estimated \$8.13 million to pay off the California Public Employees Retirement System (CalPERS) net pension liability based on the CalPERS Actuarial Valuation Report available at time of the FY 2019/20 budget adoption. Subsequently, staff received the July 2019 CalPERS Actuarial Valuation Report that reflected an updated net pension liability of approximately \$8.63 million. In order to take advantage of the savings included in the revised net pension liability payoff, staff submitted payment to CalPERS by the required due date of July 31, 2019. Sufficient funds were on hand to disburse the \$8.63 million. Staff requests a mid-year budget adjustment of \$506,000 to reflect appropriate budget authority for the net pension liability payoff.

Expenditure Adjustment 2 – \$20,000,000

In connection with the Interstate 15 Express Lanes project (I-15 ELP), the actual design-build work efforts differ from the original cash flow assumptions at commencement of the project. Accordingly, approximately \$20 million of design-build costs and related contractor payments anticipated in prior years occurred in FY 2019/20. This represents a timing issue between fiscal years and does not affect the overall I-15 ELP cost, design-build contract, or funding. Staff recommends an adjustment to increase the design-build expenditures budget by \$20 million. There are sufficient Transportation Infrastructure Finance and Innovation Act loan proceeds available to accommodate this budget adjustment.

Expense Adjustment 3 – \$1,000,000

In July 2019 the Commission jointly released with Orange County Transportation Authority (OCTA) a request for proposals to procure and manage the 91 Express Lanes Back Office System (BOS) and Customer Service Center as the existing contract with Cofiroute USA, LLC (Cofiroute) expires in mid 2021. After a competitive procurement, Cofiroute was awarded the joint contract with the Commission and OCTA including the new 91 Express Lanes BOS design, development, testing and training. The original FY 2019/20 budget was based on initial milestone projections for the design and development of the new BOS. Accordingly, an adjustment of \$1 million is required to meet revised milestone targets. There are sufficient toll revenues available to accommodate this budget adjustment.

Financial Information					
In Fiscal Year Budget:	No	Year:	FY 2019/20	Amount:	\$22,041,000 Revenues \$21,506,000 Expenditures/Expenses
Source of Funds:	2009 Measure A, Transportation Development Act, Transportation Uniform Mitigation Fee, Motorist Assistance funds, and Toll revenues			Budget Adjustment:	Yes
GL/Project Accounting No.:		Revenues \$25,331,700 591-31-57101 009199-571-57101-0000 (3,290,700) XXX-XX-49001 (various funds and departments) Expenditures/Expenses \$ 506,000 XXX-XX-61001 (various funds and departments) 20,000,000 262-31-81601 003027-81603-00000-0000 1,000,000 591-31-81002 009199-81041-00000-0000			
Fiscal Procedures Approved:		<i>Theresa Irujo</i>		Date:	02/18/2020

Approved by the Budget and Implementation Committee on February 24, 2020

In Favor: 10 Abstain: 0 No: 0

AGENDA ITEM 7E

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Michele Cisneros, Deputy Director of Finance
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Proposed Policy Goals and Objectives for Fiscal Year 2020/21 Budget

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Review and approve the proposed Commission Policy Goals and Objectives for the Fiscal Year 2020/21 Budget; and
- 2) Review and approve the Fiscal Accountability Policies for the FY 2020/21 Budget.

BACKGROUND INFORMATION:

The initial step in the budget process is to develop policy goals and objectives for the next fiscal year that are consistent with the Commission's overall strategic direction. Most importantly, the adoption of the Commission Policy Goals and Objectives and Fiscal Accountability Policies for the annual fiscal year budget provides an opportunity to match the Commission's spending priorities in a manner that implements the promises made to the citizens of the county of Riverside in the Measure A Expenditure Plan and fulfills other Commission responsibilities.

The Commission is driven by four core objectives for the people of Riverside County and the transportation system upon, which they rely:

- Quality of life;
- Operational excellence;
- Connecting the economy; and
- Responsible partner.

Additionally, the fiscal accountability policies that promote fiduciary responsibility and organizational excellence are summarized in six categories:

- Financial planning;
- Revenues;
- Expenditures/expenses;
- Debt management;

- Cash management; and
- Accounting and financial reporting.

The Commission Policy Goals and Objectives will be linked to the individual department goals and objectives included in the FY 2020/21 Budget, and the Fiscal Accountability Policies will guide the development and monitoring of the FY 2020/21 Budget.

Attachment: Proposed Commission Policy Goals and Objectives and Fiscal Accountability Policies for FY 2020/21

Approved by the Budget and Implementation Committee on February 24, 2020

In Favor: 10 Abstain: 0 No: 0

Policy Goals and Objectives

As approved at its March 11, 2020 meeting, the Commission is driven by four core mission statements and underlying goals for the people of Riverside County and the transportation system upon which they rely:

QUALITY OF LIFE <i>RCTC is focused on improving life for the people of Riverside County and empowering them to live life at the irpace.</i>	
Choice	RCTC empowers the residents of Riverside County to choose how to get safely to where they are going.
Environmental Stewardship	RCTC protects and preserves the County's environment for our residents.
Mobility	RCTC provides access, equity, and choice in transportation; RCTC is a mobility partner.
Access	RCTC projects and programs are the connection to employment, housing, schools, community institutions, parks, medical facilities, and shopping in the community.
Goods Movement	RCTC facilitates the funding and delivery of projects that mitigate the impact of increased goods movement flow through Riverside County.
OPERATIONAL EXCELLENCE <i>RCTC is a responsible and conservative steward of taxpayer dollars.</i>	
State of Good Repair	RCTC invests in road safety and maintenance in its residents' neighborhoods.
Promises Fulfilled	Projects are completed on-time, on-budget; RCTC delivers on its promises as a steward of Riverside County residents' investment.
Innovation	Program and project delivery innovations drive results, savings, and greater economic opportunities for Riverside County residents.
Information	RCTC operations are transparent; customers get prompt, reliable, quality service.
CONNECTING THE ECONOMY <i>RCTC is a driver of economic growth in Riverside County.</i>	
Workforce Mobility	RCTC improves the economy by creating a robust workforce to workplace system; RCTC helps move the economy of Riverside County.
Population Growth	Since 1976, RCTC has been responsible for connecting our County's economy as the County's population has quadrupled from 550,000 to over 2.4 million today.
Economic Impact	RCTC has invested over \$4 billion in the County's economy thanks to Measure A and toll revenues, which has a multiplier impact in terms of jobs and economic opportunity throughout Riverside County.

RESPONSIBLE PARTNER <i>RCTC partners with local, regional, and state governments to deliver road and transit projects.</i>	
Streets and Roads	RCTC has invested over \$1 billion in local priorities for maintaining streets and roads and fixing potholes.
Transit	RCTC is a partner with transit operators to provide residents mobility choices, flexibility, intercity and intercounty connectivity, and access.
Active Transportation Facilities	RCTC is a partner with agencies within the County to promote active transportation alternatives, including the building of regional trails and bicycle and pedestrian facilities in accordance with local general master and active transportation plans.
Grants	RCTC is a steward of state and federal grants to leverage Measure A dollars and improve our communities.
Local Measure A Value	RCTC invests Measure A dollars into projects and programs that benefit local communities throughout the County.

Staff used these core mission statements and goals to prepare this budget and develop the following short-term objectives to further guide the development of the FY 2020/21 budget.

Capital Project Development and Delivery

- Continue progress on projects included in the 2019-2029 Western Riverside County Highway Delivery Plan, including:
 - Design and construction of the 15 Express Lanes, 15/91 Express Lanes connector, and 91 Corridor Operations Project;
 - Construction of the State Route (SR) 60 truck lanes; and
 - Development of the 71/91 interchange improvements and Mid County Parkway.
- Continue development of the I-15 Express Lanes—Southern Extension project.
- Continue design and construction of projects on behalf of other agencies, including I-15/Railroad Canyon interchange, I-10/Highland Springs interchange, and Santa Ana River Trail.
- Continue development of various projects at commuter rail stations and on the San Jacinto Branch Line.
- Maintain and enhance communication and collaboration with the California Department of Transportation (Caltrans) to improve the Commission's ability to deliver critical projects.
- Enhance corridor mobility and traveler choice with the operation of the express lanes and development of future express lanes.
- Collaborate with local jurisdictions to implement the Transportation Uniform Mitigation Fee (TUMF) regional arterial program projects and facilitate the delivery of eligible arterial improvements in western Riverside County (Western County).
- Continue active engagement in state and federal efforts to streamline and modernize the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) to improve the Commission's ability to deliver critical projects.

Toll Operations

- Efficiently operate express lanes and achieve high customer satisfaction through congestion reduction, mobility improvements, and management of demand.

Regional Programs

- Maintain an active involvement in state and federal legislative matters to ensure that the Commission receives proper consideration for transportation projects and funding.
- Facilitate project funding and delivery of local and regional transportation projects.

- Support reliable and cost-effective Metrolink commuter rail service to and from Riverside County; Southern California Regional Rail Authority (SCRRA) is the operator of Metrolink.
- Provide leadership in the planning and development of the Coachella Valley-San Geronimo Pass corridor rail service.
- Support innovative programs that provide transit assistance in hard-to-serve rural areas or for riders with specialized transit needs.
- Promote cost controls and operating efficiencies for transit operators.
- Maintain effective partnerships among commuters, employers, and government to increase the efficiency of our transportation system by encouraging and promoting motorized and non-motorized transportation alternatives.
- Provide a motorist aid system that ensures safety and convenience to freeway motorists.

Management Services

- Maintain close communication with Commissioners and educate policymakers on all issues of importance to the Commission.
- Develop and execute a communications and public engagement strategy for the purposes of education, information, and customer service.
- Maintain administrative program delivery costs below the policy threshold of 4% of Measure A revenues; the FY 2020/21 Management Services budget is % of Measure A revenues.
- Maintain administrative salaries and benefits at less than 1% of Measure A revenues; the FY 2020/21 administrative salaries and benefits is % of Measure A revenues.
- Maintain prudent cash reserves to provide insulation from unplanned expenditures.
- Maintain current strong bond ratings with rating agencies.
- Establish and maintain revenues and reserves generated from toll operations to be available for debt service in accordance with toll-supported debt agreements; maintenance, repair, rehabilitation, administration, and operations; and capital projects within the corridor.

Linking Commission and Departmental Mission Statements

The following matrix (Table 1) illustrates the linkage of the Commission's core mission statements described in this section to the individual departmental mission statements included in Section 5.

Table 1 – Relationship between Commission and Departmental Mission Statements

Department	Quality of Life	Operational Excellence	Connecting the Economy	Responsible Partner
Management Services				
Executive Management	X	X	X	X
Administration		X		
External Affairs	X	X		X
Finance		X		
Regional Programs				
Planning and Programming	X	X	X	X
Rail Maintenance and Operations	X	X	X	X
Public and Specialized Transit	X	X	X	X
Commuter Assistance	X	X	X	X
Motorist Assistance	X	X	X	X
Capital Project Development and Delivery	X	X	X	X
Toll Operations	X	X	X	X

Fiscal Accountability Policies

As the steward of local, state, and federal resources, RCTC maintains financial policies that promote fiduciary responsibility and organizational excellence.

Financial Planning	
Balanced Budget	RCTC adopts an annual budget in which operating and capital expenditures and other financing uses are equal to or less than identified revenues and other financing sources as well as available fund balances.
Administration	<p>Allocations from local and state sources and toll operations fund administrative costs, including salaries and benefits.</p> <ul style="list-style-type: none"> Administrative salaries and benefits cannot exceed 1% of Measure A sales tax revenues. Administrative costs will not exceed 4% of Measure A sales tax revenues (inclusive of the 1% salary limitation).
Retirement Benefits	RCTC contributes 100% of the annual requirement related to its proportionate share of the net pension liability and to the postretirement health care benefits.
Capital Projects	Multi-year capital projects are consistent with the strategic plan and budgeted by fiscal year, based on best available estimates.
Reserves	RCTC establishes and maintains reserves in accordance with Measure A and TDA policies as well as debt agreements.

Revenues	
Sales Tax	RCTC prepares annual and mid-year revised revenue projections to ensure use of current and relevant data; staff may adjust amounts during the budget process to reflect the most current economic trends.
Tolls	<p>RCTC-adopted policies establish congestion pricing in order to optimize throughput on toll facilities while generating revenue to meet all financial commitments related to:</p> <ul style="list-style-type: none"> Debt issued to construct or repair any portion of the toll facility, payment of debt service, and satisfaction of other covenants and obligations related to indebtedness of the toll facility, including applicable reserves; Development, maintenance, repair, rehabilitation, improvement, reconstruction, administration, and operation of the toll facilities, including toll collection and enforcement and applicable reserves; and Projects within the corridor that generated the revenue.
Funding Sources	RCTC uses local funding sources to maximize federal and state funding of projects.
Sale of Properties	RCTC returns proceeds from the disposition of excess properties to the programs that provided the funding sources for the property acquisition.

Expenditures/Expenses	
Priorities	RCTC reviews established priorities for planning and programming of capital projects annually.
Accountability	RCTC compares actual expenditures/expenses to the budget on at least a quarterly basis and appropriately notes, explains, and justifies significant deviations.
Procurement	RCTC ensures competitive, transparent, objective, and fair procurement selection processes in accordance with policies adopted on September 11, 2019.

Capital and Intangible Assets	<p>On a government-wide basis, RCTC records capital and intangible assets at historical costs, estimated historical costs if purchased or constructed, or estimated fair value at date of donation. RCTC maintains such assets in a state of good repair and safeguards them from misuse and misappropriation.</p> <ul style="list-style-type: none"> o RCTC generally does not capitalize infrastructure, which title will be vested with Caltrans or other governmental agency. o RCTC depreciates capital and amortizes intangible assets over the estimated useful life or service concession term.
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Debt Management	
Debt Limitation	Outstanding sales tax revenue debt cannot exceed \$975 million, in accordance with Measure K approved by a majority of the voters in November 2010; RCTC can issue toll-supported debt for specific highway projects based on amounts authorized by the Commission.
Management	RCTC maintains and updates the Debt Management Policy, as adopted on March 11, 2020, and Interest Rate Swap Policy, as adopted July 12, 2006, for matters related to sales tax revenue and toll-supported indebtedness.
Coverage	RCTC maintains debt coverage ratios of 2.0x on all senior sales tax revenue debt and 1.3x on all toll-supported debt.
Issuance	RCTC issues debt for major capital projects including engineering, right of way, construction, and design-build; RCTC will not finance operating requirements except for initial toll operations. Costs of issuance, including the standard underwriter's discount, do not exceed 2% unless specifically authorized.
Maturity	All sales tax revenue debt matures prior to the termination of 2009 Measure A on June 30, 2039; all toll-supported debt matures prior to the expiration of toll facility agreements.

Cash Management	
Management	RCTC invests funds in order of priority (safety, liquidity, and yield) in accordance with the Investment Policy, adopted on March 13, 2019, or debt agreements.
Receipts	Where possible, RCTC encourages receipt of funds by wire transfer to its accounts.
Payments	RCTC makes cash disbursements to local jurisdictions and vendors/consultants in a timely manner.
Operating Balances	RCTC maintains amounts in the bank operating account at the amount necessary to meet monthly expenditures/expenses.

Accounting and Financial Reporting	
Accounting System	RCTC maintains an ERP system that integrates project and toll operations accounting needs and improves accounting efficiency.
Reporting	RCTC issues a Comprehensive Annual Financial Report (CAFR) and single audit report for federal financial assistance; separate financial reports for the LTF, STA, Proposition 1B Rehabilitation and Security Project Accounts, SB 1 SGR Program, Low Carbon Transit Operations Program (LCTOP), and toll operations; and the State Controller's Transportation Planning Agency Financial Transactions Report and Government Compensation in California Report. Reports are obtained for agreed-upon procedures as required or deemed necessary.
Audits	An independent accounting firm conducts an annual audit of the Commission's accounting books and records; RCTC obtains audits of Measure A and TDA funding recipients for compliance and other matters in a timely manner.

AGENDA ITEM 7F

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee David Knudsen, Legislative Affairs Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	State and Federal Legislative Update

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to receive and file an update on state and federal legislation.

BACKGROUND INFORMATION:

State Update

On January 10, 2020 Governor Gavin Newsom released his proposed state budget for Fiscal Year 2020/21. The Governor's budget proposes spending of \$222.2 billion in total state funds, consisting of approximately \$153 billion from the General Fund, \$63.8 billion from special funds, and \$5.4 billion from bond funds. Unlike last year, the budget proposal fully funds the intent of SB 1 without tying it to other punitive objectives. Additionally, Governor Newsom's budget proposes to spend \$12.5 billion over five years to address climate change including a proposed climate resilience bond, totaling \$4.75 billion, to reduce climate risks across California. The Governor's Climate Plan focuses on reducing climate risk while transitioning to carbon neutrality.

The Governor's focus on climate change continues to manifest in Caltrans' preparations to implement new guidelines for environmental reviews of transportation projects pursuant to the California Environmental Quality Act (CEQA) and Senate Bill 743 (SB 743). As the Commission heard from Legal Counsel at its Annual Workshop on January 31, 2020, Caltrans' focus on reduction of vehicle miles traveled (VMT) as a strategy to reduce the carbon footprint of the transportation sector is likely to have wide-reaching, costly, and uncertain impacts on planned transportation improvements in Riverside County. Commission staff continue to engage with Caltrans and self-help transportation agencies regarding implementation of SB 743. Staff will keep the Commission informed as these new regulations are implemented.

In the meantime, legislators are introducing new bills for the final year of this legislative session. Staff and the Commission's lobbyist in Sacramento are analyzing these new bills against the Commission's adopted platform.

Federal Update

Earlier this month, President Trump released his proposed federal budget for FY 2021. As with presidential budget proposals for the last many years, Congress is not expected to adopt the President's budget and will develop their own budget and appropriations. Of note in the transportation sector, the President's budget proposal continues two discretionary grant programs, BUILD and INFRA, for which the Commission has sought funds in prior fiscal years. The City of Temecula received \$50 million from INFRA in 2019. The President's proposal also includes a "preview" of the Administration's forthcoming proposal for reauthorization of the FAST Act.

In recent weeks, media articles have speculated whether "earmarks" to federal spending would return this year. Earmarks are funds designated by Congress for specific projects or programs. The Commission, cities, the County, and other local governments have received federal earmarks in the past for priority projects; however, federal appropriations bills have not included earmarks for many years. It is the sense of Commission staff that it is unlikely that earmarks will return this year.

Attachment: Legislative Matrix – February 2020

RIVERSIDE COUNTY TRANSPORTATION COMMISSION - POSITIONS ON STATE AND FEDERAL LEGISLATION – FEBRUARY 2020

Legislation/ Author	Description	Bill Status	Position	Date of Board Adoption
AB 252 (Daly, Frazier)	Removes the sunset date from the NEPA Reciprocity program.	Signed by Governor Newsom. (July 31, 2019)	<i>SUPPORT</i>	3/13/19
AB 1402 (Petrie- Norris)	Makes substantive changes to the Active Transportation Program administered by the State, allocating 75% of funds to be distributed by large MPOs.	Referred to Committee on Transportation. (March 27, 2019)	<i>SUPPORT</i>	4/1/19
SB 152 (Beall)	Makes substantive changes to the Active Transportation Program administered by the State, allocating 75% of funds to be distributed by large MPOs.	Held in Senate Appropriations Committee under submission. (May 16, 2019)	<i>SUPPORT</i>	4/1/19
AB 626 (Quirk-Silva)	Seeks to dictate that professionals who provide professional services on one phase of a project be deemed not to have a conflict of interest in subsequent project phases, disregarding the Commission's adopted Procurement Policy.	Ordered to inactive file at request of member. (May 30, 2019)	<i>OPPOSE UNLESS AMENDED</i>	4/10/19
AB 456 (Chiu, Bonta, Low)	Removes the January 1, 2020 sunset provision on claims resolution processes.	Approved by the Governor. (October 3, 2019)	<i>OPPOSE</i>	5/8/19
SB 498 (Hurtado)	Takes funds dedicated in the Trade Corridors Improvement Fund and repurposes them for a new short-line railroad project grant program.	Referred to Assembly Transportation Committee. (June 6, 2019)	<i>OPPOSE</i> Staff action based on platform	5/30/19
SB 742 (Allen)	Authorizes existing state funds for Amtrak to be used on intercity passenger bus transportation, regardless of whether the passenger is connecting to or from intercity rail service.	Approved by the Governor. (October 8, 2019)	<i>SUPPORT</i>	6/12/19
AB 1149 (Fong)	Eliminates the ability of petitioners to opt to prepare the record of proceedings and would place that responsibility solely on the lead agency.	Re-referred to Assembly Natural Resources. (April 24, 2019)	<i>SUPPORT</i>	6/12/19

Legislation/ Author	Description	Bill Status	Position	Date of Board Adoption
SB 664 (Allen)	Revises existing statute in the Streets and Highways Code and the Vehicle Code to allow for improved operations of toll facilities in California.	Re-referred to Committees on Privacy & Consumer Protection and Judiciary. (September 10, 2019)	<i>SUPPORT</i> <i>Staff action based on platform</i>	6/17/19
SB 277 (Beall)	Changes the SB 1-created Local Partnership Program to be administered at 85% formula, rather than 50% formula as is currently in adopted guidelines.	Vetoed by the Governor. In Senate. Consideration of Governor's veto pending. (August 14, 2019)	<i>SUPPORT</i> <i>Staff action based on platform</i>	7/1/19
HR 2939 (Napolitano)	Protects state and local general sales tax revenues from being directed to airports.	Introduced. (May 23, 2019)	<i>SUPPORT</i>	7/10/19

AGENDA ITEM 7G

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Martha Masters, Senior Management Analyst Lorelle Moe-Luna, Multimodal Services Director
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Riverside County 2020 Federal Transportation Improvement Program Financial Resolution

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to approve Resolution No. 20-002, *“Resolution of the Riverside County Transportation Commission Certifying Riverside County Has Resources to Fund Projects in the Federal Fiscal Years 2020/21 Through 2025/26 Transportation Improvement Program and Affirming Commitment to Implement All Projects in the Program”*.

BACKGROUND INFORMATION:

The Federal Transportation Improvement Program (FTIP) is a federally required document that lists transportation projects funded with federal, state, and local funds for the next six-year period. The Southern California Association of Governments (SCAG) is responsible for preparing the FTIP every two years for the six-counties within the SCAG region, and performing the following five conformity tests:

- Consistency with SCAG’s Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS)
- Regional Emission Analysis
- Timely Implementation of Transportation Control Measures (TCM)
- Financial Constraint
- Interagency Consultation and Public Involvement

The 2021 FTIP Update covers Federal Fiscal Years (FFYs 2020/21 – 2025/26) and reflects projects listed in the draft 2020 RTP/SCS. All regionally significant and federally funded projects must be included in the FTIP in order for an implementing agency to obligate funds. Overall, Riverside County is submitting a list of 389 projects totaling approximately \$12 billion in funds.

The attached resolution must be included in the 2021 FTIP to certify the Riverside County portion of the FTIP is financially constrained and to affirm the commitment to implement the projects. Financial constraint and project commitment is defined as follows:

1. Financial Constraint: The Commission must certify the Riverside County Transportation Improvement Program is financially constrained (projects are not programmed in excess of fund levels) and the funding may be reasonably expected to carry out the program.
2. Project Commitment: The Commission must affirm its highest priorities for funding are the projects in the 2021 FTIP. The affirmation is specifically targeted to enforceable TCMs.

Over the past three months, staff reviewed projects submitted by Caltrans, local agencies, and transit operators in Riverside County. These projects include freeways, state highways, arterials, routes that provide access to major activity centers, goods movement routes, intermodal facilities, and operating assistance for transit services. Projects that have completed construction were identified and removed from the 2021 FTIP, while other projects were added, deleted, or modified at the request of project sponsors. All project programming was reviewed to ensure each project clearly identified funding sources and schedules with the concurrence of each project sponsor.

There are 20 TCM projects in the 2021 FTIP with completion dates ranging from 2020 to 2030, at an estimated cost of \$875 million. TCMs are specific transportation projects and programs committed to help improve air quality, regardless of the source of funding. Project sponsors have been notified that TCMs must be operational or implemented by the completion date committed to in the FTIP. If not, these projects must be substituted by another TCM eligible project.

The SCAG Regional Council is scheduled to approve the 2021 FTIP by September 2020. SCAG subsequently will pursue the necessary state and federal approvals for the 2021 FTIP. These approvals are anticipated to occur by early December 2020 at which point the 2021 FTIP takes effect. SCAG allows project amendments to occur throughout the two-year cycle to make minor project changes and staff coordinates these amendments with the local agencies.

This item does not have a financial impact; separate actions have been or will be taken to fund specific projects as necessary.

Attachments:

- 1) Resolution No. 20-002
- 2) 2021 FTIP Funding Summary – FFY 2020/21 – FFY 2025/26

Approved by the Budget and Implementation Committee on February 24, 2020

In Favor:	10	Abstain:	0	No:	0
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RESOLUTION NO. 20-002**RESOLUTION OF THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION CERTIFYING RIVERSIDE COUNTY HAS RESOURCES TO FUND PROJECTS IN THE FEDERAL FISCAL YEARS 2020/21 THROUGH 2025/26 TRANSPORTATION IMPROVEMENT PROGRAM AND AFFIRMING COMMITMENT TO IMPLEMENT ALL PROJECTS IN THE PROGRAM**

WHEREAS, Riverside County is located within the metropolitan planning boundaries of the Southern California Association of Governments (SCAG); and

WHEREAS, the Fixing America Surface Transportation (FAST) Act requires SCAG to adopt a regional transportation improvement program for the metropolitan area; and

WHEREAS, the FAST Act also requires that the regional transportation improvement program include a financial plan that demonstrates how the transportation improvement program can be implemented; and

WHEREAS, the Riverside County Transportation Commission (RCTC) is the agency responsible for short-range capital and service planning and programming for the Riverside County area within SCAG; and

WHEREAS, as the responsible agency for short-range transportation planning, the RCTC is responsible for developing the Riverside County Transportation Improvement Program (TIP), including all projects utilizing federal and state highway and transit funds; and

WHEREAS, the RCTC must determine, on an annual basis, the total amount of funds that could be available for transportation projects within its boundaries; and

WHEREAS, the RCTC has adopted the Federal Fiscal Year (FFY) 2020/21 through FFY 2025/26 Riverside County TIP with funding for FFY 2020/21 and FFY 2021/22 available and committed, and reasonably committed for FFY 2022/23 through FFY 2025/2026.

NOW, THEREFORE, BE IT RESOLVED by the RCTC that it affirms its continuing commitment to the projects in the FFY 2020/21 through FFY 2025/26 Riverside County TIP; and

BE IT FURTHER RESOLVED, that the FFY 2020/21 through FFY 2025/26 Riverside County TIP Financial Plan identifies the resources that are available and committed in the first two years and reasonably available to carry out the program in the last four years, and certifies that:

1. Projects in the FFY 2020/21 through FFY 2025/26 Riverside County TIP are consistent with the proposed 2020 State Transportation Improvement Program (STIP) scheduled to be approved by the California Transportation Commission in March 2020; and

2. All of the projects in the Riverside County TIP have complete funding identified in the Program based on reasonably available funding; and
3. Riverside County has the funding capacity in its county Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Program (CMAQ) allocation to fund all of the projects in the FFY 2020/21 through FFY 2025/26 Riverside County TIP; and
4. The local match for projects funded with federal STP and CMAQ program funds is identified in the TIP; and
5. All the Federal Transit Administration funded projects are programmed within FAST Act Guaranteed Funding Levels.

APPROVED AND ADOPTED this 11th day of March, 2020.

Ben J. Benoit, Chair
Riverside County Transportation Commission

ATTEST:

Lisa Mobley, Clerk of the Board
Riverside County Transportation Commission



Fund Summary
Riverside County Transportation Commission
2021 FTIP (FY 2020/2021 - FY 2025/2026)
Local Highway, State Highway, Transit
Cost in Thousands

FUNDING SOURCE	PRIOR	2021	2022	2023	2024	2025	2026	BEYOND	TOTAL YEAR
2016 EARMARK REPURPOSING	\$8,122	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,122
CMAQ	\$116,916	\$7,644	\$23,490	\$0	\$0	\$0	\$0	\$443	\$148,493
DEMO - TEA 21	\$7,918	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,918
DEMO-SAFETEA-LU	\$21,789	\$1,602	\$0	\$0	\$0	\$0	\$0	\$0	\$23,391
FFY 2006 APPROPRIATIONS EARMARKS	\$4,229	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,229
FFY 2009 Appropriations Earmarks	\$950	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$950
HIGHWAY INFRASTRUCTURE PROGRAM (HIP)	\$13,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,832
INFRASTRUCTURE FOR REBUILDING AMERICA (INFRA) GRANT	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
INTERSTATE MAINTENANC	\$238	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$238
PUBLIC LAND HWYS	\$631	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$631
RECREATIONAL TRAILS	\$17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17
SECTION 129 - SURFACE TRANSPORTATION PRIORITIES	\$1,470	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,470
STP LOCAL	\$110,735	\$200	\$0	\$1,215	\$1	\$0	\$0	\$0	\$112,151
SURFACE TRANS BLK GRNT LOCAL	\$4,169	\$0	\$0	\$0	\$2	\$0	\$0	\$0	\$4,171
SURFACE TRANS BLK GRNT REGIONAL	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$1,000
SURFACE TRANS PROG	\$1,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,750
SURFACE TRANS PROG - HR4818	\$1,231	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,231
Section 125 - Surface Transportation Priorities	\$855	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$855
FEDERAL HIGHWAY SUBTOTAL	\$294,852	\$59,446	\$24,490	\$1,215	\$3	\$0	\$0	\$443	\$380,449
5307H-Hemet Urbanized Area	\$18,424	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,424
5307IC-Indio-Cathedral City Urbanized Area	\$24,675	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,675
5307LA-LOS ANGELES/LONG BEACH/SANTA ANA URBANIZED AREA	\$92	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$92
5307MT-Murrieta-Temecula Urbanized Area	\$24,830	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,830
5307RS-Riverside/San Bernardino Urbanized Area	\$87,466	\$15,965	\$513	\$552	\$592	\$710	\$789	\$0	\$107,574
5310IC-Indio-Cathedral City Urbanized Area - EM	\$1,720	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,720
5310MT-Murrieta-Temecula Urbanized Area - EM	\$1,085	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,085
5310RS-Riverside/San Bernardino Urbanized Area - EM	\$2,414	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,414
5311 - NONURBANIZED AREA FORMULA PROGRAM	\$3,670	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,670
5311F - INTERCITY BUS	\$1,057	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,057
5337RS-Riverside/San Bernardino Urbanized Area	\$35,519	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,519
5339 - BUS AND BUS FACILITIES FORMULA GRANTS	\$2,269	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,269
5339H-Hemet Urbanized Area - BFG	\$1,815	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,815
5339IC-Indio-Cathedral City Urbanized Area - BFG	\$5,061	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,061
5339LA-LOS ANGELES -LONG BEACH-ANAHEIM URBANIZED AREA - BFG	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30
5339MT-Murrieta-Temecula Urbanized Area - BFG	\$3,123	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,123
5339RS-Riverside/San Bernardino Urbanized Area - BFG	\$19,110	\$198	\$0	\$0	\$0	\$0	\$0	\$0	\$19,308
FEDERAL RAILROAD ADMINISTRATION EARMARK	\$2,982	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,982
FTA 5307 (FHWA TRANSFER FUNDS)	\$34,873	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,873
FTA 5307 UZA FORMULAR	\$3,512	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,512
FTA 5309(a) GUIDEWY	\$13,592	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,592
FTA 5309(c) BUS	\$7,464	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,464
FTA 5310 ELD AND DISABI	\$360	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$360
NATIONAL RESEARCH AND TECHNOLOGY	\$9,990	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,990
FEDERAL TRANSIT SUBTOTAL	\$305,133	\$16,163	\$513	\$552	\$592	\$710	\$789	\$0	\$325,439

FUNDING SOURCE	PRIOR	2021	2022	2023	2024	2025	2026	BEYOND	TOTAL YEAR
TRANSPORTATION INFRASTRUCTURE	\$163,967	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$163,967
FINANCE & INNOVATION ACT									
INNOVATIVE FINANCE SUBTOTAL	\$163,967	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$163,967
AGENCY	\$988,036	\$119,978	\$148,668	\$183,457	\$623,993	\$137,441	\$602,395	\$50,449	\$3,040,035
AIR BOARD	\$22,351	\$4,538	\$1,420	\$1,678	\$0	\$0	\$0	\$0	\$29,987
Agency - Adv Construction	\$62,032	\$39,315	\$110,618	\$0	\$0	\$0	\$0	\$0	\$211,965
BONDS - LOCAL	\$947,290	\$5,000	\$0	\$0	\$212,445	\$0	\$710,000	\$0	\$1,874,735
CITY FUNDS	\$221,899	\$126,258	\$266,050	\$50,310	\$288,263	\$66,277	\$59,927	\$167,600	\$1,403,180
COUNTY	\$129,212	\$166	\$92,925	\$0	\$0	\$0	\$0	\$0	\$222,303
DEVELOPER FEES	\$15,437	\$7,685	\$22,398	\$15,400	\$16,000	\$14,856	\$90,300	\$0	\$182,076
EASTERN RIV TUMF	\$13,962	\$3,750	\$2,958	\$0	\$0	\$21,000	\$0	\$87,750	\$129,420
FARE REVENUE	\$54,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$54,076
GENERAL FUNDS	\$1,400	\$1,428	\$1,485	\$1,515	\$1,545	\$1,576	\$1,608	\$0	\$12,197
Gas Tax (Subvention to cities)	\$64	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64
LOCAL - ADVANCED CONSTRUCTION	\$0	\$19,878	\$0	\$0	\$0	\$0	\$0	\$0	\$19,878
LOCAL ADVANCE CONSTRUCTION	\$0	\$43,326	\$0	\$0	\$0	(\$43,326)	\$0	\$0	\$0
LOCAL TRANS FUNDS	\$265,499	\$80	\$0	\$0	\$0	\$0	\$0	\$0	\$265,579
PRIVATE FUNDS	\$0	\$10,000	\$2,000	\$800	\$0	\$0	\$0	\$0	\$12,800
RIV CO SALES TAX	\$352,558	\$2,575	\$35,562	\$0	\$0	\$0	\$8,000	\$0	\$398,695
TDA ARTICLE #3	\$2,517	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,517
TDA ARTICLE #4	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000
WESTERN RIV TUMF	\$271,898	\$9,841	\$14,281	\$20,326	\$29,000	\$62,900	\$8,000	\$47,600	\$467,846
LOCAL SUBTOTAL	\$3,350,231	\$393,818	\$698,365	\$273,486	\$1,171,246	\$260,724	\$1,480,230	\$353,399	\$8,329,353
ACTIVE TRANSPORTATION PROGRAM	\$48,915	\$16,999	\$7,496	\$1,322	\$8,366	\$0	\$0	\$0	\$83,098
ACTIVE TRANSPORTATION PROGRAM - MPO	\$21,668	\$1,458	\$460	\$3,904	\$1,931	\$0	\$0	\$0	\$29,421
BRIDGE - LOCAL	\$114,320	\$5,460	\$11,613	\$906	\$0	\$257,034	\$0	\$0	\$389,333
CAP AND TRADE PROGRAM	\$3,430	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,430
LOCAL BRIDGE SEISMIC RETROFIT ACCOUNT	\$437	\$242	\$0	\$0	\$0	\$6,272	\$0	\$0	\$6,951
NATIONAL HWY SYSTEM - HM	\$8,490	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,490
PUBLIC TRANS MODERINAZATION IMP AND SERV. ENHANCEMENT ACCT.	\$10,440	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,440
SB1 LOCAL PARTNERSHIP COMPETITIVE FUNDS	\$18,747	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,747
SB1 LOCAL PARTNERSHIP FORMULA FUNDS	\$20,662	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,662
SB1TRADE CORRIDOR ENHANCEMENT	\$16,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,800
SECTION 190 GRADE SEPARATION PROGRAM	\$0	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$20,000
SENATE BILL 132	\$246,195	\$179,850	\$1,127	\$0	\$0	\$0	\$0	\$0	\$427,172
SHOPP - ADVANCE CONSTRUCTION	\$470,006	\$405,635	\$537,663	\$0	\$0	\$0	\$0	\$0	\$1,413,304
SHOPP ADVANCE CONSTRUCTION (AC) - CT MINOR	\$0	\$0	\$0	\$990	\$10	\$0	\$0	\$0	\$1,000
STATE CASH	\$6,450	\$1,650	\$1,650	\$1,650	\$1,650	\$1,650	\$1,650	\$0	\$18,000
STATE CASH - RIP	\$5,273	\$0	\$66,377	\$0	\$0	\$0	\$0	\$0	\$71,650
STATE PARK FUNDS	\$400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400
STATE PUC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STATE TRANSIT ASSIST	\$69,553	\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$69,603
STIP ADVANCE CON-RIP	\$61,290	\$47,600	\$0	\$0	\$4,472	\$0	\$0	\$0	\$113,362
TRADE CORRIDOR PROGRAM	\$10,359	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,359
TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM	\$16,449	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,449
TRANSIT SYSTEM SAFETY, SECURITY AND DISASTER RESPONSE ACCOUNT	\$373	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$373
STATE SUBTOTAL	\$1,150,257	\$658,944	\$646,386	\$8,772	\$16,429	\$264,956	\$1,650	\$0	\$2,749,044
TOTAL	\$5,264,440	\$1,128,371	\$1,369,754	\$284,025	\$1,188,270	\$526,390	\$1,482,669	\$353,842	\$11,948,252

AGENDA ITEM 7H

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Toll Policy and Operations Committee Jennifer Crosson, Toll Operations Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	91 Express Lanes Monthly Status Reports

TOLL POLICY AND OPERATIONS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to receive and file the 91 Express Lanes Monthly Reports for the six months from July to December 2019.

BACKGROUND INFORMATION:

The monthly 91 Express Lanes reports for the six months from July to December 2019 are attached. The monthly reports provide information about 91 Express Lanes performance and activity. The monthly reports include information for both segments of the 91 Express Lanes in Orange and Riverside Counties.

Attachments: Posted on the Commission Website

- 1) 91 Express Lanes Status Report for July 2019
- 2) 91 Express Lanes Status Report for August 2019
- 3) 91 Express Lanes Status Report for September 2019
- 4) 91 Express Lanes Status Report for October 2019
- 5) 91 Express Lanes Status Report for November 2019
- 6) 91 Express Lanes Status Report for December 2019



**Orange County Transportation Authority
Riverside County Transportation Commission**



Status Report
July 2019

As of July 31, 2019

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OPERATIONS OVERVIEW OCTA

TRAFFIC AND REVENUE STATISTICS FOR OCTA

Total traffic volume on the OCTA 91 Express Lanes for July 2019 was 1,545,862. This represents a daily average of 49,867. This is a 4.3% increase in total traffic volume from the same period last year, which totaled 1,482,792. Potential toll revenue for the month was \$4,438,931, which represents an increase of 3.4% from the prior year's total of \$4,293,822. Carpool percentage for the month was 28.68% as compared to the previous year's rate of 27.86%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the month of July 2019.

Current Month-to-Date (MTD) as of July 31, 2019

Trips	Jul-19 MTD Actual	Jul-18 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	1,102,555	1,069,688	3.1%
3+ Lanes	443,307	413,104	7.3%
Total Gross Trips	1,545,862	1,482,792	4.3%
Revenue			
Full Toll Lanes	\$4,362,568	\$4,214,894	3.5%
3+ Lanes	\$76,363	\$78,927	(3.2%)
Total Gross Revenue	\$4,438,931	\$4,293,822	3.4%
Average Revenue per Trip			
Average Full Toll Lanes	\$3.96	\$3.94	0.5%
Average 3+ Lanes	\$0.17	\$0.19	(10.5%)
Average Gross Revenue	\$2.87	\$2.90	(1.0%)

The 2020 fiscal year-to-date traffic volume increased by 4.3% and potential toll revenue increased by 3.4%, when compared with the same period last year. Year-to-date average revenue per-trip is \$2.87.

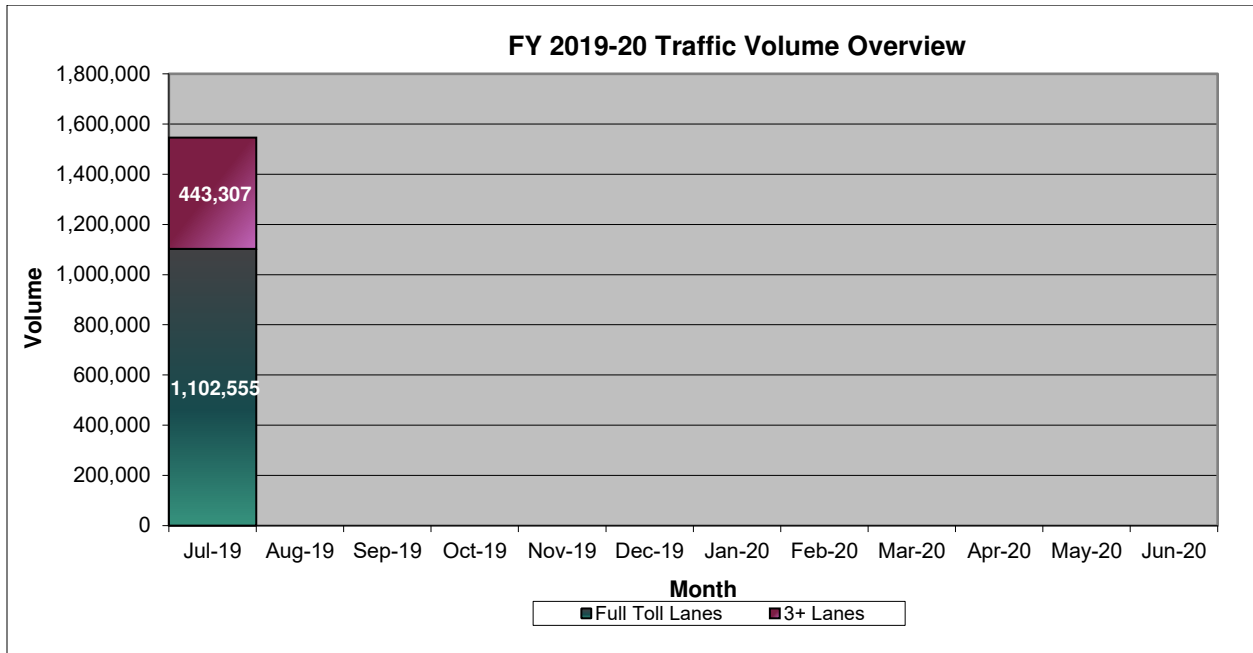
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the month of July 2019.

FY 2019-20 Year to Date as of July 31, 2019

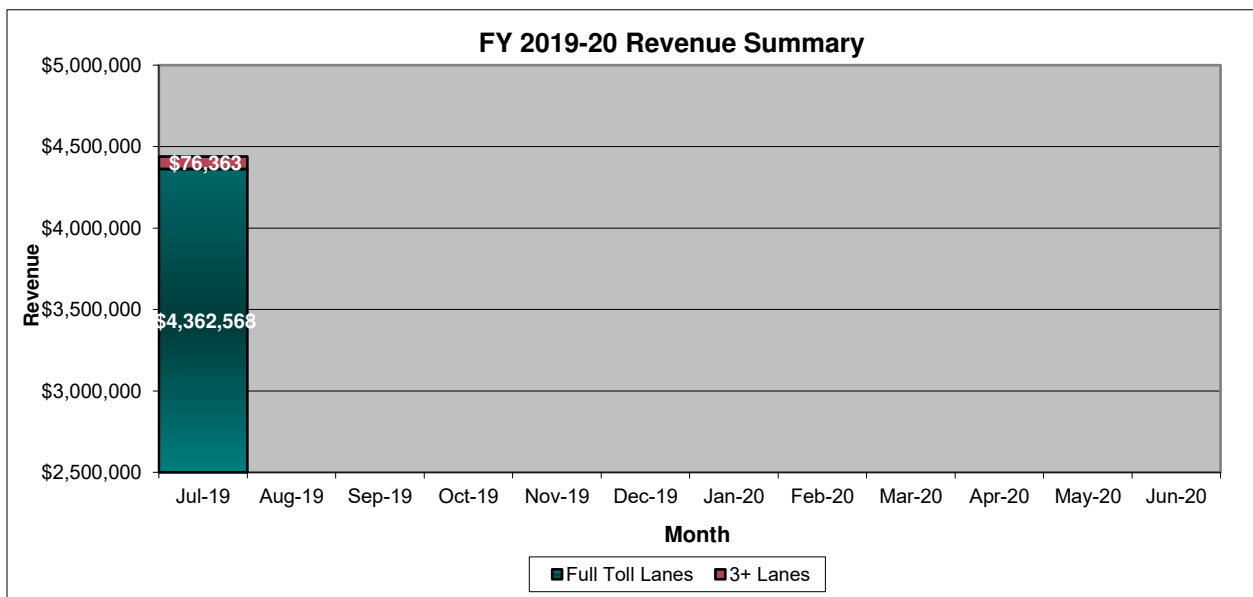
	FY 2019-20 YTD Actual	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Trips			
Full Toll Lanes	1,102,555	1,069,688	3.1%
3+ Lanes	443,307	413,104	7.3%
Total Gross Trips	1,545,862	1,482,792	4.3%
Revenue			
Full Toll Lanes	\$4,362,568	\$4,214,894	3.5%
3+ Lanes	\$76,363	\$78,927	(3.2%)
Total Gross Revenue	\$4,438,931	\$4,293,822	3.4%
Average Revenue per Trip			
Average Full Toll Lanes	\$3.96	\$3.94	0.5%
Average 3+ Lanes	\$0.17	\$0.19	(10.5%)
Average Gross Revenue	\$2.87	\$2.90	(1.0%)

OCTA Traffic and Revenue Summary

The chart below reflects the total trips breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



Peak traffic hour in the eastbound direction reached or exceeded 90% or more of defined capacity 14 times during the month of July 2019. As demonstrated on the next chart, westbound peak hour traffic volumes top out at 82% of defined capacity.

OCTA EASTBOUND PEAK-HOUR VOLUMES

PM Time	Monday 07/01/19				Tuesday 07/02/19				Wednesday 07/03/19				Thursday 07/04/19				Friday 07/05/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	526	2,600	76%	\$5.15	576	3,007	88%	\$7.10	613	3,081	91%	\$4.25	367	945	28%	\$4.95	648	2,326	68%
1500 - 1600	\$5.50	694	2,965	87%	\$5.75	722	2,774	82%	\$9.15	754	2,867	84%	\$4.25	344	840	25%	\$4.95	540	2,012	59%
1600 - 1700	\$5.35	447	2,306	68%	\$5.50	524	2,907	86%	\$8.95	481	2,667	78%	\$4.25	259	631	19%	\$4.95	450	1,824	54%
1700 - 1800	\$5.30	607	3,102	91%	\$5.40	583	2,875	85%	\$7.05	602	2,772	82%	\$4.25	249	589	17%	\$4.95	546	1,697	50%
1800 - 1900	\$5.50	753	2,911	86%	\$3.95	702	2,933	86%	\$6.55	731	2,770	81%	\$4.25	265	620	18%	\$4.95	469	1,338	39%
1900 - 2000	\$3.85	579	1,995	59%	\$3.85	631	2,431	72%	\$6.05	609	2,037	60%	\$4.25	327	663	20%	\$4.95	327	810	24%

PM Time	Monday 07/08/19				Tuesday 07/09/19				Wednesday 07/10/19				Thursday 07/11/19				Friday 07/12/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	481	2,501	74%	\$5.15	543	2,799	82%	\$5.15	541	2,922	86%	\$6.70	655	3,204	94%	\$7.10	673	3,208	94%
1500 - 1600	\$5.50	721	3,046	90%	\$5.75	660	2,443	72%	\$7.75	773	2,908	86%	\$6.75	740	2,992	88%	\$9.15	742	2,588	76%
1600 - 1700	\$5.35	493	2,762	81%	\$5.50	501	2,840	84%	\$7.50	490	2,741	81%	\$8.30	580	2,828	83%	\$8.95	521	2,675	79%
1700 - 1800	\$5.30	594	3,123	92%	\$5.40	557	2,821	83%	\$6.40	559	2,841	84%	\$8.70	583	2,709	80%	\$7.05	586	2,800	82%
1800 - 1900	\$5.50	537	2,382	70%	\$3.95	690	2,964	87%	\$3.95	666	2,937	86%	\$4.85	641	2,940	86%	\$6.55	666	2,562	75%
1900 - 2000	\$3.85	553	2,161	64%	\$3.85	623	2,373	70%	\$3.85	645	2,492	73%	\$5.60	679	2,732	80%	\$6.05	642	2,160	64%

PM Time	Monday 07/15/19				Tuesday 07/16/19				Wednesday 07/17/19				Thursday 07/18/19				Friday 07/19/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	539	2,607	77%	\$5.15	560	2,861	84%	\$5.15	614	2,949	87%	\$6.70	578	3,121	92%	\$7.10	688	3,205	94%
1500 - 1600	\$5.50	693	2,947	87%	\$5.75	695	2,792	82%	\$7.75	705	2,864	84%	\$6.75	744	3,092	91%	\$9.15	686	2,478	73%
1600 - 1700	\$5.35	540	2,953	87%	\$5.50	479	2,650	78%	\$7.50	509	2,768	81%	\$8.30	609	2,943	87%	\$8.95	519	2,756	81%
1700 - 1800	\$5.30	580	2,966	87%	\$5.40	571	2,935	86%	\$6.40	510	2,791	82%	\$8.70	574	2,662	78%	\$7.05	604	2,848	84%
1800 - 1900	\$5.50	680	2,688	79%	\$3.95	710	3,010	89%	\$3.95	686	3,136	92%	\$4.85	672	2,981	88%	\$6.55	401	1,548	46%
1900 - 2000	\$3.85	484	1,759	52%	\$3.85	646	2,413	71%	\$3.85	695	2,386	70%	\$5.60	654	2,255	66%	\$6.05	706	2,260	66%

PM Time	Monday 07/22/19				Tuesday 07/23/19				Wednesday 07/24/19				Thursday 07/25/19				Friday 07/26/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	583	2,664	78%	\$5.15	578	3,001	88%	\$5.15	604	3,032	89%	\$6.70	557	2,974	87%	\$7.10	710	3,119	92%
1500 - 1600	\$5.50	680	2,885	85%	\$5.75	694	2,654	78%	\$7.75	707	2,840	84%	\$6.75	685	2,943	87%	\$9.15	776	2,698	79%
1600 - 1700	\$5.35	508	2,764	81%	\$5.50	519	2,953	87%	\$7.50	474	2,757	81%	\$8.30	566	2,889	85%	\$8.95	548	2,768	81%
1700 - 1800	\$5.30	568	2,913	86%	\$5.40	582	2,946	87%	\$6.40	576	3,014	89%	\$8.70	551	2,608	77%	\$7.05	615	2,878	85%
1800 - 1900	\$5.50	675	2,559	75%	\$3.95	621	2,844	84%	\$3.95	632	2,850	84%	\$4.85	705	2,964	87%	\$6.55	574	2,208	65%
1900 - 2000	\$3.85	530	1,955	58%	\$3.85	592	2,322	68%	\$3.85	759	2,631	77%	\$5.60	623	2,377	70%	\$6.05	623	2,124	62%

PM Time	Monday 07/29/19				Tuesday 07/30/19				Wednesday 07/31/19				Thursday 08/01/19				Friday 08/02/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	562	2,696	79%	\$5.15	581	2,933	86%	\$5.15	597	3,020	89%								
1500 - 1600	\$5.50	659	2,845	84%	\$5.75	701	2,725	80%	\$7.75	722	2,902	85%								
1600 - 1700	\$5.35	509	2,760	81%	\$5.50	478	2,795	82%	\$7.50	566	2,811	83%								
1700 - 1800	\$5.30	587	3,080	91%	\$5.40	597	3,121	92%	\$6.40	566	2,963	87%								
1800 - 1900	\$5.50	638	2,666	78%	\$3.95	658	2,838	83%	\$3.95	643	3,052	90%								
1900 - 2000	\$3.85	508	1,837	54%	\$3.85	617	2,261	67%	\$3.85	717	2,607	77%								

OCTA WESTBOUND PEAK-HOUR VOLUMES

AM Time	Monday 07/01/19				Tuesday 07/02/19				Wednesday 07/03/19				Thursday 07/04/19				Friday 07/05/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	880	2,539	75%	\$3.05	901	2,526	74%	\$3.05	863	2,433	72%	\$1.70	89	196	6%	\$1.70	258	663	20%
0500 - 0600	\$4.95	947	2,773	82%	\$4.95	1009	2,701	79%	\$4.70	900	2,327	68%	\$1.70	133	299	9%	\$1.70	338	969	29%
0600 - 0700	\$5.15	614	1,837	54%	\$5.15	587	1,980	58%	\$4.95	631	2,121	62%	\$1.70	111	289	9%	\$2.50	310	964	28%
0700 - 0800	\$5.65	415	1,655	49%	\$5.65	487	2,035	60%	\$5.50	465	1,910	56%	\$1.70	164	410	12%	\$3.05	270	1,030	30%
0800 - 0900	\$5.15	469	2,193	65%	\$5.15	405	2,068	61%	\$4.95	402	1,901	56%	\$2.50	254	589	17%	\$3.05	279	1,064	31%
0900 - 1000	\$4.10	472	2,181	64%	\$4.10	497	2,188	64%	\$4.10	420	1,933	57%	\$4.25	345	773	23%	\$3.85	423	1,295	38%

AM Time	Monday 07/08/19				Tuesday 07/09/19				Wednesday 07/10/19				Thursday 07/11/19				Friday 07/12/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	712	1,996	59%	\$3.05	873	2,611	77%	\$3.05	943	2,640	78%	\$3.05	891	2,497	73%	\$3.05	774	2,060	61%
0500 - 0600	\$4.95	920	2,557	75%	\$4.95	1010	2,698	79%	\$4.95	903	2,515	74%	\$4.95	847	2,383	70%	\$4.70	768	2,267	67%
0600 - 0700	\$5.15	641	2,160	64%	\$5.15	565	1,970	58%	\$5.15	638	2,202	65%	\$5.15	627	2,071	61%	\$4.95	572	2,005	59%
0700 - 0800	\$5.65	439	1,793	53%	\$5.65	531	2,085	61%	\$5.65	501	1,990	59%	\$5.65	541	2,130	63%	\$5.50	481	1,840	54%
0800 - 0900	\$5.15	373	1,927	57%	\$5.15	413	2,028	60%	\$5.15	377	1,977	58%	\$5.15	452	2,156	63%	\$4.95	445	1,950	57%
0900 - 1000	\$4.10	418	1,899	56%	\$4.10	442	2,104	62%	\$4.10	479	2,285	67%	\$4.10	459	2,348	69%	\$4.10	470	1,986	58%

AM Time	Monday 07/15/19				Tuesday 07/16/19				Wednesday 07/17/19				Thursday 07/18/19				Friday 07/19/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	840	2,554	75%	\$3.05	863	2,362	69%	\$3.05	911	2,571	76%	\$3.05	869	2,492	73%	\$3.05	747	2,074	61%
0500 - 0600	\$4.95	894	2,596	76%	\$4.95	951	2,606	77%	\$4.95	901	2,513	74%	\$4.95	926	2,503	74%	\$4.70	810	2,360	69%
0600 - 0700	\$5.15	532	2,012	59%	\$5.15	566	1,961	58%	\$5.15	655	2,151	63%	\$5.15	599	2,089	61%	\$4.95	565	1,997	59%
0700 - 0800	\$5.65	402	1,874	55%	\$5.65	538	2,159	64%	\$5.65	479	1,970	58%	\$5.65	492	2,007	59%	\$5.50	465	1,887	56%
0800 - 0900	\$5.15	358	1,842	54%	\$5.15	416	2,095	62%	\$5.15	408	2,025	60%	\$5.15	410	1,962	58%	\$4.95	403	1,796	53%
0900 - 1000	\$4.10	408	2,063	61%	\$4.10	438	2,142	63%	\$4.10	465	2,196	65%	\$4.10	500	2,153	63%	\$4.10	424	1,822	54%

AM Time	Monday 07/22/19				Tuesday 07/23/19				Wednesday 07/24/19				Thursday 07/25/19				Friday 07/26/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	899	2,565	75%	\$3.05	885	2,508	74%	\$3.05	853	2,529	74%	\$3.05	862	2,377	70%	\$3.05	761	1,992	59%
0500 - 0600	\$4.95	907	2,565	75%	\$4.95	953	2,794	82%	\$4.95	900	2,464	72%	\$4.95	864	2,433	72%	\$4.70	789	2,308	68%
0600 - 0700	\$5.15	569	2,002	59%	\$5.15	542	1,962	58%	\$5.15	603	2,079	61%	\$5.15	639	2,215	65%	\$4.95	584	2,010	59%
0700 - 0800	\$5.65	468	1,950	57%	\$5.65	504	2,096	62%	\$5.65	506	2,053	60%	\$5.65	461	2,054	60%	\$5.50	457	1,867	55%
0800 - 0900	\$5.15	389	1,952	57%	\$5.15	395	2,094	62%	\$5.15	430	2,149	63%	\$5.15	407	2,022	59%	\$4.95	413	1,961	58%
0900 - 1000	\$4.10	440	1,954	57%	\$4.10	476	2,223	65%	\$4.10	460	2,147	63%	\$4.10	444	2,031	60%	\$4.10	498	2,108	62%

AM Time	Monday 07/29/19				Tuesday 07/30/19				Wednesday 07/31/19				Thursday 08/01/19				Friday 08/02/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	857	2,528	74%	\$3.05	857	2,473	73%	\$3.05	860	2,556	75%								
0500 - 0600	\$4.95	888	2,553	75%	\$4.95	994	2,727	80%	\$4.95	925	2,505	74%								
0600 - 0700	\$5.15	538	1,930	57%	\$5.15	554	1,996	59%	\$5.15	639	2,170	64%								
0700 - 0800	\$5.65	460	1,919	56%	\$5.65	472	2,056	60%	\$5.65	478	2,075	61%								
0800 - 0900	\$5.15	382	1,930	57%	\$5.15	418	2,099	62%	\$5.15	453	2,144	63%								
0900 - 1000	\$4.10	442	2,011	59%	\$4.10	507	2,261	67%	\$4.10	499	2,351	69%								

OCTA OPERATIONAL HIGHLIGHTS

On-road Operations

OCTA Customer Assistance Specialists (CAS) responded to 106 calls during the month of July. Of those calls, 91 were to assist disabled vehicles and 8 calls to remove debris. The CAS provided assistance to 7 accidents in the Express Lanes with 3 of those accidents originating from the SR91 general-purpose lanes.

Electronic Toll and Traffic Management System Project Update

An agreement with Kapsch TrafficCom USA, Inc., (Kapsch) was executed in June 2018 to provide toll lane system integrator services for the design, installation, operations, and maintenance of the electronic toll and traffic management system for the 91 Express Lanes. This new lane system will be able to read the new 6C protocol as well as the current Title 21 protocol. Following RCTC's completion of their lane system installation on the 91 Express Lanes, OCTA will commence installation on the Orange County segment. OCTA's lane system equipment at the gantries will be replaced by October 2019.

6C Transition Update

In addition to the lane system replacement, the back-office system will need to be modified in order to process the new transponders and changes to the customer account plans. Modification to the back-office system will commence when the lane system installations for both OCTA and RCTC have been completed. Distribution of the new 6C transponders to customers will begin after the back-office system changes have been made. OCTA and RCTC have prepared a series of customer communication to be provided to customers to facilitate the transition to the new protocol and changes to the account plans.

Amendment to the Three-Party Operating Agreement

As referenced above, due to the back-office system changes, an amendment to the OCTA, RCTC, Cofiroute USA (CUSA) Operating Agreement is required. Staff from both OCTA and RCTC have been in negotiations with CUSA for the amendment. It is anticipated there will be no change to the maximum obligation of the contract. The amendment is expected to be finalized in the next few months.

FINANCIAL HIGHLIGHTS OCTA

91 Express Lanes Operating Statement

Description	YTD as of : 7/31/2019		YTD Variance	
	Actual ⁽¹⁾	Budget ⁽¹⁾	Dollar \$	Percent (%)
Operating revenues:				
Toll revenue	\$ 4,058,724.52	\$ 4,343,601.00	\$ (284,876.48)	(6.6)
Fee revenue	671,657.25	271,529.00	400,128.25	147.4
Total operating revenues	4,730,381.77	4,615,130.00	115,251.77	2.5
Operating expenses:				
Contracted services	-	616,420.00	616,420.00	100.0
Administrative fee	206,754.00	236,657.00	29,903.00	12.6
Other professional services	(197,331.05)	431,642.00	628,973.05	145.7
Credit card processing fees	76,462.53	111,375.00	34,912.47	31.3
Toll road account servicing	60,281.73	222,500.00	162,218.27	72.9
Other insurance expense	31,091.25	20,825.00	(10,266.25)	(49.3)
Toll road maintenance supply repairs	4,926.21	72,917.00	67,990.79	93.2
Patrol services	1,421,204.21	81,635.00	(1,339,569.21)	(1,640.9)
Building equipment repairs and maint	(35,899.15)	22,262.00	58,161.15	261.3
Other services	(18,298.00)	833.00	19,131.00	2,296.6
Utilities	(21,901.15)	6,123.00	28,024.15	457.7
Office expense	(4,152.88)	5,831.00	9,983.88	171.2
Bad debt expense	11,440.77	-	(11,440.77)	N/A
Miscellaneous ⁽²⁾	(4,767.71)	6,840.00	11,607.71	169.7
Leases	28,070.00	38,318.00	10,248.00	26.7
Total operating expenses	1,557,880.76	1,874,178.00	316,297.24	16.9
Depreciation and amortization ⁽³⁾	284,195.65	-	(284,195.65)	N/A
Operating income (loss)	2,888,305.36	2,740,952.00	147,353.36	5.4
Nonoperating revenues (expenses):				
Reimbursement from Other Agencies	-	-	-	N/A
Interest income	(198,061.35)	316,341.00	(514,402.35)	(162.6)
Interest expense	(405,558.31)	(392,672.00)	(12,886.31)	(3.3)
Other	12,026.78	-	12,026.78	N/A
Total nonoperating revenues (expenses)	(591,592.88)	(76,331.00)	(515,261.88)	(675.0)
Transfers in	-	-	-	N/A
Transfers out	(599,193.79)	-	(599,193.79)	N/A
Net income (loss)	\$ 1,697,518.69	\$ 2,664,621.00	\$ (967,102.31)	(36.3)

¹Actual amounts are accounted for on the accrual basis of accounting in an enterprise fund. Budget amounts are accounted for on a modified accrual basis of accounting.

²Miscellaneous expenses include: Bond Insurance Costs, Bank Service Charge, Transponder Materials.

³Depreciation and amortization are not budgeted items.

OPERATIONS OVERVIEW RCTC

TRAFFIC AND REVENUE STATISTICS FOR RCTC

Total traffic volume on the RCTC 91 Express Lanes for July 2019 was 1,315,090. This represents a daily average of 42,422. This is a 2.5% increase in total traffic volume from the same period last year, which totaled 1,283,491. Potential toll revenue for the month was \$5,257,301, which represents an increase of 17.1% from the prior year's total of \$4,489,258. Carpool percentage for the month was 26.96% as compared to the previous year's rate of 25.34%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the month of July 2019.

Current Month-to-Date (MTD) as of July 31, 2019

Trips	JUL-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	JUL-18 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	960,601	995,771	(35,170)	(3.5%)	958,212	0.2%
3+ Lanes	354,489	333,957	20,532	6.1%	325,279	9.0%
Total Gross Trips	1,315,090	1,329,729	(14,639)	(1.1%)	1,283,491	2.5%
Revenue						
Full Toll Lanes	\$5,213,968	\$3,879,014	\$1,334,954	34.4%	\$4,450,594	17.2%
3+ Lanes	\$43,333	\$0	\$43,333		\$38,664	12.1%
Total Gross Revenue	\$5,257,301	\$3,879,014	\$1,378,287	35.5%	\$4,489,258	17.1%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.43	\$3.90	\$1.53	39.2%	\$4.64	17.0%
Average 3+ Lanes	\$0.12	\$0.00	\$0.12		\$0.12	0.0%
Average Gross Revenue	\$4.00	\$2.92	\$1.08	37.0%	\$3.50	14.3%

The 2020 fiscal year-to-date (YTD) traffic volume is 2.5% higher when compared with the same period last year. The 2020 fiscal year-to-date revenue is 17.1% higher than for the same period last year. The traffic and revenue increases are attributed to higher demand and increase toll rates to manage the demand. Year-to-date average revenue per-trip is \$4.00.

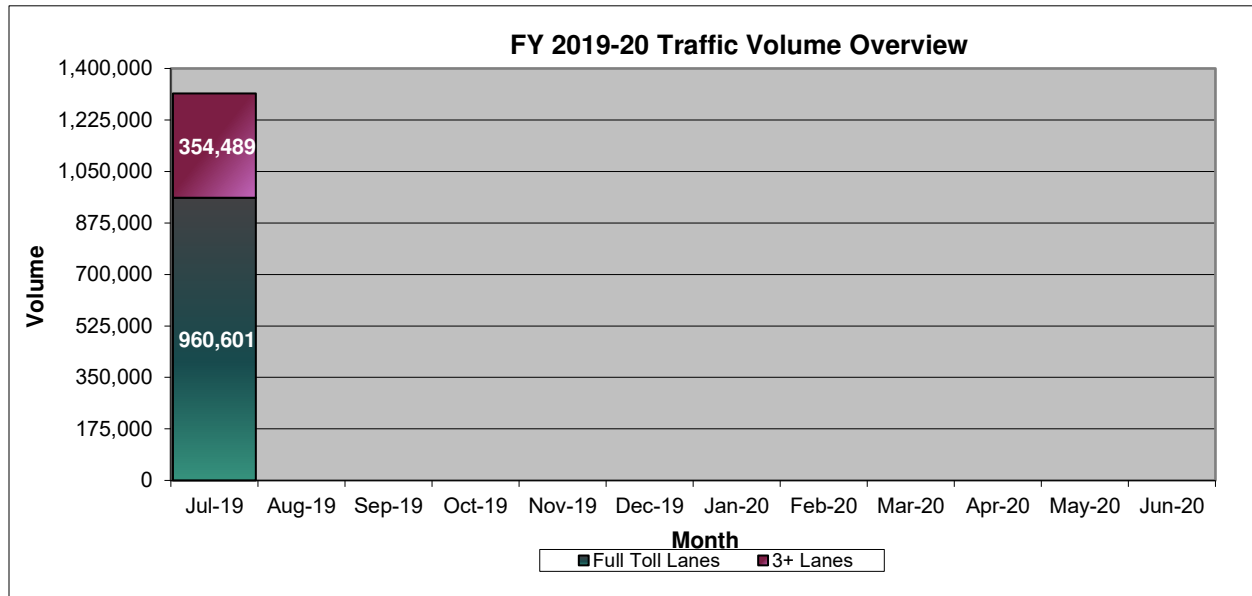
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the month of July 2019.

FY 2019-20 Year to Date as of July 31, 2019

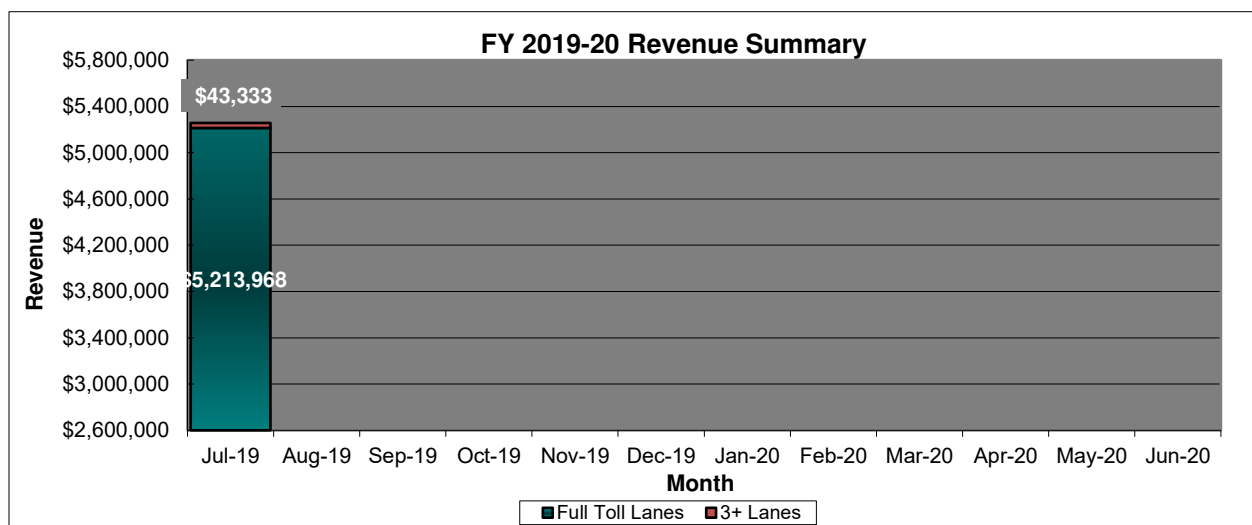
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	960,601	995,771	(35,170)	(3.5%)	958,212	0.2%
3+ Lanes	354,489	333,957	20,532	6.1%	325,279	9.0%
Total Gross Trips	1,315,090	1,329,729	(14,639)	(1.1%)	1,283,491	2.5%
Revenue						
Full Toll Lanes	\$5,213,968	\$3,879,014	\$1,334,954	34.4%	\$4,450,594	17.2%
3+ Lanes	\$43,333	\$0	\$43,333		\$38,664	12.1%
Total Gross Revenue	\$5,257,301	\$3,879,014	\$1,378,287	35.5%	\$4,489,258	17.1%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.43	\$3.90	\$1.53	39.2%	\$4.64	17.0%
Average 3+ Lanes	\$0.12	\$0.00	\$0.12		\$0.12	0.0%
Average Gross Revenue	\$4.00	\$2.92	\$1.08	37.0%	\$3.50	14.3%

RCTC Traffic and Revenue Summary

The chart below reflects the total trips broken down between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



RCTC PEAK-HOUR VOLUMES

RCTC regularly evaluates traffic volumes for peak period hours where Express Lanes performance is degraded and either increases or decreases tolls. Toll rates were adjusted once in July to improve the level of service in the peak hours where demand exceeded capacity. Hours highlighted in green were increased and hours highlighted in red were decreased. Hours that are highlighted in yellow were flagged for continued evaluation.

RCTC EASTBOUND PEAK-HOUR VOLUMES

Eastbound PM Peak - County Line to McKinley

PM Time	Monday 07/01/19					Tuesday 07/02/19					Wednesday 07/03/19					Thursday 07/04/19					Friday 07/05/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	310	1,028	1,338	F	\$6.95	315	999	1,314	F	\$19.65	391	965	1,356	F	\$2.25	172	275	447	B	\$2.25	361	799	1,160	D
1500 - 1600	\$8.00	371	892	1,263	E	\$6.95	384	953	1,337	F	\$19.35	411	921	1,332	F	\$1.55	165	260	425	B	\$2.25	259	742	1,001	D
1600 - 1700	\$5.30	238	792	1,030	D	\$5.30	271	916	1,187	D	\$11.10	260	854	1,114	D	\$1.55	118	166	284	A	\$2.25	234	670	904	C
1700 - 1800	\$5.30	271	903	1,174	D	\$5.30	260	833	1,093	D	\$6.95	320	920	1,240	E	\$1.55	116	171	287	A	\$2.25	270	509	779	B
1800 - 1900	\$5.30	360	743	1,103	D	\$5.30	363	823	1,186	D	\$6.95	386	809	1,195	D	\$1.55	112	156	268	A	\$2.25	208	375	583	B
1900 - 2000	\$2.25	269	604	873	C	\$4.20	302	745	1,047	D	\$5.30	322	715	1,037	D	\$1.55	134	162	296	A	\$1.55	157	226	383	A

PM Time	Monday 07/08/19					Tuesday 07/09/19					Wednesday 07/10/19					Thursday 07/11/19					Friday 07/12/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	270	833	1,103	D	\$6.95	299	900	1,199	D	\$7.95	296	990	1,286	E	\$10.50	338	1,019	1,357	F	\$19.65	371	1,045	1,416	F
1500 - 1600	\$8.00	387	844	1,231	E	\$6.95	404	784	1,188	D	\$8.85	567	1,253	1,820	F	\$12.00	413	847	1,260	E	\$19.35	378	732	1,110	D
1600 - 1700	\$5.30	247	869	1,116	D	\$5.30	258	934	1,192	D	\$5.30	271	831	1,102	D	\$8.15	299	898	1,197	D	\$11.10	261	840	1,101	D
1700 - 1800	\$5.30	256	647	903	C	\$5.30	278	826	1,104	D	\$5.30	269	872	1,141	D	\$5.30	278	848	1,126	D	\$6.95	314	865	1,179	D
1800 - 1900	\$5.30	209	425	634	B	\$5.30	322	796	1,118	D	\$5.30	312	795	1,107	D	\$5.30	305	821	1,126	D	\$6.95	333	755	1,088	D
1900 - 2000	\$2.25	271	745	1,016	D	\$4.20	309	741	1,050	D	\$4.20	300	746	1,046	D	\$5.30	318	840	1,158	D	\$5.30	354	676	1,030	D

PM Time	Monday 07/15/19					Tuesday 07/16/19					Wednesday 07/17/19					Thursday 07/18/19					Friday 07/19/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	302	983	1,285	E	\$6.95	291	953	1,244	E	\$7.95	322	994	1,316	F	\$10.50	313	1,118	1,431	F	\$19.65	408	1,088	1,496	F
1500 - 1600	\$8.00	357	890	1,247	E	\$6.95	392	877	1,269	E	\$8.85	413	838	1,251	E	\$12.00	426	880	1,306	F	\$19.35	376	806	1,182	D
1600 - 1700	\$5.30	272	867	1,139	D	\$5.30	237	834	1,071	D	\$5.30	248	880	1,128	D	\$8.15	293	905	1,198	D	\$11.10	258	1,025	1,283	E
1700 - 1800	\$5.30	275	896	1,171	D	\$5.30	276	863	1,139	D	\$5.30	263	822	1,085	D	\$5.30	291	817	1,108	D	\$6.95	324	1,002	1,326	F
1800 - 1900	\$5.30	299	722	1,021	D	\$5.30	340	770	1,110	D	\$5.30	324	830	1,154	D	\$5.30	302	915	1,217	E	\$6.95	227	605	832	C
1900 - 2000	\$2.25	241	543	784	B	\$4.20	309	682	991	C	\$4.20	321	714	1,035	D	\$5.30	299	745	1,044	D	\$5.30	354	866	1,220	E

PM Time	Monday 07/22/19					Tuesday 07/23/19					Wednesday 07/24/19					Thursday 07/25/19					Friday 07/26/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	283	918	1,201	E	\$6.95	308	996	1,304	F	\$7.95	330	1,000	1,330	F	\$10.50	314	1,093	1,407	F	\$19.65	503	1,404	1,907	F
1500 - 1600	\$8.00	357	854	1,211	E	\$6.95	370	930	1,300	E	\$8.85	387	906	1,293	E	\$12.00	409	953	1,362	F	\$19.35	327	626	953	C
1600 - 1700	\$5.30	239	913	1,152	D	\$5.30	227	899	1,126	D	\$5.30	246	952	1,198	D	\$8.15	282	923	1,205	E	\$11.10	377	1,163	1,540	F
1700 - 1800	\$5.30	268	847	1,115	D	\$5.30	301	837	1,138	D	\$5.30	279	926	1,205	E	\$5.30	268	826	1,094	D	\$6.95	276	913	1,189	D
1800 - 1900	\$5.30	301	721	1,022	D	\$5.30	313	827	1,140	D	\$5.30	318	833	1,151	D	\$5.30	367	882	1,249	E	\$6.95	303	736	1,039	D
1900 - 2000	\$2.25	237	575	812	C	\$4.20	244	679	923	C	\$4.20	349	787	1,136	D	\$5.30	302	785	1,087	D	\$5.30	328	741	1,069	D

PM Time	Monday 07/29/19					Tuesday 07/30/19					Wednesday 07/31/19					Thursday 08/01/19					Friday 08/02/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	297	943	1,240	E	\$6.95	303	952	1,255	E	\$7.95	331	1,004	1,335	F										
1500 - 1600	\$8.00	388	923	1,311	F	\$6.95	383	841	1,224	E	\$8.85	376	942	1,318	F										
1600 - 1700	\$5.30	223	884	1,107	D	\$5.30	240	938	1,178	D	\$5.30	294	854	1,148	D										
1700 - 1800	\$5.30	316	885	1,201	E	\$5.30	301	838	1,139	D	\$5.30	267	884	1,151	D										
1800 - 1900	\$5.30	297	725	1,022	D	\$5.30	328	765	1,093	D	\$5.30	322	839	1,161	D										
1900 - 2000	\$2.25	280	575	855	C	\$4.20	305	689	994	C	\$4.20	334	787	1,121	D										

Eastbound PM Peak - County Line to I-15 South

PM Time	Monday 07/01/19					Tuesday 07/02/19					Wednesday 07/03/19					Thursday 07/04/19					Friday 07/05/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	122	909	1,031	D	\$2.95	150	1,274	1,424	F	\$5.30	148	688	836	C	\$1.95	106	155	261	A	\$2.95	164	480	644	B
1500 - 1600	\$2.95	166	903	1,069	D	\$2.95	186	1,103	1,289	E	\$2.95	195	602	797	B	\$1.95	83	132	215	A	\$1.95	125	428	553	B
1600 - 1700	\$2.95	111	816	927	C	\$2.95	129	1,003	1,132	D	\$2.95	120	590	710	B	\$1.95	58	115	173	A	\$1.95	114	404	518	B
1700 - 1800	\$2.95	152	1,028	1,180	D	\$2.95	153	943	1,096	D	\$2.95	141	511	652	B	\$1.95	50	87	137	A	\$1.95	143	282	425	B
1800 - 1900	\$2.95	171	929	1,100	D	\$2.95	146	506	652	B	\$2.95	178	521	699	B	\$1.95	72	112	184	A	\$1.95	120	212	332	A
1900 - 2000	\$2.95	174	708	882	C	\$2.95	151	482	633	B	\$2.95	160	435	595	B	\$1.95	93	95	188	A	\$1.95	80	148	228	A

PM Time	Monday 07/08/19					Tuesday 07/09/19					Wednesday 07/10/19					Thursday 07/11/19					Friday 07/12/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	141	614	755	B	\$2.95	135	697	832	C	\$2.95	146	706	852	C	\$5.30	176	726	902	C	\$5.30	177	718	895	C
1500 - 1600	\$2.95	174	645	819	C	\$2.95	179	544	723	B	\$5.30	65	125	190	A	\$5.30	172	600	772	B	\$2.95	194	561	755	B
1600 - 1700	\$2.95	125	582	707	B	\$2.95	130	645	775	B	\$2.95	115	447	562	B	\$2.95	140	625	765	B	\$2.95	117	515	632	B
1700 - 1800	\$2.95	139	489	628	B	\$2.95	140	536	676	B	\$2.95	132	549	681	B	\$2.95	155	512	667	B	\$2.95	116	452	568	B
1800 - 1900	\$2.95	103	284	387	A	\$2.95	142	509	651	B	\$2.95	157	535	692	B	\$2.95	141	524	665	B	\$2.95	156	434	590	B
1900 - 2000	\$2.95	162	533	695	B	\$2.95	148	492	640	B	\$2.95	157	510	667	B	\$2.95	190	533	723	B	\$2.95	156	429	585	B

PM Time	Monday 07/15/19					Tuesday 07/16/19					Wednesday 07/17/19					Thursday 07/18/19					Friday 07/19/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	136	643	779	B	\$2.95	165	680	845	C	\$2.95	163	754	917	C	\$5.30	160	727	887	C	\$5.30	175	664	839	C
1500 - 1600	\$2.95	185	630	815	C	\$2.95	189	627	816	C	\$5.30	192	599	791	B	\$5.30	193	695	888	C	\$2.95	155	508	663	B
1600 - 1700	\$2.95	140	638	778	B	\$2.95	119	578	697	B	\$2.95	112	648	760	B	\$2.95	171	617	788	B	\$2.95	118	592	710	B
1700 - 1800	\$2.95	133	571	704	B	\$2.95	140	614	754	B	\$2.95	140	529	669	B	\$2.95	132	534	666	B	\$2.95	136	545	681	B
1800 - 1900	\$2.95	153	508	661	B	\$2.95	191	567	758	B	\$2.95	176	617	793	B	\$2.95	159	571	730	B	\$2.95	117	330	447	B
1900 - 2000	\$2.95	134	340	474	B	\$2.95	185	526	711	B	\$2.95	210	562	772	B	\$2.95	165	503	668	B	\$2.95	190	522	712	B

PM Time	Monday 07/22/19					Tuesday 07/23/19					Wednesday 07/24/19					Thursday 07/25/19					Friday 07/26/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	152	626	778	B	\$2.95	157	741	898	C	\$2.95	158	791	949	C	\$5.30	169	684	853	C	\$5.30	66	204	270	A
1500 - 1600	\$2.95	177	633	810	C	\$2.95	206	535	741	B	\$5.30	184	611	795	B	\$5.30	189	618	807	C	\$2.95	109	316	425	B
1600 - 1700	\$2.95	136	580	716	B	\$2.95	124	629	753	B	\$2.95	128	621	749	B	\$2.95	139	597	736	B	\$2.95	154	488	642	B
1700 - 1800	\$2.95	117	573	690	B	\$2.95	133	560	693	B	\$2.95	168	645	813	C	\$2.95	143	557	700	B	\$2.95	128	519	647	B
1800 - 1900	\$2.95	138	470	608	B	\$2.95	141	529	670	B	\$2.95	137	564	701	B	\$2.95	166	543	709	B	\$2.95	129	433	562	B
1900 - 2000	\$2.95	133	390	523	B	\$2.95	151	511	662	B	\$2.95	208	580	788	B	\$2.95	196	512	708	B	\$2.95	170	459	629	B

PM Time	Monday 07/29/19					Tuesday 07/30/19					Wednesday 07/31/19					Thursday 08/01/19					Friday 08/02/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	160	581	741	B	\$2.95	152	721	873	C	\$2.95	153	754	907	C										
1500 - 1600	\$2.95	188	622	810	C	\$2.95	180	548	728	B	\$5.30	186	606	792	B										
1600 - 1700	\$2.95	127	596	723	B	\$2.95	114	634	748	B	\$2.95	127	602	729	B										
1700 - 1800	\$2.95	140	548	688	B	\$2.95	133	577	710	B	\$2.95	142	582	724	B										
1800 - 1900	\$2.95	137	524	661	B	\$2.95	151	535	686	B	\$2.95	154	612	766	B										
1900 - 2000	\$2.95	111	374	485	B	\$2.95	148	449	597	B	\$2.95	183	540	723	B										

RCTC WESTBOUND PEAK-HOUR VOLUMES

Westbound AM Peak - McKinley to County Line

AM Time	Monday 07/01/19					Tuesday 07/02/19					Wednesday 07/03/19					Thursday 07/04/19					Friday 07/05/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	501	1,023	1,524	F	\$9.45	489	1,056	1,545	F	\$5.30	468	1,107	1,575	F	\$1.55	45	43	88	A	\$1.55	124	208	332	A
0500 - 0600	\$21.90	612	1,321	1,933	F	\$21.45	677	997	1,674	F	\$10.85	545	682	1,227	E	\$1.55	68	90	158	A	\$1.55	190	390	580	B
0600 - 0700	\$20.20	412	611	1,023	D	\$18.10	350	917	1,267	E	\$10.10	483	1,153	1,636	F	\$1.55	56	105	161	A	\$1.55	205	525	730	B
0700 - 0800	\$15.00	347	1,144	1,491	F	\$15.00	389	1,297	1,686	F	\$7.95	387	1,225	1,612	F	\$1.55	97	175	272	A	\$1.55	190	634	824	C
0800 - 0900	\$10.10	483	2,004	2,487	F	\$10.10	298	1,339	1,637	F	\$6.95	272	1,143	1,415	F	\$1.55	136	232	368	A	\$1.55	161	543	704	B
0900 - 1000	\$6.95	267	1,116	1,383	F	\$7.95	302	1,026	1,328	E	\$4.20	247	853	1,100	D	\$2.25	180	228	408	B	\$2.25	229	408	637	B

AM Time	Monday 07/08/19					Tuesday 07/09/19					Wednesday 07/10/19					Thursday 07/11/19					Friday 07/12/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	327	1,002	1,329	E	\$9.45	470	1,059	1,529	F	\$9.45	520	1,156	1,676	F	\$9.45	477	1,055	1,532	F	\$5.30	425	715	1,140	D
0500 - 0600	\$21.90	728	995	1,723	F	\$21.45	658	867	1,525	F	\$18.40	525	710	1,235	E	\$18.15	571	747	1,318	E	\$10.85	481	953	1,434	F
0600 - 0700	\$20.20	377	1,041	1,418	F	\$18.10	317	845	1,162	D	\$18.05	430	1,137	1,567	F	\$18.05	427	1,033	1,460	F	\$10.10	441	1,184	1,625	F
0700 - 0800	\$15.00	338	1,161	1,499	F	\$15.00	411	1,256	1,667	F	\$15.75	431	1,287	1,718	F	\$13.95	413	1,227	1,640	F	\$7.95	394	1,172	1,566	F
0800 - 0900	\$10.10	216	1,314	1,530	F	\$10.10	298	1,333	1,631	F	\$10.10	294	1,195	1,489	F	\$10.85	338	1,317	1,655	F	\$6.95	300	1,071	1,371	F
0900 - 1000	\$6.95	210	870	1,080	D	\$7.95	267	1,012	1,279	E	\$6.95	292	1,192	1,484	F	\$7.95	273	1,107	1,380	F	\$4.20	254	834	1,088	D

AM Time	Monday 07/15/19					Tuesday 07/16/19					Wednesday 07/17/19					Thursday 07/18/19					Friday 07/19/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	475	1,077	1,552	F	\$9.45	462	978	1,440	F	\$9.45	517	1,135	1,652	F	\$9.45	532	1,038	1,570	F	\$5.30	455	746	1,201	E
0500 - 0600	\$21.90	558	931	1,489	F	\$21.45	643	958	1,601	F	\$18.40	533	734	1,267	E	\$18.15	615	790	1,405	F	\$10.85	531	1,003	1,534	F
0600 - 0700	\$20.20	294	1,072	1,366	F	\$18.10	358	851	1,209	E	\$18.05	483	1,168	1,651	F	\$18.05	462	1,142	1,604	F	\$10.10	495	1,168	1,663	F
0700 - 0800	\$15.00	298	1,273	1,571	F	\$15.00	411	1,335	1,746	F	\$15.75	397	1,210	1,607	F	\$13.95	411	1,265	1,676	F	\$7.95	376	1,144	1,520	F
0800 - 0900	\$10.10	215	1,287	1,502	F	\$10.10	317	1,385	1,702	F	\$10.10	336	1,343	1,679	F	\$10.85	318	1,252	1,570	F	\$6.95	282	1,009	1,291	E
0900 - 1000	\$6.95	235	1,010	1,245	E	\$7.95	269	1,041	1,310	E	\$6.95	263	1,096	1,359	F	\$7.95	278	964	1,242	E	\$4.20	249	758	1,007	D

AM Time	Monday 07/22/19					Tuesday 07/23/19					Wednesday 07/24/19					Thursday 07/25/19					Friday 07/26/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	504	1,022	1,526	F	\$9.45	452	1,040	1,492	F	\$9.45	489	1,087	1,576	F	\$9.45	462	825	1,287	E	\$5.30	419	694	1,113	D
0500 - 0600	\$21.90	575	935	1,510	F	\$21.45	636	967	1,603	F	\$18.40	543	771	1,314	E	\$18.15	457	697	1,154	D	\$10.85	479	989	1,468	F
0600 - 0700	\$20.20	396	992	1,388	F	\$18.10	352	815	1,167	D	\$18.05	442	1,033	1,475	F	\$18.05	492	1,120	1,612	F	\$10.10	443	1,112	1,555	F
0700 - 0800	\$15.00	403	1,316	1,719	F	\$15.00	399	1,315	1,714	F	\$15.75	418	1,301	1,719	F	\$13.95	390	1,304	1,694	F	\$7.95	381	1,200	1,581	F
0800 - 0900	\$10.10	277	1,215	1,492	F	\$10.10	290	1,386	1,676	F	\$10.10	309	1,375	1,684	F	\$10.85	321	1,287	1,608	F	\$6.95	289	1,165	1,454	F
0900 - 1000	\$6.95	259	861	1,120	D	\$7.95	328	1,112	1,440	F	\$6.95	280	1,032	1,312	E	\$7.95	298	958	1,256	E	\$4.20	290	910	1,200	D

PM Time	Monday 07/29/19					Tuesday 07/30/19					Wednesday 07/31/19					Thursday 08/01/19					Friday 08/02/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	475	1,052	1,527	F	\$9.45	478	1,039	1,517	F	\$9.45	488	1,059	1,547	F										
0500 - 0600	\$21.90	580	907	1,487	F	\$21.45	674	931	1,605	F	\$18.40	542	738	1,280	E										
0600 - 0700	\$20.20	351	915	1,266	E	\$18.10	345	882	1,227	E	\$18.05	439	1,011	1,450	F										
0700 - 0800	\$15.00	380	1,261	1,641	F	\$15.00	361	1,250	1,611	F	\$15.75	395	1,250	1,645	F										
0800 - 0900	\$10.10	344	1,213	1,557	F	\$10.10	315	1,340	1,655	F	\$10.10	341	1,329	1,670	F										
0900 - 1000	\$6.95	242	950	1,192	D	\$7.95	311	1,080	1,391	F	\$6.95	349	1,219	1,568	F										

Westbound AM Peak - I-15 North to County Line

AM Time	Monday 07/01/19					Tuesday 07/02/19					Wednesday 07/03/19					Thursday 07/04/19					Friday 07/05/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	266	722	988	C	\$5.30	304	676	980	C	\$2.95	272	609	881	C	\$1.95	36	59	95	A	\$1.95	78	206	284	A
0500 - 0600	\$18.00	379	1,008	1,387	E	\$17.25	402	1,057	1,459	F	\$6.85	407	945	1,352	E	\$1.95	43	82	125	A	\$1.95	132	367	499	B
0600 - 0700	\$19.35	361	898	1,259	E	\$17.55	357	1,052	1,409	F	\$6.85	320	1,028	1,348	E	\$1.95	41	97	138	A	\$1.95	121	393	514	B
0700 - 0800	\$12.80	100	347	447	B	\$13.45	220	1,027	1,247	E	\$6.85	188	930	1,118	D	\$1.95	61	90	151	A	\$1.95	107	460	567	B
0800 - 0900	\$8.85	87	462	549	B	\$8.85	165	1,014	1,179	D	\$5.30	153	827	980	C	\$1.95	85	146	231	A	\$1.95	109	413	522	B
0900 - 1000	\$5.30	134	691	825	C	\$5.30	172	821	993	C	\$2.95	141	642	783	B	\$1.95	119	164	283	A	\$1.95	135	374	509	B

AM Time	Monday 07/08/19					Tuesday 07/09/19					Wednesday 07/10/19					Thursday 07/11/19					Friday 07/12/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	152	274	426	B	\$5.30	283	713	996	C	\$5.30	295	705	1,000	C	\$5.30	285	653	938	C	\$2.95	245	615	860	C
0500 - 0600	\$18.00	262	780	1,042	D	\$17.25	409	1,068	1,477	F	\$15.55	414	1,069	1,483	F	\$14.15	368	1,036	1,404	F	\$6.85	329	878	1,207	E
0600 - 0700	\$19.35	360	1,084	1,444	F	\$17.55	335	1,054	1,389	E	\$19.65	376	1,023	1,399	E	\$14.50	359	1,056	1,415	F	\$6.85	289	925	1,214	E
0700 - 0800	\$12.80	210	993	1,203	E	\$13.45	240	1,094	1,334	E	\$12.45	226	1,009	1,235	E	\$11.40	241	1,091	1,332	E	\$6.85	226	848	1,074	D
0800 - 0900	\$8.85	147	956	1,103	D	\$8.85	184	958	1,142	D	\$6.85	141	944	1,085	D	\$8.85	179	1,041	1,220	E	\$5.30	169	769	938	C
0900 - 1000	\$5.30	113	643	756	B	\$5.30	146	748	894	C	\$5.30	180	762	942	C	\$5.30	160	809	969	C	\$2.95	152	590	742	B

AM Time	Monday 07/15/19					Tuesday 07/16/19					Wednesday 07/17/19					Thursday 07/18/19					Friday 07/19/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	260	717	977	C	\$5.30	282	667	949	C	\$5.30	289	666	955	C	\$5.30	243	693	936	C	\$2.95	213	581	794	B
0500 - 0600	\$18.00	387	1,066	1,453	F	\$17.25	426	1,083	1,509	F	\$15.55	408	1,039	1,447	F	\$14.15	405	1,050	1,455	F	\$6.85	339	793	1,132	D
0600 - 0700	\$19.35	247	1,033	1,280	E	\$17.55	342	1,052	1,394	E	\$19.65	356	958	1,314	E	\$14.50	307	979	1,286	E	\$6.85	265	968	1,233	E
0700 - 0800	\$12.80	150	1,082	1,232	E	\$13.45	262	1,090	1,352	E	\$12.45	233	1,074	1,307	E	\$11.40	222	1,003	1,225	E	\$6.85	205	874	1,079	D
0800 - 0900	\$8.85	117	947	1,064	D	\$8.85	181	1,010	1,191	D	\$6.85	168	963	1,131	D	\$8.85	157	946	1,103	D	\$5.30	147	738	885	C
0900 - 1000	\$5.30	120	736	856	C	\$5.30	178	726	904	C	\$5.30	160	784	944	C	\$5.30	170	771	941	C	\$2.95	119	515	634	B

AM Time	Monday 07/22/19					Tuesday 07/23/19					Wednesday 07/24/19					Thursday 07/25/19					Friday 07/26/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	298	719	1,017	D	\$5.30	272	668	940	C	\$5.30	288	680	968	C	\$5.30	282	709	991	C	\$2.95	237	552	789	B
0500 - 0600	\$18.00	397	1,023	1,420	F	\$17.25	395	1,064	1,459	F	\$15.55	406	1,011	1,417	F	\$14.15	447	1,043	1,490	F	\$6.85	329	856	1,185	D
0600 - 0700	\$19.35	349	963	1,312	E	\$17.55	344	1,048	1,392	E	\$19.65	345	1,037	1,382	E	\$14.50	344	1,058	1,402	F	\$6.85	267	977	1,244	E
0700 - 0800	\$12.80	217	911	1,128	D	\$13.45	260	1,144	1,404	F	\$12.45	240	1,070	1,310	E	\$11.40	245	1,068	1,313	E	\$6.85	203	904	1,107	D
0800 - 0900	\$8.85	178	920	1,098	D	\$8.85	209	1,035	1,244	E	\$6.85	208	1,070	1,278	E	\$8.85	191	1,036	1,227	E	\$5.30	172	856	1,028	D
0900 - 1000	\$5.30	150	704	854	C	\$5.30	172	806	978	C	\$5.30	176	752	928	C	\$5.30	170	753	923	C	\$2.95	159	671	830	C

PM Time	Monday 07/29/19					Tuesday 07/30/19					Wednesday 07/31/19					Thursday 08/01/19					Friday 08/02/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	278	737	1,015	D	\$5.30	271	704	975	C	\$5.30	271	674	945	C										
0500 - 0600	\$18.00	380	1,019	1,399	E	\$17.25	434	1,062	1,496	F	\$15.55	426	1,009	1,435	F										
0600 - 0700	\$19.35	316	1,000	1,316	E	\$17.55	330	1,098	1,428	F	\$19.65	351	1,057	1,408	F										
0700 - 0800	\$12.80	214	1,034	1,248	E	\$13.45	258	1,156	1,414	F	\$12.45	231	1,188	1,419	F										
0800 - 0900	\$8.85	146	944	1,090	D	\$8.85	171	1,057	1,228	E	\$6.85	179	1,060	1,239	E										
0900 - 1000	\$5.30	163	699	862	C	\$5.30	157	791	948	C	\$5.30	170	784	954	C										

RCTC OPERATIONAL HIGHLIGHTS

On-road Operations

RCTC Freeway Service Patrol (FSP) responded to 102 calls during the month of July. Of those calls, 63 were to assist disabled vehicles, 18 were to remove debris, 9 were for traffic breaks, and 12 were in response to accidents.

6C Transponder Technology

Planning for the transition to the new transponder technology is underway. The lane systems have been upgraded. The new sticker transponders have been received and will be distributed after OCTA completes the upgrade of their lane system. Changes to the back-office system to process the new transponders and make changes to the customer account plan are being finalized and will be released to the customer once both the RCTC and OCTA lane system upgrades are performed. A series of customer communication has been prepared to facilitate the process for providing the new transponders to customers.

FINANCIAL HIGHLIGHTS RCTC

RCTC 91 Express Lanes Operating Statement

Description	YTD as of :		YTD Variance	
	Actual ¹	7/31/2019 Budget	Dollar \$	Percent (%)
Operating revenues:				
Toll Revenue	\$ 4,839,810.75	\$ 3,049,091.67	\$ 1,790,719.08	58.7
Fee Revenue	680,812.80	440,025.00	240,787.80	54.7
Total operating revenues	5,520,623.55	3,489,116.67	2,031,506.88	58.2
Operating expenses:				
Salaries and Benefits	149,720.54	112,783.33	(36,937.21)	(32.8)
Legal Services	-	29,166.67	29,166.67	100.0
Advisory Services	(10,300.00) ²	6,250.00	16,550.00	264.8
Audit and Accounting Fees	-	3,916.67	3,916.67	100.0
Service Fees	(567.66) ²	2,166.67	2,734.33	126.2
Other Professional Services	(38,894.91) ²	122,991.67	161,886.58	131.6
Lease Expense	15,135.00	21,375.00	6,240.00	29.2
Operations	117,252.49	302,375.00	185,122.51	61.2
Utilities	(6,500.46) ²	5,208.33	11,708.79	224.8
Supplies and Materials	-	416.67	416.67	100.0
Membership and Subscription Fees	-	2,083.33	2,083.33	100.0
Office Equipment & Furniture (Non-Capital)	-	416.67	416.67	100.0
Maintenance/Repairs	(8,527.00) ²	29,150.00	37,677.00	129.3
Training Seminars and Conferences	-	375.00	375.00	100.0
Transportation Expenses	-	625.00	625.00	100.0
Lodging	242.72	583.33	340.61	58.4
Meals	-	83.33	83.33	100.0
Other Staff Expenses	-	83.33	83.33	100.0
Advertising	(2,950.50) ²	15,833.33	18,783.83	118.6
Program Management	(193.00) ²	-	193.00	N/A
Program Operations	419,699.68	888,058.33	468,358.65	52.7
Litigation Settlement	-	833.33	833.33	100.0
Furniture & Equipment	(0.16) ²	62,500.00	62,500.16	100.0
Improvements	-	1,341.67	1,341.67	100.0
Bad Debt Expense	1.85	-	(1.85)	N/A
Total operating expenses	634,118.59	1,608,616.67	974,498.08	60.6
Operating income (loss)	4,886,504.96	1,880,500.00	3,006,004.96	159.9
Nonoperating revenues (expenses):				
Interest Revenue	-	126,841.67	(126,841.67)	100.0
Other Miscellaneous Revenue	580,488.69	-	580,488.69	N/A
Interest Expense	-	(593,325.00)	593,325.00	(100.0)
Total nonoperating revenues (expenses)	580,488.69	(466,483.33)	1,046,972.02	224.4
Transfers In	-	-	-	N/A
Transfers Out	-	(254,958.33)	254,958.33	(100.0)
Net income (loss)	\$ 5,466,993.65	\$ 1,159,058.33	\$ 4,307,935.32	371.7

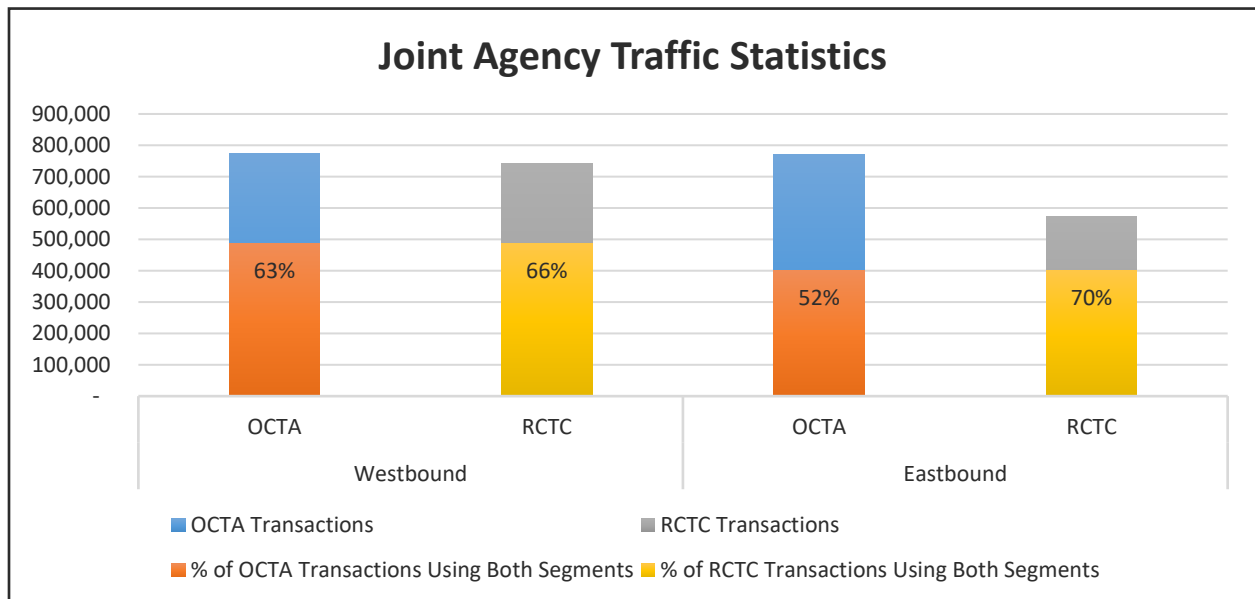
¹ Unaudited

² Negatives are the result of FY2018/19 accruals

JOINT AGENCY TRIP AND REVENUE STATISTICS

July-19 MTD	Transactions by Agency	Transactions Using Both Segments	% Using Both Segments	Revenue
Westbound				
OCTA	774,656	488,306	63%	\$ 1,881,204
RCTC	742,144	488,306	66%	\$ 3,565,897
I-15	307,543	209,079	68%	\$ 1,487,895
McKinley	434,601	279,227	64%	\$ 2,078,002
Eastbound				
OCTA	771,206	401,146	52%	\$ 2,557,727
RCTC	572,946	401,146	70%	\$ 1,691,404
I-15	211,847	156,825	74%	\$ 429,076
McKinley	361,099	244,321	68%	\$ 1,262,328

JOINT AGENCY TRAFFIC STATISTICS



JOINT AGENCY PERFORMANCE MEASURES

REPORTING REQUIREMENT	Reporting Period	PERFORMANCE STANDARD	Jul-19 Performance
CUSTOMER SERVICE			
Call Wait Time	Monthly	Not to exceed 2 minutes	1:53
Abandon Rate	Monthly	No more than 4.0%	2.8%
Customer Satisfaction	Monthly	At least 75 outbound calls	75
VIOLATION PROCESSING			
Response Time	Monthly	Within 2 business days of receipt	0.9
CUSA Violation Collection Rate	Quarterly	70% or more	
CUSA Violation Collection Rate	Annually	74% or more	
TRAFFIC OPERATIONS			
Initial & Secondary Review s	Monthly	Equal to or less than 15 days	1.5
* Plate Misread Errors	Monthly	Equal to or less than 0.4%	0.01%
CAS Response Time	Monthly	0:20 (minutes) per call	0:09
ACCOUNTING			
OCTA Exceptions	Monthly	No more than 3	0
RCTC Exceptions	Monthly	No more than 3	0
INFORMATION TECHNOLOGY			
Back-office System Uptime	Monthly	99% Availability	100%
Network Uptime	Monthly	99% Availability	100%

CUSA = Cofiroute USA; CAS = OCTA Customer Assistance Specialists

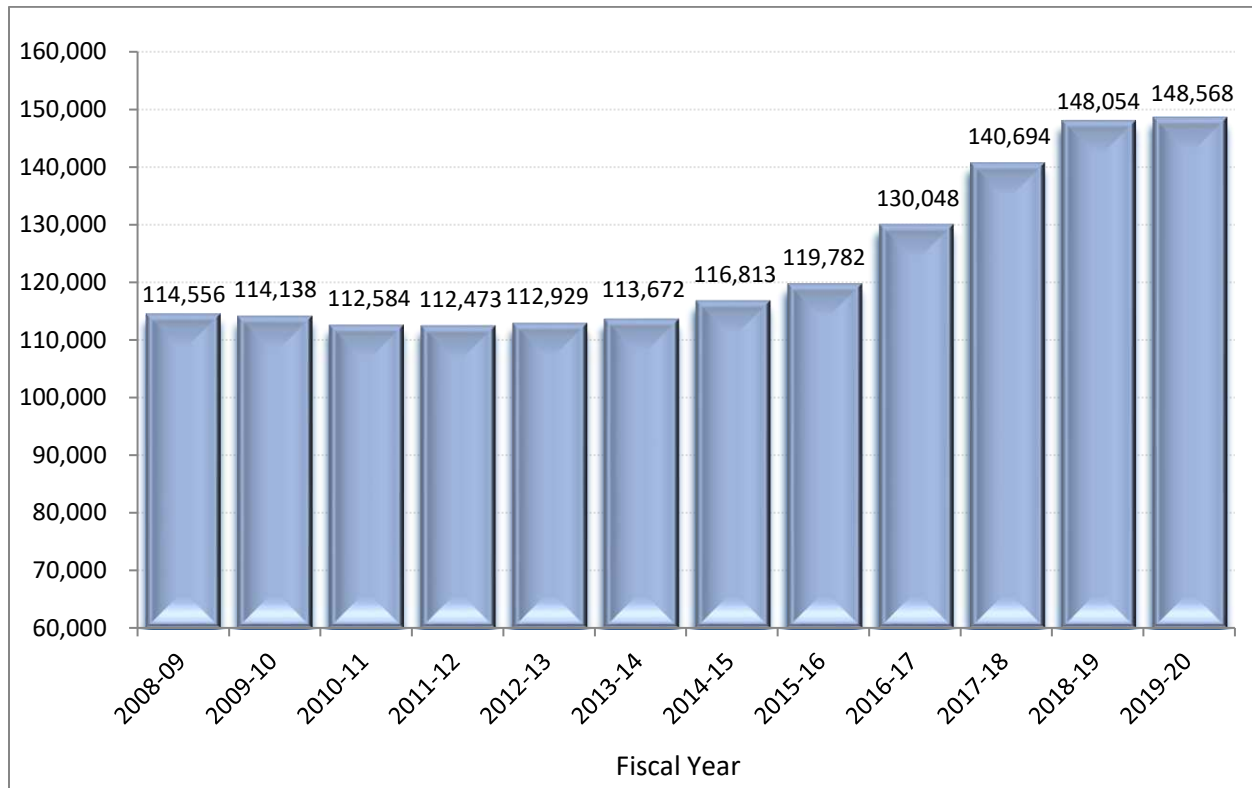
* Plate Misread Error performance is current after a 60-day hold-back period; therefore, percentage reported here is for 2 months prior to the month of this report.

JOINT AGENCY TRANSPONDER DISTRIBUTION

TRANSPONDER DISTRIBUTION	July-19		June-19		FY 2019-20	
	Tags	% of Total	Tags	% of Total	Average To-Date	
Issued						
To New Accounts	1,442	46.9%	1,279	46.4%	1,442	46.9%
Additional Tags to Existing Accounts	919	29.9%	836	30.3%	919	29.9%
Replacement Transponders	713	23.2%	641	23.3%	713	23.2%
Total Issued	3,074		2,756		3,074	
Returned						
Account Closures	505	37.3%	432	26.3%	505	37.3%
Accounts Dow nsizing	169	12.5%	190	11.6%	169	12.5%
Defective Transponders	680	50.2%	1,020	62.1%	680	50.2%
Total Returned	1,354		1,642		1,354	

At the end of July 2019, the 91 Express Lanes had 148,568 active customer accounts, and 226,480 transponders classified as Assigned.

Number of Accounts by Fiscal Year
As of July 31, 2019



Incoming Email Activity

During July, the Anaheim Processing Center received 3,622 emails.



**Orange County Transportation Authority
Riverside County Transportation Commission**



Status Report
August 2019

As of August 31, 2019

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OPERATIONS OVERVIEW OCTA

TRAFFIC AND REVENUE STATISTICS FOR OCTA

Total traffic volume on the OCTA 91 Express Lanes for August 2019 was 1,545,731. This represents a daily average of 49,862. This is a 1.4% decrease in total traffic volume from the same period last year, which totaled 1,567,485. The decrease is attributable to the 54-hour weekend and overnight closures in the westbound direction for the electronic toll and traffic management system upgrade. Potential toll revenue for the month was \$4,671,161, which represents a decrease of 0.8% from the prior year's total of \$4,709,712. Carpool percentage for the month was 26.63% as compared to the previous year's rate of 25.91%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the month of August 2019.

Current Month-to-Date (MTD) as of August 31, 2019

Trips	Aug-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	Aug-18 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	1,134,132	1,138,111	(3,979)	(0.3%)	1,161,329	(2.3%)
3+ Lanes	411,599	338,092	73,507	21.7%	406,156	1.3%
Total Gross Trips	1,545,731	1,476,203	69,528	4.7%	1,567,485	(1.4%)
Revenue						
Full Toll Lanes	\$4,595,283	\$4,747,091	(\$151,809)	(3.2%)	\$4,624,936	(0.6%)
3+ Lanes	\$75,879	\$86,580	(\$10,701)	(12.4%)	\$84,776	(10.5%)
Total Gross Revenue	\$4,671,161	\$4,833,671	(\$162,510)	(3.4%)	\$4,709,712	(0.8%)
Average Revenue per Trip						
Average Full Toll Lanes	\$4.05	\$4.17	(\$0.12)	(2.9%)	\$3.98	1.8%
Average 3+ Lanes	\$0.18	\$0.26	(\$0.08)	(30.8%)	\$0.21	(14.3%)
Average Gross Revenue	\$3.02	\$3.27	(\$0.25)	(7.6%)	\$3.00	0.7%

The 2020 fiscal year-to-date traffic volume increased by 1.4% and potential toll revenue increased by 1.2%, when compared with the same period last year. Year-to-date average revenue per-trip is \$2.95.

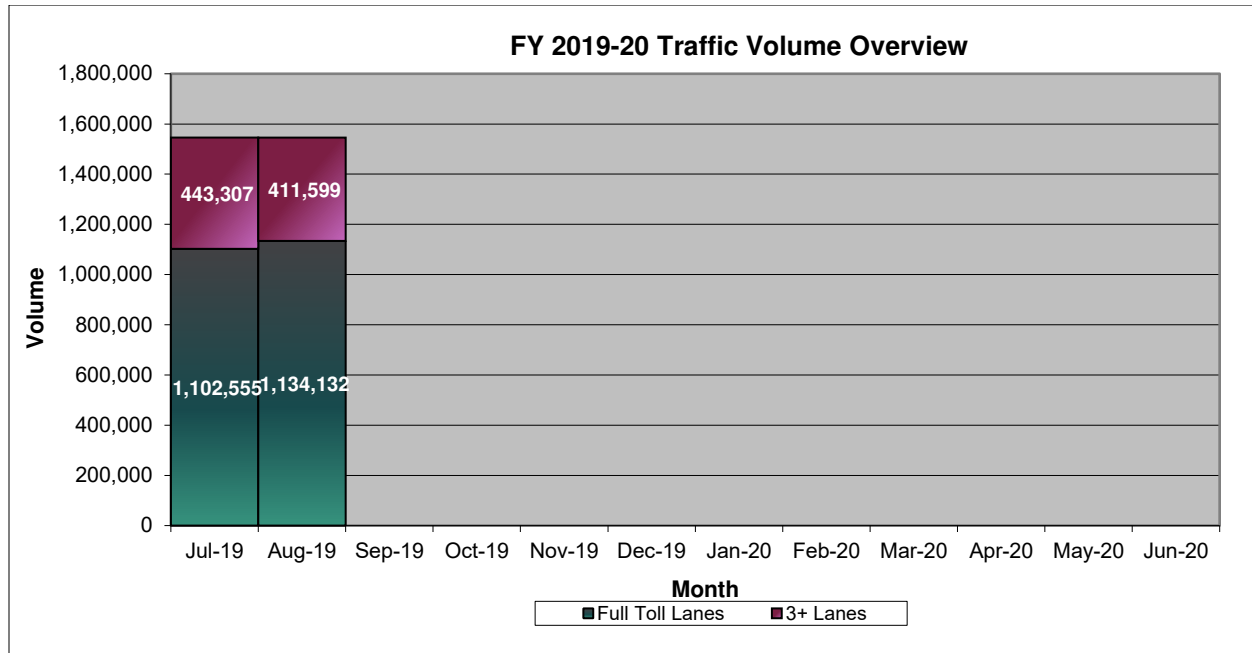
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the months of July 2019 through August 2019.

FY 2019-20 Year to Date as of August 31, 2019

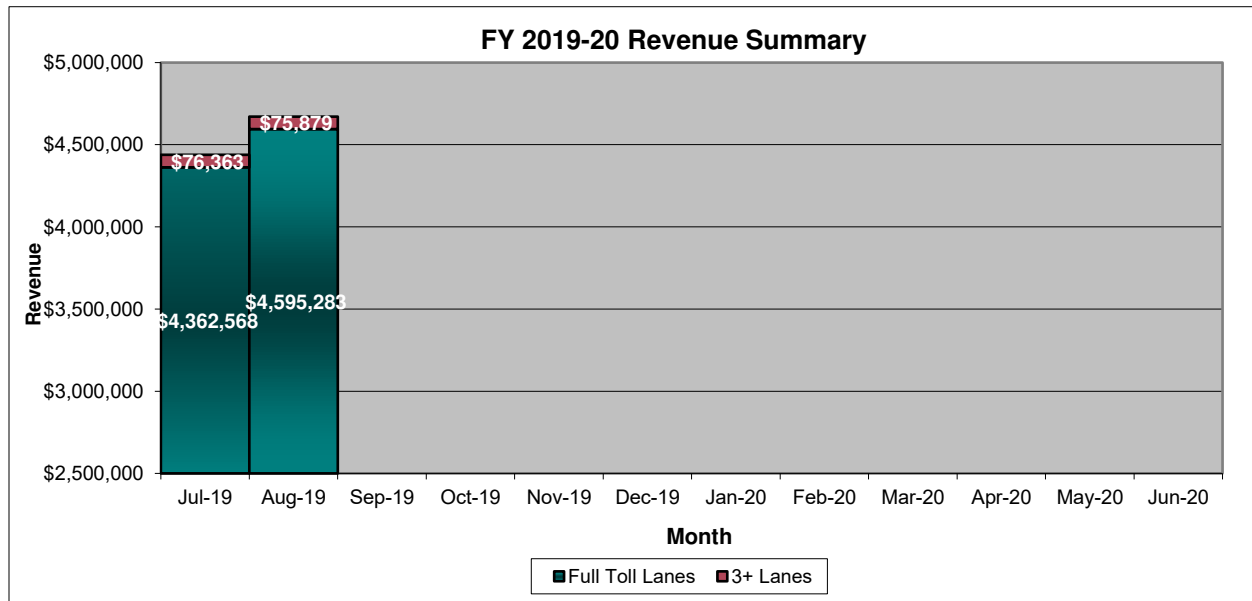
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	2,236,687	2,223,156	13,531	0.6%	2,231,017	0.3%
3+ Lanes	854,906	743,553	111,353	15.0%	819,260	4.4%
Total Gross Trips	3,091,593	2,966,709	124,884	4.2%	3,050,277	1.4%
Revenue						
Full Toll Lanes	\$8,957,851	\$9,256,356	(\$298,505)	(3.2%)	\$8,839,831	1.3%
3+ Lanes	\$152,242	\$168,691	(\$16,449)	(9.8%)	\$163,703	(7.0%)
Total Gross Revenue	\$9,110,092	\$9,425,046	(\$314,954)	(3.3%)	\$9,003,533	1.2%
Average Revenue per Trip						
Average Full Toll Lanes	\$4.00	\$4.16	(\$0.16)	(3.8%)	\$3.96	1.0%
Average 3+ Lanes	\$0.18	\$0.23	(\$0.05)	(21.7%)	\$0.20	(10.0%)
Average Gross Revenue	\$2.95	\$3.18	(\$0.23)	(7.2%)	\$2.95	0.0%

OCTA Traffic and Revenue Summary

The chart below reflects the total trips breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



Peak traffic hour in the eastbound direction reached or exceeded 90% or more of defined capacity 19 times during the month of August 2019. As demonstrated on the next chart, westbound peak hour traffic volumes top out at 84% of defined capacity.

OCTA EASTBOUND PEAK-HOUR VOLUMES

PM Time	Monday 07/29/19				Tuesday 07/30/19				Wednesday 07/31/19				Thursday 08/01/19				Friday 08/02/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500													\$6.70	591	3,059	90%	\$7.10	619	3,106	91%
1500 - 1600													\$6.75	689	3,014	89%	\$9.15	709	2,605	77%
1600 - 1700													\$8.30	553	2,854	84%	\$8.95	513	2,701	79%
1700 - 1800													\$8.70	529	2,543	75%	\$7.05	614	2,984	88%
1800 - 1900													\$4.85	673	2,951	87%	\$6.55	628	2,630	77%
1900 - 2000													\$5.60	747	2,664	78%	\$6.05	634	2,067	61%

PM Time	Monday 08/05/19				Tuesday 08/06/19				Wednesday 08/07/19				Thursday 08/08/19				Friday 08/09/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	577	2,779	82%	\$5.15	539	2,841	84%	\$5.15	542	2,977	88%	\$6.70	596	3,129	92%	\$7.10	657	3,158	93%
1500 - 1600	\$5.50	669	2,925	86%	\$5.75	712	2,724	80%	\$7.75	714	2,938	86%	\$6.75	670	3,020	89%	\$9.15	718	2,683	79%
1600 - 1700	\$5.35	502	2,770	81%	\$5.50	475	2,883	85%	\$7.50	522	2,893	85%	\$8.30	588	3,109	91%	\$8.95	485	2,690	79%
1700 - 1800	\$5.30	513	2,815	83%	\$5.40	569	2,953	87%	\$6.40	572	2,914	86%	\$8.70	476	2,569	76%	\$7.05	550	2,810	83%
1800 - 1900	\$5.50	652	2,814	83%	\$3.95	630	3,051	90%	\$3.95	660	3,023	89%	\$4.85	675	3,120	92%	\$6.55	663	2,676	79%
1900 - 2000	\$3.85	522	1,862	55%	\$3.85	619	2,435	72%	\$3.85	657	2,474	73%	\$5.60	616	2,214	65%	\$6.05	577	2,014	59%

PM Time	Monday 08/12/19				Tuesday 08/13/19				Wednesday 08/14/19				Thursday 08/15/19				Friday 08/16/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	466	2,648	78%	\$5.15	499	2,934	86%	\$5.15	500	2,869	84%	\$6.70	568	3,271	96%	\$7.10	593	3,173	93%
1500 - 1600	\$5.50	613	2,825	83%	\$5.75	660	2,787	82%	\$7.75	627	2,908	86%	\$6.75	664	2,989	88%	\$9.15	729	2,641	78%
1600 - 1700	\$5.35	439	3,024	89%	\$5.50	483	2,962	87%	\$7.50	471	2,945	87%	\$8.30	536	2,892	85%	\$8.95	460	2,610	77%
1700 - 1800	\$5.30	525	2,979	88%	\$5.40	505	2,875	85%	\$6.40	517	2,979	88%	\$8.70	440	2,437	72%	\$7.05	489	2,835	83%
1800 - 1900	\$5.50	573	2,509	74%	\$3.95	648	3,034	89%	\$3.95	507	2,473	73%	\$4.85	623	2,938	86%	\$6.55	597	2,606	77%
1900 - 2000	\$3.85	440	1,755	52%	\$3.85	546	2,209	65%	\$3.85	607	2,692	79%	\$5.60	628	2,453	72%	\$6.05	590	2,194	65%

PM Time	Monday 08/19/19				Tuesday 08/20/19				Wednesday 08/21/19				Thursday 08/22/19				Friday 08/23/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	501	2,697	79%	\$5.15	486	2,889	85%	\$5.15	465	2,988	88%	\$6.70	502	3,167	93%	\$7.10	589	3,102	91%
1500 - 1600	\$5.50	626	3,128	92%	\$5.75	636	2,741	81%	\$7.75	630	2,963	87%	\$6.75	586	3,013	89%	\$9.15	727	2,787	82%
1600 - 1700	\$5.35	445	2,654	78%	\$5.50	490	2,918	86%	\$7.50	416	2,859	84%	\$8.30	491	2,905	85%	\$8.95	466	2,709	80%
1700 - 1800	\$5.30	533	2,889	85%	\$5.40	520	3,014	89%	\$6.40	445	2,822	83%	\$8.70	417	2,442	72%	\$7.05	599	2,981	88%
1800 - 1900	\$5.50	638	2,883	85%	\$3.95	596	2,894	85%	\$3.95	691	3,214	95%	\$4.85	599	2,883	85%	\$6.55	623	2,488	73%
1900 - 2000	\$3.85	461	1,775	52%	\$3.85	559	2,345	69%	\$3.85	555	2,174	64%	\$5.60	662	2,675	79%	\$6.05	573	2,072	61%

PM Time	Monday 08/26/19				Tuesday 08/27/19				Wednesday 08/28/19				Thursday 08/29/19				Friday 08/30/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	500	2,718	80%	\$5.15	436	2,791	82%	\$5.15	467	2,869	84%	\$6.70	529	3,193	94%	\$7.10	576	3,102	91%
1500 - 1600	\$5.50	660	3,083	91%	\$5.75	642	2,783	82%	\$7.75	704	2,896	85%	\$6.75	726	3,207	94%	\$9.15	778	2,670	79%
1600 - 1700	\$5.35	483	3,009	89%	\$5.50	422	2,825	83%	\$7.50	451	2,983	88%	\$8.30	576	3,076	90%	\$8.95	491	2,339	69%
1700 - 1800	\$5.30	515	3,105	91%	\$5.40	485	2,783	82%	\$6.40	499	2,875	85%	\$8.70	453	2,652	78%	\$7.05	590	2,806	83%
1800 - 1900	\$5.50	616	2,586	76%	\$3.95	631	3,135	92%	\$3.95	625	3,076	90%	\$4.85	627	2,930	86%	\$6.55	638	2,364	70%
1900 - 2000	\$3.85	468	1,945	57%	\$3.85	570	2,468	73%	\$3.85	612	2,508	74%	\$5.60	692	2,802	82%	\$6.05	608	2,025	60%

OCTA WESTBOUND PEAK-HOUR VOLUMES

AM Time	Monday 07/29/19				Tuesday 07/30/19				Wednesday 07/31/19				Thursday 08/01/19				Friday 08/02/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500													\$3.05	851	2,453	72%	\$3.05	735	2,063	61%
0500 - 0600													\$4.95	904	2,473	73%	\$4.70	736	2,117	62%
0600 - 0700													\$5.15	605	2,081	61%	\$4.95	554	2,069	61%
0700 - 0800													\$5.65	462	2,030	60%	\$5.50	425	1,877	55%
0800 - 0900													\$5.15	397	2,019	59%	\$4.95	404	1,886	55%
0900 - 1000													\$4.10	500	2,186	64%	\$4.10	469	2,076	61%

AM Time	Monday 08/05/19				Tuesday 08/06/19				Wednesday 08/07/19				Thursday 08/08/19				Friday 08/09/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	836	2,536	75%	\$3.05	854	2,517	74%	\$3.05	894	2,587	76%	\$3.05	864	2,507	74%	\$3.05	763	2,037	60%
0500 - 0600	\$4.95	878	2,460	72%	\$4.95	971	2,613	77%	\$4.95	922	2,417	71%	\$4.95	911	2,400	71%	\$4.70	815	2,307	68%
0600 - 0700	\$5.15	550	1,993	59%	\$5.15	544	2,058	61%	\$5.15	644	2,189	64%	\$5.15	622	2,165	64%	\$4.95	578	1,942	57%
0700 - 0800	\$5.65	407	1,915	56%	\$5.65	464	2,079	61%	\$5.65	459	1,980	58%	\$5.65	424	1,885	55%	\$5.50	416	1,765	52%
0800 - 0900	\$5.15	387	1,983	58%	\$5.15	371	1,989	59%	\$5.15	394	1,992	59%	\$5.15	400	2,055	60%	\$4.95	406	1,954	57%
0900 - 1000	\$4.10	454	2,135	63%	\$4.10	443	2,110	62%	\$4.10	437	2,190	64%	\$4.10	435	2,201	65%	\$4.10	446	1,991	59%

AM Time	Monday 08/12/19				Tuesday 08/13/19				Wednesday 08/14/19				Thursday 08/15/19				Friday 08/16/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	844	2,538	75%	\$3.05	862	2,549	75%	\$3.05	890	2,581	76%	\$3.05	896	2,502	74%	\$3.05	757	2,043	60%
0500 - 0600	\$4.95	842	2,474	73%	\$4.95	916	2,363	70%	\$4.95	941	2,467	73%	\$4.95	948	2,560	75%	\$4.70	809	2,363	70%
0600 - 0700	\$5.15	555	1,963	58%	\$5.15	662	2,201	65%	\$5.15	626	2,160	64%	\$5.15	631	2,154	63%	\$4.95	598	2,115	62%
0700 - 0800	\$5.65	395	1,867	55%	\$5.65	471	2,211	65%	\$5.65	449	2,026	60%	\$5.65	422	2,041	60%	\$5.50	403	1,867	55%
0800 - 0900	\$5.15	349	1,983	58%	\$5.15	345	2,163	64%	\$5.15	308	2,184	64%	\$5.15	355	2,120	62%	\$4.95	366	1,995	59%
0900 - 1000	\$4.10	339	1,954	57%	\$4.10	345	2,231	66%	\$4.10	318	2,217	65%	\$4.10	347	2,226	65%	\$4.10	352	2,016	59%

AM Time	Monday 08/19/19				Tuesday 08/20/19				Wednesday 08/21/19				Thursday 08/22/19				Friday 08/23/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	865	2,535	75%	\$3.05	831	2,449	72%	\$3.05	864	2,558	75%	\$3.05	518	1,381	41%	\$3.05	767	2,079	61%
0500 - 0600	\$4.95	922	2,603	77%	\$4.95	1014	2,725	80%	\$4.95	922	2,495	73%	\$4.95	702	1,921	57%	\$4.70	807	2,308	68%
0600 - 0700	\$5.15	618	2,070	61%	\$5.15	614	2,035	60%	\$5.15	667	2,178	64%	\$5.15	889	2,840	84%	\$4.95	643	2,214	65%
0700 - 0800	\$5.65	412	2,021	59%	\$5.65	465	2,178	64%	\$5.65	459	2,135	63%	\$5.65	536	2,329	69%	\$5.50	447	2,018	59%
0800 - 0900	\$5.15	329	1,993	59%	\$5.15	267	1,536	45%	\$5.15	284	2,166	64%	\$5.15	346	2,209	65%	\$4.95	319	1,887	56%
0900 - 1000	\$4.10	326	2,009	59%	\$4.10	416	2,623	77%	\$4.10	321	2,224	65%	\$4.10	354	2,396	70%	\$4.10	272	1,668	49%

AM Time	Monday 08/26/19				Tuesday 08/27/19				Wednesday 08/28/19				Thursday 08/29/19				Friday 08/30/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	746	2,094	62%	\$3.05	827	2,455	72%	\$3.05	934	2,605	77%	\$3.05	876	2,606	77%	\$3.05	736	2,017	59%
0500 - 0600	\$4.95	821	2,178	64%	\$4.95	955	2,575	76%	\$4.95	924	2,571	76%	\$4.95	877	2,374	70%	\$4.95	725	2,225	65%
0600 - 0700	\$5.15	599	1,853	55%	\$5.15	641	2,133	63%	\$5.15	745	2,317	68%	\$5.15	660	2,357	69%	\$5.15	649	2,101	62%
0700 - 0800	\$5.65	347	1,590	47%	\$5.65	483	2,287	67%	\$5.65	477	2,224	65%	\$5.65	464	2,084	61%	\$5.50	386	1,872	55%
0800 - 0900	\$5.15	249	1,602	47%	\$5.15	305	2,267	67%	\$5.15	328	2,181	64%	\$5.65	341	2,224	65%	\$5.30	308	1,888	56%
0900 - 1000	\$4.10	196	1,440	42%	\$4.10	302	2,309	68%	\$4.10	301	2,178	64%	\$5.65	302	2,113	62%	\$4.55	279	1,638	48%

OCTA OPERATIONAL HIGHLIGHTS

On-road Operations

OCTA Customer Assistance Specialists (CAS) responded to 115 calls during the month of August. Of those calls, 86 were to assist disabled vehicles and 18 calls to remove debris. The CAS provided assistance to 11 accidents in the Express Lanes with 5 of those accidents originating from the SR91 general-purpose lanes.

Electronic Toll and Traffic Management System Project Update

An agreement with Kapsch TrafficCom USA, Inc., (Kapsch) was executed in June 2018 to provide toll lane system integrator services for the design, installation, operations, and maintenance of the electronic toll and traffic management system for the 91 Express Lanes. This new lane system will be able to read the new 6C protocol as well as the current Title 21 protocol. Utilizing a full weekend and several overnight closures, Kapsch replaced the westbound in-lane system at the gantries in late August. The eastbound equipment installation is scheduled for early October.

6C Transition Update

In addition to the lane system replacement, the back-office system will need to be modified in order to process the new transponders and changes to the customer account plans. Modification to the back-office system will commence when the lane system installations for both OCTA and RCTC have been completed. Distribution of the new 6C transponders to customers will begin after the back-office system changes have been made. OCTA and RCTC have prepared a series of customer communication to be provided to customers to facilitate the transition to the new protocol and changes to the account plans.

Amendment to the Three-Party Operating Agreement

As referenced above, due to the back-office system changes, an amendment to the OCTA, RCTC, Cofiroute USA (CUSA) Operating Agreement is required. Staff from both OCTA and RCTC have been in negotiations with CUSA for the amendment. It is anticipated there will be no change to the maximum obligation of the contract. The amendment is expected to be finalized in the next few months.

FINANCIAL HIGHLIGHTS OCTA

91 Express Lanes Operating Statement

Description	YTD as of : 8/31/2019		YTD Variance	
	Actual ⁽¹⁾	Budget ⁽¹⁾	Dollar \$	Percent (%)
Operating revenues:				
Toll revenue	\$ 8,456,529.70	\$ 9,050,173.00	\$ (593,643.30)	(6.6)
Fee revenue	1,271,874.58	550,474.00	721,400.58	131.1
Total operating revenues	9,728,404.28	9,600,647.00	127,757.28	1.3
Operating expenses:				
Contracted services	1,008,793.92	1,232,840.00	224,046.08	18.2
Administrative fee	472,480.00	473,314.00	834.00	0.2
Other professional services	(70,792.15)	571,476.00	642,268.15	112.4
Credit card processing fees	97,302.43	233,685.00	136,382.57	58.4
Toll road account servicing	105,817.93	450,250.00	344,432.07	76.5
Other insurance expense	62,182.50	41,650.00	(20,532.50)	(49.3)
Toll road maintenance supply repairs	18,180.48	95,834.00	77,653.52	81.0
Patrol services	-	163,270.00	163,270.00	100.0
Building equipment repairs and maint	(34,415.86)	50,764.00	85,179.86	167.8
Other services	(17,552.00)	1,666.00	19,218.00	1,153.5
Utilities	(17,674.91)	12,246.00	29,920.91	244.3
Office expense	(4,010.20)	11,662.00	15,672.20	134.4
Bad debt expense	24,613.44	-	(24,613.44)	N/A
Miscellaneous ⁽²⁾	472.25	13,680.00	13,207.75	96.5
Leases	28,070.00	76,636.00	48,566.00	63.4
Total operating expenses	1,673,467.83	3,428,973.00	1,755,505.17	51.2
Depreciation and amortization ⁽³⁾	567,432.97	-	(567,432.97)	N/A
Operating income (loss)	7,487,503.48	6,171,674.00	1,315,829.48	21.3
Nonoperating revenues (expenses):				
Reimbursement from Other Agencies	29,580.00	-	29,580.00	N/A
Interest income	182,466.39	632,682.00	(450,215.61)	(71.2)
Interest expense	(798,387.45)	(785,344.00)	(13,043.45)	(1.7)
Other	13,160.66	-	13,160.66	N/A
Total nonoperating revenues (expenses)	(573,180.40)	(152,662.00)	(420,518.40)	(275.5)
Transfers in	-	-	-	N/A
Transfers out	-	-	-	N/A
Net income (loss)	\$ 6,914,323.08	\$ 6,019,012.00	\$ 895,311.08	14.9

¹Actual amounts are accounted for on the accrual basis of accounting in an enterprise fund. Budget amounts are accounted for on a modified accrual basis of accounting.

²Miscellaneous expenses include: Bond Insurance Costs, Bank Service Charge, Transponder Materials.

³Depreciation and amortization are not budgeted items.

Capital Asset Activity

During the two months ending August 31, 2019, capital asset activities included \$5,329 for transponder purchases.

OPERATIONS OVERVIEW RCTC

TRAFFIC AND REVENUE STATISTICS FOR RCTC

Total traffic volume on the RCTC 91 Express Lanes for August 2019 was 1,402,081. This represents a daily average of 45,228. This is a 2.5% increase in total traffic volume from the same period last year, which totaled 1,367,738. Potential toll revenue for the month was \$5,633,523, which represents an increase of 14.2% from the prior year's total of \$4,933,154. Carpool percentage for the month was 25.77% as compared to the previous year's rate of 23.68%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the month of August 2019.

Current Month-to-Date (MTD) as of August 31, 2019

Trips	AUG-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	AUG-18 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	1,040,805	1,040,143	662	0.1%	1,043,813	(0.3%)
3+ Lanes	361,276	339,186	22,090	6.5%	323,925	11.5%
Total Gross Trips	1,402,081	1,379,329	22,752	1.6%	1,367,738	2.5%
Revenue						
Full Toll Lanes	\$5,588,508	\$4,051,586	\$1,536,922	37.9%	\$4,893,862	14.2%
3+ Lanes	\$45,015	\$0	\$45,015		\$39,292	14.6%
Total Gross Revenue	\$5,633,523	\$4,051,586	\$1,581,937	39.0%	\$4,933,154	14.2%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.37	\$3.90	\$1.47	37.7%	\$4.69	14.5%
Average 3+ Lanes	\$0.12	\$0.00	\$0.12		\$0.12	0.0%
Average Gross Revenue	\$4.02	\$2.94	\$1.08	36.7%	\$3.61	11.4%

The 2020 fiscal year-to-date (YTD) traffic volume is 2.5% higher when compared with the same period last year. The 2020 fiscal year-to-date revenue is 15.6% higher than for the same period last year. The traffic and revenue increases are attributed to higher demand and increase toll rates to manage the demand. Year-to-date average revenue per-trip is \$4.01.

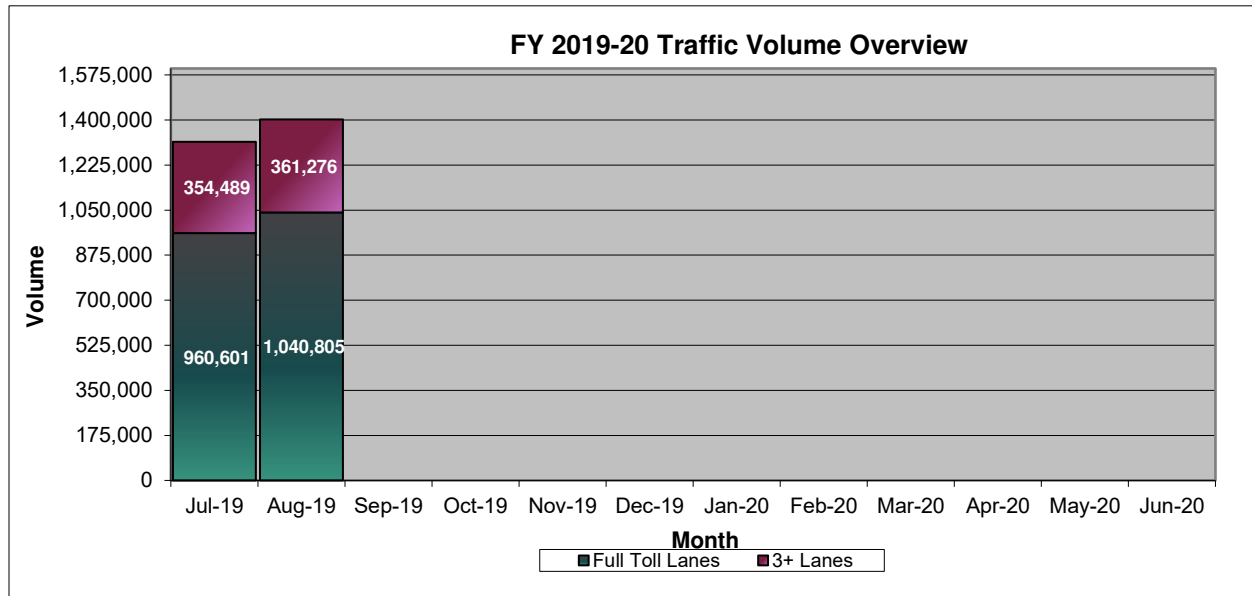
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the months of July 2019 through August 2019.

FY 2019-20 Year to Date as of August 31, 2019

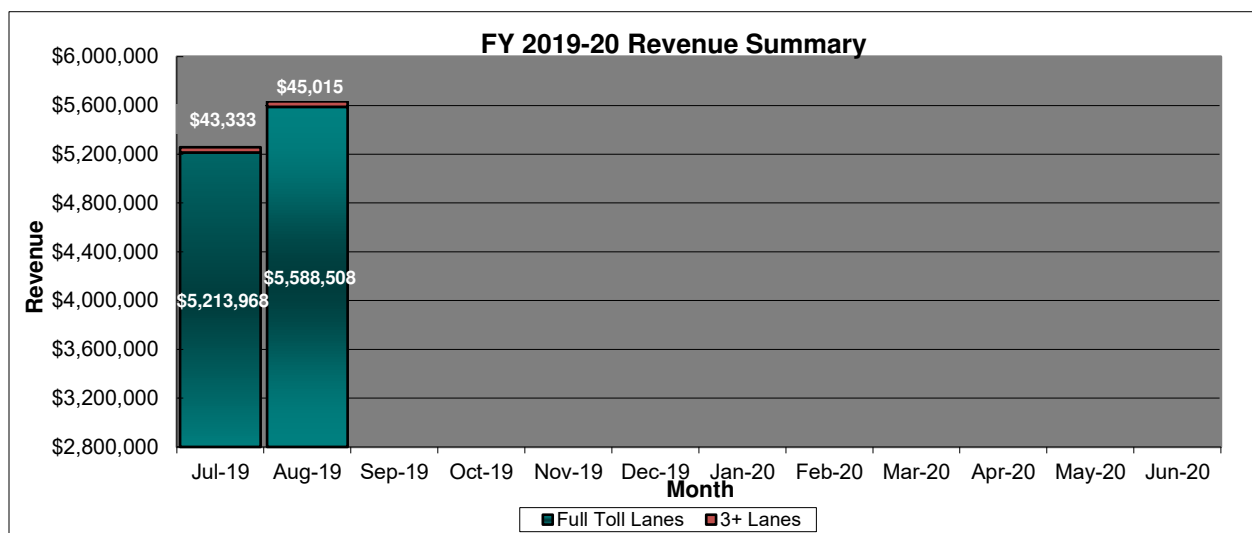
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	2,001,406	2,035,914	(34,508)	(1.7%)	2,002,025	(0.0%)
3+ Lanes	715,765	673,143	42,622	6.3%	649,204	10.3%
Total Gross Trips	2,717,171	2,709,057	8,114	0.3%	2,651,229	2.5%
Revenue						
Full Toll Lanes	\$10,802,476	\$7,930,600	\$2,871,876	36.2%	\$9,344,456	15.6%
3+ Lanes	\$88,348	\$0	\$88,348		\$77,956	13.3%
Total Gross Revenue	\$10,890,824	\$7,930,600	\$2,960,224	37.3%	\$9,422,413	15.6%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.40	\$3.90	\$1.50	38.5%	\$4.67	15.6%
Average 3+ Lanes	\$0.12	\$0.00	\$0.12		\$0.12	0.0%
Average Gross Revenue	\$4.01	\$2.93	\$1.08	36.9%	\$3.55	13.0%

RCTC Traffic and Revenue Summary

The chart below reflects the total trips broken down between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



RCTC PEAK-HOUR VOLUMES

RCTC evaluates traffic volumes for peak period hours where Express Lanes performance is degraded quarterly and either increases or decreases tolls. The next quarterly adjustment is scheduled for October 1, 2019.

RCTC EASTBOUND PEAK-HOUR VOLUMES

Eastbound PM Peak - County Line to McKinley

PM Time	Monday 07/29/19					Tuesday 07/30/19					Wednesday 07/31/19					Thursday 08/01/19					Friday 08/02/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500																\$10.50	326	1,121	1,447	F	\$19.65	391	1,017	1,408	F
1500 - 1600																\$12.00	374	909	1,283	E	\$19.35	397	854	1,251	E
1600 - 1700																\$8.15	302	882	1,184	D	\$11.10	254	898	1,152	D
1700 - 1800																\$5.30	289	798	1,087	D	\$6.95	354	888	1,242	E
1800 - 1900																\$5.30	345	880	1,225	E	\$6.95	355	760	1,115	D
1900 - 2000																\$5.30	361	782	1,143	D	\$5.30	327	715	1,042	D

PM Time	Monday 08/05/19					Tuesday 08/06/19					Wednesday 08/07/19					Thursday 08/08/19					Friday 08/09/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	314	1,001	1,315	F	\$6.95	283	1,040	1,323	F	\$7.95	316	1,057	1,373	F	\$10.50	313	1,144	1,457	F	\$19.65	364	1,002	1,366	F
1500 - 1600	\$8.00	365	861	1,226	E	\$6.95	378	850	1,228	E	\$8.85	378	910	1,288	E	\$12.00	363	944	1,307	F	\$19.35	389	856	1,245	E
1600 - 1700	\$5.30	318	1,155	1,473	F	\$5.30	244	867	1,111	D	\$5.30	264	868	1,132	D	\$8.15	268	952	1,220	E	\$11.10	263	922	1,185	D
1700 - 1800	\$5.30	265	778	1,043	D	\$5.30	255	823	1,078	D	\$5.30	296	838	1,134	D	\$5.30	245	761	1,006	D	\$6.95	291	902	1,193	D
1800 - 1900	\$5.30	309	766	1,075	D	\$5.30	329	812	1,141	D	\$5.30	309	804	1,113	D	\$5.30	343	874	1,217	E	\$6.95	314	856	1,170	D
1900 - 2000	\$2.25	248	522	770	B	\$4.20	272	707	979	C	\$4.20	294	706	1,000	C	\$5.30	277	666	943	C	\$5.30	302	725	1,027	D

PM Time	Monday 08/12/19					Tuesday 08/13/19					Wednesday 08/14/19					Thursday 08/15/19					Friday 08/16/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	255	976	1,231	E	\$6.95	271	1,012	1,283	E	\$7.95	290	1,022	1,312	F	\$10.50	305	1,173	1,478	F	\$19.65	337	1,094	1,431	F
1500 - 1600	\$8.00	344	835	1,179	D	\$6.95	361	862	1,223	E	\$8.85	330	902	1,232	E	\$12.00	382	883	1,265	E	\$19.35	360	683	1,043	D
1600 - 1700	\$5.30	211	906	1,117	D	\$5.30	232	921	1,153	D	\$5.30	234	962	1,196	D	\$8.15	260	909	1,169	D	\$11.10	254	882	1,136	D
1700 - 1800	\$5.30	251	843	1,094	D	\$5.30	239	827	1,066	D	\$5.30	258	817	1,075	D	\$5.30	213	763	976	C	\$6.95	274	1,005	1,279	E
1800 - 1900	\$5.30	268	697	965	C	\$5.30	318	812	1,130	D	\$5.30	243	703	946	C	\$5.30	284	852	1,136	D	\$6.95	354	890	1,244	E
1900 - 2000	\$2.25	197	476	673	B	\$4.20	241	640	881	C	\$4.20	284	799	1,083	D	\$5.30	309	744	1,053	D	\$5.30	306	839	1,145	D

PM Time	Monday 08/19/19					Tuesday 08/20/19					Wednesday 08/21/19					Thursday 08/22/19					Friday 08/23/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	272	1,007	1,279	E	\$6.95	258	969	1,227	E	\$7.95	282	1,020	1,302	F	\$10.50	266	1,116	1,382	F	\$19.65	339	1,005	1,344	F
1500 - 1600	\$8.00	351	915	1,266	E	\$6.95	361	867	1,228	E	\$8.85	341	889	1,230	E	\$12.00	348	922	1,270	E	\$19.35	404	901	1,305	F
1600 - 1700	\$5.30	232	856	1,088	D	\$5.30	235	920	1,155	D	\$5.30	239	925	1,164	D	\$8.15	243	947	1,190	D	\$11.10	254	927	1,181	D
1700 - 1800	\$5.30	236	838	1,074	D	\$5.30	263	834	1,097	D	\$5.30	243	846	1,089	D	\$5.30	205	846	1,051	D	\$6.95	318	934	1,252	E
1800 - 1900	\$5.30	320	788	1,108	D	\$5.30	293	736	1,029	D	\$5.30	322	907	1,229	E	\$5.30	294	861	1,155	D	\$6.95	297	785	1,082	D
1900 - 2000	\$2.25	187	506	693	B	\$4.20	246	699	945	C	\$4.20	258	652	910	C	\$5.30	297	846	1,143	D	\$5.30	270	727	997	C

PM Time	Monday 08/26/19					Tuesday 08/27/19					Wednesday 08/28/19					Thursday 08/29/19					Friday 08/30/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	257	964	1,221	E	\$6.95	244	942	1,186	D	\$7.95	250	1,013	1,263	E	\$10.50	302	1,170	1,472	F	\$19.65	364	1,070	1,434	F
1500 - 1600	\$8.00	327	905	1,232	E	\$6.95	314	963	1,277	E	\$8.85	372	927	1,299	E	\$12.00	380	931	1,311	F	\$19.35	451	902	1,353	F
1600 - 1700	\$5.30	243	862	1,105	D	\$5.30	191	864	1,055	D	\$5.30	223	953	1,176	D	\$8.15	272	932	1,204	E	\$11.10	290	872	1,162	D
1700 - 1800	\$5.30	260	826	1,086	D	\$5.30	241	841	1,082	D	\$5.30	263	877	1,140	D	\$5.30	211	823	1,034	D	\$6.95	353	1,031	1,384	F
1800 - 1900	\$5.30	277	652	929	C	\$5.30	278	895	1,173	D	\$5.30	320	838	1,158	D	\$5.30	304	841	1,145	D	\$6.95	333	740	1,073	D
1900 - 2000	\$2.25	211	572	783	B	\$4.20	240	646	886	C	\$4.20	261	718	979	C	\$5.30	304	911	1,215	E	\$5.30	348	726	1,074	D

Eastbound PM Peak - County Line to I-15 South

PM Time	Monday 07/29/19					Tuesday 07/30/19					Wednesday 07/31/19					Thursday 08/01/19					Friday 08/02/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500																\$5.30	165	663	828	C	\$5.30	164	682	846	C
1500 - 1600																\$5.30	172	624	796	B	\$2.95	190	574	764	B
1600 - 1700																\$2.95	140	609	749	B	\$2.95	121	571	692	B
1700 - 1800																\$2.95	120	526	646	B	\$2.95	128	554	682	B
1800 - 1900																\$2.95	167	553	720	B	\$2.95	143	535	678	B
1900 - 2000																\$2.95	183	549	732	B	\$2.95	168	390	558	B

PM Time	Monday 08/05/19					Tuesday 08/06/19					Wednesday 08/07/19					Thursday 08/08/19					Friday 08/09/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	162	712	874	C	\$2.95	150	680	830	C	\$2.95	152	760	912	C	\$5.30	179	689	868	C	\$5.30	159	678	837	C
1500 - 1600	\$2.95	206	670	876	C	\$2.95	193	601	794	B	\$5.30	184	692	876	C	\$5.30	177	703	880	C	\$2.95	188	553	741	B
1600 - 1700	\$2.95	68	281	349	A	\$2.95	138	642	780	B	\$2.95	128	622	750	B	\$2.95	154	676	830	C	\$2.95	121	578	699	B
1700 - 1800	\$2.95	136	521	657	B	\$2.95	138	527	665	B	\$2.95	141	577	718	B	\$2.95	123	552	675	B	\$2.95	124	541	665	B
1800 - 1900	\$2.95	143	569	712	B	\$2.95	148	545	693	B	\$2.95	169	609	778	B	\$2.95	161	570	731	B	\$2.95	156	541	697	B
1900 - 2000	\$2.95	123	394	517	B	\$2.95	173	529	702	B	\$2.95	177	532	709	B	\$2.95	164	512	676	B	\$2.95	179	430	609	B

PM Time	Monday 08/12/19					Tuesday 08/13/19					Wednesday 08/14/19					Thursday 08/15/19					Friday 08/16/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	139	592	731	B	\$2.95	128	746	874	C	\$2.95	122	728	850	C	\$5.30	137	789	926	C	\$5.30	161	706	867	C
1500 - 1600	\$2.95	168	632	800	B	\$2.95	173	613	786	B	\$5.30	164	657	821	C	\$5.30	178	664	842	C	\$2.95	157	459	616	B
1600 - 1700	\$2.95	105	648	753	B	\$2.95	118	638	756	B	\$2.95	121	666	787	B	\$2.95	135	619	754	B	\$2.95	117	528	645	B
1700 - 1800	\$2.95	129	574	703	B	\$2.95	139	546	685	B	\$2.95	129	574	703	B	\$2.95	106	475	581	B	\$2.95	125	594	719	B
1800 - 1900	\$2.95	143	485	628	B	\$2.95	147	575	722	B	\$2.95	118	479	597	B	\$2.95	154	582	736	B	\$2.95	152	511	663	B
1900 - 2000	\$2.95	137	379	516	B	\$2.95	136	488	624	B	\$2.95	171	573	744	B	\$2.95	155	559	714	B	\$2.95	163	464	627	B

PM Time	Monday 08/19/19					Tuesday 08/20/19					Wednesday 08/21/19					Thursday 08/22/19					Friday 08/23/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	133	654	787	B	\$2.95	128	695	823	C	\$2.95	132	771	903	C	\$5.30	142	787	929	C	\$5.30	148	719	867	C
1500 - 1600	\$2.95	161	680	841	C	\$2.95	133	631	764	B	\$5.30	138	645	783	B	\$5.30	169	644	813	C	\$2.95	178	594	772	B
1600 - 1700	\$2.95	104	551	655	B	\$2.95	120	610	730	B	\$2.95	114	625	739	B	\$2.95	123	588	711	B	\$2.95	134	600	734	B
1700 - 1800	\$2.95	124	574	698	B	\$2.95	118	541	659	B	\$2.95	117	506	623	B	\$2.95	105	532	637	B	\$2.95	120	551	671	B
1800 - 1900	\$2.95	157	589	746	B	\$2.95	144	529	673	B	\$2.95	139	597	736	B	\$2.95	129	540	669	B	\$2.95	137	496	633	B
1900 - 2000	\$2.95	119	394	513	B	\$2.95	166	563	729	B	\$2.95	129	444	573	B	\$2.95	145	599	744	B	\$2.95	146	416	562	B

PM Time	Monday 08/26/19					Tuesday 08/27/19					Wednesday 08/28/19					Thursday 08/29/19					Friday 08/30/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	138	652	790	B	\$2.95	110	759	869	C	\$2.95	131	708	839	C	\$5.30	151	794	945	C	\$5.30	133	658	791	B
1500 - 1600	\$2.95	164	700	864	C	\$2.95	146	632	778	B	\$5.30	172	620	792	B	\$5.30	195	670	865	C	\$2.95	167	521	688	B
1600 - 1700	\$2.95	125	614	739	B	\$2.95	107	622	729	B	\$2.95	123	638	761	B	\$2.95	142	649	791	B	\$2.95	140	486	626	B
1700 - 1800	\$2.95	108	587	695	B	\$2.95	115	551	666	B	\$2.95	116	536	652	B	\$2.95	109	535	644	B	\$2.95	127	549	676	B
1800 - 1900	\$2.95	139	439	578	B	\$2.95	120	619	739	B	\$2.95	135	588	723	B	\$2.95	127	573	700	B	\$2.95	134	455	589	B
1900 - 2000	\$2.95	131	358	489	B	\$2.95	156	545	701	B	\$2.95	165	508	673	B	\$2.95	178	580	758	B	\$2.95	134	386	520	B

RCTC WESTBOUND PEAK-HOUR VOLUMES

Westbound AM Peak - McKinley to County Line

	Monday 07/29/19					Tuesday 07/30/19					Wednesday 07/31/19					Thursday 08/01/19					Friday 08/02/19				
AM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500																\$9.45	475	1,115	1,590	F	\$5.30	443	713	1,156	D
0500 - 0600																\$18.15	555	783	1,338	E	\$10.85	479	917	1,396	F
0600 - 0700																\$18.05	393	1,031	1,424	F	\$10.10	414	1,127	1,541	F
0700 - 0800																\$13.95	390	1,283	1,673	F	\$7.95	357	1,198	1,555	F
0800 - 0900																\$10.85	308	1,262	1,570	F	\$6.95	247	1,021	1,268	E
0900 - 1000																\$7.95	318	1,013	1,331	E	\$4.20	289	878	1,167	D

	Monday 08/05/19					Tuesday 08/06/19					Wednesday 08/07/19					Thursday 08/08/19					Friday 08/09/19				
AM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	497	1,181	1,678	F	\$9.45	476	1,068	1,544	F	\$9.45	509	1,054	1,563	F	\$9.45	487	1,078	1,565	F	\$5.30	407	666	1,073	D
0500 - 0600	\$21.90	557	860	1,417	F	\$21.45	666	943	1,609	F	\$18.40	568	740	1,308	E	\$18.15	566	782	1,348	E	\$10.85	522	972	1,494	F
0600 - 0700	\$20.20	362	923	1,285	E	\$18.10	356	938	1,294	E	\$18.05	443	1,167	1,610	F	\$18.05	427	1,054	1,481	F	\$10.10	460	1,149	1,609	F
0700 - 0800	\$15.00	356	1,228	1,584	F	\$15.00	334	1,329	1,663	F	\$15.75	396	1,262	1,658	F	\$13.95	399	1,232	1,631	F	\$7.95	359	1,113	1,472	F
0800 - 0900	\$10.10	305	1,307	1,612	F	\$10.10	321	1,302	1,623	F	\$10.10	314	1,276	1,590	F	\$10.85	342	1,292	1,634	F	\$6.95	293	1,195	1,488	F
0900 - 1000	\$6.95	302	1,012	1,314	E	\$7.95	253	949	1,202	E	\$6.95	271	1,077	1,348	E	\$7.95	261	1,108	1,369	F	\$4.20	244	872	1,116	D

	Monday 08/12/19					Tuesday 08/13/19					Wednesday 08/14/19					Thursday 08/15/19					Friday 08/16/19				
AM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	490	1,069	1,559	F	\$9.45	460	1,082	1,542	F	\$9.45	504	1,120	1,624	F	\$9.45	494	1,101	1,595	F	\$5.30	437	706	1,143	D
0500 - 0600	\$21.90	537	833	1,370	F	\$21.45	684	958	1,642	F	\$18.40	554	731	1,285	E	\$18.15	583	786	1,369	F	\$10.85	496	998	1,494	F
0600 - 0700	\$20.20	385	1,008	1,393	F	\$18.10	354	915	1,269	E	\$18.05	454	1,102	1,556	F	\$18.05	458	1,099	1,557	F	\$10.10	460	1,192	1,652	F
0700 - 0800	\$15.00	353	1,244	1,597	F	\$15.00	394	1,363	1,757	F	\$15.75	387	1,365	1,752	F	\$13.95	385	1,335	1,720	F	\$7.95	357	1,238	1,595	F
0800 - 0900	\$10.10	279	1,291	1,570	F	\$10.10	274	1,447	1,721	F	\$10.10	267	1,438	1,705	F	\$10.85	290	1,414	1,704	F	\$6.95	256	1,269	1,525	F
0900 - 1000	\$6.95	205	951	1,156	D	\$7.95	238	1,194	1,432	F	\$6.95	214	1,142	1,356	F	\$7.95	214	1,142	1,356	F	\$4.20	212	907	1,119	D

	Monday 08/19/19					Tuesday 08/20/19					Wednesday 08/21/19					Thursday 08/22/19					Friday 08/23/19				
AM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	488	1,002	1,490	F	\$9.45	467	1,022	1,489	F	\$9.45	504	1,076	1,580	F	\$9.45	161	226	387	A	\$5.30	4	37	41	A
0500 - 0600	\$21.90	539	881	1,420	F	\$21.45	660	906	1,566	F	\$18.40	529	722	1,251	E	\$18.15	291	614	905	C	\$10.85	23	105	128	A
0600 - 0700	\$20.20	428	966	1,394	F	\$18.10	369	828	1,197	D	\$18.05	477	1,021	1,498	F	\$18.05	572	983	1,555	F	\$10.10	49	306	355	A
0700 - 0800	\$15.00	359	1,356	1,715	F	\$15.00	412	1,275	1,687	F	\$15.75	384	1,278	1,662	F	\$13.95	474	1,322	1,796	F	\$7.95	64	340	404	B
0800 - 0900	\$10.10	285	1,450	1,735	F	\$10.10	193	770	963	C	\$10.10	275	1,483	1,758	F	\$10.85	282	1,328	1,610	F	\$6.95	65	347	412	B
0900 - 1000	\$6.95	217	1,061	1,278	E	\$7.95	243	1,293	1,536	F	\$6.95	199	1,203	1,402	F	\$7.95	224	1,260	1,484	F	\$4.20	61	377	438	B

	Monday 08/26/19					Tuesday 08/27/19					Wednesday 08/28/19					Thursday 08/29/19					Friday 08/30/19				
PM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	519	1,064	1,583	F	\$9.45	469	1,028	1,497	F	\$9.45	506	1,095	1,601	F	\$9.05	506	1,175	1,681	F	\$5.30	432	727	1,159	D
0500 - 0600	\$21.90	586	836	1,422	F	\$21.45	653	906	1,559	F	\$18.40	553	757	1,310	E	\$10.45	554	791	1,345	E	\$9.65	470	922	1,392	F
0600 - 0700	\$20.20	445	947	1,392	F	\$18.10	406	870	1,276	E	\$18.05	507	1,071	1,578	F	\$9.70	447	1,135	1,582	F	\$9.05	482	1,174	1,656	F
0700 - 0800	\$15.00	399	1,327	1,726	F	\$15.00	401	1,337	1,738	F	\$15.75	411	1,255	1,666	F	\$11.05	404	1,124	1,528	F	\$8.00	346	1,134	1,480	F
0800 - 0900	\$10.10	279	1,407	1,686	F	\$10.10	261	1,446	1,707	F	\$10.10	273	1,448	1,721	F	\$9.60	290	1,367	1,657	F	\$5.30	195	1,119	1,314	E
0900 - 1000	\$6.95	199	1,083	1,282	E	\$7.95	207	1,282	1,489	F	\$6.95	248	1,213	1,461	F	\$6.95	204	1,184	1,388	F	\$4.20	146	768	914	C

Westbound AM Peak - I-15 North to County Line

AM Time	Monday 07/29/19					Tuesday 07/30/19					Wednesday 07/31/19					Thursday 08/01/19					Friday 08/02/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500																\$5.30	273	647	920	C	\$2.95	207	614	821	C
0500 - 0600																\$14.15	410	1,034	1,444	F	\$6.85	304	708	1,012	D
0600 - 0700																\$14.50	338	1,010	1,348	E	\$6.85	275	1,021	1,296	E
0700 - 0800																\$11.40	225	1,054	1,279	E	\$6.85	201	898	1,099	D
0800 - 0900																\$8.85	159	966	1,125	D	\$5.30	154	758	912	C
0900 - 1000																\$5.30	181	791	972	C	\$2.95	168	630	798	B

AM Time	Monday 08/05/19					Tuesday 08/06/19					Wednesday 08/07/19					Thursday 08/08/19					Friday 08/09/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	308	756	1,064	D	\$5.30	262	699	961	C	\$5.30	290	695	985	C	\$5.30	281	671	952	C	\$2.95	237	606	843	C
0500 - 0600	\$18.00	391	1,011	1,402	F	\$17.25	408	1,018	1,426	F	\$15.55	413	1,001	1,414	F	\$14.15	401	928	1,329	E	\$6.85	330	814	1,144	D
0600 - 0700	\$19.35	332	1,004	1,336	E	\$17.55	351	1,049	1,400	E	\$19.65	363	1,002	1,365	E	\$14.50	360	1,056	1,416	F	\$6.85	301	899	1,200	D
0700 - 0800	\$12.80	210	1,031	1,241	E	\$13.45	233	1,079	1,312	E	\$12.45	205	1,071	1,276	E	\$11.40	202	1,015	1,217	E	\$6.85	190	907	1,097	D
0800 - 0900	\$8.85	177	929	1,106	D	\$8.85	161	987	1,148	D	\$6.85	163	987	1,150	D	\$8.85	171	966	1,137	D	\$5.30	163	803	966	C
0900 - 1000	\$5.30	159	726	885	C	\$5.30	150	789	939	C	\$5.30	163	797	960	C	\$5.30	165	760	925	C	\$2.95	157	637	794	B

AM Time	Monday 08/12/19					Tuesday 08/13/19					Wednesday 08/14/19					Thursday 08/15/19					Friday 08/16/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	266	729	995	C	\$5.30	291	678	969	C	\$5.30	282	699	981	C	\$5.30	283	672	955	C	\$2.95	226	601	827	C
0500 - 0600	\$18.00	371	1,040	1,411	F	\$17.25	272	601	873	C	\$15.55	441	982	1,423	F	\$14.15	395	1,041	1,436	F	\$6.85	326	838	1,164	D
0600 - 0700	\$19.35	305	911	1,216	E	\$17.55	378	1,030	1,408	F	\$19.65	325	974	1,299	E	\$14.50	331	955	1,286	E	\$6.85	269	917	1,186	D
0700 - 0800	\$12.80	182	956	1,138	D	\$13.45	254	1,208	1,462	F	\$12.45	209	1,033	1,242	E	\$11.40	192	1,053	1,245	E	\$6.85	188	926	1,114	D
0800 - 0900	\$8.85	169	1,042	1,211	E	\$8.85	180	1,129	1,309	E	\$6.85	142	1,100	1,242	E	\$8.85	172	1,043	1,215	E	\$5.30	151	892	1,043	D
0900 - 1000	\$5.30	156	770	926	C	\$5.30	129	923	1,052	D	\$5.30	114	883	997	C	\$5.30	128	866	994	C	\$2.95	118	693	811	C

AM Time	Monday 08/19/19					Tuesday 08/20/19					Wednesday 08/21/19					Thursday 08/22/19					Friday 08/23/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	281	744	1,025	D	\$5.30	267	676	943	C	\$5.30	259	701	960	C	\$5.30	113	203	316	A	\$2.95	2	9	11	A
0500 - 0600	\$18.00	417	1,067	1,484	F	\$17.25	438	1,053	1,491	F	\$15.55	441	1,054	1,495	F	\$14.15	2	24	26	A	\$6.85	11	37	48	A
0600 - 0700	\$19.35	328	972	1,300	E	\$17.55	361	997	1,358	E	\$19.65	379	1,002	1,381	E	\$14.50	298	755	1,053	D	\$6.85	18	95	113	A
0700 - 0800	\$12.80	198	999	1,197	D	\$13.45	228	1,140	1,368	E	\$12.45	250	1,177	1,427	F	\$11.40	271	1,112	1,383	E	\$6.85	15	100	115	A
0800 - 0900	\$8.85	168	1,021	1,189	D	\$8.85	114	682	796	B	\$6.85	151	1,129	1,280	E	\$8.85	181	1,290	1,471	F	\$5.30	37	141	178	A
0900 - 1000	\$5.30	102	775	877	C	\$5.30	127	1,028	1,155	D	\$5.30	126	903	1,029	D	\$5.30	133	967	1,100	D	\$2.95	33	151	184	A

PM Time	Monday 08/26/19					Tuesday 08/27/19					Wednesday 08/28/19					Thursday 08/29/19					Friday 08/30/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	289	720	1,009	D	\$5.30	263	648	911	C	\$5.30	314	704	1,018	D	\$5.30	292	709	1,001	D	\$2.95	233	571	804	C
0500 - 0600	\$18.00	432	1,010	1,442	F	\$17.25	390	964	1,354	E	\$15.55	420	1,055	1,475	F	\$8.85	419	940	1,359	E	\$6.85	323	817	1,140	D
0600 - 0700	\$19.35	387	992	1,379	E	\$17.55	373	1,059	1,432	F	\$19.65	405	1,055	1,460	F	\$8.85	371	1,149	1,520	F	\$6.85	293	875	1,168	D
0700 - 0800	\$12.80	240	1,087	1,327	E	\$13.45	287	1,201	1,488	F	\$12.45	257	1,203	1,460	F	\$8.85	271	1,148	1,419	F	\$5.30	202	899	1,101	D
0800 - 0900	\$8.85	158	1,083	1,241	E	\$8.85	180	1,225	1,405	F	\$6.85	156	1,126	1,282	E	\$8.85	170	1,161	1,331	E	\$5.30	137	820	957	C
0900 - 1000	\$5.30	108	811	919	C	\$5.30	108	911	1,019	D	\$5.30	123	875	998	C	\$5.30	120	857	977	C	\$2.95	86	593	679	B

RCTC OPERATIONAL HIGHLIGHTS

On-road Operations

RCTC Freeway Service Patrol (FSP) responded to 103 calls during the month of August. Of those calls, 84 were to assist disabled vehicles, 7 were to remove debris, 12 were in response to accidents.

6C Transponder Technology

Planning for the transition to the new transponder technology is underway. The lane systems have been upgraded. The new sticker transponders have been received and will be distributed after OCTA completes the upgrade of their lane system. Changes to the back-office system to process the new transponders and make changes to the customer account plan are being finalized and will be released to the customer once both the RCTC and OCTA lane system upgrades are performed. A series of customer communication has been prepared to facilitate the process for providing the new transponders to customers.

FINANCIAL HIGHLIGHTS RCTC

RCTC 91 Express Lanes Operating Statement

Description	YTD as of :		YTD Variance	
	Actual ¹	8/31/2019 Budget	Dollar \$	Percent (%)
Operating revenues:				
Toll Revenue	\$ 10,276,311.56	\$ 6,098,183.33	\$ 4,178,128.23	68.5
Fee Revenue	1,342,939.71	880,050.00	462,889.71	52.6
Total operating revenues	11,619,251.27	6,978,233.33	4,641,017.94	66.5
Operating expenses:				
Salaries and Benefits	197,945.06	225,566.67	27,621.61	12.2
Legal Services	(61,885.91) ²	58,333.33	120,219.24	206.1
Advisory Services	1,463.38 ²	12,500.00	11,036.62	88.3
Audit and Accounting Fees	-	7,833.33	7,833.33	100.0
Service Fees	(567.66) ²	4,333.33	4,900.99	113.1
Other Professional Services	(28,552.70) ²	245,983.33	274,536.03	111.6
Lease Expense	29,170.00	42,750.00	13,580.00	31.8
Operations	234,032.91	604,750.00	370,717.09	61.3
Utilities	(3,799.01) ²	10,416.67	14,215.68	136.5
Supplies and Materials	28.58	833.33	804.75	96.6
Membership and Subscription Fees	-	4,166.67	4,166.67	100.0
Office Equipment & Furniture (Non-Capital)	-	833.33	833.33	100.0
Maintenance/Repairs	(7,748.25) ²	58,300.00	66,048.25	113.3
Training Seminars and Conferences	-	750.00	750.00	100.0
Transportation Expenses	79.84	1,250.00	1,170.16	93.6
Lodging	840.90	1,166.67	325.77	27.9
Meals	318.96	166.67	(152.29)	(91.4)
Other Staff Expenses	123.00	166.67	43.67	26.2
Advertising	(2,950.50) ²	31,666.67	34,617.17	109.3
Program Management	(0.54) ²	-	0.54	N/A
Program Operations	1,423,196.33	1,776,116.67	352,920.34	19.9
Litigation Settlement	-	1,666.67	1,666.67	100.0
Furniture & Equipment	(0.16) ²	125,000.00	125,000.16	100.0
Improvements	16,032.27	2,683.33	(13,348.94)	(497.5)
Bad Debt Expense	6.54	-	(6.54)	N/A
Total operating expenses	1,797,733.04	3,217,233.33	1,419,500.29	44.1
Operating income (loss)	9,821,518.23	3,761,000.00	6,060,518.23	161.1
Nonoperating revenues (expenses):				
Interest Revenue	98,773.47	253,683.33	(154,909.86)	61.1
Other Miscellaneous Revenue	580,493.50	-	580,493.50	N/A
Interest Expense	-	(1,186,650.00)	1,186,650.00	(100.0)
Total nonoperating revenues (expenses)	679,266.97	(932,966.67)	1,612,233.64	172.8
Transfers In	-	-	-	N/A
Transfers Out	-	(509,916.67)	509,916.67	(100.0)
Net income (loss)	\$ 10,500,785.20	\$ 2,318,116.67	\$ 8,182,668.53	353.0

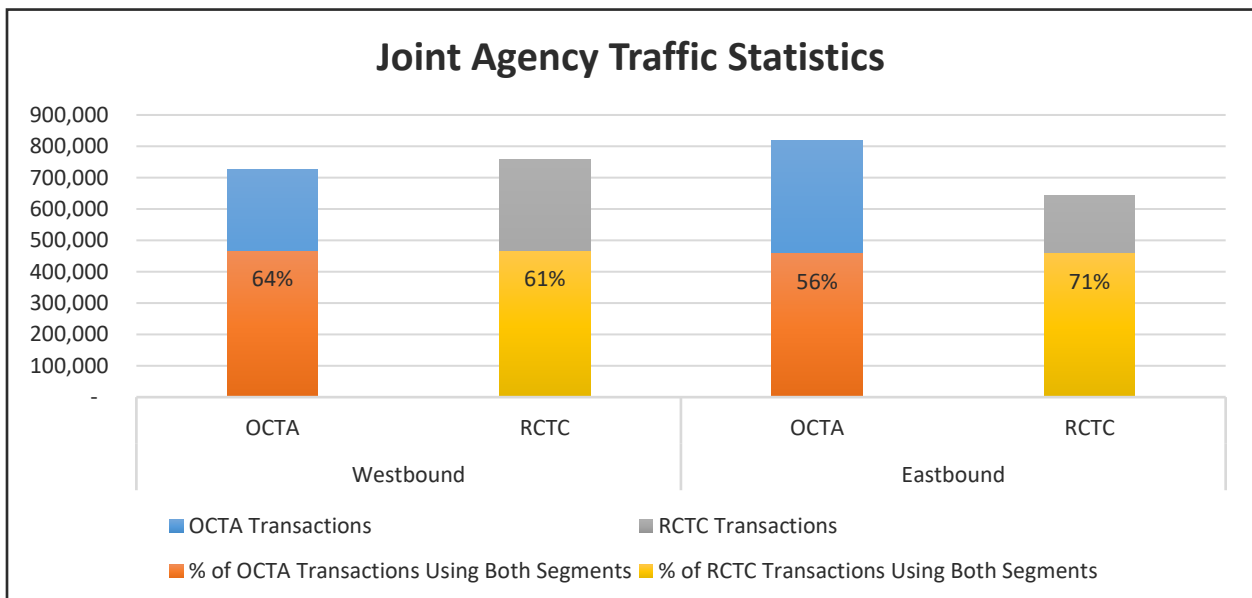
¹ Unaudited

² Negatives are the result of FY2018/19 accruals

JOINT AGENCY TRIP AND REVENUE STATISTICS

August-19 MTD	Transactions by Agency	Transactions Using Both Segments	% Using Both Segments	Revenue
Westbound				
OCTA	725,771	464,748	64%	\$ 1,860,018
RCTC	757,662	464,748	61%	\$ 3,624,544
I-15	316,208	201,477	64%	\$ 1,495,543
McKinley	441,454	263,271	60%	\$ 2,129,001
Eastbound				
OCTA	819,960	457,372	56%	\$ 2,811,143
RCTC	644,419	457,372	71%	\$ 2,008,980
I-15	237,205	180,851	76%	\$ 506,403
McKinley	407,214	276,521	68%	\$ 1,502,576

JOINT AGENCY TRAFFIC STATISTICS



JOINT AGENCY PERFORMANCE MEASURES

REPORTING REQUIREMENT	Reporting Period	PERFORMANCE STANDARD	Aug-19 Performance
CUSTOMER SERVICE			
** Call Wait Time	Monthly	Not to exceed 2 minutes	3:45
** Abandon Rate	Monthly	No more than 4.0%	5.5%
Customer Satisfaction	Monthly	At least 75 outbound calls	76
VIOLATION PROCESSING			
Response Time	Monthly	Within 2 business days of receipt	0.6
CUSA Violation Collection Rate	Quarterly	70% or more	
CUSA Violation Collection Rate	Annually	74% or more	
TRAFFIC OPERATIONS			
Initial & Secondary Review s	Monthly	Equal to or less than 15 days	0.8
* Plate Misread Errors	Monthly	Equal to or less than 0.4%	0.01%
CAS Response Time	Monthly	0:20 (minutes) per call	0:14
ACCOUNTING			
OCTA Exceptions	Monthly	No more than 3	0
RCTC Exceptions	Monthly	No more than 3	0
INFORMATION TECHNOLOGY			
Back-office System Uptime	Monthly	99% Availability	100%
Network Uptime	Monthly	99% Availability	100%

CUSA = Cofiroute USA; CAS = OCTA Customer Assistance Specialists

* Plate Misread Error performance is current after a 60-day hold-back period; therefore, percentage reported here is for 2 months prior to the month of this report.

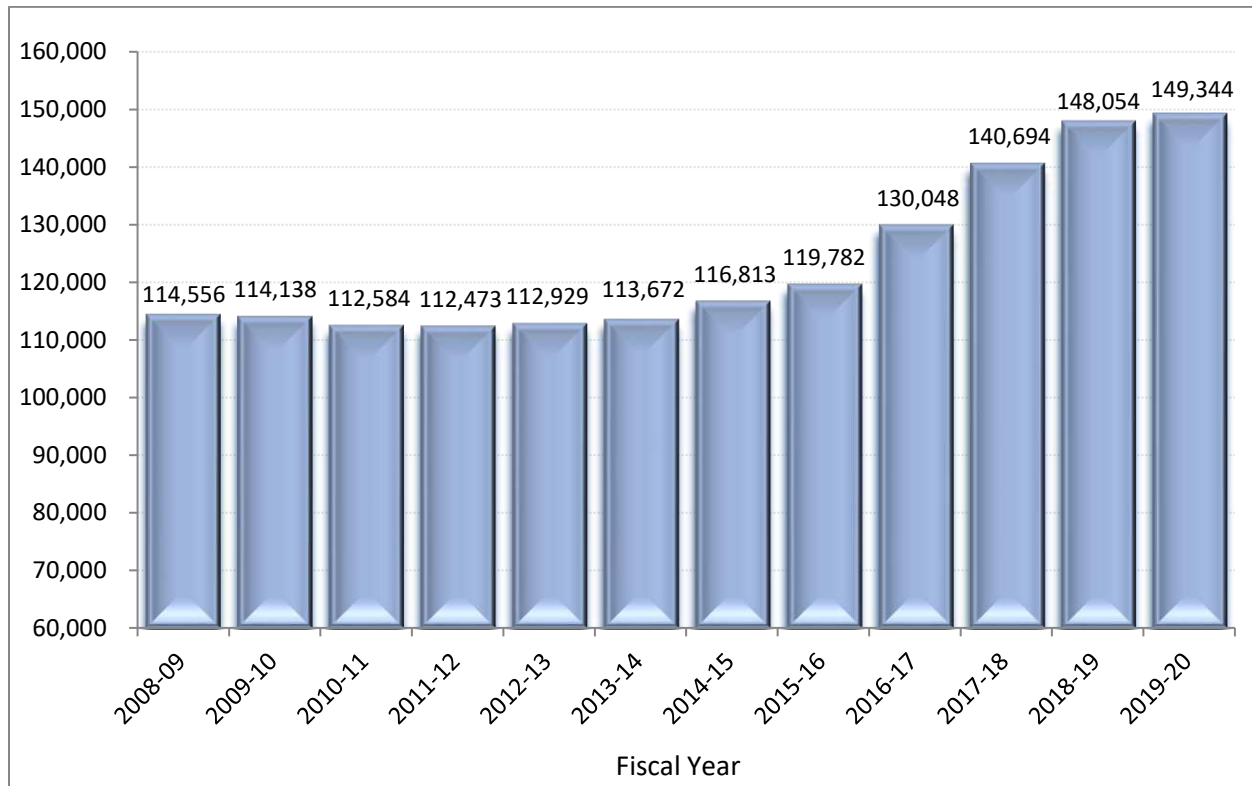
**In August 2019 the CSC received 5,918 (+9%) more calls compared to the same time last year. The increase in call volumes is attributed to TCA's implementation of their 6C transponder program.

JOINT AGENCY TRANSPONDER DISTRIBUTION

TRANSPONDER DISTRIBUTION	August-19		July-19		FY 2019-20	
	Tags	% of Total	Tags	% of Total	Average To-Date	
Issued						
To New Accounts	1,586	52.1%	1,442	46.9%	1,514	49.5%
Additional Tags to Existing Accounts	889	29.2%	919	29.9%	904	29.6%
Replacement Transponders	567	18.6%	713	23.2%	640	20.9%
Total Issued	3,042		3,074		3,058	
Returned						
Account Closures	440	39.9%	505	37.3%	473	38.4%
Accounts Downsizing	114	10.3%	169	12.5%	142	11.5%
Defective Transponders	550	49.8%	680	50.2%	615	50.0%
Total Returned	1,104		1,354		1,229	

At the end of August 2019, the 91 Express Lanes had 149,344 active customer accounts, and 227,580 transponders classified as Assigned.

Number of Accounts by Fiscal Year
As of August 31, 2019



Incoming Email Activity

During August, the Anaheim Processing Center received 3,918 emails.



**Orange County Transportation Authority
Riverside County Transportation Commission**



Status Report
September 2019

As of September 30, 2019

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OPERATIONS OVERVIEW OCTA

TRAFFIC AND REVENUE STATISTICS FOR OCTA

Total traffic volume on the OCTA 91 Express Lanes for September 2019 was 1,477,581. This represents a daily average of 49,253. This is a 4.2% increase in total traffic volume from the same period last year, which totaled 1,417,450. Potential toll revenue for the month was \$4,440,347, which represents an increase of 6.5% from the prior year's total of \$4,169,154. Carpool percentage for the month was 25.86% as compared to the previous year's rate of 25.97%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the month of September 2019.

Current Month-to-Date (MTD) as of September 30, 2019

Trips	Sep-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	Sep-18 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	1,095,487	1,092,774	2,713	0.2%	1,049,290	4.4%
3+ Lanes	382,094	296,879	85,215	28.7%	368,160	3.8%
Total Gross Trips	1,477,581	1,389,653	87,928	6.3%	1,417,450	4.2%
Revenue						
Full Toll Lanes	\$4,373,645	\$4,572,414	(\$198,769)	(4.3%)	\$4,104,552	6.6%
3+ Lanes	\$66,703	\$83,394	(\$16,691)	(20.0%)	\$64,603	3.3%
Total Gross Revenue	\$4,440,347	\$4,655,808	(\$215,460)	(4.6%)	\$4,169,154	6.5%
Average Revenue per Trip						
Average Full Toll Lanes	\$3.99	\$4.18	(\$0.19)	(4.5%)	\$3.91	2.0%
Average 3+ Lanes	\$0.17	\$0.28	(\$0.11)	(39.3%)	\$0.18	(5.6%)
Average Gross Revenue	\$3.01	\$3.35	(\$0.34)	(10.1%)	\$2.94	2.4%

The 2020 fiscal year-to-date traffic volume increased by 2.3% and potential toll revenue increased by 2.9%, when compared with the same period last year. Year-to-date average revenue per-trip is \$2.97.

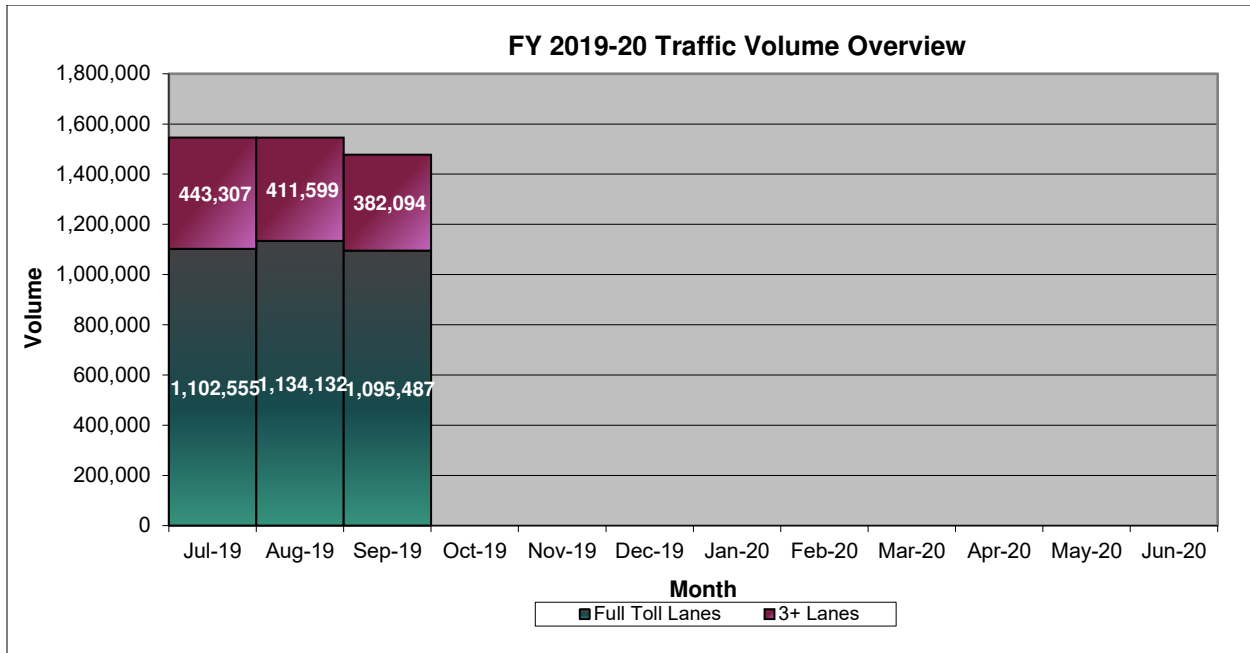
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the months of July 2019 through September 2019.

FY 2019-20 Year to Date as of September 30, 2019

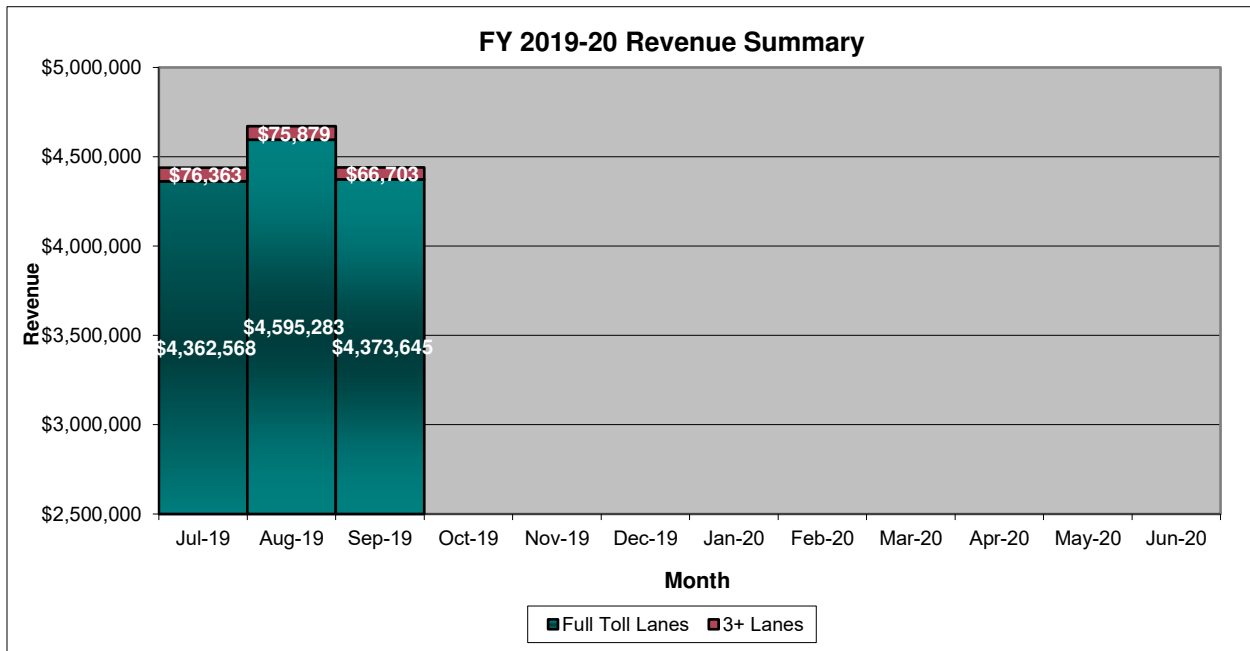
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	3,332,174	3,315,930	16,244	0.5%	3,280,307	1.6%
3+ Lanes	1,237,000	1,040,432	196,568	18.9%	1,187,420	4.2%
Total Gross Trips	4,569,174	4,356,362	212,812	4.9%	4,467,727	2.3%
Revenue						
Full Toll Lanes	\$13,331,495	\$13,828,769	(\$497,274)	(3.6%)	\$12,944,382	3.0%
3+ Lanes	\$218,945	\$252,085	(\$33,140)	(13.1%)	\$228,306	(4.1%)
Total Gross Revenue	\$13,550,440	\$14,080,854	(\$530,414)	(3.8%)	\$13,172,688	2.9%
Average Revenue per Trip						
Average Full Toll Lanes	\$4.00	\$4.17	(\$0.17)	(4.1%)	\$3.95	1.3%
Average 3+ Lanes	\$0.18	\$0.24	(\$0.06)	(25.0%)	\$0.19	(5.3%)
Average Gross Revenue	\$2.97	\$3.23	(\$0.26)	(8.0%)	\$2.95	0.7%

OCTA Traffic and Revenue Summary

The chart below reflects the total trips breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



Peak traffic hour in the eastbound direction reached or exceeded 90% or more of defined capacity 17 times during the month of September 2019. As demonstrated on the next chart, westbound peak hour traffic volumes top out at 81% of defined capacity.

OCTA EASTBOUND PEAK-HOUR VOLUMES

PM Time	Monday 09/02/19				Tuesday 09/03/19				Wednesday 09/04/19				Thursday 09/05/19				Friday 09/06/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$4.45	414	1,040	31%	\$5.15	470	2,756	81%	\$5.15	452	2,983	88%	\$6.70	506	3,224	95%	\$7.10	532	3,177	93%
1500 - 1600	\$4.45	422	977	29%	\$5.75	666	2,792	82%	\$7.75	702	2,987	88%	\$6.75	598	2,647	78%	\$9.15	509	1,810	53%
1600 - 1700	\$4.45	431	978	29%	\$5.50	425	2,888	85%	\$7.50	426	2,845	84%	\$8.30	490	2,348	69%	\$8.95	536	2,696	79%
1700 - 1800	\$4.45	407	880	26%	\$5.40	496	2,863	84%	\$6.40	489	2,965	87%	\$8.70	460	2,530	74%	\$7.05	508	2,846	84%
1800 - 1900	\$4.45	484	987	29%	\$3.95	562	2,856	84%	\$3.95	609	2,939	86%	\$4.85	625	2,968	87%	\$6.55	649	2,789	82%
1900 - 2000	\$4.45	501	994	29%	\$3.85	601	2,455	72%	\$3.85	645	2,512	74%	\$5.60	621	2,521	74%	\$6.05	640	2,240	66%

PM Time	Monday 09/09/19				Tuesday 09/10/19				Wednesday 09/11/19				Thursday 09/12/19				Friday 09/13/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	466	2,769	81%	\$5.15	461	2,812	83%	\$5.15	476	2,874	85%	\$6.70	488	3,158	93%	\$7.10	531	3,113	92%
1500 - 1600	\$5.50	675	3,003	88%	\$5.75	639	2,786	82%	\$7.75	712	3,045	90%	\$6.75	659	2,956	87%	\$9.15	740	2,626	77%
1600 - 1700	\$5.35	474	2,964	87%	\$5.50	423	2,861	84%	\$7.50	476	2,853	84%	\$8.30	515	2,810	83%	\$8.95	539	2,874	85%
1700 - 1800	\$5.30	495	2,977	88%	\$5.40	476	2,886	85%	\$6.40	501	2,924	86%	\$8.70	421	2,332	69%	\$7.05	603	3,115	92%
1800 - 1900	\$5.50	621	2,730	80%	\$3.95	523	2,723	80%	\$3.95	661	2,956	87%	\$4.85	643	3,095	91%	\$6.55	610	2,848	84%
1900 - 2000	\$3.85	483	1,966	58%	\$3.85	588	2,501	74%	\$3.85	589	2,455	72%	\$5.60	723	2,814	83%	\$6.05	681	2,355	69%

PM Time	Monday 09/16/19				Tuesday 09/17/19				Wednesday 09/18/19				Thursday 09/19/19				Friday 09/20/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	474	2,721	80%	\$5.15	449	2,857	84%	\$5.15	482	3,007	88%	\$6.70	473	3,124	92%	\$7.10	567	3,128	92%
1500 - 1600	\$5.50	626	3,010	89%	\$5.75	677	2,859	84%	\$7.75	682	2,807	83%	\$6.75	643	3,020	89%	\$9.15	731	2,706	80%
1600 - 1700	\$5.35	498	2,958	87%	\$5.50	446	2,975	88%	\$7.50	430	2,744	81%	\$8.30	501	2,974	87%	\$8.95	466	2,738	81%
1700 - 1800	\$5.30	519	3,050	90%	\$5.40	510	3,037	89%	\$6.40	481	2,845	84%	\$8.70	433	2,446	72%	\$7.05	542	2,816	83%
1800 - 1900	\$5.50	620	2,665	78%	\$3.95	650	3,087	91%	\$3.95	642	3,046	90%	\$4.85	610	2,868	84%	\$6.55	667	2,874	85%
1900 - 2000	\$3.85	465	1,751	52%	\$3.85	583	2,415	71%	\$3.85	693	2,833	83%	\$5.60	726	2,782	82%	\$6.05	669	2,295	68%

PM Time	Monday 09/23/19				Tuesday 09/24/19				Wednesday 09/25/19				Thursday 09/26/19				Friday 09/27/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	461	2,636	78%	\$5.15	428	2,899	85%	\$5.15	462	3,002	88%	\$6.70	463	3,209	94%	\$7.10	580	3,210	94%
1500 - 1600	\$5.50	634	3,018	89%	\$5.75	622	2,739	81%	\$7.75	621	2,831	83%	\$6.75	651	3,125	92%	\$9.15	754	2,719	80%
1600 - 1700	\$5.35	454	2,869	84%	\$5.50	422	2,793	82%	\$7.50	420	2,784	82%	\$8.30	534	2,973	87%	\$8.95	542	2,878	85%
1700 - 1800	\$5.30	516	2,937	86%	\$5.40	479	2,765	81%	\$6.40	477	2,826	83%	\$8.70	429	2,565	75%	\$7.05	613	2,953	87%
1800 - 1900	\$5.50	674	2,802	82%	\$3.95	535	2,678	79%	\$3.95	651	2,921	86%	\$4.85	687	3,131	92%	\$6.55	692	2,674	79%
1900 - 2000	\$3.85	483	1,865	55%	\$3.85	714	2,787	82%	\$3.85	677	2,709	80%	\$5.60	617	2,434	72%	\$6.05	630	2,007	59%

PM Time	Monday 09/30/19				Tuesday 10/01/19				Wednesday 10/02/19				Thursday 10/03/19				Friday 10/04/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	419	2,572	76%																
1500 - 1600	\$5.50	663	3,141	92%																
1600 - 1700	\$5.35	445	2,851	84%																
1700 - 1800	\$5.30	545	3,162	93%																
1800 - 1900	\$5.50	635	2,573	76%																
1900 - 2000	\$3.85	482	1,951	57%																

OCTA WESTBOUND PEAK-HOUR VOLUMES

AM Time	Monday 09/02/19				Tuesday 09/03/19				Wednesday 09/04/19				Thursday 09/05/19				Friday 09/06/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$1.70	48	110	3%	\$3.05	825	2,582	76%	\$3.05	903	2,650	78%	\$3.05	879	2,633	77%	\$3.05	741	2,099	62%
0500 - 0600	\$1.70	77	217	6%	\$4.95	946	2,671	79%	\$4.95	942	2,490	73%	\$4.95	861	2,375	70%	\$4.70	836	2,459	72%
0600 - 0700	\$2.50	63	200	6%	\$5.15	610	2,059	61%	\$5.15	657	2,178	64%	\$5.15	715	2,219	65%	\$4.95	674	2,245	66%
0700 - 0800	\$2.50	150	353	10%	\$5.65	514	2,237	66%	\$5.65	461	2,149	63%	\$5.65	505	2,292	67%	\$5.50	444	2,061	61%
0800 - 0900	\$2.50	239	638	19%	\$5.15	323	2,244	66%	\$5.15	314	2,269	67%	\$5.15	345	2,226	65%	\$4.95	293	1,996	59%
0900 - 1000	\$3.70	449	1,008	30%	\$4.10	314	2,292	67%	\$4.10	285	2,312	68%	\$4.10	294	2,118	62%	\$4.10	305	1,848	54%

AM Time	Monday 09/09/19				Tuesday 09/10/19				Wednesday 09/11/19				Thursday 09/12/19				Friday 09/13/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	875	2,669	79%	\$3.05	831	2,581	76%	\$3.05	871	2,531	74%	\$3.05	881	2,543	75%	\$3.05	761	2,094	62%
0500 - 0600	\$4.95	934	2,547	75%	\$4.95	1002	2,766	81%	\$4.95	975	2,613	77%	\$4.95	948	2,589	76%	\$4.70	845	2,453	72%
0600 - 0700	\$5.15	651	2,129	63%	\$5.15	595	2,022	59%	\$5.15	676	2,238	66%	\$5.15	699	2,295	68%	\$4.95	633	2,196	65%
0700 - 0800	\$5.65	487	2,283	67%	\$5.65	508	2,216	65%	\$5.65	499	2,176	64%	\$5.65	506	2,279	67%	\$5.50	457	1,974	58%
0800 - 0900	\$5.15	295	2,120	62%	\$5.15	311	2,067	61%	\$5.15	333	2,226	65%	\$5.15	313	2,319	68%	\$4.95	325	1,948	57%
0900 - 1000	\$4.10	293	2,130	63%	\$4.10	282	2,159	64%	\$4.10	285	2,162	64%	\$4.10	305	2,212	65%	\$4.10	262	1,752	52%

AM Time	Monday 09/16/19				Tuesday 09/17/19				Wednesday 09/18/19				Thursday 09/19/19				Friday 09/20/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	863	2,649	78%	\$3.05	849	2,579	76%	\$3.05	927	2,690	79%	\$3.05	850	2,532	74%	\$3.05	734	2,052	60%
0500 - 0600	\$4.95	923	2,511	74%	\$4.95	1034	2,723	80%	\$4.95	914	2,478	73%	\$4.95	934	2,466	73%	\$4.70	887	2,507	74%
0600 - 0700	\$5.15	666	2,172	64%	\$5.15	624	2,054	60%	\$5.15	674	2,129	63%	\$5.15	665	2,226	65%	\$4.95	653	2,259	66%
0700 - 0800	\$5.65	476	2,230	66%	\$5.65	482	2,262	67%	\$5.65	534	2,342	69%	\$5.65	494	2,283	67%	\$5.50	427	1,963	58%
0800 - 0900	\$5.15	281	2,056	60%	\$5.15	336	2,291	67%	\$5.15	305	2,283	67%	\$5.15	328	2,229	66%	\$4.95	292	1,915	56%
0900 - 1000	\$4.10	278	2,016	59%	\$4.10	289	2,285	67%	\$4.10	276	2,208	65%	\$4.10	310	2,230	66%	\$4.10	291	1,870	55%

AM Time	Monday 09/23/19				Tuesday 09/24/19				Wednesday 09/25/19				Thursday 09/26/19				Friday 09/27/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	870	2,637	78%	\$3.05	797	2,689	79%	\$3.05	837	2,639	78%	\$3.05	881	2,606	77%	\$3.05	749	2,148	63%
0500 - 0600	\$4.95	747	2,274	67%	\$4.95	932	2,712	80%	\$4.95	816	2,492	73%	\$4.95	884	2,554	75%	\$4.70	759	2,303	68%
0600 - 0700	\$5.15	541	1,984	58%	\$5.15	627	2,063	61%	\$5.15	633	2,236	66%	\$5.15	651	2,204	65%	\$4.95	659	2,323	68%
0700 - 0800	\$5.65	460	2,138	63%	\$5.65	438	2,213	65%	\$5.65	453	2,211	65%	\$5.65	477	2,194	65%	\$5.50	457	2,039	60%
0800 - 0900	\$5.15	325	2,142	63%	\$5.15	284	2,133	63%	\$5.15	288	2,351	69%	\$5.15	274	2,242	66%	\$4.95	292	1,800	53%
0900 - 1000	\$4.10	258	2,089	61%	\$4.10	312	2,337	69%	\$4.10	256	2,255	66%	\$4.10	269	2,168	64%	\$4.10	387	1,785	53%

AM Time	Monday 09/30/19				Tuesday 10/01/19				Wednesday 10/02/19				Thursday 10/03/19				Friday 10/04/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	877	2,689	79%																
0500 - 0600	\$4.95	822	2,504	74%																
0600 - 0700	\$5.15	622	2,071	61%																
0700 - 0800	\$5.65	415	2,038	60%																
0800 - 0900	\$5.15	270	2,047	60%																
0900 - 1000	\$4.10	307	2,049	60%																

OCTA OPERATIONAL HIGHLIGHTS

On-road Operations

OCTA Customer Assistance Specialists (CAS) responded to 91 calls during the month of September. Of those calls, 77 were to assist disabled vehicles and 7 call to remove debris. There were 7 accidents in the Express Lanes and 1 of those accidents originated in the SR91 general-purpose lanes that affected the Express Lanes.

Electronic Toll and Traffic Management System Project Update

An agreement with Kapsch TrafficCom USA, Inc., (Kapsch) was executed in June 2018 to provide toll lane system integrator services for the design, installation, operations, and maintenance of the electronic toll and traffic management system for the 91 Express Lanes. This new lane system will be able to read the new 6C protocol as well as the current Title 21 protocol. Following RCTC's completion of their lane system installation on the 91 Express Lanes, OCTA completed installation of the lane system on the westbound gantries during a 55-hour closure on the weekend of August 23rd. The eastbound lane system installation is targeted for the weekend of October 4th.

6C Transition Update

In addition to the lane system replacement, the back-office system will need to be modified in order to process the new transponders and changes to the customer account plans. Modification to the back-office system will commence when the lane system installations for both OCTA and RCTC have been completed. Distribution of the new 6C transponders to customers will begin after the back-office system changes have been made. OCTA and RCTC have prepared a series of customer communication to be provided to customers to facilitate the transition to the new protocol and changes to the account plans.

Amendment to the Three-Party Operating Agreement

As referenced above, due to the back-office system changes, an amendment to the OCTA, RCTC, Cofiroute USA (CUSA) Operating Agreement is required. Staff from both OCTA and RCTC have been in negotiations with CUSA for the amendment. It is anticipated there will be no change to the maximum obligation of the contract. The amendment is expected to be finalized in the next few months.

FINANCIAL HIGHLIGHTS OCTA

91 Express Lanes Operating Statement

Description	YTD as of : 9/30/2019		YTD Variance	
	Actual ⁽¹⁾	Budget ⁽¹⁾	Dollar \$	Percent (%)
Operating revenues:				
Toll revenue	\$ 12,548,956.42	\$ 13,286,733.00	\$ (737,776.58)	(5.6)
Fee revenue	1,880,700.76	880,052.00	1,000,648.76	113.7
Total operating revenues	14,429,657.18	14,166,785.00	262,872.18	1.9
Operating expenses:				
Contracted services	1,516,906.78	1,849,260.00	332,353.22	18.0
Administrative fee	708,720.00	709,971.00	1,251.00	0.2
Other professional services	(8,268.66)	939,356.00	947,624.66	100.9
Credit card processing fees	312,561.54	355,590.00	43,028.46	12.1
Toll road account servicing	165,800.32	620,500.00	454,699.68	73.3
Other insurance expense	93,273.75	62,475.00	(30,798.75)	(49.3)
Toll road maintenance supply repairs	70,963.05	118,751.00	47,787.95	40.2
Patrol services	170,690.14	244,905.00	74,214.86	30.3
Building equipment repairs and maint	(32,873.57)	81,556.00	114,429.57	140.3
6C Transponders	-	62,500.00	62,500.00	100.0
Other services	(16,806.00)	8,749.00	25,555.00	292.1
Utilities	6,984.85	18,369.00	11,384.15	62.0
Office expense	(759.16)	88,805.00	89,564.16	100.9
Bad debt expense	35,916.31	-	(35,916.31)	N/A
Miscellaneous ⁽²⁾	3,121.20	29,620.00	26,498.80	89.5
Leases	93,289.00	114,954.00	21,665.00	18.8
Total operating expenses	3,119,519.55	5,305,361.00	2,185,841.45	41.2
Depreciation and amortization ⁽³⁾	851,208.01	-	(851,208.01)	N/A
Operating income (loss)	10,458,929.62	8,861,424.00	1,597,505.62	18.0
Nonoperating revenues (expenses):				
Reimbursement from Other Agencies	45,200.00	-	45,200.00	N/A
Interest income	1,551,032.50	949,023.00	602,009.50	63.4
Interest expense	(1,178,487.42)	(1,178,016.00)	(471.42)	(0.0)
Other	13,160.66	-	13,160.66	N/A
Total nonoperating revenues (expenses)	430,905.74	(228,993.00)	659,898.74	288.2
Transfers in	-	-	-	N/A
Transfers out	-	(5,000.00)	5,000.00	100.0
Net income (loss)	\$ 10,889,835.36	\$ 8,627,431.00	\$ 2,262,404.36	26.2

¹Actual amounts are accounted for on the accrual basis of accounting in an enterprise fund. Budget amounts are accounted for on a modified accrual basis of accounting.

²Miscellaneous expenses include: Bond Insurance Costs, Bank Service Charge, Transponder Materials.

³Depreciation and amortization are not budgeted items.

Capital Asset Activity

During the three months ending September 30, 2019, capital asset activities included \$5,920 for the computer equipment and \$97,358 for transponder purchases.

OPERATIONS OVERVIEW RCTC

TRAFFIC AND REVENUE STATISTICS FOR RCTC

Total traffic volume on the RCTC 91 Express Lanes for September 2019 was 1,300,290. This represents a daily average of 43,343. This is a 5.1% increase in total traffic volume from the same period last year, which totaled 1,237,747. Potential toll revenue for the month was \$5,361,366, which represents an increase of 24.5% from the prior year's total of \$4,307,975. Carpool percentage for the month was 24.29% as compared to the previous year's rate of 23.83%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the month of September 2019.

Current Month-to-Date (MTD) as of September 30, 2019

Trips	SEP-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	SEP-18 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	984,484	976,886	7,598	0.8%	942,845	4.4%
3+ Lanes	315,806	303,000	12,806	4.2%	294,902	7.1%
Total Gross Trips	1,300,290	1,279,886	20,404	1.6%	1,237,747	5.1%
Revenue						
Full Toll Lanes	\$5,326,713	\$3,809,843	\$1,516,870	39.8%	\$4,278,176	24.5%
3+ Lanes	\$34,653	\$0	\$34,653		\$29,799	16.3%
Total Gross Revenue	\$5,361,366	\$3,809,843	\$1,551,523	40.7%	\$4,307,975	24.5%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.41	\$3.90	\$1.51	38.7%	\$4.54	19.2%
Average 3+ Lanes	\$0.11	\$0.00	\$0.11		\$0.10	10.0%
Average Gross Revenue	\$4.12	\$2.98	\$1.14	38.3%	\$3.48	18.4%

The 2020 fiscal year-to-date (YTD) traffic volume is 3.3% higher when compared with the same period last year. The 2020 fiscal year-to-date revenue is 18.4% higher than for the same period last year. The traffic and revenue increases are attributed to higher demand and increase toll rates to manage the demand. Year-to-date average revenue per-trip is \$4.05.

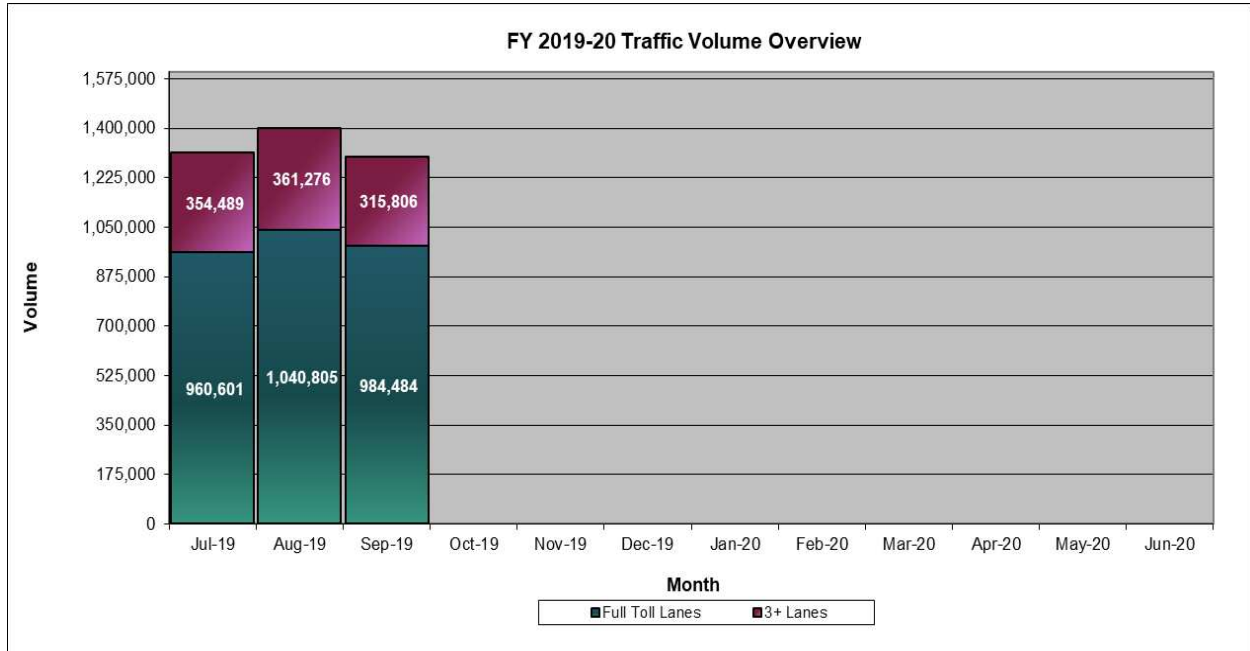
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the months of July 2019 through September 2019.

FY 2019-20 Year to Date as of September 30, 2019

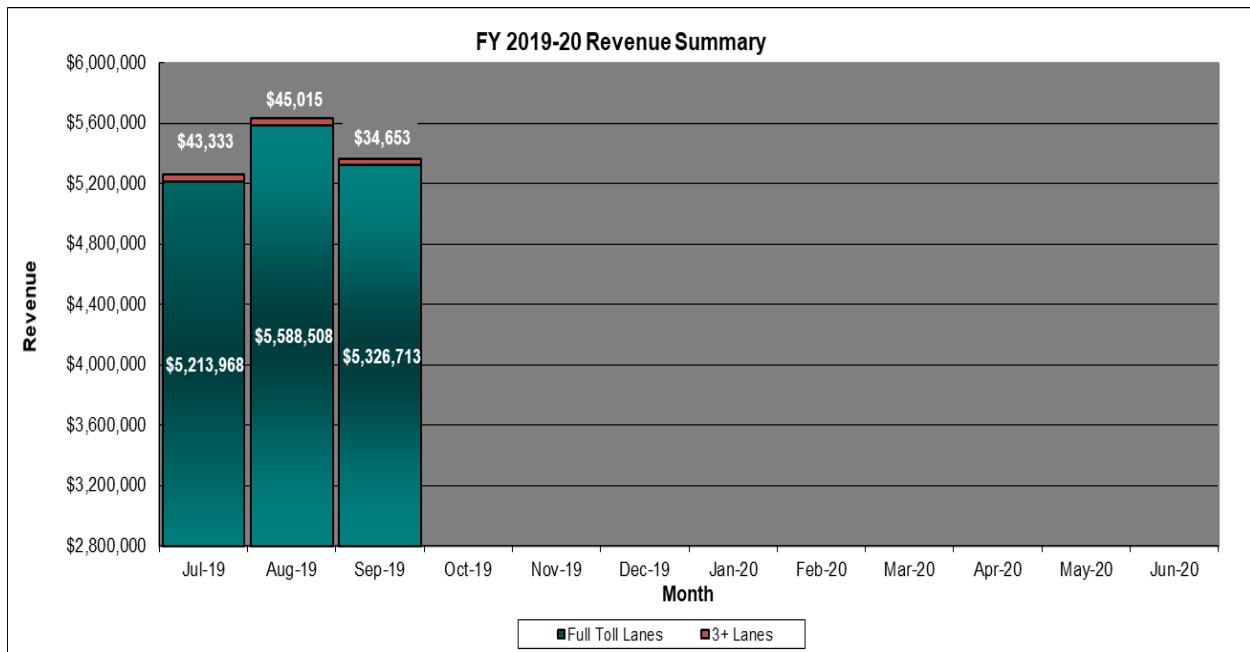
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	2,985,890	3,012,800	(26,910)	(0.9%)	2,944,870	1.4%
3+ Lanes	1,031,571	976,143	55,428	5.7%	944,106	9.3%
Total Gross Trips	4,017,461	3,988,943	28,518	0.7%	3,888,976	3.3%
Revenue						
Full Toll Lanes	\$16,129,189	\$11,740,443	\$4,388,746	37.4%	\$13,622,632	18.4%
3+ Lanes	\$123,001	\$0	\$123,001		\$107,755	14.1%
Total Gross Revenue	\$16,252,190	\$11,740,443	\$4,511,747	38.4%	\$13,730,387	18.4%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.40	\$3.90	\$1.50	38.5%	\$4.63	16.6%
Average 3+ Lanes	\$0.12	\$0.00	\$0.12		\$0.11	9.1%
Average Gross Revenue	\$4.05	\$2.94	\$1.11	37.8%	\$3.53	14.7%

RCTC Traffic and Revenue Summary

The chart below reflects the total trips broken down between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



RCTC PEAK-HOUR VOLUMES

RCTC evaluates traffic volumes for peak period hours where Express Lanes performance is degraded quarterly and either increases or decreases tolls. The next quarterly adjustment is scheduled for January 1, 2020.

RCTC EASTBOUND PEAK-HOUR VOLUMES

Eastbound PM Peak - County Line to McKinley

PM Time	Monday 09/02/19					Tuesday 09/03/19					Wednesday 09/04/19					Thursday 09/05/19					Friday 09/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.25	190	307	497	B	\$6.95	247	930	1,177	D	\$7.95	253	1,110	1,363	F	\$10.50	270	1,070	1,340	F	\$19.65	318	1,001	1,319	F
1500 - 1600	\$2.25	185	267	452	B	\$6.95	342	906	1,248	E	\$8.85	362	883	1,245	E	\$12.00	338	831	1,169	D	\$19.35	298	692	990	C
1600 - 1700	\$2.25	200	249	449	B	\$5.30	176	1,077	1,253	E	\$5.30	207	898	1,105	D	\$8.15	240	817	1,057	D	\$11.10	302	954	1,256	E
1700 - 1800	\$2.25	201	212	413	B	\$5.30	197	910	1,107	D	\$5.30	230	857	1,087	D	\$5.30	247	856	1,103	D	\$6.95	290	942	1,232	E
1800 - 1900	\$2.25	214	238	452	B	\$5.30	232	787	1,019	D	\$5.30	287	797	1,084	D	\$5.30	291	836	1,127	D	\$6.95	340	894	1,234	E
1900 - 2000	\$2.25	233	229	462	B	\$4.20	229	660	889	C	\$4.20	274	679	953	C	\$5.30	256	735	991	C	\$5.30	323	740	1,063	D

PM Time	Monday 09/09/19					Tuesday 09/10/19					Wednesday 09/11/19					Thursday 09/12/19					Friday 09/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	244	1,048	1,292	E	\$6.95	260	999	1,259	E	\$7.95	253	1,006	1,259	E	\$10.50	283	1,060	1,343	F	\$19.65	315	1,005	1,320	F
1500 - 1600	\$8.00	346	877	1,223	E	\$6.95	313	950	1,263	E	\$8.85	391	901	1,292	E	\$12.00	330	925	1,255	E	\$19.35	381	792	1,173	D
1600 - 1700	\$5.30	241	871	1,112	D	\$5.30	192	929	1,121	D	\$5.30	226	912	1,138	D	\$8.15	201	922	1,123	D	\$11.10	243	979	1,222	E
1700 - 1800	\$5.30	250	838	1,088	D	\$5.30	172	858	1,030	D	\$5.30	240	822	1,062	D	\$5.30	176	782	958	C	\$6.95	264	1,034	1,298	E
1800 - 1900	\$5.30	292	731	1,023	D	\$5.30	239	785	1,024	D	\$5.30	318	763	1,081	D	\$5.30	264	938	1,202	E	\$6.95	327	963	1,290	E
1900 - 2000	\$2.25	204	554	758	B	\$4.20	248	747	995	C	\$4.20	262	662	924	C	\$5.30	291	907	1,198	D	\$5.30	332	779	1,111	D

PM Time	Monday 09/16/19					Tuesday 09/17/19					Wednesday 09/18/19					Thursday 09/19/19					Friday 09/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	269	968	1,237	E	\$6.95	238	1,039	1,277	E	\$7.95	253	1,075	1,328	F	\$10.50	249	1,163	1,412	F	\$19.65	336	1,163	1,499	F
1500 - 1600	\$8.00	316	887	1,203	E	\$6.95	287	930	1,217	E	\$8.85	308	928	1,236	E	\$12.00	308	994	1,302	F	\$19.35	370	874	1,244	E
1600 - 1700	\$5.30	237	888	1,125	D	\$5.30	159	967	1,126	D	\$5.30	191	962	1,153	D	\$8.15	212	935	1,147	D	\$11.10	221	1,058	1,279	E
1700 - 1800	\$5.30	211	877	1,088	D	\$5.30	182	957	1,139	D	\$5.30	198	887	1,085	D	\$5.30	194	875	1,069	D	\$6.95	274	1,119	1,393	F
1800 - 1900	\$5.30	246	727	973	C	\$5.30	250	856	1,106	D	\$5.30	285	893	1,178	D	\$5.30	267	908	1,175	D	\$6.95	319	1,196	1,515	F
1900 - 2000	\$2.25	168	560	728	B	\$4.20	236	657	893	C	\$4.20	239	820	1,059	D	\$5.30	283	891	1,174	D	\$5.30	313	1,020	1,333	F

PM Time	Monday 09/23/19					Tuesday 09/24/19					Wednesday 09/25/19					Thursday 09/26/19					Friday 09/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	248	954	1,202	E	\$6.95	231	1,055	1,286	E	\$7.95	241	1,075	1,316	F	\$10.50	265	1,127	1,392	F	\$19.65	303	1,069	1,372	F
1500 - 1600	\$8.00	323	923	1,246	E	\$6.95	286	985	1,271	E	\$8.85	285	941	1,226	E	\$12.00	298	976	1,274	E	\$19.35	356	872	1,228	E
1600 - 1700	\$5.30	184	889	1,073	D	\$5.30	162	918	1,080	D	\$5.30	195	951	1,146	D	\$8.15	225	1,007	1,232	E	\$11.10	259	1,027	1,286	E
1700 - 1800	\$5.30	219	794	1,013	D	\$5.30	214	842	1,056	D	\$5.30	212	894	1,106	D	\$5.30	184	907	1,091	D	\$6.95	252	991	1,243	E
1800 - 1900	\$5.30	306	770	1,076	D	\$5.30	255	789	1,044	D	\$5.30	270	906	1,176	D	\$5.30	285	932	1,217	E	\$6.95	280	811	1,091	D
1900 - 2000	\$2.25	228	557	785	B	\$4.20	263	765	1,028	D	\$4.20	249	841	1,090	D	\$5.30	233	791	1,024	D	\$5.30	249	692	941	C

PM Time	Monday 09/30/19					Tuesday 10/01/19					Wednesday 10/02/19					Thursday 10/03/19					Friday 10/04/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	245	893	1,138	D																				
1500 - 1600	\$8.00	315	930	1,245	E																				
1600 - 1700	\$5.30	199	970	1,169	D																				
1700 - 1800	\$5.30	213	910	1,123	D																				
1800 - 1900	\$5.30	275	765	1,040	D																				
1900 - 2000	\$2.25	215	596	811	C																				

Eastbound PM Peak - County Line to I-15 South

PM Time	Monday 09/02/19					Tuesday 09/03/19					Wednesday 09/04/19					Thursday 09/05/19					Friday 09/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$1.95	113	167	280	A	\$2.95	126	704	830	C	\$2.95	129	771	900	C	\$5.30	143	768	911	C	\$5.30	146	656	802	C
1500 - 1600	\$1.95	115	161	276	A	\$2.95	155	568	723	B	\$5.30	163	632	795	B	\$5.30	146	597	743	B	\$2.95	143	437	580	B
1600 - 1700	\$1.95	87	163	250	A	\$2.95	92	663	755	B	\$2.95	99	605	704	B	\$2.95	123	556	679	B	\$2.95	152	581	733	B
1700 - 1800	\$1.95	99	150	249	A	\$2.95	107	561	668	B	\$2.95	127	563	690	B	\$2.95	133	636	769	B	\$2.95	124	566	690	B
1800 - 1900	\$1.95	130	144	274	A	\$2.95	126	584	710	B	\$2.95	151	611	762	B	\$2.95	142	587	729	B	\$2.95	129	525	654	B
1900 - 2000	\$1.95	143	160	303	A	\$2.95	130	546	676	B	\$2.95	165	502	667	B	\$2.95	168	567	735	B	\$2.95	163	484	647	B

PM Time	Monday 09/09/19					Tuesday 09/10/19					Wednesday 09/11/19					Thursday 09/12/19					Friday 09/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	126	691	817	C	\$2.95	138	731	869	C	\$2.95	149	789	938	C	\$5.30	126	761	887	C	\$5.30	167	764	931	C
1500 - 1600	\$2.95	177	650	827	C	\$2.95	178	635	813	C	\$5.30	183	627	810	C	\$5.30	144	645	789	B	\$2.95	143	521	664	B
1600 - 1700	\$2.95	134	645	779	B	\$2.95	85	672	757	B	\$2.95	122	601	723	B	\$2.95	101	589	690	B	\$2.95	125	652	777	B
1700 - 1800	\$2.95	125	554	679	B	\$2.95	85	616	701	B	\$2.95	118	554	672	B	\$2.95	104	537	641	B	\$2.95	142	668	810	C
1800 - 1900	\$2.95	137	483	620	B	\$2.95	122	543	665	B	\$2.95	166	562	728	B	\$2.95	133	612	745	B	\$2.95	144	677	821	C
1900 - 2000	\$2.95	123	392	515	B	\$2.95	136	543	679	B	\$2.95	161	552	713	B	\$2.95	152	653	805	C	\$2.95	194	608	802	C

PM Time	Monday 09/16/19					Tuesday 09/17/19					Wednesday 09/18/19					Thursday 09/19/19					Friday 09/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	129	638	767	B	\$2.95	125	690	815	C	\$2.95	143	801	944	C	\$5.30	117	737	854	C	\$5.30	164	694	858	C
1500 - 1600	\$2.95	143	647	790	B	\$2.95	128	675	803	C	\$5.30	151	605	756	B	\$5.30	127	664	791	B	\$2.95	166	594	760	B
1600 - 1700	\$2.95	114	560	674	B	\$2.95	115	695	810	C	\$2.95	88	647	735	B	\$2.95	86	618	704	B	\$2.95	108	584	692	B
1700 - 1800	\$2.95	100	618	718	B	\$2.95	96	584	680	B	\$2.95	112	606	718	B	\$2.95	94	579	673	B	\$2.95	121	624	745	B
1800 - 1900	\$2.95	140	524	664	B	\$2.95	123	636	759	B	\$2.95	129	589	718	B	\$2.95	123	542	665	B	\$2.95	146	663	809	C
1900 - 2000	\$2.95	104	365	469	B	\$2.95	158	491	649	B	\$2.95	138	599	737	B	\$2.95	173	569	742	B	\$2.95	158	569	727	B

PM Time	Monday 09/23/19					Tuesday 09/24/19					Wednesday 09/25/19					Thursday 09/26/19					Friday 09/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	123	647	770	B	\$2.95	118	749	867	C	\$2.95	149	840	989	C	\$5.30	129	819	948	C	\$5.30	162	768	930	C
1500 - 1600	\$2.95	148	687	835	C	\$2.95	143	643	786	B	\$5.30	167	657	824	C	\$5.30	150	690	840	C	\$2.95	172	630	802	C
1600 - 1700	\$2.95	102	638	740	B	\$2.95	97	654	751	B	\$2.95	73	626	699	B	\$2.95	125	679	804	C	\$2.95	111	623	734	B
1700 - 1800	\$2.95	126	569	695	B	\$2.95	104	579	683	B	\$2.95	110	620	730	B	\$2.95	96	515	611	B	\$2.95	101	591	692	B
1800 - 1900	\$2.95	179	552	731	B	\$2.95	103	572	675	B	\$2.95	141	598	739	B	\$2.95	140	617	757	B	\$2.95	135	544	679	B
1900 - 2000	\$2.95	121	403	524	B	\$2.95	142	633	775	B	\$2.95	146	600	746	B	\$2.95	141	545	686	B	\$2.95	130	388	518	B

PM Time	Monday 09/30/19					Tuesday 10/01/19					Wednesday 10/02/19					Thursday 10/03/19					Friday 10/04/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	110	656	766	B																				
1500 - 1600	\$2.95	148	738	886	C																				
1600 - 1700	\$2.95	102	634	736	B																				
1700 - 1800	\$2.95	111	673	784	B																				
1800 - 1900	\$2.95	143	559	702	B																				
1900 - 2000	\$2.95	129	399	528	B																				

RCTC WESTBOUND PEAK-HOUR VOLUMES

Westbound AM Peak - McKinley to County Line																									
	Monday09/02/17					Tuesday09/03/17					Wednesday09/04/17					Thursday09/05/17					Friday09/06/17				
AM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$1.55	17	29	46	A	\$9.45	449	1,071	1,520	F	\$9.45	514	1,174	1,688	F	\$9.45	504	1,074	1,578	F	\$5.30	433	704	1,137	D
0500 - 0600	\$1.55	39	64	103	A	\$21.45	640	959	1,599	F	\$18.40	581	706	1,287	E	\$18.15	496	627	1,123	D	\$10.85	540	1,025	1,565	F
0600 - 0700	\$1.55	30	63	93	A	\$18.10	355	790	1,145	D	\$18.05	440	938	1,378	F	\$18.05	549	998	1,547	F	\$10.10	536	1,158	1,694	F
0700 - 0800	\$1.55	89	133	222	A	\$15.00	405	1,225	1,630	F	\$15.75	384	1,136	1,520	F	\$13.95	434	1,299	1,733	F	\$7.95	377	1,244	1,621	F
0800 - 0900	\$1.55	159	255	414	B	\$10.10	252	1,386	1,638	F	\$10.10	247	1,346	1,593	F	\$10.85	297	1,515	1,812	F	\$6.95	240	1,216	1,456	F
0900 - 1000	\$2.25	238	327	565	B	\$7.95	185	1,320	1,505	F	\$6.95	175	1,311	1,486	F	\$7.95	172	1,223	1,395	F	\$4.20	168	912	1,080	D
	Monday09/09/17					Tuesday09/10/17					Wednesday09/11/17					Thursday09/12/17					Friday09/13/17				
AM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	504	1,074	1,578	F	\$9.45	440	1,029	1,469	F	\$9.45	482	1,049	1,531	F	\$9.45	481	1,067	1,548	F	\$5.30	416	725	1,141	D
0500 - 0600	\$21.90	591	805	1,396	F	\$21.45	704	1,005	1,709	F	\$18.40	566	721	1,287	E	\$18.15	614	757	1,371	F	\$10.85	530	986	1,516	F
0600 - 0700	\$20.20	428	832	1,260	E	\$18.10	368	751	1,119	D	\$18.05	495	943	1,438	F	\$18.05	476	968	1,444	F	\$10.10	493	1,172	1,665	F
0700 - 0800	\$15.00	425	1,238	1,663	F	\$15.00	443	1,203	1,646	F	\$15.75	425	1,180	1,605	F	\$13.95	404	1,295	1,699	F	\$7.95	392	1,228	1,620	F
0800 - 0900	\$10.10	271	1,426	1,697	F	\$10.10	275	1,420	1,695	F	\$10.10	266	1,432	1,698	F	\$10.85	205	1,422	1,627	F	\$6.95	201	1,186	1,387	F
0900 - 1000	\$6.95	161	1,155	1,316	E	\$7.95	169	1,208	1,377	F	\$6.95	210	1,156	1,366	F	\$7.95	138	1,186	1,324	E	\$4.20	134	877	1,011	D
	Monday09/16/17					Tuesday09/17/17					Wednesday09/18/17					Thursday09/19/17					Friday09/20/17				
AM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	483	1,082	1,565	F	\$9.45	483	1,073	1,556	F	\$9.45	530	1,123	1,653	F	\$9.45	473	1,088	1,561	F	\$5.30	415	691	1,106	D
0500 - 0600	\$21.90	563	779	1,342	E	\$21.45	693	963	1,656	F	\$18.40	535	695	1,230	E	\$18.15	543	669	1,212	E	\$10.85	538	1,042	1,580	F
0600 - 0700	\$20.20	432	836	1,268	E	\$18.10	397	784	1,181	D	\$18.05	492	886	1,378	F	\$18.05	481	942	1,423	F	\$10.10	523	1,214	1,737	F
0700 - 0800	\$15.00	402	1,265	1,667	F	\$15.00	401	1,235	1,636	F	\$15.75	449	1,256	1,705	F	\$13.95	416	1,285	1,701	F	\$7.95	380	1,236	1,616	F
0800 - 0900	\$10.10	170	1,396	1,566	F	\$10.10	191	1,440	1,631	F	\$10.10	190	1,427	1,617	F	\$10.85	152	1,456	1,608	F	\$6.95	147	1,220	1,367	F
0900 - 1000	\$6.95	176	1,091	1,267	E	\$7.95	154	1,198	1,352	F	\$6.95	171	1,303	1,474	F	\$7.95	152	1,237	1,389	F	\$4.20	159	954	1,113	D
	Monday09/23/17					Tuesday09/24/17					Wednesday09/25/17					Thursday09/26/17					Friday09/27/17				
AM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	439	1,132	1,571	F	\$9.45	368	1,265	1,633	F	\$9.45	422	1,160	1,582	F	\$9.45	492	1,077	1,569	F	\$5.30	389	735	1,124	D
0500 - 0600	\$21.90	458	917	1,375	F	\$21.45	601	994	1,595	F	\$18.40	428	804	1,232	E	\$18.15	509	817	1,326	E	\$10.85	435	959	1,394	F
0600 - 0700	\$20.20	324	948	1,272	E	\$18.10	348	836	1,184	D	\$18.05	384	989	1,373	F	\$18.05	370	976	1,346	E	\$10.10	434	1,218	1,652	F
0700 - 0800	\$15.00	289	1,268	1,557	F	\$15.00	310	1,394	1,704	F	\$15.75	325	1,255	1,580	F	\$13.95	378	1,205	1,583	F	\$7.95	322	1,337	1,659	F
0800 - 0900	\$10.10	119	1,502	1,621	F	\$10.10	148	1,451	1,599	F	\$10.10	185	1,507	1,692	F	\$10.85	228	1,414	1,642	F	\$6.95	169	1,167	1,336	E
0900 - 1000	\$6.95	136	1,099	1,235	E	\$7.95	195	1,267	1,462	F	\$6.95	191	1,297	1,488	F	\$7.95	176	1,195	1,371	F	\$4.20	208	740	948	C
	Monday09/30/17					Tuesday10/01/17					Wednesday10/02/17					Thursday10/03/17					Friday10/04/17				
AM Time	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$9.45	482	1,112	1,594	F																				
0500 - 0600	\$21.90	443	903	1,346	E																				
0600 - 0700	\$20.20	343	906	1,249	E																				
0700 - 0800	\$15.00	261	1,323	1,584	F																				
0800 - 0900	\$10.10	92	1,487	1,579	F																				
0900 - 1000	\$6.95	195	1,121	1,316	E																				

Westbound AM Peak - I-15 North to County Line

AM Time	Monday 09/02/19					Tuesday 09/03/19					Wednesday 09/04/19					Thursday 09/05/19					Friday 09/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$1.95	30	27	57	A	\$5.30	292	782	1,074	D	\$5.30	292	735	1,027	D	\$5.30	288	726	1,014	D	\$2.95	217	642	859	C
0500 - 0600	\$1.95	33	78	111	A	\$17.25	404	1,027	1,431	F	\$15.55	439	1,017	1,456	F	\$14.15	411	938	1,349	E	\$6.85	352	836	1,188	D
0600 - 0700	\$1.95	30	86	116	A	\$17.55	368	1,006	1,374	E	\$19.65	386	1,000	1,386	E	\$14.50	321	895	1,216	E	\$6.85	330	986	1,316	E
0700 - 0800	\$1.95	49	95	144	A	\$13.45	271	1,129	1,400	E	\$12.45	256	1,173	1,429	F	\$11.40	281	1,233	1,514	F	\$6.85	217	994	1,211	E
0800 - 0900	\$1.95	68	159	227	A	\$8.85	172	1,254	1,426	F	\$6.85	172	1,330	1,502	F	\$8.85	157	1,155	1,312	E	\$5.30	152	915	1,067	D
0900 - 1000	\$1.95	154	246	400	A	\$5.30	122	962	1,084	D	\$5.30	110	975	1,085	D	\$5.30	116	840	956	C	\$2.95	103	674	777	B

AM Time	Monday 09/09/19					Tuesday 09/10/19					Wednesday 09/11/19					Thursday 09/12/19					Friday 09/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	301	790	1,091	D	\$5.30	296	758	1,054	D	\$5.30	306	727	1,033	D	\$5.30	297	700	997	C	\$2.95	259	639	898	C
0500 - 0600	\$18.00	440	1,003	1,443	F	\$17.25	444	1,017	1,461	F	\$15.55	472	1,043	1,515	F	\$14.15	433	1,024	1,457	F	\$6.85	376	823	1,199	D
0600 - 0700	\$19.35	366	997	1,363	E	\$17.55	370	1,000	1,370	E	\$19.65	358	1,012	1,370	E	\$14.50	384	1,039	1,423	F	\$6.85	317	966	1,283	E
0700 - 0800	\$12.80	287	1,209	1,496	F	\$13.45	313	1,221	1,534	F	\$12.45	294	1,237	1,531	F	\$11.40	305	1,202	1,507	F	\$6.85	228	974	1,202	E
0800 - 0900	\$8.85	175	1,155	1,330	E	\$8.85	177	1,390	1,567	F	\$6.85	174	1,266	1,440	F	\$8.85	145	1,250	1,395	E	\$5.30	131	896	1,027	D
0900 - 1000	\$5.30	109	855	964	C	\$5.30	118	918	1,036	D	\$5.30	133	990	1,123	D	\$5.30	99	907	1,006	D	\$2.95	67	672	739	B

AM Time	Monday 09/16/19					Tuesday 09/17/19					Wednesday 09/18/19					Thursday 09/19/19					Friday 09/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	297	787	1,084	D	\$5.30	284	730	1,014	D	\$5.30	303	782	1,085	D	\$5.30	287	727	1,014	D	\$2.95	251	628	879	C
0500 - 0600	\$18.00	412	985	1,397	E	\$17.25	427	1,002	1,429	F	\$15.55	424	1,027	1,451	F	\$14.15	438	1,034	1,472	F	\$6.85	350	869	1,219	E
0600 - 0700	\$19.35	389	1,001	1,390	E	\$17.55	374	1,024	1,398	E	\$19.65	374	1,034	1,408	F	\$14.50	397	1,067	1,464	F	\$6.85	327	1,004	1,331	E
0700 - 0800	\$12.80	299	1,210	1,509	F	\$13.45	302	1,211	1,513	F	\$12.45	293	1,220	1,513	F	\$11.40	286	1,241	1,527	F	\$6.85	227	962	1,189	D
0800 - 0900	\$8.85	141	1,168	1,309	E	\$8.85	118	1,384	1,502	F	\$6.85	155	1,266	1,421	F	\$8.85	79	1,166	1,245	E	\$5.30	101	945	1,046	D
0900 - 1000	\$5.30	111	767	878	C	\$5.30	101	977	1,078	D	\$5.30	92	939	1,031	D	\$5.30	90	928	1,018	D	\$2.95	93	661	754	B

AM Time	Monday 09/23/19					Tuesday 09/24/19					Wednesday 09/25/19					Thursday 09/26/19					Friday 09/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	243	829	1,072	D	\$5.30	225	880	1,105	D	\$5.30	241	836	1,077	D	\$5.30	299	751	1,050	D	\$2.95	238	664	902	C
0500 - 0600	\$18.00	316	1,217	1,533	F	\$17.25	369	1,070	1,439	F	\$15.55	324	1,177	1,501	F	\$14.15	375	1,101	1,476	F	\$6.85	268	857	1,125	D
0600 - 0700	\$19.35	280	1,129	1,409	F	\$17.55	349	1,070	1,419	F	\$19.65	304	1,090	1,394	E	\$14.50	310	1,109	1,419	F	\$6.85	315	1,149	1,464	F
0700 - 0800	\$12.80	195	1,271	1,466	F	\$13.45	211	1,305	1,516	F	\$12.45	210	1,258	1,468	F	\$11.40	263	1,253	1,516	F	\$6.85	205	1,032	1,237	E
0800 - 0900	\$8.85	113	1,312	1,425	F	\$8.85	93	1,330	1,423	F	\$6.85	118	1,353	1,471	F	\$8.85	170	1,364	1,534	F	\$5.30	113	875	988	C
0900 - 1000	\$5.30	88	898	986	C	\$5.30	106	1,060	1,166	D	\$5.30	111	970	1,081	D	\$5.30	118	852	970	C	\$2.95	125	659	784	B

AM Time	Monday 09/30/19					Tuesday 10/01/19					Wednesday 10/02/19					Thursday 10/03/19					Friday 10/04/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	254	834	1,088	D																				
0500 - 0600	\$18.00	308	1,167	1,475	F																				
0600 - 0700	\$19.35	287	1,122	1,409	F																				
0700 - 0800	\$12.80	199	1,220	1,419	F																				
0800 - 0900	\$8.85	59	1,284	1,343	E																				
0900 - 1000	\$5.30	91	819	910	C																				

RCTC OPERATIONAL HIGHLIGHTS

On-road Operations

RCTC Freeway Service Patrol (FSP) responded to 85 calls during the month of September. Of those calls, 71 were to assist disabled vehicles, 6 were to remove debris, and 8 were in response to accidents.

6C Transponder Technology

Planning for the transition to the new transponder technology is underway. The lane systems have been upgraded. Changes to the back-office system to process the new transponders and make changes to the customer account plans are being finalized and will be released to the customer along with the new sticker transponders in December of this year. A series of customer communication has been developed and will be mailed or emailed to customers over a period of several months.

FINANCIAL HIGHLIGHTS RCTC

RCTC 91 Express Lanes Operating Statement

Description	YTD as of :		YTD Variance	
	Actual ¹	Budget	Dollar \$	Percent (%)
Operating revenues:				
Toll Revenue	\$ 15,169,825.81	\$ 9,147,275.00	\$ 6,022,550.81	65.8
Fee Revenue	2,009,382.91	1,320,075.00	689,307.91	52.2
Total operating revenues	17,179,208.72	10,467,350.00	6,711,858.72	64.1
Operating expenses:				
Salaries and Benefits	241,854.05	338,350.00	96,495.95	28.5
Legal Services	36,291.03	87,500.00	51,208.97	58.5
Advisory Services	3,008.33	18,750.00	15,741.67	84.0
Audit and Accounting Fees	-	11,750.00	11,750.00	100.0
Service Fees	(567.66) ²	6,500.00	7,067.66	108.7
Other Professional Services	(11,452.10) ²	368,975.00	380,427.10	103.1
Lease Expense	56,465.41	64,125.00	7,659.59	11.9
Operations	950,662.70	907,125.00	(43,537.70)	(4.8)
Utilities	(1,229.96) ²	15,625.00	16,854.96	107.9
Supplies and Materials	178.95	1,250.00	1,071.05	85.7
Membership and Subscription Fees	6,148.25	6,250.00	101.75	1.6
Office Equipment & Furniture (Non-Capital)	-	1,250.00	1,250.00	100.0
Maintenance/Repairs	45,290.68	87,450.00	42,159.32	48.2
Training Seminars and Conferences	-	1,125.00	1,125.00	100.0
Transportation Expenses	79.84	1,875.00	1,795.16	95.7
Lodging	840.90	1,750.00	909.10	51.9
Meals	302.88	250.00	(52.88)	(21.2)
Other Staff Expenses	123.00	250.00	127.00	50.8
Advertising	(2,950.50) ²	47,500.00	50,450.50	106.2
Program Management	13,773.73	-	(13,773.73)	N/A
Program Operations	1,927,759.33	2,664,175.00	736,415.67	27.6
Litigation Settlement	-	2,500.00	2,500.00	100.0
Furniture & Equipment	(0.16) ²	187,500.00	187,500.16	100.0
Improvements	16,032.27	4,025.00	(12,007.27)	(298.3)
Bad Debt Expense	(1.40)	-	1.40	N/A
Total operating expenses	3,282,609.57	4,825,850.00	1,543,240.43	32.0
Operating income (loss)	13,896,599.15	5,641,500.00	8,255,099.15	146.3
Nonoperating revenues (expenses):				
Interest Revenue	578,455.37	380,525.00	197,930.37	(52.0)
Other Miscellaneous Revenue	580,497.11	-	580,497.11	N/A
Interest Expense	(5,393,267.00)	(1,779,975.00)	(3,613,292.00)	203.0
Total nonoperating revenues (expenses)	(4,234,314.52)	(1,399,450.00)	(2,834,864.52)	(202.6)
Transfers In	-	-	-	N/A
Transfers Out	-	(764,875.00)	764,875.00	(100.0)
Net income (loss)	\$ 9,662,284.63	\$ 3,477,175.00	\$ 6,185,109.63	177.9

¹ Unaudited

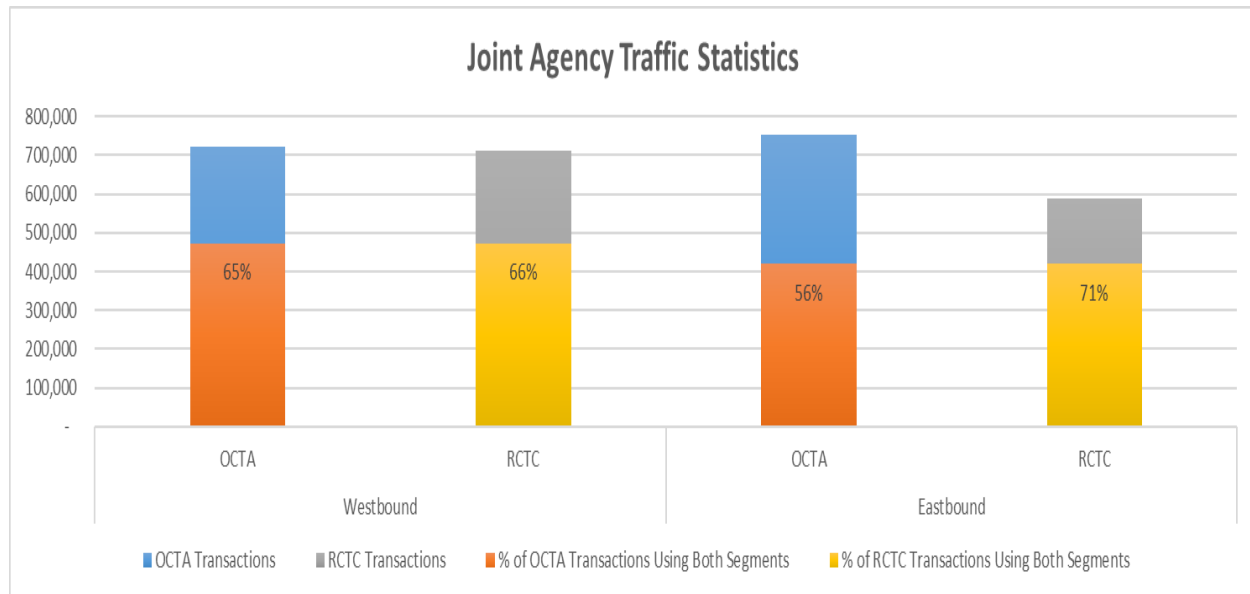
² Negatives are the result of FY2018/19 accruals

JOINT AGENCY TRIP AND REVENUE STATISTICS

MONTH ENDING September 30, 2019

MTD	Transactions by Agency	Transactions Using Both Segments	% Using Both Segments	Revenue
Westbound				
OCTA	723,414	473,075	65%	\$ 1,854,653
RCTC	712,047	473,075	66%	\$ 3,536,922
I-15	306,579	208,441	68%	\$ 1,534,134
McKinley	405,468	264,634	65%	\$ 2,002,788
Eastbound				
OCTA	754,167	420,146	56%	\$ 2,585,695
RCTC	588,243	420,146	71%	\$ 1,824,444
I-15	220,731	168,220	76%	\$ 473,835
McKinley	367,512	251,926	69%	\$ 1,350,609

JOINT AGENCY TRAFFIC STATISTICS



JOINT AGENCY PERFORMANCE MEASURES

REPORTING REQUIREMENT	Reporting Period	PERFORMANCE STANDARD	Sep-19 Performance
CUSTOMER SERVICE			
Call Wait Time	Monthly	Not to exceed 2 minutes	1:48
Abandon Rate	Monthly	No more than 4.0%	2.7%
Customer Satisfaction	Monthly	At least 75 outbound calls	76
VIOLATION PROCESSING			
Response Time	Monthly	Within 2 business days of receipt	0.8
CUSA Violation Collection Rate	Quarterly	70% or more	71%
CUSA Violation Collection Rate	Annually	74% or more	
TRAFFIC OPERATIONS			
Initial & Secondary Reviews	Monthly	Equal to or less than 15 days	0.8
* Plate Misread Errors	Monthly	Equal to or less than 0.4%	0.01%
CAS Response Time	Monthly	0:20 (minutes) per call	0:08
ACCOUNTING			
OCTA Exceptions	Monthly	No more than 3	0
RCTC Exceptions	Monthly	No more than 3	0
INFORMATION TECHNOLOGY			
Back-office System Uptime	Monthly	99% Availability	100%
Network Uptime	Monthly	99% Availability	100%

CUSA = Cofiroute USA; CAS = OCTA Customer Assistance Specialists

* Plate Misread Error performance is current after a 60-day hold-back period; therefore, percentage reported here is for 2 months prior to the month of this report.

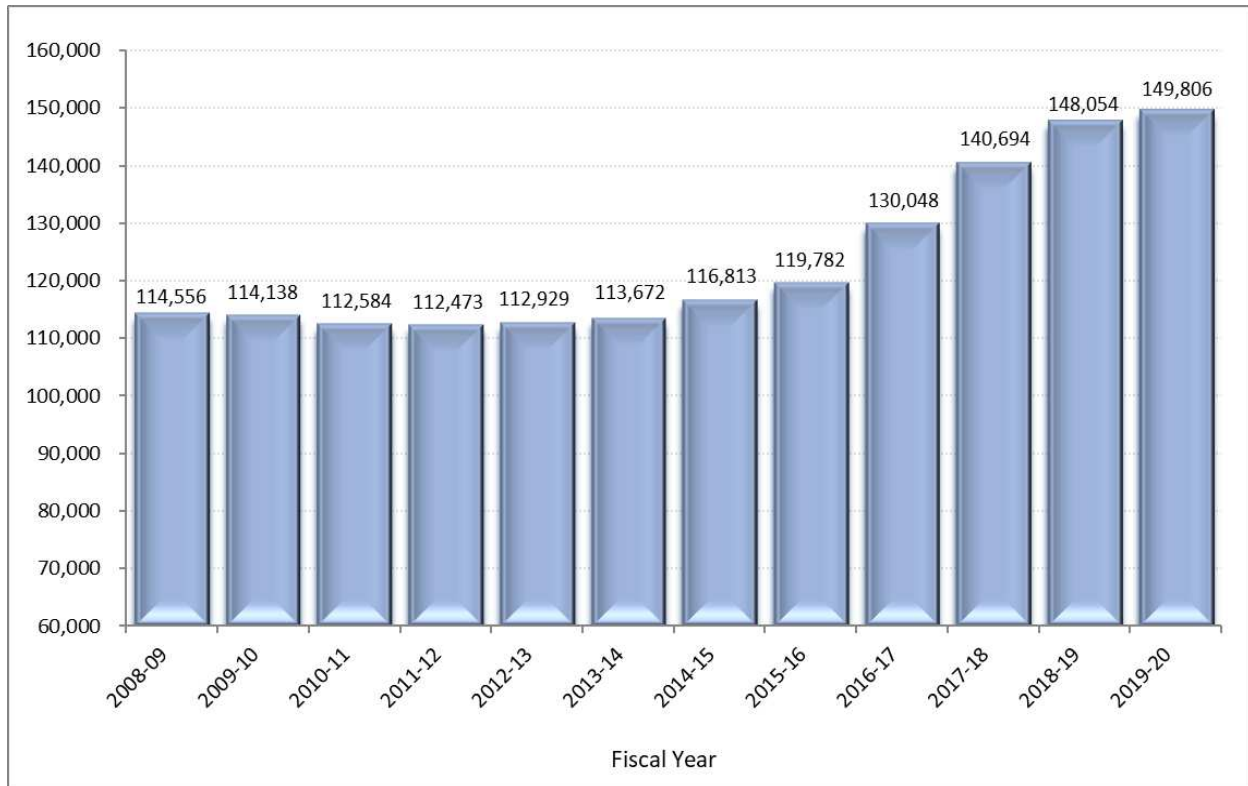
JOINT AGENCY TRANSPONDER DISTRIBUTION

TRANSPONDER DISTRIBUTION	September-19		August-19		FY 2019-20	
	Tags	% of Total	Tags	% of Total	Average To-Date	
Issued						
To New Accounts	1,640	54.7%	1,586	52.1%	1,556	51.2%
Additional Tags to Existing Accounts	865	28.9%	889	29.2%	891	29.3%
Replacement Transponders	492	16.4%	567	18.6%	591	19.4%
Total Issued	2,997		3,042		3,038	
Returned						
Account Closures	588	40.8%	440	39.9%	511	39.3%
Accounts Downsizing	218	15.1%	114	10.3%	167	12.8%
Defective Transponders	635	44.1%	550	49.8%	622	47.8%
Total Returned	1,441		1,104		1,300	

At the end of September 2019, the 91 Express Lanes had 149,806 active customer accounts, and 228,436 transponders classified as Assigned.

Number of Accounts by Fiscal Year

As of September 30, 2019



Incoming Email Activity

During September, the Anaheim Processing Center received 3,608 emails.



**Orange County Transportation Authority
Riverside County Transportation Commission**



Status Report
October 2019

As of October 31, 2019

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OPERATIONS OVERVIEW OCTA

TRAFFIC AND REVENUE STATISTICS FOR OCTA

Total traffic volume on the OCTA 91 Express Lanes for October 2019 was 1,527,291. This represents a daily average of 49,267. This is a 1.5% increase in total traffic volume from the same period last year, which totaled 1,505,256. Potential toll revenue for the month was \$4,789,084, which represents an increase of 5.1% from the prior year's total of \$4,557,905. Carpool percentage for the month was 23.54% as compared to the previous year's rate of 24.57%.

Month-to-date traffic and revenue data is summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the month of October 2019.

Current Month-to-Date (MTD) as of October 31, 2019

Trips	Oct-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	Oct-18 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	1,167,703	1,154,999	12,704	1.1%	1,135,413	2.8%
3+ Lanes	359,588	313,294	46,294	14.8%	369,843	(2.8%)
Total Gross Trips	1,527,291	1,468,293	58,998	4.0%	1,505,256	1.5%
Revenue						
Full Toll Lanes	\$4,718,326	\$4,782,171	(\$63,845)	(1.3%)	\$4,480,483	5.3%
3+ Lanes	\$70,758	\$87,220	(\$16,461)	(18.9%)	\$77,422	(8.6%)
Total Gross Revenue	\$4,789,084	\$4,869,390	(\$80,306)	(1.6%)	\$4,557,905	5.1%
Average Revenue per Trip						
Average Full Toll Lanes	\$4.04	\$4.14	(\$0.10)	(2.4%)	\$3.95	2.3%
Average 3+ Lanes	\$0.20	\$0.28	(\$0.08)	(28.6%)	\$0.21	(4.8%)
Average Gross Revenue	\$3.14	\$3.32	(\$0.18)	(5.4%)	\$3.03	3.6%

The 2020 fiscal year-to-date traffic volume increased by 2.1% and potential toll revenue increased by 3.4%, when compared with the same period last year. Year-to-date average revenue per-trip is \$3.01.

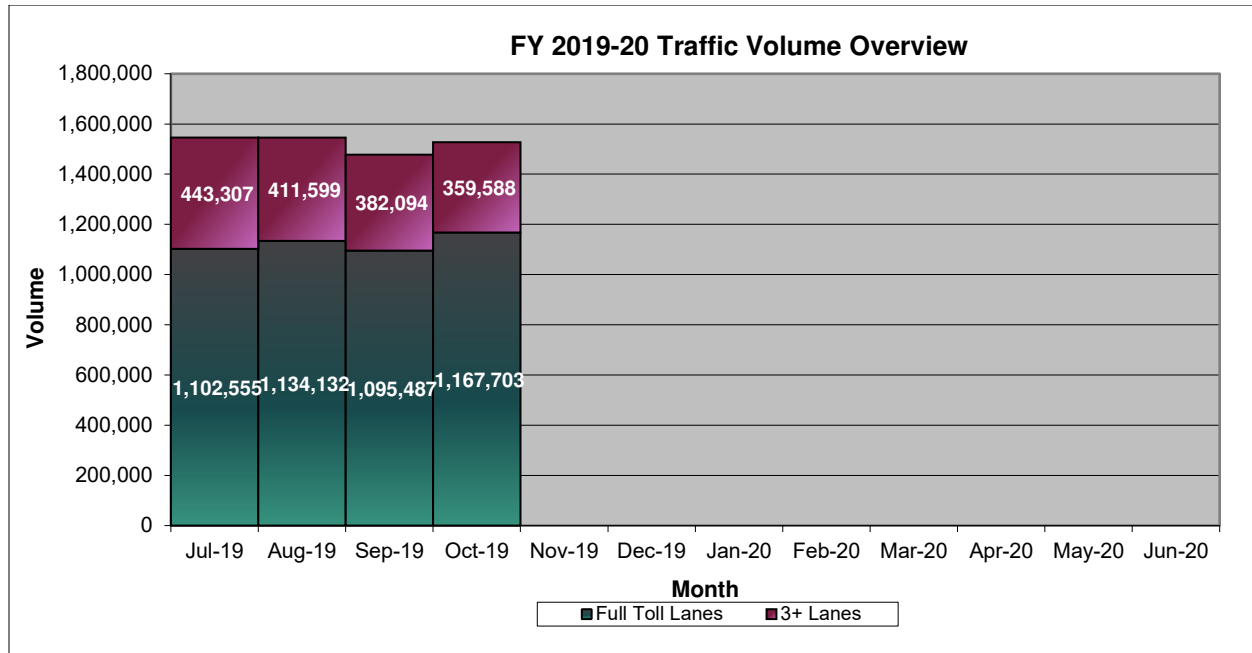
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the months of July 2019 through October 2019.

FY 2019-20 Year to Date as of October 31, 2019

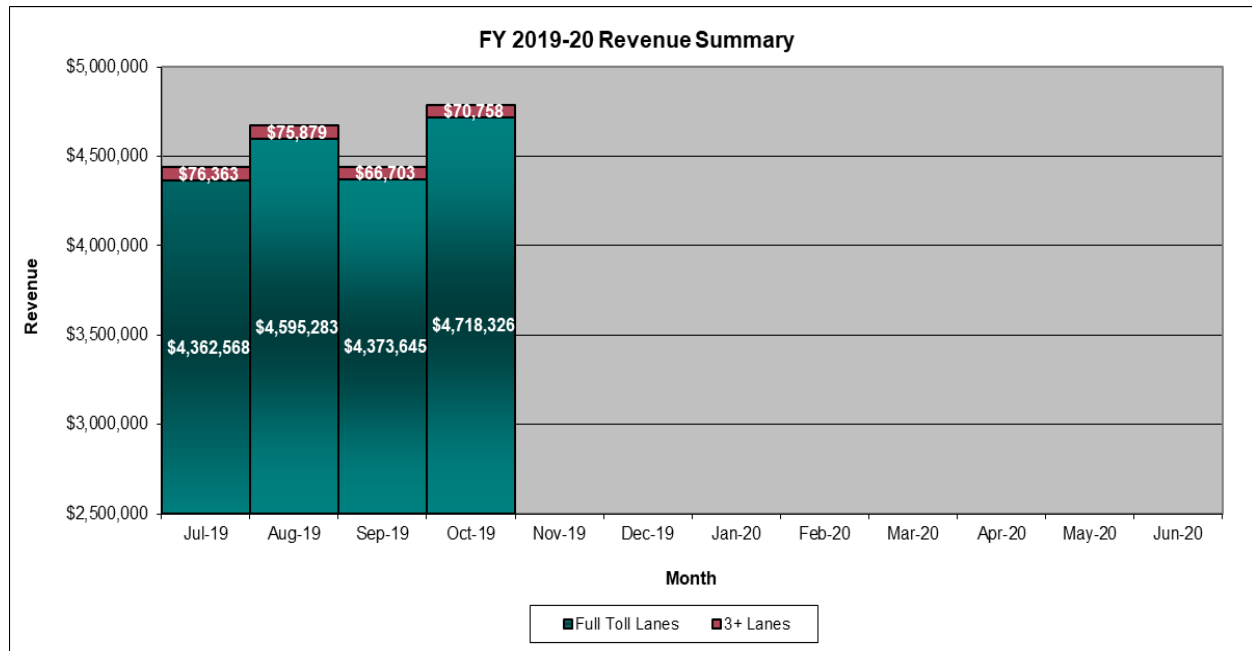
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	4,499,877	4,470,930	28,947	0.6%	4,415,720	1.9%
3+ Lanes	1,596,588	1,353,726	242,862	17.9%	1,557,263	2.5%
Total Gross Trips	6,096,465	5,824,655	271,810	4.7%	5,972,983	2.1%
Revenue						
Full Toll Lanes	\$18,049,821	\$18,610,940	(\$561,119)	(3.0%)	\$17,424,865	3.6%
3+ Lanes	\$289,703	\$339,304	(\$49,601)	(14.6%)	\$305,727	(5.2%)
Total Gross Revenue	\$18,339,524	\$18,950,244	(\$610,720)	(3.2%)	\$17,730,593	3.4%
Average Revenue per Trip						
Average Full Toll Lanes	\$4.01	\$4.16	(\$0.15)	(3.6%)	\$3.95	1.5%
Average 3+ Lanes	\$0.18	\$0.25	(\$0.07)	(28.0%)	\$0.20	(10.0%)
Average Gross Revenue	\$3.01	\$3.25	(\$0.24)	(7.4%)	\$2.97	1.3%

OCTA Traffic and Revenue Summary

The chart below reflects the total trips breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



Peak traffic hour in the eastbound direction reached or exceeded 90% or more of defined capacity 21 times during the month of October 2019. As demonstrated on the next chart, westbound peak hour traffic volumes top out at 85% of defined capacity.

OCTA EASTBOUND PEAK-HOUR VOLUMES

PM Time	Monday 09/30/19				Tuesday 10/01/19				Wednesday 10/02/19				Thursday 10/03/19				Friday 10/04/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500					\$5.15	419	2,924	86%	\$5.15	468	3,028	89%	\$6.70	482	3,152	93%	\$7.10	489	3,169	93%
1500 - 1600					\$5.75	657	2,741	81%	\$7.75	651	2,866	84%	\$6.75	630	3,020	89%	\$9.15	682	2,650	78%
1600 - 1700					\$5.50	397	2,878	85%	\$7.50	475	3,113	92%	\$8.30	456	2,610	77%	\$8.95	461	2,742	81%
1700 - 1800					\$5.40	481	2,921	86%	\$6.40	513	3,030	89%	\$8.20	482	2,872	84%	\$7.05	535	2,849	84%
1800 - 1900					\$3.95	663	2,950	87%	\$3.95	680	3,027	89%	\$4.85	647	3,090	91%	\$6.55	707	2,912	86%
1900 - 2000					\$3.85	654	2,595	76%	\$3.85	588	2,298	68%	\$5.60	612	2,373	70%	\$6.05	616	2,114	62%

PM Time	Monday 10/07/19				Tuesday 10/08/19				Wednesday 10/09/19				Thursday 10/10/19				Friday 10/11/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	423	2,553	75%	\$5.15	442	2,947	87%	\$5.15	433	3,015	89%	\$6.70	468	3,151	93%	\$7.10	559	3,231	95%
1500 - 1600	\$5.50	626	2,953	87%	\$5.75	644	2,831	83%	\$7.75	605	2,848	84%	\$6.75	645	2,979	88%	\$9.15	701	2,666	78%
1600 - 1700	\$5.35	469	3,015	89%	\$5.50	436	2,945	87%	\$7.50	411	2,711	80%	\$8.30	342	1,765	52%	\$8.95	458	2,646	78%
1700 - 1800	\$5.30	499	2,982	88%	\$5.40	544	3,105	91%	\$6.40	452	2,827	83%	\$8.20	519	2,897	85%	\$7.05	517	2,681	79%
1800 - 1900	\$5.50	624	2,678	79%	\$3.95	651	3,022	89%	\$3.95	649	2,938	86%	\$4.85	615	2,790	82%	\$6.55	693	2,851	84%
1900 - 2000	\$3.85	478	1,866	55%	\$3.85	554	2,304	68%	\$3.85	684	2,679	79%	\$5.60	709	2,817	83%	\$6.05	629	2,181	64%

PM Time	Monday 10/14/19				Tuesday 10/15/19				Wednesday 10/16/19				Thursday 10/17/19				Friday 10/18/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	422	2,427	71%	\$5.15	426	2,859	84%	\$5.15	424	2,945	87%	\$6.70	459	3,269	96%	\$7.10	480	3,206	94%
1500 - 1600	\$5.50	681	3,141	92%	\$5.75	622	2,784	82%	\$7.75	586	2,855	84%	\$6.75	586	3,007	88%	\$9.15	667	2,627	77%
1600 - 1700	\$5.35	450	2,872	84%	\$5.50	394	2,741	81%	\$7.50	420	2,890	85%	\$8.30	402	2,597	76%	\$8.95	398	2,664	78%
1700 - 1800	\$5.30	455	2,989	88%	\$5.40	468	2,890	85%	\$6.40	470	2,991	88%	\$8.20	492	2,945	87%	\$7.05	516	2,718	80%
1800 - 1900	\$5.50	605	2,466	73%	\$3.95	686	3,040	89%	\$3.95	703	3,080	91%	\$4.85	698	3,101	91%	\$6.55	636	2,759	81%
1900 - 2000	\$3.85	506	1,612	47%	\$3.85	632	2,521	74%	\$3.85	612	2,188	64%	\$5.60	604	2,428	71%	\$6.05	653	2,290	67%

PM Time	Monday 10/21/19				Tuesday 10/22/19				Wednesday 10/23/19				Thursday 10/24/19				Friday 10/25/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	357	2,615	77%	\$5.15	381	2,807	83%	\$5.15	386	2,702	79%	\$6.70	430	3,187	94%	\$7.10	433	3,145	93%
1500 - 1600	\$5.50	598	2,991	88%	\$5.75	591	2,782	82%	\$7.75	403	1,574	46%	\$6.75	550	2,991	88%	\$9.15	607	2,615	77%
1600 - 1700	\$5.35	414	2,919	86%	\$5.50	365	2,873	85%	\$7.50	427	2,739	81%	\$8.30	375	2,596	76%	\$8.95	426	2,810	83%
1700 - 1800	\$5.30	494	2,954	87%	\$5.40	460	2,926	86%	\$6.40	428	2,776	82%	\$8.20	459	2,876	85%	\$7.05	472	2,815	83%
1800 - 1900	\$5.50	596	2,645	78%	\$3.95	604	2,980	88%	\$3.95	590	2,909	86%	\$4.85	618	2,918	86%	\$6.55	645	2,782	82%
1900 - 2000	\$3.85	516	1,910	56%	\$3.85	621	2,506	74%	\$3.85	682	2,932	86%	\$5.60	322	1,315	39%	\$6.05	661	2,300	68%

PM Time	Monday 10/28/19				Tuesday 10/29/19				Wednesday 10/30/19				Thursday 10/31/19				Friday 11/01/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	388	2,645	78%	\$5.15	365	2,833	83%	\$5.15	419	3,174	93%	\$6.70	386	3,237	95%				
1500 - 1600	\$5.50	519	2,788	82%	\$5.75	587	2,776	82%	\$7.75	565	2,943	87%	\$6.75	550	3,102	91%				
1600 - 1700	\$5.35	438	2,816	83%	\$5.50	399	2,977	88%	\$7.50	453	2,981	88%	\$8.30	483	2,722	80%				
1700 - 1800	\$5.30	447	3,044	90%	\$5.40	400	2,606	77%	\$6.40	418	2,890	85%	\$8.20	515	3,078	91%				
1800 - 1900	\$5.50	692	2,972	87%	\$3.95	663	3,065	90%	\$3.95	594	2,832	83%	\$4.85	577	3,128	92%				
1900 - 2000	\$3.85	520	2,000	59%	\$3.85	639	2,588	76%	\$3.85	613	2,396	70%	\$5.60	425	1,651	49%				

OCTA WESTBOUND PEAK-HOUR VOLUMES

AM Time	Monday 09/30/19				Tuesday 10/01/19				Wednesday 10/02/19				Thursday 10/03/19				Friday 10/04/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500					\$3.05	799	2,667	78%	\$3.05	820	2,513	74%	\$3.05	839	2,585	76%	\$3.05	716	2,037	60%
0500 - 0600					\$4.95	892	2,629	77%	\$4.95	894	2,761	81%	\$4.95	919	2,650	78%	\$4.70	824	2,429	71%
0600 - 0700					\$5.15	603	2,088	61%	\$5.15	632	1,930	57%	\$5.15	659	1,994	59%	\$4.95	609	2,103	62%
0700 - 0800					\$5.65	426	2,159	64%	\$5.65	470	2,214	65%	\$5.65	418	2,139	63%	\$5.50	418	1,962	58%
0800 - 0900					\$5.15	262	2,080	61%	\$5.15	271	2,127	63%	\$5.15	283	2,090	61%	\$4.95	280	1,999	59%
0900 - 1000					\$4.10	300	2,182	64%	\$4.10	285	2,072	61%	\$4.10	241	2,090	61%	\$4.10	288	1,894	56%

AM Time	Monday 10/07/19				Tuesday 10/08/19				Wednesday 10/09/19				Thursday 10/10/19				Friday 10/11/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	858	2,656	78%	\$3.05	778	2,617	77%	\$3.05	869	2,617	77%	\$3.05	796	2,529	74%	\$3.05	696	2,233	66%
0500 - 0600	\$4.95	910	2,592	76%	\$4.95	884	2,615	77%	\$4.95	858	2,644	78%	\$4.95	879	2,748	81%	\$4.70	795	2,811	83%
0600 - 0700	\$5.15	516	1,733	51%	\$5.15	622	2,029	60%	\$5.15	651	1,988	58%	\$5.15	602	1,965	58%	\$4.95	621	2,413	71%
0700 - 0800	\$5.65	437	2,117	62%	\$5.65	458	2,166	64%	\$5.65	500	2,237	66%	\$5.65	471	2,192	64%	\$5.50	451	2,138	63%
0800 - 0900	\$5.15	297	2,207	65%	\$5.15	250	2,064	61%	\$5.15	298	2,118	62%	\$5.15	258	2,112	62%	\$4.95	264	1,870	55%
0900 - 1000	\$4.10	300	2,137	63%	\$4.10	259	2,117	62%	\$4.10	288	2,138	63%	\$4.10	270	2,090	61%	\$4.10	303	1,868	55%

AM Time	Monday 10/14/19				Tuesday 10/15/19				Wednesday 10/16/19				Thursday 10/17/19				Friday 10/18/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	793	2,588	76%	\$3.05	816	2,637	78%	\$3.05	800	2,639	78%	\$3.05	802	2,659	78%	\$3.05	637	2,077	61%
0500 - 0600	\$4.95	759	2,356	69%	\$4.95	888	2,657	78%	\$4.95	881	2,785	82%	\$4.95	881	2,717	80%	\$4.70	787	2,504	74%
0600 - 0700	\$5.15	562	1,897	56%	\$5.15	562	2,021	59%	\$5.15	657	2,058	61%	\$5.15	618	1,954	57%	\$4.95	636	2,103	62%
0700 - 0800	\$5.65	428	2,067	61%	\$5.65	497	2,231	66%	\$5.65	443	2,208	65%	\$5.65	438	2,206	65%	\$5.50	411	1,868	55%
0800 - 0900	\$5.15	276	1,839	54%	\$5.15	255	2,073	61%	\$5.15	297	2,166	64%	\$5.15	287	2,128	63%	\$4.95	266	1,953	57%
0900 - 1000	\$4.10	312	1,773	52%	\$4.10	286	2,249	66%	\$4.10	250	1,981	58%	\$4.10	251	2,075	61%	\$4.10	254	1,658	49%

AM Time	Monday 10/21/19				Tuesday 10/22/19				Wednesday 10/23/19				Thursday 10/24/19				Friday 10/25/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	783	2,593	76%	\$3.05	708	2,526	74%	\$3.05	799	2,609	77%	\$3.05	778	2,545	75%	\$3.05	561	1,825	54%
0500 - 0600	\$4.95	840	2,537	75%	\$4.95	904	2,681	79%	\$4.95	811	2,645	78%	\$4.95	865	2,731	80%	\$4.70	722	2,439	72%
0600 - 0700	\$5.15	598	2,039	60%	\$5.15	581	1,979	58%	\$5.15	637	2,027	60%	\$5.15	640	2,166	64%	\$4.95	667	2,264	67%
0700 - 0800	\$5.65	459	2,068	61%	\$5.65	431	2,196	65%	\$5.65	507	2,181	64%	\$5.65	415	2,081	61%	\$5.50	419	1,986	58%
0800 - 0900	\$5.15	261	2,041	60%	\$5.15	290	2,209	65%	\$5.15	283	2,085	61%	\$5.15	270	2,019	59%	\$4.95	233	1,876	55%
0900 - 1000	\$4.10	249	1,957	58%	\$4.10	202	2,048	60%	\$4.10	258	2,129	63%	\$4.10	262	2,101	62%	\$4.10	228	1,607	47%

AM Time	Monday 10/28/19				Tuesday 10/29/19				Wednesday 10/30/19				Thursday 10/31/19				Friday 11/01/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	794	2,608	77%	\$3.05	811	2,475	73%	\$3.05	840	2,623	77%	\$3.05	770	2,574	76%				
0500 - 0600	\$4.95	791	2,485	73%	\$4.95	907	2,721	80%	\$4.95	808	2,589	76%	\$4.95	876	2,885	85%				
0600 - 0700	\$5.15	603	2,053	60%	\$5.15	600	2,059	61%	\$5.15	661	1,937	57%	\$5.15	594	2,200	65%				
0700 - 0800	\$5.65	468	2,172	64%	\$5.65	445	2,131	63%	\$5.65	476	2,156	63%	\$5.65	405	2,124	62%				
0800 - 0900	\$5.15	274	2,102	62%	\$5.15	252	2,105	62%	\$5.15	307	2,241	66%	\$5.15	228	1,931	57%				
0900 - 1000	\$4.10	246	1,935	57%	\$4.10	261	2,141	63%	\$4.10	326	2,151	63%	\$4.10	202	1,778	52%				

OCTA OPERATIONAL HIGHLIGHTS

On-road Operations

OCTA Customer Assistance Specialists (CAS) responded to 123 calls during the month of October. Of those calls, 100 were to assist disabled vehicles and 15 to remove debris. There were 8 accidents in the Express Lanes and 2 of those accidents originated in the SR91 general-purpose lanes that affected the Express Lanes.

Electronic Toll and Traffic Management System Project Update

In October, Kapsch TrafficCom USA, Inc., (Kapsch), the toll lanes system integrator for the 91 Express Lanes, completed the replacement of the Electronic Toll and Traffic Management (ETTM) system at the current toll gantries. This new lane system will read the new 6C transponder protocol as well as the current Title 21 protocol. The next phase of the project, which begins next calendar year, entails the replacement of the closed-circuit television cameras along the corridor. New toll gantries will be constructed at the three entrances of the OCTA 91 Express Lanes after which Kapsch will install new ETTM equipment on the entrance gantries.

6C Transition Update

In December and over the course of several months, the 91 Express Lanes will be sending letters to customers notifying them of the transition to the new 6C protocol, as well as changes to the account plans, user agreement and privacy policy. A new welcome kit, which includes mounting instructions, has been designed and developed and will be sent with the new sticker transponders commencing January 2020. It is envisioned the distribution of the new transponders to all the customers will take place over several months.

FINANCIAL HIGHLIGHTS OCTA

91 Express Lanes Operating Statement

Description	YTD as of : 10/31/2019		YTD Variance	
	Actual ⁽¹⁾	Budget ⁽¹⁾	Dollar \$	Percent (%)
Operating revenues:				
Toll revenue	\$ 16,729,298.72	\$ 17,975,850.00	\$ (1,246,551.28)	(6.9)
Fee revenue	2,443,864.65	1,283,577.00	1,160,287.65	90.4
Total operating revenues	19,173,163.37	19,259,427.00	(86,263.63)	(0.4)
Operating expenses:				
Contracted services	2,020,726.37	2,465,680.00	444,953.63	18.0
Administrative fee	944,960.00	946,628.00	1,668.00	0.2
Other professional services	153,860.89	710,358.00	556,497.11	78.3
Credit card processing fees	440,502.85	478,170.00	37,667.15	7.9
Toll road account servicing	222,057.66	791,750.00	569,692.34	72.0
Other insurance expense	124,365.00	249,900.00	125,535.00	50.2
Toll road maintenance supply repairs	64,341.83	191,668.00	127,326.17	66.4
Patrol services	208,962.17	326,540.00	117,577.83	36.0
Building equipment repairs and maint	(13,216.27)	110,368.00	123,584.27	112.0
6C Transponders	-	-	-	N/A
Other services	(16,060.00)	9,582.00	25,642.00	267.6
Utilities	15,316.68	24,492.00	9,175.32	37.5
Office expense	(523.14)	77,636.00	78,159.14	100.7
Bad debt expense	36,996.15	-	(36,996.15)	N/A
Miscellaneous ⁽²⁾	35,039.59	24,950.00	(10,089.59)	(40.4)
Leases	122,179.00	153,272.00	31,093.00	20.3
Total operating expenses	4,359,508.78	6,560,994.00	2,201,485.22	33.6
Depreciation and amortization ⁽³⁾	1,191,230.69	-	(1,191,230.69)	N/A
Operating income (loss)	13,622,423.90	12,698,433.00	923,990.90	7.3
Nonoperating revenues (expenses):				
Reimbursement from Other Agencies	253,638.37	453,125.00	(199,486.63)	(44.0)
Interest income	2,012,477.77	1,265,364.00	747,113.77	59.0
Interest expense	(1,558,587.39)	(1,570,688.00)	12,100.61	0.8
Other	16,165.63	-	16,165.63	N/A
Total nonoperating revenues (expenses)	723,694.38	147,801.00	575,893.38	(389.6)
Transfers in	-	-	-	N/A
Transfers out	(93,373.44)	(10,000.00)	(83,373.44)	(833.7)
Net income (loss)	\$ 14,252,744.84	\$ 12,836,234.00	\$ 1,416,510.84	11.0

¹Actual amounts are accounted for on the accrual basis of accounting in an enterprise fund. Budget amounts are accounted for on a modified accrual basis of accounting.

²Miscellaneous expenses include: Bond Insurance Costs, Bank Service Charge, Transponder Materials.

³Depreciation and amortization are not budgeted items.

Capital Asset Activity

During the four months ending October 31, 2019, capital asset activities included \$5,920 for the computer equipment and \$97,358 for transponder purchases.

OPERATIONS OVERVIEW RCTC

TRAFFIC AND REVENUE STATISTICS FOR RCTC

Total traffic volume on the RCTC 91 Express Lanes for October 2019 was 1,340,783. This represents a daily average of 43,251. This is a 2.2% increase in total traffic volume from the same period last year, which totaled 1,311,938. Potential toll revenue for the month was \$6,346,763, which represents an increase of 29.2% from the prior year's total of \$4,913,634. Carpool percentage for the month was 19.93% as compared to the previous year's rate of 22.73%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the month of October 2019.

Current Month-to-Date (MTD) as of October 31, 2019

Trips	OCT-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	OCT-18 MTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	1,073,571	1,034,686	38,885	3.8%	1,013,705	5.9%
3+ Lanes	267,212	313,543	(46,331)	(14.8%)	298,233	(10.4%)
Total Gross Trips	1,340,783	1,348,229	(7,446)	(0.6%)	1,311,938	2.2%
Revenue						
Full Toll Lanes	\$6,320,045	\$4,098,986	\$2,221,059	54.2%	\$4,878,737	29.5%
3+ Lanes	\$26,718	\$0	\$26,718		\$34,897	(23.4%)
Total Gross Revenue	\$6,346,763	\$4,098,986	\$2,247,777	54.8%	\$4,913,634	29.2%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.89	\$3.96	\$1.93	48.7%	\$4.81	22.5%
Average 3+ Lanes	\$0.10	\$0.00	\$0.10		\$0.12	(16.7%)
Average Gross Revenue	\$4.73	\$3.04	\$1.69	55.6%	\$3.75	26.1%

The 2020 fiscal year-to-date (YTD) traffic volume is 3.0% higher when compared with the same period last year. The 2020 fiscal year-to-date revenue is 21.2% higher than for the same period last year. The traffic and revenue increases are attributed to higher demand and increased toll rates to manage the demand. Year-to-date average revenue per-trip is \$4.22.

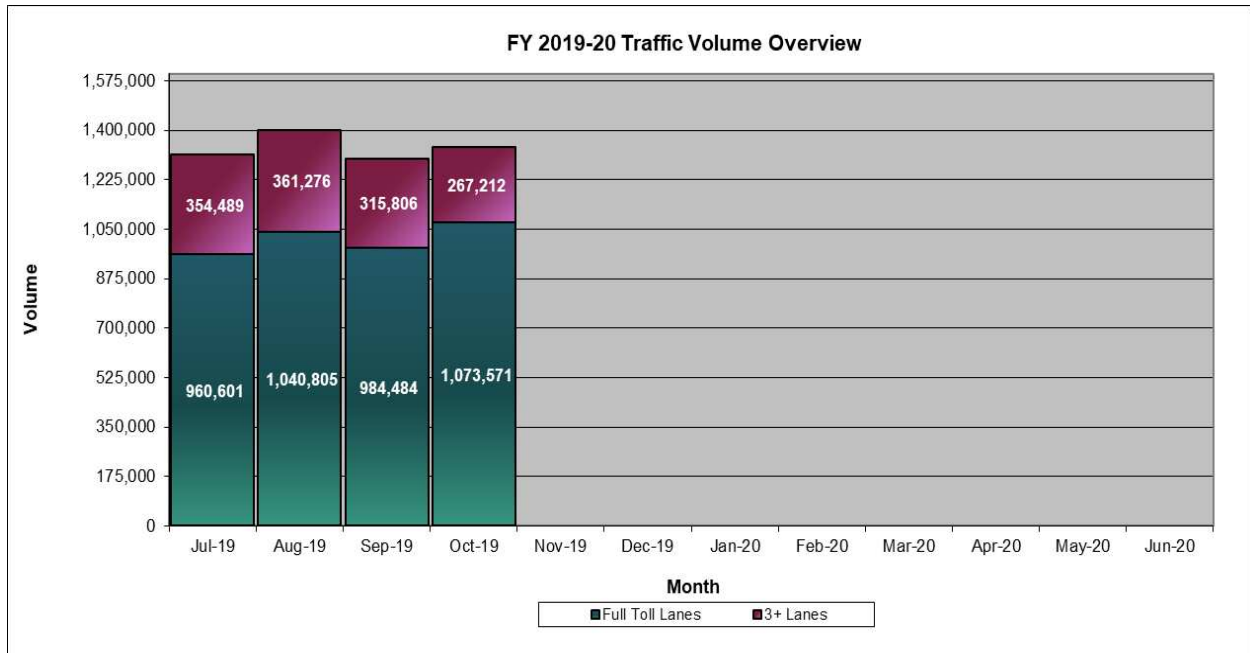
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the months of July 2019 through October 2019.

FY 2019-20 Year to Date as of October 31, 2019

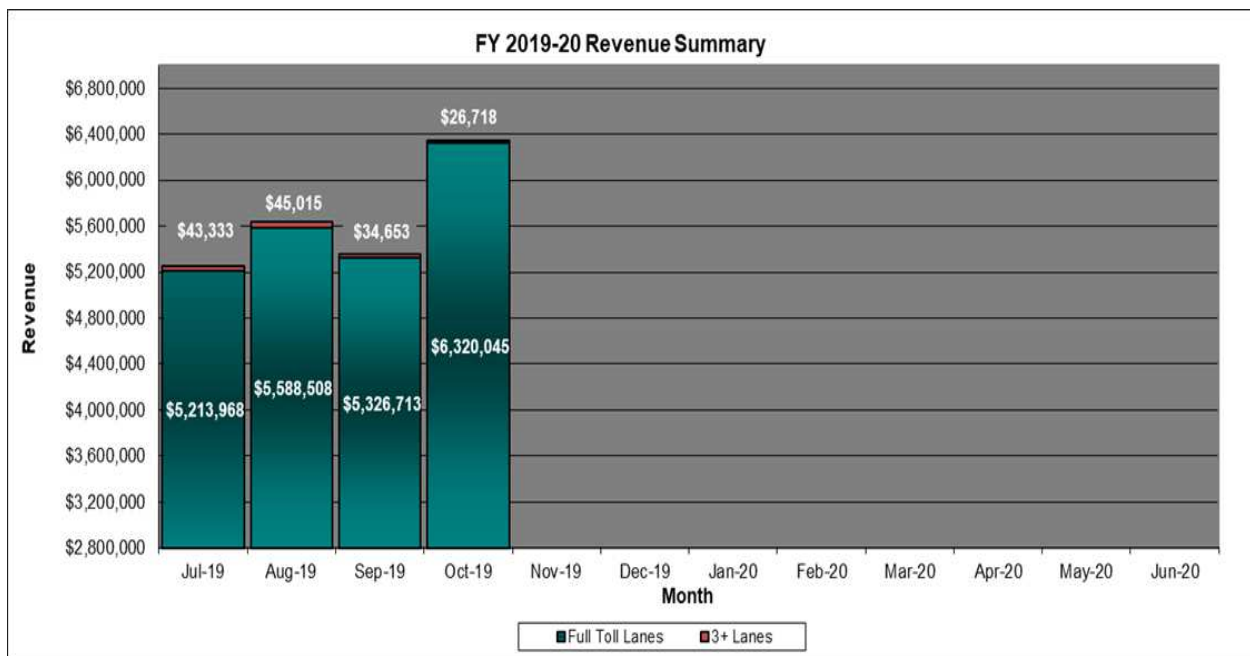
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	4,059,461	4,047,486	11,975	0.3%	3,958,575	2.5%
3+ Lanes	1,298,783	1,289,686	9,097	0.7%	1,242,339	4.5%
Total Gross Trips	5,358,244	5,337,171	21,073	0.4%	5,200,914	3.0%
Revenue						
Full Toll Lanes	\$22,449,234	\$15,839,429	\$6,609,806	41.7%	\$18,501,369	21.3%
3+ Lanes	\$149,718	\$0	\$149,718		\$142,652	5.0%
Total Gross Revenue	\$22,598,953	\$15,839,429	\$6,759,524	42.7%	\$18,644,021	21.2%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.53	\$3.91	\$1.62	41.4%	\$4.67	18.4%
Average 3+ Lanes	\$0.12	\$0.00	\$0.12		\$0.11	9.1%
Average Gross Revenue	\$4.22	\$2.97	\$1.25	42.1%	\$3.58	17.9%

RCTC Traffic and Revenue Summary

The chart below reflects the total trips broken down between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



RCTC PEAK-HOUR VOLUMES

RCTC evaluates traffic volumes for peak period hours where Express Lanes performance is degraded quarterly and either increases or decreases tolls. Hours highlighted in green were increased and hours highlighted in red were decreased. Hours that are highlighted in yellow were flagged for continued evaluation.

The next quarterly adjustment is scheduled for January 1, 2020.

RCTC EASTBOUND PEAK-HOUR VOLUMES

Eastbound PM Peak - County Line to McKinley

PM Time	Monday 09/30/19					Tuesday 10/01/19					Wednesday 10/02/19					Thursday 10/03/19					Friday 10/04/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500						\$6.95	238	1,042	1,280	E	\$9.00	256	1,048	1,304	F	\$11.85	262	1,176	1,438	F	\$21.00	288	1,137	1,425	F
1500 - 1600						\$6.95	343	864	1,207	E	\$9.90	337	904	1,241	E	\$12.00	314	974	1,288	E	\$18.70	390	919	1,309	F
1600 - 1700						\$5.30	190	939	1,129	D	\$5.30	194	986	1,180	D	\$7.50	196	887	1,083	D	\$10.45	235	932	1,167	D
1700 - 1800						\$5.30	212	839	1,051	D	\$5.30	209	920	1,129	D	\$5.30	183	819	1,002	D	\$6.95	236	927	1,163	D
1800 - 1900						\$5.30	288	816	1,104	D	\$5.30	297	858	1,155	D	\$5.30	276	882	1,158	D	\$5.30	339	972	1,311	F
1900 - 2000						\$4.20	297	700	997	C	\$5.30	242	669	911	C	\$5.30	250	739	989	C	\$5.30	285	727	1,012	D

PM Time	Monday 10/07/19					Tuesday 10/08/19					Wednesday 10/09/19					Thursday 10/10/19					Friday 10/11/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	216	883	1,099	D	\$6.95	242	998	1,240	E	\$9.00	223	1,054	1,277	E	\$11.85	256	1,084	1,340	F	\$21.00	387	1,309	1,696	F
1500 - 1600	\$7.35	344	905	1,249	E	\$6.95	330	953	1,283	E	\$9.90	307	865	1,172	D	\$12.00	312	917	1,229	E	\$18.70	572	1,405	1,977	F
1600 - 1700	\$5.30	195	928	1,123	D	\$5.30	180	929	1,109	D	\$5.30	194	852	1,046	D	\$7.50	158	770	928	C	\$10.45	359	1,432	1,791	F
1700 - 1800	\$5.30	219	857	1,076	D	\$5.30	212	924	1,136	D	\$5.30	200	862	1,062	D	\$5.30	197	1,006	1,203	E	\$6.95	392	1,278	1,670	F
1800 - 1900	\$5.30	263	769	1,032	D	\$5.30	289	913	1,202	E	\$5.30	287	787	1,074	D	\$5.30	265	856	1,121	D	\$5.30	294	948	1,242	E
1900 - 2000	\$2.25	187	574	761	B	\$4.20	217	698	915	C	\$5.30	330	787	1,117	D	\$5.30	288	834	1,122	D	\$5.30	322	738	1,060	D

PM Time	Monday 10/14/19					Tuesday 10/15/19					Wednesday 10/16/19					Thursday 10/17/19					Friday 10/18/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	232	941	1,173	D	\$6.95	233	1,043	1,276	E	\$9.00	219	1,040	1,259	E	\$11.85	247	1,151	1,398	F	\$21.00	288	1,118	1,406	F
1500 - 1600	\$7.35	378	1,006	1,384	F	\$6.95	308	929	1,237	E	\$9.90	258	917	1,175	D	\$12.00	270	1,010	1,280	E	\$18.70	345	869	1,214	E
1600 - 1700	\$5.30	298	1,248	1,546	F	\$5.30	168	862	1,030	D	\$5.30	192	976	1,168	D	\$7.50	162	926	1,088	D	\$10.45	222	925	1,147	D
1700 - 1800	\$5.30	303	1,250	1,553	F	\$5.30	208	860	1,068	D	\$5.30	202	907	1,109	D	\$5.30	194	974	1,168	D	\$6.95	222	928	1,150	D
1800 - 1900	\$5.30	281	851	1,132	D	\$5.30	306	835	1,141	D	\$5.30	248	869	1,117	D	\$5.30	273	905	1,178	D	\$5.30	319	926	1,245	E
1900 - 2000	\$2.25	229	505	734	B	\$4.20	271	705	976	C	\$5.30	227	571	798	B	\$5.30	259	749	1,008	D	\$5.30	301	780	1,081	D

PM Time	Monday 10/21/19					Tuesday 10/22/19					Wednesday 10/23/19					Thursday 10/24/19					Friday 10/25/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	189	1,005	1,194	D	\$6.95	184	1,024	1,208	E	\$9.00	164	978	1,142	D	\$11.85	188	1,160	1,348	F	\$21.00	266	1,202	1,468	F
1500 - 1600	\$7.35	298	932	1,230	E	\$6.95	287	969	1,256	E	\$9.90	177	553	730	B	\$12.00	261	951	1,212	E	\$18.70	299	875	1,174	D
1600 - 1700	\$5.30	195	926	1,121	D	\$5.30	179	926	1,105	D	\$5.30	245	974	1,219	E	\$7.50	186	848	1,034	D	\$10.45	208	975	1,183	D
1700 - 1800	\$5.30	182	835	1,017	D	\$5.30	184	827	1,011	D	\$5.30	211	869	1,080	D	\$5.30	190	792	982	C	\$6.95	248	970	1,218	E
1800 - 1900	\$5.30	260	768	1,028	D	\$5.30	258	810	1,068	D	\$5.30	256	805	1,061	D	\$5.30	222	842	1,064	D	\$5.30	289	1,077	1,366	F
1900 - 2000	\$2.25	212	561	773	B	\$4.20	227	739	966	C	\$5.30	309	844	1,153	D	\$5.30	173	503	676	B	\$5.30	280	893	1,173	D

PM Time	Monday 10/28/19					Tuesday 10/29/19					Wednesday 10/30/19					Thursday 10/31/19					Friday 11/01/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	185	990	1,175	D	\$6.95	168	1,015	1,183	D	\$9.00	199	1,243	1,442	F	\$11.85	207	1,079	1,286	E					
1500 - 1600	\$7.35	263	926	1,189	D	\$6.95	251	960	1,211	E	\$9.90	288	1,079	1,367	F	\$12.00	287	914	1,201	E					
1600 - 1700	\$5.30	174	883	1,057	D	\$5.30	191	983	1,174	D	\$5.30	176	1,036	1,212	E	\$7.50	242	870	1,112	D					
1700 - 1800	\$5.30	161	882	1,043	D	\$5.30	173	814	987	C	\$5.30	181	957	1,138	D	\$5.30	223	1,012	1,235	E					
1800 - 1900	\$5.30	272	812	1,084	D	\$5.30	281	824	1,105	D	\$5.30	259	859	1,118	D	\$5.30	262	954	1,216	E					
1900 - 2000	\$2.25	192	598	790	B	\$4.20	264	803	1,067	D	\$5.30	242	792	1,034	D	\$5.30	159	542	701	B					

Eastbound PM Peak - County Line to I-15 South

PM Time	Monday 09/30/19					Tuesday 10/01/19					Wednesday 10/02/19					Thursday 10/03/19					Friday 10/04/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500						\$5.30	104	723	827	C	\$5.30	123	761	884	C	\$5.30	132	783	915	C	\$5.30	149	792	941	C
1500 - 1600						\$2.95	160	582	742	B	\$2.95	137	676	813	C	\$5.30	142	749	891	C	\$2.95	166	540	706	B
1600 - 1700						\$2.95	118	648	766	B	\$2.95	107	727	834	C	\$2.95	105	568	673	B	\$2.95	126	660	786	B
1700 - 1800						\$2.95	120	609	729	B	\$2.95	102	629	731	B	\$2.95	95	638	733	B	\$2.95	137	561	698	B
1800 - 1900						\$2.95	171	587	758	B	\$2.95	154	607	761	B	\$2.95	151	627	778	B	\$2.95	166	540	706	B
1900 - 2000						\$2.95	170	536	706	B	\$2.95	152	517	669	B	\$2.95	159	515	674	B	\$2.95	167	392	559	B

PM Time	Monday 10/07/19					Tuesday 10/08/19					Wednesday 10/09/19					Thursday 10/10/19					Friday 10/11/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	123	668	791	B	\$5.30	127	743	870	C	\$5.30	119	705	824	C	\$5.30	119	729	848	C	\$5.30	119	569	688	B
1500 - 1600	\$5.30	160	628	788	B	\$2.95	144	632	776	B	\$2.95	147	668	815	C	\$5.30	159	655	814	C	\$2.95	23	2	25	A
1600 - 1700	\$2.95	94	693	787	B	\$2.95	99	665	764	B	\$2.95	105	595	700	B	\$2.95	80	466	546	B	\$2.95	3	1	4	A
1700 - 1800	\$2.95	105	612	717	B	\$2.95	114	622	736	B	\$2.95	110	603	713	B	\$2.95	121	630	751	B	\$2.95	47	120	167	A
1800 - 1900	\$2.95	133	559	692	B	\$2.95	140	595	735	B	\$2.95	152	627	779	B	\$2.95	142	589	731	B	\$2.95	155	564	719	B
1900 - 2000	\$2.95	113	388	501	B	\$2.95	136	501	637	B	\$2.95	176	611	787	B	\$2.95	158	662	820	C	\$2.95	171	499	670	B

PM Time	Monday 10/14/19					Tuesday 10/15/19					Wednesday 10/16/19					Thursday 10/17/19					Friday 10/18/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	116	605	721	B	\$5.30	115	727	842	C	\$5.30	118	739	857	C	\$5.30	93	807	900	C	\$5.30	102	761	863	C
1500 - 1600	\$5.30	125	555	680	B	\$2.95	144	645	789	B	\$2.95	120	677	797	B	\$5.30	118	706	824	C	\$2.95	122	589	711	B
1600 - 1700	\$2.95	29	206	235	A	\$2.95	109	552	661	B	\$2.95	93	661	754	B	\$2.95	83	619	702	B	\$2.95	105	560	665	B
1700 - 1800	\$2.95	11	48	59	A	\$2.95	130	602	732	B	\$2.95	80	604	684	B	\$2.95	94	642	736	B	\$2.95	130	542	672	B
1800 - 1900	\$2.95	84	358	442	B	\$2.95	142	566	708	B	\$2.95	141	635	776	B	\$2.95	147	617	764	B	\$2.95	147	554	701	B
1900 - 2000	\$2.95	95	259	354	A	\$2.95	174	499	673	B	\$2.95	141	510	651	B	\$2.95	140	548	688	B	\$2.95	148	472	620	B

PM Time	Monday 10/21/19					Tuesday 10/22/19					Wednesday 10/23/19					Thursday 10/24/19					Friday 10/25/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	88	704	792	B	\$5.30	92	751	843	C	\$5.30	84	651	735	B	\$5.30	88	759	847	C	\$5.30	86	774	860	C
1500 - 1600	\$5.30	148	618	766	B	\$2.95	118	599	717	B	\$2.95	78	368	446	B	\$5.30	110	646	756	B	\$2.95	115	581	696	B
1600 - 1700	\$2.95	100	658	758	B	\$2.95	95	625	720	B	\$2.95	101	647	748	B	\$2.95	101	565	666	B	\$2.95	109	618	727	B
1700 - 1800	\$2.95	93	583	676	B	\$2.95	92	589	681	B	\$2.95	110	624	734	B	\$2.95	102	634	736	B	\$2.95	110	565	675	B
1800 - 1900	\$2.95	128	542	670	B	\$2.95	102	541	643	B	\$2.95	116	570	686	B	\$2.95	115	604	719	B	\$2.95	113	525	638	B
1900 - 2000	\$2.95	137	414	551	B	\$2.95	145	575	720	B	\$2.95	183	626	809	C	\$2.95	86	354	440	B	\$2.95	147	502	649	B

PM Time	Monday 10/28/19					Tuesday 10/29/19					Wednesday 10/30/19					Thursday 10/31/19					Friday 11/01/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	106	673	779	B	\$5.30	79	708	787	B	\$5.30	123	741	864	C	\$5.30	130	820	950	C					
1500 - 1600	\$5.30	112	626	738	B	\$2.95	125	620	745	B	\$2.95	138	685	823	C	\$5.30	133	685	818	C					
1600 - 1700	\$2.95	106	617	723	B	\$2.95	94	710	804	C	\$2.95	112	669	781	B	\$2.95	125	598	723	B					
1700 - 1800	\$2.95	98	654	752	B	\$2.95	94	591	685	B	\$2.95	86	630	716	B	\$2.95	105	688	793	B					
1800 - 1900	\$2.95	127	607	734	B	\$2.95	132	660	792	B	\$2.95	128	589	717	B	\$2.95	136	677	813	C					
1900 - 2000	\$2.95	128	467	595	B	\$2.95	167	550	717	B	\$2.95	154	544	698	B	\$2.95	116	372	488	B					

RCTC WESTBOUND PEAK-HOUR VOLUMES

Westbound AM Peak - McKinley to County Line

AM Time	Monday 09/30/19				Tuesday 10/01/19				Wednesday 10/02/19				Thursday 10/03/19				Friday 10/04/19			
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500						\$10.80	404	1,162	1,566	F	\$10.80	389	1,133	1,522	F	\$10.50	460	1,092	1,552	F
0500 - 0600						\$22.80	515	969	1,484	F	\$18.40	479	1,228	1,707	F	\$17.50	527	1,080	1,607	F
0600 - 0700						\$17.45	314	854	1,168	D	\$19.40	416	608	1,024	D	\$19.40	442	663	1,105	D
0700 - 0800						\$16.35	339	1,268	1,607	F	\$17.10	306	1,373	1,679	F	\$15.30	270	1,236	1,506	F
0800 - 0900						\$11.45	128	1,418	1,546	F	\$11.45	82	1,434	1,516	F	\$12.20	86	1,406	1,492	F
0900 - 1000						\$9.00	151	1,201	1,352	F	\$8.00	144	1,130	1,274	E	\$9.00	166	1,230	1,396	F

AM Time	Monday 10/07/19				Tuesday 10/08/19				Wednesday 10/09/19				Thursday 10/10/19				Friday 10/11/19			
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	476	1,027	1,503	F	\$10.80	356	1,185	1,541	F	\$10.80	472	1,112	1,584	F	\$10.50	392	1,087	1,479	F
0500 - 0600	\$23.25	512	905	1,417	F	\$22.80	522	961	1,483	F	\$18.40	514	1,074	1,588	F	\$17.50	509	1,154	1,663	F
0600 - 0700	\$20.20	319	794	1,113	D	\$17.45	311	826	1,137	D	\$19.40	443	605	1,048	D	\$19.40	364	700	1,064	D
0700 - 0800	\$16.35	237	1,331	1,568	F	\$16.35	224	1,364	1,588	F	\$17.10	326	1,309	1,635	F	\$15.30	289	1,380	1,669	F
0800 - 0900	\$11.15	29	1,565	1,594	F	\$11.45	20	1,418	1,438	F	\$11.45	165	1,414	1,579	F	\$12.20	44	1,488	1,532	F
0900 - 1000	\$6.95	118	1,072	1,190	D	\$9.00	160	1,431	1,591	F	\$8.00	207	1,371	1,578	F	\$9.00	187	1,166	1,353	F

AM Time	Monday 10/14/19				Tuesday 10/15/19				Wednesday 10/16/19				Thursday 10/17/19				Friday 10/18/19			
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	431	1,109	1,540	F	\$10.80	391	1,088	1,479	F	\$10.80	371	1,191	1,562	F	\$10.50	441	1,152	1,593	F
0500 - 0600	\$23.25	447	818	1,265	E	\$22.80	551	919	1,470	F	\$18.40	476	1,257	1,733	F	\$17.50	550	1,127	1,677	F
0600 - 0700	\$20.20	396	946	1,342	E	\$17.45	324	837	1,161	D	\$19.40	426	680	1,106	D	\$19.40	432	645	1,077	D
0700 - 0800	\$16.35	376	1,272	1,648	F	\$16.35	233	1,363	1,596	F	\$17.10	298	1,335	1,633	F	\$15.30	378	1,304	1,682	F
0800 - 0900	\$11.15	159	1,251	1,410	F	\$11.45	56	1,557	1,613	F	\$11.45	241	1,723	1,964	F	\$12.20	243	1,408	1,651	F
0900 - 1000	\$6.95	232	1,006	1,238	E	\$9.00	186	1,462	1,648	F	\$8.00	219	1,328	1,547	F	\$9.00	175	1,102	1,277	E

AM Time	Monday 10/21/19				Tuesday 10/22/19				Wednesday 10/23/19				Thursday 10/24/19				Friday 10/25/19			
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	463	1,101	1,564	F	\$10.80	329	1,111	1,440	F	\$10.80	398	1,205	1,603	F	\$10.50	421	1,144	1,565	F
0500 - 0600	\$23.25	508	819	1,327	E	\$22.80	552	971	1,523	F	\$18.40	441	1,126	1,567	F	\$17.50	512	1,125	1,637	F
0600 - 0700	\$20.20	372	877	1,249	E	\$17.45	341	821	1,162	D	\$19.40	416	565	981	C	\$19.40	406	788	1,194	D
0700 - 0800	\$16.35	293	1,288	1,581	F	\$16.35	287	1,348	1,635	F	\$17.10	409	1,297	1,706	F	\$15.30	312	1,258	1,570	F
0800 - 0900	\$11.15	187	1,447	1,634	F	\$11.45	207	1,477	1,684	F	\$11.45	220	1,423	1,643	F	\$12.20	234	1,376	1,610	F
0900 - 1000	\$6.95	180	1,079	1,259	E	\$9.00	146	1,258	1,404	F	\$8.00	162	1,162	1,324	E	\$9.00	180	1,088	1,268	E

AM Time	Monday 10/28/19				Tuesday 10/29/19				Wednesday 10/30/19				Thursday 10/31/19				Friday 11/01/19			
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	417	1,144	1,561	F	\$10.80	387	978	1,365	F	\$10.80	443	1,192	1,635	F	\$10.50	384	1,175	1,559	F
0500 - 0600	\$23.25	471	805	1,276	E	\$22.80	595	925	1,520	F	\$18.40	430	1,027	1,457	F	\$17.50	505	1,084	1,589	F
0600 - 0700	\$20.20	340	912	1,252	E	\$17.45	371	802	1,173	D	\$19.40	439	609	1,048	D	\$19.40	371	766	1,137	D
0700 - 0800	\$16.35	322	1,270	1,592	F	\$16.35	321	1,298	1,619	F	\$17.10	337	1,232	1,569	F	\$15.30	304	1,300	1,604	F
0800 - 0900	\$11.15	188	1,456	1,644	F	\$11.45	189	1,460	1,649	F	\$11.45	218	1,500	1,718	F	\$12.20	161	1,251	1,412	F
0900 - 1000	\$6.95	178	1,144	1,322	E	\$9.00	207	1,214	1,421	F	\$8.00	199	1,125	1,324	E	\$9.00	157	908	1,065	D

Westbound AM Peak - I-15 North to County Line

AM Time	Monday 09/30/19					Tuesday 10/01/19					Wednesday 10/02/19					Thursday 10/03/19					Friday 10/04/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500						\$5.30	218	930	1,148	D	\$5.30	254	764	1,018	D	\$5.30	270	747	1,017	D	\$2.95	220	646	866	C
0500 - 0600						\$17.25	329	1,104	1,433	F	\$16.60	323	1,173	1,496	F	\$13.50	408	1,067	1,475	F	\$6.85	357	861	1,218	E
0600 - 0700						\$17.55	284	1,141	1,425	F	\$19.65	296	1,078	1,374	E	\$14.50	378	1,080	1,458	F	\$6.85	277	998	1,275	E
0700 - 0800						\$13.45	255	1,263	1,518	F	\$12.45	197	1,322	1,519	F	\$11.40	187	1,224	1,411	F	\$6.85	145	964	1,109	D
0800 - 0900						\$8.85	94	1,351	1,445	F	\$6.85	68	1,262	1,330	E	\$8.85	49	1,267	1,316	E	\$5.30	26	862	888	C
0900 - 1000						\$5.30	91	1,009	1,100	D	\$5.30	89	943	1,032	D	\$5.30	87	813	900	C	\$2.95	75	635	710	B

AM Time	Monday 10/07/19					Tuesday 10/08/19					Wednesday 10/09/19					Thursday 10/10/19					Friday 10/11/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	283	792	1,075	D	\$5.30	208	840	1,048	D	\$5.30	269	718	987	C	\$5.30	242	780	1,022	D	\$2.95	208	705	913	C
0500 - 0600	\$18.00	365	1,113	1,478	F	\$17.25	310	1,173	1,483	F	\$16.60	401	1,062	1,463	F	\$13.50	346	1,178	1,524	F	\$6.85	275	989	1,264	E
0600 - 0700	\$19.35	300	1,040	1,340	E	\$17.55	319	1,130	1,449	F	\$19.65	374	1,071	1,445	F	\$14.50	319	1,101	1,420	F	\$6.85	259	1,233	1,492	F
0700 - 0800	\$12.15	154	1,230	1,384	E	\$13.45	175	1,285	1,460	F	\$12.45	229	1,239	1,468	F	\$11.40	181	1,309	1,490	F	\$6.85	111	1,184	1,295	E
0800 - 0900	\$6.85	20	1,202	1,222	E	\$8.85	18	1,212	1,230	E	\$6.85	92	1,237	1,329	E	\$8.85	29	1,305	1,334	E	\$5.30	14	789	803	C
0900 - 1000	\$5.30	39	529	568	B	\$5.30	56	679	735	B	\$5.30	86	683	769	B	\$5.30	89	825	914	C	\$2.95	61	489	550	B

AM Time	Monday 10/14/19					Tuesday 10/15/19					Wednesday 10/16/19					Thursday 10/17/19					Friday 10/18/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	251	801	1,052	D	\$5.30	262	819	1,081	D	\$5.30	206	878	1,084	D	\$5.30	255	822	1,077	D	\$2.95	200	685	885	C
0500 - 0600	\$18.00	284	1,078	1,362	E	\$17.25	335	1,193	1,528	F	\$16.60	331	1,145	1,476	F	\$13.50	392	1,103	1,495	F	\$6.85	301	968	1,269	E
0600 - 0700	\$19.35	287	842	1,129	D	\$17.55	301	1,110	1,411	F	\$19.65	334	1,139	1,473	F	\$14.50	358	1,046	1,404	F	\$6.85	272	1,063	1,335	E
0700 - 0800	\$12.15	238	1,185	1,423	F	\$13.45	139	1,252	1,391	E	\$12.45	213	1,282	1,495	F	\$11.40	250	1,304	1,554	F	\$6.85	182	997	1,179	D
0800 - 0900	\$6.85	96	1,015	1,111	D	\$8.85	32	1,301	1,333	E	\$6.85	119	966	1,085	D	\$8.85	162	1,186	1,348	E	\$5.30	93	976	1,069	D
0900 - 1000	\$5.30	87	563	650	B	\$5.30	73	818	891	C	\$5.30	62	552	614	B	\$5.30	102	904	1,006	D	\$2.95	115	744	859	C

AM Time	Monday 10/21/19					Tuesday 10/22/19					Wednesday 10/23/19					Thursday 10/24/19					Friday 10/25/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	253	807	1,060	D	\$5.30	198	859	1,057	D	\$5.30	230	804	1,034	D	\$5.30	241	784	1,025	D	\$2.95	199	699	898	C
0500 - 0600	\$18.00	368	1,105	1,473	F	\$17.25	333	1,157	1,490	F	\$16.60	351	1,180	1,531	F	\$13.50	368	1,170	1,538	F	\$6.85	300	965	1,265	E
0600 - 0700	\$19.35	334	1,055	1,389	E	\$17.55	296	1,140	1,436	F	\$19.65	328	1,089	1,417	F	\$14.50	340	1,146	1,486	F	\$6.85	277	1,202	1,479	F
0700 - 0800	\$12.15	235	1,235	1,470	F	\$13.45	237	1,287	1,524	F	\$12.45	247	1,192	1,439	F	\$11.40	191	1,204	1,395	E	\$6.85	190	1,119	1,309	E
0800 - 0900	\$6.85	133	1,203	1,336	E	\$8.85	151	1,395	1,546	F	\$6.85	134	1,337	1,471	F	\$8.85	122	1,135	1,257	E	\$5.30	89	941	1,030	D
0900 - 1000	\$5.30	87	820	907	C	\$5.30	83	814	897	C	\$5.30	113	939	1,052	D	\$5.30	99	885	984	C	\$2.95	75	679	754	B

AM Time	Monday 10/28/19					Tuesday 10/29/19					Wednesday 10/30/19					Thursday 10/31/19					Friday 11/01/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	220	825	1,045	D	\$5.30	284	797	1,081	D	\$5.30	267	771	1,038	D	\$5.30	218	795	1,013	D					
0500 - 0600	\$18.00	314	1,130	1,444	F	\$17.25	378	1,121	1,499	F	\$16.60	379	1,126	1,505	F	\$13.50	365	1,131	1,496	F					
0600 - 0700	\$19.35	321	1,069	1,390	E	\$17.55	374	1,092	1,466	F	\$19.65	355	1,077	1,432	F	\$14.50	319	1,097	1,416	F					
0700 - 0800	\$12.15	228	1,200	1,428	F	\$13.45	221	1,255	1,476	F	\$12.45	260	1,260	1,520	F	\$11.40	215	1,228	1,443	F					
0800 - 0900	\$6.85	130	1,338	1,468	F	\$8.85	139	1,349	1,488	F	\$6.85	143	1,299	1,442	F	\$8.85	87	1,114	1,201	E					
0900 - 1000	\$5.30	85	767	852	C	\$5.30	83	889	972	C	\$5.30	125	902	1,027	D	\$5.30	74	746	820	C					

RCTC OPERATIONAL HIGHLIGHTS

On-road Operations

RCTC Freeway Service Patrol (FSP) responded to 83 calls during the month of October. Of those calls, 62 were to assist disabled vehicles, 4 calls to remove debris. There were 17 accidents in the Express Lanes and 1 accident originating in the SR91 general-purpose lanes that affected the Express Lanes.

6C Transponder Technology

Planning for the transition to the new transponder technology is underway. The lane systems have been upgraded. Changes to the back-office system to process the new transponders and make changes to the customer account plans are being finalized and will be released to the customer along with the new sticker transponders in January of 2020. A series of customer communication has been developed and will be mailed or emailed to customers over a period of several months.

FINANCIAL HIGHLIGHTS RCTC

RCTC 91 Express Lanes Operating Statement

Description	YTD as of :		YTD Variance	
	Actual ¹	10/31/2019 Budget	Dollar \$	Percent (%)
Operating revenues:				
Toll Revenue	\$ 20,635,169.92	\$ 12,196,366.67	\$ 8,438,803.25	69.2
Fee Revenue	2,651,327.68	1,760,100.00	891,227.68	50.6
Total operating revenues	23,286,497.60	13,956,466.67	9,330,030.93	66.9
Operating expenses:				
Salaries and Benefits	292,093.91	451,133.33	159,039.42	35.3
Legal Services	72,235.21	116,666.67	44,431.46	38.1
Advisory Services	27,668.22	25,000.00	(2,668.22)	(10.7)
Audit and Accounting Fees	-	15,666.67	15,666.67	100.0
Service Fees	1,086.78	8,666.67	7,579.89	87.5
Other Professional Services	36,796.60	491,966.67	455,170.07	92.5
Lease Expense	86,530.41	85,500.00	(1,030.41)	(1.2)
Operations	1,178,625.72	1,209,500.00	30,874.28	2.6
Utilities	9,052.68	20,833.33	11,780.65	56.5
Supplies and Materials	178.95	1,666.67	1,487.72	89.3
Membership and Subscription Fees	20,056.75	8,333.33	(11,723.42)	(140.7)
Office Equipment & Furniture (Non-Capital)	747.12	1,666.67	919.55	55.2
Maintenance/Repairs	58,926.71	116,600.00	57,673.29	49.5
Training Seminars and Conferences	350.00	1,500.00	1,150.00	76.7
Transportation Expenses	79.84	2,500.00	2,420.16	96.8
Lodging	840.90	2,333.33	1,492.43	64.0
Meals	302.88	333.33	30.45	9.1
Other Staff Expenses	299.10	333.33	34.23	10.3
Advertising	38.00	63,333.33	63,295.33	99.9
Program Management	22,017.79	-	(22,017.79)	N/A
Program Operations	2,417,347.11	3,552,233.33	1,134,886.22	31.9
Litigation Settlement	-	3,333.33	3,333.33	100.0
Furniture & Equipment	261,188.80	250,000.00	(11,188.80)	(4.5)
Improvements	16,032.27	5,366.67	(10,665.60)	(198.7)
Depreciation	2,695,986.01 ²	-	(2,695,986.01)	N/A
Bad Debt Expense	(1.00)	-	1.00	N/A
Total operating expenses	7,198,480.76	6,434,466.67	(764,014.09)	(11.9)
Operating income (loss)	16,088,016.84	7,522,000.00	8,566,016.84	113.9
Nonoperating revenues (expenses):				
Interest Revenue	578,455.37	507,366.67	71,088.70	(14.0)
Other Miscellaneous Revenue	580,501.89	-	580,501.89	N/A
Interest Expense	(7,173,251.39)	(2,373,300.00)	(4,799,951.39)	202.2
Total nonoperating revenues (expenses)	(6,014,294.13)	(1,865,933.33)	(4,148,360.80)	(222.3)
Transfers In	-	-	-	N/A
Transfers Out	-	(1,019,833.33)	1,019,833.33	(100.0)
Net income (loss)	\$ 10,073,722.71	\$ 4,636,233.33	\$ 5,437,489.38	117.3

¹ Unaudited

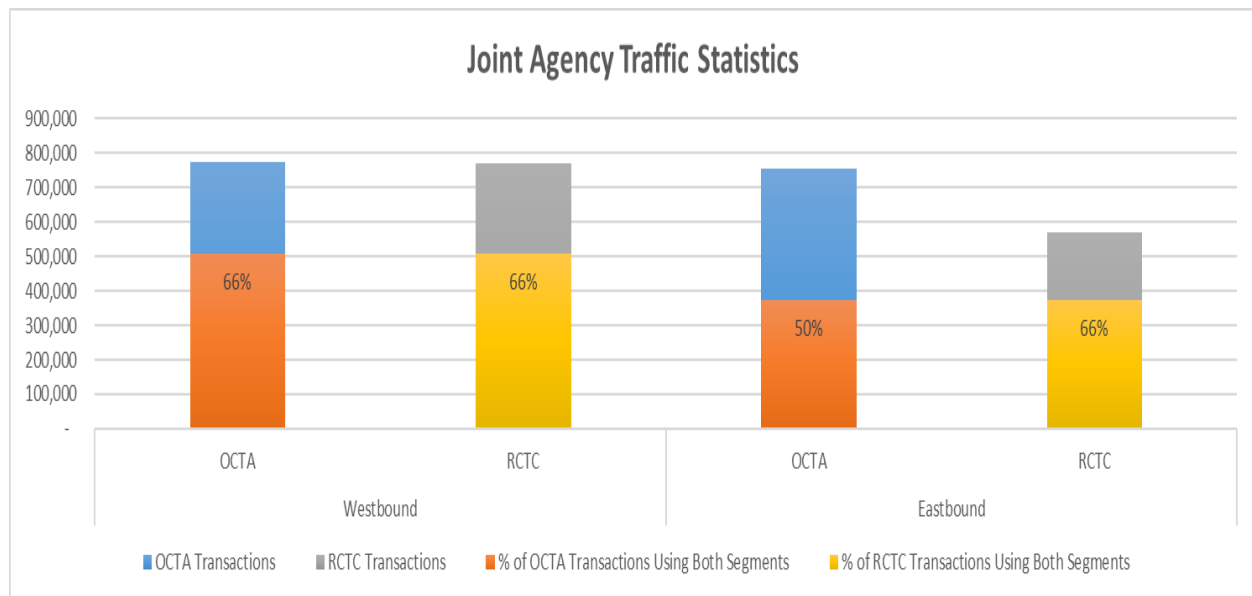
² Depreciation is not a budgeted expense

JOINT AGENCY TRIP AND REVENUE STATISTICS

MONTH ENDING **October 31, 2019**

MTD	Transactions by Agency	Transactions Using Both Segments	% Using Both Segments	Revenue
Westbound				
OCTA	772,968	507,698	66%	\$ 2,029,704
RCTC	770,842	507,698	66%	\$ 4,324,456
I-15	316,355	212,523	67%	\$ 1,749,150
McKinley	454,487	295,175	65%	\$ 2,575,307
Eastbound				
OCTA	754,323	374,551	50%	\$ 2,759,381
RCTC	569,941	374,551	66%	\$ 2,022,307
I-15	223,274	149,800	67%	\$ 517,842
McKinley	346,667	224,751	65%	\$ 1,504,464

JOINT AGENCY TRAFFIC STATISTICS



JOINT AGENCY PERFORMANCE MEASURES

REPORTING REQUIREMENT	Reporting Period	PERFORMANCE STANDARD	Oct-19 Performance
CUSTOMER SERVICE			
Call Wait Time	Monthly	Not to exceed 2 minutes	0:57
Abandon Rate	Monthly	No more than 4.0%	1.3%
Customer Satisfaction	Monthly	At least 75 outbound calls	77
VIOLATION PROCESSING			
Response Time	Monthly	Within 2 business days of receipt	0.7
CUSA Violation Collection Rate	Quarterly	70% or more	
CUSA Violation Collection Rate	Annually	74% or more	
TRAFFIC OPERATIONS			
Initial & Secondary Review s	Monthly	Equal to or less than 15 days	0.7
* Plate Misread Errors	Monthly	Equal to or less than 0.4%	0.01%
CAS Response Time	Monthly	0:20 (minutes) per call	0:08
ACCOUNTING			
OCTA Exceptions	Monthly	No more than 3	0
RCTC Exceptions	Monthly	No more than 3	0
INFORMATION TECHNOLOGY			
Back-office System Uptime	Monthly	99% Availability	100%
Network Uptime	Monthly	99% Availability	100%

CUSA = Cofiroute USA; CAS = OCTA Customer Assistance Specialists

* Plate Misread Error performance is current after a 60-day hold-back period; therefore, percentage reported here is for 2 months prior to the month of this report.

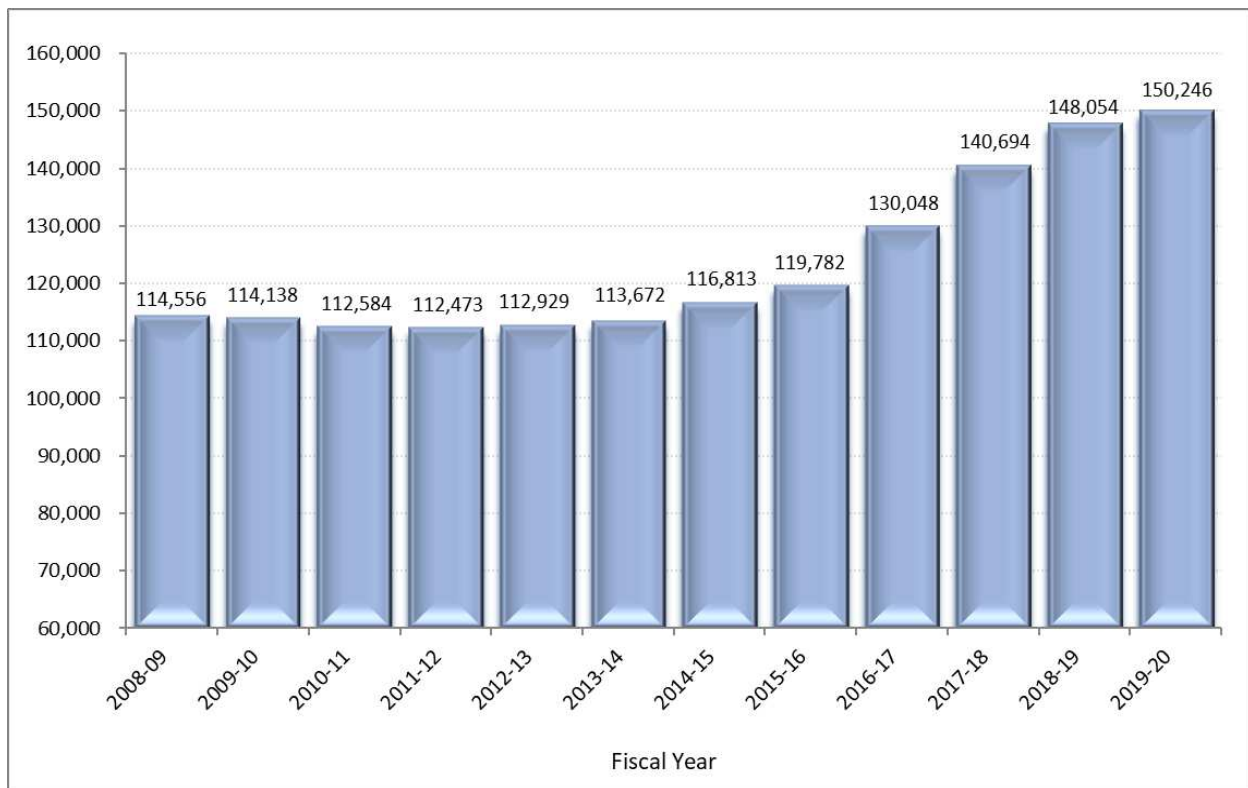
JOINT AGENCY TRANSPONDER DISTRIBUTION

TRANSPONDER DISTRIBUTION	October-19		September-19		FY 2019-20	
	Tags	% of Total	Tags	% of Total	Average To-Date	
Issued						
To New Accounts	1,347	48.0%	1,640	54.7%	1,504	50.5%
Additional Tags to Existing Accounts	873	31.1%	865	28.9%	887	29.7%
Replacement Transponders	587	20.9%	492	16.4%	590	19.8%
Total Issued	2,807		2,997		2,980	
Returned						
Account Closures	497	41.2%	588	40.8%	508	39.8%
Accounts Downsizing	168	13.9%	218	15.1%	167	13.1%
Defective Transponders	540	44.8%	635	44.1%	601	47.1%
Total Returned	1,205		1,441		1,276	

At the end of October 2019, the 91 Express Lanes had 150,246 active customer accounts and 229,079 transponders classified as Assigned.

Number of Accounts by Fiscal Year

As of October 31, 2019



Incoming Email Activity

During October, the Anaheim Processing Center received 3,600 emails.



Orange County Transportation Authority
Riverside County Transportation Commission



Status Report
November 2019

As of November 30, 2019

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OPERATIONS OVERVIEW OCTA

TRAFFIC AND REVENUE STATISTICS FOR OCTA

Total traffic volume on the 91 Express Lanes for November 2019 was 1,435,020. This represents a daily average of 47,834 vehicles. This is a 1.4% increase in total traffic volume from the same period last year, which totaled 1,415,344. Potential toll revenue for November was \$4,385,107, which represents an increase of 3.1% from the prior year's total of \$4,255,226. Carpool percentage for November was 25.66% as compared to the previous year's rate of 26.65%.

Month-to-date traffic and revenue data is summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the month of November 2019.

Current Month-to-Date (MTD) as of November 30, 2019

	Nov-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	Nov-18 MTD Actual	Yr-to-Yr % Variance
Trips						
Full Toll Lanes	1,066,864	1,060,367	6,497	0.6%	1,038,190	2.8%
3+ Lanes	368,156	321,113	47,043	14.6%	377,154	(2.4%)
Total Gross Trips	1,435,020	1,381,480	53,540	3.9%	1,415,344	1.4%
Revenue						
Full Toll Lanes	\$4,328,417	\$4,451,186	(\$122,770)	(2.8%)	\$4,186,694	3.4%
3+ Lanes	\$56,691	\$81,183	(\$24,492)	(30.2%)	\$68,532	(17.3%)
Total Gross Revenue	\$4,385,107	\$4,532,369	(\$147,262)	(3.2%)	\$4,255,226	3.1%
Average Revenue per Trip						
Average Full Toll Lanes	\$4.06	\$4.20	(\$0.14)	(3.3%)	\$4.03	0.7%
Average 3+ Lanes	\$0.15	\$0.25	(\$0.10)	(40.0%)	\$0.18	(16.7%)
Average Gross Revenue	\$3.06	\$3.28	(\$0.22)	(6.7%)	\$3.01	1.7%

The 2020 fiscal year-to-date traffic volume increased by 1.9% and potential toll revenue increased by 3.4%, when compared with the same period last year. Year-to-date average revenue per-trip is \$3.02.

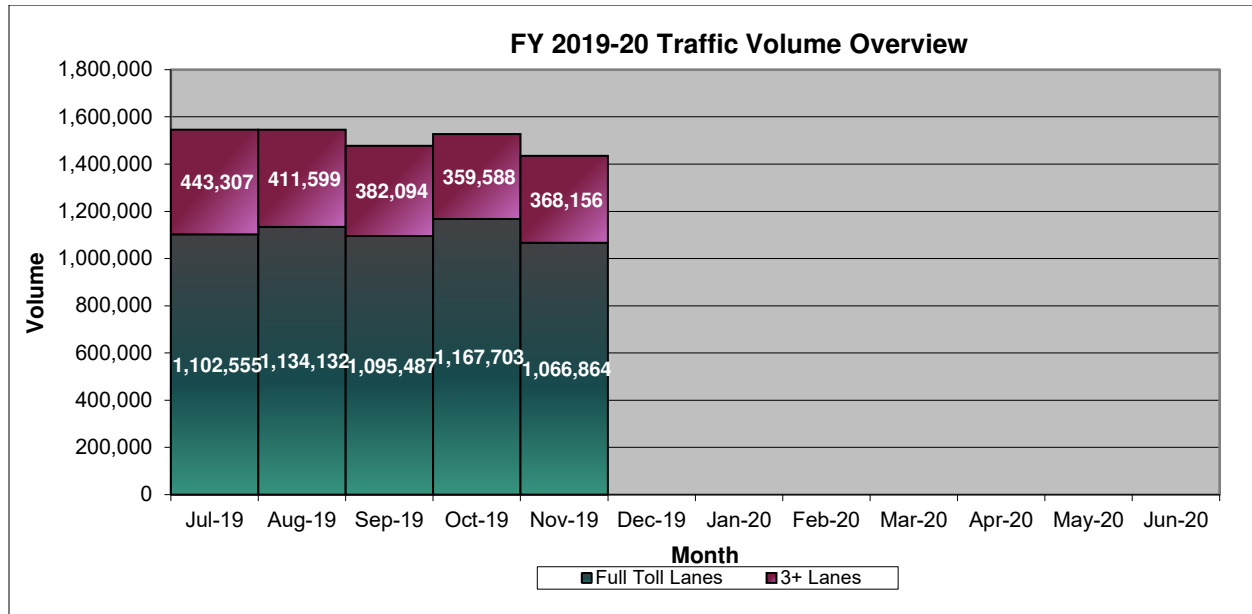
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the months of July 2019 through November 2019.

FY 2019-20 Year to Date as of November 30, 2019

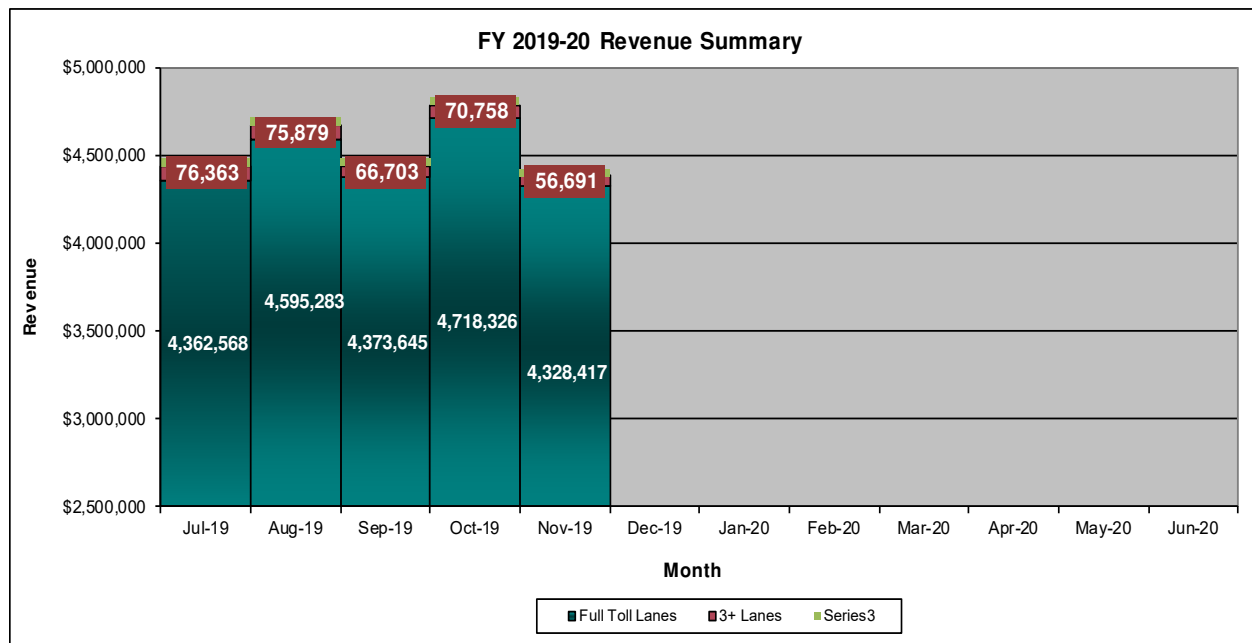
	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Trips						
Full Toll Lanes	5,566,741	5,531,297	35,444	0.6%	5,453,910	2.1%
3+ Lanes	1,964,744	1,674,839	289,905	17.3%	1,934,417	1.6%
Total Gross Trips	7,531,485	7,206,136	325,349	4.5%	7,388,327	1.9%
Revenue						
Full Toll Lanes	\$22,378,238	\$23,062,126	(\$683,888)	(3.0%)	\$21,611,559	3.5%
3+ Lanes	\$346,394	\$420,487	(\$74,094)	(17.6%)	\$374,259	(7.4%)
Total Gross Revenue	\$22,724,631	\$23,482,613	(\$757,982)	(3.2%)	\$21,985,819	3.4%
Average Revenue per Trip						
Average Full Toll Lanes	\$4.02	\$4.17	(\$0.15)	(3.6%)	\$3.96	1.5%
Average 3+ Lanes	\$0.18	\$0.25	(\$0.07)	(28.0%)	\$0.19	(5.3%)
Average Gross Revenue	\$3.02	\$3.26	(\$0.24)	(7.4%)	\$2.98	1.3%

OCTA Traffic and Revenue Summary

The chart below reflects the total trips breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



OCTA EASTBOUND PEAK-HOUR VOLUMES

Peak traffic hour in the eastbound direction reached or exceeded 90% or more of defined capacity 18 times during the month of November 2019. As demonstrated on the next chart, westbound peak hour traffic volumes top out at 81% of defined capacity.

PM Time	Monday 10/28/19				Tuesday 10/29/19				Wednesday 10/30/19				Thursday 10/31/19				Friday 11/01/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500																	\$7.10	491	3,227	95%
1500 - 1600																	\$9.15	649	2,733	80%
1600 - 1700																	\$8.95	436	2,684	79%
1700 - 1800																	\$7.05	515	2,775	82%
1800 - 1900																	\$6.55	631	2,648	78%
1900 - 2000																	\$6.05	563	1,983	58%

PM Time	Monday 11/04/19				Tuesday 11/05/19				Wednesday 11/06/19				Thursday 11/07/19				Friday 11/08/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	352	2,714	80%	\$5.15	387	3,053	90%	\$5.15	392	3,000	88%	\$6.70	434	3,201	94%	\$7.10	487	3,238	95%
1500 - 1600	\$5.50	537	2,915	86%	\$5.75	581	2,745	81%	\$7.75	581	2,839	84%	\$6.75	622	3,160	93%	\$9.15	665	2,631	77%
1600 - 1700	\$5.35	436	2,803	82%	\$5.50	387	2,915	86%	\$7.50	427	2,833	83%	\$8.30	455	2,654	78%	\$8.95	415	2,760	81%
1700 - 1800	\$5.30	488	2,934	86%	\$5.40	519	3,057	90%	\$6.40	518	2,983	88%	\$8.20	534	2,872	84%	\$7.05	560	2,869	84%
1800 - 1900	\$5.50	667	2,803	82%	\$3.95	633	3,129	92%	\$3.95	690	3,013	89%	\$4.85	649	2,960	87%	\$6.55	697	2,808	83%
1900 - 2000	\$3.85	554	2,193	65%	\$3.85	627	2,620	77%	\$3.85	595	2,552	75%	\$5.60	629	2,623	77%	\$6.05	768	2,543	75%

PM Time	Monday 11/11/19				Tuesday 11/12/19				Wednesday 11/13/19				Thursday 11/14/19				Friday 11/15/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	531	2,320	68%	\$5.15	380	3,032	89%	\$5.15	406	3,036	89%	\$6.70	407	3,344	98%	\$7.10	486	3,317	98%
1500 - 1600	\$5.50	679	2,810	83%	\$5.75	543	2,675	79%	\$7.75	583	2,865	84%	\$6.75	569	3,142	92%	\$9.15	638	2,653	78%
1600 - 1700	\$5.35	453	2,483	73%	\$5.50	401	2,730	80%	\$7.50	399	2,873	85%	\$8.30	409	2,499	74%	\$8.95	441	2,736	80%
1700 - 1800	\$5.30	544	2,507	74%	\$5.40	498	2,841	84%	\$6.40	512	3,097	91%	\$8.20	508	2,903	85%	\$7.05	558	2,774	82%
1800 - 1900	\$5.50	599	1,872	55%	\$3.95	627	2,960	87%	\$3.95	672	3,092	91%	\$4.85	680	3,009	89%	\$6.55	704	2,901	85%
1900 - 2000	\$3.85	486	1,359	40%	\$3.85	659	2,839	84%	\$3.85	570	2,387	70%	\$5.60	614	2,553	75%	\$6.05	645	2,392	70%

PM Time	Monday 11/18/19				Tuesday 11/19/19				Wednesday 11/20/19				Thursday 11/21/19				Friday 11/22/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	379	2,744	81%	\$5.15	348	2,663	78%	\$5.15	384	2,778	82%	\$6.70	389	3,187	94%	\$7.10	461	3,145	93%
1500 - 1600	\$5.50	599	3,163	93%	\$5.75	573	2,862	84%	\$7.75	497	2,627	77%	\$6.75	563	3,226	95%	\$9.15	562	2,623	77%
1600 - 1700	\$5.35	418	2,854	84%	\$5.50	407	3,066	90%	\$7.50	360	2,470	73%	\$8.30	368	2,528	74%	\$8.95	436	2,698	79%
1700 - 1800	\$5.30	528	2,971	87%	\$5.40	527	2,914	86%	\$6.40	522	3,078	91%	\$8.20	467	2,577	76%	\$7.05	580	2,850	84%
1800 - 1900	\$5.50	713	2,939	86%	\$3.95	631	2,980	88%	\$3.95	640	2,881	85%	\$4.85	677	3,041	89%	\$6.55	674	2,794	82%
1900 - 2000	\$3.85	449	1,868	55%	\$3.85	615	2,822	83%	\$3.85	403	1,632	48%	\$5.60	587	2,311	68%	\$6.05	727	2,470	73%

PM Time	Monday 11/25/19				Tuesday 11/26/19				Wednesday 11/27/19				Thursday 11/28/19				Friday 11/29/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	507	2,759	81%	\$5.15	508	2,843	84%	\$7.45	482	2,897	85%	\$5.30	857	2,075	61%	\$4.95	394	1,355	40%
1500 - 1600	\$5.50	565	2,888	85%	\$5.75	598	2,784	82%	\$8.50	576	2,797	82%	\$4.95	699	1,633	48%	\$4.95	464	1,314	39%
1600 - 1700	\$5.35	482	2,790	82%	\$5.50	482	2,792	82%	\$8.50	296	1,577	46%	\$4.95	682	1,564	46%	\$4.95	385	1,157	34%
1700 - 1800	\$5.30	518	2,864	84%	\$5.40	497	2,797	82%	\$8.50	554	2,298	68%	\$4.95	632	1,454	43%	\$4.95	386	1,085	32%
1800 - 1900	\$5.50	672	2,742	81%	\$3.95	672	3,034	89%	\$6.00	493	1,646	48%	\$5.30	730	1,464	43%	\$4.95	387	1,028	30%
1900 - 2000	\$3.85	644	2,357	69%	\$3.85	844	2,952	87%	\$5.75	430	1,292	38%	\$5.30	822	1,655	49%	\$4.95	314	740	22%

OCTA WESTBOUND PEAK-HOUR VOLUMES

AM Time	Monday 10/28/19				Tuesday 10/29/19				Wednesday 10/30/19				Thursday 10/31/19				Friday 11/01/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500																	\$3.05	646	1,993	59%
0500 - 0600																	\$4.70	768	2,384	70%
0600 - 0700																	\$4.95	596	2,112	62%
0700 - 0800																	\$5.50	401	1,827	54%
0800 - 0900																	\$4.95	300	1,827	54%
0900 - 1000																	\$4.10	263	1,579	46%

AM Time	Monday 11/04/19				Tuesday 11/05/19				Wednesday 11/06/19				Thursday 11/07/19				Friday 11/08/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	832	2,714	80%	\$3.05	823	2,657	78%	\$3.05	867	2,681	79%	\$3.05	805	2,635	78%	\$3.05	689	2,203	65%
0500 - 0600	\$4.95	803	2,552	75%	\$4.95	858	2,624	77%	\$4.95	772	2,636	78%	\$4.95	839	2,699	79%	\$4.70	708	2,489	73%
0600 - 0700	\$5.15	558	2,093	62%	\$5.15	529	2,119	62%	\$5.15	617	2,068	61%	\$5.15	620	2,047	60%	\$4.95	558	2,173	64%
0700 - 0800	\$5.65	399	2,196	65%	\$5.65	425	2,269	67%	\$5.65	420	2,295	68%	\$5.65	417	2,230	66%	\$5.50	353	1,971	58%
0800 - 0900	\$5.15	254	2,200	65%	\$5.15	277	2,259	66%	\$5.15	245	2,041	60%	\$5.15	236	1,993	59%	\$4.95	230	1,781	52%
0900 - 1000	\$4.10	254	2,077	61%	\$4.10	259	2,294	67%	\$4.10	230	2,171	64%	\$4.10	272	2,049	60%	\$4.10	256	1,818	53%

AM Time	Monday 11/11/19				Tuesday 11/12/19				Wednesday 11/13/19				Thursday 11/14/19				Friday 11/15/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	485	1,513	45%	\$3.05	805	2,693	79%	\$3.05	888	2,703	80%	\$3.05	770	2,637	78%	\$3.05	674	2,265	67%
0500 - 0600	\$4.95	469	1,614	47%	\$4.95	874	2,647	78%	\$4.95	783	2,661	78%	\$4.95	851	2,737	81%	\$4.70	745	2,453	72%
0600 - 0700	\$5.15	280	1,164	34%	\$5.15	563	2,136	63%	\$5.15	639	2,103	62%	\$5.15	612	1,988	58%	\$4.95	603	2,187	64%
0700 - 0800	\$5.65	252	1,186	35%	\$5.65	417	2,149	63%	\$5.65	434	2,318	68%	\$5.65	435	2,258	66%	\$5.50	354	1,883	55%
0800 - 0900	\$5.15	302	1,270	37%	\$5.15	248	2,148	63%	\$5.15	225	2,151	63%	\$5.15	237	2,049	60%	\$4.95	263	1,792	53%
0900 - 1000	\$4.10	373	1,487	44%	\$4.10	289	2,331	69%	\$4.10	240	2,158	63%	\$4.10	249	2,112	62%	\$4.10	221	1,601	47%

AM Time	Monday 11/18/19				Tuesday 11/19/19				Wednesday 11/20/19				Thursday 11/21/19				Friday 11/22/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	804	2,688	79%	\$3.05	750	2,478	73%	\$3.05	831	2,632	77%	\$3.05	802	2,671	79%	\$3.05	696	2,213	65%
0500 - 0600	\$4.95	768	2,599	76%	\$4.95	906	2,719	80%	\$4.95	754	2,524	74%	\$4.95	833	2,701	79%	\$4.70	733	2,453	72%
0600 - 0700	\$5.15	554	2,130	63%	\$5.15	562	2,078	61%	\$5.15	574	1,857	55%	\$5.15	588	2,001	59%	\$4.95	577	2,078	61%
0700 - 0800	\$5.65	448	2,259	66%	\$5.65	428	2,292	67%	\$5.65	351	1,895	56%	\$5.65	347	1,964	58%	\$5.50	396	1,908	56%
0800 - 0900	\$5.15	267	2,226	65%	\$5.15	262	2,222	65%	\$5.15	221	1,894	56%	\$5.15	222	1,874	55%	\$4.95	232	1,776	52%
0900 - 1000	\$4.10	275	2,243	66%	\$4.10	237	2,229	66%	\$4.10	197	1,716	50%	\$4.10	201	1,808	53%	\$4.10	222	1,771	52%

AM Time	Monday 11/25/19				Tuesday 11/26/19				Wednesday 11/27/19				Thursday 11/28/19				Friday 11/29/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	806	2,567	76%	\$3.05	758	2,560	75%	\$3.05	610	1,944	57%	\$1.70	39	86	3%	\$1.70	91	222	7%
0500 - 0600	\$4.95	742	2,491	73%	\$4.95	793	2,499	74%	\$5.15	501	1,638	48%	\$1.70	29	96	3%	\$1.70	117	366	11%
0600 - 0700	\$5.15	437	1,889	56%	\$5.15	404	1,829	54%	\$5.30	296	1,248	37%	\$1.70	53	144	4%	\$2.50	113	413	12%
0700 - 0800	\$5.65	395	1,961	58%	\$5.65	362	1,871	55%	\$5.75	234	1,165	34%	\$1.70	63	209	6%	\$3.05	115	482	14%
0800 - 0900	\$5.15	295	1,825	54%	\$5.15	318	1,903	56%	\$5.75	189	1,126	33%	\$1.70	128	407	12%	\$3.05	152	671	20%
0900 - 1000	\$4.10	388	2,157	63%	\$4.10	398	2,038	60%	\$5.30	255	1,285	38%	\$2.50	269	676	20%	\$3.85	262	872	26%

OCTA OPERATIONAL HIGHLIGHTS

On-road Operations

OCTA Customer Assistance Specialists (CAS) responded to 103 calls during the month of November. Of those calls, 83 were to assist disabled vehicles and 13 calls to remove debris. There were 7 accidents in the Express Lanes and 2 of those accidents originated in the SR91 general-purpose lanes that affected the Express Lanes.

Electronic Toll and Traffic Management System Project Update

Kapsch TrafficCom USA, Inc., (Kapsch), the toll lanes system integrator for the 91 Express Lanes, completed the replacement of the Electronic Toll and Traffic Management (ETTM) system at the current toll gantries. This new lane system is reading both the new 6C transponder protocol as well as the legacy Title 21 protocol. The next phase of the project, which begins next calendar year, entails the replacement of the closed-circuit television cameras along the corridor. New toll gantries will be constructed at the three entrances of the OCTA 91 Express Lanes after which Kapsch will install new ETTM equipment on the entrance gantries.

6C Transition Update

Changes to the back-office system to incorporate the new 6C transponder protocol is underway. Beginning in December, the 91 Express Lanes will be sending letters to customers notifying them of the transition to 6C, as well as changes to the account plans, user agreement and privacy policy. A new welcome kit will be sent with the new sticker transponders commencing January 2020. It is envisioned the distribution of the new transponders to all the customers will take place over several months.

FINANCIAL HIGHLIGHTS OCTA

91 Express Lanes Operating Statement

Description	YTD as of : 11/30/2019		YTD Variance	
	Actual ⁽¹⁾	Budget ⁽¹⁾	Dollar \$	Percent (%)
Operating revenues:				
Toll revenue	\$ 20,997,846.10	\$ 22,359,766.00	\$ (1,361,919.90)	(6.1)
Fee revenue	2,999,178.87	1,613,373.00	1,385,805.87	85.9
Total operating revenues	23,997,024.97	23,973,139.00	23,885.97	0.1
Operating expenses:				
Contracted services	2,614,154.96	3,082,100.00	467,945.04	15.2
Administrative fee	1,181,200.00	1,183,285.00	2,085.00	0.2
Other professional services	319,783.49	959,993.00	640,209.51	66.7
Credit card processing fees	547,440.35	596,835.00	49,394.65	8.3
Toll road account servicing	275,749.69	992,500.00	716,750.31	72.2
Other insurance expense	155,456.25	312,375.00	156,918.75	50.2
Toll road maintenance supply repairs	125,108.01	214,585.00	89,476.99	41.7
Patrol services	247,234.19	408,175.00	160,940.81	39.4
Building equipment repairs and maint	(19,920.85)	137,570.00	157,490.85	114.5
6C Transponders	-	-	-	N/A
Other services	(15,314.00)	10,415.00	25,729.00	247.0
Utilities	15,895.46	30,615.00	14,719.54	48.1
Office expense	(138.06)	83,467.00	83,605.06	100.2
Bad debt expense	59,325.33	-	(59,325.33)	N/A
Miscellaneous ⁽²⁾	35,976.76	33,725.00	(2,251.76)	(6.7)
Leases	182,325.16	191,590.00	9,264.84	4.8
Total operating expenses	5,724,276.74	8,237,230.00	2,512,953.26	30.5
Depreciation and amortization ⁽³⁾	1,480,970.00	-	(1,480,970.00)	N/A
Operating income (loss)	16,791,778.23	15,735,909.00	1,055,869.23	6.7
Nonoperating revenues (expenses):				
Reimbursement from Other Agencies	268,083.37	453,125.00	(185,041.63)	(40.8)
Interest income	2,442,276.25	1,581,705.00	860,571.25	54.4
Interest expense	(1,938,687.36)	(1,963,360.00)	24,672.64	1.3
Other	16,165.63	-	16,165.63	N/A
Total nonoperating revenues (expenses)	787,837.89	71,470.00	716,367.89	(1,002.3)
Transfers in	-	-	-	N/A
Transfers out	(93,373.44)	(15,000.00)	(78,373.44)	(522.5)
Net income (loss)	\$ 17,486,242.68	\$ 15,792,379.00	\$ 1,693,863.68	10.7

¹Actual amounts are accounted for on the accrual basis of accounting in an enterprise fund. Budget amounts are accounted for on a modified accrual basis of accounting.

²Miscellaneous expenses include: Bond Insurance Costs, Bank Service Charge, Transponder Materials.

³Depreciation and amortization are not budgeted items.

Capital Asset Activity

During the five months ending November 30, 2019, capital asset activities included \$195,292 for the ETTM system, \$5,920 for the computer equipment and \$97,358 for transponder purchases.

OPERATIONS OVERVIEW RCTC

TRAFFIC AND REVENUE STATISTICS FOR RCTC

Total traffic volume on the 91 Express Lanes for November 2019 was 1,264,601. This represents a daily average of 42,153 vehicles. This is a 3.1% increase in total traffic volume from the same period last year, which totaled 1,226,885. Potential toll revenue for the month was \$5,330,279, which represents an increase of 20% from the prior year's total of \$4,440,392. Carpool percentage for November was 23.74% as compared to the previous year's rate of 24.37%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the month of November 2019.

Current Month-to-Date (MTD) as of November 30, 2019

	NOV-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	NOV-18 MTD Actual	Yr-to-Yr % Variance
Trips						
Full Toll Lanes	964,400	959,129	5,271	0.5%	927,903	3.9%
3+ Lanes	300,201	315,057	(14,856)	(4.7%)	298,982	0.4%
Total Gross Trips	1,264,601	1,274,186	(9,585)	(0.8%)	1,226,885	3.1%
Revenue						
Full Toll Lanes	\$5,301,867	\$3,799,571	\$1,502,296	39.5%	\$4,408,880	20.3%
3+ Lanes	\$28,411	\$0	\$28,411		\$31,512	(9.8%)
Total Gross Revenue	\$5,330,279	\$3,799,571	\$1,530,707	40.3%	\$4,440,392	20.0%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.50	\$3.96	\$1.54	38.9%	\$4.75	15.8%
Average 3+ Lanes	\$0.09	\$0.00	\$0.09		\$0.11	(18.2%)
Average Gross Revenue	\$4.21	\$2.98	\$1.23	41.3%	\$3.62	16.3%

The 2020 fiscal year-to-date (YTD) traffic volume is 3% higher when compared with the same period last year. The 2020 fiscal year-to-date revenue is 21% higher than for the same period last year. The traffic and revenue increases are attributed to higher demand and increased toll rates to manage the demand. Year-to-date average revenue per-trip is \$4.22.

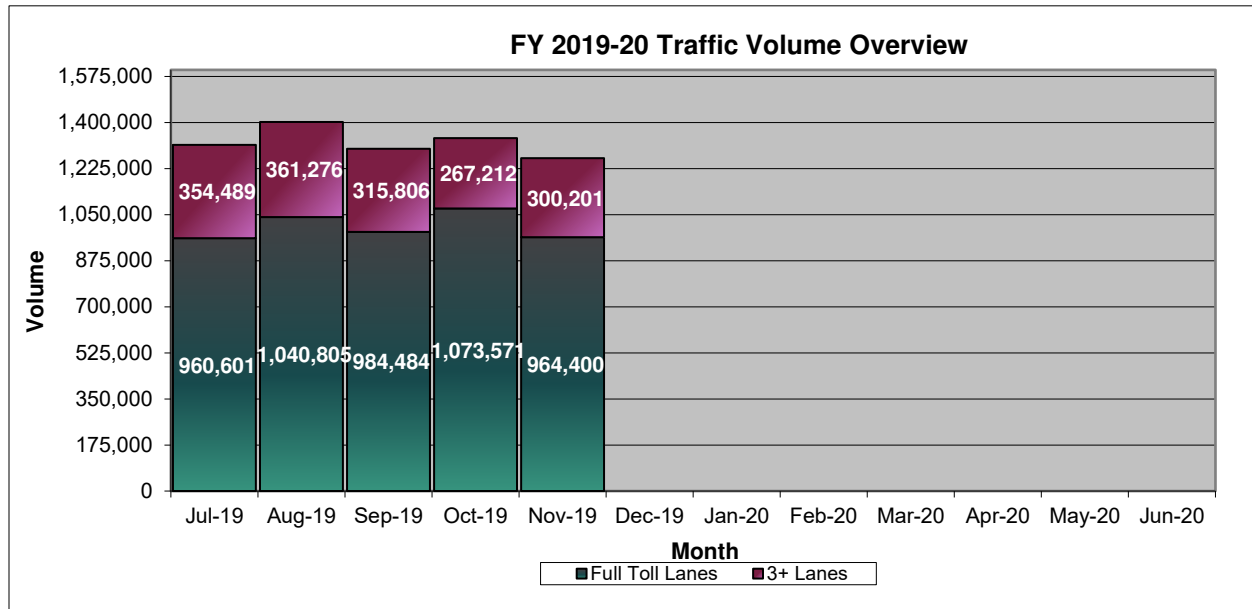
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the months of July 2019 through November 2019.

FY 2019-20 Year to Date as of November 30, 2019

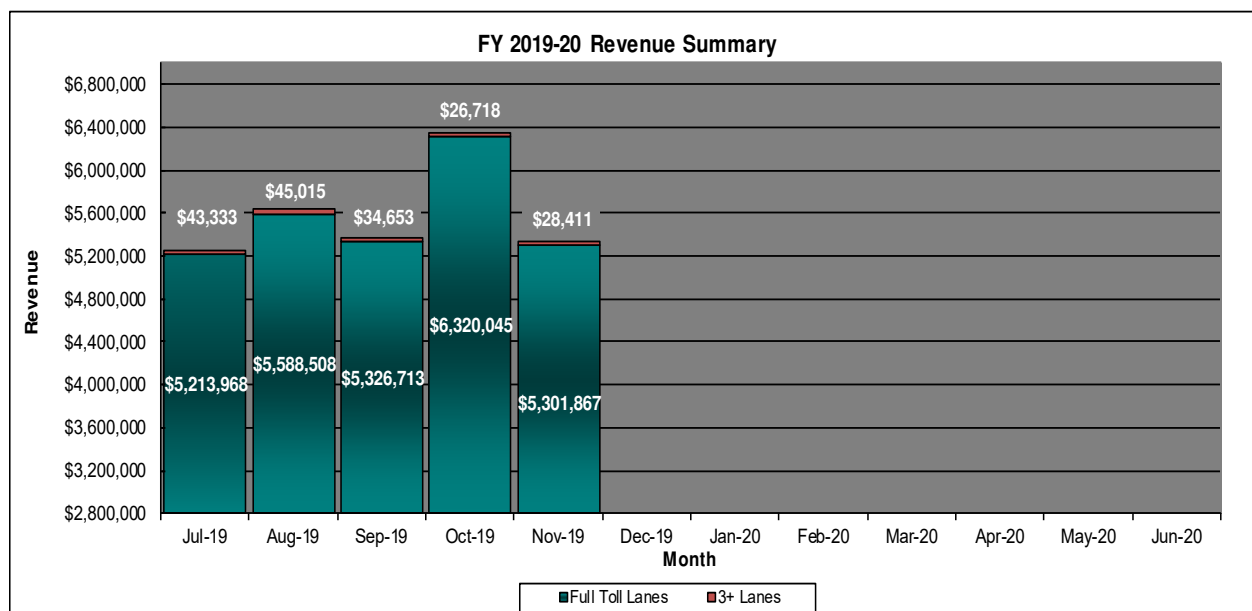
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	5,023,861	5,006,614	17,247	0.3%	4,886,478	2.8%
3+ Lanes	1,598,984	1,604,743	(5,759)	(0.4%)	1,541,321	3.7%
Total Gross Trips	6,622,845	6,611,357	11,488	0.2%	6,427,799	3.0%
Revenue						
Full Toll Lanes	\$27,751,102	\$19,639,000	\$8,112,102	41.3%	\$22,910,249	21.1%
3+ Lanes	\$178,130	\$0	\$178,130		\$174,164	2.3%
Total Gross Revenue	\$27,929,232	\$19,639,000	\$8,290,232	42.2%	\$23,084,413	21.0%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.52	\$3.92	\$1.60	40.8%	\$4.69	17.7%
Average 3+ Lanes	\$0.11	\$0.00	\$0.11		\$0.11	0.0%
Average Gross Revenue	\$4.22	\$2.97	\$1.25	42.1%	\$3.59	17.5%

RCTC Traffic and Revenue Summary

The chart below reflects the total trips broken down between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



RCTC PEAK-HOUR VOLUMES

RCTC evaluates traffic volumes for peak period hours and either increases or decreases tolls according to the toll rate policy. Hours that are highlighted in yellow were operating in a degraded state. The next quarterly adjustment is scheduled for January 1, 2020.

RCTC EASTBOUND PEAK-HOUR VOLUMES

Eastbound PM Peak - County Line to McKinley

PM Time	Monday 10/28/19					Tuesday 10/29/19					Wednesday 10/30/19					Thursday 10/31/19					Friday 11/01/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500																					\$21.00	291	1,144	1,435	F
1500 - 1600																					\$18.70	284	936	1,220	E
1600 - 1700																					\$10.45	211	954	1,165	D
1700 - 1800																					\$6.95	239	854	1,093	D
1800 - 1900																					\$5.30	243	792	1,035	D
1900 - 2000																					\$5.30	232	641	873	C

PM Time	Monday 11/04/19					Tuesday 11/05/19					Wednesday 11/06/19					Thursday 11/07/19					Friday 11/08/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	189	962	1,151	D	\$6.95	203	1,115	1,318	F	\$9.00	214	1,118	1,332	F	\$11.85	248	1,190	1,438	F	\$21.00	345	1,522	1,867	F
1500 - 1600	\$7.35	266	911	1,177	D	\$6.95	305	890	1,195	D	\$9.90	285	914	1,199	D	\$12.00	300	964	1,264	E	\$18.70	399	853	1,252	E
1600 - 1700	\$5.30	195	893	1,088	D	\$5.30	187	960	1,147	D	\$5.30	202	944	1,146	D	\$7.50	222	865	1,087	D	\$10.45	251	1,023	1,274	E
1700 - 1800	\$5.30	194	827	1,021	D	\$5.30	234	849	1,083	D	\$5.30	191	848	1,039	D	\$5.30	216	869	1,085	D	\$6.95	281	942	1,223	E
1800 - 1900	\$5.30	295	804	1,099	D	\$5.30	287	863	1,150	D	\$5.30	284	822	1,106	D	\$5.30	293	854	1,147	D	\$5.30	236	766	1,002	D
1900 - 2000	\$2.25	229	617	846	C	\$4.20	212	719	931	C	\$5.30	214	705	919	C	\$5.30	237	773	1,010	D	\$5.30	455	1,044	1,499	F

PM Time	Monday 11/11/19					Tuesday 11/12/19					Wednesday 11/13/19					Thursday 11/14/19					Friday 11/15/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	275	836	1,111	D	\$6.95	209	1,120	1,329	F	\$9.00	236	1,122	1,358	F	\$11.85	214	1,283	1,497	F	\$21.00	319	1,140	1,459	F
1500 - 1600	\$7.35	343	875	1,218	E	\$6.95	286	964	1,250	E	\$9.90	283	959	1,242	E	\$12.00	289	997	1,286	E	\$18.70	317	860	1,177	D
1600 - 1700	\$5.30	206	787	993	C	\$5.30	174	926	1,100	D	\$5.30	164	939	1,103	D	\$7.50	152	857	1,009	D	\$10.45	210	895	1,105	D
1700 - 1800	\$5.30	236	735	971	C	\$5.30	189	798	987	C	\$5.30	226	887	1,113	D	\$5.30	194	919	1,113	D	\$6.95	245	885	1,130	D
1800 - 1900	\$5.30	253	587	840	C	\$5.30	279	811	1,090	D	\$5.30	294	830	1,124	D	\$5.30	252	832	1,084	D	\$5.30	297	917	1,214	E
1900 - 2000	\$2.25	221	379	600	B	\$4.20	271	811	1,082	D	\$5.30	212	694	906	C	\$5.30	213	817	1,030	D	\$5.30	288	799	1,087	D

PM Time	Monday 11/18/19					Tuesday 11/19/19					Wednesday 11/20/19					Thursday 11/21/19					Friday 11/22/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	208	986	1,194	D	\$6.95	188	993	1,181	D	\$9.00	217	934	1,151	D	\$11.85	234	1,049	1,283	E	\$21.00	308	1,105	1,413	F
1500 - 1600	\$7.35	302	1,022	1,324	F	\$6.95	287	983	1,270	E	\$9.90	256	856	1,112	D	\$12.00	312	1,014	1,326	F	\$18.70	315	967	1,282	E
1600 - 1700	\$5.30	196	887	1,083	D	\$5.30	162	948	1,110	D	\$5.30	163	774	937	C	\$7.50	196	876	1,072	D	\$10.45	254	967	1,221	E
1700 - 1800	\$5.30	193	830	1,023	D	\$5.30	191	857	1,048	D	\$5.30	203	808	1,011	D	\$5.30	203	793	996	C	\$6.95	267	926	1,193	D
1800 - 1900	\$5.30	280	803	1,083	D	\$5.30	272	734	1,006	D	\$5.30	262	718	980	C	\$5.30	297	770	1,067	D	\$5.30	306	986	1,292	E
1900 - 2000	\$2.25	172	627	799	B	\$4.20	236	824	1,060	D	\$5.30	154	425	579	B	\$5.30	229	590	819	C	\$5.30	446	1,125	1,571	F

PM Time	Monday 11/25/19					Tuesday 11/26/19					Wednesday 11/27/19					Thursday 11/28/19					Friday 11/29/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$5.30	293	1,069	1,362	F	\$6.95	319	1,123	1,442	F	\$15.45	262	1,011	1,273	E	\$5.30	461	769	1,230	E	\$2.25	199	510	709	B
1500 - 1600	\$7.35	337	993	1,330	F	\$6.95	361	1,044	1,405	F	\$12.30	342	929	1,271	E	\$4.20	347	583	930	C	\$2.25	205	404	609	B
1600 - 1700	\$5.30	221	871	1,092	D	\$5.30	226	1,029	1,255	E	\$10.20	162	665	827	C	\$4.20	304	620	924	C	\$2.25	155	335	490	B
1700 - 1800	\$5.30	227	801	1,028	D	\$5.30	250	860	1,110	D	\$8.30	257	778	1,035	D	\$4.20	318	544	862	C	\$2.25	167	298	465	B
1800 - 1900	\$5.30	276	800	1,076	D	\$5.30	298	901	1,199	D	\$5.30	225	617	842	C	\$4.20	319	463	782	B	\$2.25	146	275	421	B
1900 - 2000	\$2.25	238	705	943	C	\$4.20	373	978	1,351	F	\$2.25	189	408	597	B	\$4.20	350	530	880	C	\$1.55	119	201	320	A

Eastbound PM Peak - County Line to I-15 South

PM Time	Monday 10/28/19					Tuesday 10/29/19					Wednesday 10/30/19					Thursday 10/31/19					Friday 11/01/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500																					\$5.30	126	750	876	C
1500 - 1600																					\$2.95	143	612	755	B
1600 - 1700																					\$2.95	112	577	689	B
1700 - 1800																					\$2.95	118	578	696	B
1800 - 1900																					\$2.95	145	556	701	B
1900 - 2000																					\$2.95	118	425	543	B

PM Time	Monday 11/04/19					Tuesday 11/05/19					Wednesday 11/06/19					Thursday 11/07/19					Friday 11/08/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	101	713	814	C	\$5.30	95	746	841	C	\$5.30	107	750	857	C	\$5.30	107	761	868	C	\$5.30	54	330	384	A
1500 - 1600	\$5.30	133	593	726	B	\$2.95	127	629	756	B	\$2.95	149	600	749	B	\$5.30	144	678	822	C	\$2.95	116	341	457	B
1600 - 1700	\$2.95	94	633	727	B	\$2.95	97	679	776	B	\$2.95	91	633	724	B	\$2.95	118	632	750	B	\$2.95	91	459	550	B
1700 - 1800	\$2.95	103	607	710	B	\$2.95	114	631	745	B	\$2.95	112	626	738	B	\$2.95	109	558	667	B	\$2.95	112	588	700	B
1800 - 1900	\$2.95	150	555	705	B	\$2.95	122	568	690	B	\$2.95	146	592	738	B	\$2.95	134	572	706	B	\$2.95	17	49	66	A
1900 - 2000	\$2.95	160	476	636	B	\$2.95	124	605	729	B	\$2.95	150	547	697	B	\$2.95	166	647	813	C	\$2.95	209	611	820	C

PM Time	Monday 11/11/19					Tuesday 11/12/19					Wednesday 11/13/19					Thursday 11/14/19					Friday 11/15/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	142	575	717	B	\$5.30	78	658	736	B	\$5.30	106	778	884	C	\$5.30	103	842	945	C	\$5.30	107	796	903	C
1500 - 1600	\$5.30	173	606	779	B	\$2.95	112	553	665	B	\$2.95	126	691	817	C	\$5.30	113	705	818	C	\$2.95	125	586	711	B
1600 - 1700	\$2.95	129	621	750	B	\$2.95	96	619	715	B	\$2.95	111	689	800	B	\$2.95	92	578	670	B	\$2.95	96	625	721	B
1700 - 1800	\$2.95	139	513	652	B	\$2.95	122	609	731	B	\$2.95	94	679	773	B	\$2.95	94	601	695	B	\$2.95	96	565	661	B
1800 - 1900	\$2.95	143	359	502	B	\$2.95	139	535	674	B	\$2.95	144	624	768	B	\$2.95	131	583	714	B	\$2.95	152	532	684	B
1900 - 2000	\$2.95	118	278	396	A	\$2.95	167	608	775	B	\$2.95	140	486	626	B	\$2.95	121	553	674	B	\$2.95	181	521	702	B

PM Time	Monday 11/18/19					Tuesday 11/19/19					Wednesday 11/20/19					Thursday 11/21/19					Friday 11/22/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	86	698	784	B	\$5.30	91	684	775	B	\$5.30	90	630	720	B	\$5.30	109	737	846	C	\$5.30	134	743	877	C
1500 - 1600	\$5.30	129	638	767	B	\$2.95	128	647	775	B	\$2.95	113	607	720	B	\$5.30	118	742	860	C	\$2.95	132	606	738	B
1600 - 1700	\$2.95	96	646	742	B	\$2.95	89	687	776	B	\$2.95	87	617	704	B	\$2.95	89	594	683	B	\$2.95	93	634	727	B
1700 - 1800	\$2.95	103	602	705	B	\$2.95	103	627	730	B	\$2.95	109	648	757	B	\$2.95	88	576	664	B	\$2.95	114	606	720	B
1800 - 1900	\$2.95	124	588	712	B	\$2.95	128	594	722	B	\$2.95	134	612	746	B	\$2.95	154	625	779	B	\$2.95	121	500	621	B
1900 - 2000	\$2.95	89	432	521	B	\$2.95	131	669	800	B	\$2.95	95	316	411	B	\$2.95	160	550	710	B	\$2.95	34	113	147	A

PM Time	Monday 11/25/19					Tuesday 11/26/19					Wednesday 11/27/19					Thursday 11/28/19					Friday 11/29/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	140	680	820	C	\$5.30	134	644	778	B	\$1.95	134	708	842	C	\$2.95	271	422	693	B	\$2.95	116	331	447	B
1500 - 1600	\$5.30	143	622	765	B	\$2.95	154	652	806	C	\$2.95	152	655	807	C	\$2.95	210	342	552	B	\$1.95	142	253	395	A
1600 - 1700	\$2.95	124	649	773	B	\$2.95	115	614	729	B	\$1.95	76	453	529	B	\$2.95	194	330	524	B	\$1.95	104	231	335	A
1700 - 1800	\$2.95	110	585	695	B	\$2.95	105	572	677	B	\$1.95	126	563	689	B	\$2.95	175	305	480	B	\$1.95	104	240	344	A
1800 - 1900	\$2.95	147	573	720	B	\$2.95	142	609	751	B	\$2.95	87	273	360	A	\$2.95	233	295	528	B	\$1.95	109	186	295	A
1900 - 2000	\$2.95	157	458	615	B	\$2.95	239	659	898	C	\$2.95	104	222	326	A	\$2.95	323	348	671	B	\$1.95	97	131	228	A

RCTC WESTBOUND PEAK-HOUR VOLUMES

Eastbound PM Peak Total

PM Time	Monday 10/28/19			Tuesday 10/29/19			Wednesday 10/30/19			Thursday 10/31/19			Friday 11/01/19		
	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.
1400 - 1500													417	1,894	2,311
1500 - 1600													427	1,548	1,975
1600 - 1700													323	1,531	1,854
1700 - 1800													357	1,432	1,789
1800 - 1900													388	1,348	1,736
1900 - 2000													350	1,066	1,416

PM Time	Monday 11/04/19			Tuesday 11/05/19			Wednesday 11/06/19			Thursday 11/07/19			Friday 11/08/19		
	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.
1400 - 1500	290	1,675	1,965	298	1,861	2,159	321	1,868	2,189	355	1,951	2,306	399	1,852	2,251
1500 - 1600	399	1,504	1,903	432	1,519	1,951	434	1,514	1,948	444	1,642	2,086	515	1,194	1,709
1600 - 1700	289	1,526	1,815	284	1,639	1,923	293	1,577	1,870	340	1,497	1,837	342	1,482	1,824
1700 - 1800	297	1,434	1,731	348	1,480	1,828	303	1,474	1,777	325	1,427	1,752	393	1,530	1,923
1800 - 1900	445	1,359	1,804	409	1,431	1,840	430	1,414	1,844	427	1,426	1,853	253	815	1,068
1900 - 2000	389	1,093	1,482	336	1,324	1,660	364	1,252	1,616	403	1,420	1,823	664	1,655	2,319

PM Time	Monday 11/11/19			Tuesday 11/12/19			Wednesday 11/13/19			Thursday 11/14/19			Friday 11/15/19		
	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.
1400 - 1500	417	1,411	1,828	287	1,778	2,065	342	1,900	2,242	317	2,125	2,442	426	1,936	2,362
1500 - 1600	516	1,481	1,997	398	1,517	1,915	409	1,650	2,059	402	1,702	2,104	442	1,446	1,888
1600 - 1700	335	1,408	1,743	270	1,545	1,815	275	1,628	1,903	244	1,435	1,679	306	1,520	1,826
1700 - 1800	375	1,248	1,623	311	1,407	1,718	320	1,566	1,886	288	1,520	1,808	341	1,450	1,791
1800 - 1900	396	946	1,342	418	1,346	1,764	438	1,454	1,892	383	1,415	1,798	449	1,449	1,898
1900 - 2000	339	657	996	438	1,419	1,857	352	1,180	1,532	334	1,370	1,704	469	1,320	1,789

PM Time	Monday 11/18/19			Tuesday 11/19/19			Wednesday 11/20/19			Thursday 11/21/19			Friday 11/22/19		
	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.
1400 - 1500	294	1,684	1,978	279	1,677	1,956	307	1,564	1,871	343	1,786	2,129	442	1,848	2,290
1500 - 1600	431	1,660	2,091	415	1,630	2,045	369	1,463	1,832	430	1,756	2,186	447	1,573	2,020
1600 - 1700	292	1,533	1,825	251	1,635	1,886	250	1,391	1,641	285	1,470	1,755	347	1,601	1,948
1700 - 1800	296	1,432	1,728	294	1,484	1,778	312	1,456	1,768	291	1,369	1,660	381	1,532	1,913
1800 - 1900	404	1,391	1,795	400	1,328	1,728	396	1,330	1,726	451	1,395	1,846	427	1,486	1,913
1900 - 2000	261	1,059	1,320	367	1,493	1,860	249	741	990	389	1,140	1,529	480	1,238	1,718

PM Time	Monday 11/25/19			Tuesday 11/26/19			Wednesday 11/27/19			Thursday 11/28/19			Friday 11/29/19		
	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.	HOV	SOV	Vol.
1400 - 1500	433	1,749	2,182	453	1,767	2,220	396	1,719	2,115	732	1,191	1,923	315	841	1,156
1500 - 1600	480	1,615	2,095	515	1,696	2,211	494	1,584	2,078	557	925	1,482	347	657	1,004
1600 - 1700	345	1,520	1,865	341	1,643	1,984	238	1,118	1,356	498	950	1,448	259	566	825
1700 - 1800	337	1,386	1,723	355	1,432	1,787	383	1,341	1,724	493	849	1,342	271	538	809
1800 - 1900	423	1,373	1,796	440	1,510	1,950	312	890	1,202	552	758	1,310	255	461	716
1900 - 2000	395	1,163	1,558	612	1,637	2,249	293	630	923	673	878	1,551	216	332	548

Westbound AM Peak - McKinley to County Line

AM Time	Monday 10/28/19					Tuesday 10/29/19					Wednesday 10/30/19					Thursday 10/31/19					Friday 11/01/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500																					\$5.30	357	749	1,106	D
0500 - 0600																					\$12.20	458	1,006	1,464	F
0600 - 0700																					\$11.45	421	1,094	1,515	F
0700 - 0800																					\$9.30	335	1,065	1,400	F
0800 - 0900																					\$8.00	234	1,089	1,323	E
0900 - 1000																					\$5.30	154	733	887	C

AM Time	Monday 11/04/19					Tuesday 11/05/19					Wednesday 11/06/19					Thursday 11/07/19					Friday 11/08/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	409	1,172	1,581	F	\$10.80	410	1,043	1,453	F	\$10.80	485	1,151	1,636	F	\$10.50	401	1,182	1,583	F	\$5.30	349	836	1,185	D
0500 - 0600	\$23.25	467	859	1,326	E	\$22.80	535	874	1,409	F	\$18.40	430	1,069	1,499	F	\$17.50	480	1,050	1,530	F	\$12.20	420	1,074	1,494	F
0600 - 0700	\$20.20	370	872	1,242	E	\$17.45	300	849	1,149	D	\$19.40	402	672	1,074	D	\$19.40	387	758	1,145	D	\$11.45	381	1,178	1,559	F
0700 - 0800	\$16.35	289	1,268	1,557	F	\$16.35	302	1,360	1,662	F	\$17.10	297	1,385	1,682	F	\$15.30	288	1,375	1,663	F	\$9.30	264	1,236	1,500	F
0800 - 0900	\$11.15	167	1,475	1,642	F	\$11.45	186	1,443	1,629	F	\$11.45	179	1,409	1,588	F	\$12.20	167	1,469	1,636	F	\$8.00	158	1,251	1,409	F
0900 - 1000	\$6.95	173	1,165	1,338	E	\$9.00	177	1,226	1,403	F	\$8.00	132	1,161	1,293	E	\$9.00	179	1,061	1,240	E	\$5.30	157	816	973	C

AM Time	Monday 11/11/19					Tuesday 11/12/19					Wednesday 11/13/19					Thursday 11/14/19					Friday 11/15/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	241	649	890	C	\$10.80	401	1,116	1,517	F	\$10.80	463	1,082	1,545	F	\$10.50	384	1,155	1,539	F	\$5.30	349	863	1,212	E
0500 - 0600	\$23.25	283	582	865	C	\$22.80	558	885	1,443	F	\$18.40	424	1,076	1,500	F	\$17.50	493	1,098	1,591	F	\$12.20	477	1,086	1,563	F
0600 - 0700	\$20.20	180	642	822	C	\$17.45	325	900	1,225	E	\$19.40	403	708	1,111	D	\$19.40	388	681	1,069	D	\$11.45	418	1,161	1,579	F
0700 - 0800	\$16.35	177	780	957	C	\$16.35	264	1,237	1,501	F	\$17.10	281	1,422	1,703	F	\$15.30	298	1,413	1,711	F	\$9.30	281	1,209	1,490	F
0800 - 0900	\$11.15	178	759	937	C	\$11.45	207	1,374	1,581	F	\$11.45	167	1,501	1,668	F	\$12.20	160	1,504	1,664	F	\$8.00	177	1,094	1,271	E
0900 - 1000	\$6.95	218	682	900	C	\$9.00	185	1,298	1,483	F	\$8.00	150	1,151	1,301	E	\$9.00	153	1,175	1,328	E	\$5.30	131	782	913	C

AM Time	Monday 11/18/19					Tuesday 11/19/19					Wednesday 11/20/19					Thursday 11/21/19					Friday 11/22/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	388	1,155	1,543	F	\$10.80	420	1,185	1,605	F	\$10.80	406	1,157	1,563	F	\$10.50	392	1,279	1,671	F	\$5.30	345	848	1,193	D
0500 - 0600	\$23.25	474	853	1,327	E	\$22.80	605	912	1,517	F	\$18.40	405	1,001	1,406	F	\$17.50	473	1,110	1,583	F	\$12.20	447	1,085	1,532	F
0600 - 0700	\$20.20	340	892	1,232	E	\$17.45	355	809	1,164	D	\$19.40	349	675	1,024	D	\$19.40	362	764	1,126	D	\$11.45	389	1,131	1,520	F
0700 - 0800	\$16.35	309	1,298	1,607	F	\$16.35	331	1,307	1,638	F	\$17.10	260	1,167	1,427	F	\$15.30	270	1,333	1,603	F	\$9.30	299	1,190	1,489	F
0800 - 0900	\$11.15	176	1,553	1,729	F	\$11.45	210	1,507	1,717	F	\$11.45	167	1,268	1,435	F	\$12.20	158	1,249	1,407	F	\$8.00	139	1,169	1,308	E
0900 - 1000	\$6.95	165	1,237	1,402	F	\$9.00	151	1,158	1,309	E	\$8.00	121	915	1,036	D	\$9.00	129	951	1,080	D	\$5.30	123	814	937	C

AM Time	Monday 11/25/19					Tuesday 11/26/19					Wednesday 11/27/19					Thursday 11/28/19					Friday 11/29/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	448	1,116	1,564	F	\$10.80	396	1,161	1,557	F	\$7.05	301	859	1,160	D	\$1.55	15	20	35	A	\$1.55	46	50	96	A
0500 - 0600	\$23.25	468	847	1,315	E	\$22.80	516	938	1,454	F	\$8.30	248	540	788	B	\$1.55	11	33	44	A	\$1.55	47	145	192	A
0600 - 0700	\$20.20	291	957	1,248	E	\$17.45	253	907	1,160	D	\$6.95	195	748	943	C	\$1.55	24	40	64	A	\$1.55	62	163	225	A
0700 - 0800	\$16.35	276	1,223	1,499	F	\$16.35	242	1,246	1,488	F	\$6.95	185	802	987	C	\$1.55	30	86	116	A	\$1.55	66	236	302	A
0800 - 0900	\$11.15	221	1,305	1,526	F	\$11.45	191	1,264	1,455	F	\$5.30	116	696	812	C	\$1.55	57	147	204	A	\$1.55	76	276	352	A
0900 - 1000	\$6.95	235	1,145	1,380	F	\$9.00	241	912	1,153	D	\$4.20	154	571	725	B	\$1.55	120	230	350	A	\$2.25	130	286	416	B

RCTC OPERATIONAL HIGHLIGHTS

On-road Operations

RCTC Freeway Service Patrol (FSP) responded to 83 calls during the month of November. Of those calls, 61 were to assist disabled vehicles, 8 calls to remove debris and 14 were in response to accidents in the Express Lanes

6C Transponder Technology

In December and over the course of several months, the 91 Express Lanes will be sending letters to customers notifying them of the transition to the new 6C protocol, as well as changes to the account plans, user agreement and privacy policy. A new welcome kit, which includes mounting instructions, has been designed and developed and will be sent with the new sticker transponders commencing January 2020. It is envisioned the distribution of the new transponders to all the customers will take place over several months.

FINANCIAL HIGHLIGHTS RCTC

RCTC 91 Express Lanes Operating Statement

Description	YTD as of : 11/30/2019		YTD Variance	
	Actual ¹	Budget	Dollar \$	Percent (%)
Operating revenues:				
Toll Revenue	\$ 25,939,940.46	\$ 15,245,458.33	\$ 10,694,482.13	70.1
Fee Revenue	3,247,766.41	2,200,125.00	1,047,641.41	47.6
Total operating revenues	29,187,706.87	17,445,583.33	11,742,123.54	67.3
Operating expenses:				
Salaries and Benefits	337,920.94	563,916.67	225,995.73	40.1
Legal Services	88,239.01	145,833.33	57,594.32	39.5
Advisory Services	29,617.58	31,250.00	1,632.42	5.2
Audit and Accounting Fees	46,000.00	19,583.33	(26,416.67)	(134.9)
Service Fees	1,086.78	10,833.33	9,746.55	90.0
Other Professional Services	50,296.60	614,958.33	564,661.73	91.8
Lease Expense	86,530.41	106,875.00	20,344.59	19.0
Operations	1,281,355.02	1,511,875.00	230,519.98	15.2
Utilities	9,754.71	26,041.67	16,286.96	62.5
Supplies and Materials	66.40	2,083.33	2,016.93	96.8
Membership and Subscription Fees	20,056.75	10,416.67	(9,640.08)	(92.5)
Office Equipment & Furniture (Non-Capital)	747.12	2,083.33	1,336.21	64.1
Maintenance/Repairs	59,429.26	145,750.00	86,320.74	59.2
Training Seminars and Conferences	350.00	1,875.00	1,525.00	81.3
Transportation Expenses	97.04	3,125.00	3,027.96	96.9
Lodging	1,328.48	2,916.67	1,588.19	54.5
Meals	302.88	416.67	113.79	27.3
Other Staff Expenses	328.10	416.67	88.57	21.3
Advertising	38.00	79,166.67	79,128.67	100.0
Program Management	30,692.21	-	(30,692.21)	N/A
Program Operations	2,544,941.37	4,440,291.67	1,895,350.30	42.7
Litigation Settlement	-	4,166.67	4,166.67	100.0
Furniture & Equipment	261,188.80	312,500.00	51,311.20	16.4
Improvements	16,032.27	6,708.33	(9,323.94)	(139.0)
Depreciation	2,695,986.01 [#]	-	(2,695,986.01)	N/A
Bad Debt Expense	(0.37)	-	0.37	N/A
Total operating expenses	7,562,385.37	8,043,083.33	480,697.96	6.0
Operating income (loss)	21,625,321.50	9,402,500.00	12,222,821.50	130.0
Nonoperating revenues (expenses):				
Interest Revenue	878,007.08	634,208.33	243,798.75	(38.4)
Other Miscellaneous Revenue	(879.96)	-	(879.96)	N/A
Interest Expense	(7,173,251.39)	(2,966,625.00)	(4,206,626.39)	141.8
Total nonoperating revenues (expenses)	(7,124,824.09)	(2,332,416.67)	(4,792,407.42)	(205.5)
Transfers In	-	-	-	N/A
Transfers Out	(325,600.00)	(1,274,791.67)	949,191.67	(74.5)
Net income (loss)	\$ 14,174,897.41	\$ 5,795,291.67	\$ 8,379,605.74	144.6

¹ Unaudited

² Depreciation is not a budgeted expense

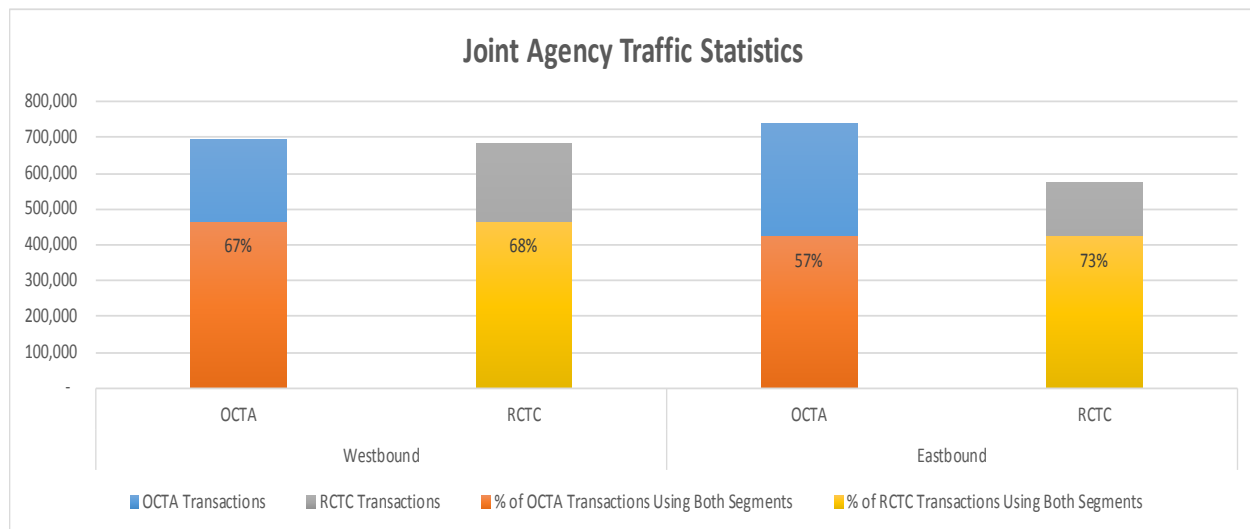
JOINT AGENCY TRIP AND REVENUE STATISTICS

MULTI AGENCY TRIP AND REVENUE STATISTICS

MONTH ENDING November 30, 2019

MTD	Transactions by Agency	Transactions Using Both Segments	% Using Both Segments	Revenue
Westbound				
OCTA	696,072	464,366	67%	\$ 1,813,977
RCTC	686,729	464,366	68%	\$ 3,452,113
I-15	300,481	206,255	69%	\$ 1,448,720
McKinley	386,248	258,111	67%	\$ 2,003,394
Eastbound				
OCTA	738,948	421,599	57%	\$ 2,571,130
RCTC	577,872	421,599	73%	\$ 1,878,166
I-15	204,318	160,067	78%	\$ 454,205
McKinley	373,554	261,532	70%	\$ 1,423,961

JOINT AGENCY TRAFFIC STATISTICS



JOINT AGENCY PERFORMANCE MEASURES

REPORTING REQUIREMENT	Reporting Period	PERFORMANCE STANDARD	Nov-19 Performance
CUSTOMER SERVICE			
Call Wait Time	Monthly	Not to exceed 2 minutes	0:36
Abandon Rate	Monthly	No more than 4.0%	0.9%
Customer Satisfaction	Monthly	At least 75 outbound calls	75
VIOLATION PROCESSING			
Response Time	Monthly	Within 2 business days of receipt	0.7
CUSA Violation Collection Rate	Quarterly	70% or more	
CUSA Violation Collection Rate	Annually	74% or more	
TRAFFIC OPERATIONS			
Initial & Secondary Review s	Monthly	Equal to or less than 15 days	0.9
* Plate Misread Errors	Monthly	Equal to or less than 0.4%	0.01%
CAS Response Time	Monthly	0:20 (minutes) per call	0:09
ACCOUNTING			
OCTA Exceptions	Monthly	No more than 3	0
RCTC Exceptions	Monthly	No more than 3	0
INFORMATION TECHNOLOGY			
Back-office System Uptime	Monthly	99% Availability	100%
Network Uptime	Monthly	99% Availability	100%

CUSA = Cofiroute USA; CAS = OCTA Customer Assistance Specialists

* Plate Misread Error performance is current after a 60-day hold-back period; therefore, percentage reported here is for 2 months prior to the month of this report.

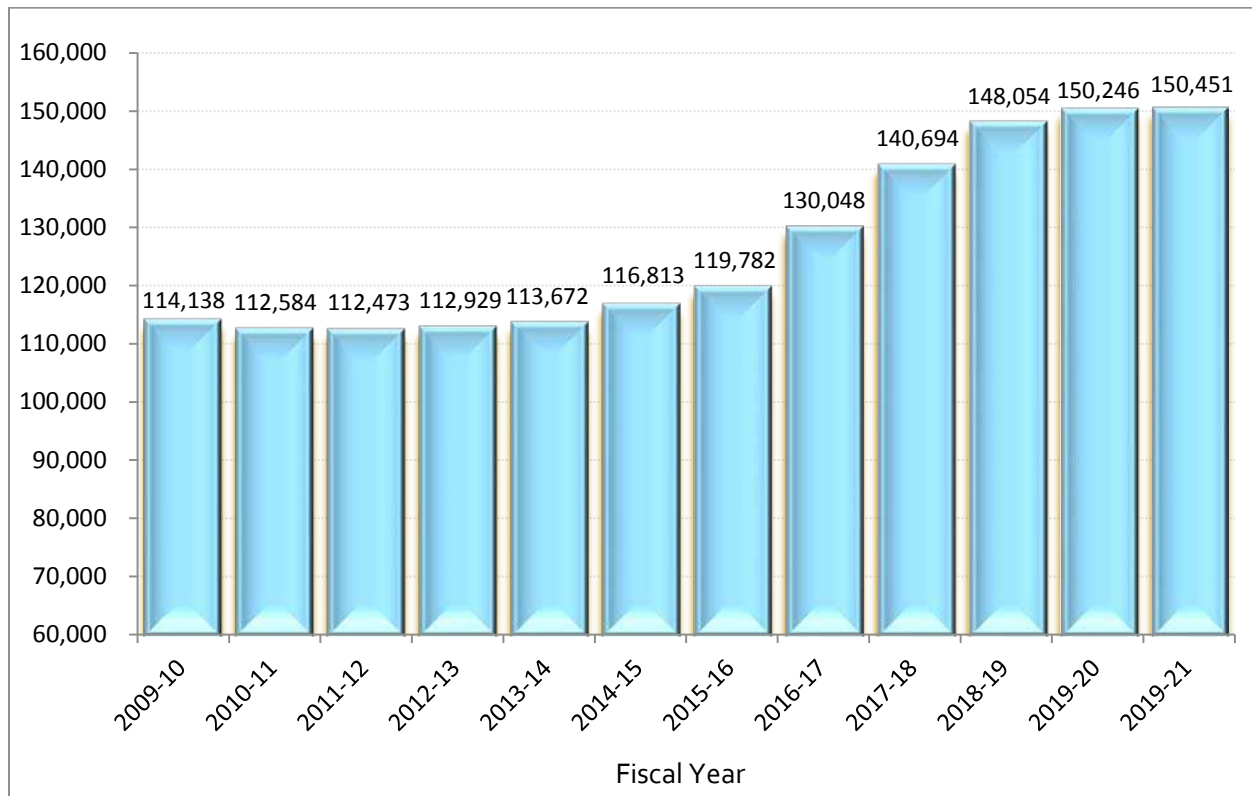
JOINT AGENCY TRANSPONDER DISTRIBUTION

TRANSPONDER DISTRIBUTION	November-19		October-19		FY 2019-20	
	Tags	% of Total	Tags	% of Total	Average To-Date	
Issued						
To New Accounts	870	53.9%	1,347	48.0%	1,377	50.9%
Additional Tags to Existing Accounts	472	29.2%	873	31.1%	804	29.7%
Replacement Transponders	272	16.9%	587	20.9%	526	19.4%
Total Issued	1,614		2,807		2,707	
Returned						
Account Closures	420	38.3%	497	41.2%	490	39.5%
Accounts Downsizing	107	9.8%	168	13.9%	155	12.5%
Defective Transponders	570	52.0%	540	44.8%	595	48.0%
Total Returned	1,097		1,205		1,240	

At the end of November 2019, the 91 Express Lanes had 150,451 active customer accounts and 229,160 transponders classified as Assigned.

Number of Accounts by Fiscal Year

As of November 30, 2019



Incoming Email Activity

During November, the Anaheim Processing Center received 2,645 emails.



Orange County Transportation Authority
Riverside County Transportation Commission



Status Report
December 2019

As of December 31, 2019

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OPERATIONS OVERVIEW OCTA

TRAFFIC AND REVENUE STATISTICS FOR OCTA

Total traffic volume on the 91 Express Lanes for December 2019 was 1,440,236. This represents a daily average of 46,459 vehicles. This is a 1.4% increase in total traffic volume from the same period last year, which totaled 1,420,288. Potential toll revenue for December was \$4,338,299, which represents an increase of 6.3% from the prior year's total of \$4,082,589. Carpool percentage for December was 26.45% as compared to the previous year's rate of 28.22%.

Month-to-date traffic and revenue data is summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the month of December 2019.

Current Month-to-Date (MTD) as of December 31, 2019

	Dec-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	Dec-18 MTD Actual	Yr-to-Yr % Variance
Trips						
Full Toll Lanes	1,059,346	1,047,331	12,015	1.1%	1,019,435	3.9%
3+ Lanes	380,890	332,256	48,634	14.6%	400,853	(5.0%)
Total Gross Trips	1,440,236	1,379,587	60,649	4.4%	1,420,288	1.4%
Revenue						
Full Toll Lanes	\$4,269,308	\$4,375,004	(\$105,696)	(2.4%)	\$4,006,933	6.5%
3+ Lanes	\$68,991	\$79,793	(\$10,803)	(13.5%)	\$75,656	(8.8%)
Total Gross Revenue	\$4,338,299	\$4,454,798	(\$116,499)	(2.6%)	\$4,082,589	6.3%
Average Revenue per Trip						
Average Full Toll Lanes	\$4.03	\$4.18	(\$0.15)	(3.6%)	\$3.93	2.5%
Average 3+ Lanes	\$0.18	\$0.24	(\$0.06)	(25.0%)	\$0.19	(5.3%)
Average Gross Revenue	\$3.01	\$3.23	(\$0.22)	(6.8%)	\$2.87	4.9%

The 2020 fiscal year-to-date traffic volume increased by 1.9% and potential toll revenue increased by 3.8%, when compared with the same period last year. Year-to-date average revenue per-trip is \$3.02.

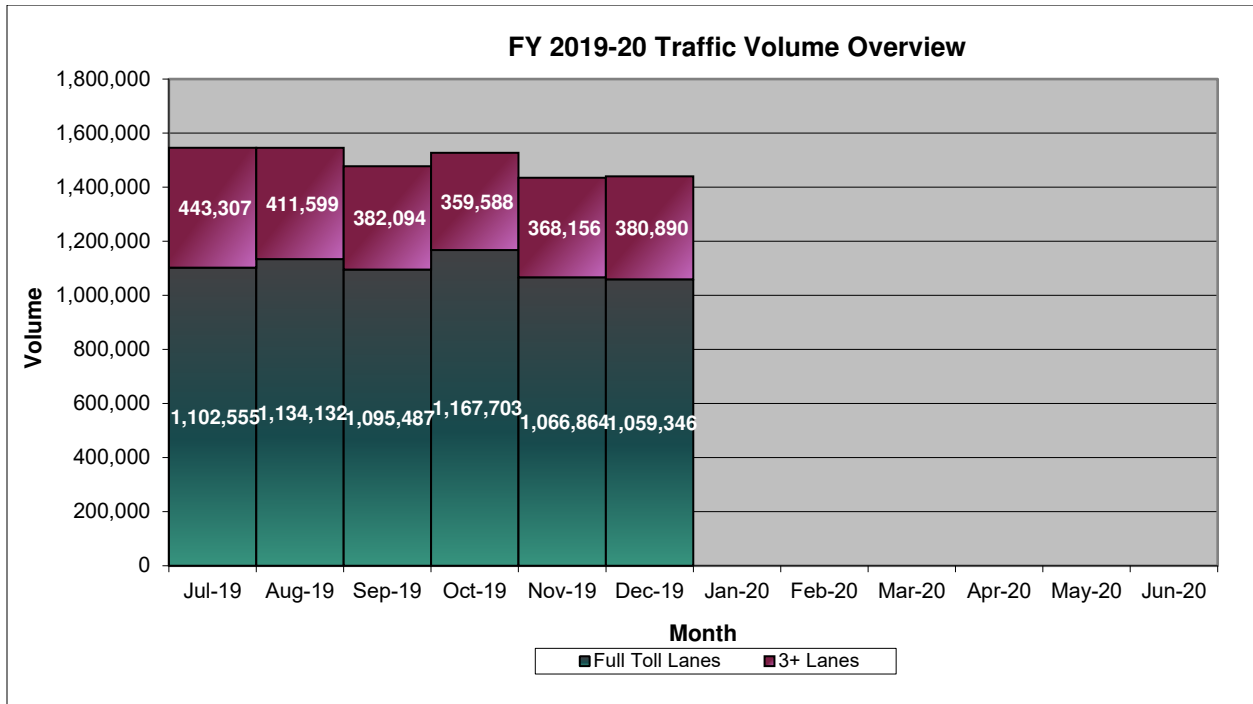
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the OCTA 91 Express Lanes and associated potential revenue for the months of July 2019 through December 2019.

FY 2019-20 Year to Date as of December 31, 2019

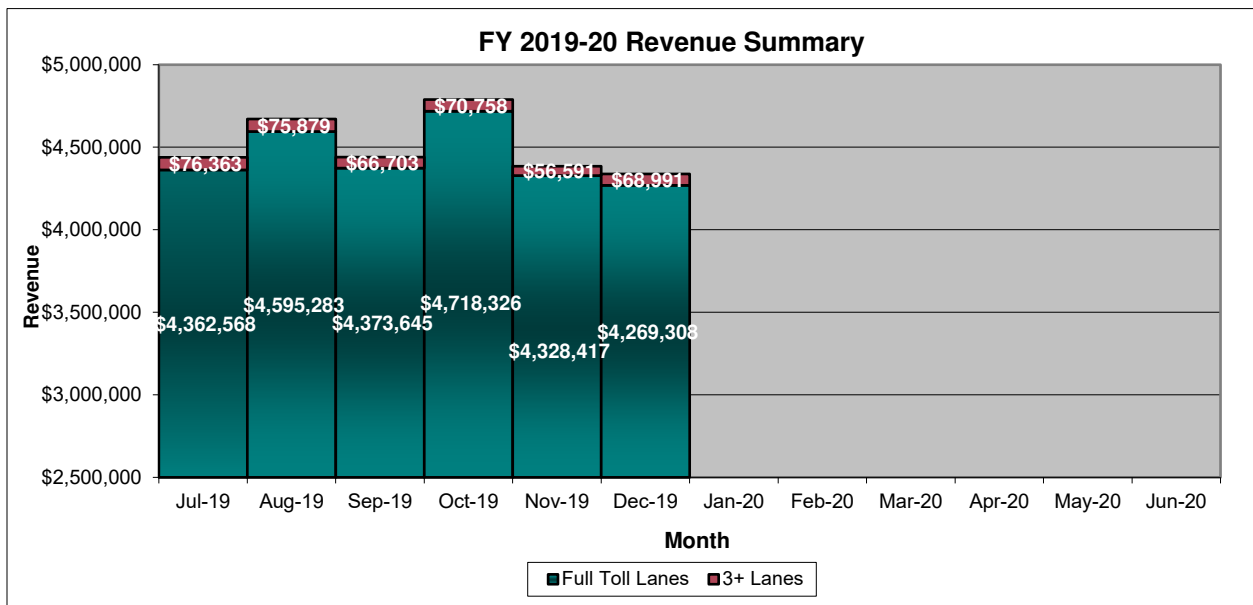
	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Trips						
Full Toll Lanes	6,626,087	6,578,628	47,459	0.7%	6,473,345	2.4%
3+ Lanes	2,345,634	2,007,095	338,539	16.9%	2,335,270	0.4%
Total Gross Trips	8,971,721	8,585,723	385,998	4.5%	8,808,615	1.9%
Revenue						
Full Toll Lanes	\$26,647,546	\$27,437,130	(\$789,585)	(2.9%)	\$25,618,492	4.0%
3+ Lanes	\$415,384	\$500,281	(\$84,896)	(17.0%)	\$449,916	(7.7%)
Total Gross Revenue	\$27,062,930	\$27,937,411	(\$874,481)	(3.1%)	\$26,068,408	3.8%
Average Revenue per Trip						
Average Full Toll Lanes	\$4.02	\$4.17	(\$0.15)	(3.6%)	\$3.96	1.5%
Average 3+ Lanes	\$0.18	\$0.25	(\$0.07)	(28.0%)	\$0.19	(5.3%)
Average Gross Revenue	\$3.02	\$3.25	(\$0.23)	(7.1%)	\$2.96	2.0%

OCTA Traffic and Revenue Summary

The chart below reflects the total trips breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll trips and HOV3+ trips for FY 2019-20 on a monthly basis.



OCTA EASTBOUND PEAK-HOUR VOLUMES

Peak traffic hour in the eastbound direction reached or exceeded 90% or more of defined capacity 7 times during the month of December 2019. As demonstrated on the next chart, westbound peak hour traffic volumes top out at 82% of defined capacity.

PM Time	Monday 12/02/19				Tuesday 12/03/19				Wednesday 12/04/19				Thursday 12/05/19				Friday 12/06/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	372	2,584	76%	\$5.15	377	2,934	86%	\$5.15	334	2,541	75%	\$6.70	371	3,193	94%	\$7.10	421	2,812	83%
1500 - 1600	\$5.50	602	3,105	91%	\$5.75	552	2,739	81%	\$7.75	499	2,740	81%	\$6.75	568	3,240	95%	\$9.15	603	2,385	70%
1600 - 1700	\$5.35	404	2,824	83%	\$5.50	415	2,918	86%	\$7.50	356	2,479	73%	\$8.30	397	2,625	77%	\$8.95	430	2,633	77%
1700 - 1800	\$5.30	522	3,002	88%	\$5.40	506	2,834	83%	\$6.40	431	2,399	71%	\$8.20	491	2,786	82%	\$7.05	508	2,778	82%
1800 - 1900	\$5.50	654	2,820	83%	\$3.95	620	2,973	87%	\$3.95	522	2,222	65%	\$4.85	649	2,897	85%	\$6.55	611	2,840	84%
1900 - 2000	\$3.85	461	1,838	54%	\$3.85	653	2,727	80%	\$3.85	439	1,760	52%	\$5.60	625	2,507	74%	\$6.05	668	2,461	72%

PM Time	Monday 12/09/19				Tuesday 12/10/19				Wednesday 12/11/19				Thursday 12/12/19				Friday 12/13/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	384	2,722	80%	\$5.15	404	2,944	87%	\$5.15	386	2,992	88%	\$6.70	417	3,189	94%	\$7.10	408	3,166	93%
1500 - 1600	\$5.50	548	2,914	86%	\$5.75	598	2,821	83%	\$7.75	569	2,888	85%	\$6.75	554	2,981	88%	\$9.15	611	2,629	77%
1600 - 1700	\$5.35	435	2,957	87%	\$5.50	408	2,893	85%	\$7.50	381	2,840	84%	\$8.30	401	2,474	73%	\$8.95	439	2,818	83%
1700 - 1800	\$5.30	495	2,867	84%	\$5.40	495	2,876	85%	\$6.40	524	2,861	84%	\$8.20	514	2,857	84%	\$7.05	502	2,694	79%
1800 - 1900	\$5.50	621	2,761	81%	\$3.95	628	2,916	86%	\$3.95	570	2,830	83%	\$4.85	643	3,038	89%	\$6.55	668	2,716	80%
1900 - 2000	\$3.85	599	2,371	70%	\$3.85	692	2,839	84%	\$3.85	696	2,812	83%	\$5.60	741	2,797	82%	\$6.05	660	2,380	70%

PM Time	Monday 12/16/19				Tuesday 12/17/19				Wednesday 12/18/19				Thursday 12/19/19				Friday 12/20/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	402	2,674	79%	\$5.15	419	3,027	89%	\$5.15	446	3,020	89%	\$6.70	478	3,291	97%	\$7.10	488	3,133	92%
1500 - 1600	\$5.50	550	2,922	86%	\$5.75	583	2,783	82%	\$7.75	587	2,987	88%	\$6.75	560	2,993	88%	\$9.15	615	2,655	78%
1600 - 1700	\$5.35	437	2,916	86%	\$5.50	417	2,883	85%	\$7.50	413	2,967	87%	\$8.30	382	2,396	70%	\$8.95	410	2,675	79%
1700 - 1800	\$5.30	569	2,868	84%	\$5.40	514	3,021	89%	\$6.40	535	2,957	87%	\$8.20	517	2,820	83%	\$7.05	523	2,784	82%
1800 - 1900	\$5.50	665	2,879	85%	\$3.95	681	3,026	89%	\$3.95	640	3,024	89%	\$4.85	664	2,980	88%	\$6.55	678	2,800	82%
1900 - 2000	\$3.85	632	2,439	72%	\$3.85	660	2,740	81%	\$3.85	646	2,382	70%	\$5.60	716	2,812	83%	\$6.05	655	2,235	66%

PM Time	Monday 12/23/19				Tuesday 12/24/19				Wednesday 12/25/19				Thursday 12/26/19				Friday 12/27/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	460	2,380	70%	\$7.10	733	2,550	75%	\$6.00	732	1,635	48%	\$6.70	402	1,956	58%	\$7.10	572	2,819	83%
1500 - 1600	\$5.50	558	2,641	78%	\$9.15	910	2,323	68%	\$6.00	668	1,387	41%	\$6.75	475	1,930	57%	\$9.15	663	2,383	70%
1600 - 1700	\$5.35	481	2,741	81%	\$8.95	669	2,053	60%	\$6.00	561	1,166	34%	\$8.30	302	1,401	41%	\$8.95	433	2,210	65%
1700 - 1800	\$5.30	475	2,336	69%	\$7.05	797	2,013	59%	\$6.00	561	1,136	33%	\$8.20	477	1,654	49%	\$7.05	589	2,212	65%
1800 - 1900	\$5.50	543	2,031	60%	\$6.55	786	1,865	55%	\$6.00	667	1,253	37%	\$4.85	454	1,364	40%	\$6.55	603	1,958	58%
1900 - 2000	\$3.85	431	1,458	43%	\$6.05	755	1,633	48%	\$6.00	745	1,381	41%	\$5.60	354	923	27%	\$6.05	583	1,538	45%

PM Time	Monday 12/30/19				Tuesday 12/31/19				Wednesday 01/01/20				Thursday 01/02/20				Friday 01/03/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
1400 - 1500	\$5.15	432	2,280	67%	\$7.10	554	2,709	80%												
1500 - 1600	\$5.50	585	2,956	87%	\$9.15	677	2,466	73%												
1600 - 1700	\$5.35	429	2,562	75%	\$8.95	532	2,215	65%												
1700 - 1800	\$5.30	509	2,396	70%	\$7.05	578	1,939	57%												
1800 - 1900	\$5.50	456	1,660	49%	\$6.55	685	1,858	55%												
1900 - 2000	\$3.85	480	1,491	44%	\$6.05	509	1,311	39%												

OCTA WESTBOUND PEAK-HOUR VOLUMES

AM Time	Monday 12/02/19				Tuesday 12/03/19				Wednesday 12/04/19				Thursday 12/05/19				Friday 12/06/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	826	2,651	78%	\$3.05	791	2,585	76%	\$3.05	782	2,395	70%	\$3.05	759	2,505	74%	\$3.05	718	2,148	63%
0500 - 0600	\$4.95	813	2,544	75%	\$4.95	822	2,473	73%	\$4.95	786	2,460	72%	\$4.95	834	2,638	78%	\$4.70	773	2,470	73%
0600 - 0700	\$5.15	529	2,030	60%	\$5.15	540	2,049	60%	\$5.15	533	1,675	49%	\$5.15	538	1,968	58%	\$4.95	548	2,128	63%
0700 - 0800	\$5.65	393	1,957	58%	\$5.65	425	2,237	66%	\$5.65	383	1,882	55%	\$5.65	429	2,125	63%	\$5.50	402	1,910	56%
0800 - 0900	\$5.15	215	1,920	56%	\$5.15	249	2,161	64%	\$5.15	209	1,843	54%	\$5.15	239	2,051	60%	\$4.95	252	1,905	56%
0900 - 1000	\$4.10	273	1,977	58%	\$4.10	250	2,107	62%	\$4.10	228	1,952	57%	\$4.10	255	2,141	63%	\$4.10	282	1,904	56%

AM Time	Monday 12/09/19				Tuesday 12/10/19				Wednesday 12/11/19				Thursday 12/12/19				Friday 12/13/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	802	2,629	77%	\$3.05	822	2,695	79%	\$3.05	823	2,684	79%	\$3.05	800	2,635	78%	\$3.05	696	2,093	62%
0500 - 0600	\$4.95	843	2,674	79%	\$4.95	881	2,650	78%	\$4.95	809	2,678	79%	\$4.95	843	2,783	82%	\$4.70	740	2,435	72%
0600 - 0700	\$5.15	529	2,046	60%	\$5.15	568	2,123	62%	\$5.15	587	1,918	56%	\$5.15	566	1,984	58%	\$4.95	583	2,139	63%
0700 - 0800	\$5.65	421	2,101	62%	\$5.65	432	1,987	58%	\$5.65	426	2,127	63%	\$5.65	389	2,044	60%	\$5.50	392	1,905	56%
0800 - 0900	\$5.15	251	2,060	61%	\$5.15	269	2,254	66%	\$5.15	270	2,143	63%	\$5.15	268	2,082	61%	\$4.95	252	1,773	52%
0900 - 1000	\$4.10	254	2,063	61%	\$4.10	255	2,222	65%	\$4.10	291	2,182	64%	\$4.10	285	2,262	67%	\$4.10	270	2,013	59%

AM Time	Monday 12/16/19				Tuesday 12/17/19				Wednesday 12/18/19				Thursday 12/19/19				Friday 12/20/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	804	2,662	78%	\$3.05	760	2,648	78%	\$3.05	840	2,709	80%	\$3.05	834	2,660	78%	\$3.05	646	2,095	62%
0500 - 0600	\$4.95	796	2,521	74%	\$4.95	906	2,716	80%	\$4.95	803	2,716	80%	\$4.95	855	2,683	79%	\$4.70	686	2,429	71%
0600 - 0700	\$5.15	561	2,024	60%	\$5.15	544	2,047	60%	\$5.15	580	1,983	58%	\$5.15	588	1,999	59%	\$4.95	524	2,040	60%
0700 - 0800	\$5.65	429	2,099	62%	\$5.65	443	2,228	66%	\$5.65	413	2,068	61%	\$5.65	409	2,058	61%	\$5.50	392	1,884	55%
0800 - 0900	\$5.15	267	2,044	60%	\$5.15	232	2,064	61%	\$5.15	210	2,094	62%	\$5.15	266	2,001	59%	\$4.95	274	1,858	55%
0900 - 1000	\$4.10	259	2,069	61%	\$4.10	255	2,226	65%	\$4.10	233	2,125	63%	\$4.10	270	2,204	65%	\$4.10	304	2,025	60%

AM Time	Monday 12/23/19				Tuesday 12/24/19				Wednesday 12/25/19				Thursday 12/26/19				Friday 12/27/19			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	611	1,968	58%	\$3.05	292	847	25%	\$1.70	20	53	2%	\$3.05	412	1,281	38%	\$3.05	410	1,167	34%
0500 - 0600	\$4.95	674	2,048	60%	\$4.70	298	872	26%	\$1.70	22	59	2%	\$4.95	452	1,370	40%	\$4.70	383	1,255	37%
0600 - 0700	\$5.15	342	1,442	42%	\$4.95	146	645	19%	\$1.70	33	86	3%	\$5.15	221	787	23%	\$4.95	272	1,042	31%
0700 - 0800	\$5.65	257	1,368	40%	\$5.50	162	712	21%	\$1.70	38	110	3%	\$5.65	200	835	25%	\$5.50	215	983	29%
0800 - 0900	\$5.15	289	1,600	47%	\$4.95	172	723	21%	\$3.05	112	287	8%	\$5.15	173	928	27%	\$4.95	263	1,108	33%
0900 - 1000	\$4.10	328	1,672	49%	\$4.10	246	967	28%	\$3.20	296	672	20%	\$4.10	227	986	29%	\$4.10	341	1,358	40%

AM Time	Monday 12/30/19				Tuesday 12/31/19				Wednesday 01/01/20				Thursday 01/02/20				Friday 01/03/20			
	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.	Price	HOV	Vol.	Cap.
0400 - 0500	\$3.05	536	1,635	48%	\$3.05	411	1,182	35%												
0500 - 0600	\$4.95	517	1,658	49%	\$4.70	410	1,269	37%												
0600 - 0700	\$5.15	244	1,058	31%	\$4.95	202	867	26%												
0700 - 0800	\$5.65	212	1,073	32%	\$5.50	169	807	24%												
0800 - 0900	\$5.15	206	1,135	33%	\$4.95	162	810	24%												
0900 - 1000	\$4.10	222	1,218	36%	\$4.10	224	958	28%												

OCTA OPERATIONAL HIGHLIGHTS

On-road Operations

OCTA Customer Assistance Specialists (CAS) responded to 69 calls during the month of December. Of those calls, 60 were to assist disabled vehicles, eight calls to remove debris and one call was in response to an accident in the Express Lanes.

Electronic Toll and Traffic Management System Project Update

Kapsch TrafficCom USA, Inc., (Kapsch), the toll lanes system integrator for the 91 Express Lanes, completed the replacement of the Electronic Toll and Traffic Management (ETTM) system at the current toll gantries. This new lane system is reading both the new 6C transponder protocol as well as the legacy Title 21 protocol. The next phase of the project, which begins next calendar year, entails the replacement of the closed-circuit television cameras along the corridor. New toll gantries will be constructed at the three entrances of the OCTA 91 Express Lanes after which Kapsch will install new ETTM equipment on the entrance gantries.

6C Transition Update

Changes to the back-office system to incorporate the new 6C transponder protocol is underway. In December, the 91 Express Lanes began sending letters to customers notifying them of the transition to 6C, as well as changes to the account plans, user agreement and privacy policy. In the upcoming weeks, distribution of the new welcome kit and sticker transponders will commence. It is envisioned the distribution of the new transponders to all the customers will take place over several months.

FINANCIAL HIGHLIGHTS OCTA

91 Express Lanes Operating Statement

Description	YTD as of : 12/31/2019		YTD Variance	
	Actual ⁽¹⁾	Budget ⁽¹⁾	Dollar \$	Percent (%)
Operating revenues:				
Toll revenue	\$ 24,980,421.52	\$ 26,524,152.00	\$ (1,543,730.48)	(5.8)
Fee revenue	3,670,732.82	2,036,168.00	1,634,564.82	80.3
Total operating revenues	28,651,154.34	28,560,320.00	90,834.34	0.3
Operating expenses:				
Contracted services	3,116,701.55	3,823,520.00	706,818.45	18.5
Administrative fee	1,417,440.00	1,419,942.00	2,502.00	0.2
Other professional services	543,225.79	1,242,354.00	699,128.21	56.3
Credit card processing fees	650,278.67	710,775.00	60,496.33	8.5
Toll road account servicing	361,994.18	1,204,250.00	842,255.82	69.9
Other insurance expense	186,547.50	374,850.00	188,302.50	50.2
Toll road maintenance supply repairs	113,058.29	237,502.00	124,443.71	52.4
Patrol services	368,520.38	489,810.00	121,289.62	24.8
Building equipment repairs and maint	(5,597.21)	166,142.00	171,739.21	103.4
6C Transponders	-	125,000.00	125,000.00	100.0
Other services	(14,568.00)	17,498.00	32,066.00	183.3
Utilities	19,873.73	36,738.00	16,864.27	45.9
Office expense	3.14	102,110.00	102,106.86	100.0
Bad debt expense	79,155.93	-	(79,155.93)	N/A
Miscellaneous ⁽²⁾	37,397.45	75,000.00	37,602.55	50.1
Leases	180,718.19	229,908.00	49,189.81	21.4
Total operating expenses	7,054,749.59	10,255,399.00	3,200,649.41	31.2
Depreciation and amortization ⁽³⁾	1,770,709.34	-	(1,770,709.34)	N/A
Operating income (loss)	19,825,695.41	18,304,921.00	1,520,774.41	8.3
Nonoperating revenues (expenses):				
Reimbursement from Other Agencies	297,352.97	453,125.00	(155,772.03)	(34.4)
Interest income	2,750,255.80	1,898,046.00	852,209.80	44.9
Interest expense	(2,318,787.33)	(2,356,032.00)	37,244.67	1.6
Other	32,598.38	-	32,598.38	N/A
Total nonoperating revenues (expenses)	761,419.82	(4,861.00)	766,280.82	15,763.9
Transfers in	-	-	-	N/A
Transfers out	(14,460,192.17)	(20,000.00)	(14,440,192.17)	(72,201.0)
Net income (loss)	\$ 6,126,923.06	\$ 18,280,060.00	\$ (12,153,136.94)	(66.5)

¹Actual amounts are accounted for on the accrual basis of accounting in an enterprise fund. Budget amounts are accounted for on a modified accrual basis of accounting.

²Miscellaneous expenses include: Bond Insurance Costs, Bank Service Charge, Transponder Materials.

³Depreciation and amortization are not budgeted items.

Capital Asset Activity

During the six months ending December 31, 2019, capital asset activities included \$195,292 for the ETTM system project, \$5,920 for computer equipment and \$112,562 for transponder purchases.

OPERATIONS OVERVIEW RCTC

TRAFFIC AND REVENUE STATISTICS FOR RCTC

Total traffic volume on the 91 Express Lanes for December 2019 was 1,254,586. This represents a daily average of 40,471 vehicles. This is a 4.7% increase in total traffic volume from the same period last year, which totaled 1,198,578. Potential toll revenue for the month was \$5,277,144, which represents an increase of 21.9% from the prior year's total of \$4,327,741. Carpool percentage for December was 24.66% as compared to the previous year's rate of 25.69%.

Month-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the month of December 2019.

Current Month-to-Date (MTD) as of December 31, 2019

	DEC-19 MTD Actual	Stantec MTD Projected	# Variance	% Variance	DEC-18 MTD Actual	Yr-to-Yr % Variance
Trips						
Full Toll Lanes	945,151	926,743	18,408	2.0%	890,682	6.1%
3+ Lanes	309,435	321,729	(12,294)	(3.8%)	307,896	0.5%
Total Gross Trips	1,254,586	1,248,471	6,115	0.5%	1,198,578	4.7%
Revenue						
Full Toll Lanes	\$5,238,975	\$3,676,471	\$1,562,504	42.5%	\$4,289,378	22.1%
3+ Lanes	\$38,169	\$0	\$38,169		\$38,363	(0.5%)
Total Gross Revenue	\$5,277,144	\$3,676,471	\$1,600,672	43.5%	\$4,327,741	21.9%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.54	\$3.97	\$1.57	39.5%	\$4.82	14.9%
Average 3+ Lanes	\$0.12	\$0.00	\$0.12		\$0.12	0.0%
Average Gross Revenue	\$4.21	\$2.94	\$1.27	43.2%	\$3.61	16.6%

The 2020 fiscal year-to-date (YTD) traffic volume is 3.3% higher when compared with the same period last year. The 2020 fiscal year-to-date revenue is 21.1% higher than for the same period last year. The traffic and revenue increases are attributed to higher demand and increased toll rates to manage the demand. Year-to-date average revenue per-trip is \$4.22.

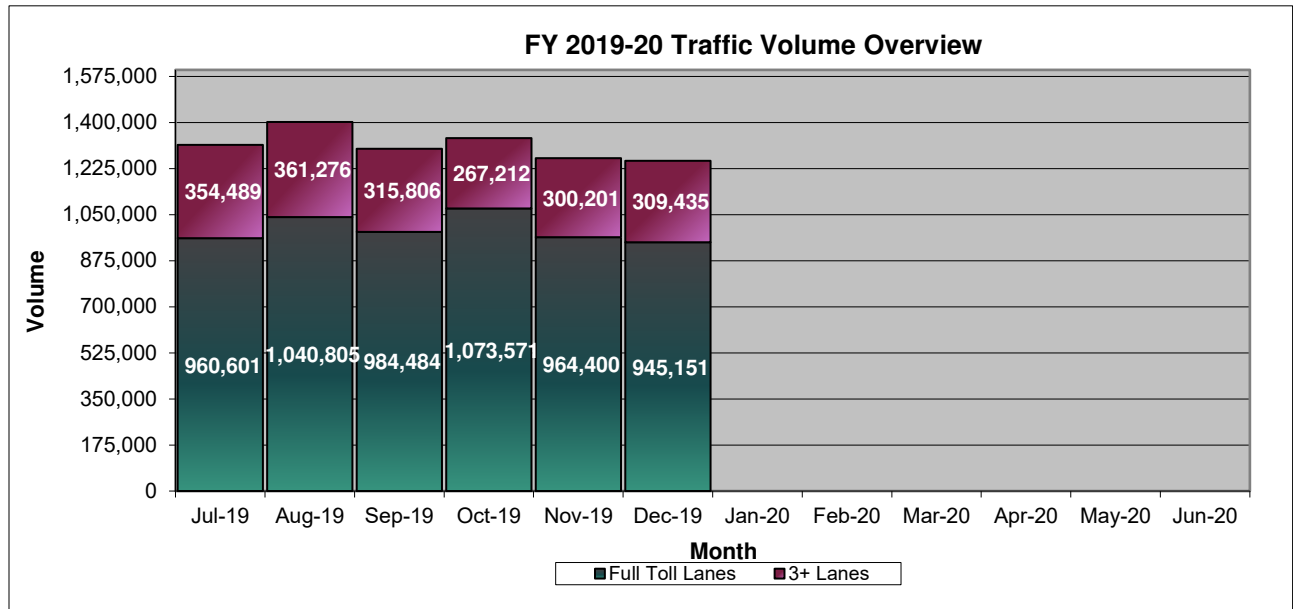
Fiscal year-to-date traffic and revenue data are summarized in the table below. The following trip and revenue statistics tables represent all trips taken on the RCTC 91 Express Lanes and associated potential revenue for the months of July 2019 through December 2019.

FY 2019-20 Year to Date as of December 31, 2019

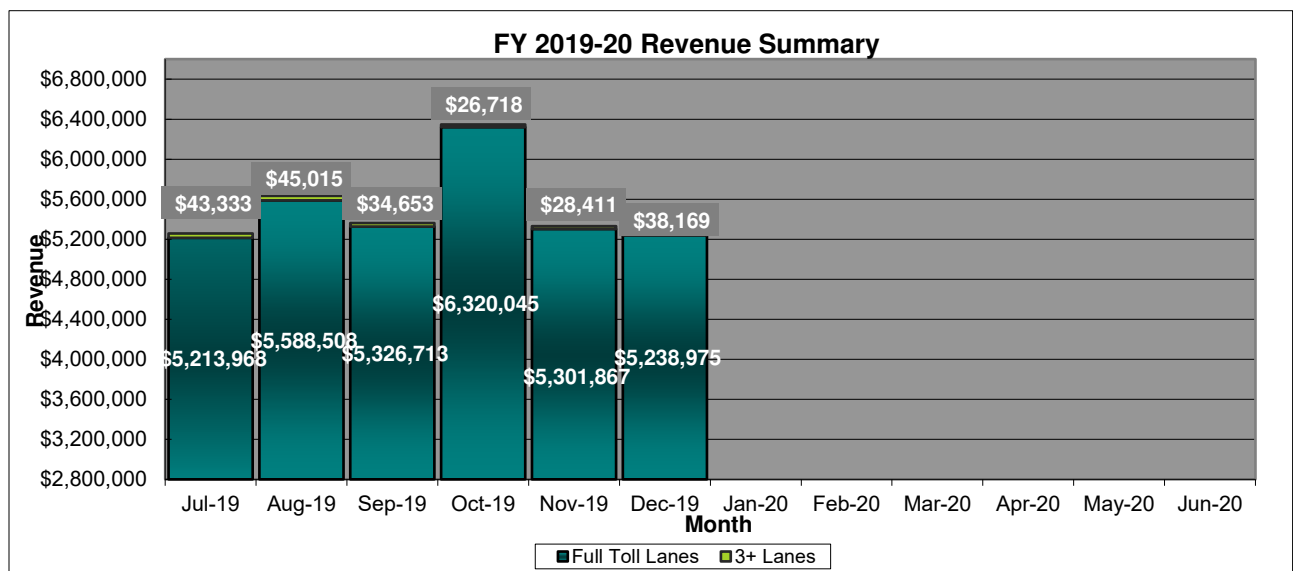
Trips	FY 2019-20 YTD Actual	Stantec YTD Projected	# Variance	% Variance	FY 2018-19 YTD Actual	Yr-to-Yr % Variance
Full Toll Lanes	5,969,012	5,933,357	35,655	0.6%	5,777,160	3.3%
3+ Lanes	1,908,419	1,926,471	(18,052)	(0.9%)	1,849,217	3.2%
Total Gross Trips	7,877,431	7,859,829	17,602	0.2%	7,626,377	3.3%
Revenue						
Full Toll Lanes	\$32,990,077	\$23,315,471	\$9,674,605	41.5%	\$27,199,627	21.3%
3+ Lanes	\$216,298	\$0	\$216,298		\$212,527	1.8%
Total Gross Revenue	\$33,206,375	\$23,315,471	\$9,890,904	42.4%	\$27,412,154	21.1%
Average Revenue per Trip						
Average Full Toll Lanes	\$5.53	\$3.93	\$1.60	40.7%	\$4.71	17.4%
Average 3+ Lanes	\$0.11	\$0.00	\$0.11		\$0.11	0.0%
Average Gross Revenue	\$4.22	\$2.97	\$1.25	42.1%	\$3.59	17.5%

RCTC Traffic and Revenue Summary

The chart below reflects the total trips broken down between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



The chart below reflects the gross potential revenue breakdown between Full Toll lanes and HOV3+ lanes for FY 2019-20 on a monthly basis.



RCTC PEAK-HOUR VOLUMES

RCTC evaluates traffic volumes for peak period hours and either increases or decreases tolls according to the toll rate policy. Hours that are highlighted in yellow were operating in a degraded state. The next quarterly adjustment is scheduled for April 1, 2020.

RCTC EASTBOUND PEAK-HOUR VOLUMES

Eastbound PM Peak - County Line to McKinley

PM Time	Monday 12/02/19						Tuesday 12/03/19						Wednesday 12/04/19						Thursday 12/05/19						Friday 12/06/19					
	Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS	
1400 - 1500	\$5.30	225	959	1,184	D		\$6.95	229	990	1,219	E		\$9.00	188	813	1,001	D		\$11.85	242	1,146	1,388	F		\$21.00	273	922	1,195	D	
1500 - 1600	\$7.35	324	937	1,261	E		\$6.95	260	865	1,125	D		\$9.90	223	778	1,001	D		\$12.00	290	1,033	1,323	F		\$18.70	328	721	1,049	D	
1600 - 1700	\$5.30	173	898	1,071	D		\$5.30	186	1,026	1,212	E		\$5.30	138	755	893	C		\$7.50	162	865	1,027	D		\$10.45	242	886	1,128	D	
1700 - 1800	\$5.30	175	852	1,027	D		\$5.30	212	828	1,040	D		\$5.30	150	635	785	B		\$5.30	196	876	1,072	D		\$6.95	264	927	1,191	D	
1800 - 1900	\$5.30	259	748	1,007	D		\$5.30	272	806	1,078	D		\$5.30	197	522	719	B		\$5.30	256	823	1,079	D		\$5.30	291	897	1,188	D	
1900 - 2000	\$2.25	168	558	726	B		\$4.20	264	804	1,068	D		\$5.30	148	418	566	B		\$5.30	240	705	945	C		\$5.30	311	786	1,097	D	

PM Time	Monday 12/09/19						Tuesday 12/10/19						Wednesday 12/11/19						Thursday 12/12/19						Friday 12/13/19					
	Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS	
1400 - 1500	\$5.30	205	983	1,188	D		\$6.95	252	1,025	1,277	E		\$9.00	219	1,064	1,283	E		\$11.85	226	1,121	1,347	F		\$21.00	259	1,144	1,403	F	
1500 - 1600	\$7.35	291	913	1,204	E		\$6.95	318	947	1,265	E		\$9.90	279	898	1,177	D		\$12.00	280	1,037	1,317	F		\$18.70	314	962	1,276	E	
1600 - 1700	\$5.30	188	907	1,095	D		\$5.30	175	892	1,067	D		\$5.30	204	932	1,136	D		\$7.50	194	875	1,069	D		\$10.45	226	984	1,210	E	
1700 - 1800	\$5.30	209	827	1,036	D		\$5.30	212	860	1,072	D		\$5.30	201	820	1,021	D		\$5.30	237	898	1,135	D		\$6.95	223	943	1,166	D	
1800 - 1900	\$5.30	254	786	1,040	D		\$5.30	283	763	1,046	D		\$5.30	224	881	1,105	D		\$5.30	268	838	1,106	D		\$5.30	295	857	1,152	D	
1900 - 2000	\$2.25	234	669	903	C		\$4.20	249	754	1,003	D		\$5.30	243	826	1,069	D		\$5.30	312	796	1,108	D		\$5.30	312	787	1,099	D	

PM Time	Monday 12/16/19						Tuesday 12/17/19						Wednesday 12/18/19						Thursday 12/19/19						Friday 12/20/19					
	Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS	
1400 - 1500	\$5.30	213	992	1,205	E		\$6.95	207	1,040	1,247	E		\$9.00	214	1,075	1,289	E		\$11.85	249	1,157	1,406	F		\$21.00	298	1,046	1,344	F	
1500 - 1600	\$7.35	284	893	1,177	D		\$6.95	288	991	1,279	E		\$9.90	271	983	1,254	E		\$12.00	283	985	1,268	E		\$18.70	340	923	1,263	E	
1600 - 1700	\$5.30	208	950	1,158	D		\$5.30	177	947	1,124	D		\$5.30	200	1,014	1,214	E		\$7.50	203	885	1,088	D		\$10.45	224	943	1,167	D	
1700 - 1800	\$5.30	239	860	1,099	D		\$5.30	218	926	1,144	D		\$5.30	236	852	1,088	D		\$5.30	231	950	1,181	D		\$6.95	272	863	1,135	D	
1800 - 1900	\$5.30	284	779	1,063	D		\$5.30	291	838	1,129	D		\$5.30	240	914	1,154	D		\$5.30	306	851	1,157	D		\$5.30	337	853	1,190	D	
1900 - 2000	\$2.25	237	713	950	C		\$4.20	289	792	1,081	D		\$5.30	267	668	935	C		\$5.30	317	793	1,110	D		\$5.30	311	702	1,013	D	

PM Time	Monday 12/23/19						Tuesday 12/24/19						Wednesday 12/25/19						Thursday 12/26/19						Friday 12/27/19					
	Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS	
1400 - 1500	\$5.30	260	878	1,138	D		\$21.00	375	793	1,168	D		\$5.30	407	672	1,079	D		\$11.85	233	712	945	C		\$21.00	348	997	1,345	F	
1500 - 1600	\$7.35	272	813	1,085	D		\$18.70	424	720	1,144	D		\$4.20	318	475	793	B		\$12.00	197	561	758	B		\$18.70	324	855	1,179	D	
1600 - 1700	\$5.30	213	881	1,094	D		\$10.45	295	706	1,001	D		\$2.25	265	341	606	B		\$7.50	147	438	585	B		\$10.45	242	889	1,131	D	
1700 - 1800	\$5.30	188	746	934	C		\$6.95	354	601	955	C		\$2.25	234	328	562	B		\$5.30	173	440	613	B		\$6.95	275	743	1,018	D	
1800 - 1900	\$5.30	248	681	929	C		\$5.30	361	599	960	C		\$2.25	292	297	589	B		\$5.30	181	343	524	B		\$5.30	282	630	912	C	
1900 - 2000	\$2.25	190	397	587	B		\$5.30	330	523	853	C		\$2.25	326	308	634	B		\$5.30	130	245	375	A		\$5.30	251	452	703	B	

PM Time	Monday 12/30/19						Tuesday 12/31/19						Wednesday 01/01/20						Thursday 01/02/20						Friday 01/03/20					
	Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS		Price	HOV	SOV	Vol.	LOS	
1400 - 1500	\$5.30	276	882	1,158	D		\$21.00	312	929	1,241	E																			
1500 - 1600	\$7.35	321	1,017	1,338	F		\$18.70	334	887	1,221	E																			
1600 - 1700	\$5.30	211	888	1,099	D		\$10.45	256	919	1,175	D																			
1700 - 1800	\$5.30	195	782	977	C		\$6.95	302	722	1,024	D																			
1800 - 1900	\$5.30	168	557	725	B		\$5.30	307	583	890	C																			
1900 - 2000	\$2.25	198	412	610	B		\$5.30	262	424	686	B																			

Eastbound PM Peak - County Line to I-15 South

PM Time	Monday 12/02/19					Tuesday 12/03/19					Wednesday 12/04/19					Thursday 12/05/19					Friday 12/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	84	665	749	B	\$5.30	91	744	835	C	\$5.30	90	617	707	B	\$5.30	78	848	926	C	\$5.30	97	672	769	B
1500 - 1600	\$5.30	134	634	768	B	\$2.95	125	648	773	B	\$2.95	129	600	729	B	\$5.30	117	724	841	C	\$2.95	137	576	713	B
1600 - 1700	\$2.95	94	643	737	B	\$2.95	94	551	645	B	\$2.95	82	555	637	B	\$2.95	89	636	725	B	\$2.95	109	578	687	B
1700 - 1800	\$2.95	98	604	702	B	\$2.95	116	580	696	B	\$2.95	82	503	585	B	\$2.95	94	581	675	B	\$2.95	122	592	714	B
1800 - 1900	\$2.95	111	562	673	B	\$2.95	128	549	677	B	\$2.95	96	442	538	B	\$2.95	137	601	738	B	\$2.95	172	578	750	B
1900 - 2000	\$2.95	121	416	537	B	\$2.95	171	566	737	B	\$2.95	70	345	415	B	\$2.95	146	587	733	B	\$2.95	172	527	699	B

PM Time	Monday 12/09/19					Tuesday 12/10/19					Wednesday 12/11/19					Thursday 12/12/19					Friday 12/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	113	671	784	B	\$5.30	104	745	849	C	\$5.30	106	793	899	C	\$5.30	109	843	952	C	\$5.30	114	782	896	C
1500 - 1600	\$5.30	137	669	806	C	\$2.95	147	656	803	C	\$2.95	169	697	866	C	\$5.30	137	739	876	C	\$2.95	138	646	784	B
1600 - 1700	\$2.95	98	688	786	B	\$2.95	107	714	821	C	\$2.95	96	699	795	B	\$2.95	109	601	710	B	\$2.95	97	685	782	B
1700 - 1800	\$2.95	113	571	684	B	\$2.95	108	602	710	B	\$2.95	111	630	741	B	\$2.95	107	604	711	B	\$2.95	81	570	651	B
1800 - 1900	\$2.95	132	542	674	B	\$2.95	135	593	728	B	\$2.95	110	547	657	B	\$2.95	139	624	763	B	\$2.95	164	506	670	B
1900 - 2000	\$2.95	170	496	666	B	\$2.95	178	594	772	B	\$2.95	146	623	769	B	\$2.95	194	630	824	C	\$2.95	180	523	703	B

PM Time	Monday 12/16/19					Tuesday 12/17/19					Wednesday 12/18/19					Thursday 12/19/19					Friday 12/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	116	713	829	C	\$5.30	122	811	933	C	\$5.30	102	758	860	C	\$5.30	122	850	972	C	\$5.30	126	753	879	C
1500 - 1600	\$5.30	149	663	812	C	\$2.95	118	688	806	C	\$2.95	132	728	860	C	\$5.30	121	721	842	C	\$2.95	154	632	786	B
1600 - 1700	\$2.95	106	677	783	B	\$2.95	97	677	774	B	\$2.95	95	655	750	B	\$2.95	103	568	671	B	\$2.95	118	677	795	B
1700 - 1800	\$2.95	133	593	726	B	\$2.95	103	595	698	B	\$2.95	106	618	724	B	\$2.95	127	659	786	B	\$2.95	141	575	716	B
1800 - 1900	\$2.95	129	577	706	B	\$2.95	143	604	747	B	\$2.95	120	624	744	B	\$2.95	162	620	782	B	\$2.95	183	609	792	B
1900 - 2000	\$2.95	161	509	670	B	\$2.95	157	603	760	B	\$2.95	184	494	678	B	\$2.95	205	651	856	C	\$2.95	195	477	672	B

PM Time	Monday 12/23/19					Tuesday 12/24/19					Wednesday 12/25/19					Thursday 12/26/19					Friday 12/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	122	627	749	B	\$5.30	228	537	765	B	\$2.95	236	426	662	B	\$5.30	114	465	579	B	\$5.30	155	666	821	C
1500 - 1600	\$5.30	144	595	739	B	\$2.95	290	518	808	C	\$2.95	223	286	509	B	\$5.30	116	433	549	B	\$2.95	187	615	802	C
1600 - 1700	\$2.95	115	554	669	B	\$2.95	177	503	680	B	\$2.95	144	231	375	A	\$2.95	82	315	397	A	\$2.95	120	539	659	B
1700 - 1800	\$2.95	115	458	573	B	\$2.95	219	375	594	B	\$2.95	180	216	396	A	\$2.95	117	323	440	B	\$2.95	135	469	604	B
1800 - 1900	\$2.95	134	460	594	B	\$2.95	200	410	610	B	\$2.95	255	224	479	B	\$2.95	121	235	356	A	\$2.95	152	418	570	B
1900 - 2000	\$2.95	124	286	410	B	\$2.95	237	394	631	B	\$2.95	292	252	544	B	\$2.95	91	151	242	A	\$2.95	154	296	450	B

PM Time	Monday 12/30/19					Tuesday 12/31/19					Wednesday 01/01/20					Thursday 01/02/20					Friday 01/03/20				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
1400 - 1500	\$2.95	117	591	708	B	\$5.30	165	680	845	C															
1500 - 1600	\$5.30	162	649	811	C	\$2.95	146	505	651	B															
1600 - 1700	\$2.95	86	595	681	B	\$2.95	150	574	724	B															
1700 - 1800	\$2.95	109	489	598	B	\$2.95	176	501	677	B															
1800 - 1900	\$2.95	115	405	520	B	\$2.95	164	398	562	B															
1900 - 2000	\$2.95	118	321	439	B	\$2.95	134	253	387	A															

RCTC WESTBOUND PEAK-HOUR VOLUMES

Westbound AM Peak - McKinley to County Line

AM Time	Monday 12/02/19					Tuesday 12/03/19					Wednesday 12/04/19					Thursday 12/05/19					Friday 12/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	435	1,115	1,550	F	\$10.80	404	1,100	1,504	F	\$10.80	374	1,013	1,387	F	\$10.50	377	1,074	1,451	F	\$5.30	389	717	1,106	D
0500 - 0600	\$23.25	499	858	1,357	F	\$22.80	497	829	1,326	E	\$18.40	368	920	1,288	E	\$17.50	459	1,111	1,570	F	\$12.20	449	1,041	1,490	F
0600 - 0700	\$20.20	330	900	1,230	E	\$17.45	304	861	1,165	D	\$19.40	304	545	849	C	\$19.40	344	737	1,081	D	\$11.45	383	1,168	1,551	F
0700 - 0800	\$16.35	320	1,258	1,578	F	\$16.35	313	1,358	1,671	F	\$17.10	320	1,167	1,487	F	\$15.30	308	1,361	1,669	F	\$9.30	336	1,207	1,543	F
0800 - 0900	\$11.15	200	1,365	1,565	F	\$11.45	180	1,518	1,698	F	\$11.45	164	1,288	1,452	F	\$12.20	183	1,445	1,628	F	\$8.00	181	1,129	1,310	E
0900 - 1000	\$6.95	176	987	1,163	D	\$9.00	153	1,123	1,276	E	\$8.00	148	1,049	1,197	D	\$9.00	178	1,044	1,222	E	\$5.30	167	884	1,051	D

AM Time	Monday 12/09/19					Tuesday 12/10/19					Wednesday 12/11/19					Thursday 12/12/19					Friday 12/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	404	1,146	1,550	F	\$10.80	407	1,148	1,555	F	\$10.80	390	1,233	1,623	F	\$10.50	416	1,210	1,626	F	\$5.30	353	733	1,086	D
0500 - 0600	\$23.25	482	920	1,402	F	\$22.80	550	903	1,453	F	\$18.40	449	1,115	1,564	F	\$17.50	478	1,177	1,655	F	\$12.20	415	1,121	1,536	F
0600 - 0700	\$20.20	336	877	1,213	E	\$17.45	322	836	1,158	D	\$19.40	379	653	1,032	D	\$19.40	382	804	1,186	D	\$11.45	421	1,161	1,582	F
0700 - 0800	\$16.35	314	1,258	1,572	F	\$16.35	317	1,249	1,566	F	\$17.10	327	1,283	1,610	F	\$15.30	318	1,307	1,625	F	\$9.30	315	1,221	1,536	F
0800 - 0900	\$11.15	175	1,492	1,667	F	\$11.45	172	1,567	1,739	F	\$11.45	207	1,448	1,655	F	\$12.20	200	1,428	1,628	F	\$8.00	184	1,155	1,339	E
0900 - 1000	\$6.95	165	1,134	1,299	E	\$9.00	162	1,121	1,283	E	\$8.00	166	1,126	1,292	E	\$9.00	186	1,207	1,393	F	\$5.30	158	1,002	1,160	D

AM Time	Monday 12/16/19					Tuesday 12/17/19					Wednesday 12/18/19					Thursday 12/19/19					Friday 12/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	421	1,134	1,555	F	\$10.80	359	1,133	1,492	F	\$10.80	418	1,236	1,654	F	\$10.50	436	1,144	1,580	F	\$5.30	313	727	1,040	D
0500 - 0600	\$23.25	438	839	1,277	E	\$22.80	537	894	1,431	F	\$18.40	441	1,165	1,606	F	\$17.50	508	1,054	1,562	F	\$12.20	400	1,110	1,510	F
0600 - 0700	\$20.20	342	929	1,271	E	\$17.45	341	830	1,171	D	\$19.40	385	702	1,087	D	\$19.40	422	772	1,194	D	\$11.45	389	1,173	1,562	F
0700 - 0800	\$16.35	313	1,351	1,664	F	\$16.35	337	1,360	1,697	F	\$17.10	342	1,335	1,677	F	\$15.30	359	1,330	1,689	F	\$9.30	323	1,162	1,485	F
0800 - 0900	\$11.15	179	1,478	1,657	F	\$11.45	206	1,448	1,654	F	\$11.45	179	1,458	1,637	F	\$12.20	248	1,343	1,591	F	\$8.00	161	1,170	1,331	E
0900 - 1000	\$6.95	179	1,117	1,296	E	\$9.00	172	1,205	1,377	F	\$8.00	163	1,094	1,257	E	\$9.00	199	1,139	1,338	E	\$5.30	189	874	1,063	D

AM Time	Monday 12/23/19					Tuesday 12/24/19					Wednesday 12/25/19					Thursday 12/26/19					Friday 12/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	301	759	1,060	D	\$5.30	143	366	509	B	\$1.55	10	12	22	A	\$10.50	202	564	766	B	\$5.30	212	404	616	B
0500 - 0600	\$23.25	322	607	929	C	\$12.20	162	316	478	B	\$1.55	10	13	23	A	\$17.50	223	483	706	B	\$12.20	212	529	741	B
0600 - 0700	\$20.20	209	652	861	C	\$11.45	76	306	382	A	\$1.55	8	18	26	A	\$19.40	130	282	412	B	\$11.45	202	554	756	B
0700 - 0800	\$16.35	172	720	892	C	\$9.30	101	393	494	B	\$1.55	17	43	60	A	\$15.30	140	452	592	B	\$9.30	142	544	686	B
0800 - 0900	\$11.15	246	1,190	1,436	F	\$8.00	84	348	432	B	\$1.55	52	89	141	A	\$12.20	115	581	696	B	\$8.00	124	583	707	B
0900 - 1000	\$6.95	203	746	949	C	\$5.30	126	371	497	B	\$1.55	112	217	329	A	\$9.00	119	389	508	B	\$5.30	171	493	664	B

AM Time	Monday 12/30/19					Tuesday 12/31/19					Wednesday 01/01/20					Thursday 01/02/20					Friday 01/03/20				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$10.80	240	668	908	C	\$5.30	184	481	665	B															
0500 - 0600	\$23.25	276	590	866	C	\$12.20	219	509	728	B															
0600 - 0700	\$20.20	150	501	651	B	\$11.45	115	382	497	B															
0700 - 0800	\$16.35	155	671	826	C	\$9.30	126	423	549	B															
0800 - 0900	\$11.15	128	640	768	B	\$8.00	91	368	459	B															
0900 - 1000	\$6.95	137	558	695	B	\$5.30	128	398	526	B															

Westbound AM Peak - I-15 North to County Line

AM Time	Monday 12/02/19					Tuesday 12/03/19					Wednesday 12/04/19					Thursday 12/05/19					Friday 12/06/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	264	799	1,063	D	\$5.30	233	865	1,098	D	\$5.30	244	699	943	C	\$5.30	201	773	974	C	\$2.95	205	666	871	C
0500 - 0600	\$18.00	382	1,182	1,564	F	\$17.25	311	1,029	1,340	E	\$16.60	309	1,024	1,333	E	\$13.50	338	1,104	1,442	F	\$6.85	325	938	1,263	E
0600 - 0700	\$19.35	303	1,070	1,373	E	\$17.55	290	1,101	1,391	E	\$19.65	265	898	1,163	D	\$14.50	296	1,102	1,398	E	\$6.85	250	1,043	1,293	E
0700 - 0800	\$12.15	227	1,082	1,309	E	\$13.45	232	1,328	1,560	F	\$12.45	171	976	1,147	D	\$11.40	216	1,223	1,439	F	\$6.85	213	987	1,200	D
0800 - 0900	\$6.85	107	1,102	1,209	E	\$8.85	101	1,296	1,397	E	\$6.85	94	1,051	1,145	D	\$8.85	89	1,121	1,210	E	\$5.30	91	909	1,000	C
0900 - 1000	\$5.30	100	756	856	C	\$5.30	108	946	1,054	D	\$5.30	85	817	902	C	\$5.30	97	898	995	C	\$2.95	81	801	882	C

AM Time	Monday 12/09/19					Tuesday 12/10/19					Wednesday 12/11/19					Thursday 12/12/19					Friday 12/13/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	251	795	1,046	D	\$5.30	234	845	1,079	D	\$5.30	221	855	1,076	D	\$5.30	225	791	1,016	D	\$2.95	212	664	876	C
0500 - 0600	\$18.00	322	1,173	1,495	F	\$17.25	363	1,137	1,500	F	\$16.60	334	1,137	1,471	F	\$13.50	364	1,199	1,563	F	\$6.85	281	906	1,187	D
0600 - 0700	\$19.35	280	1,100	1,380	E	\$17.55	320	1,146	1,466	F	\$19.65	289	1,119	1,408	F	\$14.50	304	1,092	1,396	E	\$6.85	231	1,086	1,317	E
0700 - 0800	\$12.15	210	1,233	1,443	F	\$13.45	233	1,282	1,515	F	\$12.45	235	1,293	1,528	F	\$11.40	194	1,173	1,367	E	\$6.85	172	1,024	1,196	D
0800 - 0900	\$6.85	109	1,249	1,358	E	\$8.85	127	1,419	1,546	F	\$6.85	118	1,313	1,431	F	\$8.85	100	1,172	1,272	E	\$5.30	87	951	1,038	D
0900 - 1000	\$5.30	108	944	1,052	D	\$5.30	91	1,028	1,119	D	\$5.30	136	959	1,095	D	\$5.30	119	887	1,006	D	\$2.95	107	789	896	C

AM Time	Monday 12/16/19					Tuesday 12/17/19					Wednesday 12/18/19					Thursday 12/19/19					Friday 12/20/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	198	887	1,085	D	\$5.30	214	858	1,072	D	\$5.30	235	799	1,034	D	\$5.30	258	812	1,070	D	\$2.95	178	731	909	C
0500 - 0600	\$18.00	315	1,176	1,491	F	\$17.25	326	1,200	1,526	F	\$16.60	320	1,137	1,457	F	\$13.50	374	1,101	1,475	F	\$6.85	267	954	1,221	E
0600 - 0700	\$19.35	273	1,104	1,377	E	\$17.55	289	1,140	1,429	F	\$19.65	302	1,106	1,408	F	\$14.50	316	1,084	1,400	E	\$6.85	228	1,046	1,274	E
0700 - 0800	\$12.15	230	1,223	1,453	F	\$13.45	277	1,248	1,525	F	\$12.45	190	1,129	1,319	E	\$11.40	210	1,062	1,272	E	\$6.85	176	993	1,169	D
0800 - 0900	\$6.85	105	1,170	1,275	E	\$8.85	126	1,242	1,368	E	\$6.85	90	1,236	1,326	E	\$8.85	114	1,089	1,203	E	\$5.30	104	901	1,005	D
0900 - 1000	\$5.30	93	900	993	C	\$5.30	101	983	1,084	D	\$5.30	114	936	1,050	D	\$5.30	116	930	1,046	D	\$2.95	94	815	909	C

AM Time	Monday 12/23/19					Tuesday 12/24/19					Wednesday 12/25/19					Thursday 12/26/19					Friday 12/27/19				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	194	601	795	B	\$2.95	83	281	364	A	\$1.95	10	14	24	A	\$5.30	112	380	492	B	\$2.95	114	393	507	B
0500 - 0600	\$18.00	263	819	1,082	D	\$6.85	106	313	419	B	\$1.95	13	28	41	A	\$13.50	163	511	674	B	\$6.85	146	464	610	B
0600 - 0700	\$19.35	159	704	863	C	\$6.85	66	356	422	B	\$1.95	21	36	57	A	\$14.50	107	442	549	B	\$6.85	137	504	641	B
0700 - 0800	\$12.15	114	716	830	C	\$6.85	48	284	332	A	\$1.95	14	37	51	A	\$11.40	71	446	517	B	\$6.85	85	477	562	B
0800 - 0900	\$6.85	76	574	650	B	\$5.30	63	295	358	A	\$1.95	53	87	140	A	\$8.85	55	438	493	B	\$5.30	97	510	607	B
0900 - 1000	\$5.30	123	646	769	B	\$2.95	101	332	433	B	\$1.95	136	189	325	A	\$5.30	106	413	519	B	\$2.95	130	499	629	B

AM Time	Monday 12/30/19					Tuesday 12/31/19					Wednesday 01/01/20					Thursday 01/02/20					Friday 01/03/20				
	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS	Price	HOV	SOV	Vol.	LOS
0400 - 0500	\$6.85	151	490	641	B	\$2.95	120	345	465	B															
0500 - 0600	\$18.00	201	681	882	C	\$6.85	145	486	631	B															
0600 - 0700	\$19.35	134	598	732	B	\$6.85	77	474	551	B															
0700 - 0800	\$12.15	78	523	601	B	\$6.85	61	387	448	B															
0800 - 0900	\$6.85	73	559	632	B	\$5.30	56	395	451	B															
0900 - 1000	\$5.30	96	516	612	B	\$2.95	93	340	433	B															

RCTC OPERATIONAL HIGHLIGHTS

On-road Operations

RCTC Freeway Service Patrol (FSP) responded to 64 calls during the month of December. Of those calls, 54 were to assist disabled vehicles, 6 calls to remove debris and 4 were in response to accidents in the Express Lanes

6C Transponder Technology

In December, the 91 Express Lanes began sending letters to customers notifying them of the transition to the new 6C protocol, as well as changes to the account plans, user agreement and privacy policy. A new welcome kit, which includes mounting instructions, has been designed and developed and will be sent with the new sticker transponders in the upcoming weeks. It is envisioned the distribution of the new transponders to all the customers will take place over several months.

FINANCIAL HIGHLIGHTS RCTC

RCTC 91 Express Lanes Operating Statement

Description	YTD as of : 12/31/2019		YTD Variance	
	Actual ¹	Budget	Dollar \$	Percent (%)
Operating revenues:				
Toll Revenue	\$ 30,520,448.48	\$ 18,294,550.00	\$ 12,225,898.48	66.8
Fee Revenue	3,929,501.92	2,640,150.00	1,289,351.92	48.8
Total operating revenues	34,449,950.40	20,934,700.00	13,515,250.40	64.6
Operating expenses:				
Salaries and Benefits	391,797.29	676,700.00	284,902.71	42.1
Legal Services	110,402.19	175,000.00	64,597.81	36.9
Advisory Services	29,617.58	37,500.00	7,882.42	21.0
Audit and Accounting Fees	46,000.00	23,500.00	(22,500.00)	(95.7)
Service Fees	1,086.78	13,000.00	11,913.22	91.6
Other Professional Services	111,477.97	737,950.00	626,472.03	84.9
Lease Expense	112,696.47	128,250.00	15,553.53	12.1
Operations	1,406,386.19	1,814,250.00	407,863.81	22.5
Utilities	13,881.70	31,250.00	17,368.30	55.6
Supplies and Materials	123.62	2,500.00	2,376.38	95.1
Membership and Subscription Fees	20,056.75	12,500.00	(7,556.75)	(60.5)
Office Equipment & Furniture (Non-Capital)	747.12	2,500.00	1,752.88	70.1
Maintenance/Repairs	71,405.32	174,900.00	103,494.68	59.2
Training Seminars and Conferences	350.00	2,250.00	1,900.00	84.4
Transportation Expenses	140.83	3,750.00	3,609.17	96.2
Lodging	1,328.48	3,500.00	2,171.52	62.0
Meals	302.88	500.00	197.12	39.4
Other Staff Expenses	328.10	500.00	171.90	34.4
Advertising	38.00	95,000.00	94,962.00	100.0
Program Management	38,113.07	-	(38,113.07)	N/A
Program Operations	3,507,671.85	5,328,350.00	1,820,678.15	34.2
Litigation Settlement	-	5,000.00	5,000.00	100.0
Furniture & Equipment	265,261.31	375,000.00	109,738.69	29.3
Improvements	16,032.27	8,050.00	(7,982.27)	(99.2)
Depreciation	2,695,986.01 [#]	-	(2,695,986.01)	N/A
Bad Debt Expense	8.30	-	(8.30)	N/A
Total operating expenses	8,841,240.08	9,651,700.00	810,459.92	8.4
Operating income (loss)	25,608,710.32	11,283,000.00	14,325,710.32	127.0
Nonoperating revenues (expenses):				
Interest Revenue	1,132,450.03	761,050.00	371,400.03	(48.8)
Other Miscellaneous Revenue	(875.72)	-	(875.72)	N/A
Interest Expense	(12,566,517.39)	(3,559,950.00)	(9,006,567.39)	253.0
Total nonoperating revenues (expenses)	(12,263,642.90)	(2,798,900.00)	(9,464,742.90)	(338.2)
Transfers In	-	-	-	N/A
Transfers Out	(325,600.00)	(1,529,750.00)	1,204,150.00	(78.7)
Net income (loss)	\$ 13,019,467.42	\$ 6,954,350.00	\$ 6,065,117.42	87.2

¹ Unaudited

² Depreciation is not a budgeted expense

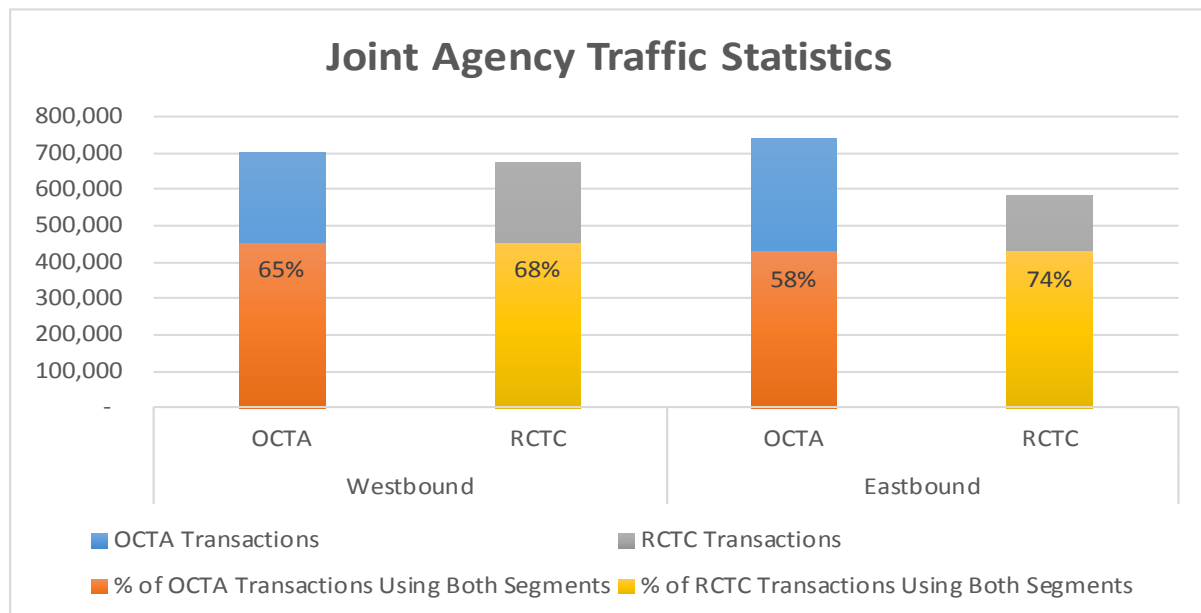
JOINT AGENCY TRIP AND REVENUE STATISTICS

MULTI AGENCY TRIP AND REVENUE STATISTICS

MONTH ENDING December 31, 2019

MTD	Transactions by Agency	Transactions Using Both Segments	% Using Both Segments	Revenue
Westbound				
OCTA	700,650	455,249	65%	\$ 1,765,894
RCTC	672,805	455,249	68%	\$ 3,378,110
I-15	296,322	204,234	69%	\$ 1,407,025
McKinley	376,483	251,015	67%	\$ 1,971,085
Eastbound				
OCTA	739,586	429,066	58%	\$ 2,572,405
RCTC	581,781	429,066	74%	\$ 1,899,034
I-15	222,069	174,260	78%	\$ 492,501
McKinley	359,712	254,806	71%	\$ 1,406,533

JOINT AGENCY TRAFFIC STATISTICS



JOINT AGENCY PERFORMANCE MEASURES

REPORTING REQUIREMENT	Reporting Period	PERFORMANCE STANDARD	Dec-19 Performance
CUSTOMER SERVICE			
Call Wait Time	Monthly	Not to exceed 2 minutes	1:01
Abandon Rate	Monthly	No more than 4.0%	1.3%
Customer Satisfaction	Monthly	At least 75 outbound calls	75
VIOLATION PROCESSING			
Response Time	Monthly	Within 2 business days of receipt	0.8
CUSA Violation Collection Rate	Quarterly	70% or more	69%
CUSA Violation Collection Rate	Annually	74% or more	
TRAFFIC OPERATIONS			
Initial & Secondary Review s	Monthly	Equal to or less than 15 days	1.0
* Plate Misread Errors	Monthly	Equal to or less than 0.4%	0.01%
CAS Response Time	Monthly	0:20 (minutes) per call	0:12
ACCOUNTING			
OCTA Exceptions	Monthly	No more than 3	0
RCTC Exceptions	Monthly	No more than 3	0
INFORMATION TECHNOLOGY			
Back-office System Uptime	Monthly	99% Availability	100%
Network Uptime	Monthly	99% Availability	100%

CUSA = Cofiroute USA; CAS = OCTA Customer Assistance Specialists

* Plate Misread Error performance is current after a 60-day hold-back period; therefore, percentage reported here is for 2 months prior to the month of this report.

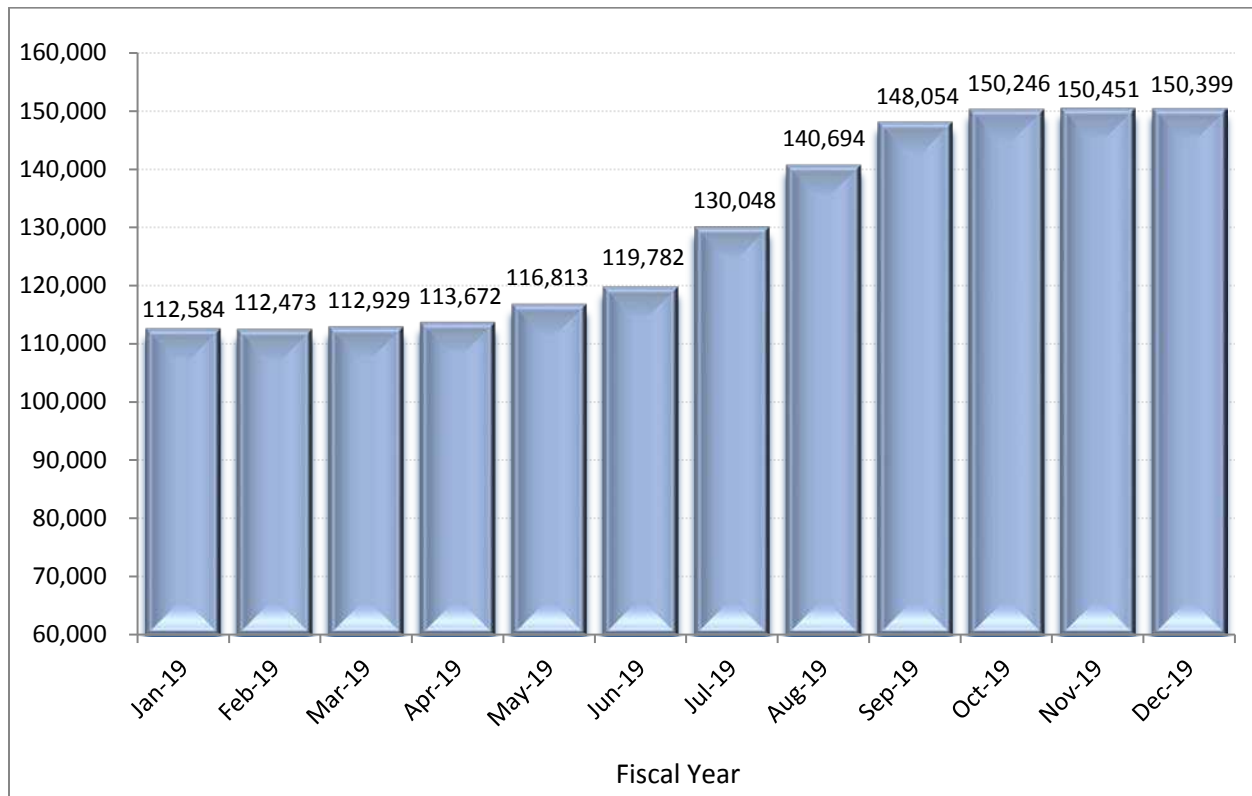
JOINT AGENCY TRANSPONDER DISTRIBUTION

TRANSPONDER DISTRIBUTION	December-19		November-19		FY 2019-20	
	Tags	% of Total	Tags	% of Total	Average To-Date	
Issued						
To New Accounts	1,143	47.5%	870	53.9%	1,338	50.4%
Additional Tags to Existing Accounts	805	33.5%	472	29.2%	804	30.3%
Replacement Transponders	458	19.0%	272	16.9%	515	19.4%
Total Issued	2,406		1,614		2,657	
Returned						
Account Closures	400	47.3%	420	38.3%	475	40.4%
Accounts Downsizing	147	17.4%	107	9.8%	154	13.1%
Defective Transponders	299	35.3%	570	52.0%	546	46.5%
Total Returned	846		1,097		1,175	

At the end of December 2019, the 91 Express Lanes had 150,399 active customer accounts and 229,597 transponders classified as Assigned.

Number of Accounts by Fiscal Year

As of December 31, 2019



Incoming Email Activity

During December, the Anaheim Processing Center received 2,928 emails.

AGENDA ITEM 7I

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Toll Policy and Operations Committee Reinland Jones, Toll Technology Manager Jennifer Crosson, Toll Operations Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Caltrans Maintenance Amendment for RCTC 91 Express Lanes and 15 Express Lanes

TOLL POLICY AND OPERATIONS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Approve Agreement No. 17-31-021-03, Amendment to No. 3 to Agreement No. 17-31-021-00, with the California Department of Transportation (Caltrans) for roadway maintenance of the RCTC 91 Express lanes and 15 Express Lanes in an amount not to exceed \$400,000 for FY 2020/21; and
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreement on behalf of the Commission.

BACKGROUND INFORMATION:

On May 14, 2016, the Commission entered into a Facility Maintenance Agreement (FMA) with Caltrans to maintain the RCTC 91 Express Lanes roadway to fulfill the Commission's obligation to perform maintenance under Toll Facility Agreement (TFA) Agreement No. 12-31-067-00 for the 91 Express Lanes. In the TFA, Caltrans is stated as an option for roadway maintenance, but not required.

The Commission entered into the initial FMA for the 91 Express Lanes because Caltrans was familiar with the facility and provided a simple maintenance option for the Commission as a new operator of the 91 Express Lanes. Local Caltrans staff has worked with its Orange County counterparts and Commission staff to reduce the length of the scheduled maintenance closures with coordination and staging of the work to be performed. They also coordinated work for adjacent projects that required closure of the 91 Express Lanes to minimize the number of closures.

During the last three years, Caltrans has proven to be a valuable resource to staff and the travelling public. It has performed the maintenance services in a timely and effective manner. It has provided routine maintenance every third week according to the agreed upon schedule. Routine maintenance activities include inspection of the roadway, channelizer replacement,

pavement marker repair, pavement repair, sweeping and debris removal, drainage clearing, and other maintenance items. It has responded to emergency repairs and incidents in a timely manner.

Each year Caltrans and the Commission establish a work plan, and the amount of the services to be provided in the work plan are submitted to the Commission in the recurring contracts cycle. Caltrans has performed the work described in the work plan on time and under budget.

On September 29, 2016, the Commission entered into TFA Agreement No. 17-31-002-00 for the 15 Express Lanes with the same provisions that the Commission is responsible for providing ongoing maintenance and Caltrans may be used as a provider of such maintenance should the Commission chose to use Caltrans.

Caltrans' integral role in the construction of the 15 Express Lanes, experience providing maintenance for the 91 Express Lanes, and ability to perform the wide range of services required to ensure continued operation and maintenance of the 15 Express Lanes makes it an excellent choice as the roadway maintenance provider.

Staff recommends that the existing FMA with Caltrans be amended to include maintenance services for the 15 Express Lanes beginning with the opening of the 15 Express Lanes in FY 2020/21. The cost of Caltrans providing maintenance services for the 91 Express Lanes in FYs 2017/18 and 2018/19 was \$171,375 and \$165,625, respectively. It is estimated the FY 2019/20 91 Express Lanes maintenance cost will be \$180,000.

Staff worked with Caltrans to develop a work plan for FY 2020/21 for the combined 91 and 15 Express Lanes maintenance services. The work plan includes routine maintenance every three weeks and emergency maintenance based on past experience. The cost includes Caltrans labor, California Highway Patrol labor (for closures), equipment rental, and materials.

The cost for the 91 Express Lanes emergency maintenance is estimated to be higher than that of the 15 Express Lanes during the initial year of operation because certain work, such as pavement repair, will be performed by the 15 Express Lanes design-build contractor under warranty. The estimated costs for the combined 91 and 15 Express Lanes maintenance services in FY 2020/21 is \$400,000: \$220,000 for the 91 Express Lanes and \$180,000 for the 15 Express Lanes. A summary of the work plan breakdown by facility is as follows:

Maintenance Category	91 Express Lanes	15 Express Lanes
Routine Maintenance	\$ 120,000	\$ 120,000
Emergency Maintenance	100,000	60,000
Total Maintenance	\$ 220,000	\$ 180,000

This is a not to exceed amount, and Caltrans is only paid for work performed according to the established work plan. Staff will seek Commission approval for subsequent years of work during the recurring contract process.

The Commission's Procurement Policy Manual adopted September 9, 2015, allows for the non-competitive procurement of non-federally funded services if the services are to be provided by a government or other public entity. Contracting with Caltrans for these services will prevent unnecessary delays and allow for efficient maintenance and emergency response coordination along the 91 Express Lanes and 15 Express Lanes in Riverside County.

Staff recommends the Commission approve Amendment No. 3 to Agreement No. 17-31-021-00, the Caltrans FMA, for roadway maintenance for the 91 Express Lanes and 15 Express Lanes in the amount not to exceed \$400,000 for FY 2020/21.

Financial Information					
In Fiscal Year Budget:	N/A	Year:	FY 2020/21	Amount:	\$400,000
Source of Funds:	Toll Revenues			Budget Adjustment:	N/A
GL/Project Accounting No.:	009199 73305 00000 0000 591 31 73301 001599 73305 00000 0000 515 31 73301				
Fiscal Procedures Approved:	<i>Sherissa Trevino</i>			Date:	02/11/2020

Attachment: Draft Amendment No. 17-31-021-03

<i>Approved by the Toll Policy and Operations Committee on February 27, 2020</i>					
In Favor:	5	Abstain:	0	No:	0

**AMENDMENT NO. 3 TO
FREEWAY MAINTENANCE AGREEMENT
BY AND BETWEEN
RIVERSIDE COUNTY TRANSPORTATION COMMISSION AND
STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION
REGARDING
91 EXPRESS LANES AND ADDING 15 EXPRESS LANES**

1. **Parties and Date**

This Amendment No. 3 to the Freeway Maintenance Agreement is made and entered into as of _____, 20____, by and between the State of California, acting by and through the Department of Transportation ("Caltrans"), and the Riverside County Transportation Commission, a California county transportation commission ("RCTC").

2. **Recitals**

- 2.1 Caltrans and RCTC have entered into that certain Freeway Maintenance Agreement dated March 17, 2017 (the "FMA") for the purpose of providing for Caltrans maintenance of the Toll Facility, as that term is defined in the FMA.
- 2.2 Caltrans and RCTC have entered into that certain Amendment No. 1 to the FMA dated July 1, 2018 for the purpose of including the Work Plan and Budget, as those terms are defined in the FMA, for fiscal year 2018-2019.
- 2.3 Caltrans and RCTC have entered into that certain Amendment No. 2 to the FMA, dated July 1, 2019, for the purpose of updating Exhibit "A" of the FMA to include the Work Plan and Budget for fiscal year 2019-2020.
- 2.4 The parties now desire to amend the FMA in order to include services for the I-15 Express Lanes in Riverside County.

3. **Terms**

- 3.1 The cover page and title of the FMA shall be amended to include reference to the 15 Express Lanes.
- 3.2 The recitals of the FMA shall be amended in their entirety, and replaced with the following, which recitals shall be incorporated into the FMA by reference as though fully set forth therein:

1.1 91 Toll Facility.

1.1.1 RCTC and Caltrans have entered into a 91 CIP Design-Build Cooperative Agreement, dated July 25, 2012, pursuant to which RCTC, through use of a design-build contractor, constructed the 91 Corridor Improvement Project ("91 CIP"), which included construction of the initial "91 Toll Facility" defined as follows:

- (a) Extension of the existing OCTA 91 Express Lanes approximately 7.5 miles east from the Orange/Riverside County line to I-15.
- (b) Addition of a direct connector from the "RCTC 91 Express Lanes" to the median of I-15 south of SR-91 to Ontario Avenue. The tolled lanes include one-lane connectors approximately 2.8 miles in each direction in the median of I-15 providing access and egress to and from the "RCTC 91 Express Lanes".

1.1.2 RCTC and Caltrans have entered into a 91 Toll Facility Agreement ("91 TFA"), effective as of May 14, 2012, under the authority of Section 130240, et seq., of the Public Utilities Code; Section 143 of the Streets and Highways Code, Section 6800, et seq., of the Public Contracts Code, and the Section 129 Agreement entered into between RCTC, Caltrans and the Federal Highway Administration, dated August 18, 2009. The 91 TFA provides for use of the identified portions of the State Highway right of way for the operation and maintenance of the 91 Toll Facility. The Section 129 Agreement requires Caltrans to annually certify that RCTC is adequately maintaining the 91 Toll Facility.

1.1.3 Under the 91 TFA, RCTC must submit to Caltrans for its annual approval a maintenance plan for the 91 Toll Facility, which, to the extent that RCTC engages Caltrans to perform maintenance services, shall be the work plan adopted pursuant to this Maintenance Agreement. Pursuant to the 91 TFA, RCTC is responsible for the maintenance of the 91 Toll Facility in accordance with the Caltrans furnished Maintenance Standards, defined below.

1.2 15 Toll Facility.

1.2.1 RCTC and Caltrans have entered into a 15 Design-Build

Cooperative Agreement, dated May 31, 2016, pursuant to which RCTC, through use of a design-build contractor, is constructing the 15 Express Lanes Project ("15 ELP"), which includes construction of the "15 Toll Facility" defined as follows:

(a) Addition to the I-15 of two tolled express lanes in each direction (a total of four tolled express lanes) from Cajalco Road in Corona, California to the SR 60 interchange in Jurupa Valley, California.

1.2.2 RCTC and Caltrans have entered into a 15 Toll Facility Agreement ("15 TFA"), dated September 29, 2016, under the authority of Section 130000, et seq., of the Public Utilities Code; Section 149.8 of the Streets and Highways Code, and Section 6820, et seq., of the Public Contracts Code. The 15 TFA provides for use of the identified portions of the State Highway right of way for the operation and maintenance of the 15 Toll Facility.

1.2.3 Under the 15 TFA, RCTC must submit to Caltrans for its annual approval a maintenance plan for the 15 Toll Facility, which, to the extent that RCTC engages Caltrans to perform maintenance services, shall be the work plan adopted pursuant to this Maintenance Agreement. Pursuant to the 15 TFA, RCTC is responsible for the maintenance of the 15 Toll Facility in accordance with the Caltrans furnished Maintenance Standards, defined below.

1.3 Toll Facility. As used in this FMA, the term "Toll Facility" shall mean and refer, collectively, to the 91 Toll Facility and the 15 Toll Facility.

1.4 TFA. As used in this FMA, the term "TFA" shall mean and refer, collectively, to the 91 TFA and the 15 TFA.

1.5 Caltrans is the state agency responsible for the planning, financing, implementation and maintenance of the State Highway System serving the State of California.

1.6 The Parties desire Caltrans to maintain the Toll Facility as set forth in this FMA for the term hereof with the purpose of (a) providing safe passage for the traveling public through the Toll Facility, (b) meeting RCTC's maintenance obligations under the TFA, (c) safeguarding all Caltrans, California Highway Patrol, RCTC, toll operator and other workers, and (d) causing minimum interference with RCTC's ability

to provide a high quality transportation service to motorists and meet other obligations associated with the 91 CIP, and the 15 ELP.

- 1.7 The Parties do not desire Caltrans to maintain toll collection components such as ETC System, AVI, data networks, toll enforcement equipment, offices, communications centers or other facilities which are not located within the State right of way.

- 3.3 Section 3.3 of the FMA, Scheduled Maintenance- Scheduling, shall be amended in its entirety, and replaced with the following:

3.3 Scheduled Maintenance – Scheduling.

Scheduled Maintenance shall be provided at the frequency set forth in the Work Plan. Scheduled Maintenance shall be performed as directed by RCTC during low volume traffic periods to minimize loss of toll revenue and disruption to traffic operations. The Parties may establish, in writing, dates and times during which Scheduled Maintenance is to occur (“Scheduled Maintenance Windows”). The Parties shall, from time to time, review and redefine the Scheduled Maintenance Windows, if any, to optimize revenue collection and Caltrans’ ability to operate effectively and efficiently. Multiple maintenance windows during a month may be required to accomplish Scheduled Maintenance. At its discretion, either Party reserves the right to cancel Scheduled Maintenance upon reasonable prior notice to the other Party.

Caltrans shall assign a Caltrans Maintenance Supervisor level representative to work alongside RCTC’s toll operator to plan the Scheduled Maintenance activity in advance of the Scheduled Maintenance time. The Scheduled Maintenance tasks will be planned in the annual Work Plan and adjusted on a monthly basis to meet the actual Toll Facility needs. Caltrans shall coordinate maintenance activities with the operators of the 91 Toll Facility and the 15 Toll Facility, respectively, and Caltrans District 12 maintenance.

- 3.4 Section 5.2.2 and Section 5.4 of the FMA refer to the dispute resolution process contained in Section 18.6 of the TFA. The Parties agree that this shall be amended to refer to the dispute resolution process contained in Section 18.6 of the 91 TFA.
- 3.5 Exhibit “A” of the FMA shall be amended to include the final, approved Work Plan and Budget for fiscal year 2020-2021, in the form attached to this Amendment No. 3 as Exhibit “A” and incorporated herein by reference.

- 3.6 Except as amended by this Amendment No. 3, all provisions of the FMA shall remain in full force and effect and shall govern the actions of the parties under this Amendment No. 3.
- 3.7 This Amendment No. 3 may be signed in counterparts, each of which shall constitute an original.
- 3.9 A manually signed copy of this Amendment No. 3 which is transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Amendment No. 3 for all purposes.

[Signatures on following page]

**SIGNATURE PAGE
TO
AMENDMENT NO. 3 TO
FREEWAY MAINTENANCE AGREEMENT**

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

RIVERSIDE COUNTY
TRANSPORTATION COMMISSION

By: _____

By: _____
Anne Mayer, Executive Director

Title: _____

APPROVED AS TO FORM AND
PROCEDURE:

APPROVED AS TO FORM:

By: _____
Assistant Chief Counsel
Department of Transportation

Legal Counsel
Best, Best & Krieger LLP

CERTIFIED AS TO FUNDS:

By: _____

Title: _____

Exhibit “A”

**Work Plan and Budget
Fiscal Year 2020-2021**

[attached behind this page]

Exhibit A

AGENDA ITEM 7J

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Toll Policy and Operations Committee Stephanie Blanco, Capital Projects Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Agreement with Selected Consultants for On-Call Traffic and Revenue Study Services

TOLL POLICY AND OPERATIONS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Award the following agreements to provide on-call traffic and revenue study services for a five-year term in the amount of \$3.9 million, plus a contingency amount of \$195,000, for a total amount not to exceed \$4,095,000:
 - a) Agreement No. 20-31-019-00 to C&M Associates, Inc. (C&M Associates);
 - b) Agreement No. 20-31-051-00 to CDM Smith, Inc. (CDM Smith); and
 - c) Agreement No. 20-31-052-00 to Stantec Consulting Services, Inc. (Stantec);
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreements on behalf of the Commission;
- 3) Authorize the Executive Director or designee to execute task orders awarded to the consultants under the terms of agreements; and
- 4) Authorize the Executive Director or designee to approve the use of the contingency amount as may be required for the task order services.

BACKGROUND INFORMATION:

Since 2006, the Commission has utilized traffic and revenue study services for transportation projects to support decisions related to the feasibility of toll projects, development of funding plans and financing, funding applications, and sensitivity analysis showing financial impacts of toll policy changes and transportation improvements. Examples of these decisions include the following:

- 1) Feasibility of implementing the State Route 91 and Interstate 15 Express Lanes Projects by financing construction, operations, and maintenance costs through toll revenue bonds and Transportation Infrastructure Finance and Innovation Act (TIFIA) loans;
- 2) Determination of traffic and financial impacts of transportation improvements such as the SR-91 Corridor Operations Project and the I-15/SR-91 Express Lanes Connector; and

- 3) Determining the traffic and financial impacts of various toll policies including express lane eligibility requirements such as high occupancy vehicles with 3 or more occupants and Clean Air Vehicles.

Based on need, these traffic and revenue study services have been procured separately for the SR-91 and I-15 projects. Both existing traffic and revenue study contracts remain in place for future use for each of these two facilities. The 91 Express Lanes has been operational for almost three years while the I-15 Express Lanes Project will be operational soon. The dynamic nature of these express lane facilities and the ongoing need for traffic and revenue study services related to traffic management and revenue generation will continue.

Staff identified the need for additional traffic and revenue study services in several areas. First, the Commission is developing a third express lane facility - the I-15 Express Lanes Project – Southern Extension (I-15 ELPSE). At this time, the I-15 ELPSE is not fully funded for design or construction. However, staff anticipates the need to perform traffic and revenue study work for this project to help create a funding plan for future phases of work through construction. Further, other future express lane projects could be authorized by the Commission that would benefit from traffic and revenue study services.

Second, adjacent agencies such as the San Bernardino County Transportation Authority and the Transportation Corridor Agencies are quickly developing express lanes or toll connectors that will directly connect with or potentially impact the Commission's express lane facilities. With this in mind, the Commission may desire to perform traffic and revenue study work to better understand the traffic and financial impact of these facilities on the Commission's facilities. Related, the Commission may desire to perform a peer review of the traffic and revenue study performed by another agency to satisfy itself of the methodology used, results, and impacts to Commission facilities.

Lastly, the impact to Commission express lane facilities due to a toll policy change (e.g. carpool occupancy requirements or Clean Air Vehicle discount) could be estimated by performing traffic and revenue study work. Additionally, new technologies, such as automated/connected vehicle penetration or Mobility as a Service applications, could be assessed for all of the Commission's express lane facilities by performing traffic and revenue study work.

To address these and other planning and operational needs for the Commission's express lanes, staff developed an on-call traffic and revenue study services procurement to solicit consultants. The on-call contract will provide the Commission the flexibility to utilize a pool of qualified traffic and revenue study consultants to conduct the necessary services on an as-needed, task order basis. The scope of work for the task orders under this contract will include the following representative traffic and revenue activities:

- Traffic and revenue studies for planning and financing activities;
- Independent/peer reviews or analysis of other traffic and revenue studies;

- Data collection for existing and proposed express lane facilities;
- Analysis to show impacts from future transportation improvements and toll policy changes;
- Traffic and revenue impacts from future transportation innovations, such as automated/connected vehicles, Mobility as a Service, or technological advances related to toll collection and enforcement;
- Presentation of traffic and revenue methods and results to the Commission, financial institutions, and if necessary, the public; and
- Traffic and revenue impacts based on ad hoc requests from the Commission as it relates to existing and future express lane facilities.

Based on these representative traffic and revenue activities identified currently and future anticipated needs for traffic and revenue study support, these contracts are planned for a term of five years.

An independent cost estimate (ICE) was developed, using historical costs from efforts performed for the feasibility and financing of SR-91 and I-15 ELP projects, as well as similar work for peer reviews and sensitivity analyses for toll policy changes. The ICE resulted in an amount of \$3.9 million plus a 5 percent contingency of \$195,000 for a total of \$4,095,000. Based on project delivery schedules and expected policy inquiries, staff identified traffic and revenue analyses activities that are expected to be completed within the contract duration of five years. The following table provides a summary of these anticipated activities with the estimated cost to complete the effort.

Activity	Cost
Traffic and Revenue Study – Intermediate (I-15 ELPSE)	\$600,000
Traffic and Revenue Study – Final (I-15 ELPSE)	1,500,000
Peer Reviews	1,000,000
Various Technical Studies (Technology and Toll Policy Changes)	800,000
Sub-Total	3,900,000
5% Contingency	195,000
Total	\$4,095,000

Task Order Process

Upon successful execution of the contracts with the on-call traffic and revenue consultants, a request for proposal (RFP) for a traffic and revenue activity will be issued to the consulting firms. Upon receipt of the proposals, a panel will conduct a review and select a firm based on responsiveness to the RFP, which includes criteria such as qualifications of the proposed staff, approach to the proposed traffic and revenue analysis activity, and cost. The selected firm will be notified, and the task order will be issued.

Procurement Process

Pursuant to Government Code 4525 et seq, selection of architect, engineer, and related services shall be on the basis of demonstrated competence and on professional qualifications necessary for the satisfactory performance of the services required. Therefore, staff used the qualification method of selection for the procurement of these contracts. Evaluation criteria included elements such as qualifications of firm, staffing and project organization, project understanding and approach, and the ability to respond to the requirements set forth under the terms of a request for qualifications (RFQ).

RFQ No. 20-13-019-00 for on-call traffic and revenue study services was released by staff on November 14, 2019. A public notice was advertised in the *Press Enterprise*, and the RFQ was posted on the Commission's Planet Bids website, which is accessible through the Commission's website. Through Planet Bids, 41 firms downloaded the RFQ; seven of these firms are located in Riverside County. Staff responded to all questions submitted by potential proposers prior to the November 27, 2019 clarification deadline date. Four firms – C&M Associates (Dallas, TX); CDM Smith (Rancho Cucamonga); Jacobs Engineering Group (Riverside); and Stantec (New York, NY); submitted responsive and responsible statements of qualifications prior to the 2:00 p.m. submittal deadline on December 11, 2019. Based on the evaluation criteria set forth in the RFQ, the firms were evaluated and scored by an evaluation committee comprised of Commission and Bechtel staff.

Based on the evaluation committee's assessment of the written proposals and pursuant to the terms of the RFQ, the evaluation committee shortlisted and invited three firms (C&M Associates, CDM Smith, and Stantec) to the interview phase of the evaluation and selection process. Interviews were conducted on January 22, 2020.

Following the interviews, the evaluation committee conducted a subsequent evaluation of each firm, based on both written and interview components presented to the evaluation committee by each proposer. Accordingly, the evaluation committee recommends contract awards to C&M Associates, CDM Smith, and Stantec to provide on-call traffic and revenue study services, as these firms earned the highest total evaluation scores.

Recommendation

Staff recommends award of Agreement No. 20-31-019-00 to C&M Associates, Agreement No. 20-31-051-00 to CDM Smith, and Agreement No. 20-31-052-00 to Stantec for on-call traffic and revenue study services, for a five-year term in the amount of \$3.9 million, plus a contingency amount of \$195,000, for a total amount not to exceed \$4,095,000. The Commission's model professional services agreement will be entered into with C&M Associates, CDM Smith, and Stantec, subject to any changes approved by the Executive Director and pursuant to legal counsel review. Further, staff recommends authorization for the Chair or Executive Director to execute the agreement and task orders on behalf of the Commission and for the Executive Director or designee to approve contingency work up to the total not to exceed amount as required for the task order.

Financial Information					
In Fiscal Year Budget:	Yes N/A	Year:	FY 2019/20 FY 2020/21+	Amount:	\$ 450,000 \$ 3,645,000
Source of Funds:	Local Transportation Funds, 2009 Measure A, and other funds (as identified and applicable)			Budget Adjustment:	No N/A
GL/Project Accounting No.:	003044 65520 00000 0000 262 31 65520 XXXXXX 65520 00000 0000 XXX 31 65520				
Fiscal Procedures Approved:	<i>Theresa Iuvino</i>			Date:	02/12/2020

Attachments:

- 1) Draft Agreement No. 20-31-019-00 to C&M Associates, Inc.
- 2) Draft Agreement No. 20-31-051-00 to CDM Smith, Inc.
- 3) Draft Agreement No. 20-31-052-00 to Stantec Consulting Services, Inc.

Approved by the Toll Policy and Operations Committee on February 27, 2020

In Favor: 5 Abstain: 0 No: 0

Agreement No. 20-31-019-00

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
AGREEMENT WITH
C&M ASSOCIATES, INC.
FOR ON-CALL TRAFFIC AND REVENUE CONSULTING SERVICES**

Parties and Date.

This Agreement is made and entered into this ____ day of _____, 2020, by and between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION ("the Commission") and C&M ASSOCIATES, INC. ("Consultant"), a Corporation. The Commission and Consultant are sometimes referred to herein individually as "Party", and collectively as the "Parties".

Recitals.

A. On November 8, 1988 the Voters of Riverside County approved Measure A authorizing the collection of a one-half percent (1/2 %) retail transactions and use tax (the "tax") to fund transportation programs and improvements within the County of Riverside, and adopting the Riverside County Transportation Improvement Plan (the "Plan").

B. Pursuant to Public Utility Code Sections 240000 et seq., the Commission is authorized to allocate the proceeds of the Tax in furtherance of the Plan.

C. On November 5, 2002, the voters of Riverside County approved an extension of the Measure A tax for an additional thirty (30) years for the continued funding of transportation and improvements within the County of Riverside.

D. Consultant desires to perform and assume responsibility for the provision of certain on-call traffic and revenue consulting services in the County of Riverside, California. Services shall be provided on the terms and conditions set forth in this Agreement and in the task order(s) to be solicited, awarded and authorized by Commission Purchase Orders as further described in this Agreement ("Task Order"). Consultant represents that it is experienced in providing such services to public clients, is licensed in the State of California (if necessary), and is familiar with the plans of the Commission.

E. The Commission desires to engage Consultant to render such services on an on-call basis. Services shall be ordered by Task Order(s) to be issued pursuant to this Agreement for future projects as set forth herein and in each Task Order (each such project shall be designated a "Project" under this Agreement).

Terms.

1. General Scope of Services. Consultant shall furnish all technical and professional services, including labor, material, equipment, transportation, supervision and expertise, and incidental and customary work necessary to fully and adequately supply the on-call traffic and revenue consulting services for the Projects ("Services"). The Services are generally described in Exhibit "A" attached hereto and incorporated herein by reference. The Services shall be more particularly described in the individual Task Order requests and proposals. No Services shall be performed unless authorized by a Commission Purchase Order for Task Order Services, as further detailed herein. All Services shall be subject to, and performed in accordance with, this Agreement, the relevant Task Order, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

2. Commencement of Services.

The Consultant shall commence work upon receipt of a written "Notice to Proceed" or "Limited Notice to Proceed" from Commission, and following issuance of a Purchase Order for authorized Task Order Services.

3. Pre-Award Audit. As a result of the funding for this Project, and to the extent Caltrans procedures apply in connection therewith, issuance of a "Notice to Proceed" may be contingent upon completion and approval of a pre-award audit. Any questions raised during the pre-award audit shall be resolved before the Commission will consider approval of this Agreement.

4. Audit Procedures. Consultant and subconsultant contracts, including cost proposals and ICR, are subject to audits or reviews such as, but not limited to, a contract audit, an incurred cost audit, an Independent Cost Review (ICR) Audit, or a CPA ICR audit work paper review. If selected for audit or review, this Agreement, Consultant's cost proposal and ICR and related work papers, if applicable, will be reviewed to verify compliance with 48 CFR, Part 31 and other related laws and regulations. In the instances of a CPA ICR audit work paper review it is Consultant's responsibility to ensure federal, state, or local government officials are allowed full access to the CPA's work papers including making copies as necessary. This Agreement, Consultant's cost proposal, and ICR shall be adjusted by Consultant and approved by the Commission's contract manager to conform to the audit or review recommendations. Consultant agrees that individual terms of costs identified in the audit report shall be incorporated into this Agreement by this reference if directed by Commission at its sole discretion. Refusal by Consultant to incorporate audit or review recommendations, or to ensure that the federal, state or local governments have access to CPA work papers, will be considered a breach of the Agreement terms and cause for termination of this Agreement and disallowance of prior reimbursed costs. Additional audit provisions applicable to this Agreement are set forth in Sections 23 and 24 of this Agreement.

5. Term.

5.1 This Agreement shall go into effect on the date first set forth above, contingent upon approval by Commission, and Consultant shall commence work after notification to proceed by Commission's Contract Administrator. This Agreement shall end five years from the date set forth above, unless extended by contract amendment. All Task Order work should be completed within the term.

5.2 Consultant is advised that any recommendation for contract award is not binding on Commission until this Agreement is fully executed and approved by the Commission.

5.3 This Agreement shall remain in effect until the date set forth above, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. All applicable indemnification provisions of this Agreement shall remain in effect following the termination of this Agreement.

6. Commission's Contract Administrator. The Commission hereby designates the Commission's Executive Director, or his or her designee, to act as its Contract Administrator for the performance of this Agreement ("Commission's Contract Administrator"). Commission's Contract Administrator shall have the authority to act on behalf of the Commission for all purposes under this Agreement. Commission's Contract Administrator shall also review and give approval, as needed, to the details of Consultant's work as it progresses. Consultant shall not accept direction or orders from any person other than the Commission's Contract Administrator or his or her designee.

7. Consultant's Representative. Consultant hereby designates Sam Bohluli, to act as its Representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to act on behalf of Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his or her professional skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement. Consultant shall work closely and cooperate fully with Commission's Contract Administrator and any other agencies which may have jurisdiction over, or an interest in, the Services. Consultant's Representative shall be available to the Commission staff at all reasonable times. Any substitution in Consultant's Representative shall be approved in writing by Commission's Contract Administrator.

8. Substitution of Key Personnel. Consultant has represented to the Commission that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval by the Commission. In the event that the Commission and Consultant cannot agree as to the substitution of the key personnel, the Commission shall be entitled to terminate this Agreement for cause, pursuant to the provisions herein. The key personnel for

performance of this Agreement are: Sam Bohluli, Carlos M. Contreras, Ali Soroush, Axel Herrmann, or as otherwise identified in the Task Order.

9. Standard of Care; Licenses. Consultant represents and maintains that it is skilled in the professional calling necessary to perform all Services, duties and obligations required by this Agreement to fully and adequately complete the Project. Consultant shall perform the Services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Consultant further represents and warrants to the Commission that its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Consultant shall perform, at its own cost and expense and without reimbursement from the Commission, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein, and shall be fully responsible to the Commission for all damages and other liabilities provided for in the indemnification provisions of this Agreement arising from the Consultant's errors and omissions. Any employee of Consultant or its sub-consultants who is determined by the Commission to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the Commission, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

10. Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. Commission retains Consultant on an independent contractor basis and not as an employee, agent or representative of the Commission. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries and other amounts due such personnel in connection with their performance of Services and as required by law. Consultant shall be responsible for all reports and obligations respecting such personnel, including but not limited to, social security taxes, income tax withholdings, unemployment insurance, disability insurance, and workers' compensation insurance.

11. Task Orders; Commencement of Services; Schedule of Services. Services under this Agreement shall be competitively solicited amongst Consultant and the other firms identified in Section 19.12 of this Agreement pursuant to a Task Order request for proposals process. If Consultant's Task Order proposal is selected for a Project, the Commission shall issue a Purchase Order for the Services. Consultant's agreement to the final terms of a proposed Task Order, Commission's issuance of a Purchase Order and

Consultant's commencement of the Services following issuance of the Purchase Order shall indicate the Parties' agreement to the terms of the relevant Task Order.

Consultant shall commence Services under a Task Order within five (5) days of receiving a Purchase Order for the Task Order Services from the Commission. Each request for Task Order proposals shall identify the funding source(s) to be used to fund the Services under the relevant Task Order, and Consultant shall comply with the requirements specified herein, and in the attached exhibits, applicable to the identified funding source(s).

Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with any schedule of Services set forth in a Task Order ("Schedule"). Consultant represents that it has the professional and technical personnel to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, the Commission shall respond to Consultant's submittals in a timely manner. Upon request of Commission's Contract Administrator, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

11.1 Modification of the Schedule. Consultant shall regularly report to the Commission, through correspondence or progress reports, its progress in providing required Services within the scheduled time periods. Commission shall be promptly informed of all anticipated delays. In the event that Consultant determines that a schedule modification is necessary, Consultant shall promptly submit a revised Schedule of Services for approval by Commission's Contract Administrator.

11.2 Trend Meetings. Consultant shall conduct trend meetings with the Commission's Contract Administrator and other interested parties, as requested by the Commission, on a bi-weekly basis or as may be mutually scheduled by the Parties at a standard day and time. These trend meetings will encompass focused and informal discussions concerning scope, schedule, and current progress of Services, relevant cost issues, and future Project objectives. Consultant shall be responsible for the preparation and distribution of meeting agendas to be received by the Commission and other attendees no later than three (3) working days prior to the meeting.

11.3 Progress Reports. As part of its monthly invoice, Consultant shall submit a progress report, in a form determined by the Commission, which will indicate the progress achieved during the previous month in relation to the Schedule of Services. Submission of such progress report by Consultant shall be a condition precedent to receipt of payment from the Commission for each monthly invoice submitted.

12. Delay in Performance.

12.1 Excusable Delays. Should Consultant be delayed or prevented from the timely performance of any act or Services required by the terms of the Agreement by reason of acts of God or of the public enemy, acts or omissions of the Commission or other governmental agencies in either their sovereign or contractual capacities, fires,

floods, epidemics, quarantine restrictions, strikes, freight embargoes or unusually severe weather, performance of such act shall be excused for the period of such delay.

12.2 Written Notice. If Consultant believes it is entitled to an extension of time due to conditions set forth in subsection 12.1, Consultant shall provide written notice to the Commission within seven (7) working days from the time Consultant knows, or reasonably should have known, that performance of the Services will be delayed due to such conditions. Failure of Consultant to provide such timely notice shall constitute a waiver by Consultant of any right to an excusable delay in time of performance.

12.3 Mutual Agreement. Performance of any Services under this Agreement may be delayed upon mutual agreement of the Parties. Upon such agreement, Consultant's Schedule of Services shall be extended as necessary by the Commission. Consultant shall take all reasonable steps to minimize delay in completion, and additional costs, resulting from any such extension.

13. Preliminary Review of Work. All reports, working papers, and similar work products prepared for submission in the course of providing Services under this Agreement shall be submitted to the Commission's Contract Administrator in draft form, and the Commission may require revisions of such drafts prior to formal submission and approval. In the event plans and designs are to be developed as part of the Project, final detailed plans and designs shall be contingent upon obtaining environmental clearance as may be required in connection with State funding. In the event that Commission's Contract Administrator, in his or her sole discretion, determines the formally submitted work product to be not in accordance with the standard of care established under this Agreement, Commission's Contract Administrator may require Consultant to revise and resubmit the work at no cost to the Commission.

14. Appearance at Hearings. If and when required by the Commission, Consultant shall render assistance at public hearings or other meetings related to the Project or necessary to the performance of the Services. However, Consultant shall not be required to, and will not, render any decision, interpretation or recommendation regarding questions of a legal nature or which may be construed as constituting a legal opinion.

15. Opportunity to Cure; Inspection of Work. Commission may provide Consultant an opportunity to cure, at Consultant's expense, all errors and omissions which may be disclosed during Project implementation. Should Consultant fail to make such correction in a timely manner, such correction may be made by the Commission, and the cost thereof charged to Consultant. Consultant shall allow the Commission's Contract Administrator, Caltrans and FHWA to inspect or review Consultant's work in progress at any reasonable time.

16. Claims Filed by Contractor.

16.1 If claims are filed by the Commission's contractor for the Project ("Contractor") relating to work performed by Consultant's personnel, and additional information or assistance from the Consultant's personnel is required by the Commission in

order to evaluate or defend against such claims; Consultant agrees to make reasonable efforts to make its personnel available for consultation with the Commission's construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.

16.2 Consultant's personnel that the Commission considers essential to assist in defending against Contractor claims will be made available on reasonable notice from the Commission. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for the Consultant's personnel services under this Agreement.

16.3 Services of the Consultant's personnel and other support staff in connection with Contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this Agreement in order to finally resolve the claims.

16.4 Nothing contained in this Section shall be construed to in any way limit Consultant's indemnification obligations contained in Section 29. In the case of any conflict between this Section and Section 29, Section 29 shall govern. This Section is not intended to obligate the Commission to reimburse Consultant for time spent by its personnel related to Contractor claims for which Consultant is required to indemnify and defend the Commission pursuant to Section 29 of this Agreement.

17. Final Acceptance. Upon determination by the Commission that Consultant has satisfactorily completed the Services required under this Agreement and within the term set forth herein the Commission shall give Consultant a written Notice of Final Acceptance. Upon receipt of such notice, Consultant shall incur no further costs hereunder, unless otherwise specified in the Notice of Final Acceptance. Consultant may request issuance of a Notice of Final Acceptance when, in its opinion, it has satisfactorily completed all Services required under the terms of this Agreement. In the event copyrights are permitted under this Agreement, then in connection with State funding, it is hereby acknowledged and agreed that the State agency shall have the royalty-free non-exclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for governmental purposes.

18. Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. For example, and not by way of limitation, Consultant shall keep itself fully informed of and in compliance with all implementing regulations, design standards, specifications, previous commitments that must be incorporated in the design of the Project, and administrative controls. Compliance with Federal procedures may include completion of the applicable environmental documents and approved by the United States Department of Transportation. For example, and not by way of limitation, a signed Categorical Exclusion, Finding of No Significant Impact, or published Record of Decision may be required to be approved and/or completed by the United States Department of Transportation. For Consultant shall be

liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the Commission, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold Commission, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

19. Fees and Payment.

19.1 The method of payment for this Agreement will be based on actual cost plus a fixed fee. Commission shall reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by Consultant in performance of the Services. Consultant shall not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the approved Consultant cost proposal attached hereto as Exhibit "B" and incorporated herein by reference, or any cost proposal included as part of a Task Order ("Cost Proposal") unless additional reimbursement is provided for by written amendment. The overhead rates included in the attached Exhibit "B" shall be fixed for the term of the Master Agreement, and shall not be subject to adjustment, unless required by the applicable funding source. In no event, shall Consultant be reimbursed for overhead costs at a rate that exceeds Commission's approved overhead rate set forth in the Cost Proposal. In the event that Commission determines that a change to the Services from that specified in the Cost Proposal, this Agreement or any Task Order is required, the Agreement time or actual costs reimbursable by Commission shall be adjusted by written amendment to accommodate the changed work. The maximum total cost as specified in Section 19.8 shall not be exceeded, unless authorized by a written amendment.

19.2 In addition to the allowable incurred costs, Commission shall pay Consultant a fixed fee to be set forth in each Task Order ("Fixed Fee"). The Fixed Fee is nonadjustable for each Task Order, except in the event of a significant change in the Scope of Services, and such adjustment is made by written amendment.

19.3 Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal. In addition, payments to Consultant for travel and subsistence expenses claimed for reimbursement or applied as local match credit shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department of Personnel Administration (DPA) rules, unless otherwise authorized by Commission. If the rates invoiced are in excess of those authorized DPA rates, and Commission has not otherwise approved said rates, then Consultant is responsible for the cost difference and any overpayments shall be reimbursed to the Commission on demand.

19.4 When milestone cost estimates are included in the approved Cost Proposal for a Task Order, Consultant shall obtain prior written approval for a revised

milestone cost estimate from the Contract Administrator before exceeding such cost estimate.

19.5 Progress payments shall be made monthly in arrears based on Services provided and allowable incurred costs. A pro rata portion of the Fixed Fee shall be included in the monthly progress payments. If Consultant fails to submit the required deliverable items according to the schedule set forth in the Scope of Services, Commission shall have the right to delay payment or terminate this Agreement in accordance with the provisions of Section 21, Termination.

19.6 No payment shall be made prior to approval of any Services, nor for any Services performed prior to approval of this Agreement.

19.7 Consultant shall be reimbursed, as promptly as fiscal procedures will permit upon receipt by Commission's Contract Administrator of itemized invoices in triplicate. Invoices shall be submitted no later than 45 calendar days after the performance of work for which Consultant is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this Agreement number and project title. Final invoice must contain the final cost and all credits due Commission including any equipment purchased under the Equipment Purchase provisions of this Agreement. The final invoice should be submitted within 60 calendar days after completion of Consultant's work. Invoices shall be mailed to Commission's Contract Administrator at the following address:

Riverside County Transportation Commission
Attention: Accounts Payable
P.O. 12008
Riverside, CA 92502

19.8 The total amount payable by Commission, including the Fixed Fee, shall not exceed the amount set forth in each Task Order.

19.9 Salary increases shall be reimbursable if the new salary is within the salary range identified in the approved Cost Proposal and is approved by Commission's Contract Administrator. For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

19.10 Consultant shall not be reimbursed for any expenses unless authorized in writing by the Commission's Contract Administrator.

19.11 All subcontracts in excess of \$25,000 shall contain the above provisions.

19.12 Commission has or will enter into three (3) task order contracts for performance of the Scope of Services identified in Exhibit "A", including this Agreement ("On-Call Traffic and Revenue Consulting Services Task Order Contracts"). The other On-Call Traffic and Revenue Consulting Services Task Order Contracts are Agreement No. 20-

31-051-00 to CDM Smith, Inc. and Agreement No. 20-31-052-00 to Stantec Consulting Services, Inc. The total amount payable by Commission for the On-Call Traffic and Revenue Consulting Services Task Order Contracts shall not exceed a cumulative maximum total value of Three Million Nine Hundred Thousand Dollars (\$3,900,000) ("NTE Sum"). It is understood and agreed that there is no guarantee, either expressed or implied that this dollar amount will be authorized under the On-Call Traffic and Revenue Consulting Services Task Order Contracts through Task Orders. Each time a Task Order is awarded under any of the On-Call Traffic and Revenue Consulting Services Task Order Contracts, the Commission shall send written notification to Consultant and each of the other consultants entering into the On-Call Traffic and Revenue Consulting Services Task Order Contracts. The notice shall identify the total funds allocated under issued Task Orders, and the remaining unencumbered amount of the NTE Sum. Consultant acknowledges and agrees that Commission shall not pay any amount under this Agreement that would exceed the NTE Sum, and Consultant shall not knowingly enter into a Task Order that exceeds the NTE Sum.

20. Disputes.

20.1 Any dispute, other than audit, concerning a question of fact arising under this Agreement that is not disposed of by mutual agreement of the Parties shall be decided by a committee consisting of RCTC's Contract Administrator, who may consider written or verbal information submitted by Consultant.

20.2 Not later than 30 days after completion of all Services under this Agreement, Consultant may request review by the Commission's Executive Director of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

20.3 Neither the pendency of a dispute, nor its consideration by the committee will excuse Consultant from full and timely performance in accordance with the terms of this Agreement.

21. Termination.

21.1 Commission reserves the right to terminate this Agreement upon thirty (30) calendar days written notice to Consultant, for any or no reason, with the reasons for termination stated in the notice. Commission may terminate Services under a Task Order, at any time, for any or no reason, with the effective date of termination to be specified in the notice of termination of Task Order.

21.2 Commission may terminate this Agreement with Consultant should Consultant fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, Commission may proceed with the Services in any manner deemed proper by Commission. If Commission terminates this Agreement with Consultant, Commission shall pay Consultant the sum due to Consultant

under this Agreement for Services completed and accepted prior to termination, unless the cost of completion to Commission exceeds the funds remaining in the Agreement. In such case, the overage shall be deducted from any sum due Consultant under this Agreement and the balance, if any, shall be paid to Consultant upon demand.

21.3 In addition to the above, payment upon termination shall include a prorated amount of profit, if applicable, but no amount shall be paid for anticipated profit on unperformed Services. Consultant shall provide documentation deemed adequate by Commission's Contract Administrator to show the Services actually completed by Consultant prior to the effective date of termination. This Agreement shall terminate on the effective date of the Notice of Termination

21.4 Upon receipt of the written Notice of Termination, Consultant shall discontinue all affected Services as directed in the Notice or as otherwise provided herein, and deliver to the Commission all Documents and Data, as defined in this Agreement, as may have been prepared or accumulated by Consultant in performance of the Services, whether completed or in progress.

21.5 In addition to the above, Consultant shall be liable to the Commission for any reasonable additional costs incurred by the Commission to revise work for which the Commission has compensated Consultant under this Agreement, but which the Commission has determined in its sole discretion needs to be revised, in part or whole, to complete the Project because it did not meet the standard of care established in this Agreement. Termination of this Agreement for cause may be considered by the Commission in determining whether to enter into future agreements with Consultant.

21.6 The rights and remedies of the Parties provided in this Section are in addition to any other rights and remedies provided by law or under this Agreement.

21.7 Consultant, in executing this Agreement, shall be deemed to have waived any and all claims for damages which may otherwise arise from the Commission's termination of this Agreement, for convenience or cause, as provided in this Section.

21.8 Consultant may not terminate this Agreement except for cause.

22. Cost Principles and Administrative Requirements.

22.1 If applicable, Consultant agrees that the Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., shall be used to determine the cost allowability of individual items.

22.2 If applicable, Consultant also agrees to comply with federal procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

22.3 If applicable, any costs for which payment has been made to CONSULTANT that are determined by subsequent audit to be unallowable under 2 CFR,

Part 200 and 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., are subject to repayment by Consultant to Commission.

22.4 All subcontracts in excess of \$25,000 shall contain the above provisions.

23. Retention of Records/Audit. For the purpose of determining compliance with, as applicable, 2 CFR Part 200, Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of this Agreement pursuant to Government Code 8546.7; Consultant, subconsultants, and Commission shall maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of this Agreement, including but not limited to, the costs of administering this Agreement. All parties shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three years from the date of final payment under this Agreement. The State, State Auditor, Commission, FHWA, or any duly authorized representative of the State or Federal Government shall have access to any books, records, and documents of Consultant and its certified public accountants (CPA) work papers that are pertinent to this Agreement and indirect cost rates (ICR) for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. Subcontracts in excess of \$25,000 shall contain this provision.

23.1 Accounting System. Consultant and its subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate expenditures by line item for the Services. The accounting system of Consultant and its subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

24. Audit Review Procedures.

24.1 Any dispute concerning a question of fact arising under an interim or post audit of this Agreement that is not disposed of by agreement, shall be reviewed by Commission's Chief Financial Officer.

24.2 Not later than 30 days after issuance of the final audit report, Consultant may request a review by Commission's Chief Financial Officer of unresolved audit issues. The request for review shall be submitted in writing.

24.3 Neither the pendency of a dispute nor its consideration by Commission shall excuse Consultant from full and timely performance, in accordance with the terms of this Agreement.

25. Subcontracting.

25.1 Nothing contained in this Agreement or otherwise, shall create any contractual relation between Commission and any subconsultant(s), and no subcontract

shall relieve Consultant of its responsibilities and obligations hereunder. Consultant agrees to be as fully responsible to Commission for the acts and omissions of its subconsultant(s) and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Consultant. Consultant's obligation to pay its subconsultant(s) is an independent obligation from Commission's obligation to make payments to the Consultant.

25.2 Consultant shall perform the Services contemplated with resources available within its own organization and no portion of the Services pertinent to this Agreement shall be subcontracted without written authorization by Commission's Contract Administrator, except that, which is expressly identified in the approved Cost Proposal.

25.3 Consultant shall pay its subconsultants within ten (10) calendar days from receipt of each payment made to Consultant by Commission.

25.4 Any subcontract in excess of \$25,000 entered into as a result of this Agreement shall contain all the provisions stipulated in this Agreement to be applicable to subconsultants.

25.5 Any substitution of subconsultant(s) must be approved in writing by Commission's Contract Administrator prior to the start of work by the subconsultant(s).

25.6 Exhibit "B" may set forth the rates at which each subconsultant shall bill the Consultant for Services and that are subject to reimbursement by the Commission to Consultant. Additional Direct Costs, as defined in Exhibit "B" shall be the same for both the Consultant and all subconsultants, unless otherwise identified in Exhibit "B" or in a Task Order. The subconsultant rate schedules and cost proposals contained herein are for accounting purposes only.

26. Equipment Purchase

26.1 Prior authorization, in writing, by Commission's Contract Administrator shall be required before Consultant enters into any unbudgeted purchase order, or subcontract for supplies, equipment, or services. Consultant shall provide an evaluation of the necessity or desirability of incurring such costs.

26.2 For purchase of any item, service or consulting work not covered in the Cost Proposal and exceeding \$5,000 prior authorization, in writing, by Commission's Contract Administrator is required. Three competitive quotations must be submitted with the request for such purchase, or the absence of bidding must be adequately justified.

26.3 Any equipment purchased as a result of this Agreement is subject to the following: Consultant shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of \$5,000 or more. If the purchased equipment needs replacement and is sold or traded in, Commission shall receive a proper refund or credit at the conclusion of this Agreement, or if this Agreement is terminated, Consultant may either keep the

equipment and credit Commission in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established Commission procedures; and credit Commission in an amount equal to the sales price. If Consultant elects to keep the equipment, fair market value shall be determined at Consultant's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be obtained from an appraiser mutually agreeable to by Commission and Consultant. If Consultant determines to sell the equipment, the terms and conditions of such sale must be approved in advance by Commission. 2 CFR, Part 200 requires a credit to Federal funds when participating equipment with a fair market value greater than \$5,000 is credited to the Project.

26.4 All subcontracts in excess \$25,000 shall contain the above provisions.

27. Labor Code Requirements.

27.1 Prevailing Wages.

(a) Consultant shall comply with the State of California's General Prevailing Wage Rate requirements in accordance with California Labor Code, Section 1770, and all Federal, State, and local laws and ordinances applicable to the Services.

(b) Any subcontract entered into as a result of this Agreement, if for more than \$25,000 for public works construction or more than \$15,000 for the alteration, demolition, repair, or maintenance of public works, shall contain all of the provisions of this Section.

(c) When prevailing wages apply to the Services described in the Scope of Services, transportation and subsistence costs shall be reimbursed at the minimum rates set by the Department of Industrial Relations (DIR) as outlined in the applicable Prevailing Wage Determination. See <http://www.dir.ca.gov>.

(d) Copies of the prevailing rate of per diem wages in effect at commencement of this Agreement are on file at the Commission's offices. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold the Commission, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

27.2 DIR Registration. If the Services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It

shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements.

27.3 Eight-Hour Law. Pursuant to the provisions of the California Labor Code, eight hours of labor shall constitute a legal day's work, and the time of service of any worker employed on the work shall be limited and restricted to eight hours during any one calendar day, and forty hours in any one calendar week, except when payment for overtime is made at not less than one and one-half the basic rate for all hours worked in excess of eight hours per day ("Eight-Hour Law"), unless Consultant or the Services are not subject to the Eight-Hour Law. Consultant shall forfeit to Commission as a penalty, \$50.00 for each worker employed in the execution of this Agreement by him, or by any sub-consultant under him, for each calendar day during which such workman is required or permitted to work more than eight hours in any calendar day and forty hours in any one calendar week without such compensation for overtime violation of the provisions of the California Labor Code, unless Consultant or the Services are not subject to the Eight-Hour Law.

27.4 Employment of Apprentices. This Agreement shall not prevent the employment of properly indentured apprentices in accordance with the California Labor Code, and no employer or labor union shall refuse to accept otherwise qualified employees as indentured apprentices on the work performed hereunder solely on the ground of race, creed, national origin, ancestry, color or sex. Every qualified apprentice shall be paid the standard wage paid to apprentices under the regulations of the craft or trade in which he or she is employed and shall be employed only in the craft or trade to which he or she is registered.

If California Labor Code Section 1777.5 applies to the Services, Consultant and any subcontractor hereunder who employs workers in any apprenticeable craft or trade shall apply to the joint apprenticeship council administering applicable standards for a certificate approving Consultant or any sub-consultant for the employment and training of apprentices. Upon issuance of this certificate, Consultant and any sub-consultant shall employ the number of apprentices provided for therein, as well as contribute to the fund to administer the apprenticeship program in each craft or trade in the area of the work hereunder.

The parties expressly understand that the responsibility for compliance with provisions of this Section and with Sections 1777.5, 1777.6 and 1777.7 of the California Labor Code in regard to all apprenticeable occupations lies with Consultant

28. Ownership of Materials/Confidentiality

28.1 Documents & Data. This Agreement creates an exclusive and perpetual license for Commission to copy, use, modify, reuse, or sub-license any and all copyrights and designs embodied in plans, specifications, studies, drawings, estimates, materials, data and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data").

Consultant shall require all subcontractors to agree in writing that Commission is granted an exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement.

Consultant represents and warrants that Consultant has the legal right to grant the exclusive and perpetual license for all such Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the Commission.

Commission shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at Commission's sole risk.

28.2 Intellectual Property. In addition, Commission shall have and retain all right, title and interest (including copyright, patent, trade secret and other proprietary rights) in all plans, specifications, studies, drawings, estimates, materials, data, computer programs or software and source code, enhancements, documents, and any and all works of authorship fixed in any tangible medium or expression, including but not limited to, physical drawings or other data magnetically or otherwise recorded on computer media ("Intellectual Property") prepared or developed by or on behalf of Consultant under this Agreement as well as any other such Intellectual Property prepared or developed by or on behalf of Consultant under this Agreement.

The Commission shall have and retain all right, title and interest in Intellectual Property developed or modified under this Agreement whether or not paid for wholly or in part by Commission, whether or not developed in conjunction with Consultant, and whether or not developed by Consultant. Consultant will execute separate written assignments of any and all rights to the above referenced Intellectual Property upon request of Commission.

Consultant shall also be responsible to obtain in writing separate written assignments from any subcontractors or agents of Consultant of any and all right to the above referenced Intellectual Property. Should Consultant, either during or following termination of this Agreement, desire to use any of the above-referenced Intellectual Property, it shall first obtain the written approval of the Commission.

All materials and documents which were developed or prepared by the Consultant for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of the Consultant. However, unless otherwise identified and stated prior to execution of this Agreement, Consultant represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

Commission further is granted by Consultant a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property

otherwise owned by Consultant which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

28.3 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of Commission, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use Commission's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of Commission.

28.4 Infringement Indemnification. Consultant shall defend, indemnify and hold the Commission, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by Commission of the Documents & Data, including any method, process, product, or concept specified or depicted.

29. Indemnification. To the fullest extent permitted by law, Consultant shall defend (with counsel of Commission's choosing), indemnify and hold Commission, Caltrans and their directors, officials, officers, employees, consultants, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to alleged negligent acts, omissions, or willful misconduct of Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of consequential damages, expert witness fees, and attorneys fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against Commission, Caltrans and their directors, officials, officers, employees, consultants, agents, or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against Commission, Caltrans or their directors, officials, officers, employees, consultants, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse Commission, Caltrans and their directors, officials, officers, employees, consultants, agents, and/or volunteers, for any and all legal expenses and costs, including reasonable attorney's fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Commission, Caltrans, their directors, officials officers, employees, consultants, agents, or volunteers.

If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

Consultant's obligations as set forth in this Section shall survive expiration or termination of this Agreement.

30. Insurance.

30.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the Commission that it has secured all insurance required under this Section, in a form and with insurance companies acceptable to the Commission. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this Section.

30.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(a) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, code 1 (any auto) or exact equivalent); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(b) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit. Limits may be achieved by any combination of primary and excess or umbrella liability insurance; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage. Limits may be achieved by any combination of primary and excess or umbrella liability insurance; and (3) *Workers' Compensation and Employer's*

Liability: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Practices Liability limits of \$1,000,000 per accident.

30.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. For Consultant, such insurance shall be in an amount not less than \$1,000,000 per claim. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. Subconsultants of Consultant shall obtain such insurance in an amount not less than \$2,000,000 per claim. Notwithstanding the foregoing, the Commission may consider written requests to lower or dispense with the errors and omissions liability insurance requirement contained in this Section for certain subconsultants of Consultant, on a case-by-case basis, depending on the nature and scope of the Services to be provided by the subconsultant. Approval of such request shall be in writing, signed by the Commission's Contract Administrator.

30.4 Aircraft Liability Insurance. Prior to conducting any Services requiring use of aircraft, Consultant shall procure and maintain, or cause to be procured and maintained, aircraft liability insurance or equivalent form, with a single limit as shall be required by the Commission. Such insurance shall include coverage for owned, hired and non-owned aircraft and passengers, and shall name, or be endorsed to name, the Commission, Caltrans and their directors, officials, officers, employees and agents as additional insureds with respect to the Services or operations performed by or on behalf of the Consultant.

30.5 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the Commission to add the following provisions to the insurance policies:

(a) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) bodily Injury and property damage; (2) personal Injury/advertising Injury; (3) premises/operations liability; (4) products/completed operations liability; (5) aggregate limits that apply per Project; (6) explosion, collapse and underground (UCX) exclusion deleted; (7) contractual liability with respect to this Agreement; (8) broad form property damage; and (9) independent consultants coverage.

(ii) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to this Agreement.

(iii) The policy shall give the Commission, its directors, officials, officers, employees, and agents insured status using ISO endorsement forms 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(iv) The additional insured coverage under the policy shall be “primary and non-contributory” and will not seek contribution from the Commission’s or Caltrans’ insurance or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(b) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the Commission, Caltrans and their directors, officials, officers, employees and agents shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the Commission, Caltrans and their directors, officials, officers, employees and agents, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant’s scheduled underlying coverage. Any insurance or self-insurance maintained by the Commission, Caltrans and their directors, officials, officers, employees and agents shall be excess of the Consultant’s insurance and shall not be called upon to contribute with it in any way.

(c) Workers’ Compensation and Employers Liability Coverage.

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) The insurer shall agree to waive all rights of subrogation against the Commission, its directors, officials, officers, employees and agents for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(d) All Coverages.

(i) Defense costs shall be payable in addition to the limits set forth hereunder.

(ii) Requirements of specific coverage or limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth herein shall be available to the Commission, Caltrans and their directors, officials, officers, employees and agents as additional insureds under said policies. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this

Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater.

(iii) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the Commission (if agreed to in a written contract or agreement) before the Commission's own insurance or self-insurance shall be called upon to protect it as a named insured. The umbrella/excess policy shall be provided on a "following form" basis with coverage at least as broad as provided on the underlying policy(ies).

(iv) Consultant shall provide the Commission at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the Commission at least ten (10) days prior to the effective date of cancellation or expiration.

(v) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(vi) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the Commission, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(vii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Commission has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Commission will be promptly reimbursed by Consultant or Commission will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, Commission may cancel this Agreement. The Commission may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(viii) Neither the Commission nor any of its directors, officials, officers, employees or agents shall be personally responsible for any liability arising under or by virtue of this Agreement.

30.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Commission. If the Commission does not approve the deductibles or self-insured retentions as presented, Consultant shall guarantee that, at the option of the Commission, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Commission, its directors, officials, officers, employees and agents; or, (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expense.

30.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the Commission.

30.8 Verification of Coverage. Consultant shall furnish Commission with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the Commission. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the Commission before work commences. The Commission reserves the right to require complete, certified copies of all required insurance policies, at any time.

30.9 Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the Commission that they have secured all insurance required under this Section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the Commission as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, the Commission may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

30.10 Other Insurance. At its option, the Commission may require such additional coverage(s), limits and/or the reduction of deductibles or retentions it considers reasonable and prudent based upon risk factors that may directly or indirectly impact the Project. In retaining this option Commission does not warrant Consultant's insurance program to be adequate. Consultant shall have the right to purchase insurance in addition to the insurance required in this Section.

31. Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures,

trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

Pursuant to the authority contained in Section 591 of the Vehicle Code, the Commission has determined that the Project will contain areas that are open to public traffic. Consultant shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. Consultant shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.

32. Additional Work. Any work or activities that are in addition to, or otherwise outside of, the Services to be performed pursuant to this Agreement shall only be performed pursuant to a separate agreement between the parties. Notwithstanding the foregoing, the Commission's Executive Director may make a change to the Agreement, other than a Cardinal Change. For purposes of this Agreement, a Cardinal Change is a change which is "outside the scope" of the Agreement; in other words, work which should not be regarded as having been fairly and reasonably within the contemplation of the parties when the Agreement was entered into. An example of a change which is not a Cardinal Change would be where, in a contract to construct a building there are many changes in the materials used, but the size and layout of the building remains the same. Cardinal Changes are not within the authority of this provision to order, and shall be processed by the Commission as "sole source" procurements according to applicable law, including the requirements of FTA Circular 4220.1D, paragraph 9(f).

(a) In addition to the changes authorized above, a modification which is signed by Consultant and the Commission's Executive Director, other than a Cardinal Change, may be made in order to: (1) make a negotiated equitable adjustment to the Agreement price, delivery schedule and other terms resulting from the issuance of a Change Order, (2) reflect definitive letter contracts, and (3) reflect other agreements of the parties modifying the terms of this Agreement ("Bilateral Contract Modification").

(b) Consultant shall not perform, nor be compensated for any change, without written authorization from the Commission's Executive Director as set forth herein. In the event such a change authorization is not issued and signed by the Commission's Executive Director, Consultant shall not provide such change.

33. Prohibited Interests.

33.1 Solicitation. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this

Agreement. For breach or violation of this warranty, the Commission shall have the right to rescind this Agreement without liability.

33.2 Consultant Conflict of Interest

(a) Consultant shall disclose any financial, business, or other relationship with Commission that may have an impact upon the outcome of this Agreement, or any ensuing Commission construction project. Consultant shall also list current clients who may have a financial interest in the outcome of this Agreement, or any ensuing Commission construction project, which will follow.

(b) Consultant hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this Agreement.

(c) Any subcontract in excess of \$25,000 entered into as a result of this Agreement, shall contain all of the provisions of this Article.

(d) Consultant hereby certifies that neither Consultant, nor any firm affiliated with Consultant will bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract. An affiliated firm is one, which is subject to the control of the same persons through joint-ownership, or otherwise.

(e) Except for subconsultants whose services are limited to providing surveying or materials testing information, no subconsultant who has provided design services in connection with this contract shall be eligible to bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract.

33.3 Commission Conflict of Interest. For the term of this Agreement, no member, officer or employee of the Commission, during the term of his or her service with the Commission, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

33.4 Conflict of Employment. Employment by the Consultant of personnel currently on the payroll of the Commission shall not be permitted in the performance of this Agreement, even though such employment may occur outside of the employee's regular working hours or on weekends, holidays or vacation time. Further, the employment by the Consultant of personnel who have been on the Commission payroll within one year prior to the date of execution of this Agreement, where this employment is caused by and or dependent upon the Consultant securing this or related Agreements with the Commission, is prohibited.

33.5 Covenant Against Contingent Fees. As required in connection with federal funding, the Consultant warrants that he/she has not employed or retained any

company or person, other than a bona fide employee working for the Consultant, to solicit or secure this Agreement, and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or formation of this Agreement. For breach or violation of this warranty, the Commission shall have the right to terminate this Agreement without liability pursuant to the terms herein, or at its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

33.6 Rebates, Kickbacks or Other Unlawful Consideration. Consultant warrants that this Agreement was not obtained or secured through rebates kickbacks or other unlawful consideration, either promised or paid to any Commission employee. For breach or violation of this warranty, Commission shall have the right in its discretion; to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the Agreement price; or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

33.7 Covenant Against Expenditure of Commission, State or Federal Funds for Lobbying. The Consultant certifies that to the best of his/ her knowledge and belief no state, federal or local agency appropriated funds have been paid, or will be paid by or on behalf of the Consultant to any person for the purpose of influencing or attempting to influence an officer or employee of any state or federal agency; a Member of the State Legislature or United States Congress; an officer or employee of the Legislature or Congress; or any employee of a Member of the Legislature or Congress, in connection with the award of any state or federal contract, grant, loan, or cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any state or federal contract, grant, loan, or cooperative agreement.

(a) Intentionally omitted.

(b) The Consultant's certification provided in this Section is a material representation of fact upon which reliance was placed when this Agreement was entered into, and is a prerequisite for entering into this Agreement pursuant to Section 1352, Title 31, US. Code. Failure to comply with the restrictions on expenditures, or the disclosure and certification requirements set forth in Section 1352, Title 31, US. Code may result in a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(c) The Consultant also agrees by signing this Agreement that he/she shall require that the language set forth in this Section be included in all Consultant subcontracts which exceed \$100,000, and that all such subcontractors shall certify and disclose accordingly.

33.8 Employment Adverse to the Commission. Consultant shall notify the Commission, and shall obtain the Commission's written consent, prior to accepting work to assist with or participate in a third-party lawsuit or other legal or administrative proceeding against the Commission during the term of this Agreement.

34. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

35. Right to Employ Other Consultants. Commission reserves the right to employ other consultants in connection with the Project.

36. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California. Venue shall be in Riverside County.

37. Disputes; Attorneys' Fees.

37.1 Prior to commencing any action hereunder, the Parties shall attempt in good faith to resolve any dispute arising between them. The pendency of a dispute shall not excuse Consultant from full and timely performance of the Services.

37.2. If the Parties are unable to resolve a dispute after attempting in good faith to do so, the Parties may seek any other available remedy to resolve the dispute. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and recover from the losing Party reasonable attorneys' fees and, all other costs of such actions.

38. Time of Essence. Time is of the essence for each and every provision of this Agreement.

39. Headings. Article and Section Headings, paragraph captions or marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

40. Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

CONSULTANT:

C&M Associates, Inc.
15770 North Dallas Parkway
Suite 870
Dallas, TX 75248
Attn: Sam Bohluli

COMMISSION:

Riverside County
Transportation Commission
4080 Lemon Street, 3rd Floor
Riverside, CA 92501
Attn: Executive Director

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. mail, first class postage prepaid, and addressed to the

Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

41. Conflicting Provisions. In the event that provisions of any attached exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the Parties and the interpretation of the Parties' understanding concerning the performance of the Services.

42. Amendment or Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

43. Entire Agreement. This Agreement contains the entire agreement of the Parties relating to the subject matter hereof and supersedes all prior negotiations, agreements or understandings.

44. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

45. Intentionally Omitted.

46. Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, shall survive any such expiration or termination.

47. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

48. Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

49. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

50. Attorney Client Privilege. The Parties recognize that, during the Project, the Commission and its attorneys will engage in communication that gives rise to an attorney client privilege of confidentiality ("Confidential Communication"). Given the nature of the work done by Consultant for the Commission, it may be necessary for the Consultant to participate in Confidential Communications. To the extent that (i) the Consultant is a party to any Confidential Communication, and (ii) a third party seeks discovery of such communications, then the Consultant shall be deemed to be an agent of the Commission solely for purposes of preserving any attorney client privilege in the relevant Confidential Communication. Any such attorney client privilege shall be held by the Commission and

the Consultant is not authorized to waive that privilege or, otherwise, disclose such Confidential Communication except as set forth below. This Section is intended to maintain the privilege in any privileged Confidential Communications that are (1) between and among Commission, Consultant, and Commission's attorneys; (2) between Consultant (on behalf of the Commission) and Commission's attorneys; (3) Confidential Communications that occur in Closed Session meetings wherein the Commission, the Commission's attorneys and Consultant are present; and (4) between Commission and Consultant wherein the substance of the Confidential Communication is conveyed to/from the Consultant.

Consultant may disclose a Confidential Communication to the extent such disclosure is required by legal process, by a court of competent jurisdiction or by any other governmental authority, provided that any such disclosure shall be limited to the specific part of the Confidential Communication required to be disclosed and provided that Consultant first comply with the requirements set forth in this paragraph. As soon as practicable after Consultant becomes aware that it is required, or may become required, to disclose the Confidential Communication for such reason, Consultant shall notify the Commission in writing, in order to allow the Commission to pursue legal remedies designed to limit the Confidential Communication required to be disclosed or to assure the confidential treatment of the disclosed information following its disclosure. Consultant shall cooperate with the Commission, on a reimbursable basis, to assist the Commission in limiting the scope of disclosure or assuring the confidential treatment of any disclosed information.

51. Subpoenas or Court Orders. Should Consultant receive a subpoena or court order related to this Agreement, the Services or the Project, Consultant shall immediately provide written notice of the subpoena or court order to the Commission. Consultant shall not respond to any such subpoena or court order until notice to the Commission is provided as required herein, and shall cooperate with the Commission in responding to the subpoena or court order.

52. Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein, without the prior written consent of the Commission. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

53. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties, and shall not be assigned by Consultant without the prior written consent of Commission.

54. Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated into this Agreement as though fully set forth herein.

55. No Waiver. Failure of Commission to insist on any one occasion upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any

rights or powers hereunder at any one time or more times be deemed a waiver or relinquishment of such other right or power at any other time or times.

56. Electronic Delivery of Agreement. A manually signed copy of this Agreement which is transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

[Signatures on following page]

DRAFT

**SIGNATURE PAGE
TO
PROFESSIONAL SERVICES AGREEMENT
FOR
ON-CALL TRAFFIC AND REVENUE CONSULTING SERVICES**

IN WITNESS WHEREOF, this Agreement was executed on the date first written above.

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

C&M ASSOCIATES, INC.

By: _____
Anne Mayer, Executive Director

By: _____
Signature

Name

Title

ATTEST:

Approved as to Form:

By: _____
Best, Best & Krieger LLP
General Counsel

By: _____
Its: _____

* A corporation requires the signatures of two corporate officers.

One signature shall be that of the chairman of board, the president or any vice president and the second signature (on the attest line) shall be that of the secretary, any assistant secretary, the chief financial officer or any assistant treasurer of such corporation.

If the above persons are not the intended signators, evidence of signature authority shall be provided to RCTC.

EXHIBIT "A"
SCOPE OF SERVICES

[ATTACHED BEHIND THIS PAGE]

DRAFT

SCOPE OF SERVICES ON-CALL TRAFFIC AND REVENUE CONSULTING SERVICES

1. GENERAL INFORMATION

1.1. Background

The RIVERSIDE COUNTY TRANSPORTATION COMMISSION (Commission) is requesting Statements of Qualifications (SOQ) from qualified professionals for on-call Traffic and Revenue consulting services. The Commission intends to contract with qualified consulting firms to provide comprehensive, on-call consulting services for Commission toll projects. On-call traffic and revenue services will be in support of planned or in-progress Commission projects, operating Commission toll facilities, and technical support for the toll program.

2. DESCRIPTION OF WORK

Consultant tasks may include, but not be limited to, the following typical tasks. Specific requirements will be set forth in each task for each Task Order:

2.1. Project Management

The Consultant will support the Commission with coordination and supervision of project staff to facilitate the performance in accordance with this scope of work and RCTC requirements. The Project management effort is to include but not be limited to, the coordination/preparation/documentation of project meetings, development/maintenance of a project schedule, preparation of monthly invoicing, maintenance of project records, development/administration of a quality control plan and coordination of submittals and final deliverables.

2.2. Traffic and Revenue Studies

The Consultant shall support the Commission with the development of different levels of traffic and revenue studies depending on the need for a particular express lanes project. The following is a description of the potential tasks that may be issued with a specific task order for this discipline:

- Level 1 Traffic and Revenue Study (sketch) that evaluates potential traffic demand and growth with implementation of express lanes and provides revenue estimates for a given amount of time.
- Level 2 Traffic and Revenue Study (Intermediate) that further refines traffic forecast, operations, and revenue estimates in that it can be used to support express lane planning, design, and provide a basis for a funding or financing plan. The effort associated with this type of study may require additional data collection for traffic forecasting and economic development assumptions. In addition, stated preference surveys may be required.

- Level 3 Traffic and Revenue Study (Investment Grade) that provides a robust and thorough evaluation of traffic forecasts, operation, and expected revenue from implementation of express lanes. A level 3 Traffic and Revenue study will be used as a mechanism to support the issuance of bonds for future express lanes projects. This study may be built on a existing level 2 study and may include verification of traffic data, modeling assumptions and revenue estimates. Additional stated preference surveys may be needed to verify the assumptions made in the modeling for the future express lanes projects. Additional counts and scenario analyses maybe necessary to make the level 3 Traffic and Revenue Study current and to support bond issuance activities.

2.3. Technical Support and Miscellaneous Studies

For future projects and existing facilities, the Consultant will provide technical support as it relates to reviewing traffic and revenue activities and documents. As part of a given task order, the Consultant may review or develop studies related to simulation, travel modeling, financial analysis, operational analysis, and planning services to support pricing policies and design adjustments of tolled facilities, corridors, or systems. In addition, various questions and requests from Commissioners as it relates to an existing or future toll policy may need to be evaluated. Under this task, the Consultant may do any of the following activities:

- Review and verify traffic and revenue Studies from other Consultants or other agencies;
- Conduct data compilation, field data collection, and analysis;
- Conduct land use and socio-economic research;
- Conduct Stated Preference surveys;
- Toll optimization evaluation through analysis of pricing strategies, toll rate adjustments, Monte-Carlo simulation analysis, and other financial modeling techniques to determine optimal toll solutions, based on revenue or throughput;
- Evaluate the traffic and revenue impacts of addition/deletion of project features or proposed projects within the express lanes corridor or network;
- Provide net toll revenue analyses of proposed express lanes corridors;
- Sensitivity analyses that evaluates impacts to revenue and traffic from different assumptions from a socio-economic perspective, horizon years, anticipated projects, and other factors that can impact proposed and existing express lanes;
- Forecasting of traffic performance for existing facilities and future projects
- Express lane network traffic modeling for potential new express lanes corridors;
- Market share analyses for preliminary testing of alternative toll concepts and operational policies;
- Develop traffic and revenue modeling and evaluate impacts from emerging mobility technologies;
- Evaluate multi-modal feasibility from a traffic and revenue perspective;

- Provide technical support and present to Commission legal counsel, other consultants, Caltrans, Federal Highway Administration, financial institutions or rating agencies regarding traffic and revenue studies;
- Develop and execute presentations and trainings for various audiences;
- And complete relevant tasks related to traffic and revenue analyses of highway corridors and other mobility options.

2.4. Materials to be Furnished by Commission

All software, data, reports, surveys, drawings, and other documents furnished to the Offeror by Commission for the Offeror's use in the performance of services shall be made available only for use in performing the assignment and shall remain the property of Commission. All such materials shall be returned to Commission upon completion of services, termination of the agreement, or other such time as Commission may determine.

2.5. Personnel Qualifications and Responsibilities

The quantity and qualifications of personnel to be assigned will be determined by the scope of the Task Order request and the degree of difficulty of the required tasks to be performed. All personnel and personnel assignments shall be subject to approval by Commission.

2.6. Third Party Relationships

This Contract is intended to provide on-call traffic and revenue consulting services for Commission projects, facilities, and purposes. The Commission works closely with various professional offerors, agencies, and others in the development of its projects and facilities. The Commission, however, is solely responsible for and will be the sole point of contact for all contractual matters related to the Task Orders. Offeror shall take direction only from Commission and shall regularly inform only Commission of Task Order progress, outstanding issues, and all related matters.

During the course of the Contract, Offeror may find occasion to meet with local, state, and federal representatives, consultants, advisors, legal counsel, or other third parties who have assisted with the various RCTC projects. These entities may, from time to time, offer suggestions and/or recommendations regarding the Commission project or elements of the project. While the Commission enjoys a close relationship with and has considerable confidence in the capabilities of these other parties, Offeror shall not act on any suggestions, solicited or unsolicited, without obtaining specific direction from Commission. All oral and written communication with outside agencies or Offerors related to the project shall be directed only to Commission. Distribution of project related communications and information shall be at the sole discretion of Commission representatives.

3. Task Order PROCEDURES

3.1. Definitions

The term Consultant shall refer to the firm or firms that are awarded the contract for environmental consulting services.

A Task Order is utilized by the parties to establish, outline, and authorize a particular job or task.

3.2. Initiating Task Orders

The Commission's project manager will issue Task Orders to the Consultant.

The Commission's request for task order submittals. Upon a request for a Task Order Proposal by the designated Commission project manager, Consultant shall develop a plan and submit a task order proposal for the requested services. The Task Order shall include a time schedule, number of labor hours, and labor classification(s) to provide the requested services.

3.3. Review and Award of Task Orders

The Commission's designated project manager will review the submitted Task Order (to ensure that the submittal is complete, consistent with the Commission's written or oral request for services, the personnel assigned are acceptable, the schedule is acceptable, that all costs proposed are appropriate, and that the item is in compliance with contractual requirements. The project manager will award the Task Order if it is determined to be fair and reasonable. If required, the Commission's project manager will conduct negotiations to address exceptions and clarify costs. The fully executed Task Order will serve as the record of negotiations.

3.4. Completion Schedule

The Consultant's performance of services shall commence under each Task Order only upon written authorization by the Commission's designated project manager.

Consultant shall complete the services within the time frame specified on a particular Task Order.

EXHIBIT "B"

COMPENSATION AND PAYMENT

[ATTACHED BEHIND THIS PAGE]

DRAFT

EXHIBIT "B"

COMPENSATION SUMMARY¹

FISCAL YEAR	PROJECT	COST
FY 2019/20	Traffic & Revenue Study Services	\$ 450,000.00
FY 2020/21	Traffic & Revenue Study Services	350,000.00
FY 2021/22	Traffic & Revenue Study Services	800,000.00
FY 2022/23	Traffic & Revenue Study Services	1,500,000.00
FY 2023/25	Traffic & Revenue Study Services	600,000.00
FY 2025/26	Traffic & Revenue Study Services	200,000.00
SUBTOTAL		3,900,000.00
TOTAL COSTS		\$ 3,900,000.00

¹ Commission authorization pertains to total contract award amount. Compensation adjustments between consultants may occur; however, the maximum total compensation authorized may not be exceeded.

Agreement No. 20-31-051-00

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
AGREEMENT WITH
CDM SMITH, INC.
FOR ON-CALL TRAFFIC AND REVENUE CONSULTING SERVICES**

Parties and Date.

This Agreement is made and entered into this ____ day of _____, 2020, by and between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION ("the Commission") and CDM SMITH, INC. ("Consultant"), a Corporation. The Commission and Consultant are sometimes referred to herein individually as "Party", and collectively as the "Parties".

Recitals.

A. On November 8, 1988 the Voters of Riverside County approved Measure A authorizing the collection of a one-half percent (1/2 %) retail transactions and use tax (the "tax") to fund transportation programs and improvements within the County of Riverside, and adopting the Riverside County Transportation Improvement Plan (the "Plan").

B. Pursuant to Public Utility Code Sections 240000 et seq., the Commission is authorized to allocate the proceeds of the Tax in furtherance of the Plan.

C. On November 5, 2002, the voters of Riverside County approved an extension of the Measure A tax for an additional thirty (30) years for the continued funding of transportation and improvements within the County of Riverside.

D. Consultant desires to perform and assume responsibility for the provision of certain on-call traffic and revenue consulting services in the County of Riverside, California. Services shall be provided on the terms and conditions set forth in this Agreement and in the task order(s) to be solicited, awarded and authorized by Commission Purchase Orders as further described in this Agreement ("Task Order"). Consultant represents that it is experienced in providing such services to public clients, is licensed in the State of California (if necessary), and is familiar with the plans of the Commission.

E. The Commission desires to engage Consultant to render such services on an on-call basis. Services shall be ordered by Task Order(s) to be issued pursuant to this Agreement for future projects as set forth herein and in each Task Order (each such project shall be designated a "Project" under this Agreement).

Terms.

1. General Scope of Services. Consultant shall furnish all technical and professional services, including labor, material, equipment, transportation, supervision and expertise, and incidental and customary work necessary to fully and adequately supply the on-call traffic and revenue consulting services for the Projects ("Services"). The Services are generally described in Exhibit "A" attached hereto and incorporated herein by reference. The Services shall be more particularly described in the individual Task Order requests and proposals. No Services shall be performed unless authorized by a Commission Purchase Order for Task Order Services, as further detailed herein. All Services shall be subject to, and performed in accordance with, this Agreement, the relevant Task Order, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

2. Commencement of Services.

The Consultant shall commence work upon receipt of a written "Notice to Proceed" or "Limited Notice to Proceed" from Commission, and following issuance of a Purchase Order for authorized Task Order Services.

3. Pre-Award Audit. As a result of the funding for this Project, and to the extent Caltrans procedures apply in connection therewith, issuance of a "Notice to Proceed" may be contingent upon completion and approval of a pre-award audit. Any questions raised during the pre-award audit shall be resolved before the Commission will consider approval of this Agreement.

4. Audit Procedures. Consultant and subconsultant contracts, including cost proposals and ICR, are subject to audits or reviews such as, but not limited to, a contract audit, an incurred cost audit, an Independent Cost Review (ICR) Audit, or a CPA ICR audit work paper review. If selected for audit or review, this Agreement, Consultant's cost proposal and ICR and related work papers, if applicable, will be reviewed to verify compliance with 48 CFR, Part 31 and other related laws and regulations. In the instances of a CPA ICR audit work paper review it is Consultant's responsibility to ensure federal, state, or local government officials are allowed full access to the CPA's work papers including making copies as necessary. This Agreement, Consultant's cost proposal, and ICR shall be adjusted by Consultant and approved by the Commission's contract manager to conform to the audit or review recommendations. Consultant agrees that individual terms of costs identified in the audit report shall be incorporated into this Agreement by this reference if directed by Commission at its sole discretion. Refusal by Consultant to incorporate audit or review recommendations, or to ensure that the federal, state or local governments have access to CPA work papers, will be considered a breach of the Agreement terms and cause for termination of this Agreement and disallowance of prior reimbursed costs. Additional audit provisions applicable to this Agreement are set forth in Sections 23 and 24 of this Agreement.

5. Term.

5.1 This Agreement shall go into effect on the date first set forth above, contingent upon approval by Commission, and Consultant shall commence work after notification to proceed by Commission's Contract Administrator. This Agreement shall end five years from the date set forth above, unless extended by contract amendment. All Task Order work should be completed within the term.

5.2 Consultant is advised that any recommendation for contract award is not binding on Commission until this Agreement is fully executed and approved by the Commission.

5.3 This Agreement shall remain in effect until the date set forth above, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. All applicable indemnification provisions of this Agreement shall remain in effect following the termination of this Agreement.

6. Commission's Contract Administrator. The Commission hereby designates the Commission's Executive Director, or his or her designee, to act as its Contract Administrator for the performance of this Agreement ("Commission's Contract Administrator"). Commission's Contract Administrator shall have the authority to act on behalf of the Commission for all purposes under this Agreement. Commission's Contract Administrator shall also review and give approval, as needed, to the details of Consultant's work as it progresses. Consultant shall not accept direction or orders from any person other than the Commission's Contract Administrator or his or her designee.

7. Consultant's Representative. Consultant hereby designates Christopher Mwalwanda, to act as its Representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to act on behalf of Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his or her professional skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement. Consultant shall work closely and cooperate fully with Commission's Contract Administrator and any other agencies which may have jurisdiction over, or an interest in, the Services. Consultant's Representative shall be available to the Commission staff at all reasonable times. Any substitution in Consultant's Representative shall be approved in writing by Commission's Contract Administrator.

8. Substitution of Key Personnel. Consultant has represented to the Commission that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval by the Commission. In the event that the Commission and Consultant cannot agree as to the substitution of the key personnel, the Commission shall be entitled to terminate this Agreement for cause, pursuant to the provisions herein. The key personnel for

performance of this Agreement are: Christopher Mwalwanda, Yagnesh Jamarwala, Kamran Khan, Rohan Shah, Chris Thornberg, Cissy Kulakowski, Ybette Ochoa, Maneesh Mahlawat, or as otherwise identified in the Task Order.

9. Standard of Care; Licenses. Consultant represents and maintains that it is skilled in the professional calling necessary to perform all Services, duties and obligations required by this Agreement to fully and adequately complete the Project. Consultant shall perform the Services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Consultant further represents and warrants to the Commission that its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Consultant shall perform, at its own cost and expense and without reimbursement from the Commission, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein, and shall be fully responsible to the Commission for all damages and other liabilities provided for in the indemnification provisions of this Agreement arising from the Consultant's errors and omissions. Any employee of Consultant or its sub-consultants who is determined by the Commission to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the Commission, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

10. Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. Commission retains Consultant on an independent contractor basis and not as an employee, agent or representative of the Commission. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries and other amounts due such personnel in connection with their performance of Services and as required by law. Consultant shall be responsible for all reports and obligations respecting such personnel, including but not limited to, social security taxes, income tax withholdings, unemployment insurance, disability insurance, and workers' compensation insurance.

11. Task Orders; Commencement of Services; Schedule of Services. Services under this Agreement shall be competitively solicited amongst Consultant and the other firms identified in Section 19.12 of this Agreement pursuant to a Task Order request for proposals process. If Consultant's Task Order proposal is selected for a Project, the Commission shall issue a Purchase Order for the Services. Consultant's agreement to the final terms of a proposed Task Order, Commission's issuance of a Purchase Order and

Consultant's commencement of the Services following issuance of the Purchase Order shall indicate the Parties' agreement to the terms of the relevant Task Order.

Consultant shall commence Services under a Task Order within five (5) days of receiving a Purchase Order for the Task Order Services from the Commission. Each request for Task Order proposals shall identify the funding source(s) to be used to fund the Services under the relevant Task Order, and Consultant shall comply with the requirements specified herein, and in the attached exhibits, applicable to the identified funding source(s).

Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with any schedule of Services set forth in a Task Order ("Schedule"). Consultant represents that it has the professional and technical personnel to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, the Commission shall respond to Consultant's submittals in a timely manner. Upon request of Commission's Contract Administrator, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

11.1 Modification of the Schedule. Consultant shall regularly report to the Commission, through correspondence or progress reports, its progress in providing required Services within the scheduled time periods. Commission shall be promptly informed of all anticipated delays. In the event that Consultant determines that a schedule modification is necessary, Consultant shall promptly submit a revised Schedule of Services for approval by Commission's Contract Administrator.

11.2 Trend Meetings. Consultant shall conduct trend meetings with the Commission's Contract Administrator and other interested parties, as requested by the Commission, on a bi-weekly basis or as may be mutually scheduled by the Parties at a standard day and time. These trend meetings will encompass focused and informal discussions concerning scope, schedule, and current progress of Services, relevant cost issues, and future Project objectives. Consultant shall be responsible for the preparation and distribution of meeting agendas to be received by the Commission and other attendees no later than three (3) working days prior to the meeting.

11.3 Progress Reports. As part of its monthly invoice, Consultant shall submit a progress report, in a form determined by the Commission, which will indicate the progress achieved during the previous month in relation to the Schedule of Services. Submission of such progress report by Consultant shall be a condition precedent to receipt of payment from the Commission for each monthly invoice submitted.

12. Delay in Performance.

12.1 Excusable Delays. Should Consultant be delayed or prevented from the timely performance of any act or Services required by the terms of the Agreement by reason of acts of God or of the public enemy, acts or omissions of the Commission or other governmental agencies in either their sovereign or contractual capacities, fires,

floods, epidemics, quarantine restrictions, strikes, freight embargoes or unusually severe weather, performance of such act shall be excused for the period of such delay.

12.2 Written Notice. If Consultant believes it is entitled to an extension of time due to conditions set forth in subsection 12.1, Consultant shall provide written notice to the Commission within seven (7) working days from the time Consultant knows, or reasonably should have known, that performance of the Services will be delayed due to such conditions. Failure of Consultant to provide such timely notice shall constitute a waiver by Consultant of any right to an excusable delay in time of performance.

12.3 Mutual Agreement. Performance of any Services under this Agreement may be delayed upon mutual agreement of the Parties. Upon such agreement, Consultant's Schedule of Services shall be extended as necessary by the Commission. Consultant shall take all reasonable steps to minimize delay in completion, and additional costs, resulting from any such extension.

13. Preliminary Review of Work. All reports, working papers, and similar work products prepared for submission in the course of providing Services under this Agreement shall be submitted to the Commission's Contract Administrator in draft form, and the Commission may require revisions of such drafts prior to formal submission and approval. In the event plans and designs are to be developed as part of the Project, final detailed plans and designs shall be contingent upon obtaining environmental clearance as may be required in connection with State funding. In the event that Commission's Contract Administrator, in his or her sole discretion, determines the formally submitted work product to be not in accordance with the standard of care established under this Agreement, Commission's Contract Administrator may require Consultant to revise and resubmit the work at no cost to the Commission.

14. Appearance at Hearings. If and when required by the Commission, Consultant shall render assistance at public hearings or other meetings related to the Project or necessary to the performance of the Services. However, Consultant shall not be required to, and will not, render any decision, interpretation or recommendation regarding questions of a legal nature or which may be construed as constituting a legal opinion.

15. Opportunity to Cure; Inspection of Work. Commission may provide Consultant an opportunity to cure, at Consultant's expense, all errors and omissions which may be disclosed during Project implementation. Should Consultant fail to make such correction in a timely manner, such correction may be made by the Commission, and the cost thereof charged to Consultant. Consultant shall allow the Commission's Contract Administrator, Caltrans and FHWA to inspect or review Consultant's work in progress at any reasonable time.

16. Claims Filed by Contractor.

16.1 If claims are filed by the Commission's contractor for the Project ("Contractor") relating to work performed by Consultant's personnel, and additional information or assistance from the Consultant's personnel is required by the Commission in

order to evaluate or defend against such claims; Consultant agrees to make reasonable efforts to make its personnel available for consultation with the Commission's construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.

16.2 Consultant's personnel that the Commission considers essential to assist in defending against Contractor claims will be made available on reasonable notice from the Commission. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for the Consultant's personnel services under this Agreement.

16.3 Services of the Consultant's personnel and other support staff in connection with Contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this Agreement in order to finally resolve the claims.

16.4 Nothing contained in this Section shall be construed to in any way limit Consultant's indemnification obligations contained in Section 29. In the case of any conflict between this Section and Section 29, Section 29 shall govern. This Section is not intended to obligate the Commission to reimburse Consultant for time spent by its personnel related to Contractor claims for which Consultant is required to indemnify and defend the Commission pursuant to Section 29 of this Agreement.

17. Final Acceptance. Upon determination by the Commission that Consultant has satisfactorily completed the Services required under this Agreement and within the term set forth herein the Commission shall give Consultant a written Notice of Final Acceptance. Upon receipt of such notice, Consultant shall incur no further costs hereunder, unless otherwise specified in the Notice of Final Acceptance. Consultant may request issuance of a Notice of Final Acceptance when, in its opinion, it has satisfactorily completed all Services required under the terms of this Agreement. In the event copyrights are permitted under this Agreement, then in connection with State funding, it is hereby acknowledged and agreed that the State agency shall have the royalty-free non-exclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for governmental purposes.

18. Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. For example, and not by way of limitation, Consultant shall keep itself fully informed of and in compliance with all implementing regulations, design standards, specifications, previous commitments that must be incorporated in the design of the Project, and administrative controls. Compliance with Federal procedures may include completion of the applicable environmental documents and approved by the United States Department of Transportation. For example, and not by way of limitation, a signed Categorical Exclusion, Finding of No Significant Impact, or published Record of Decision may be required to be approved and/or completed by the United States Department of Transportation. For Consultant shall be

liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the Commission, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold Commission, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

19. Fees and Payment.

19.1 The method of payment for this Agreement will be based on actual cost plus a fixed fee. Commission shall reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by Consultant in performance of the Services. Consultant shall not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the approved Consultant cost proposal attached hereto as Exhibit "B" and incorporated herein by reference, or any cost proposal included as part of a Task Order ("Cost Proposal") unless additional reimbursement is provided for by written amendment. The overhead rates included in the attached Exhibit "B" shall be fixed for the term of the Master Agreement, and shall not be subject to adjustment, unless required by the applicable funding source. In no event, shall Consultant be reimbursed for overhead costs at a rate that exceeds Commission's approved overhead rate set forth in the Cost Proposal. In the event that Commission determines that a change to the Services from that specified in the Cost Proposal, this Agreement or any Task Order is required, the Agreement time or actual costs reimbursable by Commission shall be adjusted by written amendment to accommodate the changed work. The maximum total cost as specified in Section 19.8 shall not be exceeded, unless authorized by a written amendment.

19.2 In addition to the allowable incurred costs, Commission shall pay Consultant a fixed fee to be set forth in each Task Order ("Fixed Fee"). The Fixed Fee is nonadjustable for each Task Order, except in the event of a significant change in the Scope of Services, and such adjustment is made by written amendment.

19.3 Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal. In addition, payments to Consultant for travel and subsistence expenses claimed for reimbursement or applied as local match credit shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department of Personnel Administration (DPA) rules, unless otherwise authorized by Commission. If the rates invoiced are in excess of those authorized DPA rates, and Commission has not otherwise approved said rates, then Consultant is responsible for the cost difference and any overpayments shall be reimbursed to the Commission on demand.

19.4 When milestone cost estimates are included in the approved Cost Proposal for a Task Order, Consultant shall obtain prior written approval for a revised

milestone cost estimate from the Contract Administrator before exceeding such cost estimate.

19.5 Progress payments shall be made monthly in arrears based on Services provided and allowable incurred costs. A pro rata portion of the Fixed Fee shall be included in the monthly progress payments. If Consultant fails to submit the required deliverable items according to the schedule set forth in the Scope of Services, Commission shall have the right to delay payment or terminate this Agreement in accordance with the provisions of Section 21, Termination.

19.6 No payment shall be made prior to approval of any Services, nor for any Services performed prior to approval of this Agreement.

19.7 Consultant shall be reimbursed, as promptly as fiscal procedures will permit upon receipt by Commission's Contract Administrator of itemized invoices in triplicate. Invoices shall be submitted no later than 45 calendar days after the performance of work for which Consultant is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this Agreement number and project title. Final invoice must contain the final cost and all credits due Commission including any equipment purchased under the Equipment Purchase provisions of this Agreement. The final invoice should be submitted within 60 calendar days after completion of Consultant's work. Invoices shall be mailed to Commission's Contract Administrator at the following address:

Riverside County Transportation Commission
Attention: Accounts Payable
P.O. 12008
Riverside, CA 92502

19.8 The total amount payable by Commission, including the Fixed Fee, shall not exceed the amount set forth in each Task Order.

19.9 Salary increases shall be reimbursable if the new salary is within the salary range identified in the approved Cost Proposal and is approved by Commission's Contract Administrator. For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

19.10 Consultant shall not be reimbursed for any expenses unless authorized in writing by the Commission's Contract Administrator.

19.11 All subcontracts in excess of \$25,000 shall contain the above provisions.

19.12 Commission has or will enter into three (3) task order contracts for performance of the Scope of Services identified in Exhibit "A", including this Agreement ("On-Call Traffic and Revenue Consulting Services Task Order Contracts"). The other On-Call Traffic and Revenue Consulting Services Task Order Contracts are Agreement No. 20-

31-019-00 to C&M Associates, Inc. and Agreement No. 20-31-052-00 to Stantec Consulting Services, Inc. The total amount payable by Commission for the On-Call Traffic and Revenue Consulting Services Task Order Contracts shall not exceed a cumulative maximum total value of Three Million Nine Hundred Thousand Dollars (\$3,900,000) ("NTE Sum"). It is understood and agreed that there is no guarantee, either expressed or implied that this dollar amount will be authorized under the On-Call Traffic and Revenue Consulting Services Task Order Contracts through Task Orders. Each time a Task Order is awarded under any of the On-Call Traffic and Revenue Consulting Services Task Order Contracts, the Commission shall send written notification to Consultant and each of the other consultants entering into the On-Call Traffic and Revenue Consulting Services Task Order Contracts. The notice shall identify the total funds allocated under issued Task Orders, and the remaining unencumbered amount of the NTE Sum. Consultant acknowledges and agrees that Commission shall not pay any amount under this Agreement that would exceed the NTE Sum, and Consultant shall not knowingly enter into a Task Order that exceeds the NTE Sum.

20. Disputes.

20.1 Any dispute, other than audit, concerning a question of fact arising under this Agreement that is not disposed of by mutual agreement of the Parties shall be decided by a committee consisting of RCTC's Contract Administrator, who may consider written or verbal information submitted by Consultant.

20.2 Not later than 30 days after completion of all Services under this Agreement, Consultant may request review by the Commission's Executive Director of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

20.3 Neither the pendency of a dispute, nor its consideration by the committee will excuse Consultant from full and timely performance in accordance with the terms of this Agreement.

21. Termination.

21.1 Commission reserves the right to terminate this Agreement upon thirty (30) calendar days written notice to Consultant, for any or no reason, with the reasons for termination stated in the notice. Commission may terminate Services under a Task Order, at any time, for any or no reason, with the effective date of termination to be specified in the notice of termination of Task Order.

21.2 Commission may terminate this Agreement with Consultant should Consultant fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, Commission may proceed with the Services in any manner deemed proper by Commission. If Commission terminates this Agreement with Consultant, Commission shall pay Consultant the sum due to Consultant

under this Agreement for Services completed and accepted prior to termination, unless the cost of completion to Commission exceeds the funds remaining in the Agreement. In such case, the overage shall be deducted from any sum due Consultant under this Agreement and the balance, if any, shall be paid to Consultant upon demand.

21.3 In addition to the above, payment upon termination shall include a prorated amount of profit, if applicable, but no amount shall be paid for anticipated profit on unperformed Services. Consultant shall provide documentation deemed adequate by Commission's Contract Administrator to show the Services actually completed by Consultant prior to the effective date of termination. This Agreement shall terminate on the effective date of the Notice of Termination

21.4 Upon receipt of the written Notice of Termination, Consultant shall discontinue all affected Services as directed in the Notice or as otherwise provided herein, and deliver to the Commission all Documents and Data, as defined in this Agreement, as may have been prepared or accumulated by Consultant in performance of the Services, whether completed or in progress.

21.5 In addition to the above, Consultant shall be liable to the Commission for any reasonable additional costs incurred by the Commission to revise work for which the Commission has compensated Consultant under this Agreement, but which the Commission has determined in its sole discretion needs to be revised, in part or whole, to complete the Project because it did not meet the standard of care established in this Agreement. Termination of this Agreement for cause may be considered by the Commission in determining whether to enter into future agreements with Consultant.

21.6 The rights and remedies of the Parties provided in this Section are in addition to any other rights and remedies provided by law or under this Agreement.

21.7 Consultant, in executing this Agreement, shall be deemed to have waived any and all claims for damages which may otherwise arise from the Commission's termination of this Agreement, for convenience or cause, as provided in this Section.

21.8 Consultant may not terminate this Agreement except for cause.

22. Cost Principles and Administrative Requirements.

22.1 If applicable, Consultant agrees that the Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., shall be used to determine the cost allowability of individual items.

22.2 If applicable, Consultant also agrees to comply with federal procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

22.3 If applicable, any costs for which payment has been made to CONSULTANT that are determined by subsequent audit to be unallowable under 2 CFR,

Part 200 and 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., are subject to repayment by Consultant to Commission.

22.4 All subcontracts in excess of \$25,000 shall contain the above provisions.

23. Retention of Records/Audit. For the purpose of determining compliance with, as applicable, 2 CFR Part 200, Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of this Agreement pursuant to Government Code 8546.7; Consultant, subconsultants, and Commission shall maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of this Agreement, including but not limited to, the costs of administering this Agreement. All parties shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three years from the date of final payment under this Agreement. The State, State Auditor, Commission, FHWA, or any duly authorized representative of the State or Federal Government shall have access to any books, records, and documents of Consultant and its certified public accountants (CPA) work papers that are pertinent to this Agreement and indirect cost rates (ICR) for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. Subcontracts in excess of \$25,000 shall contain this provision.

23.1 Accounting System. Consultant and its subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate expenditures by line item for the Services. The accounting system of Consultant and its subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

24. Audit Review Procedures.

24.1 Any dispute concerning a question of fact arising under an interim or post audit of this Agreement that is not disposed of by agreement, shall be reviewed by Commission's Chief Financial Officer.

24.2 Not later than 30 days after issuance of the final audit report, Consultant may request a review by Commission's Chief Financial Officer of unresolved audit issues. The request for review shall be submitted in writing.

24.3 Neither the pendency of a dispute nor its consideration by Commission shall excuse Consultant from full and timely performance, in accordance with the terms of this Agreement.

25. Subcontracting.

25.1 Nothing contained in this Agreement or otherwise, shall create any contractual relation between Commission and any subconsultant(s), and no subcontract

shall relieve Consultant of its responsibilities and obligations hereunder. Consultant agrees to be as fully responsible to Commission for the acts and omissions of its subconsultant(s) and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Consultant. Consultant's obligation to pay its subconsultant(s) is an independent obligation from Commission's obligation to make payments to the Consultant.

25.2 Consultant shall perform the Services contemplated with resources available within its own organization and no portion of the Services pertinent to this Agreement shall be subcontracted without written authorization by Commission's Contract Administrator, except that, which is expressly identified in the approved Cost Proposal.

25.3 Consultant shall pay its subconsultants within ten (10) calendar days from receipt of each payment made to Consultant by Commission.

25.4 Any subcontract in excess of \$25,000 entered into as a result of this Agreement shall contain all the provisions stipulated in this Agreement to be applicable to subconsultants.

25.5 Any substitution of subconsultant(s) must be approved in writing by Commission's Contract Administrator prior to the start of work by the subconsultant(s).

25.6 Exhibit "B" may set forth the rates at which each subconsultant shall bill the Consultant for Services and that are subject to reimbursement by the Commission to Consultant. Additional Direct Costs, as defined in Exhibit "B" shall be the same for both the Consultant and all subconsultants, unless otherwise identified in Exhibit "B" or in a Task Order. The subconsultant rate schedules and cost proposals contained herein are for accounting purposes only.

26. Equipment Purchase

26.1 Prior authorization, in writing, by Commission's Contract Administrator shall be required before Consultant enters into any unbudgeted purchase order, or subcontract for supplies, equipment, or services. Consultant shall provide an evaluation of the necessity or desirability of incurring such costs.

26.2 For purchase of any item, service or consulting work not covered in the Cost Proposal and exceeding \$5,000 prior authorization, in writing, by Commission's Contract Administrator is required. Three competitive quotations must be submitted with the request for such purchase, or the absence of bidding must be adequately justified.

26.3 Any equipment purchased as a result of this Agreement is subject to the following: Consultant shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of \$5,000 or more. If the purchased equipment needs replacement and is sold or traded in, Commission shall receive a proper refund or credit at the conclusion of this Agreement, or if this Agreement is terminated, Consultant may either keep the

equipment and credit Commission in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established Commission procedures; and credit Commission in an amount equal to the sales price. If Consultant elects to keep the equipment, fair market value shall be determined at Consultant's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be obtained from an appraiser mutually agreeable to by Commission and Consultant. If Consultant determines to sell the equipment, the terms and conditions of such sale must be approved in advance by Commission. 2 CFR, Part 200 requires a credit to Federal funds when participating equipment with a fair market value greater than \$5,000 is credited to the Project.

26.4 All subcontracts in excess \$25,000 shall contain the above provisions.

27. Labor Code Requirements.

27.1 Prevailing Wages.

(a) Consultant shall comply with the State of California's General Prevailing Wage Rate requirements in accordance with California Labor Code, Section 1770, and all Federal, State, and local laws and ordinances applicable to the Services.

(b) Any subcontract entered into as a result of this Agreement, if for more than \$25,000 for public works construction or more than \$15,000 for the alteration, demolition, repair, or maintenance of public works, shall contain all of the provisions of this Section.

(c) When prevailing wages apply to the Services described in the Scope of Services, transportation and subsistence costs shall be reimbursed at the minimum rates set by the Department of Industrial Relations (DIR) as outlined in the applicable Prevailing Wage Determination. See <http://www.dir.ca.gov>.

(d) Copies of the prevailing rate of per diem wages in effect at commencement of this Agreement are on file at the Commission's offices. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold the Commission, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

27.2 DIR Registration. If the Services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It

shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements.

27.3 Eight-Hour Law. Pursuant to the provisions of the California Labor Code, eight hours of labor shall constitute a legal day's work, and the time of service of any worker employed on the work shall be limited and restricted to eight hours during any one calendar day, and forty hours in any one calendar week, except when payment for overtime is made at not less than one and one-half the basic rate for all hours worked in excess of eight hours per day ("Eight-Hour Law"), unless Consultant or the Services are not subject to the Eight-Hour Law. Consultant shall forfeit to Commission as a penalty, \$50.00 for each worker employed in the execution of this Agreement by him, or by any sub-consultant under him, for each calendar day during which such workman is required or permitted to work more than eight hours in any calendar day and forty hours in any one calendar week without such compensation for overtime violation of the provisions of the California Labor Code, unless Consultant or the Services are not subject to the Eight-Hour Law.

27.4 Employment of Apprentices. This Agreement shall not prevent the employment of properly indentured apprentices in accordance with the California Labor Code, and no employer or labor union shall refuse to accept otherwise qualified employees as indentured apprentices on the work performed hereunder solely on the ground of race, creed, national origin, ancestry, color or sex. Every qualified apprentice shall be paid the standard wage paid to apprentices under the regulations of the craft or trade in which he or she is employed and shall be employed only in the craft or trade to which he or she is registered.

If California Labor Code Section 1777.5 applies to the Services, Consultant and any subcontractor hereunder who employs workers in any apprenticeable craft or trade shall apply to the joint apprenticeship council administering applicable standards for a certificate approving Consultant or any sub-consultant for the employment and training of apprentices. Upon issuance of this certificate, Consultant and any sub-consultant shall employ the number of apprentices provided for therein, as well as contribute to the fund to administer the apprenticeship program in each craft or trade in the area of the work hereunder.

The parties expressly understand that the responsibility for compliance with provisions of this Section and with Sections 1777.5, 1777.6 and 1777.7 of the California Labor Code in regard to all apprenticeable occupations lies with Consultant

28. Ownership of Materials/Confidentiality

28.1 Documents & Data. This Agreement creates an exclusive and perpetual license for Commission to copy, use, modify, reuse, or sub-license any and all copyrights and designs embodied in plans, specifications, studies, drawings, estimates, materials, data and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data").

Consultant shall require all subcontractors to agree in writing that Commission is granted an exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement.

Consultant represents and warrants that Consultant has the legal right to grant the exclusive and perpetual license for all such Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the Commission.

Commission shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at Commission's sole risk.

28.2 Intellectual Property. In addition, Commission shall have and retain all right, title and interest (including copyright, patent, trade secret and other proprietary rights) in all plans, specifications, studies, drawings, estimates, materials, data, computer programs or software and source code, enhancements, documents, and any and all works of authorship fixed in any tangible medium or expression, including but not limited to, physical drawings or other data magnetically or otherwise recorded on computer media ("Intellectual Property") prepared or developed by or on behalf of Consultant under this Agreement as well as any other such Intellectual Property prepared or developed by or on behalf of Consultant under this Agreement.

The Commission shall have and retain all right, title and interest in Intellectual Property developed or modified under this Agreement whether or not paid for wholly or in part by Commission, whether or not developed in conjunction with Consultant, and whether or not developed by Consultant. Consultant will execute separate written assignments of any and all rights to the above referenced Intellectual Property upon request of Commission.

Consultant shall also be responsible to obtain in writing separate written assignments from any subcontractors or agents of Consultant of any and all right to the above referenced Intellectual Property. Should Consultant, either during or following termination of this Agreement, desire to use any of the above-referenced Intellectual Property, it shall first obtain the written approval of the Commission.

All materials and documents which were developed or prepared by the Consultant for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of the Consultant. However, unless otherwise identified and stated prior to execution of this Agreement, Consultant represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

Commission further is granted by Consultant a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property

otherwise owned by Consultant which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

28.3 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of Commission, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use Commission's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of Commission.

28.4 Infringement Indemnification. Consultant shall defend, indemnify and hold the Commission, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by Commission of the Documents & Data, including any method, process, product, or concept specified or depicted.

29. Indemnification. To the fullest extent permitted by law, Consultant shall defend (with counsel of Commission's choosing), indemnify and hold Commission, Caltrans and their directors, officials, officers, employees, consultants, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to alleged negligent acts, omissions, or willful misconduct of Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of consequential damages, expert witness fees, and attorneys fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against Commission, Caltrans and their directors, officials, officers, employees, consultants, agents, or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against Commission, Caltrans or their directors, officials, officers, employees, consultants, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse Commission, Caltrans and their directors, officials, officers, employees, consultants, agents, and/or volunteers, for any and all legal expenses and costs, including reasonable attorney's fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Commission, Caltrans, their directors, officials officers, employees, consultants, agents, or volunteers.

If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

Consultant's obligations as set forth in this Section shall survive expiration or termination of this Agreement.

30. Insurance.

30.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the Commission that it has secured all insurance required under this Section, in a form and with insurance companies acceptable to the Commission. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this Section.

30.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(a) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, code 1 (any auto) or exact equivalent); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(b) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit. Limits may be achieved by any combination of primary and excess or umbrella liability insurance; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage. Limits may be achieved by any combination of primary and excess or umbrella liability insurance; and (3) *Workers' Compensation and Employer's*

Liability: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Practices Liability limits of \$1,000,000 per accident.

30.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. For Consultant, such insurance shall be in an amount not less than \$1,000,000 per claim. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. Subconsultants of Consultant shall obtain such insurance in an amount not less than \$2,000,000 per claim. Notwithstanding the foregoing, the Commission may consider written requests to lower or dispense with the errors and omissions liability insurance requirement contained in this Section for certain subconsultants of Consultant, on a case-by-case basis, depending on the nature and scope of the Services to be provided by the subconsultant. Approval of such request shall be in writing, signed by the Commission's Contract Administrator.

30.4 Aircraft Liability Insurance. Prior to conducting any Services requiring use of aircraft, Consultant shall procure and maintain, or cause to be procured and maintained, aircraft liability insurance or equivalent form, with a single limit as shall be required by the Commission. Such insurance shall include coverage for owned, hired and non-owned aircraft and passengers, and shall name, or be endorsed to name, the Commission, Caltrans and their directors, officials, officers, employees and agents as additional insureds with respect to the Services or operations performed by or on behalf of the Consultant.

30.5 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the Commission to add the following provisions to the insurance policies:

(a) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) bodily Injury and property damage; (2) personal Injury/advertising Injury; (3) premises/operations liability; (4) products/completed operations liability; (5) aggregate limits that apply per Project; (6) explosion, collapse and underground (UCX) exclusion deleted; (7) contractual liability with respect to this Agreement; (8) broad form property damage; and (9) independent consultants coverage.

(ii) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to this Agreement.

(iii) The policy shall give the Commission, its directors, officials, officers, employees, and agents insured status using ISO endorsement forms 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(iv) The additional insured coverage under the policy shall be “primary and non-contributory” and will not seek contribution from the Commission’s or Caltrans’ insurance or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(b) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the Commission, Caltrans and their directors, officials, officers, employees and agents shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the Commission, Caltrans and their directors, officials, officers, employees and agents, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant’s scheduled underlying coverage. Any insurance or self-insurance maintained by the Commission, Caltrans and their directors, officials, officers, employees and agents shall be excess of the Consultant’s insurance and shall not be called upon to contribute with it in any way.

(c) Workers’ Compensation and Employers Liability Coverage.

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) The insurer shall agree to waive all rights of subrogation against the Commission, its directors, officials, officers, employees and agents for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(d) All Coverages.

(i) Defense costs shall be payable in addition to the limits set forth hereunder.

(ii) Requirements of specific coverage or limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth herein shall be available to the Commission, Caltrans and their directors, officials, officers, employees and agents as additional insureds under said policies. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this

Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater.

(iii) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the Commission (if agreed to in a written contract or agreement) before the Commission's own insurance or self-insurance shall be called upon to protect it as a named insured. The umbrella/excess policy shall be provided on a "following form" basis with coverage at least as broad as provided on the underlying policy(ies).

(iv) Consultant shall provide the Commission at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the Commission at least ten (10) days prior to the effective date of cancellation or expiration.

(v) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(vi) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the Commission, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(vii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Commission has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Commission will be promptly reimbursed by Consultant or Commission will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, Commission may cancel this Agreement. The Commission may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(viii) Neither the Commission nor any of its directors, officials, officers, employees or agents shall be personally responsible for any liability arising under or by virtue of this Agreement.

30.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Commission. If the Commission does not approve the deductibles or self-insured retentions as presented, Consultant shall guarantee that, at the option of the Commission, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Commission, its directors, officials, officers, employees and agents; or, (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expense.

30.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the Commission.

30.8 Verification of Coverage. Consultant shall furnish Commission with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the Commission. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the Commission before work commences. The Commission reserves the right to require complete, certified copies of all required insurance policies, at any time.

30.9 Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the Commission that they have secured all insurance required under this Section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the Commission as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, the Commission may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

30.10 Other Insurance. At its option, the Commission may require such additional coverage(s), limits and/or the reduction of deductibles or retentions it considers reasonable and prudent based upon risk factors that may directly or indirectly impact the Project. In retaining this option Commission does not warrant Consultant's insurance program to be adequate. Consultant shall have the right to purchase insurance in addition to the insurance required in this Section.

31. Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures,

trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

Pursuant to the authority contained in Section 591 of the Vehicle Code, the Commission has determined that the Project will contain areas that are open to public traffic. Consultant shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. Consultant shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.

32. Additional Work. Any work or activities that are in addition to, or otherwise outside of, the Services to be performed pursuant to this Agreement shall only be performed pursuant to a separate agreement between the parties. Notwithstanding the foregoing, the Commission's Executive Director may make a change to the Agreement, other than a Cardinal Change. For purposes of this Agreement, a Cardinal Change is a change which is "outside the scope" of the Agreement; in other words, work which should not be regarded as having been fairly and reasonably within the contemplation of the parties when the Agreement was entered into. An example of a change which is not a Cardinal Change would be where, in a contract to construct a building there are many changes in the materials used, but the size and layout of the building remains the same. Cardinal Changes are not within the authority of this provision to order, and shall be processed by the Commission as "sole source" procurements according to applicable law, including the requirements of FTA Circular 4220.1D, paragraph 9(f).

(a) In addition to the changes authorized above, a modification which is signed by Consultant and the Commission's Executive Director, other than a Cardinal Change, may be made in order to: (1) make a negotiated equitable adjustment to the Agreement price, delivery schedule and other terms resulting from the issuance of a Change Order, (2) reflect definitive letter contracts, and (3) reflect other agreements of the parties modifying the terms of this Agreement ("Bilateral Contract Modification").

(b) Consultant shall not perform, nor be compensated for any change, without written authorization from the Commission's Executive Director as set forth herein. In the event such a change authorization is not issued and signed by the Commission's Executive Director, Consultant shall not provide such change.

33. Prohibited Interests.

33.1 Solicitation. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this

Agreement. For breach or violation of this warranty, the Commission shall have the right to rescind this Agreement without liability.

33.2 Consultant Conflict of Interest

(a) Consultant shall disclose any financial, business, or other relationship with Commission that may have an impact upon the outcome of this Agreement, or any ensuing Commission construction project. Consultant shall also list current clients who may have a financial interest in the outcome of this Agreement, or any ensuing Commission construction project, which will follow.

(b) Consultant hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this Agreement.

(c) Any subcontract in excess of \$25,000 entered into as a result of this Agreement, shall contain all of the provisions of this Article.

(d) Consultant hereby certifies that neither Consultant, nor any firm affiliated with Consultant will bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract. An affiliated firm is one, which is subject to the control of the same persons through joint-ownership, or otherwise.

(e) Except for subconsultants whose services are limited to providing surveying or materials testing information, no subconsultant who has provided design services in connection with this contract shall be eligible to bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract.

33.3 Commission Conflict of Interest. For the term of this Agreement, no member, officer or employee of the Commission, during the term of his or her service with the Commission, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

33.4 Conflict of Employment. Employment by the Consultant of personnel currently on the payroll of the Commission shall not be permitted in the performance of this Agreement, even though such employment may occur outside of the employee's regular working hours or on weekends, holidays or vacation time. Further, the employment by the Consultant of personnel who have been on the Commission payroll within one year prior to the date of execution of this Agreement, where this employment is caused by and or dependent upon the Consultant securing this or related Agreements with the Commission, is prohibited.

33.5 Covenant Against Contingent Fees. As required in connection with federal funding, the Consultant warrants that he/she has not employed or retained any

company or person, other than a bona fide employee working for the Consultant, to solicit or secure this Agreement, and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or formation of this Agreement. For breach or violation of this warranty, the Commission shall have the right to terminate this Agreement without liability pursuant to the terms herein, or at its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

33.6 Rebates, Kickbacks or Other Unlawful Consideration. Consultant warrants that this Agreement was not obtained or secured through rebates kickbacks or other unlawful consideration, either promised or paid to any Commission employee. For breach or violation of this warranty, Commission shall have the right in its discretion; to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the Agreement price; or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

33.7 Covenant Against Expenditure of Commission, State or Federal Funds for Lobbying. The Consultant certifies that to the best of his/ her knowledge and belief no state, federal or local agency appropriated funds have been paid, or will be paid by or on behalf of the Consultant to any person for the purpose of influencing or attempting to influence an officer or employee of any state or federal agency; a Member of the State Legislature or United States Congress; an officer or employee of the Legislature or Congress; or any employee of a Member of the Legislature or Congress, in connection with the award of any state or federal contract, grant, loan, or cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any state or federal contract, grant, loan, or cooperative agreement.

(a) Intentionally omitted.

(b) The Consultant's certification provided in this Section is a material representation of fact upon which reliance was placed when this Agreement was entered into, and is a prerequisite for entering into this Agreement pursuant to Section 1352, Title 31, US. Code. Failure to comply with the restrictions on expenditures, or the disclosure and certification requirements set forth in Section 1352, Title 31, US. Code may result in a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(c) The Consultant also agrees by signing this Agreement that he/she shall require that the language set forth in this Section be included in all Consultant subcontracts which exceed \$100,000, and that all such subcontractors shall certify and disclose accordingly.

33.8 Employment Adverse to the Commission. Consultant shall notify the Commission, and shall obtain the Commission's written consent, prior to accepting work to assist with or participate in a third-party lawsuit or other legal or administrative proceeding against the Commission during the term of this Agreement.

34. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

35. Right to Employ Other Consultants. Commission reserves the right to employ other consultants in connection with the Project.

36. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California. Venue shall be in Riverside County.

37. Disputes; Attorneys' Fees.

37.1 Prior to commencing any action hereunder, the Parties shall attempt in good faith to resolve any dispute arising between them. The pendency of a dispute shall not excuse Consultant from full and timely performance of the Services.

37.2. If the Parties are unable to resolve a dispute after attempting in good faith to do so, the Parties may seek any other available remedy to resolve the dispute. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and recover from the losing Party reasonable attorneys' fees and, all other costs of such actions.

38. Time of Essence. Time is of the essence for each and every provision of this Agreement.

39. Headings. Article and Section Headings, paragraph captions or marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

40. Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

CONSULTANT:

CDM Smith Inc.
9220 Cleveland Avenue
Unit 100
Rancho Cucamonga, CA 91730
Attn: Christopher Mwalwanda

COMMISSION:

Riverside County
Transportation Commission
4080 Lemon Street, 3rd Floor
Riverside, CA 92501
Attn: Executive Director

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. mail, first class postage prepaid, and addressed to the

Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

41. Conflicting Provisions. In the event that provisions of any attached exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the Parties and the interpretation of the Parties' understanding concerning the performance of the Services.

42. Amendment or Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

43. Entire Agreement. This Agreement contains the entire agreement of the Parties relating to the subject matter hereof and supersedes all prior negotiations, agreements or understandings.

44. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

45. Intentionally Omitted.

46. Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, shall survive any such expiration or termination.

47. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

48. Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

49. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

50. Attorney Client Privilege. The Parties recognize that, during the Project, the Commission and its attorneys will engage in communication that gives rise to an attorney client privilege of confidentiality ("Confidential Communication"). Given the nature of the work done by Consultant for the Commission, it may be necessary for the Consultant to participate in Confidential Communications. To the extent that (i) the Consultant is a party to any Confidential Communication, and (ii) a third party seeks discovery of such communications, then the Consultant shall be deemed to be an agent of the Commission solely for purposes of preserving any attorney client privilege in the relevant Confidential Communication. Any such attorney client privilege shall be held by the Commission and

the Consultant is not authorized to waive that privilege or, otherwise, disclose such Confidential Communication except as set forth below. This Section is intended to maintain the privilege in any privileged Confidential Communications that are (1) between and among Commission, Consultant, and Commission's attorneys; (2) between Consultant (on behalf of the Commission) and Commission's attorneys; (3) Confidential Communications that occur in Closed Session meetings wherein the Commission, the Commission's attorneys and Consultant are present; and (4) between Commission and Consultant wherein the substance of the Confidential Communication is conveyed to/from the Consultant.

Consultant may disclose a Confidential Communication to the extent such disclosure is required by legal process, by a court of competent jurisdiction or by any other governmental authority, provided that any such disclosure shall be limited to the specific part of the Confidential Communication required to be disclosed and provided that Consultant first comply with the requirements set forth in this paragraph. As soon as practicable after Consultant becomes aware that it is required, or may become required, to disclose the Confidential Communication for such reason, Consultant shall notify the Commission in writing, in order to allow the Commission to pursue legal remedies designed to limit the Confidential Communication required to be disclosed or to assure the confidential treatment of the disclosed information following its disclosure. Consultant shall cooperate with the Commission, on a reimbursable basis, to assist the Commission in limiting the scope of disclosure or assuring the confidential treatment of any disclosed information.

51. Subpoenas or Court Orders. Should Consultant receive a subpoena or court order related to this Agreement, the Services or the Project, Consultant shall immediately provide written notice of the subpoena or court order to the Commission. Consultant shall not respond to any such subpoena or court order until notice to the Commission is provided as required herein, and shall cooperate with the Commission in responding to the subpoena or court order.

52. Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein, without the prior written consent of the Commission. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

53. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties, and shall not be assigned by Consultant without the prior written consent of Commission.

54. Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated into this Agreement as though fully set forth herein.

55. No Waiver. Failure of Commission to insist on any one occasion upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any

rights or powers hereunder at any one time or more times be deemed a waiver or relinquishment of such other right or power at any other time or times.

56. Electronic Delivery of Agreement. A manually signed copy of this Agreement which is transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

[Signatures on following page]

DRAFT

**SIGNATURE PAGE
TO
PROFESSIONAL SERVICES AGREEMENT
FOR
ON-CALL TRAFFIC AND REVENUE CONSULTING SERVICES**

IN WITNESS WHEREOF, this Agreement was executed on the date first written above.

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

CDM SMITH, INC.

By: _____
Anne Mayer, Executive Director

By: _____
Signature

Name

Title

ATTEST:

Approved as to Form:

By: _____
Best, Best & Krieger LLP
General Counsel

By: _____
Its: _____

* A corporation requires the signatures of two corporate officers.

One signature shall be that of the chairman of board, the president or any vice president and the second signature (on the attest line) shall be that of the secretary, any assistant secretary, the chief financial officer or any assistant treasurer of such corporation.

If the above persons are not the intended signators, evidence of signature authority shall be provided to RCTC.

EXHIBIT "A"
SCOPE OF SERVICES

[ATTACHED BEHIND THIS PAGE]

DRAFT

SCOPE OF SERVICES

ON-CALL TRAFFIC AND REVENUE CONSULTING SERVICES

1. GENERAL INFORMATION

1.1. Background

The RIVERSIDE COUNTY TRANSPORTATION COMMISSION (Commission) is requesting Statements of Qualifications (SOQ) from qualified professionals for on-call Traffic and Revenue consulting services. The Commission intends to contract with qualified consulting firms to provide comprehensive, on-call consulting services for Commission toll projects. On-call traffic and revenue services will be in support of planned or in-progress Commission projects, operating Commission toll facilities, and technical support for the toll program.

2. DESCRIPTION OF WORK

Consultant tasks may include, but not be limited to, the following typical tasks. Specific requirements will be set forth in each task for each Task Order:

2.1. Project Management

The Consultant will support the Commission with coordination and supervision of project staff to facilitate the performance in accordance with this scope of work and RCTC requirements. The Project management effort is to include but not be limited to, the coordination/preparation/documentation of project meetings, development/maintenance of a project schedule, preparation of monthly invoicing, maintenance of project records, development/administration of a quality control plan and coordination of submittals and final deliverables.

2.2. Traffic and Revenue Studies

The Consultant shall support the Commission with the development of different levels of traffic and revenue studies depending on the need for a particular express lanes project. The following is a description of the potential tasks that may be issued with a specific task order for this discipline:

- Level 1 Traffic and Revenue Study (sketch) that evaluates potential traffic demand and growth with implementation of express lanes and provides revenue estimates for a given amount of time.
- Level 2 Traffic and Revenue Study (Intermediate) that further refines traffic forecast, operations, and revenue estimates in that it can be used to support express lane planning, design, and provide a basis for a funding or financing plan. The effort associated with this type of study may require additional data collection for traffic forecasting and economic development assumptions. In addition, stated preference surveys may be required.

- Level 3 Traffic and Revenue Study (Investment Grade) that provides a robust and thorough evaluation of traffic forecasts, operation, and expected revenue from implementation of express lanes. A level 3 Traffic and Revenue study will be used as a mechanism to support the issuance of bonds for future express lanes projects. This study may be built on a existing level 2 study and may include verification of traffic data, modeling assumptions and revenue estimates. Additional stated preference surveys may be needed to verify the assumptions made in the modeling for the future express lanes projects. Additional counts and scenario analyses maybe necessary to make the level 3 Traffic and Revenue Study current and to support bond issuance activities.

2.3. Technical Support and Miscellaneous Studies

For future projects and existing facilities, the Consultant will provide technical support as it relates to reviewing traffic and revenue activities and documents. As part of a given task order, the Consultant may review or develop studies related to simulation, travel modeling, financial analysis, operational analysis, and planning services to support pricing policies and design adjustments of tolled facilities, corridors, or systems. In addition, various questions and requests from Commissioners as it relates to an existing or future toll policy may need to be evaluated. Under this task, the Consultant may do any of the following activities:

- Review and verify traffic and revenue Studies from other Consultants or other agencies;
- Conduct data compilation, field data collection, and analysis;
- Conduct land use and socio-economic research;
- Conduct Stated Preference surveys;
- Toll optimization evaluation through analysis of pricing strategies, toll rate adjustments, Monte-Carlo simulation analysis, and other financial modeling techniques to determine optimal toll solutions, based on revenue or throughput;
- Evaluate the traffic and revenue impacts of addition/deletion of project features or proposed projects within the express lanes corridor or network;
- Provide net toll revenue analyses of proposed express lanes corridors;
- Sensitivity analyses that evaluates impacts to revenue and traffic from different assumptions from a socio-economic perspective, horizon years, anticipated projects, and other factors that can impact proposed and existing express lanes;
- Forecasting of traffic performance for existing facilities and future projects
- Express lane network traffic modeling for potential new express lanes corridors;
- Market share analyses for preliminary testing of alternative toll concepts and operational policies;
- Develop traffic and revenue modeling and evaluate impacts from emerging mobility technologies;
- Evaluate multi-modal feasibility from a traffic and revenue perspective;

- Provide technical support and present to Commission legal counsel, other consultants, Caltrans, Federal Highway Administration, financial institutions or rating agencies regarding traffic and revenue studies;
- Develop and execute presentations and trainings for various audiences;
- And complete relevant tasks related to traffic and revenue analyses of highway corridors and other mobility options.

2.4. Materials to be Furnished by Commission

All software, data, reports, surveys, drawings, and other documents furnished to the Offeror by Commission for the Offeror's use in the performance of services shall be made available only for use in performing the assignment and shall remain the property of Commission. All such materials shall be returned to Commission upon completion of services, termination of the agreement, or other such time as Commission may determine.

2.5. Personnel Qualifications and Responsibilities

The quantity and qualifications of personnel to be assigned will be determined by the scope of the Task Order request and the degree of difficulty of the required tasks to be performed. All personnel and personnel assignments shall be subject to approval by Commission.

2.6. Third Party Relationships

This Contract is intended to provide on-call traffic and revenue consulting services for Commission projects, facilities, and purposes. The Commission works closely with various professional offerors, agencies, and others in the development of its projects and facilities. The Commission, however, is solely responsible for and will be the sole point of contact for all contractual matters related to the Task Orders. Offeror shall take direction only from Commission and shall regularly inform only Commission of Task Order progress, outstanding issues, and all related matters.

During the course of the Contract, Offeror may find occasion to meet with local, state, and federal representatives, consultants, advisors, legal counsel, or other third parties who have assisted with the various RCTC projects. These entities may, from time to time, offer suggestions and/or recommendations regarding the Commission project or elements of the project. While the Commission enjoys a close relationship with and has considerable confidence in the capabilities of these other parties, Offeror shall not act on any suggestions, solicited or unsolicited, without obtaining specific direction from Commission. All oral and written communication with outside agencies or Offerors related to the project shall be directed only to Commission. Distribution of project related communications and information shall be at the sole discretion of Commission representatives.

3. Task Order PROCEDURES

3.1. Definitions

The term Consultant shall refer to the firm or firms that are awarded the contract for environmental consulting services.

A Task Order is utilized by the parties to establish, outline, and authorize a particular job or task.

3.2. Initiating Task Orders

The Commission's project manager will issue Task Orders to the Consultant.

The Commission's request for task order submittals. Upon a request for a Task Order Proposal by the designated Commission project manager, Consultant shall develop a plan and submit a task order proposal for the requested services. The Task Order shall include a time schedule, number of labor hours, and labor classification(s) to provide the requested services.

3.3. Review and Award of Task Orders

The Commission's designated project manager will review the submitted Task Order (to ensure that the submittal is complete, consistent with the Commission's written or oral request for services, the personnel assigned are acceptable, the schedule is acceptable, that all costs proposed are appropriate, and that the item is in compliance with contractual requirements. The project manager will award the Task Order if it is determined to be fair and reasonable. If required, the Commission's project manager will conduct negotiations to address exceptions and clarify costs. The fully executed Task Order will serve as the record of negotiations.

3.4. Completion Schedule

The Consultant's performance of services shall commence under each Task Order only upon written authorization by the Commission's designated project manager.

Consultant shall complete the services within the time frame specified on a particular Task Order.

EXHIBIT "B"

COMPENSATION AND PAYMENT

[ATTACHED BEHIND THIS PAGE]

DRAFT

EXHIBIT "B"

COMPENSATION SUMMARY¹

FISCAL YEAR	PROJECT	COST
FY 2019/20	Traffic & Revenue Study Services	\$ 450,000.00
FY 2020/21	Traffic & Revenue Study Services	350,000.00
FY 2021/22	Traffic & Revenue Study Services	800,000.00
FY 2022/23	Traffic & Revenue Study Services	1,500,000.00
FY 2023/25	Traffic & Revenue Study Services	600,000.00
FY 2025/26	Traffic & Revenue Study Services	200,000.00
SUBTOTAL		3,900,000.00
TOTAL COSTS		\$ 3,900,000.00

¹ Commission authorization pertains to total contract award amount. Compensation adjustments between consultants may occur; however, the maximum total compensation authorized may not be exceeded.

Agreement No. 20-31-052-00

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
AGREEMENT WITH
STANTEC CONSULTING SERVICES, INC.
FOR ON-CALL TRAFFIC AND REVENUE CONSULTING SERVICES**

Parties and Date.

This Agreement is made and entered into this ____ day of _____, 2020, by and between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION ("the Commission") and STANTEC CONSULTING SERVICES, INC. ("Consultant"), a Corporation. The Commission and Consultant are sometimes referred to herein individually as "Party", and collectively as the "Parties".

Recitals.

A. On November 8, 1988 the Voters of Riverside County approved Measure A authorizing the collection of a one-half percent (1/2 %) retail transactions and use tax (the "tax") to fund transportation programs and improvements within the County of Riverside, and adopting the Riverside County Transportation Improvement Plan (the "Plan").

B. Pursuant to Public Utility Code Sections 240000 et seq., the Commission is authorized to allocate the proceeds of the Tax in furtherance of the Plan.

C. On November 5, 2002, the voters of Riverside County approved an extension of the Measure A tax for an additional thirty (30) years for the continued funding of transportation and improvements within the County of Riverside.

D. Consultant desires to perform and assume responsibility for the provision of certain on-call traffic and revenue consulting services in the County of Riverside, California. Services shall be provided on the terms and conditions set forth in this Agreement and in the task order(s) to be solicited, awarded and authorized by Commission Purchase Orders as further described in this Agreement ("Task Order"). Consultant represents that it is experienced in providing such services to public clients, is licensed in the State of California (if necessary), and is familiar with the plans of the Commission.

E. The Commission desires to engage Consultant to render such services on an on-call basis. Services shall be ordered by Task Order(s) to be issued pursuant to this Agreement for future projects as set forth herein and in each Task Order (each such project shall be designated a "Project" under this Agreement).

Terms.

1. General Scope of Services. Consultant shall furnish all technical and professional services, including labor, material, equipment, transportation, supervision and expertise, and incidental and customary work necessary to fully and adequately supply the on-call traffic and revenue consulting services for the Projects ("Services"). The Services are generally described in Exhibit "A" attached hereto and incorporated herein by reference. The Services shall be more particularly described in the individual Task Order requests and proposals. No Services shall be performed unless authorized by a Commission Purchase Order for Task Order Services, as further detailed herein. All Services shall be subject to, and performed in accordance with, this Agreement, the relevant Task Order, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

2. Commencement of Services.

The Consultant shall commence work upon receipt of a written "Notice to Proceed" or "Limited Notice to Proceed" from Commission, and following issuance of a Purchase Order for authorized Task Order Services.

3. Pre-Award Audit. As a result of the funding for this Project, and to the extent Caltrans procedures apply in connection therewith, issuance of a "Notice to Proceed" may be contingent upon completion and approval of a pre-award audit. Any questions raised during the pre-award audit shall be resolved before the Commission will consider approval of this Agreement.

4. Audit Procedures. Consultant and subconsultant contracts, including cost proposals and ICR, are subject to audits or reviews such as, but not limited to, a contract audit, an incurred cost audit, an Independent Cost Review (ICR) Audit, or a CPA ICR audit work paper review. If selected for audit or review, this Agreement, Consultant's cost proposal and ICR and related work papers, if applicable, will be reviewed to verify compliance with 48 CFR, Part 31 and other related laws and regulations. In the instances of a CPA ICR audit work paper review it is Consultant's responsibility to ensure federal, state, or local government officials are allowed full access to the CPA's work papers including making copies as necessary. This Agreement, Consultant's cost proposal, and ICR shall be adjusted by Consultant and approved by the Commission's contract manager to conform to the audit or review recommendations. Consultant agrees that individual terms of costs identified in the audit report shall be incorporated into this Agreement by this reference if directed by Commission at its sole discretion. Refusal by Consultant to incorporate audit or review recommendations, or to ensure that the federal, state or local governments have access to CPA work papers, will be considered a breach of the Agreement terms and cause for termination of this Agreement and disallowance of prior reimbursed costs. Additional audit provisions applicable to this Agreement are set forth in Sections 23 and 24 of this Agreement.

5. Term.

5.1 This Agreement shall go into effect on the date first set forth above, contingent upon approval by Commission, and Consultant shall commence work after notification to proceed by Commission's Contract Administrator. This Agreement shall end five years from the date set forth above, unless extended by contract amendment. All Task Order work should be completed within the term.

5.2 Consultant is advised that any recommendation for contract award is not binding on Commission until this Agreement is fully executed and approved by the Commission.

5.3 This Agreement shall remain in effect until the date set forth above, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. All applicable indemnification provisions of this Agreement shall remain in effect following the termination of this Agreement.

6. Commission's Contract Administrator. The Commission hereby designates the Commission's Executive Director, or his or her designee, to act as its Contract Administrator for the performance of this Agreement ("Commission's Contract Administrator"). Commission's Contract Administrator shall have the authority to act on behalf of the Commission for all purposes under this Agreement. Commission's Contract Administrator shall also review and give approval, as needed, to the details of Consultant's work as it progresses. Consultant shall not accept direction or orders from any person other than the Commission's Contract Administrator or his or her designee.

7. Consultant's Representative. Consultant hereby designates Sheldon Mar, to act as its Representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to act on behalf of Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his or her professional skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement. Consultant shall work closely and cooperate fully with Commission's Contract Administrator and any other agencies which may have jurisdiction over, or an interest in, the Services. Consultant's Representative shall be available to the Commission staff at all reasonable times. Any substitution in Consultant's Representative shall be approved in writing by Commission's Contract Administrator.

8. Substitution of Key Personnel. Consultant has represented to the Commission that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval by the Commission. In the event that the Commission and Consultant cannot agree as to the substitution of the key personnel, the Commission shall be entitled to terminate this Agreement for cause, pursuant to the provisions herein. The key personnel for

performance of this Agreement are: Sheldon Mar, Steven Abendschein, Rick Gobeille, David Schellinger, Rosella Picado, Nick Amrhein, Brent Baker, Catherine Larson, or as otherwise identified in the Task Order.

9. Standard of Care; Licenses. Consultant represents and maintains that it is skilled in the professional calling necessary to perform all Services, duties and obligations required by this Agreement to fully and adequately complete the Project. Consultant shall perform the Services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Consultant further represents and warrants to the Commission that its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Consultant shall perform, at its own cost and expense and without reimbursement from the Commission, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein, and shall be fully responsible to the Commission for all damages and other liabilities provided for in the indemnification provisions of this Agreement arising from the Consultant's errors and omissions. Any employee of Consultant or its sub-consultants who is determined by the Commission to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the Commission, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

10. Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. Commission retains Consultant on an independent contractor basis and not as an employee, agent or representative of the Commission. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries and other amounts due such personnel in connection with their performance of Services and as required by law. Consultant shall be responsible for all reports and obligations respecting such personnel, including but not limited to, social security taxes, income tax withholdings, unemployment insurance, disability insurance, and workers' compensation insurance.

11. Task Orders; Commencement of Services; Schedule of Services. Services under this Agreement shall be competitively solicited amongst Consultant and the other firms identified in Section 19.12 of this Agreement pursuant to a Task Order request for proposals process. If Consultant's Task Order proposal is selected for a Project, the Commission shall issue a Purchase Order for the Services. Consultant's agreement to the final terms of a proposed Task Order, Commission's issuance of a Purchase Order and

Consultant's commencement of the Services following issuance of the Purchase Order shall indicate the Parties' agreement to the terms of the relevant Task Order.

Consultant shall commence Services under a Task Order within five (5) days of receiving a Purchase Order for the Task Order Services from the Commission. Each request for Task Order proposals shall identify the funding source(s) to be used to fund the Services under the relevant Task Order, and Consultant shall comply with the requirements specified herein, and in the attached exhibits, applicable to the identified funding source(s).

Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with any schedule of Services set forth in a Task Order ("Schedule"). Consultant represents that it has the professional and technical personnel to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, the Commission shall respond to Consultant's submittals in a timely manner. Upon request of Commission's Contract Administrator, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

11.1 Modification of the Schedule. Consultant shall regularly report to the Commission, through correspondence or progress reports, its progress in providing required Services within the scheduled time periods. Commission shall be promptly informed of all anticipated delays. In the event that Consultant determines that a schedule modification is necessary, Consultant shall promptly submit a revised Schedule of Services for approval by Commission's Contract Administrator.

11.2 Trend Meetings. Consultant shall conduct trend meetings with the Commission's Contract Administrator and other interested parties, as requested by the Commission, on a bi-weekly basis or as may be mutually scheduled by the Parties at a standard day and time. These trend meetings will encompass focused and informal discussions concerning scope, schedule, and current progress of Services, relevant cost issues, and future Project objectives. Consultant shall be responsible for the preparation and distribution of meeting agendas to be received by the Commission and other attendees no later than three (3) working days prior to the meeting.

11.3 Progress Reports. As part of its monthly invoice, Consultant shall submit a progress report, in a form determined by the Commission, which will indicate the progress achieved during the previous month in relation to the Schedule of Services. Submission of such progress report by Consultant shall be a condition precedent to receipt of payment from the Commission for each monthly invoice submitted.

12. Delay in Performance.

12.1 Excusable Delays. Should Consultant be delayed or prevented from the timely performance of any act or Services required by the terms of the Agreement by reason of acts of God or of the public enemy, acts or omissions of the Commission or other governmental agencies in either their sovereign or contractual capacities, fires,

floods, epidemics, quarantine restrictions, strikes, freight embargoes or unusually severe weather, performance of such act shall be excused for the period of such delay.

12.2 Written Notice. If Consultant believes it is entitled to an extension of time due to conditions set forth in subsection 12.1, Consultant shall provide written notice to the Commission within seven (7) working days from the time Consultant knows, or reasonably should have known, that performance of the Services will be delayed due to such conditions. Failure of Consultant to provide such timely notice shall constitute a waiver by Consultant of any right to an excusable delay in time of performance.

12.3 Mutual Agreement. Performance of any Services under this Agreement may be delayed upon mutual agreement of the Parties. Upon such agreement, Consultant's Schedule of Services shall be extended as necessary by the Commission. Consultant shall take all reasonable steps to minimize delay in completion, and additional costs, resulting from any such extension.

13. Preliminary Review of Work. All reports, working papers, and similar work products prepared for submission in the course of providing Services under this Agreement shall be submitted to the Commission's Contract Administrator in draft form, and the Commission may require revisions of such drafts prior to formal submission and approval. In the event plans and designs are to be developed as part of the Project, final detailed plans and designs shall be contingent upon obtaining environmental clearance as may be required in connection with State funding. In the event that Commission's Contract Administrator, in his or her sole discretion, determines the formally submitted work product to be not in accordance with the standard of care established under this Agreement, Commission's Contract Administrator may require Consultant to revise and resubmit the work at no cost to the Commission.

14. Appearance at Hearings. If and when required by the Commission, Consultant shall render assistance at public hearings or other meetings related to the Project or necessary to the performance of the Services. However, Consultant shall not be required to, and will not, render any decision, interpretation or recommendation regarding questions of a legal nature or which may be construed as constituting a legal opinion.

15. Opportunity to Cure; Inspection of Work. Commission may provide Consultant an opportunity to cure, at Consultant's expense, all errors and omissions which may be disclosed during Project implementation. Should Consultant fail to make such correction in a timely manner, such correction may be made by the Commission, and the cost thereof charged to Consultant. Consultant shall allow the Commission's Contract Administrator, Caltrans and FHWA to inspect or review Consultant's work in progress at any reasonable time.

16. Claims Filed by Contractor.

16.1 If claims are filed by the Commission's contractor for the Project ("Contractor") relating to work performed by Consultant's personnel, and additional information or assistance from the Consultant's personnel is required by the Commission in

order to evaluate or defend against such claims; Consultant agrees to make reasonable efforts to make its personnel available for consultation with the Commission's construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.

16.2 Consultant's personnel that the Commission considers essential to assist in defending against Contractor claims will be made available on reasonable notice from the Commission. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for the Consultant's personnel services under this Agreement.

16.3 Services of the Consultant's personnel and other support staff in connection with Contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this Agreement in order to finally resolve the claims.

16.4 Nothing contained in this Section shall be construed to in any way limit Consultant's indemnification obligations contained in Section 29. In the case of any conflict between this Section and Section 29, Section 29 shall govern. This Section is not intended to obligate the Commission to reimburse Consultant for time spent by its personnel related to Contractor claims for which Consultant is required to indemnify and defend the Commission pursuant to Section 29 of this Agreement.

17. Final Acceptance. Upon determination by the Commission that Consultant has satisfactorily completed the Services required under this Agreement and within the term set forth herein the Commission shall give Consultant a written Notice of Final Acceptance. Upon receipt of such notice, Consultant shall incur no further costs hereunder, unless otherwise specified in the Notice of Final Acceptance. Consultant may request issuance of a Notice of Final Acceptance when, in its opinion, it has satisfactorily completed all Services required under the terms of this Agreement. In the event copyrights are permitted under this Agreement, then in connection with State funding, it is hereby acknowledged and agreed that the State agency shall have the royalty-free non-exclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for governmental purposes.

18. Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. For example, and not by way of limitation, Consultant shall keep itself fully informed of and in compliance with all implementing regulations, design standards, specifications, previous commitments that must be incorporated in the design of the Project, and administrative controls. Compliance with Federal procedures may include completion of the applicable environmental documents and approved by the United States Department of Transportation. For example, and not by way of limitation, a signed Categorical Exclusion, Finding of No Significant Impact, or published Record of Decision may be required to be approved and/or completed by the United States Department of Transportation. For Consultant shall be

liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the Commission, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold Commission, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

19. Fees and Payment.

19.1 The method of payment for this Agreement will be based on actual cost plus a fixed fee. Commission shall reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by Consultant in performance of the Services. Consultant shall not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the approved Consultant cost proposal attached hereto as Exhibit "B" and incorporated herein by reference, or any cost proposal included as part of a Task Order ("Cost Proposal") unless additional reimbursement is provided for by written amendment. The overhead rates included in the attached Exhibit "B" shall be fixed for the term of the Master Agreement, and shall not be subject to adjustment, unless required by the applicable funding source. In no event, shall Consultant be reimbursed for overhead costs at a rate that exceeds Commission's approved overhead rate set forth in the Cost Proposal. In the event that Commission determines that a change to the Services from that specified in the Cost Proposal, this Agreement or any Task Order is required, the Agreement time or actual costs reimbursable by Commission shall be adjusted by written amendment to accommodate the changed work. The maximum total cost as specified in Section 19.8 shall not be exceeded, unless authorized by a written amendment.

19.2 In addition to the allowable incurred costs, Commission shall pay Consultant a fixed fee to be set forth in each Task Order ("Fixed Fee"). The Fixed Fee is nonadjustable for each Task Order, except in the event of a significant change in the Scope of Services, and such adjustment is made by written amendment.

19.3 Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal. In addition, payments to Consultant for travel and subsistence expenses claimed for reimbursement or applied as local match credit shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department of Personnel Administration (DPA) rules, unless otherwise authorized by Commission. If the rates invoiced are in excess of those authorized DPA rates, and Commission has not otherwise approved said rates, then Consultant is responsible for the cost difference and any overpayments shall be reimbursed to the Commission on demand.

19.4 When milestone cost estimates are included in the approved Cost Proposal for a Task Order, Consultant shall obtain prior written approval for a revised

milestone cost estimate from the Contract Administrator before exceeding such cost estimate.

19.5 Progress payments shall be made monthly in arrears based on Services provided and allowable incurred costs. A pro rata portion of the Fixed Fee shall be included in the monthly progress payments. If Consultant fails to submit the required deliverable items according to the schedule set forth in the Scope of Services, Commission shall have the right to delay payment or terminate this Agreement in accordance with the provisions of Section 21, Termination.

19.6 No payment shall be made prior to approval of any Services, nor for any Services performed prior to approval of this Agreement.

19.7 Consultant shall be reimbursed, as promptly as fiscal procedures will permit upon receipt by Commission's Contract Administrator of itemized invoices in triplicate. Invoices shall be submitted no later than 45 calendar days after the performance of work for which Consultant is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this Agreement number and project title. Final invoice must contain the final cost and all credits due Commission including any equipment purchased under the Equipment Purchase provisions of this Agreement. The final invoice should be submitted within 60 calendar days after completion of Consultant's work. Invoices shall be mailed to Commission's Contract Administrator at the following address:

Riverside County Transportation Commission
Attention: Accounts Payable
P.O. 12008
Riverside, CA 92502

19.8 The total amount payable by Commission, including the Fixed Fee, shall not exceed the amount set forth in each Task Order.

19.9 Salary increases shall be reimbursable if the new salary is within the salary range identified in the approved Cost Proposal and is approved by Commission's Contract Administrator. For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

19.10 Consultant shall not be reimbursed for any expenses unless authorized in writing by the Commission's Contract Administrator.

19.11 All subcontracts in excess of \$25,000 shall contain the above provisions.

19.12 Commission has or will enter into three (3) task order contracts for performance of the Scope of Services identified in Exhibit "A", including this Agreement ("On-Call Traffic and Revenue Consulting Services Task Order Contracts"). The other On-Call Traffic and Revenue Consulting Services Task Order Contracts are Agreement No. 20-

31-019-00 to C&M Associates, Inc. and Agreement No. 20-31-051-00 to CDM Smith, Inc. The total amount payable by Commission for the On-Call Traffic and Revenue Consulting Services Task Order Contracts shall not exceed a cumulative maximum total value of Three Million Nine Hundred Thousand Dollars (\$3,900,000) ("NTE Sum"). It is understood and agreed that there is no guarantee, either expressed or implied that this dollar amount will be authorized under the On-Call Traffic and Revenue Consulting Services Task Order Contracts through Task Orders. Each time a Task Order is awarded under any of the On-Call Traffic and Revenue Consulting Services Task Order Contracts, the Commission shall send written notification to Consultant and each of the other consultants entering into the On-Call Traffic and Revenue Consulting Services Task Order Contracts. The notice shall identify the total funds allocated under issued Task Orders, and the remaining unencumbered amount of the NTE Sum. Consultant acknowledges and agrees that Commission shall not pay any amount under this Agreement that would exceed the NTE Sum, and Consultant shall not knowingly enter into a Task Order that exceeds the NTE Sum.

20. Disputes.

20.1 Any dispute, other than audit, concerning a question of fact arising under this Agreement that is not disposed of by mutual agreement of the Parties shall be decided by a committee consisting of RCTC's Contract Administrator, who may consider written or verbal information submitted by Consultant.

20.2 Not later than 30 days after completion of all Services under this Agreement, Consultant may request review by the Commission's Executive Director of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

20.3 Neither the pendency of a dispute, nor its consideration by the committee will excuse Consultant from full and timely performance in accordance with the terms of this Agreement.

21. Termination.

21.1 Commission reserves the right to terminate this Agreement upon thirty (30) calendar days written notice to Consultant, for any or no reason, with the reasons for termination stated in the notice. Commission may terminate Services under a Task Order, at any time, for any or no reason, with the effective date of termination to be specified in the notice of termination of Task Order.

21.2 Commission may terminate this Agreement with Consultant should Consultant fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, Commission may proceed with the Services in any manner deemed proper by Commission. If Commission terminates this Agreement with Consultant, Commission shall pay Consultant the sum due to Consultant

under this Agreement for Services completed and accepted prior to termination, unless the cost of completion to Commission exceeds the funds remaining in the Agreement. In such case, the overage shall be deducted from any sum due Consultant under this Agreement and the balance, if any, shall be paid to Consultant upon demand.

21.3 In addition to the above, payment upon termination shall include a prorated amount of profit, if applicable, but no amount shall be paid for anticipated profit on unperformed Services. Consultant shall provide documentation deemed adequate by Commission's Contract Administrator to show the Services actually completed by Consultant prior to the effective date of termination. This Agreement shall terminate on the effective date of the Notice of Termination

21.4 Upon receipt of the written Notice of Termination, Consultant shall discontinue all affected Services as directed in the Notice or as otherwise provided herein, and deliver to the Commission all Documents and Data, as defined in this Agreement, as may have been prepared or accumulated by Consultant in performance of the Services, whether completed or in progress.

21.5 In addition to the above, Consultant shall be liable to the Commission for any reasonable additional costs incurred by the Commission to revise work for which the Commission has compensated Consultant under this Agreement, but which the Commission has determined in its sole discretion needs to be revised, in part or whole, to complete the Project because it did not meet the standard of care established in this Agreement. Termination of this Agreement for cause may be considered by the Commission in determining whether to enter into future agreements with Consultant.

21.6 The rights and remedies of the Parties provided in this Section are in addition to any other rights and remedies provided by law or under this Agreement.

21.7 Consultant, in executing this Agreement, shall be deemed to have waived any and all claims for damages which may otherwise arise from the Commission's termination of this Agreement, for convenience or cause, as provided in this Section.

21.8 Consultant may not terminate this Agreement except for cause.

22. Cost Principles and Administrative Requirements.

22.1 If applicable, Consultant agrees that the Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., shall be used to determine the cost allowability of individual items.

22.2 If applicable, Consultant also agrees to comply with federal procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

22.3 If applicable, any costs for which payment has been made to CONSULTANT that are determined by subsequent audit to be unallowable under 2 CFR,

Part 200 and 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., are subject to repayment by Consultant to Commission.

22.4 All subcontracts in excess of \$25,000 shall contain the above provisions.

23. Retention of Records/Audit. For the purpose of determining compliance with, as applicable, 2 CFR Part 200, Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of this Agreement pursuant to Government Code 8546.7; Consultant, subconsultants, and Commission shall maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of this Agreement, including but not limited to, the costs of administering this Agreement. All parties shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three years from the date of final payment under this Agreement. The State, State Auditor, Commission, FHWA, or any duly authorized representative of the State or Federal Government shall have access to any books, records, and documents of Consultant and its certified public accountants (CPA) work papers that are pertinent to this Agreement and indirect cost rates (ICR) for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. Subcontracts in excess of \$25,000 shall contain this provision.

23.1 Accounting System. Consultant and its subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate expenditures by line item for the Services. The accounting system of Consultant and its subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

24. Audit Review Procedures.

24.1 Any dispute concerning a question of fact arising under an interim or post audit of this Agreement that is not disposed of by agreement, shall be reviewed by Commission's Chief Financial Officer.

24.2 Not later than 30 days after issuance of the final audit report, Consultant may request a review by Commission's Chief Financial Officer of unresolved audit issues. The request for review shall be submitted in writing.

24.3 Neither the pendency of a dispute nor its consideration by Commission shall excuse Consultant from full and timely performance, in accordance with the terms of this Agreement.

25. Subcontracting.

25.1 Nothing contained in this Agreement or otherwise, shall create any contractual relation between Commission and any subconsultant(s), and no subcontract

shall relieve Consultant of its responsibilities and obligations hereunder. Consultant agrees to be as fully responsible to Commission for the acts and omissions of its subconsultant(s) and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Consultant. Consultant's obligation to pay its subconsultant(s) is an independent obligation from Commission's obligation to make payments to the Consultant.

25.2 Consultant shall perform the Services contemplated with resources available within its own organization and no portion of the Services pertinent to this Agreement shall be subcontracted without written authorization by Commission's Contract Administrator, except that, which is expressly identified in the approved Cost Proposal.

25.3 Consultant shall pay its subconsultants within ten (10) calendar days from receipt of each payment made to Consultant by Commission.

25.4 Any subcontract in excess of \$25,000 entered into as a result of this Agreement shall contain all the provisions stipulated in this Agreement to be applicable to subconsultants.

25.5 Any substitution of subconsultant(s) must be approved in writing by Commission's Contract Administrator prior to the start of work by the subconsultant(s).

25.6 Exhibit "B" may set forth the rates at which each subconsultant shall bill the Consultant for Services and that are subject to reimbursement by the Commission to Consultant. Additional Direct Costs, as defined in Exhibit "B" shall be the same for both the Consultant and all subconsultants, unless otherwise identified in Exhibit "B" or in a Task Order. The subconsultant rate schedules and cost proposals contained herein are for accounting purposes only.

26. Equipment Purchase

26.1 Prior authorization, in writing, by Commission's Contract Administrator shall be required before Consultant enters into any unbudgeted purchase order, or subcontract for supplies, equipment, or services. Consultant shall provide an evaluation of the necessity or desirability of incurring such costs.

26.2 For purchase of any item, service or consulting work not covered in the Cost Proposal and exceeding \$5,000 prior authorization, in writing, by Commission's Contract Administrator is required. Three competitive quotations must be submitted with the request for such purchase, or the absence of bidding must be adequately justified.

26.3 Any equipment purchased as a result of this Agreement is subject to the following: Consultant shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of \$5,000 or more. If the purchased equipment needs replacement and is sold or traded in, Commission shall receive a proper refund or credit at the conclusion of this Agreement, or if this Agreement is terminated, Consultant may either keep the

equipment and credit Commission in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established Commission procedures; and credit Commission in an amount equal to the sales price. If Consultant elects to keep the equipment, fair market value shall be determined at Consultant's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be obtained from an appraiser mutually agreeable to by Commission and Consultant. If Consultant determines to sell the equipment, the terms and conditions of such sale must be approved in advance by Commission. 2 CFR, Part 200 requires a credit to Federal funds when participating equipment with a fair market value greater than \$5,000 is credited to the Project.

26.4 All subcontracts in excess \$25,000 shall contain the above provisions.

27. Labor Code Requirements.

27.1 Prevailing Wages.

(a) Consultant shall comply with the State of California's General Prevailing Wage Rate requirements in accordance with California Labor Code, Section 1770, and all Federal, State, and local laws and ordinances applicable to the Services.

(b) Any subcontract entered into as a result of this Agreement, if for more than \$25,000 for public works construction or more than \$15,000 for the alteration, demolition, repair, or maintenance of public works, shall contain all of the provisions of this Section.

(c) When prevailing wages apply to the Services described in the Scope of Services, transportation and subsistence costs shall be reimbursed at the minimum rates set by the Department of Industrial Relations (DIR) as outlined in the applicable Prevailing Wage Determination. See <http://www.dir.ca.gov>.

(d) Copies of the prevailing rate of per diem wages in effect at commencement of this Agreement are on file at the Commission's offices. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold the Commission, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

27.2 DIR Registration. If the Services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It

shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements.

27.3 Eight-Hour Law. Pursuant to the provisions of the California Labor Code, eight hours of labor shall constitute a legal day's work, and the time of service of any worker employed on the work shall be limited and restricted to eight hours during any one calendar day, and forty hours in any one calendar week, except when payment for overtime is made at not less than one and one-half the basic rate for all hours worked in excess of eight hours per day ("Eight-Hour Law"), unless Consultant or the Services are not subject to the Eight-Hour Law. Consultant shall forfeit to Commission as a penalty, \$50.00 for each worker employed in the execution of this Agreement by him, or by any sub-consultant under him, for each calendar day during which such workman is required or permitted to work more than eight hours in any calendar day and forty hours in any one calendar week without such compensation for overtime violation of the provisions of the California Labor Code, unless Consultant or the Services are not subject to the Eight-Hour Law.

27.4 Employment of Apprentices. This Agreement shall not prevent the employment of properly indentured apprentices in accordance with the California Labor Code, and no employer or labor union shall refuse to accept otherwise qualified employees as indentured apprentices on the work performed hereunder solely on the ground of race, creed, national origin, ancestry, color or sex. Every qualified apprentice shall be paid the standard wage paid to apprentices under the regulations of the craft or trade in which he or she is employed and shall be employed only in the craft or trade to which he or she is registered.

If California Labor Code Section 1777.5 applies to the Services, Consultant and any subcontractor hereunder who employs workers in any apprenticeable craft or trade shall apply to the joint apprenticeship council administering applicable standards for a certificate approving Consultant or any sub-consultant for the employment and training of apprentices. Upon issuance of this certificate, Consultant and any sub-consultant shall employ the number of apprentices provided for therein, as well as contribute to the fund to administer the apprenticeship program in each craft or trade in the area of the work hereunder.

The parties expressly understand that the responsibility for compliance with provisions of this Section and with Sections 1777.5, 1777.6 and 1777.7 of the California Labor Code in regard to all apprenticeable occupations lies with Consultant

28. Ownership of Materials/Confidentiality.

28.1 Documents & Data. This Agreement creates an exclusive and perpetual license for Commission to copy, use, modify, reuse, or sub-license any and all copyrights and designs embodied in plans, specifications, studies, drawings, estimates, materials, data and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data").

Consultant shall require all subcontractors to agree in writing that Commission is granted an exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement.

Consultant represents and warrants that Consultant has the legal right to grant the exclusive and perpetual license for all such Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the Commission.

Commission shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at Commission's sole risk.

28.2 Intellectual Property. In addition, Commission shall have and retain all right, title and interest (including copyright, patent, trade secret and other proprietary rights) in all plans, specifications, studies, drawings, estimates, materials, data, computer programs or software and source code, enhancements, documents, and any and all works of authorship fixed in any tangible medium or expression, including but not limited to, physical drawings or other data magnetically or otherwise recorded on computer media ("Intellectual Property") prepared or developed by or on behalf of Consultant under this Agreement as well as any other such Intellectual Property prepared or developed by or on behalf of Consultant under this Agreement.

The Commission shall have and retain all right, title and interest in Intellectual Property developed or modified under this Agreement whether or not paid for wholly or in part by Commission, whether or not developed in conjunction with Consultant, and whether or not developed by Consultant. Consultant will execute separate written assignments of any and all rights to the above referenced Intellectual Property upon request of Commission.

Consultant shall also be responsible to obtain in writing separate written assignments from any subcontractors or agents of Consultant of any and all right to the above referenced Intellectual Property. Should Consultant, either during or following termination of this Agreement, desire to use any of the above-referenced Intellectual Property, it shall first obtain the written approval of the Commission.

All materials and documents which were developed or prepared by the Consultant for general use prior to the execution of this Agreement and which are not the copyright of any other party or publicly available and any other computer applications, shall continue to be the property of the Consultant. However, unless otherwise identified and stated prior to execution of this Agreement, Consultant represents and warrants that it has the right to grant the exclusive and perpetual license for all such Intellectual Property as provided herein.

Commission further is granted by Consultant a non-exclusive and perpetual license to copy, use, modify or sub-license any and all Intellectual Property

otherwise owned by Consultant which is the basis or foundation for any derivative, collective, insurrectional, or supplemental work created under this Agreement.

28.3 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of Commission, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use Commission's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of Commission.

28.4 Infringement Indemnification. Consultant shall defend, indemnify and hold the Commission, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by Commission of the Documents & Data, including any method, process, product, or concept specified or depicted.

29. Indemnification. To the fullest extent permitted by law, Consultant shall defend (with counsel of Commission's choosing), indemnify and hold Commission, Caltrans and their directors, officials, officers, employees, consultants, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to alleged negligent acts, omissions, or willful misconduct of Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of consequential damages, expert witness fees, and attorneys fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against Commission, Caltrans and their directors, officials, officers, employees, consultants, agents, or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against Commission, Caltrans or their directors, officials, officers, employees, consultants, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse Commission, Caltrans and their directors, officials, officers, employees, consultants, agents, and/or volunteers, for any and all legal expenses and costs, including reasonable attorney's fees, incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Commission, Caltrans, their directors, officials officers, employees, consultants, agents, or volunteers.

If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

Consultant's obligations as set forth in this Section shall survive expiration or termination of this Agreement.

30. Insurance.

30.1 Time for Compliance. Consultant shall not commence work under this Agreement until it has provided evidence satisfactory to the Commission that it has secured all insurance required under this Section, in a form and with insurance companies acceptable to the Commission. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this Section.

30.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subcontractors. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(a) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001 or exact equivalent); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage (form CA 0001, code 1 (any auto) or exact equivalent); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(b) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit. Limits may be achieved by any combination of primary and excess or umbrella liability insurance; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage. Limits may be achieved by any combination of primary and excess or umbrella liability insurance; and (3) *Workers' Compensation and Employer's*

Liability: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Practices Liability limits of \$1,000,000 per accident.

30.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. For Consultant, such insurance shall be in an amount not less than \$1,000,000 per claim. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. Subconsultants of Consultant shall obtain such insurance in an amount not less than \$2,000,000 per claim. Notwithstanding the foregoing, the Commission may consider written requests to lower or dispense with the errors and omissions liability insurance requirement contained in this Section for certain subconsultants of Consultant, on a case-by-case basis, depending on the nature and scope of the Services to be provided by the subconsultant. Approval of such request shall be in writing, signed by the Commission's Contract Administrator.

30.4 Aircraft Liability Insurance. Prior to conducting any Services requiring use of aircraft, Consultant shall procure and maintain, or cause to be procured and maintained, aircraft liability insurance or equivalent form, with a single limit as shall be required by the Commission. Such insurance shall include coverage for owned, hired and non-owned aircraft and passengers, and shall name, or be endorsed to name, the Commission, Caltrans and their directors, officials, officers, employees and agents as additional insureds with respect to the Services or operations performed by or on behalf of the Consultant.

30.5 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the Commission to add the following provisions to the insurance policies:

(a) General Liability.

(i) Commercial General Liability Insurance must include coverage for (1) bodily Injury and property damage; (2) personal Injury/advertising Injury; (3) premises/operations liability; (4) products/completed operations liability; (5) aggregate limits that apply per Project; (6) explosion, collapse and underground (UCX) exclusion deleted; (7) contractual liability with respect to this Agreement; (8) broad form property damage; and (9) independent consultants coverage.

(ii) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to this Agreement.

(iii) The policy shall give the Commission, its directors, officials, officers, employees, and agents insured status using ISO endorsement forms 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(iv) The additional insured coverage under the policy shall be “primary and non-contributory” and will not seek contribution from the Commission’s or Caltrans’ insurance or self-insurance and shall be at least as broad as CG 20 01 04 13, or endorsements providing the exact same coverage.

(b) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the Commission, Caltrans and their directors, officials, officers, employees and agents shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the Commission, Caltrans and their directors, officials, officers, employees and agents, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant’s scheduled underlying coverage. Any insurance or self-insurance maintained by the Commission, Caltrans and their directors, officials, officers, employees and agents shall be excess of the Consultant’s insurance and shall not be called upon to contribute with it in any way.

(c) Workers’ Compensation and Employers Liability Coverage.

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) The insurer shall agree to waive all rights of subrogation against the Commission, its directors, officials, officers, employees and agents for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(d) All Coverages.

(i) Defense costs shall be payable in addition to the limits set forth hereunder.

(ii) Requirements of specific coverage or limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth herein shall be available to the Commission, Caltrans and their directors, officials, officers, employees and agents as additional insureds under said policies. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this

Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater.

(iii) The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the Commission (if agreed to in a written contract or agreement) before the Commission's own insurance or self-insurance shall be called upon to protect it as a named insured. The umbrella/excess policy shall be provided on a "following form" basis with coverage at least as broad as provided on the underlying policy(ies).

(iv) Consultant shall provide the Commission at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the Commission at least ten (10) days prior to the effective date of cancellation or expiration.

(v) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(vi) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the Commission, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(vii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Commission has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Commission will be promptly reimbursed by Consultant or Commission will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, Commission may cancel this Agreement. The Commission may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(viii) Neither the Commission nor any of its directors, officials, officers, employees or agents shall be personally responsible for any liability arising under or by virtue of this Agreement.

30.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Commission. If the Commission does not approve the deductibles or self-insured retentions as presented, Consultant shall guarantee that, at the option of the Commission, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Commission, its directors, officials, officers, employees and agents; or, (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expense.

30.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the Commission.

30.8 Verification of Coverage. Consultant shall furnish Commission with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the Commission. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the Commission before work commences. The Commission reserves the right to require complete, certified copies of all required insurance policies, at any time.

30.9 Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the Commission that they have secured all insurance required under this Section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the Commission as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, the Commission may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

30.10 Other Insurance. At its option, the Commission may require such additional coverage(s), limits and/or the reduction of deductibles or retentions it considers reasonable and prudent based upon risk factors that may directly or indirectly impact the Project. In retaining this option Commission does not warrant Consultant's insurance program to be adequate. Consultant shall have the right to purchase insurance in addition to the insurance required in this Section.

31. Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures,

trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

Pursuant to the authority contained in Section 591 of the Vehicle Code, the Commission has determined that the Project will contain areas that are open to public traffic. Consultant shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. Consultant shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.

32. Additional Work. Any work or activities that are in addition to, or otherwise outside of, the Services to be performed pursuant to this Agreement shall only be performed pursuant to a separate agreement between the parties. Notwithstanding the foregoing, the Commission's Executive Director may make a change to the Agreement, other than a Cardinal Change. For purposes of this Agreement, a Cardinal Change is a change which is "outside the scope" of the Agreement; in other words, work which should not be regarded as having been fairly and reasonably within the contemplation of the parties when the Agreement was entered into. An example of a change which is not a Cardinal Change would be where, in a contract to construct a building there are many changes in the materials used, but the size and layout of the building remains the same. Cardinal Changes are not within the authority of this provision to order, and shall be processed by the Commission as "sole source" procurements according to applicable law, including the requirements of FTA Circular 4220.1D, paragraph 9(f).

(a) In addition to the changes authorized above, a modification which is signed by Consultant and the Commission's Executive Director, other than a Cardinal Change, may be made in order to: (1) make a negotiated equitable adjustment to the Agreement price, delivery schedule and other terms resulting from the issuance of a Change Order, (2) reflect definitive letter contracts, and (3) reflect other agreements of the parties modifying the terms of this Agreement ("Bilateral Contract Modification").

(b) Consultant shall not perform, nor be compensated for any change, without written authorization from the Commission's Executive Director as set forth herein. In the event such a change authorization is not issued and signed by the Commission's Executive Director, Consultant shall not provide such change.

33. Prohibited Interests.

33.1 Solicitation. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this

Agreement. For breach or violation of this warranty, the Commission shall have the right to rescind this Agreement without liability.

33.2 Consultant Conflict of Interest

(a) Consultant shall disclose any financial, business, or other relationship with Commission that may have an impact upon the outcome of this Agreement, or any ensuing Commission construction project. Consultant shall also list current clients who may have a financial interest in the outcome of this Agreement, or any ensuing Commission construction project, which will follow.

(b) Consultant hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this Agreement.

(c) Any subcontract in excess of \$25,000 entered into as a result of this Agreement, shall contain all of the provisions of this Article.

(d) Consultant hereby certifies that neither Consultant, nor any firm affiliated with Consultant will bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract. An affiliated firm is one, which is subject to the control of the same persons through joint-ownership, or otherwise.

(e) Except for subconsultants whose services are limited to providing surveying or materials testing information, no subconsultant who has provided design services in connection with this contract shall be eligible to bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this contract.

33.3 Commission Conflict of Interest. For the term of this Agreement, no member, officer or employee of the Commission, during the term of his or her service with the Commission, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

33.4 Conflict of Employment. Employment by the Consultant of personnel currently on the payroll of the Commission shall not be permitted in the performance of this Agreement, even though such employment may occur outside of the employee's regular working hours or on weekends, holidays or vacation time. Further, the employment by the Consultant of personnel who have been on the Commission payroll within one year prior to the date of execution of this Agreement, where this employment is caused by and or dependent upon the Consultant securing this or related Agreements with the Commission, is prohibited.

33.5 Covenant Against Contingent Fees. As required in connection with federal funding, the Consultant warrants that he/she has not employed or retained any

company or person, other than a bona fide employee working for the Consultant, to solicit or secure this Agreement, and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or formation of this Agreement. For breach or violation of this warranty, the Commission shall have the right to terminate this Agreement without liability pursuant to the terms herein, or at its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

33.6 Rebates, Kickbacks or Other Unlawful Consideration. Consultant warrants that this Agreement was not obtained or secured through rebates kickbacks or other unlawful consideration, either promised or paid to any Commission employee. For breach or violation of this warranty, Commission shall have the right in its discretion; to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the Agreement price; or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

33.7 Covenant Against Expenditure of Commission, State or Federal Funds for Lobbying. The Consultant certifies that to the best of his/ her knowledge and belief no state, federal or local agency appropriated funds have been paid, or will be paid by or on behalf of the Consultant to any person for the purpose of influencing or attempting to influence an officer or employee of any state or federal agency; a Member of the State Legislature or United States Congress; an officer or employee of the Legislature or Congress; or any employee of a Member of the Legislature or Congress, in connection with the award of any state or federal contract, grant, loan, or cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any state or federal contract, grant, loan, or cooperative agreement.

(a) Intentionally omitted.

(b) The Consultant's certification provided in this Section is a material representation of fact upon which reliance was placed when this Agreement was entered into, and is a prerequisite for entering into this Agreement pursuant to Section 1352, Title 31, US. Code. Failure to comply with the restrictions on expenditures, or the disclosure and certification requirements set forth in Section 1352, Title 31, US. Code may result in a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(c) The Consultant also agrees by signing this Agreement that he/she shall require that the language set forth in this Section be included in all Consultant subcontracts which exceed \$100,000, and that all such subcontractors shall certify and disclose accordingly.

33.8 Employment Adverse to the Commission. Consultant shall notify the Commission, and shall obtain the Commission's written consent, prior to accepting work to assist with or participate in a third-party lawsuit or other legal or administrative proceeding against the Commission during the term of this Agreement.

34. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

35. Right to Employ Other Consultants. Commission reserves the right to employ other consultants in connection with the Project.

36. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California. Venue shall be in Riverside County.

37. Disputes; Attorneys' Fees.

37.1 Prior to commencing any action hereunder, the Parties shall attempt in good faith to resolve any dispute arising between them. The pendency of a dispute shall not excuse Consultant from full and timely performance of the Services.

37.2. If the Parties are unable to resolve a dispute after attempting in good faith to do so, the Parties may seek any other available remedy to resolve the dispute. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and recover from the losing Party reasonable attorneys' fees and, all other costs of such actions.

38. Time of Essence. Time is of the essence for each and every provision of this Agreement.

39. Headings. Article and Section Headings, paragraph captions or marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

40. Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

CONSULTANT:

Stantec Consulting Services Inc.
475 Fifth Avenue
12th Floor
New York, NY 10017
Attn: Sheldon Mar

COMMISSION:

Riverside County
Transportation Commission
4080 Lemon Street, 3rd Floor
Riverside, CA 92501
Attn: Executive Director

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. mail, first class postage prepaid, and addressed to the

Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

41. Conflicting Provisions. In the event that provisions of any attached exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the Parties and the interpretation of the Parties' understanding concerning the performance of the Services.

42. Amendment or Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

43. Entire Agreement. This Agreement contains the entire agreement of the Parties relating to the subject matter hereof and supersedes all prior negotiations, agreements or understandings.

44. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

45. Intentionally Omitted.

46. Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, shall survive any such expiration or termination.

47. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

48. Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

49. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

50. Attorney Client Privilege. The Parties recognize that, during the Project, the Commission and its attorneys will engage in communication that gives rise to an attorney client privilege of confidentiality ("Confidential Communication"). Given the nature of the work done by Consultant for the Commission, it may be necessary for the Consultant to participate in Confidential Communications. To the extent that (i) the Consultant is a party to any Confidential Communication, and (ii) a third party seeks discovery of such communications, then the Consultant shall be deemed to be an agent of the Commission solely for purposes of preserving any attorney client privilege in the relevant Confidential Communication. Any such attorney client privilege shall be held by the Commission and

the Consultant is not authorized to waive that privilege or, otherwise, disclose such Confidential Communication except as set forth below. This Section is intended to maintain the privilege in any privileged Confidential Communications that are (1) between and among Commission, Consultant, and Commission's attorneys; (2) between Consultant (on behalf of the Commission) and Commission's attorneys; (3) Confidential Communications that occur in Closed Session meetings wherein the Commission, the Commission's attorneys and Consultant are present; and (4) between Commission and Consultant wherein the substance of the Confidential Communication is conveyed to/from the Consultant.

Consultant may disclose a Confidential Communication to the extent such disclosure is required by legal process, by a court of competent jurisdiction or by any other governmental authority, provided that any such disclosure shall be limited to the specific part of the Confidential Communication required to be disclosed and provided that Consultant first comply with the requirements set forth in this paragraph. As soon as practicable after Consultant becomes aware that it is required, or may become required, to disclose the Confidential Communication for such reason, Consultant shall notify the Commission in writing, in order to allow the Commission to pursue legal remedies designed to limit the Confidential Communication required to be disclosed or to assure the confidential treatment of the disclosed information following its disclosure. Consultant shall cooperate with the Commission, on a reimbursable basis, to assist the Commission in limiting the scope of disclosure or assuring the confidential treatment of any disclosed information.

51. Subpoenas or Court Orders. Should Consultant receive a subpoena or court order related to this Agreement, the Services or the Project, Consultant shall immediately provide written notice of the subpoena or court order to the Commission. Consultant shall not respond to any such subpoena or court order until notice to the Commission is provided as required herein, and shall cooperate with the Commission in responding to the subpoena or court order.

52. Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein, without the prior written consent of the Commission. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

53. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties, and shall not be assigned by Consultant without the prior written consent of Commission.

54. Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated into this Agreement as though fully set forth herein.

55. No Waiver. Failure of Commission to insist on any one occasion upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any

rights or powers hereunder at any one time or more times be deemed a waiver or relinquishment of such other right or power at any other time or times.

56. Electronic Delivery of Agreement. A manually signed copy of this Agreement which is transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

[Signatures on following page]

DRAFT

**SIGNATURE PAGE
TO
PROFESSIONAL SERVICES AGREEMENT
FOR
ON-CALL TRAFFIC AND REVENUE CONSULTING SERVICES**

IN WITNESS WHEREOF, this Agreement was executed on the date first written above.

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

By: _____
Anne Mayer, Executive Director

**STANTEC CONSULTING SERVICES
INC.**

By: _____
Signature

Name

Title

Approved as to Form:

ATTEST:

By: _____
Best, Best & Krieger LLP
General Counsel

By: _____

Its: _____

* A corporation requires the signatures of two corporate officers.

One signature shall be that of the chairman of board, the president or any vice president and the second signature (on the attest line) shall be that of the secretary, any assistant secretary, the chief financial officer or any assistant treasurer of such corporation.

If the above persons are not the intended signators, evidence of signature authority shall be provided to RCTC.

EXHIBIT "A"
SCOPE OF SERVICES

[ATTACHED BEHIND THIS PAGE]

DRAFT

SCOPE OF SERVICES

ON-CALL TRAFFIC AND REVENUE CONSULTING SERVICES

1. GENERAL INFORMATION

1.1. Background

The RIVERSIDE COUNTY TRANSPORTATION COMMISSION (Commission) is requesting Statements of Qualifications (SOQ) from qualified professionals for on-call Traffic and Revenue consulting services. The Commission intends to contract with qualified consulting firms to provide comprehensive, on-call consulting services for Commission toll projects. On-call traffic and revenue services will be in support of planned or in-progress Commission projects, operating Commission toll facilities, and technical support for the toll program.

2. DESCRIPTION OF WORK

Consultant tasks may include, but not be limited to, the following typical tasks. Specific requirements will be set forth in each task for each Task Order:

2.1. Project Management

The Consultant will support the Commission with coordination and supervision of project staff to facilitate the performance in accordance with this scope of work and RCTC requirements. The Project management effort is to include but not be limited to, the coordination/preparation/documentation of project meetings, development/maintenance of a project schedule, preparation of monthly invoicing, maintenance of project records, development/administration of a quality control plan and coordination of submittals and final deliverables.

2.2. Traffic and Revenue Studies

The Consultant shall support the Commission with the development of different levels of traffic and revenue studies depending on the need for a particular express lanes project. The following is a description of the potential tasks that may be issued with a specific task order for this discipline:

- Level 1 Traffic and Revenue Study (sketch) that evaluates potential traffic demand and growth with implementation of express lanes and provides revenue estimates for a given amount of time.
- Level 2 Traffic and Revenue Study (Intermediate) that further refines traffic forecast, operations, and revenue estimates in that it can be used to support express lane planning, design, and provide a basis for a funding or financing plan. The effort associated with this type of study may require additional data collection for traffic forecasting and economic development assumptions. In addition, stated preference surveys may be required.

- Level 3 Traffic and Revenue Study (Investment Grade) that provides a robust and thorough evaluation of traffic forecasts, operation, and expected revenue from implementation of express lanes. A level 3 Traffic and Revenue study will be used as a mechanism to support the issuance of bonds for future express lanes projects. This study may be built on a existing level 2 study and may include verification of traffic data, modeling assumptions and revenue estimates. Additional stated preference surveys may be needed to verify the assumptions made in the modeling for the future express lanes projects. Additional counts and scenario analyses maybe necessary to make the level 3 Traffic and Revenue Study current and to support bond issuance activities.

2.3. Technical Support and Miscellaneous Studies

For future projects and existing facilities, the Consultant will provide technical support as it relates to reviewing traffic and revenue activities and documents. As part of a given task order, the Consultant may review or develop studies related to simulation, travel modeling, financial analysis, operational analysis, and planning services to support pricing policies and design adjustments of tolled facilities, corridors, or systems. In addition, various questions and requests from Commissioners as it relates to an existing or future toll policy may need to be evaluated. Under this task, the Consultant may do any of the following activities:

- Review and verify traffic and revenue Studies from other Consultants or other agencies;
- Conduct data compilation, field data collection, and analysis;
- Conduct land use and socio-economic research;
- Conduct Stated Preference surveys;
- Toll optimization evaluation through analysis of pricing strategies, toll rate adjustments, Monte-Carlo simulation analysis, and other financial modeling techniques to determine optimal toll solutions, based on revenue or throughput;
- Evaluate the traffic and revenue impacts of addition/deletion of project features or proposed projects within the express lanes corridor or network;
- Provide net toll revenue analyses of proposed express lanes corridors;
- Sensitivity analyses that evaluates impacts to revenue and traffic from different assumptions from a socio-economic perspective, horizon years, anticipated projects, and other factors that can impact proposed and existing express lanes;
- Forecasting of traffic performance for existing facilities and future projects
- Express lane network traffic modeling for potential new express lanes corridors;
- Market share analyses for preliminary testing of alternative toll concepts and operational policies;
- Develop traffic and revenue modeling and evaluate impacts from emerging mobility technologies;
- Evaluate multi-modal feasibility from a traffic and revenue perspective;

- Provide technical support and present to Commission legal counsel, other consultants, Caltrans, Federal Highway Administration, financial institutions or rating agencies regarding traffic and revenue studies;
- Develop and execute presentations and trainings for various audiences;
- And complete relevant tasks related to traffic and revenue analyses of highway corridors and other mobility options.

2.4. Materials to be Furnished by Commission

All software, data, reports, surveys, drawings, and other documents furnished to the Offeror by Commission for the Offeror's use in the performance of services shall be made available only for use in performing the assignment and shall remain the property of Commission. All such materials shall be returned to Commission upon completion of services, termination of the agreement, or other such time as Commission may determine.

2.5. Personnel Qualifications and Responsibilities

The quantity and qualifications of personnel to be assigned will be determined by the scope of the Task Order request and the degree of difficulty of the required tasks to be performed. All personnel and personnel assignments shall be subject to approval by Commission.

2.6. Third Party Relationships

This Contract is intended to provide on-call traffic and revenue consulting services for Commission projects, facilities, and purposes. The Commission works closely with various professional offerors, agencies, and others in the development of its projects and facilities. The Commission, however, is solely responsible for and will be the sole point of contact for all contractual matters related to the Task Orders. Offeror shall take direction only from Commission and shall regularly inform only Commission of Task Order progress, outstanding issues, and all related matters.

During the course of the Contract, Offeror may find occasion to meet with local, state, and federal representatives, consultants, advisors, legal counsel, or other third parties who have assisted with the various RCTC projects. These entities may, from time to time, offer suggestions and/or recommendations regarding the Commission project or elements of the project. While the Commission enjoys a close relationship with and has considerable confidence in the capabilities of these other parties, Offeror shall not act on any suggestions, solicited or unsolicited, without obtaining specific direction from Commission. All oral and written communication with outside agencies or Offerors related to the project shall be directed only to Commission. Distribution of project related communications and information shall be at the sole discretion of Commission representatives.

3. Task Order PROCEDURES

3.1. Definitions

The term Consultant shall refer to the firm or firms that are awarded the contract for environmental consulting services.

A Task Order is utilized by the parties to establish, outline, and authorize a particular job or task.

3.2. Initiating Task Orders

The Commission's project manager will issue Task Orders to the Consultant.

The Commission's request for task order submittals. Upon a request for a Task Order Proposal by the designated Commission project manager, Consultant shall develop a plan and submit a task order proposal for the requested services. The Task Order shall include a time schedule, number of labor hours, and labor classification(s) to provide the requested services.

3.3. Review and Award of Task Orders

The Commission's designated project manager will review the submitted Task Order (to ensure that the submittal is complete, consistent with the Commission's written or oral request for services, the personnel assigned are acceptable, the schedule is acceptable, that all costs proposed are appropriate, and that the item is in compliance with contractual requirements. The project manager will award the Task Order if it is determined to be fair and reasonable. If required, the Commission's project manager will conduct negotiations to address exceptions and clarify costs. The fully executed Task Order will serve as the record of negotiations.

3.4. Completion Schedule

The Consultant's performance of services shall commence under each Task Order only upon written authorization by the Commission's designated project manager.

Consultant shall complete the services within the time frame specified on a particular Task Order.

EXHIBIT "B"

COMPENSATION AND PAYMENT

[ATTACHED BEHIND THIS PAGE]

DRAFT

EXHIBIT "B"
COMPENSATION SUMMARY¹

FISCAL YEAR	PROJECT	COST
FY 2019/20	Traffic & Revenue Study Services	\$ 450,000.00
FY 2020/21	Traffic & Revenue Study Services	350,000.00
FY 2021/22	Traffic & Revenue Study Services	800,000.00
FY 2022/23	Traffic & Revenue Study Services	1,500,000.00
FY 2023/25	Traffic & Revenue Study Services	600,000.00
FY 2025/26	Traffic & Revenue Study Services	200,000.00
SUBTOTAL		3,900,000.00
TOTAL COSTS		\$ 3,900,000.00

¹ Commission authorization pertains to total contract award amount. Compensation adjustments between consultants may occur; however, the maximum total compensation authorized may not be exceeded.

AGENDA ITEM 7K

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM	Budget and Implementation Committee Cheryl Donahue, Public Affairs Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Quarterly Public Engagement Metrics Report, October-December 2019

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to receive and file the Quarterly Public Engagement Metrics Report for October – December 2019.

BACKGROUND INFORMATION:

Staff continues to measure public engagement activities and prepare Quarterly Public Engagement Metrics Reports for the Commission, a practice that began in April 2018. This report covers the fourth quarter of 2019, from October to December. The quarterly reports are a data-driven approach to monitor the Commission’s progress toward public engagement goals, to analyze the effectiveness of its efforts, and to provide transparency into how the Commission is using its resources to engage with the public.

This quarterly report includes three sets of data:

- 1) Metrics for RCTC’s overall public engagement activities, including website use and access; website top pages visited; email notifications; social media likes, engagement and reach; and public sentiment
- 2) Metrics for RCTC’s Interstate 15 Express Lanes Project public engagement activities, including email activity, website sessions, and social media
- 3) Metrics for the State Route 60 Truck Lanes Project. Note that these numbers remain small, due to only eight months of activity.

Report highlights for this quarter follow and are included in a graphical format. Please note that most of the social media metrics show an increase this quarter, due to digital advertising expenditures. The quarterly reports will evolve to include metrics from new Commission projects.

RCTC Overall Public Engagement

1) Website

- a. For the quarter, there were 39,835 website sessions, a 16 percent increase from last quarter's 34,234 sessions. There also were 26,364 unique users, a significant increase of 21 percent compared to the previous quarter's 21,761 unique users.
- b. About a third of the visitors (34 percent) accessed the website through organic searches, such as Google. Another 21 percent used a direct search (keying in rctc.org). Others used social media (38 percent), and website referrals (7 percent).
- c. Website access via desktop versus mobile continues to fluctuate. During the fourth quarter, showed 46 percent accessed the website through a desktop computer and 54 percent used mobile devices. This is a large change from the second quarter of 2019, when the ratio was 57 percent via a desktop computer and 43 percent via mobile devices.
- d. The homepage continues to be the most frequently visited page, followed by the blog post related to funding of the I-15 Railroad Canyon Interchange. The Route 60 Truck Lanes page and the Employment page ranked third and fourth.

2) Social Media

- a. **Facebook:** At the end of the quarter, the Facebook page had 9,389 likes, an 11 percent increase over last quarter's 8,476 likes. The page had 2,499 forms of engagement, such as likes, comments and shares, a 70 percent drop from last quarter's 8,289 forms of engagement. Facebook also had 1,708,937 impressions, which is the number of times that RCTC's content was displayed in news feeds. This was a large increase – 108 percent – from last quarter's 820,030 million impressions. However, the previous quarter experienced a 70 percent drop, due to decreased digital advertising.
- b. **Twitter:** RCTC's Twitter page showed a 3 percent increase in followers, from 1,169 to 1,200. Engagement increased 78 percent, from 320 to 571. Impressions jumped 43 percent from 60,296 to 75,391.
- c. **Instagram:** The Instagram page followers grew 15 percent, from 487 to 561 followers. Engagement climbed 47 percent, from 334 forms of engagement to 490. Impressions increased 45 percent to 17,309, compared to last quarter's 11,928.
- d. Overall, public sentiment was positive, with strong engagement related to jobs and locally sourced materials on the I-15 Express Lanes Project and the public scoping period for the proposed I-15 Express Lanes Southern Extension.

- 3) RCTC's The Point:** RCTC continues to produce content for its online blog, *The Point*, and distributes this information and other news via email to subscribers. However, RCTC's subscribers declined 12 percent, from 3,555 to 3,147. Part of this decline was due to removal of duplicates and other "bounce-back" email addresses. Thirty-one percent of subscribers opened *The Point*, and 6 percent clicked on links to learn more.

Interstate 15 Express Lanes Construction Public Engagement

- 1) **Emails:** Total email list sign-ups since the project began grew to 2,648. This is a 1 percent increase over the 2,622 sign-ups received through the end of last quarter. There also were 10 email inquiries for a total of 154 since the project started. This is a 7 percent increase over the 144 inquiries received through the end of last quarter.
- 2) **Website:** Total website visits since project inception grew to 62,023, a 11 percent climb from the 56,019 visits through the end of last quarter.
- 3) **Social Media:** The project's Facebook, Twitter and Instagram accounts all showed small gains. The Facebook page grew to 2,303 likes from 2,269 likes last quarter, a 1.5 percent increase. Twitter increased from 242 followers to 257, a 6 percent increase. Instagram followers increased 4 percent from 443 to 461.

State Route 60 Truck Lanes Construction Public Engagement

- 1) **Emails:** Total email list sign-ups since the project began grew to 285. This is an 8 percent increase over the 263 sign-ups received through the end of last quarter. There also have been a total of 90 email inquiries, a 17 percent increase over the 77 inquiries through the end of last quarter.
- 2) **Website:** Total website visits since project inception grew to 9,992, a 49 percent increase from the 6,715 visits through the end of last quarter.
- 3) **Social Media:** The project's Facebook, Twitter and Instagram accounts all showed increases. The Facebook page grew to 454 likes from 314 likes last quarter, a 46 percent increase. Twitter increased from 31 followers to 52, a 68 percent increase. Instagram followers increased 41 percent from 101 to 142.

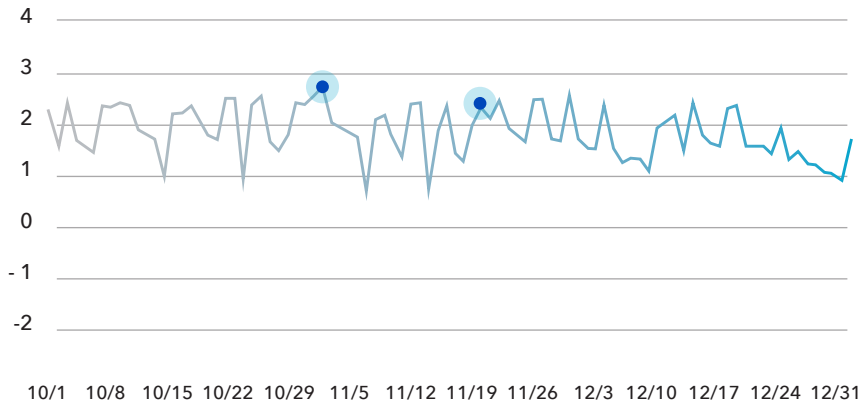
Attachments:

- 1) RCTC Overall Public Engagement Metrics
- 2) Interstate 15 Express Lanes Construction Public Engagement Metrics
- 3) State Route 60 Truck Lanes Construction Public Engagement Metrics



Public Engagement Metrics: Q4

Overall Social Media Sentiment



Content in Q4 received moderately high engagement and positive sentiment from the community.
10/29 (+) I-15 project video highlighted locally-sourced materials and local jobs
11/19-20 (+) I-15 Express Lane comment period prompted community engagement

Eblasts



Subscribers
3,147

Average Open
31%

Average Click
6%

Web

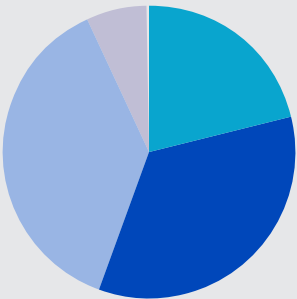
39,835
Number of Sessions

+16%

26,364
Number of Unique Users

+21%

Top Channels



- Direct (21.3%) – 5,712
- Organic (34.1%) – 9,141
- Social (37.5%) – 10,041
- Referral (6.7%) – 1,807

Differences
Paid advertising increased in Q4.

Social Media



Facebook

Page Likes
9,389 **+11%**

Engagement
2,499 **-70%**

Impressions
1,708,937 **+108%**



Twitter

Followers
1,200 **+3%**

Engagement
571 **+78%**

Impressions
75,391 **+43%**



Instagram

Followers
561 **+15%**

Engagement
490 **+47%**

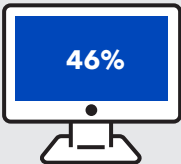
Impressions
17,309 **+45%**

Top Pages Visited

Homepage is **#1** most visited page

- CTC Funds I-15 Railroad Canyon
- Route 60 Truck Lanes
- Employment

Desktop vs Mobile Users

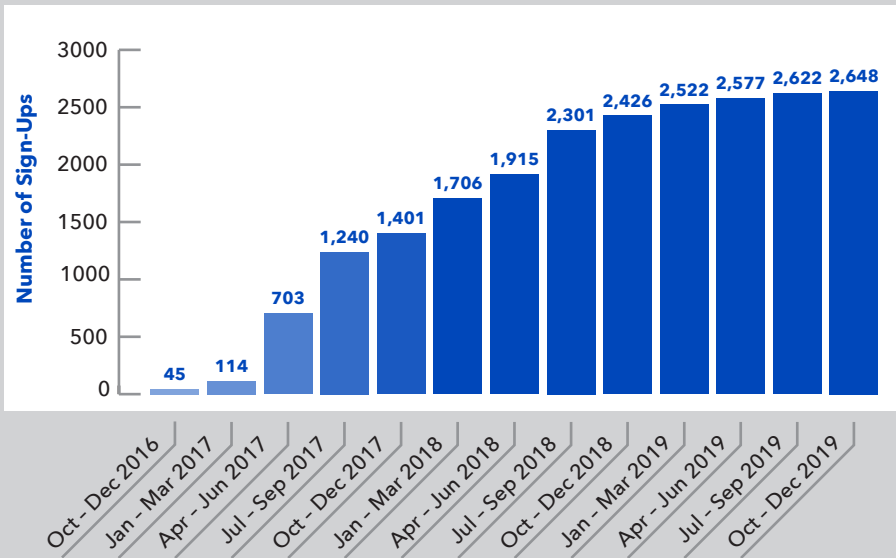


Desktop

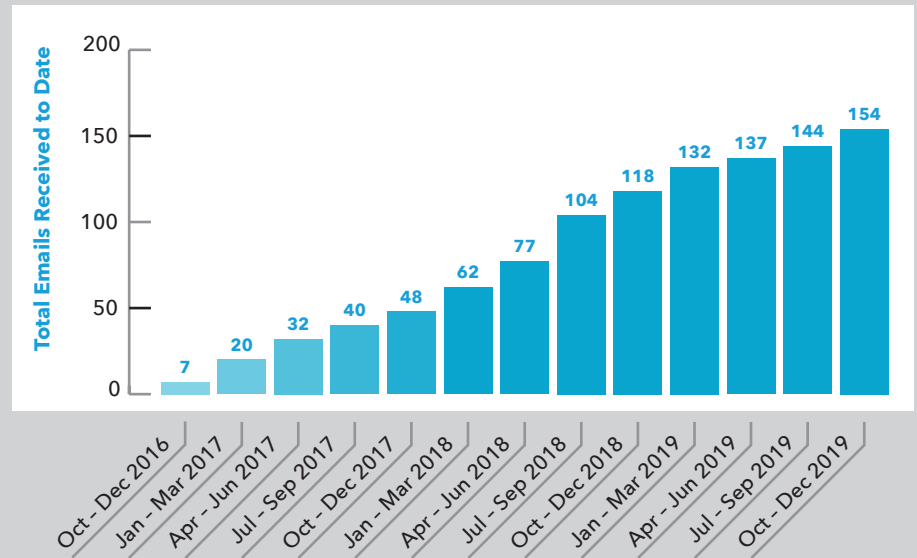
Mobile



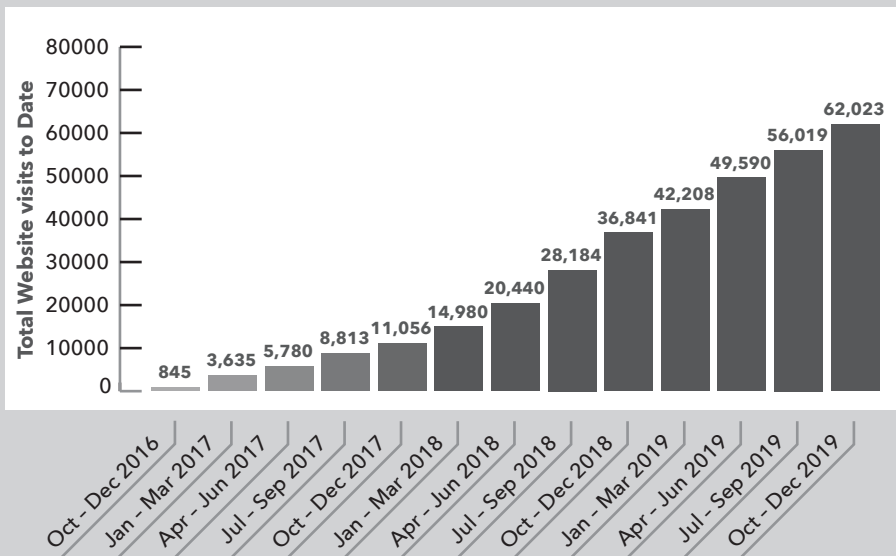
Email List Sign-Ups



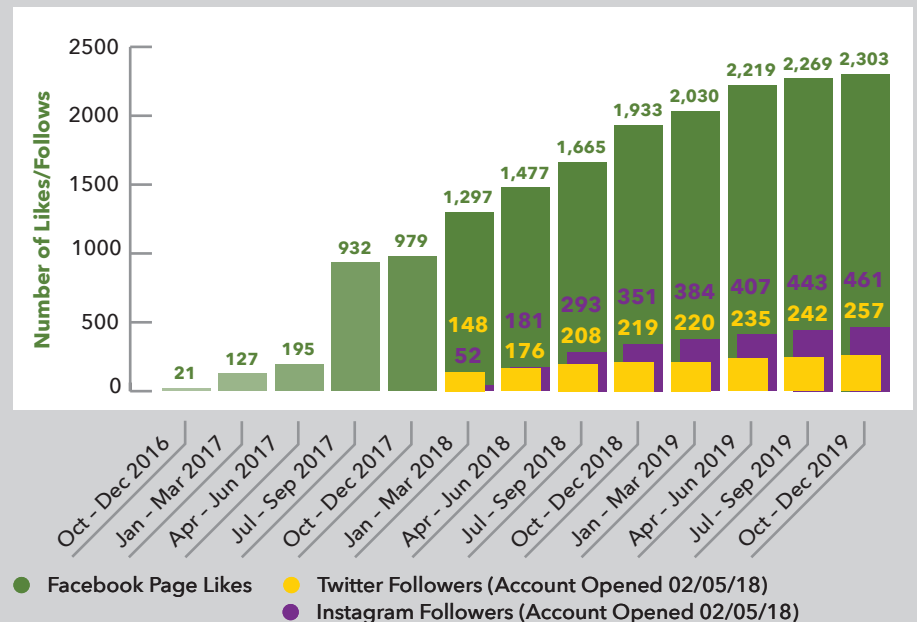
Emails Received



Website Visits



Social Media Likes/Follows

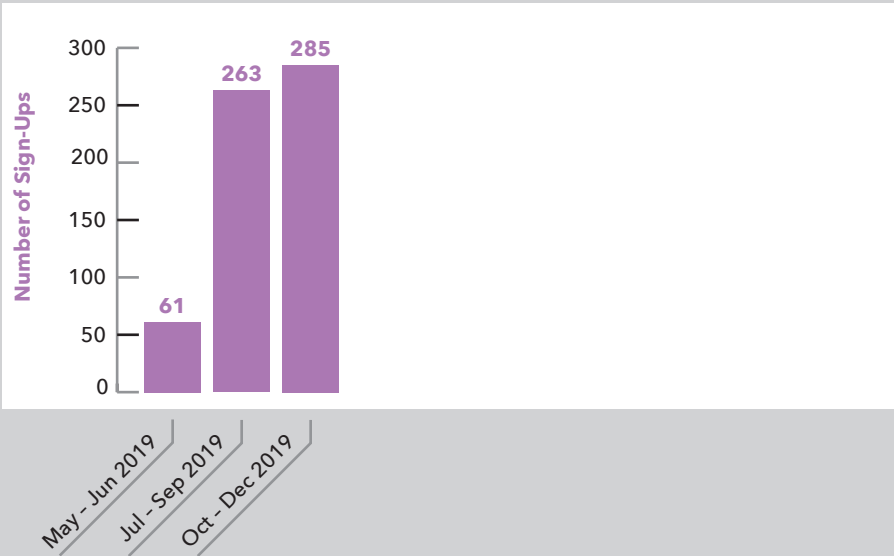




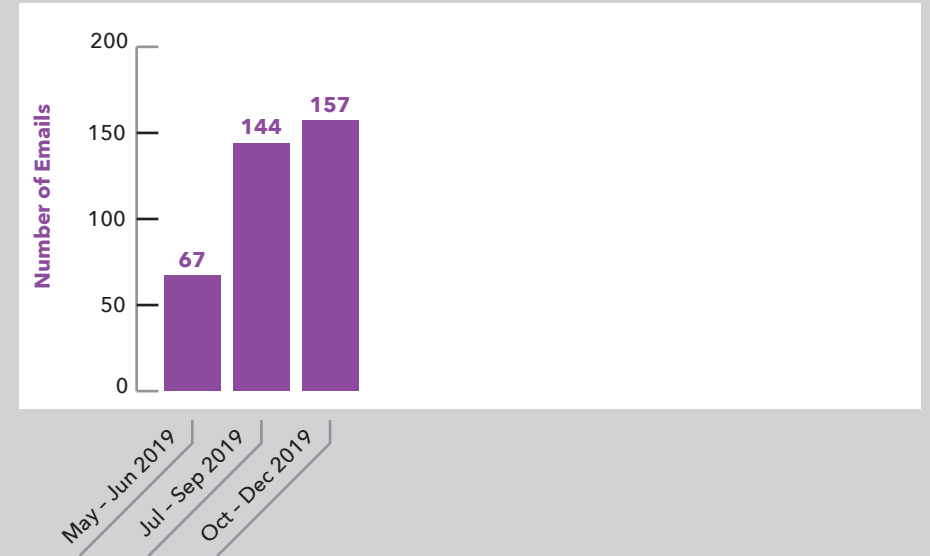
State Route 60 Truck Lanes Project

Monthly "At-a-Glance" Metrics Report

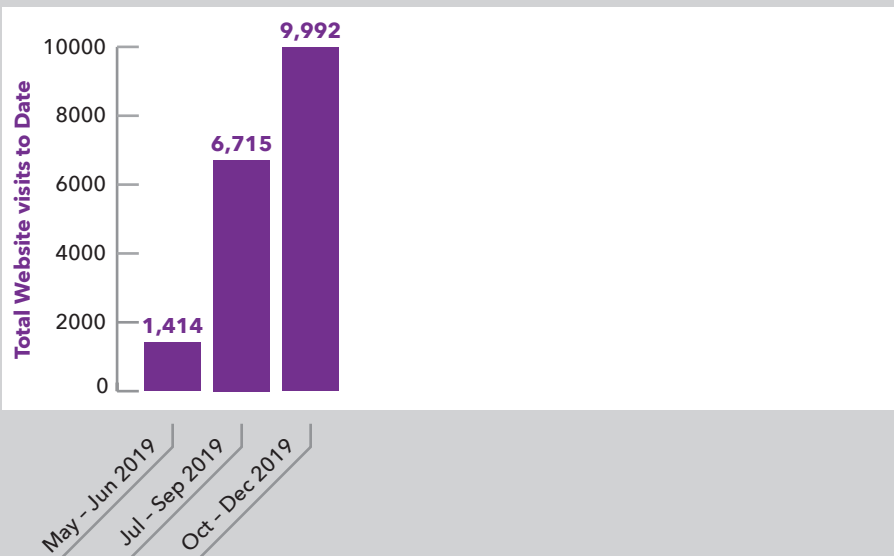
Email & Text Sign-Ups



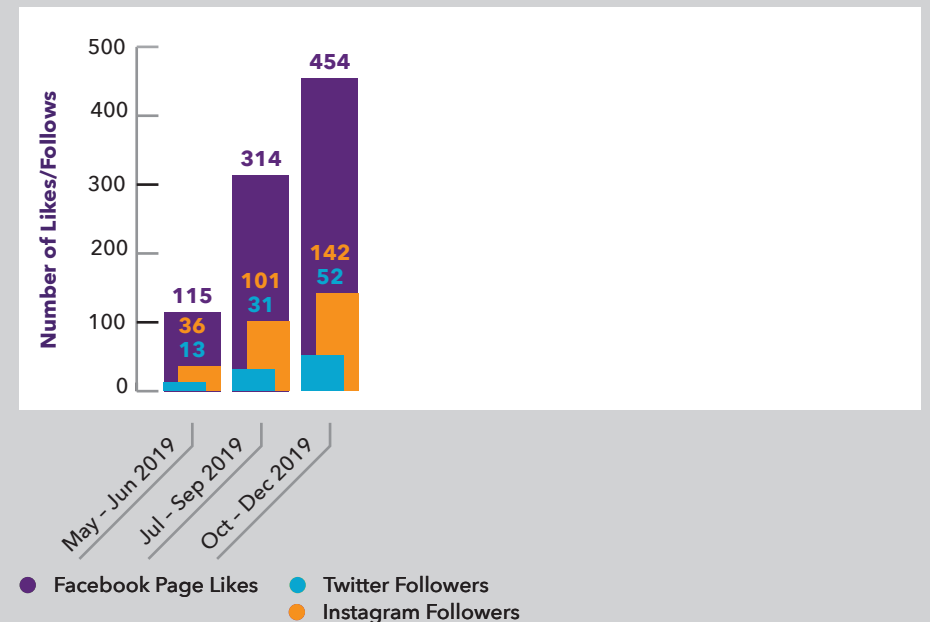
Emails to Project Team



Website Sessions



Social Media Likes/Follows



AGENDA ITEM 7L

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Mark Lancaster, Capital Projects Manager Marlin Feenstra, Project Delivery Director
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Amendment to Agreement with T.Y. Lin International for Final Design Services Related to the Mid County Parkway Interstate 215/Placentia Avenue Interchange Improvement Project and Agreement for Construction Zone Enforcement Enhancement Program Services for the Project

WESTERN RIVERSIDE COUNTY PROGRAMS AND PROJECTS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Approve Agreement No. 16-31-066-04, Amendment No. 4 to Agreement No. 16-31-066-00, with T.Y. Lin International (T.Y. Lin) to complete final design services and prepare the Interstate 215/Placentia Avenue interchange improvement (I-215/Placentia Avenue) project for advertising and award, in the amount of \$386,663, plus a contingency amount of \$38,666, for an additional amount of \$425,329, and a total amount not to exceed \$5,171,185;
- 2) Approve Agreement No. 20-31-051-00 with the California Highway Patrol (CHP) for Construction Zone Enforcement Enhancement Program (COZEEP) services in an amount not to exceed \$279,900;
- 3) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreements on behalf of the Commission; and
- 4) Authorize the Executive Director or designee to approve the use of the contingency amount as may be required for the project.

BACKGROUND INFORMATION:

The Commission began environmental studies and preliminary engineering on the Mid County Parkway (MCP) project in December 2003.

In April 2015, the Commission certified the final environmental impact report, adopted findings pursuant to the California Environmental Quality Act, adopted a mitigation monitoring and reporting program, adopted a statement of overriding considerations, and approved the MCP project.

At the Commission's direction, staff proceeded with design and right of way acquisition for the I-215/Placentia Avenue project as the first construction contract for the MCP project. The

I-215/Placentia Avenue project will construct a new interchange at I-215/Placentia Avenue and six lanes on Placentia Avenue between Harvill Avenue and Indian Avenue, connecting to the existing two-lane section of Placentia Avenue between Indian Avenue and Perris Boulevard (see Attachment 1 Vicinity Map).

At the November 2016 meeting, the Commission approved an agreement with T.Y. Lin for final design and preparation of the final Plans, Specifications and Estimate (PS&E) package and related construction bid documents for the construction of the I-215/Placentia Avenue project in the amount of \$3,754,000. Two subsequent amendment authorizations aggregating an additional amount of \$991,856 resulted in a total contract authorization to date of \$4,745,856.

The parties now desire to amend Agreement 16-31-066-00 in order to provide compensation for final design services for the I-215/Placentia Avenue project to complete work that was not anticipated in the original scope of work for the project.

DISCUSSION:

During the design phase, ongoing coordination with Caltrans, Riverside County Transportation Department (RCTD), and Riverside County Flood Control and Water Conservation District (RCFCWCD) identified the following work items that were not included in the original scope of the project, but now are required to be completed by T.Y. Lin:

1. Updates to Roadway Plans and Details: Required roadway plan and detail updates include:
 - A) Grading adjustments as a result of a revised Eastern Municipal Water District easement, and the processing of a Supplemental Design Standard Decision Document with Caltrans for a nonstandard side slope;
 - B) Creation of details, placement and modifications to a new community identification monument sign, as requested by the County of Riverside;
 - C) Updates to the PS&E based on constructability review comments provided by the Commission's Construction management firm;
 - D) Significant drainage design revisions required by RCTD and RCFCWCD;
 - E) Processing of non-standard special provisions;
 - F) Processing of Utility Exception Memo for Southern California Edison through Caltrans;
 - G) Modifications to the PS&E as a result of the October 2019 Caltrans Standard Plans and Specifications update; and
 - H) Preparation of Resident Engineer File.
2. Updates to the Drainage Plans, Reports, and Details: Required drainage plan, report, and detail updates include:
 - A) Caltrans request to analyze and revise proposed drainage structures within the State right of way;
 - B) Response to comments from Caltrans, city of Perris, RCTD and RCFCWCD; and
 - C) Extensive hydrology and hydraulic analysis and preparation of a drainage report.

3. Updates to Landscape Plans, including: Required landscape plan updates include:
 - A) Modifications to the PS&E as a result of the October 2019 update to the Caltrans Standard Plans and Specifications; and
 - B) Design of county monument sign and associated lighting.
4. Environmental Revalidation: Caltrans is requiring a second Environmental Re-Evaluation (National Environmental Policy Act, or NEPA)/Re-Validation (California Environmental Quality Act, or CEQA) for the environmental certification approval process. The second Environmental Re-Evaluation (NEPA)/Re-Validation (CEQA) will also include an updated project description to document the revised drainage design and the revised impacts to jurisdictional waters. This task includes time for preparation of the document and to coordinate with Caltrans and the Federal Highway Administration to review and obtain signatures.
5. Environmental Permits: A Section 401 (Clean Water Act) certification authorization from the Santa Ana Regional Water Quality Control Board (SARWQCB) received on September 9, 2019 will be revised and resubmitted to SARWQCB for re-authorization due to drainage revisions, which caused small additional impacts to jurisdictional waters.
6. Asbestos Testing in Bridges: As requested by Caltrans, the Commission will conduct supplemental asbestos sampling of the bridge decks of the Placentia Avenue Overcrossing and Placentia Street Overhead to determine the presence of asbestos in joints and seals within the bridge. The survey will be completed in accordance with federal, state and local regulations, including but not limited to, the Asbestos Hazard Emergency Response Act, South Coast Air Quality Management District, and California Occupational Safety and Health Administration rules and regulations. A Health and Safety Plan will be prepared for this investigation, which will outline the safety protocols to be followed during the asbestos field sampling. This task includes traffic control and safety services during the field investigation.
7. Construction Support Phase: Additional budget is anticipated to respond to inquiries and Requests for Information from potential bidders.

Subsequently, staff negotiated the scope of work (including the appropriate level of effort, labor categories/mix, etc.), cost, and schedule proposal received from T.Y. Lin for the additional services and established a fair and reasonable price. The proposed cost is \$386,663.

The completion of design of the project is February 2020, and construction is scheduled to begin in summer 2020.

Construction Zone Enforcement Enhancement Program Agreement

As with all highway projects, an agreement is required with CHP to provide COZEELP services for speed enforcement and traffic queuing control for the safety of motorists and construction

workers during nighttime lane closures construction work. Based on a Caltrans formula and the amount of freeway lane and directional closures, the estimated amount for this agreement is \$279,900.

Recommendation

Staff recommends approval of Agreement No. 16-31-066-04 with T.Y. Lin to complete these additional scope items for the project, based on the final negotiated scope and cost of \$386,663, plus a contingency amount of \$38,666, for an additional amount of \$425,329, and a total contract authorization not to exceed \$5,171,185. The table below provides a summary of the initial agreement and subsequent approved and proposed amendments.

Agreement	Authorization Date	Authorization Amount	Agreement Amount
Original Agreement	November 9, 2016	\$ 3,754,000	\$ 3,412,677
Amendment No. 1	July 11, 2018	299,498	314,663
Amendment No. 2	N/A (use of contingency)	-	341,300
Amendment No. 3	September 11, 2019	692,358	629,416
Subtotal		4,745,856	4,698,056
Amendment No. 4 (proposed)		425,329	386,663
Totals		\$ 5,171,185	\$ 5,084,719

Staff also recommends approval of Agreement No. 20-31-051-00 for COZEEP services with the CHP in the amount of \$279,900.

Further, authorization is requested for the Chair or Executive Director to finalize and execute the agreements on behalf of the Commission and for the Executive Director or designee to approve the use of the contingency amount as may be required for the project.

Financial Information					
In Fiscal Year Budget:	Yes	Year:	FY 2019/20	Amount:	\$705,229
Source of Funds:	2009 Measure A Western County New Corridors			Budget Adjustment:	No
GL/Project Accounting No.:	002317 81102 00000 0000 261 31 81101				
Fiscal Procedures Approved:	<i>Theresa Trevino</i>			Date:	02/13/2020

Attachments:

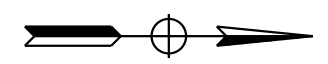
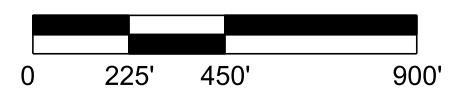
- 1) Vicinity Map-I-215/Placentia Avenue Interchange
- 2) TY Lin Amendment No. 4, Agreement No. 16-31-066-04
- 3) CHP COZEEP Agreement No. 20-31-051-00

*Approved by the Western Riverside County Programs and Projects Committee on
February 24, 2020*

In Favor: 11 Abstain: 0 No: 0



*Mid-County Parkway (shown in blue) is not part of project.



STATE OF CALIFORNIA
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

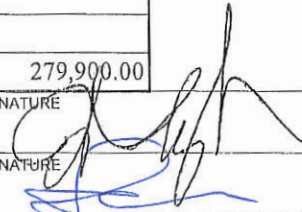

REIMBURSABLE SERVICES CONTRACT REQUEST

CHP 78R (Rev. 2-12) OPI 076

TO		DATE 05/24/2018	(1) CURRENT AGREEMENT NUMBER	
BUSINESS SERVICES SECTION- CONTRACT SERVICES UNIT (076)		(2) OPI TRACKING NUMBER	(3) PREVIOUS AGREEMENT NUMBER	
(4) CONTRACT COORDINATOR (Print Name and Title) R. Pereyda Officer		FROM (Command/Location Code) Riverside 840	TELEPHONE NUMBER (Include Area Code) (951) 637-8000	FAX NUMBER (Include Area Code) (951) 637-8003
MAILING ADDRESS (Include Zip Code) 8118 Lincoln Ave. Riverside Ca. 92504		BUSINESS ADDRESS (If different than mailing address)		
(5) AGREEMENT WITH (Include Full Business Name) Riverside County Transportation Commission		CONTACT NAME (Print Name and Title) Alex Menor Capital Projects Mgr.	TELEPHONE NUMBER (Include Area Code) (951) 787-7970	FAX NUMBER (Include Area Code) (951) 787-7906
MAILING ADDRESS (Include Zip Code) 4080 Lemon St. 3rd floor Riverside Ca. 92502		BUSINESS ADDRESS (If different than mailing address)		
(6) <input checked="" type="checkbox"/> ORIGINAL AGREEMENT <input type="checkbox"/> AMENDMENT NUMBER				
(7) TERM OF AGREEMENT STARTING DATE <u>06/01/2019</u> THROUGH <u>12/01/2021</u> ORIGINAL ENDING DATE _____ AMENDED ENDING DATE _____				
(8) AREA(S)/LOCATION CODE(S)/ADDRESS(ES) WHERE SERVICES ARE TO BE PERFORMED (If Different From Above) <input type="checkbox"/> CHECK IF MULTIPLE LOCATION LISTING ATTACHED <input type="checkbox"/> NO CHANGE Construction will be performed on Placentia Ave. at Interstate 215.				

(9) DESCRIBE PURPOSE, SERVICE(S) TO BE PERFORMED, AND/OR FINAL PRODUCT TO BE DELIVERED
The Riverside County Transportation Commission will be the lead agency providing demolition and construction for the necessary upgrades and improvements of the Placentia Ave. over crossing including the on and off ramps for the Interstate 215. The Riverside County Transportation Commission has requested CHP provide Construction Zone Enhanced Enforcement Program (Cozeep) services within the construction zone.

(10) <input type="checkbox"/> SUPPORTING DOCUMENTATION ATTACHED (Specifications or scope of work, drawings and other supporting documents, or services affected by this reimbursable agreement must be attached to CHP 78R and available via email upon CSU's request). Please provide contact person and email address below.				
NAME (Print Name and Title) R. Pereyda Officer		EMAIL ADDRESS RPereyda@chp.ca.gov	TELEPHONE NUMBER (Include Area Code) (951) 637-8000	
(11) NAME OF INVOICE APPROVER (Print Name and Title) G. J. Tyler, Captain		MAILING ADDRESS 8118 Lincoln Ave. Riverside Ca. 92504	TELEPHONE NUMBER (Include Area Code) (951) 637-8000	
All reimbursable agreements are subject to full-cost recovery, e.g., portal to portal and mileage, unless indicated and approved by appropriate Assistant Commissioner. Appropriate charges will be made for departmental supplies extended, additional equipment utilized, damages to uniforms or property repaired or replaced at state expense, etc., which are directly related to the services provided.				
(12) ESTIMATED HOURS/MILEAGE:	Current billing rates as published by Fiscal Management Section will be used to calculate value.	ESTIMATED AMOUNT	(13) AMENDMENT - Increase/Decrease \$	
Est. Officer Reg. hours:	Officer Reg. rate: \$ _____ per hour	\$	(14) MAXIMUM REIMBURSABLE AMOUNT AUTHORIZED \$	
Est. Officer O/T hours: 2,880	Officer O/T rate: \$ 92.00 per hour	\$ 264,960.00	(15) LOCATION CODE 2840 OBJECT CODE _____ PCA CODE 96501	
Est. Sgt. Reg. hours:	Sgt. Reg. rate: \$ _____ per hour	\$	(16) INVOICE TO BE PREPARED <input type="checkbox"/> Upon completion of Agreement <input type="checkbox"/> Monthly <input type="checkbox"/> Other, Fully explain method below:	
Est. Sgt. O/T hours:	Sgt. O/T rate: \$ _____ per hour	\$		
Est. M/C Sgt. Reg. hours:	M/C Sgt. Reg. rate: \$ _____ per hour	\$		
Est. M/C Sgt. O/T hours:	M/C Sgt. O/T rate: \$ _____ per hour	\$		
Est. Automobile miles: 18,000	Automobile miles rate: @ 0.83 per mile	\$ 14,940.00		
Est. M/C miles:	M/C miles rate: @ _____ per mile	\$		
Est. Other Expense(s):	Other expense(s): \$ _____	\$		
Estimated total:		\$ 279,900.00		

COMMANDER OR APPROVED DESIGNEE (Print Name and Title) G. J. Tyler, Captain	SIGNATURE 	DATE 05/31/2018
DIVISION COMMANDER OR APPROVED DESIGNEE (If Required) (Print Name and Title) Scott Parker, A/Chief	SIGNATURE 	DATE 6/8/18

Agreement No. 16-31-066-04

**AMENDMENT NO. 4 TO AGREEMENT
FOR PREPARATION OF PLANS, SPECIFICATION AND ESTIMATES (PS&E)
WITH T.Y. LIN INTERNATIONAL**

1. PARTIES AND DATE

This Amendment No. 4 to the Agreement for preparation of plans, specifications, and estimates services is made and entered into as of _____, 2020, by and between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION ("Commission") and T.Y. LIN INTERNATIONAL ("Consultant"), a California corporation.

2. RECITALS

- 2.1 The Commission and the Consultant have entered into an agreement dated November 9, 2016 for the purpose of providing the preparation of plans, specifications, and estimates (PS&E) for the Interstate 215/Placentia Avenue Interchange Improvements Project (the "Master Agreement").
- 2.2 The Commission and the Consultant have entered into an Amendment No. 1, dated October 2, 2018, for the purpose providing additional compensation for additional PS&E services for the Interstate 215/Placentia Avenue Interchange Improvements Project.
- 2.3 The Commission and the Consultant have entered into an Amendment No. 2, dated February 11, 2019, for the purpose providing additional compensation for additional PS&E services for the Interstate 215/Placentia Avenue Interchange Improvements Project
- 2.4 The Commission and the Consultant have entered into an Amendment No. 3, dated September 11, 2019, for the purpose providing additional compensation for additional PS&E services for the Interstate 215/Placentia Avenue Interchange Improvements Project

- 2.5 The parties now desire to amend the Master Agreement in order to provide additional compensation for additional PS&E services for the Interstate 215/Placentia Avenue Interchange Improvements Project.

3. TERMS

- 3.1 The Scope of Services for the Master Agreement shall be amended to include Services, as that term is defined in the Master Agreement, required to provide additional PS&E services, as more fully described in Exhibit "A" attached to this Amendment No. 4 and incorporated herein by reference.
- 3.2 The maximum compensation for Services performed pursuant to this Amendment No. 4 shall be Three Hundred Eighty-Six Thousand, Six Hundred Sixty-Three Dollars (\$386,663).
- 3.3 The compensation terms are further set forth in Exhibit "B" attached to this Amendment No. 4 and incorporated herein by reference. Compensation for Services performed under this Amendment No. 4 shall be billed in accordance with the attached Exhibit "B".
- 3.4 The total not-to-exceed amount of the Master Agreement, as amended by this Amendment No. 4, shall be increased from Four Million Six Hundred and Ninety-Eight Thousand, Fifty-Six Dollars (\$4,698,056) to Five Million Eighty-Four Thousand, Seven Hundred and Nineteen Dollars (\$5,084,719).
- 3.5 Except as amended by this Amendment No. 4, all provisions of the Master Agreement, including without limitation the indemnity and insurance provisions, shall remain in full force and effect and shall govern the actions of the parties under this Amendment.
- 3.6 This Amendment No. 4 shall be governed by the laws of the State of California. Venue shall be in Riverside County.
- 3.7 This Amendment No. 4 may be signed in counterparts, each of which shall constitute an original.

[Signatures on following page]

**SIGNATURE PAGE
TO
AGREEMENT NO. 16-31-066-04**

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the date first herein above written.

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

**T.Y. LIN
INTERNATIONAL**

By: _____
Anne Mayer, Executive Director

By: _____
Signature

Name

Title

APPROVED AS TO FORM:

Attest:

By: _____
Best Best & Krieger LLP
Counsel to the Riverside County
Transportation Commission

By: _____
Its: _____

* A corporation requires the signatures of two corporate officers.

One signature shall be that of the chairman of board, the president or any vice president and the second signature (on the attest line) shall be that of the secretary, any assistant secretary, the chief financial officer or any assistant treasurer of such corporation.

If the above persons are not the intended signators, evidence of signature authority shall be provided to the Commission.

Exhibit "A"
Amendment No. 4
Scope of Services

[attached behind this page]

SCOPE OF WORK

Preparation of Plans, Specifications and Estimates (PS&E)

For the

**Interstate 215 (I-215) / Placentia Avenue Interchange Improvements
Project**

Amendment #4

December 24, 2019

SECTION 1

DESCRIPTION OF PROJECT

1.1 PROJECT DESCRIPTION

1.1-1 Background

No change from original contract dated November 9, 2016.

1.1-2 Location and Limits

No change from original contract dated November 9, 2016.

1.1-3 Project Description

No change from original contract dated November 9, 2016.

1.2 REASONS FOR CONTRACT AMENDMENT

1.2-1 Finalize Design and Ready-to-List (RTL) Project

Additional effort required to complete the final design and RTL the project.

1.2-2 Construction Support Phase

Additional budget needed for Construction Support, due to additional project scope.

SECTION 2

Not used

SECTION 3

TASK BREAKDOWN OF WORK

3.2 TASK 5 – FINAL PS&E (100 PERCENT) SUBMITTAL

3.5-9 Final PS&E Updates

Additional budget is required to finish final design and RTL the project. This includes the following:

- A. Updates to Roadway Plans and Details, including:
 - Grading adjustments as a result of the revised Eastern Municipal Water District (EMWD) easement width, and the processing of a Supplemental Design Standard Decision Document (DSDD) for a nonstandard side slope.
 - Creation of details, placement and modifications to a new monument sign, as requested by the County of Riverside.
 - Updates to the PS&E based on comments provided by RCTC's Construction Management Firm.
 - Grading and Elevation updates based on ongoing drainage design revisions.
 - Processing of Non-Standard Special Provisions (NSSPs).
 - Processing of Utility Exception Memo for Southern California Edison (SCE).
 - Modifications to the special provisions and bid items as a result of the 10/18/19 Caltrans update to the Standard Plans and Specifications.
 - Preparation of Resident Engineer (RE) File.
- B. Updates to the Drainage Plans, Reports, and Details, including:
 - Caltrans request to analyze and revise proposed reinforced concrete box (RCB) to an open channel through State Right-of-Way.
 - Respond to comments from Caltrans, City of Perris, and Riverside County Flood Control and Water Conservation District (RCFC&WCD).
 - Additional details, quantity adjustments, calculations, and exhibits based on agency comments.
 - Details or calculations to prepare for the RE File.
- C. Updates to Landscape Plans, including:
 - Modifications to the special provisions and bid items as a result of the 10/18/19 Caltrans update to the Standard Plans and Specifications.
 - County Monument Sign renderings.
 - County Monument Sign lighting, including type and placement.
 - Additional details to prepare for the RE File.

D. Updates to Electrical Plans, including:

- Modifications to the special provisions and bid items as a result of the 10/18/19 Caltrans update to the Standard Plans and Specifications.
- Processing of revised NSSPs, due to the 10/18/19 Caltrans update to the Standard Plans and Specifications.

This amendment scope is based on acceptance of the overall drainage concept by Caltrans and RCFC&WCD. Any significant revisions to the drainage concept are not included.

3.5-10 Right of Way Updates

Additional budget is required to update legal descriptions based on the revised EMWD Easement, and new easements for RCFC&WCD. One new legal description, and adjustments to five previously prepared legal descriptions is anticipated. Includes potential updates to Land Net base map, Appraisal Map, and Record of Survey adjustments per Caltrans review.

3.5-11 County Drainage Analysis

CONSULTANT will prepare a drainage memo analyzing the existing conditions at the intersection of Placentia Avenue/Harvill Avenue, in response to Cathy Wampler/County of Riverside's September 18, 2019 email, items 7a-7f.

- a. Hydrology: TYLI will provide a hydrology map showing the existing tributary area and the existing Q10 and Q100 flows that reach the two existing corrugated metal pipe arches (CMPA) on the west side of Harvill Ave. This analysis will consider the tributary area as 'developed' using appropriate RCFCWCD hydrology parameters, which will assume the 20-acre Transportation site is fully developed.
- b. Ponding: Using the calculated Q10 and Q100 flow rates, the capacity of the CMPA's and the ponding depth of flow in Placentia Street west of Harvill Avenue will be determined.
- c. Breach: Assuming the shallow CMPA's do not have adequate capacity to carry the full tributary flow, then backwater and ponding on the west side of Harvill Avenue will be evaluated and it will be determined at what ponding depth the water will breach over the centerline of Harvill Avenue to the east side of Harvill Avenue. The amount of flow breaching the crest of Harvill Avenue will be determined for both the Q10 and Q100 storm events.
- d. Capacity: The proposed inlets and pipes on the east side of Harvill Avenue will be evaluated with this additional flow.
- e. Spread width: The spread width and standing depth of this water in the

street at the sump catch basins will be evaluated.

- f. Clogging considerations: In the event that the sump catch basins are blocked, the additional curb openings (parkway drains) will be evaluated as a secondary overflow. Any additional overflow conditions will be discussed.

This study will include the hydrologic analysis (HEC-HMS) tributary to two existing 49"x33" CMPA's located to the west of the intersection including flows from the Perris Valley Storm Drain (PVSD) Master Drainage Plan (MDP) for Laterals H-10.1 and H-10. The ultimate (build-out) condition hydrology will be assumed tributary to the pair of CMPAs for both the 10-year, 6-hour and 100-year, 6-hour storm events in accordance with the Riverside County Flood Control Hydrology Manual (1978). In both conditions, it is conservatively assumed that the MDP drainage infrastructure for Laterals H-10.1 and H-10 have not been constructed and that all flows will be conveyed on the surface to the two CMPAs that exist today. This assumption of surface flow will likely cause an increase in the conveyance time in the tributary and the flow rates in turn will likely be lower than the conservative MDP values.

Since it is assumed that the portion of Placentia Avenue west of Harvill Avenue will pond up and split flows between both CMPAs, it is only necessary to model one hydrologic concentration point at the sump. The split of the peak flow rates will be accounted for in the hydraulic calculations. A second concentration point will be modeled at the new proposed sump along Placentia Avenue (at approximately "P" Line Station 2+75) to represent the local drainage area that is added once flows overtop Harvill Avenue.

The roadway profile at the centerlines of both roads will be analyzed to determine the lowest breach elevations at each of the three sumps (one on each side of Placentia Avenue and one across the centerline of Harvill Avenue). Hydraulic calculations (i.e., HY-8, FHWA Inlet Charts) will be prepared at various stage elevations to determine the capacity of each CMPA prior to overtopping Harvill Avenue and draining towards the proposed curb inlets along the improved portion of Placentia Avenue. Additional inlet calculations will be performed at the two proposed curb inlets and the additional four parkway drains along Placentia Avenue east of the intersection to determine whether the proposed inlets have the capacity to intercept the overflows. Additionally, the hydraulic capacity of the proposed 36-inch RCP will be determined in StormCAD. The goal of these calculations is to determine the inundation elevations and limits in each condition.

It is assumed that the County of Riverside will regularly monitor and maintain both CMPAs after each storm event to remove the known sediment accumulation from offsite areas. Thus, a clogging factor would not be utilized in the analysis of the CMPAs.

Open-faced curb inlets in a sump condition do not typically utilize a clogging factor, as clogging factors are usually intended for grated inlets clogged by debris. However, for this analysis, in accordance with the County's request, TYLI will perform an additional 'clogged condition' and assume a percentage of the

curb inlet length is not utilized to extract the flow from the roadway.

Results from the hydrologic and hydraulic analysis will be summarized into a memorandum and will include the hydrologic and hydraulic conditions described above, as well as exhibits illustrating the inundation limits for each condition. This study will be completed utilizing existing available topographic and survey data. This scope assumes one revision to address minor comments.

Any design of improvements to address study results can be evaluated through a separate scope/contract amendment.

3.5-12 Environmental Permits and Revalidation

Environmental Revalidation

Caltrans is requiring a second Environmental Re-Evaluation (NEPA)/Re-Validation (CEQA) for the environmental certification approval process. Based on the example provided by Caltrans on August 20, 2019, the second Environmental Re-Evaluation (NEPA)/Re-Validation (CEQA) will include the "project processing to next major federal approval" box checked on the first page, any refinements to the scope of the project or the Environmental Commitments Record (ECR), and a copy of the Final ECR.

The second Environmental Re-Evaluation (NEPA)/Re-Validation (CEQA) will also include an updated project description to include the revised drainage design and an updated write-up including the revised impacts to jurisdictional waters.

Includes time to prepare a Draft and Final Environmental Re-Evaluation (NEPA)/Re-Validation (CEQA) with responses to one round of comments, and time to coordinate with RCTC and FHWA to obtain signatures.

Environmental Permits

A Section 401 (Clean Water Act) certification authorization from the Regional Water Quality Control Board (RWQCB) was received on September 9, 2019.

Due to drainage updates, and additional impacts to jurisdictional waters, the Section 401 certification application will be revised and resubmitted to RWQCB for re-authorization. Includes time to revise the certification application with responses to one round of comments on the draft certification application and time to coordinate with RWQCB to obtain a revised Section 401 certification authorization.

A Section 404 (CWA) permit authorization from the U.S Army Corps of Engineers (USACE) was received on September 25, 2019.

Due to drainage updates, and additional impacts to jurisdictional waters, the Section 404 permit application will be revised and resubmitted to USACE for re-authorization. Includes time to revise the permit application with responses to

one round of comments on the draft permit application and time to coordinate with USACE to obtain a revised Section 404 permit authorization.

3.5-13 Asbestos Testing in Bridges

As requested by Caltrans, we will conduct supplemental asbestos sampling of the bridge decks of the Placentia Avenue Overcrossing and Placentia Street Overhead (bridge numbers 56-0450 and 56-0763). The survey will be completed in general accordance with Federal, State and Local regulations, including but not limited to, the Asbestos Hazard Emergency Response Act (AHERA), South Coast Air Quality Management District (SCAQMD), and California Occupational Safety and Health Administration (Cal/OSHA) rules and regulations.

A Health and Safety Plan (HSP) will be prepared for this investigation, which will outline the safety protocols to be followed during the asbestos field sampling. Includes traffic control and safety services during the field investigation.

Testing of concrete on both of the above-referenced bridges will be done to determine the presence of asbestos. We will collect three bulk samples of suspect concrete from each of the two bridges for the determination of asbestos content, as necessary to satisfy all United States Environmental Protection Agency, Cal/OSHA and the South Coast Air Quality Management District requirements. Samples will be submitted to a NVLAP-accredited laboratory and analyzed by Polarized Light Microscopy. It is estimated that six (6) asbestos bulk samples shall be collected during the described investigation and testing.

A supplemental asbestos testing report will be prepared. The report will be appended to include laboratory analytical results, field sketches and other pertinent field documentation, and will be signed by a California Certified Asbestos Consultant and a California registered professional engineer or geologist.

Includes time to process an Encroachment Permit with Caltrans for this work.

3.5 TASK 7 – CONSTRUCTION SUPPORT PHASE

3.7-5 Respond to Inquiries/RFIs

Additional budget is anticipated to be needed to respond to inquiries and RFIs related to Landscaping during construction, including reviews of the County Monument Sign.

3.7-7 As-Builts

Additional budget is anticipated to be needed during construction for Landscaping Plans As-Built preparation and approvals from Caltrans.

Exhibit "B"
Amendment No. 4
Compensation

[attached behind this page]

EXHIBIT "B"
COMPENSATION SUMMARY¹

FIRM	PROJECT TASKS/ROLE	COST
<i>Prime Consultant:</i>		
TY Lin	Design and PS&E Preparation Services	\$ 251,636.00
<i>Sub Consultants:</i>		
David Evans and Associates, Inc.	Landscape Design Services	\$63,860.00
Leighton Consulting	Geotechnical Services	\$3,076.00
LIN Consulting, Inc. (LCI)	Traffic/Electrical Design Services	\$11,193.00
LSA Associates, Inc.	Environmental Services	\$24,767.00
Towill, Inc.	Surveying/ROW Services	30,856.00
SUBTOTAL		\$385,388.00
OTHER DIRECT COSTS		1,275.00
TOTAL COSTS		\$ 386,663.00

¹ Commission authorization pertains to total contract award amount. Compensation adjustments between consultants may occur; however, the maximum total compensation authorized may not be exceeded.

AGENDA ITEM 7M

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Bryce Johnston, Capital Projects Manager Marlin Feenstra, Project Delivery Director
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Amendment to Agreement for California Highway Patrol Construction Zone Enhancement Enforcement Program Services During the Construction of the State Route 60 Truck Lanes Project

WESTERN RIVERSIDE COUNTY PROGRAMS AND PROJECTS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Approve Agreement No. 19-31-038-01, Amendment No. 1 to Agreement No. 19-31-038-00, with the California Highway Patrol (CHP) for Construction Zone Enhanced Enforcement Program (COZEEP) services during the construction of the State Route 60 Truck Lanes project (Project) in the amount of \$350,000, plus a contingency amount of \$100,000, for an additional amount of \$450,000, and a total amount not to exceed \$1,490,070;
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreement on behalf of the Commission; and
- 3) Authorize the Executive Director, or designee, to approve contingency work as may be required for the agreement.

BACKGROUND INFORMATION:

At its January 2019 meeting, the Commission awarded the construction contract to Skanska USA Civil West (Skanska) for the Project located east of Moreno Valley from Gilman Springs Road to Jack Rabbit Trail (see Attachment 1 for vicinity map). This project will add an eastbound truck climbing lane and a westbound truck descending lane plus inside and outside standard shoulders along a 4.5-mile stretch of SR-60 and is designed to enhance safety and improve operations.

At its January 2019 meeting, the Commission also approved an agreement with CHP for COZEEP services needed during construction.

At this time, the construction of the project is about 20 percent complete and is on schedule.


CHP COZEEP SERVICES

The original authorization for COZEEP services was \$1,040,070. COZEEP expenditures to date have been higher than originally estimated due to additional COZEEP services associated with a significant incident that occurred at the beginning of Stage 2 construction, in which west bound traffic was reduced to one lane. The project team determined in the interest of safety to use COZEEP services 24 hours a day for the seven month duration of Stage 2.

When westbound traffic is restored to two lanes, the COZEEP support will be used in reduced frequency.

Staff reviewed expenditures to date and estimates the need for an additional \$350,000 in COZEEP services for monitoring traffic during the remaining construction of the Project plus \$100,000 contingency to cover potential extra work that may be required. As a result, the total amount not exceed authorization is \$1,490,070. The draft amendment is attached.

There are sufficient funds included in the FY 2020/21 budget for these additional expenditures related to the Project.

Financial Information					
In Fiscal Year Budget:	Yes N/A	Year:	FY 2019/20 FY 2020/21	Amount:	\$150,000 \$300,000
Source of Funds:	Congestion Mitigation Air Quality, State Transportation Improvement Program-Regional Improvement Program, State Highway Operations and Protection Program, and 2009 Measure A Western County Highway funds			Budget Adjustment:	No N/A
GL/Project Accounting No.:	003029 81304 00000 0000 262 31 81301				
Fiscal Procedures Approved:				Date:	02/24/2020

Attachments:

- 1) Vicinity Map
- 2) Agreement No. 19-31-038-01 with CHP for COZEEP Services

*Approved by the Western Riverside County Programs and Projects Committee on
February 24, 2020*

In Favor: 11 Abstain: 0 No: 0

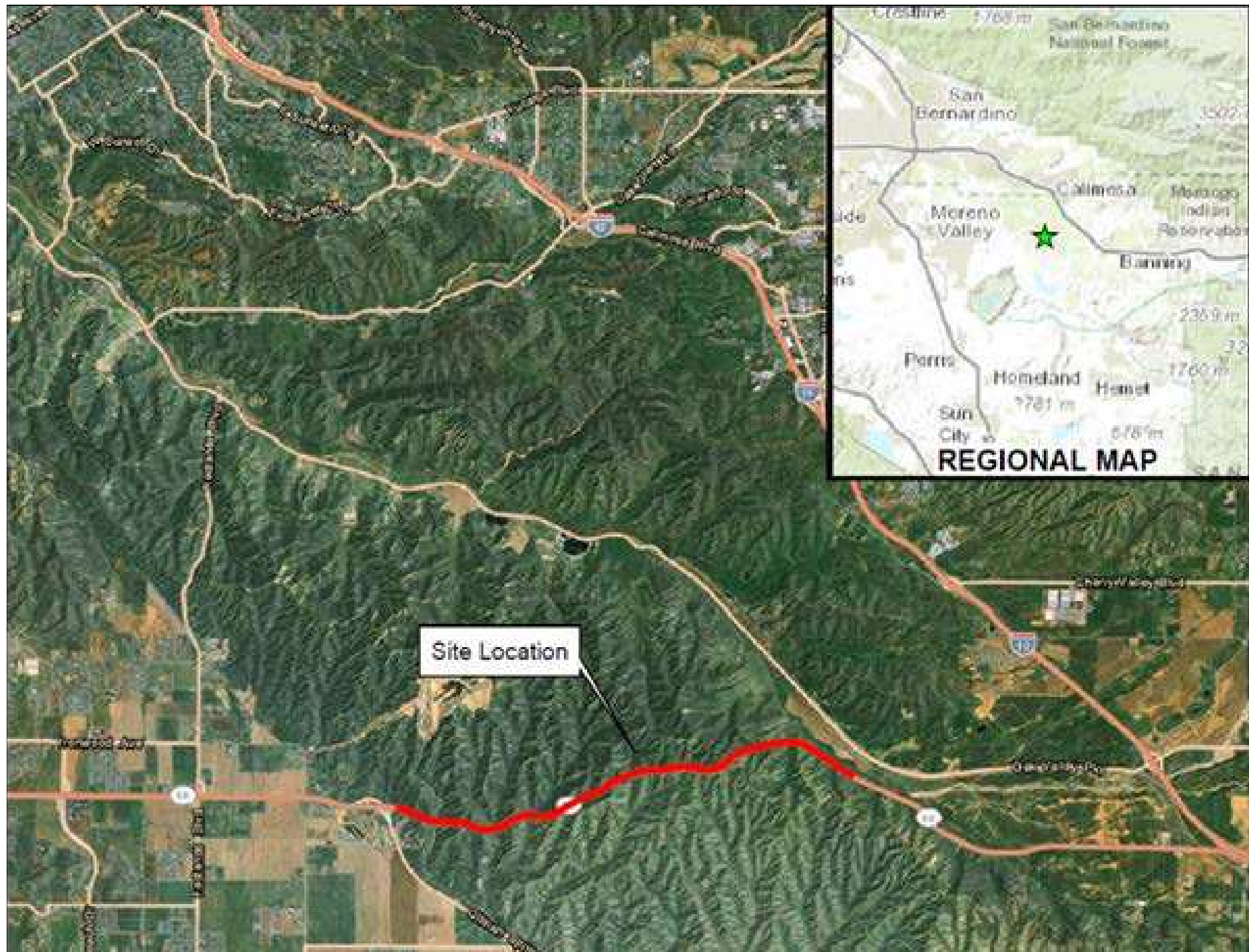


Figure 1: Project Location Map

STANDARD AGREEMENT AMENDMENT

STD. 213 A (Rev 6/03)

☐ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED _____ Pages

AGREEMENT NUMBER	AMENDMENT NUMBER
18R655000	1
REGISTRATION NUMBER	



- This Agreement is entered into between the State Agency and Contractor named below:
STATE AGENCY'S NAME
Department of California Highway Patrol
CONTRACTOR'S NAME
Riverside County Transportation Commission
- The term of this Agreement is March 1, 2019 through February 28, 2021
- The maximum amount of this Agreement after this amendment is: \$1,490,070.00
One Million Four Hundred Ninety Thousand Fifty dollars and Zero Cents
- The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

- Add funds in the amount (\$350,000.00) Three Hundred Fifty Thousand Dollars and Zero cents and \$100,000 One Hundred Thousand Dollar and Zero cents a contingency effective immediately

- Page1, Item 3 (Maximum Amount), is revised to read: The Maximum amount for this agreement is One Million Four Hundred Ninety Thousand Fifty dollars and Zero Cents (\$1,490,070.00). All references to Page 1, Item 3 (Maximum Amount), in the body of this agreement and in any Exhibits hereto shall be deemed to read One Million Four Hundred Ninety Thousand Fifty dollars and Zero Cents (\$1,490,070.00).

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		CALIFORNIA Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)		
Riverside County Transportation Commission		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Anne Mayer, Executive Director		
ADDRESS		
4080 Lemon Street, 3 rd Floor Annex Riverside, CA 92501		
STATE OF CALIFORNIA		
AGENCY NAME		<input type="checkbox"/> Exempt per:
Department of California Highway Patrol		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
		
PRINTED NAME AND TITLE OF PERSON SIGNING		
P. Silney, Assistant Chief, Administrative Services Division		
ADDRESS		
601 North 7 th Street, Sacramento, CA 945811		

AGENDA ITEM 8

COMMISSIONERS: PLEASE GIVE SPECIAL ATTENTION TO THE TWO BOLD *ITALICIZED* PARAGRAPHS AND ATTACHMENT 3 IN THIS AGENDA ITEM.

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Theresa Trevino, Chief Financial Officer Michele Cisneros, Deputy Director of Finance
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Refinancing of 91 Express Lanes Toll Debt

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Receive and file the presentation regarding the refinancing of the Commission's Toll Revenue Senior Lien Bonds, 2013 Series A (2013A Bonds) and 2013 Transportation Infrastructure Financing and Innovation Act (TIFIA) Loan (2013 TIFIA Loan) related to the State Route 91 Corridor Improvement Project (91 Project) with the issuance of taxable and tax-exempt senior lien and second lien toll revenue refunding bonds (2020 Refunding Toll Bonds);
- 2) Approve the refinancing plan to refund all or a portion of the 2013A Bonds, currently outstanding in the amount of \$123.8 million, and prepay all or a portion of the 2013 TIFIA Loan, currently outstanding in the amount of approximately \$481 million;
- 3) Adopt Resolution No. 20-001, *"Resolution Authorizing the Issuance and Sale of Not to Exceed \$725,000,000 Aggregate Principal Amount of Riverside County Transportation Commission Toll Revenue Refunding Bonds in One or More Series, the Refunding of Outstanding Bonds, the Execution and Delivery of One or More Supplemental Indentures, One or More Purchase Contracts, One or More Official Statements, One or More Continuing Disclosure Agreements and One or More Escrow Agreements, the Adoption of a Restated Debt Management Policy, and the Taking of All Other Actions Necessary in Connection Therewith"*;
- 4) Approve the proposed form of the Preliminary Official Statement for the issuance of not to exceed \$725 million in 2020 Refunding Toll Bonds and authorize the Executive Director to approve and execute the printing and distribution of the final form of the Official Statement;

- 5) Approve the proposed form of the Continuing Disclosure Agreement related to the 2020 Refunding Toll Bonds, by and between the Riverside County Transportation Commission and Digital Assurance Certification, L.L.C., as dissemination agent, and authorize the Executive Director to approve and execute the final form of the Continuing Disclosure Agreement;
- 6) Approve the proposed forms of the Third Supplemental Indenture and Fourth Supplemental Indenture for the 2020 Refunding Toll Bonds, each by and between the Riverside County Transportation Commission and U.S. Bank National Association (US Bank), as Trustee, and authorize the Executive Director to approve and execute the final forms of the Third Supplemental Indenture and Fourth Supplemental Indenture;
- 7) Approve the proposed form of the Bond Purchase Agreement(s), also referred to as Purchase Contract(s), between the Riverside County Transportation Commission and Bank of America Securities, Inc. (BofA), as Underwriter Representative acting on behalf of itself and Goldman, Sachs & Co. (Goldman), Wells Fargo Securities (Wells Fargo), J.P. Morgan (JPM), and Siebert Cisneros Shank & Co., LLC (Siebert), (collectively the Underwriters), for the 2020 Refunding Toll Bonds and authorize the Chief Financial Officer to approve and execute the final form of the Bond Purchase Agreement;
- 8) Approve the proposed form of the Escrow Agreement, by and between the Commission and US Bank, as Escrow Agent, and authorize the Executive Director to approve and execute the final Escrow Agreement;
- 9) Approve the estimated costs of issuance, including estimated underwriter's discount, of \$3,723,592 to be paid from the proceeds of the 2020 Refunding Toll Bonds;
- 10) Approve Agreement No. 05-19-510-17, Amendment No. 17 to Agreement No. 05-19-510-00, with Orrick, Herrington, & Sutcliffe LLP (Orrick) for bond counsel services related to the issuance of the 2020 Refunding Toll Bonds for an additional amount of \$325,000 and a total amount not to exceed \$3,330,000;
- 11) Approve Agreement No. 09-19-072-15, Amendment No. 15 to Agreement No. 09-19-072-00, with Norton Rose Fulbright US LLP (Norton Rose) for disclosure counsel services related to the issuance of the 2020 Refunding Toll Bonds for an additional amount of \$155,000 and a total amount not to exceed \$1,022,600; and
- 12) Approve adjustments to the Fiscal Year 2019/20 budget in the amounts of \$665,392,399 to increase sources related to the issuance of the 2020 Refunding Toll Bonds and \$631,270,196 to increase uses related to the use of the proceeds of the 2020 Refunding Toll Bonds.

BACKGROUND INFORMATION:

As stewards of the Commission's local, state, and federal resources, staff is always seeking opportunities to advance more transportation projects in Riverside County (County) for the benefit of the traveling public and to get people working in the County and contributing to the local economy. During 2019 staff and financial team consultants retained by the Commission explored various ideas and identified possible financing alternatives to advance important projects. One concept related to the strong financial results from the RCTC 91 Express Lanes since its opening in March 2017 and availability of surplus toll revenues.

The Commission issued the 91 Express Lanes toll revenue debt in July 2013, including the execution of the 2013 TIFIA Loan, to partially finance the 91 Project in Corona. Net toll revenues, including certain pledged reserve funds, represent the security for the toll revenue debt under the Master Indenture, First Supplemental Indenture, and Second Supplemental Indenture (collectively, Master Indenture). The original amounts of the toll revenue debt and the amounts outstanding as of January 31, 2020, are summarized in the following table:

Toll Revenue Bonds	Original Amount	Outstanding at January 31, 2020
Senior Lien Bonds:		
2013 Series A Bonds (Current Interest Bonds)	\$ 123,825,000	\$ 123,825,000
2013 Series B Bonds (Capital Appreciation Bonds)	52,829,602	80,604,924
Subordinate Lien Bonds:		
2013 TIFIA Loan	421,054,409	480,855,269
Total	\$ 597,709,011	\$ 685,285,193

The outstanding amounts for the Commission's Toll Revenue Senior Lien Bonds, 2013 Series B (2013B Bonds) and the 2013 TIFIA Loan reflect the addition of compounded (or accreted) interest¹.

In addition to requirements for TIFIA approvals, reporting and administration, the 2013 TIFIA Loan agreement requires the Commission to use 50 percent of any surplus toll revenues to prepay the 2013 TIFIA Loan starting in June 2022. This "revenue sharing" with TIFIA may reduce the Commission's ability to use surplus toll revenues to fund additional SR-91 corridor projects. The 2013 TIFIA Loan agreement also imposes other conditions and restrictions on the Commission related to the financing and operation of the RCTC 91 Express Lanes.

At its July 2019 meeting, the Commission authorized staff to continue to develop a plan of finance for the 2019-2029 Western County Highway Delivery Plan (Delivery Plan) eligible projects that includes, but is not limited to, the issuance of RCTC 91 Express Lanes surplus toll revenue bonds. In connection with that effort, staff in consultation with Fieldman, as the Commission's municipal advisor, evaluated refinancing opportunities related to the 91 Express Lanes toll revenue debt as a result of current low interest rates and favorable market conditions and investor demand.

PROPOSED REFINANCING PLAN

Based on a review of various financing alternatives and consideration of the current low interest rate environment and strong current investor demand for quality taxable and tax-exempt bonds,

¹ In the case of the 2013B Bonds, the maturity value of the bonds includes the accreted interest since there are no current interest payment requirements with respect to those obligations. For the 2013 TIFIA Loan, interest payments are deferred until December 2021; therefore, the compounded interest is added to the principal balance.

staff and the financial team developed a refinancing plan that accomplishes several significant objectives of importance to the Commission:

- Achieves debt service savings;
- Refinances 2013 TIFIA Loan with toll revenue bonds—resulting in increased flexibility and ability, to the extent there are available surplus toll revenues, to fund and accelerate SR-91 corridor projects included in the Delivery Plan, such as:
 - 15/91 Express Lanes Connector,
 - 91 Corridor Operations Project, and
 - 71/91 Interchange Project;
- Eliminates 2013 TIFIA Loan covenants and administrative burden; and
- Puts RCTC in greater control over the operation of the SR-91 corridor in Riverside County.

The Commission has recent successful experience with refundings of sales tax revenue bonds. In October 2016 and April 2018, the Commission refunded synthetic fixed-rate debt with proceeds from fixed rate debt. In December 2017 prior to enactment of federal tax reform legislation, the Commission advance refunded fixed rate bonds prior to their call date on a tax-exempt basis to achieve significant debt service savings; proceeds from such issuance were placed into an escrow account to pay debt service as refunded bonds mature through their call date. Each transaction was a sound financial move for the Commission, and staff anticipates similar results with this proposed refinancing.

The proposed refinancing plan consists of the advance refunding of the outstanding 2013 Series A Toll Revenue Bonds with fixed rate taxable bonds and the current prepayment of the 2013 TIFIA Loan with fixed rate tax-exempt bonds. Since a refunding of the outstanding 2013B Bonds is not economically feasible at this time, those bonds will remain outstanding. The proposed refinancing of the 91 Express Lanes toll revenue debt does not preclude future issuances of toll revenue bonds to fund eligible projects.

The proposed 2020 Refunding Toll Bonds are fixed rate bonds issued as both senior and second lien bonds with maturities currently projected through June 2048, which is three years earlier than the final maturity of the 2013 TIFIA Loan. A senior lien taxable series of the 2020 Refunding Toll Bonds will advance refund the tax-exempt 2013A Bonds; a senior lien and second lien tax-exempt series of the 2020 Refunding Toll Bonds will prepay on a current basis the 2013 TIFIA Loan. The issuance of refunding bonds such as sales tax revenue bonds is generally not considered a complex transaction requiring significant financial development and modeling. However, this toll revenue bond refinancing requires additional modeling for the following reasons:

- Provide earlier access to potential surplus toll revenues;
- Preserve the Commission's current debt ratings of A-/BBB (S&P Global Ratings/Fitch Ratings) on the 91 Express Lanes toll revenue bonds; and
- Maintain conservative debt service coverage levels.

The financial team prepared a cash flow analysis (Attachment 1B) comparing the projected debt service on the existing outstanding toll revenue bonds, including the 2013 TIFIA Loan, and the issuance of the 2020 Refunding Toll Bonds. While actual results will vary depending on the specific market conditions at the bond sale date, the projected refinancing results shown in the analysis are:

- An aggregate net present value savings of approximately \$35 million;
- An aggregate net present value savings of 5.7 percent of the refunded debt.

The projected net present value savings percentage of this refunding meets the debt management policy threshold of 3 percent of the par value of the refunded bonds.

Further, the refinancing provides the ability to amend provisions in the Master Indenture to provide the Commission with greater future flexibility, including but not limited to the following:

- Provide greater flexibility to manage major repair and rehabilitation expenditures;
- Remove the cap in permitted expenditures of the Capital Expenditures Fund and expand the definition of permitted expenditures to include SR-91 corridor projects; and
- Other changes in definitions and certain terms.

Such amendments require the consent of at least a majority of bondholders of the outstanding bonds following the issuance of the 2020 Refunding Toll Bonds. By their purchase of the 2020 Refunding Toll Bonds, the holders of the 2020 Refunding Toll Bonds representing more than a majority will have consented to the amendments.

Staff recommends approval of the proposed refinancing plan to refund the 2013A bonds and prepay the 2013 TIFIA Loan.

Refinancing Documents

Draft documents for the issuance of the 2020 Refunding Toll Bonds were submitted to the rating agencies to obtain updated long-term debt ratings on the Commission's 91 Express Lanes toll revenue debt prior to the March Commission meeting. The proposed documents for this transaction will continue to be reviewed and revised for any matters that arise as a result of Commissioner input, rating agency reviews, and other matters. The preliminary official statement is expected to be posted within a few days of Commission approval, and the sale of bonds is currently scheduled for the week of March 30. Closing of this financing transaction is expected on April 23.

The drafts of the documents for the proposed 2020 Refunding Toll Bonds attached for the Commission's adoption or approval consist of the following:

- Resolution No. 20-001 (draft) authorizing the issuance and sale of not to exceed \$725 million aggregate principal amount of Riverside County Transportation Commission Toll Revenue Refunding Bonds in one or more series; the refunding of outstanding bonds; the execution and delivery of one or more supplemental indentures, one or more purchase contracts, one or more official statements, one or more continuing disclosure agreements and one or more escrow agreements; the adoption of a restated debt management policy; and the taking of all other actions necessary in connection with this transaction (Attachment 2);
- Preliminary Official Statement (draft) for the 2020 Refunding Toll Bonds (Attachment 3);
- Continuing Disclosure Agreement (draft) between the Commission and the dissemination agent for the 2020 Refunding Toll Bonds (Attachment 4);
- Third Supplemental Indenture (draft) between the Commission and the trustee regarding the terms and conditions of the issuance of the senior lien 2020 Refunding Toll Bonds, including amendments to the Master Indenture (Attachment 5);
- Fourth Supplemental Indenture (draft) between the Commission and the trustee regarding the terms and conditions of the issuance of the second lien 2020 Refunding Toll Bonds (Attachment 6);
- Bond Purchase Agreement (draft) between the Commission and BofA on behalf of the Underwriters regarding the purchase of the 2020 Refunding Toll Bonds (Attachment 7); and
- Escrow Agreement (draft) between the Commission and US Bank, as the escrow agent for the refunded bonds (Attachment 8).

Additionally, in connection with the proposed refinancing plan, staff reviewed the debt management policy adopted in September 2016. To reflect best practices and comply with recent state law changes, staff prepared a draft restatement of the debt management policy.

Staff recommends adoption of Resolution No. 20-001, including the restated debt management policy; approval of the proposed form of the Official Statement, Continuing Disclosure Agreement, Third Supplemental Indenture, Fourth Supplemental Indenture, Bond Purchase Agreement, and Escrow Agreement; and authorization for the Executive Director to approve and execute the final forms of such documents.

As part of the action to authorize the issuance of the 2020 Refunding Toll Bonds, the Commission will approve the form of the Preliminary Official Statement and authorize its distribution in connection with the sale of the refunding bonds, as well as the preparation of a final Official Statement once the bonds have been priced. These offering documents are required under state and federal securities laws regulating the offer and sale of securities – such as the 2020 Refunding Toll Bonds – and requiring all matters that would be material to an investor in the bonds to have been adequately disclosed with no omission of material facts. Furthermore, under rules of the Securities and Exchange Commission, the underwriters cannot purchase the bonds unless they have received a substantially final offering document, which discloses all material information that they reasonably believe to be true and correct.

The Commissioners serving on the Board as the governing body of the issuer of the 2020 Refunding Toll Bonds are expected to read and be familiar with the information described in the draft Preliminary Official Statement included with this staff report. The Commissioners may employ the services of experts to take the lead in the drafting and review of the Official Statement and to provide financial projections included in the Official Statement; however, the Commissioners have the duty to review the information and bring to the attention of those responsible for the preparation of the offering document any material misstatements or omissions in the draft and to ask questions if they are unclear about the information or their role. Some members of the financing team will be available at the Commission meeting to respond to the identification of any misstatements or omissions or to such questions.

Refinancing Schedule

Staff and Fieldman have developed a base case financing schedule that calls for the refunding bonds to be priced at the end of March and for the transaction to close in late April. That schedule is driven in large part because of the exceedingly attractive rates and market environment for issuers, one of the most attractive markets ever in the municipal bond market. Two main factors contribute to the current strong market for issuers – historically low nominal interest rates and a sustained and record amount of cash inflows to municipal bond funds. The Commission’s largest investors have so much cash coming into their funds every week that they are willing to accept very low yields to keep their money invested. Additionally, many issuers are refunding bonds, so these funds have even more reason to reinvest, and are using taxable rather than tax-exempt refunding bonds. Accordingly, the amount of tax-exempt bond supply is being limited.

At the Commission’s January workshop, staff was asked about the possibility of delaying the pricing. There are a number of factors to consider. First, staff realizes an attractive market and low rates exist now, but there is no way to predict whether rates will be higher or lower if the refunding is delayed. The Commission’s 2013 TIFIA Loan accretes to a higher outstanding amount daily, which makes it more expensive to repay. On the other hand, as each day elapses the Commission gets closer to the June 1, 2023, call date for the Series 2013A bonds – making them slightly cheaper to refund. These factors will tend to offset each other, and the decision to delay is one of whether the Commission has conviction that interest rates and municipal market conditions will be better in the summer or fall than they are now.

It is important to understand that current interest rates already reflect the market’s expectation of future events. The market’s expectation of potential Federal Reserve rate cuts, slower economic growth due to the Coronavirus, and similar future events are already reflected in bond yields and prices. If the Commission wants to take advantage of this market, and has a transaction that meets its objectives, staff is prepared to move forward on the current schedule. If the Commission has a conviction that market conditions will be better in the summer or fall, staff can adjust the schedule and delay the transaction.

Financing Team

Development of the proposed refinancing plan required various professional services and investment banking firms.

In December 2019, the Commission approved a pool of five investment banking firms to provide underwriting services to the Commission in connection with long-term debt financings. Finance staff, in consultation with Fieldman, selected BofA (bookrunner) and Goldman, as senior managers, and Wells, JPM, and Siebert, as co-managers, from this pool of qualified underwriters to participate in the negotiated debt sale process. BofA and Goldman served as senior managing underwriters in prior Commission financings and refundings. The other three firms (Wells, JPM, and Siebert) will serve as co-managers due to the size of the proposed transaction, as a larger group of underwriters yields additional benefits to the Commission in terms of selling the bonds.

The estimated costs of issuance, including the underwriters' discount, are summarized in the table below:

Role/Purpose	Firm	Amount
Professional Services:		
Bond counsel	Orrick	\$ 325,000
Disclosure counsel	Norton Rose	155,000
General counsel	Best Best & Krieger LLP	40,000
Municipal advisor	Fieldman	100,000
Trustee/Escrow agent	US Bank	13,500
Rating agencies	S&P Global Ratings, Fitch Ratings	280,000
Dissemination agent	Digital Assurance Certification	2,500
Escrow verification agent	Causey, Demgen & Moore	1,950
Publication and printing	ImageMaster	5,000
Miscellaneous/Contingency	Various	80,609
Subtotal—Professional Fees		1,003,559
Underwriter's discount	BofA (bookrunner) and Goldman, as senior managers; Wells Fargo, JPM, and Siebert, as co-managers	2,720,033
Total Estimated Costs of Issuance		\$ 3,723,592

The estimated costs of issuance include a contingency of \$80,609 for any miscellaneous costs related to financial and legal services, financial analysis, and other financing process matters.

In the following section, the estimated costs of issuance are disclosed as "Finance charge of the bonds" in accordance with state law. As the refinancing transaction and related process become more certain, the estimated costs used in the BofA analysis and the fee estimates will continue to be reconciled and adjusted as necessary in subsequent financial modeling iterations. Staff updated the financial model for the estimated costs as well as current interest rates prior to the March Commission meeting.

The total estimated costs of issuance represent approximately 0.56 percent of estimated bond proceeds of \$665 million. This is below the Commission's debt management policy threshold of 2 percent.

Staff recommends approval of the estimated costs of issuance of \$3,723,592 for the 2020 Refunding Toll Bonds, as well as the execution of related agreements or amendments to agreements as the issuance of refunding bonds was not anticipated in the FY 2019/20 budget and/or there is not sufficient capacity in existing agreements for the additional fees.

Required State Disclosures

For bonds with a term greater than 13 months, California Government Code (Code) Section 5852.1 requires the governing body to obtain and disclose certain information in a public meeting. The information needs to come from a good faith estimate from an underwriter, municipal advisor or private lender. The information required by Code Section 5852.1 is disclosed below and can be found in a good faith estimate summary (Attachment 1A) provided by Fieldman, the Commission's municipal advisor, and the cash flow analysis prepared by BofA on behalf of the Underwriters (Attachment 1B). The good faith estimate and cash flow analysis assume the 2020 Refunding Toll Bonds are sold at an estimated \$625.4 million principal amount of bonds issued (at par) based on market interest rates prevailing at the time of preparation of this information and an anticipated original issuance premium of \$39,967,399.

Required Information	Amount	BofA Analysis Page
True interest cost of the bonds	3.27%	2
Finance charge of the bonds (sum of all fees and charges paid to third parties)	\$3,723,592	1
Amount of bond proceeds received by Commission less the finance charge and any reserves or capitalized interest, excluding release of debt service reserve funds	\$605,197,731	1
Total payment amount (sum of all debt service payments through the final maturity plus any amount of the finance charge not paid from proceeds of the bonds)	\$1,075,426,226	15

Extension of Commercial Paper Program Letter of Credit

Since 2005, the Commission maintains a commercial paper program, currently authorized at \$60 million, to advance 2009 Measure A capital projects. The Commission has retired prior issuances of commercial paper notes with the proceeds of sales tax revenue bonds; however, commercial paper notes can be retired with other available funds. The credit and liquidity support for the commercial paper notes is an irrevocable direct pay letter of credit and reimbursement agreement with State Street Bank and Trust Company (State Street Bank), which expires in October 2020. Staff determined there is a continued need for the letter of credit and reimbursement agreement with State Street Bank, as it is an available tool to advance 2009 Measure A projects and retire commercial paper notes issued for such purposes with surplus toll revenues and/or other available state and federal funds.

Accordingly, staff contacted State Street Bank regarding an extension of the letter of credit and reimbursement agreement. The bank submitted a proposal for a five-year extension with no change in fees. Prior resolutions adopted by the Commission provided for the Executive Director to take necessary actions related to commercial paper agreements. Resolution No. 20-001 includes the ratification, confirmation, and extension of this prior authorization relating to the extension of commercial paper program's letter of credit and reimbursement agreement for a five-year term expiring in October 2025.

Fiscal Impact

Staff recommends adjustments to the FY 2019/20 budget in the amounts of \$665,392,399 to increase sources related to the issuance of the bonds and \$631,270,196 to increase uses related to the use of the bond proceeds, except for the funding of capitalized interest and debt service reserves, as this transaction was not included in the FY 2019/20 budget.

Financial Information					
In Fiscal Year Budget:	No	Year:	FY 2019/20	Amount:	\$665,392,399 (proceeds) \$627,546,604 (debt service) \$3,723,592 (issuance costs)
Source of Funds:	Toll revenue refunding bonds			Budget Adjustment:	Yes
GL/Project Accounting No.:	591-31-59101 \$625,425,000 (refunding bond proceeds) 591-31-59103 \$39,967,399 (premium from bond proceeds) 591-31-96101 \$142,975,019 (payment to escrow agent for refunded bonds) 591-31-9XXXX \$484,571,585 (prepayment of 2013 TIFIA Loan) 591-31-96103 \$2,720,033 (costs of issuance related to underwriter's discount) 591-31-65XXX \$1,003,559 (costs of issuance related to professional services)				
				Date:	02/18/2020

Attachments: Posted on Commission Website

- 1) 2020 Refinancing Sources and Uses of Funds Analysis as of February 19, 2020
- 2) Resolution No. 20-001 (draft), including Restated Debt Management Policy
- 3) Official Statement (draft)
- 4) Continuing Disclosure Agreement (draft)
- 5) Third Supplemental Indenture (draft)
- 6) Fourth Supplemental Indenture (draft)
- 7) Bond Purchase Agreement (draft)
- 8) Escrow Agreement (draft)
- 9) Orrick Agreement No. 05-19-510-17 (draft)
- 10) Norton Rose Agreement No. 09-19-072-15 (draft)

Approved by the Budget and Implementation Committee on February 24, 2020

In Favor: 9 Abstain: 1 No: 0

**Riverside County Transportation Commission
2020 Refunding Toll Bonds**

SB 450 Summary / Government Code 5852.1*

A. True Interest Cost (TIC) of the Bonds	3.27% ¹
B. Sum of all fees and charges paid to 3rd parties	\$3,723,592 ²
C. Bond Proceeds Net of Reserves, Capitalized Interest and 3rd Party Fees and Charges	\$605,197,731
Net proceeds	665,392,399 ¹
Less Reserve Fund	(42,197,532) ¹
Less Sum of all fees and charges paid to 3rd parties	(3,723,592) ¹
Less Capitalized Interest	(14,273,544) ¹
D. Total Payment Amount	\$1,075,426,226
Total Principal and Interest to Maturity	1,075,426,226 ¹

*Summary reflects good faith estimates as of 2/25/2020 and all costs associated with the financing; subject to change based on interest rates, market conditions, and other factors. Estimates do not impose any limitations or constraints upon authorized parameters, which differ from the estimates above

Sources:

¹ Preliminary Cash Flows (Sources and Uses) as of 2/19/2020

² Costs of Issuance, including underwriters' discount

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91 Express Lanes Series 2020
Rates as of February 19, 2020

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SOURCES AND USES OF FUNDS

Riverside County Transportation Commission
91 Express Lanes Series 2020
Rates as of February 19, 2020

Sources:	Taxable Advance Refunding of Series 2013A	Tax-Exempt Senior Current Refunding of TIFIA Loan	Tax-Exempt Subordinate Current Refunding of TIFIA Loan	Total
Bond Proceeds:				
Par Amount	156,580,000.00	357,245,000.00	111,600,000.00	625,425,000.00
Net Premium/OID	-	29,274,205.75	10,693,193.05	39,967,398.80
	<u>156,580,000.00</u>	<u>386,519,205.75</u>	<u>122,293,193.05</u>	<u>665,392,398.80</u>
Income:				
DSRF Release	-	19,975,563.79	-	19,975,563.79
Other Sources of Funds:				
Funds on Hand	2,373,310.00	-	-	2,373,310.00
	<u>158,953,310.00</u>	<u>406,494,769.54</u>	<u>122,293,193.05</u>	<u>687,741,272.59</u>

Uses:	Taxable Advance Refunding of Series 2013A	Tax-Exempt Senior Current Refunding of TIFIA Loan	Tax-Exempt Subordinate Current Refunding of TIFIA Loan	Total
Refunding Escrow Deposits:				
Cash Deposit	0.34	373,506,513.00	111,065,072.00	484,571,585.34
SLGS Purchases	<u>142,975,019.00</u>	-	-	<u>142,975,019.00</u>
	142,975,019.34	373,506,513.00	111,065,072.00	627,546,604.34
Other Fund Deposits:				
Capitalized Interest Fund	14,273,544.09	-	-	14,273,544.09
Debt Service Reserve Fund	<u>772,334.82</u>	<u>30,867,117.31</u>	<u>10,558,079.58</u>	<u>42,197,531.71</u>
	15,045,878.91	30,867,117.31	10,558,079.58	56,471,075.80
Delivery Date Expenses:				
Cost of Issuance	250,357.76	571,203.58	178,438.66	1,000,000.00
Underwriter's Discount	<u>681,123.00</u>	<u>1,554,015.75</u>	<u>484,894.50</u>	<u>2,720,033.25</u>
	931,480.76	2,125,219.33	663,333.16	3,720,033.25
Other Uses of Funds:				
Additional Proceeds	930.99	-4,080.10	6,708.31	3,559.20
	<u>158,953,310.00</u>	<u>406,494,769.54</u>	<u>122,293,193.05</u>	<u>687,741,272.59</u>

SUMMARY OF REFUNDING RESULTS

Riverside County Transportation Commission
91 Express Lanes Series 2020
Rates as of February 19, 2020

Dated Date	04/23/2020
Delivery Date	04/23/2020
Arbitrage yield	2.997283%
Escrow yield	1.392536%
Value of Negative Arbitrage	6,309,869.14
Bond Par Amount	625,425,000.00
True Interest Cost	3.273379%
Net Interest Cost	3.399796%
Average Coupon	3.706598%
Average Life	19.412
Par amount of refunded bonds	608,396,585.00
Average coupon of refunded bonds	3.877512%
Average life of refunded bonds	30.167
PV of prior debt to 04/23/2020 @ 3.000000%	718,914,465.72
Net PV Savings	35,065,499.14
Percentage savings of refunded bonds	5.763592%
Percentage savings of refunding bonds	5.606667%

SUMMARY OF BONDS REFUNDED

Riverside County Transportation Commission
91 Express Lanes Series 2020
Rates as of February 19, 2020

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2013A, 2013A, SERIAL:					
	06/01/2044	5.750%	39,315,000.00	06/01/2023	100.000
Series 2013A, 2013A, TERM48:					
	06/01/2047	5.750%	42,255,000.00	06/01/2023	100.000
	06/01/2048	5.750%	42,255,000.00	06/01/2023	100.000
			84,510,000.00		
SR-91 TIIFA Loan RF, TIFIARF, BOND:					
	06/01/2051	3.470%	484,571,585.00	04/23/2020	100.000
			608,396,585.00		

SAVINGS

Riverside County Transportation Commission 91 Express Lanes Series 2020 Rates as of February 19, 2020

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Refunding Adjustments	Refunding Receipts	Refunding Net Cash Flow	Savings	Present Value to 04/23/2020 @ 3.0000000%
06/01/2020	3,559,968.75	2,373,310.00	1,186,658.75	2,421,432.15	-26,544,180.00	-	-24,122,747.85	25,309,406.60	25,305,833.63
06/01/2021	7,119,937.50	-	7,119,937.50	22,939,883.50	-	-	22,939,883.50	-15,819,946.00	-15,422,433.76
06/01/2022	16,644,977.50	-	16,644,977.50	22,939,883.50	-	4,601,285.33	18,338,598.17	-1,693,620.67	-1,608,120.01
06/01/2023	17,457,997.50	-	17,457,997.50	22,939,883.50	-	3,948,167.88	18,991,715.62	-1,533,718.12	-1,418,534.26
06/01/2024	18,357,727.50	-	18,357,727.50	22,939,883.50	-	3,426,073.88	19,513,809.62	-1,156,082.12	-1,043,693.86
06/01/2025	29,712,587.50	-	29,712,587.50	22,939,883.50	-	2,668,602.20	20,271,281.30	9,441,306.20	8,150,467.96
06/01/2026	34,533,267.50	-	34,533,267.50	26,564,883.50	-	-	26,564,883.50	7,968,384.00	6,719,316.39
06/01/2027	34,083,267.50	-	34,083,267.50	25,362,583.50	-	-	25,362,583.50	8,720,684.00	7,129,308.29
06/01/2028	33,720,227.50	-	33,720,227.50	24,159,833.50	-	-	24,159,833.50	9,560,394.00	7,578,687.86
06/01/2029	35,983,767.50	-	35,983,767.50	22,605,833.50	-	-	22,605,833.50	13,377,934.00	10,268,640.24
06/01/2030	32,905,457.50	-	32,905,457.50	37,840,833.50	-	-	37,840,833.50	-4,935,376.00	-3,593,411.19
06/01/2031	32,199,047.50	-	32,199,047.50	37,649,642.50	-	-	37,649,642.50	-5,450,595.00	-3,859,172.71
06/01/2032	48,097,247.50	-	48,097,247.50	37,249,526.50	-	-	37,249,526.50	10,847,721.00	7,705,944.16
06/01/2033	50,478,617.50	-	50,478,617.50	36,804,086.50	-	-	36,804,086.50	13,674,531.00	9,401,881.50
06/01/2034	60,083,987.50	-	60,083,987.50	46,248,037.50	-	-	46,248,037.50	13,835,950.00	9,246,148.38
06/01/2035	69,358,347.50	-	69,358,347.50	58,661,953.50	-	-	58,661,953.50	10,696,394.00	6,999,993.40
06/01/2036	72,715,217.50	-	72,715,217.50	59,983,820.00	-	-	59,983,820.00	12,731,397.50	8,082,009.06
06/01/2037	75,515,907.50	-	75,515,907.50	61,335,020.00	-	-	61,335,020.00	14,180,887.50	8,738,817.47
06/01/2038	77,976,757.50	-	77,976,757.50	62,715,620.00	-	-	62,715,620.00	15,261,137.50	9,138,392.61
06/01/2039	79,931,647.50	-	79,931,647.50	64,128,420.00	-	-	64,128,420.00	15,803,227.50	9,205,848.47
06/01/2040	16,434,927.50	-	16,434,927.50	65,574,170.00	-	-	65,574,170.00	-49,139,242.50	-26,945,383.81
06/01/2041	7,119,937.50	-	7,119,937.50	43,345,670.00	-	-	43,345,670.00	-36,225,732.50	-19,334,713.40
06/01/2042	7,119,937.50	-	7,119,937.50	36,247,070.00	-	-	36,247,070.00	-29,127,132.50	-15,086,911.93
06/01/2043	7,119,937.50	-	7,119,937.50	35,894,070.00	-	-	35,894,070.00	-28,774,132.50	-14,462,723.41
06/01/2044	46,434,937.50	-	46,434,937.50	71,696,070.00	-	-	71,696,070.00	-25,261,132.50	-12,320,534.46
06/01/2045	4,859,325.00	-	4,859,325.00	73,315,670.00	-	41,425,196.89	31,890,473.11	-27,031,148.11	-12,795,956.49
06/01/2046	4,859,325.00	-	4,859,325.00	10,811,670.00	-	-	10,811,670.00	-5,952,345.00	-2,722,944.03
06/01/2047	47,114,325.00	-	47,114,325.00	737,946.00	-	-	737,946.00	46,376,379.00	20,704,028.99
06/01/2048	44,684,662.50	-	44,684,662.50	19,372,946.00	-	772,334.82	18,600,611.18	26,084,051.32	11,301,154.86
	1,016,183,276.25	2,373,310.00	1,013,809,966.25	1,075,426,225.65	-26,544,180.00	56,841,661.00	992,040,384.65	21,769,581.60	35,061,939.93

Savings Summary

PV of savings from cash flow	35,061,939.93
Plus: Refunding funds on hand	3,559.20
Net PV Savings	35,065,499.13

SAVINGS

Riverside County Transportation Commission
Taxable Advance Refunding of Series 2013A
Rates as of February 19, 2020

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Refunding Receipts	Refunding Net Cash Flow	Savings	Present Value to 04/23/2020 @ 3.0000000%
06/01/2020	3,559,968.75	2,373,310.00	1,186,658.75	568,066.59	-	568,066.59	618,592.16	609,202.92
06/01/2021	7,119,937.50	-	7,119,937.50	5,381,683.50	-	5,381,683.50	1,738,254.00	1,694,576.40
06/01/2022	7,119,937.50	-	7,119,937.50	5,381,683.50	4,601,285.33	780,398.17	6,339,539.33	5,993,436.27
06/01/2023	7,119,937.50	-	7,119,937.50	5,381,683.50	3,948,167.88	1,433,515.62	5,686,421.88	5,213,238.89
06/01/2024	7,119,937.50	-	7,119,937.50	5,381,683.50	3,426,073.88	1,955,609.62	5,164,327.88	4,591,347.18
06/01/2025	7,119,937.50	-	7,119,937.50	5,381,683.50	2,668,602.20	2,713,081.30	4,406,856.20	3,796,525.23
06/01/2026	7,119,937.50	-	7,119,937.50	7,606,683.50	-	7,606,683.50	-486,746.00	-394,960.95
06/01/2027	7,119,937.50	-	7,119,937.50	5,319,383.50	-	5,319,383.50	1,800,554.00	1,468,120.02
06/01/2028	7,119,937.50	-	7,119,937.50	5,319,383.50	-	5,319,383.50	1,800,554.00	1,425,047.94
06/01/2029	7,119,937.50	-	7,119,937.50	5,319,383.50	-	5,319,383.50	1,800,554.00	1,383,239.53
06/01/2030	7,119,937.50	-	7,119,937.50	20,554,383.50	-	20,554,383.50	-13,434,446.00	-9,933,381.06
06/01/2031	7,119,937.50	-	7,119,937.50	20,363,192.50	-	20,363,192.50	-13,243,255.00	-9,502,084.53
06/01/2032	7,119,937.50	-	7,119,937.50	19,963,076.50	-	19,963,076.50	-12,843,139.00	-8,941,726.29
06/01/2033	7,119,937.50	-	7,119,937.50	19,387,636.50	-	19,387,636.50	-12,267,699.00	-8,287,316.36
06/01/2034	7,119,937.50	-	7,119,937.50	28,580,487.50	-	28,580,487.50	-21,460,550.00	-14,081,619.36
06/01/2035	7,119,937.50	-	7,119,937.50	41,394,803.50	-	41,394,803.50	-34,274,866.00	-21,836,762.95
06/01/2036	7,119,937.50	-	7,119,937.50	1,121,670.00	-	1,121,670.00	5,998,267.50	3,741,041.10
06/01/2037	7,119,937.50	-	7,119,937.50	1,121,670.00	-	1,121,670.00	5,998,267.50	3,631,285.49
06/01/2038	7,119,937.50	-	7,119,937.50	1,121,670.00	-	1,121,670.00	5,998,267.50	3,524,749.93
06/01/2039	7,119,937.50	-	7,119,937.50	1,121,670.00	-	1,121,670.00	5,998,267.50	3,421,339.93
06/01/2040	7,119,937.50	-	7,119,937.50	1,121,670.00	-	1,121,670.00	5,998,267.50	3,320,963.80
06/01/2041	7,119,937.50	-	7,119,937.50	1,121,670.00	-	1,121,670.00	5,998,267.50	3,223,532.53
06/01/2042	7,119,937.50	-	7,119,937.50	1,121,670.00	-	1,121,670.00	5,998,267.50	3,128,959.72
06/01/2043	7,119,937.50	-	7,119,937.50	1,121,670.00	-	1,121,670.00	5,998,267.50	3,037,161.51
06/01/2044	46,434,937.50	-	46,434,937.50	1,121,670.00	-	1,121,670.00	45,313,267.50	22,126,934.60
06/01/2045	4,859,325.00	-	4,859,325.00	1,121,670.00	-	1,121,670.00	3,737,655.00	1,783,105.75
06/01/2046	4,859,325.00	-	4,859,325.00	10,811,670.00	-	10,811,670.00	-5,952,345.00	-2,722,944.03
06/01/2047	47,114,325.00	-	47,114,325.00	737,946.00	-	737,946.00	46,376,379.00	20,704,028.99
06/01/2048	44,684,662.50	-	44,684,662.50	19,372,946.00	772,334.82	18,600,611.18	26,084,051.32	11,301,154.86
	315,271,106.25	2,373,310.00	312,897,796.25	243,424,160.09	15,416,464.11	228,007,695.98	84,890,100.27	33,418,197.06

Savings Summary

PV of savings from cash flow	33,418,197.06
Plus: Refunding funds on hand	930.99
Net PV Savings	33,419,128.05

SAVINGS

Riverside County Transportation Commission
Tax-Exempt Senior Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Date	Prior Debt Service	Refunding Debt Service	Refunding Adjustments	Refunding Receipts	Refunding Net Cash Flow	Savings	Present Value to 04/23/2020 @ 3.0000000%
06/01/2020	-	1,382,302.78	-26,544,180.00	-	-25,161,877.22	25,161,877.22	25,166,215.19
06/01/2021	-	13,095,500.00	-	-	13,095,500.00	-13,095,500.00	-12,766,445.68
06/01/2022	9,525,040.00	13,095,500.00	-	-	13,095,500.00	-3,570,460.00	-3,378,629.75
06/01/2023	10,338,060.00	13,095,500.00	-	-	13,095,500.00	-2,757,440.00	-2,532,739.91
06/01/2024	11,237,790.00	13,095,500.00	-	-	13,095,500.00	-1,857,710.00	-1,656,266.27
06/01/2025	22,592,650.00	13,095,500.00	-	-	13,095,500.00	9,497,150.00	8,215,987.22
06/01/2026	27,413,330.00	14,495,500.00	-	-	14,495,500.00	12,917,830.00	10,863,016.20
06/01/2027	26,963,330.00	15,580,500.00	-	-	15,580,500.00	11,382,830.00	9,299,945.68
06/01/2028	26,600,290.00	14,377,750.00	-	-	14,377,750.00	12,222,540.00	9,685,642.55
06/01/2029	28,863,830.00	12,823,750.00	-	-	12,823,750.00	16,040,080.00	12,313,780.56
06/01/2030	25,785,520.00	12,823,750.00	-	-	12,823,750.00	12,961,770.00	9,667,767.05
06/01/2031	25,079,110.00	12,823,750.00	-	-	12,823,750.00	12,255,360.00	8,873,077.25
06/01/2032	40,977,310.00	12,823,750.00	-	-	12,823,750.00	28,153,560.00	19,783,068.47
06/01/2033	43,358,680.00	12,823,750.00	-	-	12,823,750.00	30,534,930.00	20,820,604.45
06/01/2034	52,964,050.00	12,823,750.00	-	-	12,823,750.00	40,140,300.00	26,532,265.55
06/01/2035	62,238,410.00	12,823,750.00	-	-	12,823,750.00	49,414,660.00	31,691,809.15
06/01/2036	65,595,280.00	54,418,750.00	-	-	54,418,750.00	11,176,530.00	7,112,258.51
06/01/2037	68,395,970.00	55,769,950.00	-	-	55,769,950.00	12,626,020.00	7,797,517.70
06/01/2038	70,856,820.00	57,150,550.00	-	-	57,150,550.00	13,706,270.00	8,224,708.94
06/01/2039	72,811,710.00	58,563,350.00	-	-	58,563,350.00	14,248,360.00	8,318,970.68
06/01/2040	9,314,990.00	60,009,100.00	-	-	60,009,100.00	-50,694,110.00	-27,806,242.16
06/01/2041	-	4,440,600.00	-	-	4,440,600.00	-4,440,600.00	-2,386,425.50
06/01/2042	-	4,440,600.00	-	-	4,440,600.00	-4,440,600.00	-2,316,411.95
06/01/2043	-	4,440,600.00	-	-	4,440,600.00	-4,440,600.00	-2,248,452.48
06/01/2044	-	58,205,600.00	-	-	58,205,600.00	-58,205,600.00	-28,410,450.20
06/01/2045	-	61,430,000.00	-	30,867,117.31	30,562,882.69	-30,562,882.69	-14,480,085.78
	700,912,170.00	619,948,902.78	-26,544,180.00	30,867,117.31	562,537,605.47	138,374,564.53	126,384,485.44

Savings Summary

PV of savings from cash flow	126,384,485.44
Plus: Refunding funds on hand	-4,080.10
Net PV Savings	126,380,405.34

SAVINGS

Riverside County Transportation Commission
Tax-Exempt Subordinate Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Date	Prior Net Cash Flow	Refunding Debt Service	Refunding Receipts	Refunding Net Cash Flow	Savings	Present Value to 04/23/2020 @ 3.0000000%
06/01/2020	-	471,062.78	-	471,062.78	-471,062.78	-469,584.48
06/01/2021	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-4,350,564.48
06/01/2022	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-4,222,926.53
06/01/2023	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-4,099,033.25
06/01/2024	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-3,978,774.78
06/01/2025	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-3,862,044.48
06/01/2026	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-3,748,738.85
06/01/2027	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-3,638,757.41
06/01/2028	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-3,532,002.63
06/01/2029	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-3,428,379.85
06/01/2030	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-3,327,797.18
06/01/2031	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-3,230,165.43
06/01/2032	-	4,462,700.00	-	4,462,700.00	-4,462,700.00	-3,135,398.02
06/01/2033	-	4,592,700.00	-	4,592,700.00	-4,592,700.00	-3,131,406.58
06/01/2034	-	4,843,800.00	-	4,843,800.00	-4,843,800.00	-3,204,497.81
06/01/2035	-	4,443,400.00	-	4,443,400.00	-4,443,400.00	-2,855,052.80
06/01/2036	-	4,443,400.00	-	4,443,400.00	-4,443,400.00	-2,771,290.55
06/01/2037	-	4,443,400.00	-	4,443,400.00	-4,443,400.00	-2,689,985.73
06/01/2038	-	4,443,400.00	-	4,443,400.00	-4,443,400.00	-2,611,066.25
06/01/2039	-	4,443,400.00	-	4,443,400.00	-4,443,400.00	-2,534,462.13
06/01/2040	-	4,443,400.00	-	4,443,400.00	-4,443,400.00	-2,460,105.44
06/01/2041	-	37,783,400.00	-	37,783,400.00	-37,783,400.00	-20,171,820.43
06/01/2042	-	30,684,800.00	-	30,684,800.00	-30,684,800.00	-15,899,459.70
06/01/2043	-	30,331,800.00	-	30,331,800.00	-30,331,800.00	-15,251,432.45
06/01/2044	-	12,368,800.00	-	12,368,800.00	-12,368,800.00	-6,037,018.85
06/01/2045	-	10,764,000.00	10,558,079.58	205,920.42	-205,920.42	-98,976.47
	0.00	212,053,162.78	10,558,079.58	201,495,083.20	-201,495,083.20	-124,740,742.56

Savings Summary

PV of savings from cash flow	-124,740,742.56
Plus: Refunding funds on hand	6,708.31
Net PV Savings	-124,734,034.25

BOND SUMMARY STATISTICS

Riverside County Transportation Commission
91 Express Lanes Series 2020
Rates as of February 19, 2020

Dated Date	04/23/2020
Delivery Date	04/23/2020
Last Maturity	06/01/2048
Arbitrage Yield	2.997283%
True Interest Cost (TIC)	3.273379%
Net Interest Cost (NIC)	3.399796%
All-In TIC	3.284285%
Average Coupon	3.706598%
Average Life (years)	19.412
Duration of Issue (years)	14.077
Par Amount	625,425,000.00
Bond Proceeds	665,392,398.80
Total Interest	450,001,225.65
Net Interest	412,753,860.10
Total Debt Service	1,075,426,225.65
Maximum Annual Debt Service	73,315,670.00
Average Annual Debt Service	38,263,830.92
Underwriter's Fees (per \$1000)	
Average Takedown	4.349096
Other Fee	-
Total Underwriter's Discount	4.349096
Bid Price	105.955529

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial - 3% Coupon	130,000.00	104.257	3.000%	13.106	118.30
Serial	255,675,000.00	106.797	3.721%	14.839	254,196.05
Serial - 3% Coupons	117,305,000.00	100.872	3.000%	19.460	102,688.90
Term 2045	216,430,000.00	110.022	4.000%	23.544	200,169.05
Term 2045 - 3% Coupon	7,560,000.00	98.262	3.000%	25.106	13,003.20
Term 2050	28,325,000.00	100.000	3.960%	27.421	49,568.75
	625,425,000.00			19.412	619,744.25

	TIC	All-In TIC	Arbitrage Yield
Par Value	625,425,000.00	625,425,000.00	625,425,000.00
+ Accrued Interest	-	-	-
+ Premium (Discount)	39,967,398.80	39,967,398.80	39,967,398.80
- Underwriter's Discount	-2,720,033.25	-2,720,033.25	
- Cost of Issuance Expense		-1,000,000.00	
- Other Amounts	-	-	-
Target Value	662,672,365.55	661,672,365.55	665,392,398.80
Target Date	04/23/2020	04/23/2020	04/23/2020
Yield	3.273379%	3.284285%	2.997283%

BOND SUMMARY STATISTICS

Riverside County Transportation Commission
Taxable Advance Refunding of Series 2013A
Rates as of February 19, 2020

Dated Date	04/23/2020
Delivery Date	04/23/2020
Last Maturity	06/01/2048
Arbitrage Yield	2.997283%
True Interest Cost (TIC)	3.547221%
Net Interest Cost (NIC)	3.568480%
All-In TIC	3.560930%
Average Coupon	3.540710%
Average Life (years)	15.664
Duration of Issue (years)	11.935
Par Amount	156,580,000.00
Bond Proceeds	156,580,000.00
Total Interest	86,844,160.09
Net Interest	87,525,283.09
Total Debt Service	243,424,160.09
Maximum Annual Debt Service	41,394,803.50
Average Annual Debt Service	8,661,069.15
Underwriter's Fees (per \$1000)	
Average Takedown	4.350000
Other Fee	-
Total Underwriter's Discount	4.350000
Bid Price	99.565000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial	128,255,000.00	100.000	3.346%	13.068	134,222.20
Term 2050	28,325,000.00	100.000	3.960%	27.421	49,568.75
	156,580,000.00			15.664	183,790.95

	TIC	All-In TIC	Arbitrage Yield
Par Value	156,580,000.00	156,580,000.00	156,580,000.00
+ Accrued Interest	-	-	-
+ Premium (Discount)	-	-	-
- Underwriter's Discount	-681,123.00	-681,123.00	
- Cost of Issuance Expense		-250,357.76	
- Other Amounts	-	-	-
Target Value	155,898,877.00	155,648,519.24	156,580,000.00
Target Date	04/23/2020	04/23/2020	04/23/2020
Yield	3.547221%	3.560930%	2.997283%

BOND SUMMARY STATISTICS

Riverside County Transportation Commission
Tax-Exempt Senior Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Dated Date	04/23/2020
Delivery Date	04/23/2020
Last Maturity	06/01/2045
Arbitrage Yield	2.997283%
True Interest Cost (TIC)	3.131510%
Net Interest Cost (NIC)	3.274551%
All-In TIC	3.141873%
Average Coupon	3.660838%
Average Life (years)	20.087
Duration of Issue (years)	14.557
Par Amount	357,245,000.00
Bond Proceeds	386,519,205.75
Total Interest	262,703,902.78
Net Interest	234,983,712.78
Total Debt Service	619,948,902.78
Maximum Annual Debt Service	61,430,000.00
Average Annual Debt Service	24,693,693.85
Underwriter's Fees (per \$1000)	
Average Takedown	4.350000
Other Fee	-
Total Underwriter's Discount	4.350000
Bid Price	107.759434

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial	127,035,000.00	113.638	4.018%	16.630	119,604.25
Serial - 3% Coupons	117,305,000.00	100.872	3.000%	19.460	102,688.90
Term 2045	105,345,000.00	110.496	4.000%	24.595	97,970.85
Term 2045 - 3% Coupon	7,560,000.00	98.262	3.000%	25.106	13,003.20
	357,245,000.00			20.087	333,267.20

	TIC	All-In TIC	Arbitrage Yield
Par Value	357,245,000.00	357,245,000.00	357,245,000.00
+ Accrued Interest	-	-	-
+ Premium (Discount)	29,274,205.75	29,274,205.75	29,274,205.75
- Underwriter's Discount	-1,554,015.75	-1,554,015.75	
- Cost of Issuance Expense		-571,203.58	
- Other Amounts	-	-	-
Target Value	384,965,190.00	384,393,986.42	386,519,205.75
Target Date	04/23/2020	04/23/2020	04/23/2020
Yield	3.131510%	3.141873%	2.997283%

BOND SUMMARY STATISTICS

Riverside County Transportation Commission
Tax-Exempt Subordinate Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Dated Date	04/23/2020
Delivery Date	04/23/2020
Last Maturity	06/01/2045
Arbitrage Yield	2.997283%
True Interest Cost (TIC)	3.413200%
Net Interest Cost (NIC)	3.592901%
All-In TIC	3.422892%
Average Coupon	3.999322%
Average Life (years)	22.507
Duration of Issue (years)	15.387
Par Amount	111,600,000.00
Bond Proceeds	122,293,193.05
Total Interest	100,453,162.78
Net Interest	90,244,864.23
Total Debt Service	212,053,162.78
Maximum Annual Debt Service	37,783,400.00
Average Annual Debt Service	8,446,463.66
Underwriter's Fees (per \$1000)	
Average Takedown	4.344933
Other Fee	-
Total Underwriter's Discount	4.344933
Bid Price	109.147221

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial - 3% Coupon	130,000.00	104.257	3.000%	13.106	118.30
Serial	385,000.00	113.894	4.000%	14.106	369.60
Term 2045	111,085,000.00	109.573	4.000%	22.547	102,198.20
	111,600,000.00			22.507	102,686.10

	TIC	All-In TIC	Arbitrage Yield
Par Value	111,600,000.00	111,600,000.00	111,600,000.00
+ Accrued Interest	-	-	-
+ Premium (Discount)	10,693,193.05	10,693,193.05	10,693,193.05
- Underwriter's Discount	-484,894.50	-484,894.50	
- Cost of Issuance Expense		-178,438.66	
- Other Amounts	-	-	-
Target Value	121,808,298.55	121,629,859.89	122,293,193.05
Target Date	04/23/2020	04/23/2020	04/23/2020
Yield	3.413200%	3.422892%	2.997283%

BOND PRICING

Riverside County Transportation Commission
Taxable Advance Refunding of Series 2013A
Rates as of February 19, 2020

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Takedown
Serial:						
	06/01/2026	2,225,000	2.800%	2.800%	100.000	4.350
	06/01/2030	15,235,000	3.060%	3.060%	100.000	4.350
	06/01/2031	15,510,000	3.160%	3.160%	100.000	4.350
	06/01/2032	15,600,000	3.240%	3.240%	100.000	4.350
	06/01/2033	15,530,000	3.330%	3.330%	100.000	4.350
	06/01/2034	25,240,000	3.410%	3.410%	100.000	4.350
	06/01/2035	38,915,000	3.490%	3.490%	100.000	4.350
		<u>128,255,000</u>				
Term 2050:						
	06/01/2046	9,690,000	3.960%	3.960%	100.000	4.350
	06/01/2048	18,635,000	3.960%	3.960%	100.000	4.350
	06/01/2050	-	3.960%	3.960%	100.000	4.350
		<u>28,325,000</u>				
		<u>156,580,000</u>				

Dated Date	04/23/2020	
Delivery Date	04/23/2020	
First Coupon	06/01/2020	
Par Amount	156,580,000.00	
Original Issue Discount	-	
Production	156,580,000.00	100.000000%
Underwriter's Discount	-681,123.00	-0.435000%
Purchase Price	155,898,877.00	99.565000%
Accrued Interest	-	
Net Proceeds	155,898,877.00	

BOND PRICING

Riverside County Transportation Commission
Tax-Exempt Senior Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	Takedown
Serial:										
	06/01/2026	1,400,000	5.000%	1.540%	120.087	-	-	-	281,218.00	4.350
	06/01/2027	2,555,000	5.000%	1.630%	122.522	-	-	-	575,437.10	4.350
	06/01/2028	1,480,000	5.000%	1.730%	124.629	-	-	-	364,509.20	4.350
	06/01/2036	41,595,000	4.000%	2.470%	113.606 C	2.934%	06/01/2030	100.000	5,659,415.70	4.350
	06/01/2037	44,610,000	4.000%	2.510%	113.224 C	3.005%	06/01/2030	100.000	5,899,226.40	4.350
	06/01/2038	35,395,000	4.000%	2.550%	112.843 C	3.070%	06/01/2030	100.000	4,545,779.85	4.350
		127,035,000							17,325,586.25	
Term 2045:										
	06/01/2044	53,765,000	4.000%	2.800%	110.496 C	3.361%	06/01/2030	100.000	5,643,174.40	4.350
	06/01/2045	51,580,000	4.000%	2.800%	110.496 C	3.377%	06/01/2030	100.000	5,413,836.80	4.350
		105,345,000							11,057,011.20	
Serial - 3% Coupons:										
	06/01/2038	12,380,000	3.000%	2.850%	101.307 C	2.907%	06/01/2030	100.000	161,806.60	4.350
	06/01/2039	50,975,000	3.000%	2.890%	100.956 C	2.934%	06/01/2030	100.000	487,321.00	4.350
	06/01/2040	53,950,000	3.000%	2.920%	100.693 C	2.954%	06/01/2030	100.000	373,873.50	4.350
		117,305,000							1,023,001.10	
Term 2045 - 3% Coupon:										
	06/01/2045	7,560,000	3.000%	3.100%	98.262	-	-	-	-131,392.80	4.350
		357,245,000							29,274,205.75	

Dated Date	04/23/2020	
Delivery Date	04/23/2020	
First Coupon	06/01/2020	
Par Amount	357,245,000.00	
Premium	29,274,205.75	
Production	386,519,205.75	108.194434%
Underwriter's Discount	-1,554,015.75	-0.435000%
Purchase Price	384,965,190.00	107.759434%
Accrued Interest	-	
Net Proceeds	384,965,190.00	

BOND PRICING

Riverside County Transportation Commission
Tax-Exempt Subordinate Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	Takedown
Serial:	06/01/2034	385,000	4.000%	2.440%	113.894 C	2.801%	06/01/2030	100.000	53,491.90	4.350
Term 2045:	06/01/2041	33,340,000	4.000%	2.900%	109.573 C	3.363%	06/01/2030	100.000	3,191,638.20	4.350
	06/01/2042	27,575,000	4.000%	2.900%	109.573 C	3.381%	06/01/2030	100.000	2,639,754.75	4.350
	06/01/2043	28,325,000	4.000%	2.900%	109.573 C	3.398%	06/01/2030	100.000	2,711,552.25	4.350
	06/01/2044	11,495,000	4.000%	2.900%	109.573 C	3.414%	06/01/2030	100.000	1,100,416.35	4.350
	06/01/2045	10,350,000	4.000%	2.900%	109.573 C	3.428%	06/01/2030	100.000	990,805.50	4.350
		111,085,000							10,634,167.05	
Serial - 3% Coupon:	06/01/2033	130,000	3.000%	2.520%	104.257 C	2.614%	06/01/2030	100.000	5,534.10	-
		111,600,000							10,693,193.05	

Dated Date	04/23/2020	
Delivery Date	04/23/2020	
First Coupon	06/01/2020	
Par Amount	111,600,000.00	
Premium	10,693,193.05	
Production	122,293,193.05	109.581714%
Underwriter's Discount	-484,894.50	-0.434493%
Purchase Price	121,808,298.55	109.147221%
Accrued Interest	-	
Net Proceeds	121,808,298.55	

BOND DEBT SERVICE

Riverside County Transportation Commission
91 Express Lanes Series 2020
Rates as of February 19, 2020

Period Ending	Principal	Coupon	Interest	Debt Service
06/01/2020	-	-	2,421,432.15	2,421,432.15
06/01/2021	-	-	22,939,883.50	22,939,883.50
06/01/2022	-	-	22,939,883.50	22,939,883.50
06/01/2023	-	-	22,939,883.50	22,939,883.50
06/01/2024	-	-	22,939,883.50	22,939,883.50
06/01/2025	-	-	22,939,883.50	22,939,883.50
06/01/2026	3,625,000	** %	22,939,883.50	26,564,883.50
06/01/2027	2,555,000	5.000%	22,807,583.50	25,362,583.50
06/01/2028	1,480,000	5.000%	22,679,833.50	24,159,833.50
06/01/2029	-	-	22,605,833.50	22,605,833.50
06/01/2030	15,235,000	3.060%	22,605,833.50	37,840,833.50
06/01/2031	15,510,000	3.160%	22,139,642.50	37,649,642.50
06/01/2032	15,600,000	3.240%	21,649,526.50	37,249,526.50
06/01/2033	15,660,000	** %	21,144,086.50	36,804,086.50
06/01/2034	25,625,000	** %	20,623,037.50	46,248,037.50
06/01/2035	38,915,000	3.490%	19,746,953.50	58,661,953.50
06/01/2036	41,595,000	4.000%	18,388,820.00	59,983,820.00
06/01/2037	44,610,000	4.000%	16,725,020.00	61,335,020.00
06/01/2038	47,775,000	** %	14,940,620.00	62,715,620.00
06/01/2039	50,975,000	3.000%	13,153,420.00	64,128,420.00
06/01/2040	53,950,000	3.000%	11,624,170.00	65,574,170.00
06/01/2041	33,340,000	4.000%	10,005,670.00	43,345,670.00
06/01/2042	27,575,000	4.000%	8,672,070.00	36,247,070.00
06/01/2043	28,325,000	4.000%	7,569,070.00	35,894,070.00
06/01/2044	65,260,000	4.000%	6,436,070.00	71,696,070.00
06/01/2045	69,490,000	** %	3,825,670.00	73,315,670.00
06/01/2046	9,690,000	3.960%	1,121,670.00	10,811,670.00
06/01/2047	-	-	737,946.00	737,946.00
06/01/2048	18,635,000	3.960%	737,946.00	19,372,946.00
	625,425,000		450,001,225.65	1,075,426,225.65

BOND DEBT SERVICE

Riverside County Transportation Commission
Taxable Advance Refunding of Series 2013A
Rates as of February 19, 2020

Period Ending	Principal	Coupon	Interest	Debt Service
06/01/2020	-	-	568,066.59	568,066.59
06/01/2021	-	-	5,381,683.50	5,381,683.50
06/01/2022	-	-	5,381,683.50	5,381,683.50
06/01/2023	-	-	5,381,683.50	5,381,683.50
06/01/2024	-	-	5,381,683.50	5,381,683.50
06/01/2025	-	-	5,381,683.50	5,381,683.50
06/01/2026	2,225,000	2.800%	5,381,683.50	7,606,683.50
06/01/2027	-	-	5,319,383.50	5,319,383.50
06/01/2028	-	-	5,319,383.50	5,319,383.50
06/01/2029	-	-	5,319,383.50	5,319,383.50
06/01/2030	15,235,000	3.060%	5,319,383.50	20,554,383.50
06/01/2031	15,510,000	3.160%	4,853,192.50	20,363,192.50
06/01/2032	15,600,000	3.240%	4,363,076.50	19,963,076.50
06/01/2033	15,530,000	3.330%	3,857,636.50	19,387,636.50
06/01/2034	25,240,000	3.410%	3,340,487.50	28,580,487.50
06/01/2035	38,915,000	3.490%	2,479,803.50	41,394,803.50
06/01/2036	-	-	1,121,670.00	1,121,670.00
06/01/2037	-	-	1,121,670.00	1,121,670.00
06/01/2038	-	-	1,121,670.00	1,121,670.00
06/01/2039	-	-	1,121,670.00	1,121,670.00
06/01/2040	-	-	1,121,670.00	1,121,670.00
06/01/2041	-	-	1,121,670.00	1,121,670.00
06/01/2042	-	-	1,121,670.00	1,121,670.00
06/01/2043	-	-	1,121,670.00	1,121,670.00
06/01/2044	-	-	1,121,670.00	1,121,670.00
06/01/2045	-	-	1,121,670.00	1,121,670.00
06/01/2046	9,690,000	3.960%	1,121,670.00	10,811,670.00
06/01/2047	-	-	737,946.00	737,946.00
06/01/2048	18,635,000	3.960%	737,946.00	19,372,946.00
	156,580,000		86,844,160.09	243,424,160.09

BOND DEBT SERVICE

Riverside County Transportation Commission
Tax-Exempt Senior Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Period Ending	Principal	Coupon	Interest	Debt Service
06/01/2020	-	-	1,382,302.78	1,382,302.78
06/01/2021	-	-	13,095,500.00	13,095,500.00
06/01/2022	-	-	13,095,500.00	13,095,500.00
06/01/2023	-	-	13,095,500.00	13,095,500.00
06/01/2024	-	-	13,095,500.00	13,095,500.00
06/01/2025	-	-	13,095,500.00	13,095,500.00
06/01/2026	1,400,000	5.000%	13,095,500.00	14,495,500.00
06/01/2027	2,555,000	5.000%	13,025,500.00	15,580,500.00
06/01/2028	1,480,000	5.000%	12,897,750.00	14,377,750.00
06/01/2029	-	-	12,823,750.00	12,823,750.00
06/01/2030	-	-	12,823,750.00	12,823,750.00
06/01/2031	-	-	12,823,750.00	12,823,750.00
06/01/2032	-	-	12,823,750.00	12,823,750.00
06/01/2033	-	-	12,823,750.00	12,823,750.00
06/01/2034	-	-	12,823,750.00	12,823,750.00
06/01/2035	-	-	12,823,750.00	12,823,750.00
06/01/2036	41,595,000	4.000%	12,823,750.00	54,418,750.00
06/01/2037	44,610,000	4.000%	11,159,950.00	55,769,950.00
06/01/2038	47,775,000	** %	9,375,550.00	57,150,550.00
06/01/2039	50,975,000	3.000%	7,588,350.00	58,563,350.00
06/01/2040	53,950,000	3.000%	6,059,100.00	60,009,100.00
06/01/2041	-	-	4,440,600.00	4,440,600.00
06/01/2042	-	-	4,440,600.00	4,440,600.00
06/01/2043	-	-	4,440,600.00	4,440,600.00
06/01/2044	53,765,000	4.000%	4,440,600.00	58,205,600.00
06/01/2045	59,140,000	** %	2,290,000.00	61,430,000.00
	357,245,000		262,703,902.78	619,948,902.78

BOND DEBT SERVICE

Riverside County Transportation Commission
Tax-Exempt Subordinate Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Period Ending	Principal	Coupon	Interest	Debt Service
06/01/2020	-	-	471,062.78	471,062.78
06/01/2021	-	-	4,462,700.00	4,462,700.00
06/01/2022	-	-	4,462,700.00	4,462,700.00
06/01/2023	-	-	4,462,700.00	4,462,700.00
06/01/2024	-	-	4,462,700.00	4,462,700.00
06/01/2025	-	-	4,462,700.00	4,462,700.00
06/01/2026	-	-	4,462,700.00	4,462,700.00
06/01/2027	-	-	4,462,700.00	4,462,700.00
06/01/2028	-	-	4,462,700.00	4,462,700.00
06/01/2029	-	-	4,462,700.00	4,462,700.00
06/01/2030	-	-	4,462,700.00	4,462,700.00
06/01/2031	-	-	4,462,700.00	4,462,700.00
06/01/2032	-	-	4,462,700.00	4,462,700.00
06/01/2033	130,000	3.000%	4,462,700.00	4,592,700.00
06/01/2034	385,000	4.000%	4,458,800.00	4,843,800.00
06/01/2035	-	-	4,443,400.00	4,443,400.00
06/01/2036	-	-	4,443,400.00	4,443,400.00
06/01/2037	-	-	4,443,400.00	4,443,400.00
06/01/2038	-	-	4,443,400.00	4,443,400.00
06/01/2039	-	-	4,443,400.00	4,443,400.00
06/01/2040	-	-	4,443,400.00	4,443,400.00
06/01/2041	33,340,000	4.000%	4,443,400.00	37,783,400.00
06/01/2042	27,575,000	4.000%	3,109,800.00	30,684,800.00
06/01/2043	28,325,000	4.000%	2,006,800.00	30,331,800.00
06/01/2044	11,495,000	4.000%	873,800.00	12,368,800.00
06/01/2045	10,350,000	4.000%	414,000.00	10,764,000.00
	111,600,000		100,453,162.78	212,053,162.78

NET DEBT SERVICE

Riverside County Transportation Commission
91 Express Lanes Series 2020
Rates as of February 19, 2020

Period Ending	Total Debt Service	Capitalized Interest Fund	Debt Service Reserve Fund	Net Debt Service
06/01/2020	2,421,432.15	-	-	2,421,432.15
06/01/2021	22,939,883.50	-	-	22,939,883.50
06/01/2022	22,939,883.50	4,601,285.33	-	18,338,598.17
06/01/2023	22,939,883.50	3,948,167.88	-	18,991,715.62
06/01/2024	22,939,883.50	3,426,073.88	-	19,513,809.62
06/01/2025	22,939,883.50	2,668,602.20	-	20,271,281.30
06/01/2026	26,564,883.50	-	-	26,564,883.50
06/01/2027	25,362,583.50	-	-	25,362,583.50
06/01/2028	24,159,833.50	-	-	24,159,833.50
06/01/2029	22,605,833.50	-	-	22,605,833.50
06/01/2030	37,840,833.50	-	-	37,840,833.50
06/01/2031	37,649,642.50	-	-	37,649,642.50
06/01/2032	37,249,526.50	-	-	37,249,526.50
06/01/2033	36,804,086.50	-	-	36,804,086.50
06/01/2034	46,248,037.50	-	-	46,248,037.50
06/01/2035	58,661,953.50	-	-	58,661,953.50
06/01/2036	59,983,820.00	-	-	59,983,820.00
06/01/2037	61,335,020.00	-	-	61,335,020.00
06/01/2038	62,715,620.00	-	-	62,715,620.00
06/01/2039	64,128,420.00	-	-	64,128,420.00
06/01/2040	65,574,170.00	-	-	65,574,170.00
06/01/2041	43,345,670.00	-	-	43,345,670.00
06/01/2042	36,247,070.00	-	-	36,247,070.00
06/01/2043	35,894,070.00	-	-	35,894,070.00
06/01/2044	71,696,070.00	-	-	71,696,070.00
06/01/2045	73,315,670.00	-	41,425,196.89	31,890,473.11
06/01/2046	10,811,670.00	-	-	10,811,670.00
06/01/2047	737,946.00	-	-	737,946.00
06/01/2048	19,372,946.00	-	772,334.82	18,600,611.18
	1,075,426,225.65	14,644,129.29	42,197,531.71	1,018,584,564.65

NET DEBT SERVICE

Riverside County Transportation Commission
Taxable Advance Refunding of Series 2013A
Rates as of February 19, 2020

Period Ending	Total Debt Service	Capitalized Interest Fund	Debt Service Reserve Fund	Net Debt Service
06/01/2020	568,066.59	-	-	568,066.59
06/01/2021	5,381,683.50	-	-	5,381,683.50
06/01/2022	5,381,683.50	4,601,285.33	-	780,398.17
06/01/2023	5,381,683.50	3,948,167.88	-	1,433,515.62
06/01/2024	5,381,683.50	3,426,073.88	-	1,955,609.62
06/01/2025	5,381,683.50	2,668,602.20	-	2,713,081.30
06/01/2026	7,606,683.50	-	-	7,606,683.50
06/01/2027	5,319,383.50	-	-	5,319,383.50
06/01/2028	5,319,383.50	-	-	5,319,383.50
06/01/2029	5,319,383.50	-	-	5,319,383.50
06/01/2030	20,554,383.50	-	-	20,554,383.50
06/01/2031	20,363,192.50	-	-	20,363,192.50
06/01/2032	19,963,076.50	-	-	19,963,076.50
06/01/2033	19,387,636.50	-	-	19,387,636.50
06/01/2034	28,580,487.50	-	-	28,580,487.50
06/01/2035	41,394,803.50	-	-	41,394,803.50
06/01/2036	1,121,670.00	-	-	1,121,670.00
06/01/2037	1,121,670.00	-	-	1,121,670.00
06/01/2038	1,121,670.00	-	-	1,121,670.00
06/01/2039	1,121,670.00	-	-	1,121,670.00
06/01/2040	1,121,670.00	-	-	1,121,670.00
06/01/2041	1,121,670.00	-	-	1,121,670.00
06/01/2042	1,121,670.00	-	-	1,121,670.00
06/01/2043	1,121,670.00	-	-	1,121,670.00
06/01/2044	1,121,670.00	-	-	1,121,670.00
06/01/2045	1,121,670.00	-	-	1,121,670.00
06/01/2046	10,811,670.00	-	-	10,811,670.00
06/01/2047	737,946.00	-	-	737,946.00
06/01/2048	19,372,946.00	-	772,334.82	18,600,611.18
	243,424,160.09	14,644,129.29	772,334.82	228,007,695.98

NET DEBT SERVICE

Riverside County Transportation Commission
Tax-Exempt Senior Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Period Ending	Total Debt Service	Debt Service Reserve Fund	Net Debt Service
06/01/2020	1,382,302.78	-	1,382,302.78
06/01/2021	13,095,500.00	-	13,095,500.00
06/01/2022	13,095,500.00	-	13,095,500.00
06/01/2023	13,095,500.00	-	13,095,500.00
06/01/2024	13,095,500.00	-	13,095,500.00
06/01/2025	13,095,500.00	-	13,095,500.00
06/01/2026	14,495,500.00	-	14,495,500.00
06/01/2027	15,580,500.00	-	15,580,500.00
06/01/2028	14,377,750.00	-	14,377,750.00
06/01/2029	12,823,750.00	-	12,823,750.00
06/01/2030	12,823,750.00	-	12,823,750.00
06/01/2031	12,823,750.00	-	12,823,750.00
06/01/2032	12,823,750.00	-	12,823,750.00
06/01/2033	12,823,750.00	-	12,823,750.00
06/01/2034	12,823,750.00	-	12,823,750.00
06/01/2035	12,823,750.00	-	12,823,750.00
06/01/2036	54,418,750.00	-	54,418,750.00
06/01/2037	55,769,950.00	-	55,769,950.00
06/01/2038	57,150,550.00	-	57,150,550.00
06/01/2039	58,563,350.00	-	58,563,350.00
06/01/2040	60,009,100.00	-	60,009,100.00
06/01/2041	4,440,600.00	-	4,440,600.00
06/01/2042	4,440,600.00	-	4,440,600.00
06/01/2043	4,440,600.00	-	4,440,600.00
06/01/2044	58,205,600.00	-	58,205,600.00
06/01/2045	61,430,000.00	30,867,117.31	30,562,882.69
	619,948,902.78	30,867,117.31	589,081,785.47

NET DEBT SERVICE

Riverside County Transportation Commission
Tax-Exempt Subordinate Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Period Ending	Total Debt Service	Debt Service Reserve Fund	Net Debt Service
06/01/2020	471,062.78	-	471,062.78
06/01/2021	4,462,700.00	-	4,462,700.00
06/01/2022	4,462,700.00	-	4,462,700.00
06/01/2023	4,462,700.00	-	4,462,700.00
06/01/2024	4,462,700.00	-	4,462,700.00
06/01/2025	4,462,700.00	-	4,462,700.00
06/01/2026	4,462,700.00	-	4,462,700.00
06/01/2027	4,462,700.00	-	4,462,700.00
06/01/2028	4,462,700.00	-	4,462,700.00
06/01/2029	4,462,700.00	-	4,462,700.00
06/01/2030	4,462,700.00	-	4,462,700.00
06/01/2031	4,462,700.00	-	4,462,700.00
06/01/2032	4,462,700.00	-	4,462,700.00
06/01/2033	4,592,700.00	-	4,592,700.00
06/01/2034	4,843,800.00	-	4,843,800.00
06/01/2035	4,443,400.00	-	4,443,400.00
06/01/2036	4,443,400.00	-	4,443,400.00
06/01/2037	4,443,400.00	-	4,443,400.00
06/01/2038	4,443,400.00	-	4,443,400.00
06/01/2039	4,443,400.00	-	4,443,400.00
06/01/2040	4,443,400.00	-	4,443,400.00
06/01/2041	37,783,400.00	-	37,783,400.00
06/01/2042	30,684,800.00	-	30,684,800.00
06/01/2043	30,331,800.00	-	30,331,800.00
06/01/2044	12,368,800.00	-	12,368,800.00
06/01/2045	10,764,000.00	10,558,079.58	205,920.42
	212,053,162.78	10,558,079.58	201,495,083.20

ESCROW CASH FLOW

Riverside County Transportation Commission
 Taxable Advance Refunding of Series 2013A
 Rates as of February 19, 2020

Date	Principal	Interest	Net Escrow Receipts	Present Value to 04/23/2020 @ 1.3925363%
06/01/2020	3,350,934.00	209,035.35	3,559,969.35	3,554,758.50
12/01/2020	2,581,797.00	978,170.84	3,559,967.84	3,530,177.49
06/01/2021	2,605,824.00	954,145.27	3,559,969.27	3,505,769.36
12/01/2021	2,624,846.00	935,122.75	3,559,968.75	3,481,528.07
06/01/2022	2,643,614.00	916,355.10	3,559,969.10	3,457,455.26
12/01/2022	2,662,251.00	897,717.62	3,559,968.62	3,433,548.09
06/01/2023	126,505,753.00	879,214.98	127,384,967.98	122,011,782.23
	142,975,019.00	5,769,761.91	148,744,780.91	142,975,019.00

Escrow Cost Summary

Purchase date	04/23/2020
Purchase cost of securities	142,975,019.00
Target for yield calculation	142,975,019.00

ESCROW COST

Riverside County Transportation Commission
 Taxable Advance Refunding of Series 2013A
 Rates as of February 19, 2020

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
SLGS	06/01/2020	3,350,934	1.590%	3,350,934.00
SLGS	12/01/2020	2,581,797	1.530%	2,581,797.00
SLGS	06/01/2021	2,605,824	1.460%	2,605,824.00
SLGS	12/01/2021	2,624,846	1.430%	2,624,846.00
SLGS	06/01/2022	2,643,614	1.410%	2,643,614.00
SLGS	12/01/2022	2,662,251	1.390%	2,662,251.00
SLGS	06/01/2023	126,505,753	1.390%	126,505,753.00
			142,975,019	142,975,019.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
04/23/2020	142,975,019	0.34	142,975,019.34	1.392536%
		142,975,019	0.34	142,975,019.34

ESCROW COST

Riverside County Transportation Commission
Tax-Exempt Senior Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
04/23/2020	-	373,506,513.00	373,506,513.00
	0	373,506,513.00	373,506,513.00

ESCROW COST

Riverside County Transportation Commission
Tax-Exempt Subordinate Current Refunding of TIFIA Loan
Rates as of February 19, 2020

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
04/23/2020	-	111,065,072.00	111,065,072.00
	0	111,065,072.00	111,065,072.00

ESCROW STATISTICS

Riverside County Transportation Commission
91 Express Lanes Series 2020
Rates as of February 19, 2020

Escrow	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Taxable Advance Refunding of Series 2013A, Global Proceeds Escrow:							
	142,975,019.34	2.828	1.392536%	1.392536%	136,665,150.15	6,309,869.14	0.05
Tax-Exempt Senior Current Refunding of TIFIA Loan, Global Proceeds Escrow:							
	373,506,513.00	-	0.000000%	0.000000%	373,506,513.00	-	-
Tax-Exempt Subordinate Current Refunding of TIFIA, Global Proceeds Escrow:							
	111,065,072.00	-	0.000000%	0.000000%	111,065,072.00	-	-
	627,546,604.34				621,236,735.15	6,309,869.14	0.05

Delivery date 04/23/2020
Arbitrage yield 2.997283%

DISCLAIMER

Riverside County Transportation Commission
91 Express Lanes Series 2020
Rates as of February 19, 2020

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NO. 20-001

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$725,000,000 AGGREGATE PRINCIPAL AMOUNT OF RIVERSIDE COUNTY TRANSPORTATION COMMISSION TOLL REVENUE REFUNDING BONDS IN ONE OR MORE SERIES, THE REFUNDING OF OUTSTANDING BONDS, THE EXECUTION AND DELIVERY OF ONE OR MORE SUPPLEMENTAL INDENTURES, ONE OR MORE PURCHASE CONTRACTS, ONE OR MORE OFFICIAL STATEMENTS, ONE OR MORE CONTINUING DISCLOSURE AGREEMENTS AND ONE OR MORE ESCROW AGREEMENTS, THE ADOPTION OF A RESTATED DEBT MANAGEMENT POLICY, AND THE TAKING OF ALL OTHER ACTIONS NECESSARY IN CONNECTION THEREWITH

WHEREAS, the Riverside County Transportation Commission (the “Commission”) is a county transportation commission duly organized and existing pursuant to the County Transportation Commissions Act, being Division 12 of the Public Utilities Code of the State of California (Section 130000 *et seq.*) (as amended, the “Act”);

WHEREAS, pursuant to the Act, including Sections 130240 and 130244 thereof, the Commission is authorized to set, levy and collect tolls, user fees, or other similar charges, payable for use of the toll lanes and other facilities on the portion of State Highway Route 91 (the “SR-91”) between the Orange County and Riverside County line and State Highway Route 15, and to issue bonds, notes, or other evidences of indebtedness (collectively, the “Toll Revenue Bonds”) pursuant to the terms and conditions of a resolution adopted by a two-thirds vote of the Commission, which bonds may be payable from (i) the proceeds of such tolls (the “Toll Revenues”), (ii) sales tax revenues, (iii) development impact fees, (iv) federal grant funds, and (v) any other source of revenues available to the Commission;

WHEREAS, the Act authorizes Toll Revenue Bonds to be issued for the purpose of financing the planning, design, development, financing, construction, reconstruction, rehabilitation, improvement, acquisition, lease, operation, or maintenance, or any combination of these, with respect to tolled and nontolled facilities, structures, onramps, connector roads, bridges, and roadways that are on, necessary for, or related to the construction or operation of the portion of the SR-91 between the Orange and Riverside County line to the west and State Highway Route 15 to the east (the “Project”);

WHEREAS, pursuant to the Act, and as authorized pursuant to Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 *et seq.*) (the “Refunding Bond Law”) and other applicable provisions of the laws of the State of California, the Commission is authorized to issue from time to time refunding bonds to refund outstanding Toll Revenue Bonds;

WHEREAS, the Commission previously issued its Toll Revenue Senior Lien Bonds, 2013 Series A (Current Interest Obligations) (the “2013 Series A Bonds”) and 2013 Series B (Capital Appreciation Obligations) pursuant to a Master Indenture, dated as of June 1, 2013 (as supplemented, the “Toll Revenue Indenture”), by and between the Commission and U.S. Bank

National Association, as successor trustee (the “Trustee”) to finance a portion of the cost of the Project;

WHEREAS, the Commission previously issued its Toll Revenue Subordinate Bonds, 2013 TIFIA Series (the “2013 TIFIA Series Bonds”) pursuant to the Toll Revenue Indenture, evidencing and securing the Commission’s obligation to repay from Toll Revenues a loan (the “2013 TIFIA Loan”) from the United States Department of Transportation (the “Department of Transportation”) for federal project credit assistance under the Transportation Infrastructure Finance and Innovation Act (“TIFIA”), pursuant to the terms of a loan agreement, dated as of July 2, 2013 (the “2013 TIFIA Loan Agreement”), by and between the Commission and the Department of Transportation;

WHEREAS, the Commission previously authorized the issuance of its Commercial Paper Notes (Limited Tax Bonds), Series A (the “CP Notes”), which, pursuant to an Indenture, dated as of March 1, 2005 (the “CP Indenture”) by and between the Commission and U.S. Bank National Association, as trustee, are payable from certain revenues of a retail transactions and use tax (the “Sales Tax”) applicable in the incorporated and unincorporated territory of Riverside County in accordance with the provisions of the Riverside County Transportation Sales Tax Act, being Division 25 of the Public Utilities Code of the State of California (Section 240000 et seq.), Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code, Ordinance No. 02-001, adopted by the Commission on May 8, 2002, which became effective by its terms at the close of the polls on November 5, 2002, and Ordinance No. 10-002, adopted by the Commission on July 14, 2010, which became effective at the close of the polls on November 2, 2010;

WHEREAS, in order to allow the Commission to take advantage of current market opportunities, the Commission hereby determines to refund all or a portion of the 2013 Series A Bonds and the 2013 TIFIA Series Bonds by issuing toll revenue refunding bonds;

WHEREAS, the Commission hereby determines that one or more new series or subseries of tax-exempt or taxable bonds in an aggregate principal amount not to exceed \$725 million dollars (\$725,000,000) and payable from Toll Revenues as Senior Lien Obligations, Second Lien Obligations or Subordinate Obligations (each as defined in the Toll Revenue Indenture) is necessary in order to finance any or all of the following purposes, (i) refunding all or a portion of the outstanding 2013 Series A Bonds, (ii) refunding the 2013 TIFIA Series Bonds by prepaying the 2013 TIFIA Loan, (iii) funding capitalized interest, (iv) funding one or more reserve funds, and (v) paying the costs of issuance incurred in connection with such bonds, and the Commission has determined that such bonds in an amount not to exceed such principal amount shall be issued, secured by the Toll Revenues and entitled, “Riverside County Transportation Commission Toll Revenue Refunding Bonds,” with such additional or other series designations as may be necessary or beneficial to marketing the Toll Revenue Refunding Bonds (the “Refunding Bonds”);

WHEREAS, the Commission hereby further determines that the Refunding Bonds shall be issued pursuant to one or more supplemental indentures, each by and between the Commission and the Trustee, and each amending and supplementing the Toll Revenue Indenture as may be specified therein;

WHEREAS, in order to set forth the terms of the negotiated sale of the Refunding Bonds, the Commission proposes to enter into one or more bond purchase agreements (each, a “Purchase Contract”) with BofA Securities, Inc., as representative of the underwriters of the Refunding Bonds (collectively, the “Underwriters”);

WHEREAS, the following documents have been prepared and presented to the Commission (collectively, the “Financing Documents”):

- (1) a proposed form of Third Supplemental Indenture, by and between the Commission and the Trustee, providing for the issuance of one or more series of Refunding Bonds (the “Third Supplemental Indenture”);
- (2) a proposed form of Fourth Supplemental Indenture, by and between the Commission and the Trustee, providing for the issuance of one or more series of Refunding Bonds (the “Fourth Supplemental Indenture”);
- (3) a proposed form of Purchase Contract setting forth the terms of sale of the Refunding Bonds;
- (4) a proposed form of official statement in preliminary form to be distributed in connection with the offering and sale of the Refunding Bonds (the “Official Statement”);
- (5) a proposed form of Continuing Disclosure Agreement to be executed and delivered by the Commission (the “Continuing Disclosure Agreement”) to assist the Underwriters in satisfying their respective obligations under Rule 15c2-12 promulgated by the Securities and Exchange Commission; and
- (6) a proposed form of Escrow Agreement (the “Escrow Agreement”), by and between the Commission and the Trustee, as Escrow Agent (the “Escrow Agent”);

WHEREAS, the Commission has been presented with proposed forms of the Financing Documents relating to the financing described herein (the “Financing”), and the Commission has examined and approved each document and desires to authorize and direct the execution of such documents as are specified herein and such other documents as are necessary in connection with the Financing and to authorize and direct the consummation of the Financing;

WHEREAS, payment of the CP Notes is supported by an Irrevocable Direct Draw Letter of Credit (the “Letter of Credit”) provided by State Street Bank and Trust Company with a stated expiration date of October 7, 2020, and it is in the interests of the Commission to extend, amend or replace the Letter of Credit prior to such date;

WHEREAS, the Commission previously authorized, pursuant to its Resolution No. 05-001, its Resolution No. 10-006, its Resolution No. 12-009, its Resolution No. 13-021, its Resolution No. 14-027 and its Resolution 17-006 (collectively, the “Prior Resolutions”), that all consents, approvals, directions, notices, orders, requests and other actions required or permitted by any of the documents authorized in such Prior Resolutions, including, without limitation, actions which may be necessary or desirable in connection with any amendment of any such documents, or the termination, extension or replacement of a letter of credit, the removal or replacement of a trustee or dealer for the CP Notes, or any similar action may be given or taken by

an Authorized Representative (as such term is defined in the CP Indenture), without further authorization or direction by this Commission, and the Commission has further authorized and directed each Authorized Representative to give any such approval, consent, direction, notice, order, or request and to take any such action which such Authorized Representative may deem necessary or desirable to further the purposes of such Prior Resolutions (collectively, the "Prior Authorization"), and the Commission now wishes to ratify, confirm and extend its Prior Authorization;

WHEREAS, the Commission desires to adopt a restated local debt policy (the "Debt Management Policy") that complies with California Government Code Section 8855(i), and the Commission's sale and issuance of the Refunding Bonds as contemplated by this Resolution is in compliance with the Debt Management Policy;

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Commission has received certain representations and good faith estimates from Fieldman, Rolapp & Associates, Inc., the Commission's municipal advisor, including: (a) the true interest cost of the Refunding Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Refunding Bonds, (c) the amount of proceeds of the Refunding Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, and (d) the sum total of all debt service payments on the Refunding Bonds calculated to the final maturity of the Refunding Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Refunding Bonds, and such good faith estimates have been disclosed in a staff report by the Commission at this meeting; and

WHEREAS, all acts, conditions and things required by the Act, the Refunding Bond Law and the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the issuance of the Refunding Bonds and consummation of the Financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Commission is now duly authorized and empowered, pursuant to each and every requirement of law, to authorize such Financing and to authorize the execution of the Financing Documents, for the purposes, in the manner and upon the terms provided;

NOW THEREFORE, THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION RESOLVES:

Section 1. The Commission finds and determines that the foregoing recitals are true and correct and makes them an effective part of this Resolution by incorporating them herein by reference.

Section 2. The issuance by the Commission of not to exceed \$725,000,000 aggregate principal amount of Riverside County Transportation Commission Toll Revenue Refunding Bonds, with such additional or other series designations as may be necessary or beneficial in marketing the Refunding Bonds, in accordance with the provisions set forth in the Toll Revenue Indenture, as supplemented and amended by one or more supplemental indentures, including without limitation the Third Supplemental Indenture and the Fourth Supplemental Indenture, in one or more series or subseries as tax-exempt or taxable bonds issued as Senior Lien Obligations,

Second Lien Obligations or Subordinate Obligations (each as defined in the Toll Revenue Indenture), in order to provide funds for any or all of the following purposes, (i) refunding all or a portion of the outstanding 2013 Series A Bonds, (ii) refunding the 2013 TIFIA Series Bonds by prepaying the 2013 TIFIA Loan, (iii) funding capitalized interest, (iv) funding one or more reserve funds, and (v) paying the costs of issuance incurred in connection with such bonds, is hereby authorized and approved; provided that the true interest cost for the Refunding Bonds shall not exceed 6.00%.

Section 3. The proposed forms of Third Supplemental Indenture and Fourth Supplemental Indenture presented to this meeting and the terms and conditions thereof are hereby approved. The structure (which may include serial bonds and term bonds), date, maturity date or dates (not to exceed June 1, 2051), fixed interest rate or rates, principal and interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption, additional series designation and number thereof and other terms of the Refunding Bonds shall be (subject to the foregoing limitations) as provided in the Toll Revenue Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture and any additional supplemental indentures executed in connection with the Financing, each as finally executed and delivered. The Executive Director of the Commission (the "Executive Director") is hereby authorized and directed, for and in the name and on behalf of the Commission, to execute and deliver the Third Supplemental Indenture and the Fourth Supplemental Indenture, together with any additional supplemental indentures as may be necessary or desirable in connection with the Financing, in substantially said form, each with such changes therein as the officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Purchase Contract presented to this meeting and the terms and conditions thereof are hereby approved. The Executive Director is hereby authorized and directed, for and in the name and on behalf of the Commission, to sell the Refunding Bonds to the Underwriters pursuant to one or more Purchase Contracts, with the Underwriters' compensation not to exceed 0.60% of the principal amount of the Refunding Bonds, and to execute and deliver such Purchase Contract(s), in substantially said form, with such changes therein as the officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed form of Official Statement presented to this meeting is hereby approved. The Executive Director is hereby authorized and directed to execute and deliver one or more Official Statements in substantially said form, with such changes, insertions and deletions as may be approved by the Executive Director, said execution being conclusive evidence of such approval; and the Executive Director is hereby authorized to execute a certificate confirming that the Official Statements in preliminary form are "deemed final" by the Commission for purposes of Securities and Exchange Commission Rule 15c2-12. The distribution by the Underwriters of copies of the Official Statements in final form to the purchasers of the applicable Refunding Bonds and the distribution by the Underwriters of the Official Statements in preliminary form to potential purchasers of the applicable Refunding Bonds are hereby authorized and approved.

Section 6. The proposed form of Continuing Disclosure Agreement presented to this meeting is hereby approved. The Executive Director is hereby authorized and directed, for and in

the name and on behalf of the Commission, to execute and deliver one or more Continuing Disclosure Agreements in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The proposed form of Escrow Agreement presented to this meeting is hereby approved. The Executive Director is hereby authorized and directed, for and in the name and on behalf of the Commission, to execute and deliver one or more Escrow Agreements, each relating to the 2013 Series A Bonds or the 2013 TIFIA Series Bonds, as applicable, in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. The Commission hereby adopts the Debt Management Policy attached hereto as Exhibit A. The Commission hereby determines that the Debt Management Policy complies with California Government Code Section 8855(i), and that the Refunding Bonds authorized to be issued pursuant to this Resolution are consistent with such policy.

Section 9. All approvals, consents, directions, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, the Toll Revenue Indenture, the 2013 TIFIA Loan Agreement, the CP Notes and the Letter of Credit, whether before or after the issuance of the Refunding Bonds, including, without limitation, any amendment of any such documents or other agreement related thereto or to any of the Commission's bonds or CP Notes, including an extension or amendment of the Letter of Credit, and any of the foregoing that may be necessary or desirable in connection with any reserve facility, any investment of proceeds of the Refunding Bonds, or in connection with the addition, subtraction or replacement of underwriters, or any agreements with consultants, paying agents, escrow agents or verification agents, the removal or replacement of the Trustee, or any similar action may be given or taken by the Executive Director, the Deputy Executive Director of the Commission or the Chief Financial Officer of the Commission, acting singly (each, an "Authorized Officer"), without further authorization or direction by the Commission, and each Authorized Officer, acting singly, is hereby authorized and directed to give any such approval, consent, direction, notice, order, request, or other action and to execute such documents and take any such action which such Authorized Officer may deem necessary or desirable to further the purposes of this Resolution.

Section 10. All actions heretofore taken by the officers and agents of the Commission with respect to the Financing, the Financing Documents and the issuance and sale of the Refunding Bonds are hereby ratified, confirmed and approved. The Commission hereby further ratifies, confirms and extends its Prior Authorization in the Prior Resolutions relating to the CP Notes. If at the time of execution of any of the documents authorized herein, the Executive Director is unavailable, such documents may be executed by the Deputy Executive Director of the Commission or the Chief Financial Officer in lieu of the Executive Director. The Chair of the Board or, in the absence of such official, a Vice Chair of the Board, is hereby authorized to execute and deliver the Refunding Bonds, and the Chief Financial Officer of the Commission is hereby authorized to countersign the Refunding Bonds. The Clerk of the Board is hereby authorized to attest to the execution by an Authorized Officer of any of such documents as said officers deem appropriate.

The officers and agents of the Commission are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Commission, to adopt or amend written procedures relating to its bonds and to do any and all things and to take any and all actions and to execute and deliver any and all agreements, certificates and documents, including, without limitation, redemption notices, escrow agreements, reserve facility agreements, signature certificates, no litigation certificates, certificates concerning the contents of the Official Statements and the representations and warranties in the Purchase Contracts and the other Financing Documents, any tax certificates or agreements, any agreements for depository or verification services, reimbursement agreements, investment instructions, including investments in State and Local Government Series treasury securities and other investments permitted pursuant to the Toll Revenue Indenture, including without limitation the Third Supplemental Indenture and Fourth Supplemental Indenture, and any agreements for rebate compliance services, which they, or any of them, may deem necessary or advisable in order to consummate the Financing, the issuance and sale of the Refunding Bonds, the execution and delivery of the Financing Documents and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Act, the Refunding Bond Law, the Refunding Bonds and the other documents approved hereby.

Section 11. The custodian of record for this action shall be the Clerk of the Board of the Commission at the Riverside County Transportation Commission, 4080 Lemon Street, 3rd Floor, Riverside, CA.

Section 12. This Resolution shall take effect immediately upon its adoption and approval.

APPROVED AND ADOPTED by the Riverside County Transportation Commission at its meeting on March 11, 2020.

By: _____
Chair of the Board of Commissioners

ATTEST:

By: _____
Clerk of the Board of the Commission

CERTIFICATE OF THE CLERK OF THE BOARD OF THE
RIVERSIDE COUNTY TRANSPORTATION COMMISSION

I, Lisa Mobley, Clerk of the Board of the Riverside County Transportation Commission (the "Commission"), hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by at least a two-thirds vote of the Commission at a meeting of the governing board of said Commission duly and regularly held in Riverside, California, on March 11, 2020, of which meeting all of the members of said Commission had due notice.

I further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified, rescinded or revoked in any manner since the date of its adoption, and the same is now in full force and effect.

I further certify that an agenda of said meeting was posted at least 72 hours before said meeting at a location in Riverside, California, freely accessible to the public and a brief general description of the resolution to be adopted at said meeting appeared on said agenda.

IN WITNESS WHEREOF, I have executed this certificate hereto as of this date,
_____, 2020.

By _____
Clerk

EXHIBIT A
DEBT MANAGEMENT POLICY



RIVERSIDE COUNTY TRANSPORTATION COMMISSION

DEBT MANAGEMENT POLICY

Adopted on March __, 2020

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RIVERSIDE COUNTY TRANSPORTATION COMMISSION

DEBT MANAGEMENT POLICY

Dated as of March 11, 2020

I. Purpose

The purpose of this Debt Management Policy (Debt Policy) is to establish comprehensive guidelines for the issuance and management of debt (Debt) issued by the Riverside County Transportation Commission (Issuer) located in Riverside County, California (County). This Debt Policy is intended to help ensure that:

- i. The Issuer, the Board of Commissioners as the governing body of the Issuer (Board), and Issuer management and staff adhere to sound debt issuance and management practices;
- ii. The Issuer achieves the most advantageous cost of capital within prudent risk parameters;
- iii. The Issuer preserves future financial flexibility; and
- iv. The Issuer preserves and enhances the credit ratings assigned to its Debt.

II. Scope of Debt Policy

This Debt Policy shall provide guidance for the issuance and management of bonds and other forms of indebtedness of the Issuer, together with any credit, liquidity and other ancillary instruments and agreements secured or executed in connection with such transactions. The Chief Financial Officer of the Issuer (CFO) is the designated administrator of the Debt Policy. The CFO shall have the day-to-day responsibility and authority for structuring, implementing and managing the Issuer's debt and financing program. The Debt Policy requires that each Debt issuance be specifically authorized by the Board.

While adherence to this Debt Policy is recommended in applicable circumstances, the Issuer recognizes that changes in the capital markets, Issuer programs and other unforeseen circumstances may produce situations that are not covered by the Debt Policy or require modifications or exceptions to achieve Debt Policy goals. In these cases, management flexibility is appropriate, provided specific authorization from the Board is obtained. The Issuer may approve Debt and other related agreements the terms or provisions of which deviate from this Debt Policy, upon the recommendation CFO and approval of the Board, as circumstances warrant. The failure by the Issuer to comply with any provision of this Debt Policy shall not affect the validity of any Debt that is otherwise duly authorized and executed.

III. Legal Authority; Compliance with Laws, Resolutions, Debt Documents and Contracts

A) Legal Authority

The Issuer has exclusive authority to plan and issue Debt for Issuer-related purposes, subject to approval by the Board. Specific authority includes:

- 1) Ordinance No. 02-001, the Transportation Expenditure Plan and Retail Transaction and Use Tax Ordinance, adopted by the Board on May 8, 2002, pursuant to the provisions of the Riverside County Transportation Sales Tax Act, being Division 25 of the Public Utilities Code (PUC) of the State of California (Section 240000 *et seq.*) and approved by more than two-thirds of the electors voting on the measure on November 5, 2002, which Ordinance provides for the imposition of a retail transactions and use tax (Sales Tax) applicable in the incorporated and unincorporated territory of the County;
- 2) Section 240309 of the California PUC, which authorizes the Issuer to issue from time to time limited tax bonds (defined to include indebtedness and securities of any kind or class, including sales tax revenue bonds), secured and payable in whole or in part from revenues of the Sales Tax;
- 3) Ordinance No. 10-002, amending Ordinance No. 02-001, adopted by the Board on July 24, 2010 and approved by a majority of the voters voting on such ordinance at an election held on November 2, 2010;
- 4) Division 12 of the California PUC (Section 130000 *et seq.*) (as amended, including by Chapter 714 of the California Statutes of 2008 (Senate Bill No. 1316), and as it may be amended from time to time hereafter) (SB 1316), which authorizes the Issuer to set, levy and collect tolls, user fees, or other similar charges, payable for use of the toll lanes and other facilities on the portion of State Highway Route 91 (SR-91) between the Orange County and Riverside County line to the west and Interstate 15 (I-15) to the east and to issue one or more series of bonds or other obligations pursuant to the terms and conditions of a resolution adopted by a two-thirds vote of the Issuer, which obligations may be payable from the proceeds of such tolls or other revenue pledged; and
- 5) Streets and Highways Code Sections 149.7 and 149.8, including Chapter 421 of the California Statutes of 2008 (Assembly Bill 1954) (AB 1954), which authorizes the Issuer to set, levy and collect tolls, user fees, or other similar charges, payable for use of high-occupancy toll lanes and other facilities in the I-15 corridor in the County and to issue one or more series of bonds or other obligations pursuant to the terms and conditions of a resolution adopted by a two-thirds vote of the Issuer, which obligations may be payable from the proceeds of such tolls or other revenue pledged.

B) Compliance with Law

All Debt of the Issuer shall be issued in accordance with applicable Federal and State laws, rules and regulations, including without limitation the Internal Revenue Code of 1986 (Code) with respect to the issuance of tax-exempt Debt, the Securities Act of 1933 and the Securities Exchange Act of 1934, in each case as supplemented and amended, and regulations promulgated pursuant to such laws.

C) Compliance with Issuer Resolutions and Debt Documents

Debt of the Issuer shall be issued in accordance with applicable resolutions and debt documents of the Issuer, in each case as supplemented and amended.

D) Compliance with Other Agreements

Debt of the Issuer shall be issued in compliance with any other agreements of the Issuer with credit or liquidity providers, bond insurers or other third parties.

E) Compliance with California Government Code Section 8855(i)

This Debt Policy complies with California Government Code Section 8855(i) (California Senate Bill 1029 (2016)). The following paragraph cross-references the debt policy requirements of SB 1029 with the relevant sections of this policy.

- 1) California Government Code Section 8855(i)(1)(A): The purposes for which the debt may be used. *See Section V: Purposes for Debt.*
- 2) California Government Code Section 8855(i)(1)(B): The types of debt that may be issued. *See Section VI: Types of and Limitations on Debt.*
- 3) California Government Code Section 8855(i)(1)(C): The relationship of the debt to, and integration with, the issuer's capital improvement program or budget. *See Section XV: Budgeting and Capital Planning.*
- 4) California Government Code Section 8855(i)(1)(D): Policy goals related to the issuer's planning goals and objectives. *See Section I: Purpose.*
- 5) California Government Code Section 8855(i)(1)(E): The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use. *See Section IV: Administration of Debt Policy.*

Section 8855(i) of the California Government Code also requires certain reports to be prepared and filed with the California Debt and Investment Advisory Commission (CDIAC). These include the following:

- **Report of Proposed Debt Issuance:** Issuer must notify CDIAC of its intent to issue Debt at least 30 days before the sale of the Debt, including a certification by the Issuer that it has adopted local debt policies which shall include the elements identified in Section III.E.1-5 above, and that the contemplated Debt issuance is consistent with those local debt policies;
- **Report of Final Sale of Debt:** No later than 21 days after the sale of the Debt, the Issuer must report to CDIAC and include the pricing on the Debt (in addition to the information provided in the *Report of Proposed Debt Issuance*); and
- **Annual Debt Transparency Report:** If a report of final sale is submitted to CDIAC on or after January 21, 2017, Issuer must provide an annual report to CDIAC until the Debt has been repaid and the proceeds have been fully spent. The report captures for the reporting period beginning and ending balances on principal outstanding, authority remaining, and the use of Debt proceeds. The reporting period is July 1 through June 30.

IV. Administration of Debt Policy

A) Issuer

The Issuer shall be responsible for:

- 1) Approval of the issuance of all Debt and the terms and provisions thereof;
- 2) Appointment of municipal advisors, bond counsel, disclosure counsel, Issuer consultants, underwriters, feasibility consultants, trustee and other professionals retained in connection with the issuance of Debt;
- 3) Approval of this Debt Policy and any supplements or amendments;
- 4) Periodic approval of proposed Issuer annual and supplemental budgets for submission to the Board, including without limitation provisions for the timely payment of principal of and interest on all Debt; and
- 5) Maintaining internal control procedures with respect to Debt proceeds. Debt proceeds will be held either by a third-party trustee, which will disburse such proceeds to the Issuer upon the submission of one or more written requisitions, or by the Issuer to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the Issuer.

B) Chief Financial Officer

The CFO shall have responsibility and authority for the structure, issuance and management of the Issuer's Debt and financing programs. These responsibilities shall include, but not be limited to, the following:

- 1) Determining the appropriate structure and terms for all proposed Debt transactions;

- 2) Undertaking to issue Debt at the most advantageous interest and other costs consistent with prudent levels of risk;
- 3) Ensuring compliance of any proposed Debt with any applicable additional debt limitations under State law, or the Issuer's Debt Policy, resolutions and debt documents;
- 4) Seeking approval from the Board for the issuance of Debt or other debt obligations;
- 5) Coordinating with other public agencies in connection with necessary approvals associated with Debt issuance;
- 6) Recommending to the Board the manner of sale of any Debt or other debt transactions;
- 7) Monitoring opportunities to refund outstanding Debt to achieve debt service savings, and recommending such refunding to the Board, as appropriate;
- 8) Providing for and participating in the preparation and review of all legal and disclosure documents in connection with the issuance of any Debt by the Issuer;
- 9) Recommending the appointment of municipal advisors, bond counsel, disclosure counsel, Issuer consultants, underwriters, feasibility consultants and other professionals retained in connection with the Issuer's debt issuance as necessary or appropriate;
- 10) Distributing information regarding the business operations and financial condition of the Issuer to appropriate bodies on a timely basis in compliance with any applicable continuing disclosure requirements;
- 11) Communicating regularly with the rating agencies, bond insurers, investment providers, institutional investors and other market participants related to the Issuer's Debt;
- 12) Maintaining records with summary information regarding all of the Issuer's outstanding Debt and other debt obligations; and
- 13) Maintaining the following documents for the term of the Issuer's Debt (including refunding Debt, if any) plus three (3) years:
 - a) Electronic or physical copies of the Debt closing transcript and other relevant documentation in connection with the closing of the issuance of Debt;
 - b) Electronic or physical copies of all material documents related to capital expenditures financed or refinanced by Debt proceeds, including construction contracts, purchase orders, invoices, trustee requisitions and payment records as well as other documents relating to costs reimbursed with Debt proceeds and records identifying the assets or portion of assets that are financed with tax-exempt Debt proceeds;
 - c) Electronic or physical copies of all contracts and arrangements involving private or unrelated use of the debt-financed assets; and
 - d) Electronic or physical copies of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements.

C) Procedures for Approval of Debt

Proposed issuances of Debt by the Issuer shall be submitted to and subject to authorization and approval by the Board.

D) Considerations in Approving Issuance of Debt

The Issuer may take into consideration any or all of the following factors, as appropriate, prior to approving the proposed issuance of Debt:

- 1) Whether the proposed issuance complies with this Debt Policy;
- 2) Source(s) of payment and security for the Debt;
- 3) Projected revenues and other benefits from the projects proposed to be funded;
- 4) Projecting operating, other costs and potential revenues with respect to the proposed projects;
- 5) Impacts, if any, on Issuer and Debt credit ratings;
- 6) Period, if any, over which interest on the Debt should be capitalized;
- 7) Extent to which debt service on the Debt should be level or non-level;
- 8) Appropriate lien priority of the Debt;
- 9) Adequacy of the proposed disclosure document.

V. Purposes for Debt

The Issuer may issue Debt for the purposes of financing and refinancing the costs of capital projects undertaken by the Issuer. The Issuer may also issue Debt to pay extraordinary unfunded costs, including, but not limited to, termination or other similar payments due in connection with interest rate swaps (if any) and investment agreements entered into in connection with Debt. Proceeds of Debt may be applied to pay costs of issuance, to fund capitalized interest and debt service reserves and to pay costs incurred in connection with securing credit enhancement, including, but not limited to, premiums payable for letters of credit, standby bond purchase agreements, bond insurance and reserve fund sureties.

The Issuer shall not issue Debt for the purpose of funding operating costs, except for the purposes of funding pre-operations or initial operations and related reserves or other working capital of a toll enterprise, as permitted by law.

A) New Money Debt

New money issues are those financings that generate additional funding to be available for expenditure on capital projects. New money proceeds may not be used to fund non-capital operational activities, except as provided above in Section V with respect to toll enterprises.

B) Refunding Debt

The Issuer may issue Debt to refund the principal of and interest on outstanding Debt of the Issuer or prior equity contributions of the Issuer, including in each case related costs, all in accordance with any applicable indenture of the Issuer and State law, in order to:

- 1) Achieve debt service savings;
- 2) Restructure scheduled debt service;
- 3) Refund equity contributions;
- 4) Convert from or to, or extend, a variable or fixed interest rate structure;
- 5) Change or modify the source or sources of payment and security for the refunded Debt; or
- 6) Modify covenants otherwise binding upon the Issuer.

Refunding Debt may be issued either on a current or advance basis, including on a tax-exempt basis as permitted by applicable Federal tax laws. The Issuer may also utilize a tender offer process to refund Debt that is not otherwise subject to optional call by the Issuer.

Refunding Debt should be issued to achieve debt service savings in most cases if the threshold present value savings level (net of all issuance costs and any cash contribution to the refunding) is at least three percent (3%) of the par value of the refunded Debt. Refundings which do not produce savings are permitted if justified based on the need for restructuring existing Debt, removing covenants/pledges that are restrictive and/or no longer required by the market and/or making other changes in debt documents that would benefit the current, short-term, or long term capital cost of the Issuer, or for any other purpose as may be approved by the CFO with the concurrence of the Executive Director.

VI. Types of and Limitations on Debt

A) Long-Term Debt

The Issuer may issue Debt with longer-term maturities to amortize Issuer capital or other costs over a period commensurate with the expected life, use or benefit provided by the project, program or facilities financed from such Debt. Long-term Debt will generally have a final maturity of five (5) years or more. Long-term debt is appropriate for financing essential capital projects and certain capital equipment where the project being financed will provide benefit over multiple years and the Issuer considers the project to be of time-sensitive need.

B) Short-Term Debt

The Issuer may issue Debt with shorter-term maturities to provide interim funding for capital projects and expenditures that are ultimately likely to be funded from another source such as a grant, a long-term Debt issue, or the receipt of Federal or State grants, other revenues, and/or for cash flow management. Short-term Debt shall consist of Debt of an issue with a final maturity of less than five (5) years and may include, but is not limited to, Debt in the form of Tax and Revenue Anticipation Notes, Bond Anticipation Notes, Grant Anticipation Notes, and/or Commercial Paper.

C) Sales Tax Revenue Debt

If and to the extent authorized in accordance with applicable provisions of State law, the Issuer may issue Debt payable in whole or in part from sales tax revenues. It is expected that sales tax revenue debt will represent a principal form of Debt of the Issuer.

D) Other Revenue Debt

If and to the extent authorized in accordance with applicable provisions of State law, the Issuer may issue Debt payable in whole or in part from other types of revenues, such as toll and related non-toll revenues. It is expected that toll revenue debt will represent a principal form of Debt of the Issuer.

E) Other Federal, State and Local Programs

The Issuer may also participate in federal loans administered or provided by the United States Department of Transportation, including, but not limited to, loans provided under the Transportation Infrastructure Finance and Innovation Act (TIFIA), as well as other federal, state or local, loan or bond programs, and may secure credit enhancement and/or credit support provided under federal, state or local programs, provided such loans, bonds or programs provide an attractive funding cost or other desirable features such as, but not limited to, deep subordination of the repayment obligation, an unusually long repayment term, or no payment due until a certain period after substantial project completion.

F) Fixed-Rate Debt

The Issuer may issue Debt that bears a fixed-rate rate of interest.

G) Variable Rate Debt

The Issuer may also issue Debt that bears a variable rate of interest, including, but not limited to, variable rate demand obligations, commercial paper and floating rate notes.

VII. Terms and Provisions of Debt

A) Debt Service Structure

The Issuer shall design the financing schedule and repayment of Debt so as to take advantage of market conditions, provide flexibility and, as practical, to recapture or maximize its debt capacity for future use. Annual debt service payments for Debt payable from sales tax revenues will generally be structured on a level basis; however, for Debt backed by sales tax revenues and other sources of revenue, principal amortization may occur more quickly or slowly where permissible to mirror Debt repayment revenue streams and/or provide future financing flexibility.

B) Amortization of Principal

Long-term Debt of the Issuer shall be issued with maturities that amortize the principal of such Debt over a period commensurate with the expected life, use or benefit (measured in years) provided by the projects, programs and/or facilities financed from the proceeds of such Debt. The weighted average maturity of such Debt (if issued as tax-exempt Debt) should not exceed one hundred and twenty percent (120%) of the reasonably estimated weighted average life, use or benefit (measured in years) of the projects, programs and/or facilities financed from the proceeds of such Debt or otherwise in compliance with the Code.

Amortization of principal may be achieved either through serial maturities and/or through term Debt subject to mandatory sinking fund payments and/or optional redemptions.

C) Capitalized Interest

The Issuer may fund interest on Debt from proceeds of Debt for legal, budgeting or structuring purposes, subject to any limitations of state law or federal tax law, as applicable.

D) Call Provisions for Debt

- 1) *Optional Call Provisions.* The Issuer shall seek to include the shortest practicable optional call rights, with and/or without a call premium, consistent with optimal pricing of such Debt. Call premiums, if any, should not be in excess of then

prevailing market standards for similar Debt to the extent consistent with the most advantageous borrowing cost for the Issuer. Make-whole calls and non-callable maturities may be considered and used to accommodate market requirements or other advantageous benefits to the Issuer.

- 2) *Extraordinary Call Provisions.* The Issuer, at its option, may include extraordinary call provisions, including for example with respect to unspent proceeds, damage to or destruction of the project or facilities financed, or other matters, as the Issuer may determine is necessary or desirable.

E) Payment of Interest

- 1) Current Interest Debt may be issued. It is anticipated that the interest on most Debt issued will be paid on a current interest basis.
- 2) Deferred Interest Debt may also be issued. Debt of the Issuer may be issued with the payment of actual or effective interest deferred in whole or in part to the maturity or redemption date of each debt instrument, or the conversion of such debt instrument to a current interest-paying debt instrument (known, respectively, as capital appreciation bonds, zero coupon bonds and convertible capital appreciation bonds). Deferred Interest Debt may be issued to achieve optimal sizing, debt service structuring, pricing or other purposes.

F) Determination of Variable Interest Rates on Debt

The interest rate from time to time on Debt the interest of which is not fixed to maturity may be determined in such manner that the Issuer determines, including without limitation on a daily, weekly, monthly or other periodic basis, by reference to an index, prevailing market rates or other measures, and by or through remarketing or other methods.

G) Tender Options on Debt

The Issuer may issue Debt subject to the right or obligation of the holder to tender the Debt back to the Issuer for purchase, including, for example, to enable the holder to liquidate their position, or upon the occurrence of specified credit events, interest rate mode changes or other circumstances. The obligation of the Issuer to make payments to the holder upon any such tender may be secured by:

- 1) A credit or liquidity facility from a financial institution in an amount at least equal to the principal amount of the Debt subject to tender;
- 2) A liquidity or similar account into which the Issuer shall deposit and maintain an amount at least equal to the principal amount of the Debt subject to tender; or
- 3) Other means of self-liquidity that the Issuer deems prudent.

H) Multi-Modal Debt

The Issuer may issue Debt that may be converted between two or more interest rate modes without the necessity of a refunding. Such interest rate modes may include, without limitation: daily interest rates, weekly interest rates, index rates, other periodically variable interest rates, commercial paper rates, auction rates, fixed rates for a term and fixed rates to maturity (in each case with or without tender options).

I) Debt Service Reserve Funds

The Issuer may issue Debt that is secured by amounts on deposit in or credited to a debt service reserve fund or account in order to minimize the net cost of borrowing and/or to provide additional reserves for debt service or other purposes. Debt service reserve funds may secure one or more issues of Debt, and may be funded by proceeds of Debt, other available moneys of the Issuer, and/or by surety policies, letters or lines of credit or other similar instruments. Surety policies, letters or lines of credit or other similar instruments may be substituted for amounts on deposit in a debt service reserve fund if such amounts are needed for capital projects or other purposes.

Amounts in the debt service reserve funds shall be invested, in accordance with the requirements of the applicable Debt documents, in order to:

- 1) Minimize the risk of loss;
- 2) Maximize the rate of return on such amounts;
- 3) Minimize volatility in the value of such investments; and
- 4) Maximize liquidity so that such amounts will be available if it is necessary to draw upon them.

J) Lien Levels

The Issuer may create pledges at various lien priority levels, for any fund source which secures Debt repayment, in order to optimize financing capacity.

K) Debt Service Coverage

The Issuer shall maintain a debt service coverage of at least 200% or 2x the maximum annual debt service on all outstanding sales tax revenue bonds, although debt documents may establish a minimum threshold of at least 150% or 1.5x the maximum annual debt service on all outstanding sales tax revenue bonds.

Debt service coverage for toll revenue bonds shall be at least 150% or 1.5x the annual debt service in each fiscal year on all outstanding senior lien obligations and 130% or 1.3x the annual debt service in each fiscal year on all outstanding senior lien obligations, second lien obligations and subordinate obligations.

L) Build America Bond and Recovery Zone Economic Development Bond Subsidies

The Issuer is responsible to ensure compliance with all Federal laws and regulations (Federal Requirements) associated with the issuance of tax-exempt debt (Tax-Exempt Obligations) and tax-advantaged direct pay notes, bonds or other form of repayment, including without limitation obligations issued under Section 54A or Section 1400U-2 of the Code (collectively, Tax Advantaged Obligations). Accordingly, the following guidelines are provided and procedures established for compliance with Federal Requirements in connection with the issuance of Tax-Exempt Obligations and Tax Advantaged Obligations.

Unless otherwise instructed by bond counsel, at closing the Issuer will execute documentation covenanting to comply with Federal rebate and arbitrage requirements, including with respect to Tax Advantaged Obligations, as applicable.

VIII. Maintenance of Liquidity; Reserves

The Issuer may maintain unencumbered reserves in amounts at least sufficient, in the determination of the Issuer, to cover unexpected revenue losses, extraordinary payments and other contingencies, and to provide liquidity in connection with the Issuer's outstanding Debt.

IX. Investment of Debt Proceeds and Related Moneys

Proceeds of Debt and amounts in the Issuer's debt service, project fund and debt service reserve funds with respect to outstanding Debt shall be invested in accordance with the terms of the applicable Debt documents and other applicable agreements of the Issuer.

X. Third Party Credit Enhancement

The Issuer may secure credit enhancement for its Debt from third-party credit providers to the extent such credit enhancement is available upon reasonable, competitive and cost-effective terms. Such credit enhancement may include municipal bond insurance (Bond Insurance), letters of credit and lines of credit (collectively and individually, Credit Facilities), as well as other similar instruments.

A) Bond Insurance

All or any portion of an issue of Debt may be secured by Bond Insurance provided by municipal bond insurers (Bond Insurers) if it is economically advantageous to do so, or if it is otherwise deemed necessary or desirable in connection with a particular issue of Debt. The relative cost or benefit of Bond Insurance may be determined by comparing the amount of the Bond Insurance premium to the present value of the estimated interest savings to be derived as a result of the insurance.

B) Credit Facilities

The issuance of certain types of Debt requires a letter of credit or line of credit (Credit Facility) from a commercial bank or other qualified financial institution to provide liquidity and/or credit support. The types of Debt where a Credit Facility may be necessary include commercial paper, variable rate Debt with a tender option and Debt that could not receive an investment grade credit rating in the absence of such a facility.

The criteria for selection of a Credit Facility provider shall include the following:

- 1) Long-term ratings from at least one nationally recognized credit rating agency (collectively, the Rating Agencies) preferably to be equal to or better than those of the Issuer or the Debt or short-term ratings from at least one Rating Agency of at least P-1/A-1 or equivalent, as applicable;
- 2) Experience providing such facilities to state and local government issuers;
- 3) Fees, including without limitation initial and ongoing costs of the Credit Facility; draw, transfer and related fees; counsel fees; termination fees and any trading differential; and
- 4) Willingness to agree to the terms and conditions proposed or required by the Issuer.

XI. Use of Derivatives

Derivative products include but are not limited to interest rate swaps, interest rates caps and collars and forward or other hedging agreements. Derivative products will be considered in the issuance or management of debt only in instances where it has been demonstrated to the satisfaction of the Issuer that the derivative product will either provide a hedge that reduces risk of fluctuations in expense or revenue, or, alternatively, where it will reduce total debt service cost in a manner that exceed the risks. Derivative products will only be utilized following the Interest Rate Swap Policy adopted by the Board on July 12, 2006 and with prior Board approval. In addition, an analysis of early termination costs and other conditional terms must be completed by the Issuer's municipal advisor prior to the approval of any derivative product by the Board. Such analysis will document the risks and benefits associated with the use of the particular derivative product.

XII. Methods of Sale and Pricing of Debt

There are three principal methods for the sale of Debt:

- Competitive;
- Negotiated and

- Private placement.

In addition, Debt may be incurred as a direct loan. The Issuer shall utilize the method of sale that (a) is reasonably expected to produce the most advantageous interest cost with respect to the Debt and (b) provides the Issuer with the flexibility most desirable in connection with the structuring, timing or terms of such Debt. The Issuer shall utilize such method that is likely to provide the most advantageous borrowing costs and execution on behalf of the Issuer.

Debt may be sold at such prices, including at par, a premium or a discount, as the Issuer, in consultation with its municipal advisor, may determine is likely to produce the most advantageous interest cost under then prevailing market conditions, subject to compliance with applicable State law and Federal securities laws.

A) Competitive Sale

The competitive method of sale may be appropriate when:

- 1) Bond prices are stable or there is strong demand for the bonds;
- 2) Market timing and interest rate sensitivity are not critical to the pricing;
- 3) Issuer has a strong credit rating and is well known to investors;
- 4) The Issuer has straightforward political and organizational structure, and the project, funding, and credit quality are easy to understand and market to potential investors; or
- 5) The Debt type and structure are conventional and the transaction size is manageable.

B) Negotiated Sale

A negotiated sale may be appropriate when:

- 1) There is market volatility or weak demand and high supply of competing financings;
- 2) The Debt structure is complex;
- 3) Issuer has lower or weakening credit rating or is not well known to investors;
- 4) The Debt has non-standard structural features, such as a forward delivery, issuance of variable rate bonds, use of derivative products, or possesses a specific structuring feature that benefits from a negotiated sale;
- 5) Early structuring and market participation by underwriters are desired and there is strong projected retail demand for the Debt; or
- 6) The Debt size is significantly larger and would limit competition.

For a negotiated bond sale, the Issuer, with the assistance of its municipal advisor, will conduct a competitive underwriter selection process for either a specific Debt issue

or through the establishment of an underwriter pool from which to choose over a defined period of time.

C) Private Placement

A private placement is structured for one investor or a small group of investors, who are typically qualified institutional buyers, in a non-public offering conducted by an underwriting firm serving as placement agent. Since no public offering is involved, securities disclosure may not require the preparation of an offering document, such as an official statement. If a private placement is considered as the optimal sale method for the Issuer, the municipal advisor will conduct a competitive selection process to recommend the placement agent.

D) Direct Purchase; Direct Loan; Revolving Obligations

A direct purchase or direct loan is structured specifically for one bank (or a syndicate of banks), putting the Issuer and bank in a bilateral borrower-lender relationship. Examples include a direct purchase agreement or revolving credit facility. Securities disclosure also may not require the preparation of an offering document, such as an official statement. A direct purchase or direct loan may be advisable, for example, if the Issuer is otherwise unable to access the municipal capital markets. If a direct purchase or direct loan is contemplated, the municipal advisor or the Issuer may conduct a competitive selection process to recommend the bank. Selection criteria will include:

- 1) A term sheet to be provided along with the request for qualifications, with any requested modifications to be highlighted by the bank and taken into consideration in the evaluation process;
- 2) A representative list of clients for whom the bank has provided similar agreements; and
- 3) Evaluation of fees, specifically, cost of the agreement including index, spread, and other administrative charges. The evaluation of fees, terms and conditions will be compared to other alternative financing methods.

XIII. Debt Redemption Programs

The Issuer may establish from time-to-time a plan or program for the payment and/or redemption of outstanding Debt and/or interest thereon from revenues and/or other available funds pursuant to a recommendation from the CFO. Such plan or program may be for the purposes of reducing outstanding Debt, managing the amount of debt service payable in any year, or other suitable purposes, as determined by the Issuer.

XIV. Professional Services

The Issuer may retain professional services providers as necessary or desirable in connection with:

- The structuring, issuance and sale of its Debt;
- Monitoring of and advice regarding its outstanding Debt;
- The negotiation, execution and monitoring of related agreements, including without limitation Bond Insurance, Credit Facilities, Derivatives and investment agreements; and
- Other similar or related matters.

Professional service providers may include municipal advisors, bond counsel, disclosure counsel, Issuer consultants, bond trustees and Federal arbitrage rebate services providers, and may include, as appropriate, underwriters, feasibility consultants, remarketing agents, auction agents, broker-dealers, escrow agents, verification agents and other similar parties. Costs of issuance, including the standard underwriter's discount, shall not exceed two percent (2%) of Debt proceeds, unless specifically authorized.

The Issuer shall require that its Municipal Advisors, bond and disclosure counsel and other Issuer consultants be free of any conflicts of interest, or that any necessary or appropriate waivers or consents are obtained.

A) Municipal Advisors

The Issuer may utilize one or more municipal advisors to provide ongoing advisory services with respect to the Issuer's outstanding and proposed Debt and related agreements, including without limitation Bond Insurance, Credit Facilities, Derivatives, investment agreements and other similar matters. Municipal advisors must be registered with the Municipal Securities Rulemaking Board and as a municipal advisor as such term is defined in the Securities Exchange Act of 1934 and shall be required to disclose any conflicts of interest.

B) Bond Counsel, Disclosure Counsel and Other Legal Counsel

- 1) *Bond Counsel.* The Issuer may utilize one or more bond counsel firms to provide ongoing legal advisory services with respect to the Issuer's outstanding and proposed Debt and related agreements, including without limitation Credit Facilities, Derivatives, investment agreements and other similar matters. All Debt issued by the Issuer shall require a written opinion from the Issuer's bond counsel, as appropriate, regarding (i) the validity and binding effect of the Debt, and (ii) the exemption of interest from Federal and State income taxes, as applicable.

- 2) *Disclosure Counsel.* The Issuer may utilize one or more disclosure counsel firms to provide ongoing legal advisory services with respect to initial and continuing disclosure in connection with the Issuer's outstanding and proposed Debt. Such firm may be one of the Issuer's bond counsel firms.
- 3) *Other Legal Counsel.* The Issuer may encourage or require, as appropriate, the retention and use of legal counsel by other parties involved in the issuance of Debt and the execution of related agreements which are approved by the Issuer.

C) Issuer Consultant

The Issuer may utilize one or more outside Issuer consultants to provide ongoing advisory services with respect to the Issuer's outstanding and proposed Debt, Issuer fares, strategic business and financial decisions and such other matters as the Issuer requires.

D) Trustees and Fiscal Agents

The Issuer may engage bond trustees and/or fiscal agents, paying agents and tender agents, as necessary or appropriate, in connection with the issuance of its Debt.

E) Underwriters/Remarketing Agents/Broker-Dealers

The Issuer may engage an underwriter or a team of underwriters, including a senior managing underwriter, in connection with the negotiated sale of its Debt. The Issuer also may engage one or more underwriters, as necessary or appropriate, to serve as remarketing agents, broker-dealers or in other similar capacities with respect to variable rate, auction, index, tender option, commercial paper and other similar types of Debt issued by the Issuer.

F) Feasibility Consultants

The Issuer may retain feasibility consultants in connection with proposed project, programs, facilities or activities to be financed in whole or in part from proceeds of Debt. The criteria for the selection of such feasibility consultants, in addition to those set forth above, shall include their expertise and experience with projects, programs, facilities or activities similar to those proposed to be undertaken by the Issuer.

G) Arbitrage Rebate Services Providers

Because of the complexity of the Federal arbitrage rebate statutes and regulations, and the severity of potential penalties for non-compliance, the Issuer may retain an arbitrage rebate services provider in connection with its outstanding and proposed Debt, and may also solicit related legal and tax advice from its bond counsel or

separate tax counsel. The responsibilities of the arbitrage rebate services provider shall include:

- The periodic calculation of any accrued arbitrage rebate liability and of any rebate payments due under and in accordance with the Code and the related rebate regulations;
- Advice regarding strategies for minimizing arbitrage rebate liability;
- The preparation and filing of periodic forms and information required to be submitted to the Internal Revenue Service;
- The preparation and filing of requests for reimbursement of any prior overpayments; and
- Other related matters as requested by the Issuer, including the preparation and filing of the Annual Debt Transparency Report(s) with CDIAC, as required by Government Code Section 8855(i).

The Issuer shall maintain necessary and appropriate records regarding:

- The expenditure of proceeds of Debt, including the individual projects and facilities financed and the amounts expended thereon, and
- Investment earnings on such Debt proceeds.

The Issuer shall maintain such records for such period of time as shall be required by the Code.

H) Other Professional Services

The Issuer may retain such other professional services providers, including without limitation dissemination agents, verification agents, escrow agents, auction agents, as may be necessary or appropriate in connection with its Debt.

XV. Budgeting and Capital Planning

The Issuer's budgeting process, including its budgeting process for capital expenditures, shall provide a framework for evaluating proposed Debt issuances.

XVI. Credit Rating Objectives

The Issuer shall seek to preserve and enhance the credit ratings with respect to its outstanding Debt to the extent consistent with the Issuer's current and anticipated business operations and financial condition, strategic plans and goals and other objectives, and in accordance with any developed credit strategies.

XVII. Debt Affordability

Consistent with its credit rating objectives, the Issuer shall periodically review its debt affordability levels and capacity for the undertaking of new financing obligations to fund its expenditure plans. Debt affordability measures shall be based upon the credit objectives of the Issuer, criteria identified by the Rating Agencies, comparison of industry peers and other internal factors of the Issuer.

XVIII. Relationships with Market Participants

The Issuer shall seek to preserve and enhance its relationships with the various participants in the municipal bond market, including without limitation, the Rating Agencies, Bond Insurers, credit/liquidity providers and current and prospective investors, including through periodic communication with such participants.

The Issuer shall prepare or cause to be prepared appropriate disclosures as required by applicable continuing disclosure agreements, including any applicable requirements of the Securities and Exchange Commission Rule 15c2-12, as well as in conformance with any other applicable requirements of the federal government, the State of California, Rating Agencies or other persons or entities entitled to such disclosure, in order to ensure compliance with applicable laws, regulations and agreements to provide ongoing disclosure.

XIX. Periodic Review

The CFO shall review this Debt Policy on a periodic basis and recommend any changes to the Board for consideration. This Debt Policy, including any proposed changes or additions hereto, shall be presented to the Board at least once every five (5) years for reapproval.

PRELIMINARY OFFICIAL STATEMENT DATED MARCH __, 2020**RATINGS:****NEW ISSUE-FULL BOOK-ENTRY****Senior Lien Bonds**

Fitch: “___”

S&P: “___”

Second Lien Bonds

Fitch: “___”

S&P: “___”

(See “Ratings” herein)

[DAC Logo]

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Commission, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2020 Series B Senior Bonds (as defined below) and the 2020 Series C Second Lien Bonds (as defined below) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”). In the further opinion of Bond Counsel, interest on the 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the 2020 Series Bonds (as defined below) is exempt from State of California personal income taxes. Bond Counsel observes that interest on the 2020 Series A Senior Bonds (as defined below) is not excluded from gross income for federal income tax purposes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of or the amount, accrual or receipt of interest on, the 2020 Series Bonds. See “TAX MATTERS” herein.

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
(RCTC 91 Express Lanes)**

\$ _____*
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable)**

\$ _____*
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series B**

\$ _____*
**Toll Revenue Second Lien Refunding Bonds,
2020 Series C**

Dated: Date of Delivery**Due: June 1, as shown on inside cover**

The above-captioned respective series of bonds (collectively, the “2020 Series Bonds”) will be issued as fully-registered bonds by the Riverside County Transportation Commission (the “Commission”) pursuant to the Master Indenture, dated as of June 1, 2013 (the “Master Indenture,” and as amended and supplemented, the “Indenture”), including as amended and supplemented by a Third Supplemental Indenture, dated as of April 1, 2020 (the “Third Supplemental Indenture”) and a Fourth Supplemental Indenture, dated as of April 1, 2020 (the “Fourth Supplemental Indenture”), each by and between the Commission and U.S. Bank National Association, as trustee (the “Trustee”). The 2020 Series Bonds constitute limited obligations of the Commission payable solely from and secured by their respective liens on, pledges of, and security interests in the Trust Estate, which consists primarily of Toll Revenues of the RCTC 91 Express Lanes (as defined herein), subject to the provisions of the Indenture permitting the prior application thereof for the purposes described therein. Capitalized terms used on this cover page and not otherwise defined shall have the meanings assigned to them herein or in “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Definitions.”

The proceeds of the Commission’s Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable) (the “2020 Series A Senior Bonds”) will be used to (i) refund all of the Commission’s outstanding Toll Revenue Senior Lien Bonds, 2013 Series A (Current Interest Obligations) (the “2013 Series A Senior Bonds”), (ii) fund capitalized interest with respect to the 2020 Series A Senior Bonds, (iii) make a deposit to the 2013 Bonds Reserve Account (which will secure the 2020 Series A Senior Bonds and the 2013 Series B Senior Bonds, as defined herein), and (iv) pay certain costs of issuance of the 2020 Series A Senior Bonds, as described herein. The proceeds of the Commission’s Toll Revenue Senior Lien Refunding Bonds, 2020 Series B (the “2020 Series B Senior Bonds”) will be used to (i) refund a portion of the Commission’s outstanding Toll Revenue Subordinate Bonds, 2013 TIFIA Series by prepaying a corresponding portion of its obligations under the related TIFIA Loan Agreement (collectively, the “TIFIA Obligations”), (ii) make a deposit to the 2020 Series B Senior Bonds Reserve Account, and

* Preliminary, subject to change.

(iii) pay certain costs of issuance of the 2020 Series B Senior Bonds, as described herein. The proceeds of the Commission's Toll Revenue Second Lien Bonds, 2020 Series C (the "*2020 Series C Second Lien Bonds*") will be used to (i) refund and prepay the remaining portion of the Commission's outstanding TIFIA Obligations, (ii) make a deposit to the 2020 Series C Second Lien Obligations Reserve Account, and (iii) pay certain costs of issuance of the 2020 Series C Second Lien Bonds, as described herein. See "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF BOND PROCEEDS."

As of the date hereof, the Commission has Outstanding \$123,825,000 aggregate principal amount of its 2013 Series A Senior Bonds, \$[80,604,924] in accreted value of its Toll Revenue Senior Lien Bonds, 2013 Series B (Capital Appreciation Obligations) (the "*2013 Series B Senior Bonds*") and \$482,169,632 principal amount plus compounded interest of TIFIA Obligations, which are Subordinate Obligations under the Indenture. Upon the issuance of the 2020 Series Bonds, all of the 2013 Series A Bonds and all of the TIFIA Obligations will be refunded and no longer Outstanding. See "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF BOND PROCEEDS."

Interest on the 2020 Series Bonds will accrue from the date of initial delivery thereof, and will be payable on each June 1 and December 1, commencing June 1, 2020. The 2020 Series Bonds initially are issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("*DTC*"), pursuant to the Book-Entry System described herein. Beneficial ownership may be acquired in principal denominations of \$5,000, or any integral multiple thereof. Debt service payments on the 2020 Series Bonds will be payable by the Trustee to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See "THE 2020 SERIES BONDS – Book-Entry System" and "APPENDIX G – BOOK-ENTRY SYSTEM."

The 2020 Series Bonds are subject to redemption prior to maturity as described herein. See "THE 2020 SERIES BONDS – Redemption."

The Third Supplemental Indenture amends certain provisions of the Indenture. As provided in the Indenture, purchasers of the 2020 Series Bonds are deemed to have irrevocably consented and agreed to the amendments to the Indenture set forth in the Third Supplemental Indenture. See "AMENDMENTS TO INDENTURE."

This cover page contains information for quick reference only. It is not intended to be a summary of all factors relating to an investment in the 2020 Series Bonds. Investors must read the entire Official Statement before making any investment decision.

THE 2020 SERIES BONDS CONSTITUTE LIMITED OBLIGATIONS OF THE COMMISSION SECURED BY AND PAYABLE SOLELY FROM THE TRUST ESTATE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY OF RIVERSIDE, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OR PUBLIC AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2020 SERIES BONDS.

The 2020 Series Bonds are offered when, as and if issued and received by the Underwriters, subject to the approval of validity by Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Commission, and certain other conditions. Certain legal matters will be passed upon for the Commission by Norton Rose Fulbright US LLP, Los Angeles, California, as Disclosure Counsel, and by Best Best & Krieger LLP, Riverside, California, the Commission's General Counsel. Certain legal matters will be passed upon for the Underwriters by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California. It is anticipated that the 2020 Series Bonds will be available for delivery through the book-entry facilities of DTC on or about April __, 2020.

BofA Securities

Goldman Sachs & Co. LLC

J.P. Morgan

Siebert Williams Shank & Co., LLC

Wells Fargo Securities

Dated: April __, 2020

MATURITY SCHEDULE*

\$ _____
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable)**

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP[‡] (Base No.76912D)
-----------------------------------	-----------------------------	----------------------	--------------	--------------	---

\$ _____ % Term Bonds due June 1, ____ – Yield: _____ % – Price: ____ % – CUSIP[‡] _____

\$ _____
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series B**

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP[‡] (Base No.76912D)
-----------------------------------	-----------------------------	----------------------	--------------	--------------	---

\$ _____ % Term Bonds due June 1, ____ – Yield: _____ % – Price: ____ % – CUSIP[‡] _____

\$ _____
**Toll Revenue Second Lien Refunding Bonds,
2020 Series C**

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP[‡] (Base No.76912D)
-----------------------------------	-----------------------------	----------------------	--------------	--------------	---

\$ _____ % Term Bonds due June 1, ____ – Yield: _____ % – Price: ____ % – CUSIP[‡] _____

* Preliminary, subject to change.

[‡] CUSIP numbers have been assigned to these issues by CUSIP Global Services, and are included solely for the convenience of the owners of the 2020 Series Bonds. None of the Commission, the Municipal Advisor or the Underwriters are responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2020 Series Bonds as a result of various subsequent actions, including but not limited to, a refunding in whole or in part of such maturity, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the 2020 Series Bonds.

RCTC 91 Express Lanes



RIVERSIDE COUNTY TRANSPORTATION COMMISSION

BOARD MEMBERS

Ben J. Benoit, Chair (City of Wildomar)
Jan Harnik, Vice Chair (City of Palm Desert)
V. Manuel Perez, 2nd Vice Chair (County of Riverside)

Kevin Jeffries (County of Riverside)	Waymond Fermon (City of Indio)
Karen Spiegel (County of Riverside)	Brian Berkson (City of Jurupa Valley)
Chuck Washington (County of Riverside)	Kathleen Fitzpatrick (City of La Quinta)
Jeff Hewitt (County of Riverside)	Bob Magee (City of Lake Elsinore)
Art Welch (City of Banning)	Bill Zimmerman (City of Menifee)
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Raymond Gregory (City of Cathedral City)	Michael M. Vargas (City of Perris)
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Wes Speake (City of Corona)	Rusty Bailey (City of Riverside)
Scott Matas (City of Desert Hot Springs)	Andrew Kotyuk (City of San Jacinto)
Clint Lorimore (City of Eastvale)	Michael S. Naggar (City of Temecula)
Linda Krupa (City of Hemet)	Mike Beauchamp (Caltrans District 8)
Dana Reed (City of Indian Wells)	

MANAGEMENT

Executive Director
Anne Mayer

Deputy Executive Director
John Standiford

Chief Financial Officer
Theresia Trevino

Toll Program Director
Michael Blomquist

SPECIAL SERVICES

Municipal Advisor
Fieldman, Rolapp & Associates, Inc.
Irvine, California

Bond Counsel
Orrick, Herrington & Sutcliffe LLP
San Francisco, California

Disclosure Counsel
Norton Rose Fulbright US LLP
Los Angeles, California

Trustee
U.S. Bank National Association
Los Angeles, California

Verification Agent
Causey Demgen & Moore P.C.
Denver, Colorado

No dealer, salesman or any other person has been authorized by the Riverside County Transportation Commission (the “*Commission*”) or the Underwriters of the 2020 Series Bonds (the “*Underwriters*”) to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Commission or the Underwriters.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the 2020 Series Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. This Official Statement is not to be construed as a contract with the purchasers of the 2020 Series Bonds. Neither the delivery of this Official Statement nor the sale of any of the 2020 Series Bonds implies that the information herein is correct as of any time subsequent to the date hereof. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create the implication that there has been no change in the matters described herein since the date hereof. This Official Statement is submitted in connection with the sale of securities referred to herein and may not be reproduced or be used, as a whole or in part, for any other purpose.

The information set forth herein has been obtained from the Commission and other sources believed to be reliable. The information and expressions of opinions herein are subject to change without notice and neither delivery of the Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Commission since the date hereof. All summaries contained herein of the Indenture (as defined herein) or other documents are made subject to the provisions of such documents and do not purport to be complete statements of any or all of such provisions. All statements made herein are made as of the date of this document by the Commission except statistical information or other statements where some other date is indicated in the text.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

This Official Statement, including any supplement or amendment hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (“*EMMA*”) website.

The Commission maintains a website with information pertaining to the Commission. However, the information presented therein is not incorporated into this Official Statement and should not be relied upon in making investment decisions with respect to the 2020 Series Bonds.

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Official Statement constitute forward-looking statements. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget,” “forecast,” “assume” and other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet the forecasts of the Commission in any way, regardless of the level of optimism communicated in the information. The Commission is not obligated to issue any updates or revisions to the forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based do or do not occur.

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OFFICIAL STATEMENT

relating to

RIVERSIDE COUNTY TRANSPORTATION COMMISSION (RCTC 91 Express Lanes)

\$ _____*
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable)**

\$ _____*
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series B**

\$ _____*
**Toll Revenue Second Lien Refunding Bonds,
2020 Series C**

INTRODUCTION

General

This Official Statement (this “*Official Statement*”) contains certain information relating to the offering and sale by the Riverside County Transportation Commission (the “*Commission*”) of its Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable) (the “*2020 Series A Senior Bonds*”), its Toll Revenue Senior Lien Refunding Bonds, 2020 Series B (the “*2020 Series B Senior Bonds*” and, together with the 2020 Series A Senior Bonds, the “*2020 Senior Bonds*”), and its Toll Revenue Second Lien Refunding Bonds, 2020 Series C (the “*2020 Series C Second Lien Bonds*”). The 2020 Senior Bonds and the 2020 Series C Second Lien Bonds are referred to herein collectively as the “*2020 Series Bonds*.”

The 2020 Series Bonds shall be issued and secured under the Master Indenture, dated as of June 1, 2013 (the “*Master Indenture*”), as supplemented by the First Supplemental Indenture, dated as of June 1, 2013 (the “*First Supplemental Indenture*”), the Second Supplemental Indenture, dated as of June 1, 2013 (the “*Second Supplemental Indenture*”), the Third Supplemental Indenture, dated as of April 1, 2020 (the “*Third Supplemental Indenture*”), and the Fourth Supplemental Indenture, dated as of April 1, 2020 (the “*Fourth Supplemental Indenture*” and, together with the Master Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the “*Indenture*”), each by and between the Commission and U.S. Bank National Association, as trustee (the “*Trustee*”), as the same may be amended or supplemented from time to time in accordance with the terms of the Master Indenture.

References to “*Senior Lien Obligations*” herein shall mean the 2020 Senior Bonds and all other bonds identified as Riverside County Transportation Commission Toll Revenue Senior Lien Bonds, and all obligations on a parity therewith authorized by, issued in accordance with, and at any time Outstanding pursuant to the Indenture, including the Commission’s Toll Revenue Senior Lien Bonds, 2013 Series B (Capital Appreciation Obligations) (the “*2013 Series B Senior Bonds*”). References to “*Second Lien Obligations*” herein shall mean the 2020 Series C Second Lien Bonds and all other bonds identified as Riverside County Transportation Commission Toll Revenue Second Lien Bonds and all obligations on a parity therewith authorized by, issued in accordance with, and at any time Outstanding pursuant to the Indenture. Capitalized terms used in this Official Statement that are not otherwise defined herein have the

* Preliminary, subject to change.

meanings assigned to them in “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

Application of Proceeds

The proceeds of the 2020 Series A Senior Bonds will be used to (i) refund all of the Commission’s outstanding Toll Revenue Senior Lien Bonds, 2013 Series A (Current Interest Obligations) (the “*2013 Series A Senior Bonds*”), (ii) fund capitalized interest with respect to the 2020 Series A Senior Bonds, (iii) make a deposit to the 2013 Bonds Reserve Account (which will secure the 2020 Series A Bonds and the 2013 Series B Senior Bonds), and (iv) pay certain costs of issuance of the 2020 Series A Senior Bonds, as described herein. The proceeds of the 2020 Series B Senior Bonds will be used to (i) refund a portion of the Commission’s outstanding Toll Revenue Subordinate Bonds, 2013 TIFIA Series by prepaying a corresponding portion of its obligations under the related TIFIA Loan Agreement (collectively, the “*TIFIA Obligations*”), (ii) make a deposit to the 2020 Series B Senior Bonds Reserve Account, and (iii) pay certain costs of issuance of the 2020 Series B Senior Bonds, as described herein. The proceeds of the 2020 Series C Second Lien Bonds will be used to (i) refund by prepaying the remaining portion of the Commission’s outstanding TIFIA Obligations, (ii) make a deposit to the 2020 Series C Second Lien Obligations Reserve Account, and (iii) pay certain costs of issuance of the 2020 Series C Second Lien Bonds, as described herein. See “PLAN OF REFUNDING” and “ESTIMATED SOURCES AND USES OF BOND PROCEEDS.”

Sources of Payment and Security

The 2020 Senior Bonds are limited obligations of the Commission payable solely from and secured solely by a first lien on, pledge of and security interest in the Trust Estate on an equal and ratable basis with any Senior Lien Obligations issued in accordance with the provisions of the Indenture, subject to the provisions of the Indenture permitting the prior application thereof for the purposes described therein.

The 2020 Series C Second Lien Bonds are limited obligations of the Commission payable solely from and secured solely by a second lien on, pledge of and security interest in the Trust Estate on an equal and ratable basis with any Second Lien Obligations issued in accordance with the provisions of the Indenture, subject to the provisions of the Indenture permitting the prior application thereof for the purposes described therein.

The Trust Estate is comprised of (i) Toll Revenues, (ii) all interest or other income from investment of money in the Funds and Accounts established under the Indenture (excluding the Rebate Fund and the Surplus Fund and any Fund or Account established to hold the proceeds of a drawing on any Credit Support Instrument), (iii) all Swap Revenues, and (iv) all amounts (including the proceeds of Obligations) held in the Funds and Accounts established under the Indenture (except for amounts on deposit in the Rebate Fund and the Surplus Fund and amounts on deposit in any Fund or Account established to hold the proceeds of a drawing on any Credit Support Instrument). The Trust Estate does not include toll revenues generated by the RCTC 15 Express Lanes, Sales Tax Revenues generated by the Measure A Sales Tax levied by the Commission, proceeds of any of the Commission’s sales tax revenue bonds, state or federal grant funds or any other revenues of the Commission beyond Toll Revenues and the other components of the Trust Estate described above. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2020 SERIES BONDS.”

Existing Obligations

As of the date hereof, the Commission has Outstanding \$123,825,000 aggregate principal amount of 2013 Series A Senior Bonds, \$[80,604,924] in accreted value of its 2013 Series B Senior Bonds and \$482,169,632 principal amount plus compounded interest of TIFIA Obligations, which are Subordinate Obligations under the Indenture. Upon the issuance of the 2020 Series Bonds, all of the 2013 Series A Bonds and all of the TIFIA Obligations will be refunded and no longer Outstanding. See “PLAN OF REFUNDING” and “ESTIMATED SOURCES AND USES OF BOND PROCEEDS.”

2020 Series A Senior Bonds Designated as 2013 Bonds Reserve Account Obligations

The 2020 Series A Senior Bonds are designated as 2013 Bonds Reserve Account Obligations pursuant to the Third Supplemental Indenture. As such, the Trust Estate securing the 2020 Series A Senior Bonds includes amounts held in the 2013 Bonds Reserve Account within the Senior Lien Obligations Reserve Fund. On the date of delivery of the 2020 Series A Senior Bonds, proceeds of the 2020 Series A Senior Bonds in the amount of \$_____, representing the additional amount needed to meet the 2013 Bonds Reserve Requirement following issuance of the 2020 Series A Senior Bonds and refunding of the 2013 Series A Senior Bonds, will be deposited in the 2013 Bonds Reserve Account. Funds held in the 2013 Bonds Reserve Account shall secure only the 2013 Bonds Reserve Account Obligations, and such amounts shall be applied pursuant to the Indenture to make up any shortfall in the payment of interest, principal and/or redemption price (excluding any redemption premium) due on the 2013 Bonds Reserve Account Obligations, which at closing will consist of the 2020 Series A Senior Bonds and the 2013 Series B Senior Bonds. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2020 SERIES BONDS – 2020 Series A Bonds Designated as 2013 Bonds Reserve Account Obligations.”

2020 Series B Senior Bonds Reserve Account

The Trust Estate securing the 2020 Series B Senior Bonds includes amounts held in the 2020 Series B Senior Bonds Reserve Account within the Senior Lien Obligations Reserve Fund. On the date of delivery of the 2020 Series B Senior Bonds, proceeds of the 2020 Series B Senior Bonds in the amount of \$_____, representing the 2020 Series B Senior Bonds Reserve Requirement, will be deposited in the 2020 Series B Senior Bonds Reserve Account. Funds held in the 2020 Series B Senior Bonds Reserve Account shall secure only the 2020 Series B Senior Bonds Reserve Account Obligations, and such amounts shall be applied pursuant to the Indenture to make up any shortfall in the payment of interest, principal and/or redemption price (excluding any redemption premium) due on the 2020 Series B Senior Bonds Reserve Account Obligations, which at closing will consist of the 2020 Series B Senior Bonds. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2020 SERIES BONDS – 2020 Series B Senior Bonds Reserve Account.”

2020 Series C Second Lien Obligations Reserve Account

The Trust Estate securing the 2020 Series C Second Lien Bonds includes amounts held in the 2020 Series C Second Lien Obligations Reserve Account within the Second Lien Obligations Reserve Fund. On the date of delivery of the 2020 Series C Second Lien Bonds, proceeds of the 2020 Series C Second Lien Bonds in the amount of \$_____, representing the 2020 Series C Second Lien Bonds Reserve Requirement, will be deposited in the 2020 Series C Second Lien Obligations Reserve Account. Funds held in the 2020 Series C Second Lien Obligations Reserve Account shall secure only the 2020 Series C Second Lien Obligations Reserve Account Obligations and shall be applied pursuant to the Indenture to make up any shortfall in the payment of interest, principal and/or redemption price (excluding any redemption premium) due on the 2020 Series C Second Lien Obligations Reserve Account

Obligations, which at closing will consist of the 2020 Series C Second Lien Bonds. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2020 SERIES BONDS – 2020 Series C Second Lien Obligations Reserve Account.”

Limited Obligations

THE 2020 SERIES BONDS CONSTITUTE LIMITED OBLIGATIONS OF THE COMMISSION SECURED BY AND PAYABLE SOLELY FROM THE TRUST ESTATE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY OF RIVERSIDE, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OR PUBLIC AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2020 SERIES BONDS.

Amendments to Indenture

The Third Supplemental Indenture includes certain amendments to the Indenture arising from the completion of construction of the RCTC 91 Express Lanes and the anticipated refunding and prepayment of the TIFIA Obligations. **Purchasers of the 2020 Series Bonds are deemed to have irrevocably consented and agreed to the amendments to the Indenture set forth in the Third Supplemental Indenture.** Upon the issuance of the 2020 Series Bonds, such amendments will become effective pursuant to the Indenture. See “AMENDMENTS TO INDENTURE.”

The Commission

The Commission is a county transportation commission duly organized and existing pursuant to the County Transportation Commissions Act, being Division 12 of the Public Utilities Code of the State of California (Section 130000 et seq.) (as amended, the “Act”). The Commission began to oversee the funding and coordination of public transportation services in 1977 within the County of Riverside (the “County”). The Commission serves as the tax authority and implementation agency for the voter-approved Measure A Transportation Improvement Program, which imposes a ½ cent sales tax within the County to fund transportation improvements. See “RIVERSIDE COUNTY TRANSPORTATION COMMISSION.”

The County was organized in 1893 from territory in San Bernardino and San Diego Counties and encompasses 7,177 square miles. The County is bordered on the north by San Bernardino County, on the east by the State of Arizona, on the south by San Diego and Imperial Counties and on the west by Orange and San Bernardino Counties. The County is the fourth largest county (by area) in the State of California (the “State”) and stretches 185 miles from the Arizona border to within 20 miles of the Pacific Ocean. There are 28 incorporated cities in the County.

The Commission has also been designated as the congestion management agency (the “CMA”) for the County. As the CMA, the Commission has developed a congestion management program that more effectively utilizes transportation funds by linking land use, transportation and air quality efforts. The Commission serves as the service authority for freeway emergencies and operates the freeway service patrol (the “FSP”) for the County. The results of these programs – 136 call boxes along County roadways and 27 FSP tow trucks providing assistance to more than 44,600 motorists annually – are among the most visible of the Commission’s programs. For additional information regarding the Commission, see “RIVERSIDE COUNTY TRANSPORTATION COMMISSION.”

RCTC 91 Express Lanes

The RCTC 91 Express Lanes consist of two tolled express lanes of approximately eight miles in each direction in the median of State Route 91 (“SR-91”) in Riverside County, connecting with the OCTA 91 Express Lanes (as defined herein) at the Orange County/Riverside County line and continuing east to the Interstate 15 (“I-15”)/SR-91 interchange, as well as a tolled direct connector of one lane in each direction from SR-91 to I-15 South, related improvements and an electronic toll collection and enforcement system. The RCTC 91 Express Lanes opened to motorists on March 20, 2017.

The Commission is responsible for operating and maintaining the RCTC 91 Express Lanes. The Commission contracts with Cofiroute USA, LLC (“Cofiroute”) to serve as the primary operator of the RCTC 91 Express Lanes and contracts with the California Department of Transportation (“Caltrans”) to maintain the RCTC 91 Express Lanes. Cofiroute’s current management responsibilities for the RCTC 91 Express Lanes include revenue collection, customer accounts, violation enforcement, violation processing, and incident management and response. The Commission contracts with Kapsch TrafficCom USA Inc. (“Kapsch”) to perform first line maintenance of tolling and traffic equipment for the RCTC 91 Express Lanes.

Cofiroute also serves as the operator of the OCTA 91 Express Lanes in Orange County, California. Tolls on each of the OCTA 91 Express Lanes and the RCTC 91 Express Lanes are charged independently. When travelling along SR-91, vehicles use either or both of such tolled express lanes, or may use the general purpose lanes (which are free of charge). Notwithstanding their physical connection and the use of the same Toll Operator, the OCTA 91 Express Lanes and the RCTC 91 Express Lanes are independent enterprises and their finances are not commingled.

The Commission is also responsible for constructing, operating and maintaining tolled express lanes along I-15 (the “RCTC 15 Express Lanes”). As with the OCTA 91 Express Lanes, the RCTC 91 Express Lanes and the RCTC 15 Express Lanes are independent enterprises and their finances are not commingled.

See “RCTC 91 EXPRESS LANES” and “OPERATION AND MAINTENANCE OF THE RCTC 91 EXPRESS LANES.”

Traffic and Revenue Study

The Commission has engaged Stantec Consulting Services Inc. (“Stantec”) to serve as the traffic and revenue consultant for the RCTC 91 Express Lanes. In this capacity, Stantec has prepared the “RCTC 91 Express Lanes Investment Grade Traffic and Revenue Study – Investment Grade Study Refresh 2018,” dated November 27, 2018 (the “*Investment Grade Study Refresh*”), as supplemented by Stantec’s Bringdown Letter dated February [11], 2020 (the “*Bringdown Letter*,” and together with the Investment Grade Study Refresh, the “*Updated Study*”), which are attached hereto as APPENDIX B-1 and APPENDIX B-2, respectively. **The traffic and revenue projections reached in the Updated Study are based on various assumptions. No assurances can be given that actual conditions will not materially and adversely differ from such assumed conditions. The Investment Grade Study Refresh attached hereto as APPENDIX B-1 and the Bringdown Letter attached hereto as APPENDIX B-2 each should be read in their entirety.** See also “TRAFFIC AND REVENUE ESTIMATES.”

Engineer's Technical Report

The Commission has engaged Parsons Transportation Group Inc. ("*Parsons*") to serve as the Commission's Express Lanes Engineer. In this capacity, Parsons has prepared an Engineer's Technical Report dated February __, 2020 (the "*Engineer's Technical Report*"), which is attached hereto as APPENDIX C. **Matters addressed in the Engineer's Technical Report are based on various assumptions. No assurances can be given that actual conditions will not materially and adversely differ from such assumed conditions. The Engineer's Technical Report attached hereto as APPENDIX C should be read in its entirety.** See also "ENGINEER'S TECHNICAL REPORT."

Additional Obligations

The Indenture permits the Commission, subject to certain conditions, to issue from time to time additional Senior Lien Obligations secured on a parity with the 2020 Senior Bonds, additional Second Lien Obligations secured on a parity with the 2020 Series C Second Lien Bonds and additional Subordinate Lien Obligations secured on a basis subordinate to the 2020 Senior Bonds and the 2020 Series C Second Lien Bonds, provided that, with respect to any Subordinate Obligations in the form of a TIFIA Loan, such Subordinate Lien Obligations may be deemed to be Senior Lien Obligations following the occurrence of a Bankruptcy Related Event. In such event, such Subordinate Lien Obligations in the form of a TIFIA Loan would be secured by and payable from the Trust Estate on a parity with the 2020 Senior Bonds, the 2013 Series B Senior Bonds and any other Outstanding Senior Lien Obligations. After the issuance of the 2020 Series Bonds, the Commission's outstanding Senior Lien Obligations will include, in addition to the 2020 Senior Bonds, \$[80,604,924] in accreted value of its 2013 Series B Senior Bonds. See "SOURCES OF PAYMENT AND SECURITY FOR THE 2020 SERIES BONDS – Additional Senior Lien Obligations" and "- Additional Second Lien Obligations or Subordinate Obligations" and "PLAN OF REFUNDING."

THE 2020 SERIES BONDS

General

The 2020 Series Bonds will be dated their date of delivery, will bear interest from that date payable on June 1, 2020 and on each June 1 and December 1 thereafter at the rates per annum, computed on the basis of a 360-day year comprised of twelve 30-day months, and will mature on June 1 in the years, shown on the inside cover of this Official Statement. Interest on each 2020 Series Bond will be payable to the registered owner thereof from the latest of (i) its delivery date, (ii) the most recent Interest Payment Date to which interest has been paid thereon or duly provided for, or (iii) if the date of authentication of such 2020 Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication.

The 2020 Series A Senior Bonds will be issued in Authorized Denominations of \$1,000 and any integral multiple thereof. The 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds will be issued in Authorized Denominations of \$5,000 and any integral multiple thereof.

The principal of, premium, if any, and interest on the 2020 Series Bonds will be payable in lawful currency of the United States of America. While the 2020 Series Bonds are Book-Entry Obligations, payment of debt service will be made to the Securities Depository or its Nominee, and in accordance with arrangements among the Commission, the Trustee and the Securities Depository. During any period in which the 2020 Series Bonds are not Book-Entry Obligations, the principal of and premium, if any, will be payable by wire or check at the Principal Office of the Trustee upon the presentation and surrender of such 2020 Series Bonds as the same become due and payable, and the interest on the 2020 Series Bonds

will be paid by wire or check drawn upon the Trustee and mailed on the applicable interest payment date to the persons in whose names the 2020 Series Bonds are registered on the registration books maintained by the Trustee at the close of business on the 15th day of the month preceding the month in which such Interest Payment Date occurs (the “*Record Date*”) for such interest payment.

Book-Entry System

DTC will act as securities depository for the 2020 Series Bonds. The 2020 Series Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee). One fully-registered bond will be issued for each maturity of such 2020 Series Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. Ultimate purchasers of 2020 Series Bonds will not receive physical certificates representing their interest in the 2020 Series Bonds. Payment of the principal of and interest on the 2020 Series Bonds will be made directly to DTC, or its nominee, Cede & Co., by the Trustee so long as DTC or Cede & Co. is the registered owner of the 2020 Series Bonds. Disbursement of such payments to DTC’s Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC’s Participants and Indirect Participants. See “APPENDIX G – BOOK-ENTRY SYSTEM.”

Redemption*

Optional Redemption of 2020 Series A Senior Bonds. The 2020 Series A Senior Bonds are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part, on any date on or after June 1, 20__ at the principal amount of 2020 Series A Senior Bonds called for redemption plus accrued interest to the date fixed for redemption, without premium.

Optional Redemption of 2020 Series B Senior Bonds. The 2020 Series B Senior Bonds are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part, on any date on or after June 1, 20__ at the principal amount of 2020 Series B Senior Bonds called for redemption plus accrued interest to the date fixed for redemption, without premium.

Optional Redemption of 2020 Series C Second Lien Bonds. The 2020 Series C Second Lien Bonds are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part, on any date on or after June 1, 20__ at the principal amount of 2020 Series C Second Lien Bonds called for redemption plus accrued interest to the date fixed for redemption, without premium.

Mandatory Redemption of 2020 Series A Senior Bonds From Sinking Fund Installment. The 2020 Series A Senior Bonds maturing on June 1, 20__ (the “*2020 Series A Senior Term Bonds*”) are subject to mandatory redemption prior to their respective stated maturities, in part, from Sinking Fund Installments on each June 1 a Sinking Fund Installment is due in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium. The Sinking Fund Installments for the 2020 Series A Senior Term Bond maturing on June 1, 20__ shall be due in the amounts and on the dates as follows:

* Preliminary, subject to change.

<u>Sinking Fund Installment Dates (June 1)</u>	<u>Sinking Fund Installments</u>
*	\$

* Final Maturity

Mandatory Redemption of 2020 Series B Senior Bonds From Sinking Fund Installment. The 2020 Series B Senior Bonds maturing on June 1, 20__ (the “2020 Series B Senior Term Bonds”) are subject to mandatory redemption prior to their respective stated maturities, in part, from Sinking Fund Installments on each June 1 a Sinking Fund Installment is due in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium. The Sinking Fund Installments for the 2020 Series B Senior Term Bond maturing on June 1, 20__ shall be due in the amounts and on the dates as follows:

<u>Sinking Fund Installment Dates (June 1)</u>	<u>Sinking Fund Installments</u>
*	\$

* Final Maturity

Mandatory Redemption of 2020 Series C Second Lien Bonds From Sinking Fund Installment. The 2020 Series C Second Lien Bonds maturing on June 1, 20__ (the “2020 Series C Second Lien Term Bonds”) are subject to mandatory redemption prior to their respective stated maturities, in part, from Sinking Fund Installments on each June 1 a Sinking Fund Installment is due in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium. The Sinking Fund Installments for the 2020 Series C Second Lien Term Bond maturing on June 1, 20__ shall be due in the amounts and on the dates as follows:

<u>Sinking Fund Installment Dates (June 1)</u>	<u>Sinking Fund Installments</u>
*	\$

* Final Maturity

Selection of 2020 Series A Senior Bonds for Redemption. The Commission will designate which maturities of 2020 Series A Senior Bonds are to be called for optional redemption. In the event 2020 Series A Senior Bonds which are Term Bonds are designated for redemption, the Commission may designate the Sinking Fund Installments, or portions thereof, that are to be reduced as allocated to such redemption. The Trustee shall promptly notify the Commission in writing of the 2020 Series A Senior Bonds so selected for redemption.

If the 2020 Series A Senior Bonds are not registered in book-entry only form, any redemption of less than all of a maturity of the 2020 Series A Senior Bonds shall be effected by the Trustee among owners on a pro-rata basis subject to minimum Authorized Denominations. The particular 2020 Series A Senior Bonds to be redeemed shall be determined by the Trustee, using such method as it shall deem fair and appropriate.

If the 2020 Series A Senior Bonds are registered in book-entry only form, and so long as DTC or a successor Securities Depository is the sole registered owner of the 2020 Series A Senior Bonds, if less than all of the 2020 Series A Senior Bonds of a maturity are called for prior redemption, the particular 2020 Series A Senior Bonds or portions thereof to be redeemed shall be selected on a “Pro Rata Pass-Through Distribution of Principal” basis in accordance with DTC procedures, provided that, so long as the 2020 Series A Senior Bonds are held in book-entry form, the selection for redemption of such 2020 Series A Senior Bonds shall be made in accordance with the operational arrangements of DTC then in effect that at issuance provided for adjustment of the principal by a factor provided pursuant to DTC operational arrangements. If the Trustee does not provide the necessary information and identify the redemption as on a Pro Rata Pass-Through Distribution of Principal basis, the 2020 Series A Senior Bonds shall be selected for redemption by lot in accordance with DTC procedures. Redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Commission and the Beneficial Owners are to be made on a “Pro Rata Pass-Through Distribution of Principal” basis as described above. If the DTC operational arrangements do not allow for the redemption of the 2020 Series A Senior Bonds on a “Pro Rata Pass-Through Distribution of Principal” basis as described above, then the 2020 Series A Senior Bonds shall be selected for redemption by lot in accordance with DTC procedures.

Selection of 2020 Series B Senior Bonds and 2020 Series C Second Lien Bonds to be Redeemed. The Commission will designate which maturities of each of the 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds are to be called for optional redemption. In the event 2020 Series B Senior Bonds or the 2020 Series C Second Lien Bonds which are Term Bonds are designated for redemption, the Commission may designate the Sinking Fund Installments, or portions thereof, that are to be reduced as allocated to such redemption. The Trustee will promptly notify the Commission in writing of the 2020 Series B Senior Bonds or the 2020 Series C Second Lien Bonds so selected for redemption. If less than all of the 2020 Series B Senior Bonds or 2020 Series C Second Lien Bonds of a maturity are called for prior redemption, the Trustee shall select the 2020 Series B Senior Bonds or 2020 Series C Second Lien Bonds of such maturity to be redeemed, from the Outstanding 2020 Series B Senior Bonds or the Outstanding 2020 Series C Second Lien Bonds, as applicable, of such maturity not previously called for redemption, in minimum denominations of \$5,000 (of principal), by lot in any manner which the Trustee in its sole discretion shall deem appropriate.

Notwithstanding the foregoing paragraph, so long as the 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds are registered in the name of Cede & Co., as nominee of DTC, and less than all of such 2020 Series B Senior Bonds or 2020 Series C Second Lien Bonds within a maturity are being redeemed, the 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds to be redeemed will be determined by DTC pursuant to its procedures. Neither the Commission nor the Trustee will have any responsibility to Direct Participants, Indirect Participants, or the persons for whom Direct Participants act as nominees, with respect to the providing of notice of redemption or the selection of 2020 Series B Senior Bonds or the 2020 Series C Second Lien Bonds for redemption.

Notice and Conditional Redemption. Each notice of redemption of 2020 Series Bonds will be mailed by the Trustee, not less than twenty (20) nor more than sixty (60) days prior to the redemption date, to each Owner and to the Municipal Securities Rulemaking Board (the “MSRB”). Notice of redemption to the Owners will be given by first class mail. Each notice of redemption will state the date

of such notice, the issue date of the 2020 Series Bonds to which such notice relates, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, in the case of 2020 Series Bonds to be redeemed in part only, the identity of the 2020 Series Bonds to be redeemed. Except in the case of conditional optional redemption, each such notice will also state that on said date there will become due and payable on each of said 2020 Series Bonds the redemption price thereof, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date interest thereon will cease to accrue, and will require that such 2020 Series Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice. Neither the Commission nor the Trustee will have any responsibility for any defect in the CUSIP number that appears on any 2020 Series Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Commission nor the Trustee will be liable for any inaccuracy in such numbers. Failure of any Owner to receive any notice of redemption or any defect therein will not affect the sufficiency of any proceedings for redemption.

Any notice of optional redemption of the 2020 Series Bonds may be conditional, and if any condition stated in the notice of redemption will not have been satisfied on or prior to the redemption date, said notice will be of no force and effect and the Commission will not be required to redeem the 2020 Series Bonds thereby called for redemption, such 2020 Series Bonds shall not become due and payable, and the redemption will be cancelled and the Trustee will within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. In addition, the Commission may, at its option, on or prior to the date fixed for optional redemption in any notice of redemption of the 2020 Series Bonds, rescind and cancel such notice of redemption by Written Request of the Commission to the Trustee, and any optional redemption of 2020 Series Bonds and notice thereof will be rescinded and cancelled and the Trustee will mail notice of such cancellation to the recipients of the notice of redemption being cancelled. Any optional redemption of 2020 Series Bonds and notice thereof will be rescinded and cancelled if for any reason on the date fixed for optional redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the 2020 Series Bonds called for optional redemption and such failure to optionally redeem the 2020 Series Bonds called for redemption will not be a default under the Indenture.

Effect of Redemption. Notice of redemption of such 2020 Series Bonds having been duly given as described above, and moneys for payment of the redemption price of, together with interest accrued to the redemption date on, the 2020 Series Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the 2020 Series Bonds (or portions thereof) so called for redemption shall become due and payable at the redemption price specified in the Indenture, together with interest accrued thereon to the date fixed for redemption, interest on the 2020 Series Bonds so called for redemption shall cease to accrue, such 2020 Series Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Owners of such 2020 Series Bonds shall have no rights in respect thereof except to receive payment of such redemption price and accrued interest to the date fixed for redemption.

Purchase In Lieu of Redemption. In lieu of mandatory redemption from Sinking Fund Installments, the Commission may surrender to the Trustee for cancellation 2020 Series Bonds that are Term Bonds purchased on the open market and such 2020 Series Bonds that are Term Bonds will be cancelled by the Trustee. If any 2020 Series Bonds that are Term Bonds are so cancelled, the Commission may designate the Sinking Fund Installments or portions thereof that are to be reduced as allocated to such cancellation.

SOURCES OF PAYMENT AND SECURITY FOR THE 2020 SERIES BONDS

The information provided below regarding sources of payment and security for the 2020 Series Bonds reflects the amendments to the Indenture that will become effective upon the issuance of the 2020 Series Bonds and that purchasers of the 2020 Series Bonds are consenting to by their purchase of such 2020 Series Bonds. See “AMENDMENTS TO INDENTURE.”

Sources of Payment

The 2020 Senior Lien Bonds are limited obligations of the Commission payable solely from and secured solely by a first lien on, pledge of and security interest in the Trust Estate on an equal and ratable basis with any Senior Lien Obligations issued in accordance with the provisions of the Indenture, including without limitation the 2013 Series B Senior Bonds, subject to the provisions of the Indenture permitting the prior application thereof for the purposes described therein.

The 2020 Series C Second Lien Bonds are limited obligations of the Commission payable solely from and secured solely by a second lien on, pledge of and security interest in the Trust Estate on an equal and ratable basis with any Second Lien Obligations issued in accordance with the provisions of the Indenture, subject to the provisions of the Indenture permitting the prior application thereof for the purposes described therein.

Trust Estate. The “Trust Estate,” as described in the Indenture, is composed of (i) Toll Revenues, (ii) all interest or other income from investment of money in the Funds and Accounts established under the Indenture (excluding the Rebate Fund and the Surplus Fund, and any Fund or Account established to hold the proceeds of a drawing on any Credit Support Instrument), (iii) all Swap Revenues, and (iv) all amounts (including the proceeds of Obligations) held in certain Funds and Accounts established under the Indenture (except for amounts on deposit in the Rebate Fund and the Surplus Fund within the Project Fund, and amounts on deposit in any Fund or Account established to hold the proceeds of a drawing on any Credit Support Instrument). The Trust Estate does not include toll revenues generated by the RCTC 15 Express Lanes, Sales Tax Revenues generated by the Commission’s Measure A Sales Tax or proceeds of any of the Commission’s sales tax revenue bonds, State or federal grant funds or any other revenues of the Commission beyond Toll Revenues and the other components of the Trust Estate described above.

Toll Revenues. “Toll Revenues,” as defined in the Indenture, means (a) toll revenues, user fees, fines, rents or other similar charges payable for use of the Toll Road, as well as fines and penalties and interest thereon collected as a result of a failure to pay any such amounts, (b) proceeds of insurance payable to or received by the Commission with respect to the Toll Road (whether by way of claims, return of premiums, ex gratia settlements or otherwise), including proceeds from business interruption insurance and loss of advance profits insurance, except for proceeds of fire and other casualty insurance that are deposited to the Insurance and Condemnation Proceeds Account of the Project Fund and actually applied or reserved for application to the repair, restoration or replacement of the Toll Road, (c) proceeds of any condemnation awards with respect to the Toll Road, except to the extent deposited to the Insurance and Condemnation Proceeds Account of the Project Fund and actually applied or reserved for application to the replacement of the Toll Road, (d) liquidated damages for delayed completion of a Project payable to the Commission under a construction contract relating to the Toll Road or a portion thereof, (e) proceeds of credit support provided by the Toll Operator pursuant to the Operating Agreement, and (f) any other incidental or related fees or charges; but excluding therefrom revenues from sale of excess right-of-way property and cash advances representing deposits against future toll payments from users or potential users of the Toll Road.

Toll Road. “Toll Road,” as defined in the Indenture, means lanes of a street, road or highway upon which the Commission has all right, power and authority pursuant to law to impose tolls, and upon which tolls are imposed by the Commission using any of the following tolling strategies: (a) general purpose or generally-applicable tolls, (b) tolls that may be levied and may vary according to levels of congestion anticipated or experienced or according to the occupancy of the vehicle, (c) any combination of (a) and (b), and (d) any other tolling strategy the Commission may determine appropriate on a facility-by-facility basis; and the related tolling facilities, as such tolled lanes and related facilities may from time to time be expanded, improved, upgraded, enlarged, or enhanced, but only to the extent that: (i) the Commission irrevocably designates in writing that such toll lanes and related facilities, and any expansion, improvement, upgrade, enlargement or enhancement constitutes a Toll Road generating Toll Revenues thereunder and (ii) that (x) the additional Operation and Maintenance Expenses associated with any such expansion, improvement, upgrade, enlargement or enhancement and (y) any additional Obligations issued to finance the costs of any such expansion, improvement, upgrade, enlargement or enhancement, shall not result in debt service coverage ratios for the Subordinate Obligations lower than those described in toll and revenue covenants in the Indenture “Toll Road” does not include any Special Project, as defined in the Indenture. “Toll Road” currently means the RCTC 91 Express Lanes. See “RCTC 91 EXPRESS LANES.”

Revenue. “Revenue,” as defined in the Indenture, means (i) Toll Revenues; (ii) all interest or other income from investment of money in the Funds and Accounts established under the Indenture (excluding the Rebate Fund, the Surplus Fund, the Operation and Maintenance Fund, and any Fund or Account established to hold the proceeds of a drawing on any Credit Support Instrument); and (iii) all Swap Revenues; provided that in no event shall “Revenue” include Subsidy Payments.

Net Revenue. “Net Revenue,” as defined in the Indenture, means for any Fiscal Year, Revenue less Operation and Maintenance Expenses for that Fiscal Year (excluding, in such calculations, (i) any extraordinary or one-time revenues from Revenue for such Fiscal Year, and (ii) any extraordinary or one-time expenses from Operation and Maintenance Expenses for such Fiscal Year, but only if and to the extent such extraordinary or one-time expenses are paid or payable from extraordinary or one-time revenues being excluded from Revenue for such Fiscal Year) as set forth in (a) the audited financial statements of the Commission for Fiscal Years for which audited financial statements are available, (b) to the extent that audited financial statements are not available, the unaudited financial statements of the Commission for Fiscal Years for which unaudited financial statements are available or (c) to the extent that neither audited financial statements nor unaudited financial statements are available, projections of the Commission. Net Revenue shall not include any amount on deposit in the Senior Lien Obligations Reserve Fund, the Second Lien Obligations Reserve Fund or the Subordinate Obligations Reserve Fund. Additionally, when calculating Net Revenue for purposes of incurring additional Obligations and setting toll rates, Net Revenue shall only include the amounts received under clauses (b), (c) and (d) of the definition of Toll Revenues to the extent that any such amounts are applied to, or reserved for, the payment of principal of or interest on Obligations.

Limited Obligations

THE 2020 SERIES BONDS CONSTITUTE LIMITED OBLIGATIONS OF THE COMMISSION SECURED BY AND PAYABLE SOLELY FROM THE TRUST ESTATE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY OF RIVERSIDE, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OR PUBLIC AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2020 SERIES BONDS.

The 2020 Series Bonds are not secured by a mortgage or deed of trust on, or other security interest in, the RCTC 91 Express Lanes.

Funds and Accounts; Flow of Funds under Indenture

The Indenture establishes the following Funds and Accounts, which are established and created and maintained in trust by the Trustee:

- Toll Revenue Fund
- Project Fund, and within the Project Fund, the Senior Lien Obligations Account, the Second Lien Obligations Account, the Subordinate Obligations Account, the Design Build Contractor Payments Account and the Insurance and Condemnation Proceeds Account
- Rebate Fund
- Senior Lien Obligations Fund and, within the Senior Lien Obligations Fund, the Senior Lien Obligations Interest Account and the Senior Lien Obligations Principal Account
- Senior Lien Obligations Reserve Fund and, within the Senior Lien Obligations Reserve Fund, the 2013 Bonds Reserve Account and the 2020 Series B Senior Bonds Reserve Account
- Second Lien Obligations Fund and, within the Second Lien Obligations Fund, the Second Lien Obligations Interest Account and the Second Lien Obligations Principal Account
- Second Lien Obligations Reserve Fund and, within the Second Lien Obligations Reserve Fund, the 2020 Series C Second Lien Obligations Reserve Account
- Subordinate Obligations Fund and, within the Subordinate Obligations Fund, the Subordinate Obligations Interest Account, the Subordinate Obligations Principal Account and the Subordinate Obligations Prepayment Account
- Subordinate Obligations Reserve Fund
- Repair and Rehabilitation Fund
- Capital Expenditures Fund
- Residual Fund

The Indenture also establishes the Operation and Maintenance Fund and the Surplus Fund, which are created and maintained by the Commission. The funds in the Operation and Maintenance Fund shall be applied by the Commission to pay Operation and Maintenance Expenses in accordance with the terms of the Indenture. See “Operation and Maintenance Fund” below. The funds in the Surplus Fund are not subject to the lien and pledge of the Indenture, and the Commission has the exclusive right to withdraw or otherwise dispose of or transfer funds on deposit in the Surplus Fund to any account (or to such Person) as directed by the Commission in writing in its sole discretion. See “Residual Fund; Surplus Fund” below.

Deposit of Toll Revenues. As long as any Obligations or Reserve Facility Costs remain unpaid, the Commission assigns and will cause Toll Revenues to be transmitted by the Toll Operator on at least a weekly basis directly to the Trustee for deposit in the Toll Revenue Fund. Investment income on amounts held by the Trustee in the Toll Revenue Fund shall also be deposited in the Toll Revenue Fund. All moneys at any time held in the Toll Revenue Fund shall be held in trust for the benefit of the holders of the Obligations and shall be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture. Subject only to the provisions of the Indenture permitting the application thereof for or to

the purposes and on the terms and conditions set forth in the Indenture, the Trustee shall be entitled to and shall collect and receive all of the Revenue (including Toll Revenues), and any Revenue collected or received by or on behalf of the Commission shall be deemed to be held, and to have been collected or received, by or on behalf of the Commission as the agent of the Trustee and shall forthwith be paid by the Commission to the Trustee.

Toll Revenue Fund. The Trustee shall make the following transfers and payments from the Toll Revenue Fund in the amounts, at the times and only for the purposes specified below and in the following order of priority (it being agreed that no amount shall be transferred on any date pursuant to any clause below until amounts sufficient as of that Monthly Funding Date (to the extent applicable) for all the purposes specified under the prior clauses shall have been transferred or set aside):

First, on each Monthly Funding Date, to the Operation and Maintenance Fund, the amount necessary to increase the balance of the Operation and Maintenance Fund to an amount equal to the Operation and Maintenance Expenses then due and payable, plus one-sixth (1/6) of the Operations and Maintenance Expenses projected in accordance with the most recently-adopted Annual Operating Budget of the Commission to be due and payable during the Fiscal Year continuing or commencing on the day after such Monthly Funding Date;

Second, on each Monthly Funding Date, any payments then due and payable by the Commission to the Rebate Fund or any similar rebate fund established with respect to any future tax-exempt borrowing transaction under the Indenture;

Third, (x) on each Monthly Funding Date and on each other date on which the following amounts shall be due and payable, to the Senior Lien Obligations Interest Account the sum of (A)(1) in the case of Outstanding Senior Lien Obligations with semiannual interest payment dates, one-sixth (1/6) of the amount of the interest payable on such Senior Lien Obligations on the next interest payment date; (2) in the case of Outstanding Senior Lien Obligations with quarterly interest payment dates, one-third (1/3) of the amount of the interest payable on such Senior Lien Obligations on the next interest payment date; and (3) in the case of Outstanding Senior Lien Obligations with monthly interest payment dates, the amount of interest payable on such Senior Lien Obligations on the next interest payment date; plus (B) the sum of any continuing shortfall in transfers required to have been made to the Senior Lien Obligations Interest Account on any preceding Monthly Funding Date; plus (C) if such Monthly Funding Date is also an interest payment date or the last Monthly Funding Date before an interest payment date on any Senior Lien Obligations, any other amount required to make the amount credited to the Senior Lien Obligations Interest Account equal to the amount payable on such Senior Lien Obligations on such interest payment date; and (y) on each Monthly Funding Date, to the applicable Swap Parties, scheduled Hedging Obligations due under any Qualified Swap Agreements, if any, net of any scheduled amounts payable to the Commission with respect to such scheduled Hedging Obligations;

Fourth, on each Monthly Funding Date and on each other date on which the following amounts shall be due and payable, commencing twelve months before the first annual principal payment date (including any mandatory sinking fund redemption date) or six months before the first semi-annual principal payment date (including any mandatory sinking fund redemption date), to the Senior Lien Obligations Principal Account, the sum of (A)(1) in the case of Outstanding Senior Lien Obligations with annual principal or mandatory sinking fund payment dates, one-twelfth (1/12) of the principal and mandatory sinking fund redemptions due on such Senior Lien Obligations; and (2) in the case of Outstanding Senior Lien Obligations with semi-annual principal or mandatory sinking fund payment dates, one-sixth (1/6) of the principal and mandatory sinking fund redemptions due on such Senior Lien Obligations; and (B) the sum of any shortfall in transfers required to have been made to the Senior Lien Obligations Principal Account on any previous Monthly Funding Date; and (C) if the Monthly Funding

Date is also a principal payment date (or mandatory sinking fund redemption date) or the last Monthly Funding Date before a principal payment date (or mandatory sinking fund redemption date) on any Senior Lien Obligations, any other amount required to make the amount credited to the Senior Lien Obligations Principal Account equal to the amount of principal due on such Senior Lien Obligations on such principal payment date or mandatory sinking fund redemption date;

Fifth, on each Monthly Funding Date, to the Senior Lien Obligations Reserve Fund (or the applicable Account therein) the amount necessary so that the balance therein equals the applicable Senior Lien Obligations Reserve Requirement; provided, however, that in the event that the Trustee shall have withdrawn moneys in the Senior Lien Obligations Reserve Fund or any Account therein for the purpose of paying principal of or interest on the applicable Senior Lien Obligations when due as provided in the Indenture, the Trustee shall limit such deposit to the Senior Lien Obligations Reserve Fund or the applicable Account therein, on each of the next twelve Monthly Funding Dates after such withdrawal, to an amount equal to one-twelfth (1/12th) of the aggregate amount of each such withdrawal until the amount on deposit in the Senior Lien Obligations Reserve Fund (or the applicable Account therein) is equal to the applicable Senior Lien Obligations Reserve Requirement; provided further however, that in the event such requirements cannot be fully funded, the funds available shall be transferred to each Account in the Senior Lien Obligations Reserve Fund ratably in accordance with its respective shortfall;

Sixth, (x) on each Monthly Funding Date and on each other date on which the following amounts shall be due and payable, to the Second Lien Obligations Interest Account the sum of (A)(1) in the case of Outstanding Second Lien Obligations with semiannual interest payment dates, one-sixth (1/6) of the amount of the interest payable on such Second Lien Obligations on the next interest payment date; (2) in the case of Outstanding Second Lien Obligations with quarterly interest payment dates, one-third (1/3) of the amount of the interest payable on such Second Lien Obligations on the next interest payment date; and (3) in the case of Outstanding Second Lien Obligations with monthly interest payment dates, the amount of interest payable on such Second Lien Obligations on the next interest payment date; plus (B) the sum of any continuing shortfall in transfers required to have been made to the Second Lien Obligations Interest Account on any preceding Monthly Funding Date; plus (C) if such Monthly Funding Date is also an interest payment date or the last Monthly Funding Date before an interest payment date on any Second Lien Obligations, any other amount required to make the amount credited to the Second Lien Obligations Interest Account equal to the amount payable on such Second Lien Obligations on such interest payment date, and (y) on each Monthly Funding Date, to the applicable Swap Parties, scheduled payments due under any Hedging Obligations, if any, net of any scheduled amounts payable to the Commission with respect to such scheduled Hedging Obligations, under any Swaps entered into in connection with such Second Lien Obligations;

Seventh, on each Monthly Funding Date and on each other date on which the following amounts shall be due and payable, commencing twelve months before the first annual principal payment date (including any mandatory sinking fund redemption date) or six months before the first semi-annual principal payment date (including any mandatory sinking fund redemption date), to the Second Lien Obligations Principal Account, the sum of (A)(1) in the case of Outstanding Second Lien Obligations with annual principal or mandatory sinking fund payment dates, one-twelfth (1/12) of the principal and mandatory sinking fund redemptions due on such Second Lien Obligations; and (2) in the case of Outstanding Second Lien Obligations with semi-annual principal or mandatory sinking fund payment dates, one-sixth (1/6) of the principal and mandatory sinking fund redemptions due on such Second Lien Obligations; and (B) the sum of any shortfall in transfers required to have been made to the Second Lien Obligations Principal Account on any previous Monthly Funding Date; and (C) if the Monthly Funding Date is also a principal payment date (or mandatory sinking fund redemption date) or the last Monthly Funding Date before a principal payment date (or mandatory sinking fund redemption date) on any Second Lien Obligations, any other amount required to make the amount credited to the Second Lien

Obligations Principal Account equal to the amount of principal due on such Second Lien Obligations on such principal payment date or mandatory sinking fund redemption date;

Eighth, on each Monthly Funding Date, to the Second Lien Obligations Reserve Fund (or the applicable Account therein), the amount necessary so that the balance therein equals the applicable Second Lien Obligations Reserve Requirement; provided, however, that in the event that the Trustee shall have withdrawn moneys in the Second Lien Obligations Reserve Fund therein for the purpose of paying principal of or interest on the applicable Second Lien Obligations when due as provided in the Indenture, the Trustee shall limit such deposit to the Second Lien Obligations Reserve Fund, on each of the next twelve Monthly Funding Dates after such withdrawal, to an amount equal to one-twelfth (1/12th) of the aggregate amount of each such unreplenished withdrawal until the amount on deposit in the Second Lien Obligations Reserve Fund is equal to the applicable Second Lien Obligations Reserve Requirement; provided, further however, that in the event such requirements cannot be fully funded, the funds available shall be transferred to each Account in the Second Lien Obligations Reserve Fund ratably in accordance with its respective shortfall;

Ninth, (x) on each Monthly Funding Date and on each other date on which the following amounts shall be due and payable, to the Subordinate Obligations Interest Account the sum of (A)(1) in the case of Outstanding Subordinate Obligations with semi-annual interest payment dates, one-sixth (1/6) of the interest payable on such Subordinate Obligations on the next interest payment date; (2) in the case of Outstanding Subordinate Obligations with quarterly interest payment dates, one-third (1/3) of the amount of the interest payable on such Subordinate Obligations on the next interest payment date; and (3) in the case of Outstanding Subordinate Obligations with monthly interest payment dates, the interest payable on such Subordinate Obligations on the next interest payment date; plus (B) the sum of any continuing shortfall in transfers required to have been made to the Subordinate Obligations Interest Account on any preceding Monthly Funding Date; plus (C) if such Monthly Funding Date is also an interest payment date or the last Monthly Funding Date before an interest payment date on any Subordinate Obligations, any other amount required to make the amount credited to the Subordinate Obligations Interest Account equal to the interest payable on such Subordinate Obligations on such interest payment date; provided, however, that with respect to Subordinate Obligations in the form of or securing payment of a TIFIA Loan, only the interest component of TIFIA Mandatory Debt Service shall be set aside pursuant to this Ninth clause;

Tenth, on each Monthly Funding Date and on each other date on which the following amounts shall be due and payable, commencing twelve months before the first annual principal payment date (including any mandatory sinking fund redemption date) or six months before the first semi-annual principal payment date (including any mandatory sinking fund redemption date), to the Subordinate Obligations Principal Account the sum of (A)(1) in the case of Outstanding Subordinate Obligations with annual principal payment dates, one-twelfth (1/12) of the principal due on such Subordinate Obligations on the next principal payment date; and (2) in the case of Outstanding Subordinate Obligations with semi-annual principal payment dates, one-sixth (1/6) of the principal redemptions due on such Subordinate Obligations on the next principal payment date; plus (B) the sum of any shortfall in transfers required to have been made to the Subordinate Obligations Principal Account on any previous Monthly Funding Date; plus (C) if the Monthly Funding Date is also a principal payment date or the last Monthly Funding Date before a principal payment date (or mandatory sinking fund redemption date) on any Subordinate Obligations, any other amount required to make the amount credited to the Subordinate Obligations Principal Account equal to the amount of principal due on such Subordinate Obligations on such principal payment date or mandatory sinking fund redemption date; provided, however, that with respect to Subordinate Obligations in the form of or securing payment of a TIFIA Loan, only the principal component of TIFIA Mandatory Debt Service shall be set aside pursuant to this Tenth clause;

Eleventh, on each Monthly Funding Date, to the Subordinate Obligations Reserve Fund (or the applicable Account therein), the amount, if any, necessary to increase the balance therein (taking into account amounts then on deposit therein) to the Subordinate Obligations Reserve Requirement;

Twelfth, in the event the Commission has Subordinate Obligations Outstanding in the form of or securing payment of a TIFIA Loan, on each Monthly Funding Date commencing on the Monthly Funding Date that is six months prior to the date on which TIFIA Scheduled Debt Service is first due and payable, to the Subordinate Obligations Interest Account, an amount which equals one-sixth (1/6) of the TIFIA Scheduled Debt Service (excluding any amounts to be applied to TIFIA Mandatory Debt Service in accordance with the Ninth and Tenth clauses above) due and payable on the immediately succeeding payment date for such TIFIA Loan;

Thirteenth, on each Monthly Funding Date, to the extent sufficient funds are then available after application of funds for the purposes specified in the prior clauses First through Twelfth, to the Repair and Rehabilitation Fund, an amount equal to the Scheduled Repair and Rehabilitation Fund Required Deposit for such Monthly Funding Date. If sufficient funds are not then available on a particular Monthly Funding Date, after application of funds for the purposes specified in the prior clauses First through Twelfth, to fund the Scheduled Repair and Rehabilitation Fund Required Deposit or if the Commission has elected to defer all or a portion of the Scheduled Repair and Rehabilitation Fund Required Deposit for a prior Monthly Funding Date or Monthly Funding Dates, the Commission may use funds on each subsequent Monthly Funding Date to satisfy the cumulative shortfall in the Scheduled Repair and Rehabilitation Fund Required Deposit from previous Monthly Funding Dates;

Fourteenth, on each Monthly Funding Date, to the Capital Expenditures Fund to the extent necessary to fund such Fund so that the balance therein (taking into account all amounts then on deposit therein) equals the aggregate amount of Capital Expenditures Fund Permitted Expenditures as set forth in a Written Request of the Commission, which amount may be \$0 if no Written Request of the Commission is provided prior to such Monthly Funding Date;

Fifteenth, on each Monthly Funding Date and on each other date on which the following amounts shall be due and payable to the counterparties to Qualified Swap Agreements or Swaps, an amount equal to any Hedging Termination Obligations payable upon a termination of any such Qualified Swap Agreements or Swaps; and

Sixteenth, on each Monthly Funding Date, and only to the extent funds are then available after application of funds for the purposes specified in the prior First through Fifteenth clauses, on such Monthly Funding Date, to the Residual Fund, all remaining amounts, if any.

Amounts in the Residual Fund shall be applied as described in “*Residual Fund; Surplus Fund*” below.

To the extent that on any Calculation Date or any other date of determination requested by the Commission the Commission determines that (i) the amounts on deposit in the Senior Lien Obligations Reserve Fund are in excess of the applicable Senior Lien Obligations Reserve Requirement, (ii) the amounts on deposit in the Second Lien Obligations Reserve Fund are in excess of the applicable Second Lien Obligations Reserve Requirement, (iii) the amounts on deposit in the Subordinate Obligations Reserve Fund are in excess of the applicable Subordinate Obligations Reserve Requirement, (iv) the amounts on deposit in the Repair and Rehabilitation Fund are certified by the Commission to be in excess of what is required for expected Repair and Rehabilitation Fund Permitted Expenditures, or (v) the amounts on deposit in the Capital Expenditures Fund are certified by the Commission to no longer be

needed for making Capital Expenditures Fund Permitted Expenditures, then in each such case, as applicable, the excess amounts shall be transferred into the Toll Revenue Fund.

Insurance and Condemnation Proceeds Account. Proceeds of fire and other casualty insurance payable to or received by the Commission with respect to the Toll Road (whether by way of claims, return of premiums, ex gratia settlements or otherwise), and proceeds of any condemnation awards payable to or received by the Commission with respect to the Toll Road shall be transferred to the Trustee and deposited by the Trustee into the Insurance and Condemnation Proceeds Account. Amounts on deposit in the Insurance and Condemnation Proceeds Account may be used by the Commission to pay the costs of restoration, repair or rehabilitation of the Toll Road or portion thereof to which such insurance or condemnation proceeds relate; provided, however, that any portion of such amounts that the Commission elects not to use for such restoration, repair or rehabilitation of the Toll Road or that are in excess of the amount needed for such restoration, repair or rehabilitation of the Toll Road, as evidenced by a Certificate of the Commission delivered to the Trustee, shall be transferred to the Redemption Fund and applied to the prepayment of principal of Outstanding Highest Priority Obligations. Funds therein shall be disbursed pursuant to a Funds Transfer Certificate in accordance with the provisions of the Indenture.

Operation and Maintenance Fund. Upon receipt of amounts transferred to the Operation and Maintenance Fund under the Indenture, the Commission shall thereafter apply the funds in the Operation and Maintenance Fund for the payment of Operation and Maintenance Expenses in accordance with the most recently adopted annual budget of the Commission, as prescribed by the Indenture.

Capital Expenditures Fund. The Trustee shall cause amounts in the Toll Revenue Fund, to the extent available, to be deposited into the Capital Expenditures Fund on each Monthly Funding Date.

On any date on which Capital Expenditures Fund Permitted Expenditures are due and payable or reasonably expected to become due and payable in accordance with the Indenture, monies on deposit in the Capital Expenditures Fund shall be applied by the Trustee pursuant to a Written Request of the Commission to pay such Capital Expenditures Fund Permitted Expenditures. Any amounts on deposit in the Capital Expenditures Fund that are certified by the Commission to no longer be needed for making Capital Expenditures Fund Permitted Expenditures, shall be applied in accordance with the Indenture.

If, after transferring any funds then on deposit in the Residual Fund in accordance with the Indenture, on the Business Day prior to an interest payment date or principal payment date, the amount then on deposit in the Senior Lien Obligations Fund, the Second Lien Obligations Fund or the Subordinate Obligations Fund is insufficient to pay the principal of, and/or interest on, the related Senior Lien Obligations, Second Lien Obligations and/or Subordinate Obligations secured thereby then due, the Trustee shall make the following transfers from amounts on deposit in the Capital Expenditures Fund in the following order of priority; first, to the Senior Lien Obligations Fund, the amount necessary to pay principal and interest due and payable on such interest payment date or principal payment date on the Senior Lien Obligations; second, to the Second Lien Obligations Fund, the amount necessary to pay principal and interest due and payable on such interest payment date or principal payment date on the Second Lien Obligations and third, to the Subordinate Obligations Fund, the amount necessary to pay principal and interest due and payable on such interest payment date or principal payment date on the Subordinate Obligations.

Any amounts on deposit in the Capital Expenditures Fund that are certified by the Commission to no longer be needed for making Capital Expenditures Fund Permitted Expenditures will be transferred to the Toll Revenue Fund.

Senior Lien Obligations Reserve Fund. On the date of issuance of any Series of Senior Lien Obligations that has a Senior Lien Obligations Reserve Requirement, the Senior Lien Obligations Reserve Requirement for those Senior Lien Obligations shall be deposited in the Senior Lien Obligations Reserve Fund in an Account solely for the benefit of those Senior Lien Obligations. Alternatively, the Supplemental Indenture for any Series of Senior Lien Obligations may establish a pooled Senior Lien Obligations Reserve Requirement for that Series of Senior Lien Obligations and any one or more subsequently issued Series of Senior Lien Obligations with the same pooled Senior Lien Obligations Reserve Requirement, in which case the Senior Lien Obligations Reserve Requirement for such Series of Senior Lien Obligations shall be deposited in the Senior Lien Obligations Reserve Fund in an Account solely for the benefit of those Senior Lien Obligations and any additional Senior Lien Obligations with the same pooled Senior Lien Obligations Reserve Requirement, and on the date of issuance of any such additional Senior Lien Obligations, there shall be deposited in the Account the amount necessary to increase the balance in the Account to an amount equal to the Senior Lien Obligations Reserve Requirement for all Senior Lien Obligations secured by that Account.

The Third Supplemental Indenture establishes the 2020 Series B Senior Bonds Reserve Account within the Senior Lien Obligations Reserve Fund, to be funded in the amount of the 2020 Series B Senior Bonds Reserve Requirement, solely for the benefit of the holders of the 2020 Series B Senior Bonds and any Senior Lien Bonds issued to refinance all or a portion of the 2020 Series B Senior Bonds. The Third Supplemental Indenture also designates the 2020 Series A Senior Bonds as 2013 Bonds Reserve Account Obligations and as such the 2020 Series A Senior Bonds will be secured by the 2013 Bonds Reserve Account together with the 2013 Series B Senior Bonds.

Monies on deposit in each Account within the Senior Lien Obligations Reserve Fund shall be applied by the Trustee as follows:

(1) If on any (x) interest payment date for Senior Lien Obligations secured by an Account within the Senior Lien Obligations Reserve Fund, (y) principal payment date for such Senior Lien Obligations or (z) redemption date on which such Senior Lien Obligations are subject to mandatory sinking fund redemption, the amount on deposit in the applicable Account of the Senior Lien Obligations Fund, determined after taking into account all amounts transferred to such Account of the Senior Lien Obligations Fund in accordance with clauses Third and Fourth of the clauses describing the Indenture flow of funds, and amounts transferred from the following Funds in the following order of priority, the Residual Fund, the Capital Expenditures Fund, the Repair and Rehabilitation Fund and the Toll Revenue Fund in accordance with the Indenture on or prior to such date, is not sufficient to pay interest and/or principal and/or the redemption price (excluding any redemption premium) due on such Senior Lien Obligations, then moneys shall be transferred to the Senior Lien Obligations Interest Account and/or the Senior Lien Obligations Principal Account, as applicable, from the applicable Account of the Senior Lien Obligations Reserve Fund which, together with moneys then on deposit in the applicable Account of the Senior Lien Obligations Fund, will be sufficient to pay interest and/or principal and/or the redemption price (excluding any redemption premium) due on such Senior Lien Obligations on such date. Moneys shall be transferred first to the Senior Lien Obligations Interest Account until such Account, together with any available funds then on deposit in the Senior Lien Obligations Interest Account is sufficiently funded with respect to such Senior Lien Obligations and thereafter, to the Senior Lien Obligations Principal Account until such Account, together with any available funds then on deposit in the Senior Lien Obligations Principal Account is sufficiently funded with respect to such Senior Lien Obligations.

(2) Upon the maturity of the Senior Lien Obligations secured by funds on deposit in an Account of the Senior Lien Obligations Reserve Fund or upon the earlier redemption of all or

any portion of such Senior Lien Obligations, the Commission may direct the Trustee to transfer amounts on deposit in the applicable Account within the Senior Lien Obligations Reserve Fund to the Senior Lien Obligations Principal Account for application to the final payment of principal of all or a portion of the Senior Lien Obligations secured thereby or to an escrow account established for defeasance of such Senior Lien Obligations pursuant to the Indenture, provided that, if less than all of the Senior Lien Obligations mature or are redeemed, the amount remaining on deposit in such Account of the Senior Lien Obligations Reserve Fund following any such transfer shall not be less than the Senior Lien Obligations Reserve Requirement applicable to the Senior Lien Obligations secured thereby to remain Outstanding.

(3) Except as provided in paragraph (2) above, any amounts on deposit in an Account of the Senior Lien Obligations Reserve Fund in excess of the applicable Senior Lien Obligations Reserve Requirement shall be transferred to the Toll Revenue Fund.

The Senior Lien Obligations Reserve Requirement for any Series of Senior Lien Obligations may be permitted or required by the Supplemental Indenture establishing the Senior Lien Obligations Reserve Requirement to be funded in whole or in part with a Reserve Facility. The terms and conditions for any Reserve Facility shall be set forth in the Reserve Facility or the Supplemental Indenture establishing the Senior Lien Obligations Reserve Requirement to be met in whole or in part by the Reserve Facility, provided that those terms and conditions shall conform to and be consistent with the provisions set forth in the Indenture. The Trustee shall withdraw cash (and liquidate investments to produce cash) and draw on Reserve Facilities in or with respect to any Account in the Senior Lien Obligations Reserve Fund to fund payments of principal of and interest on Senior Lien Obligations supported by such Account in the Senior Lien Obligations Reserve Fund in the manner and in the order specified in the Indenture and in the applicable Supplemental Indenture. The Indenture shall not be discharged until all Reserve Facility Costs owing to a Reserve Facility Provider have been paid in full.

If the Commission subsequently incurs a Subordinate Obligation in the form of or securing payment of a TIFIA Loan that is secured by an Account within the Subordinate Obligations Reserve Fund, upon the occurrence of a Bankruptcy Related Event of which the Trustee shall be notified in writing, such Account within the Subordinate Obligations Reserve Fund will become an Account within the Senior Lien Obligations Reserve Fund, will be funded on a parity with any other Accounts within the Senior Lien Obligations Reserve Fund and will be available only to pay principal and interest on the Parity Obligation in the form of or securing payment of such TIFIA Loan. The Parity Obligation in the form of or securing payment of a TIFIA Loan will not be secured by any other Account within the Senior Lien Obligations Reserve Fund.

Second Lien Obligations Reserve Fund. On the date of issuance of any Series of Second Lien Obligations that has a Second Lien Obligations Reserve Requirement, the Second Lien Obligations Reserve Requirement for those Second Lien Obligations shall be deposited in the Second Lien Obligations Reserve Fund in an Account solely for the benefit of those Second Lien Obligations. Alternatively, the Supplemental Indenture for any Series of Second Lien Obligations may establish a pooled Second Lien Obligations Reserve Requirement for that Series of Second Lien Obligations and any one or more subsequently issued Series of Second Lien Obligations with the same pooled Second Lien Obligations Reserve Requirement, in which case the Second Lien Obligations Reserve Requirement for such Series of Second Lien Obligations shall be deposited in the Second Lien Obligations Reserve Fund in an Account solely for the benefit of those Second Lien Obligations and any additional Second Lien Obligations with the same pooled Second Lien Obligations Reserve Requirement, and on the date of issuance of any such additional Second Lien Obligations, there shall be deposited in the Account the amount necessary to increase the balance in the Account to an amount equal to the Second Lien Obligations Reserve Requirement for all Second Lien Obligations secured by that Account.

The Fourth Supplemental Indenture establishes the 2020 Series C Second Lien Obligations Reserve Account within the Second Lien Obligations Reserve Fund, to be funded in the amount of the 2020 Series C Second Lien Obligations Reserve Requirement, solely for the benefit of the holders of the 2020 Series C Second Lien Bonds and any Second Lien Obligations issued to refinance all or a portion of the 2020 Series C Second Lien Bonds.

Monies on deposit in each Account within the Second Lien Obligations Reserve Fund shall be applied by the Trustee as follows:

(1) If on any (x) interest payment date for Second Lien Obligations secured by an Account within the Second Lien Obligations Reserve Fund, (y) principal payment date for such Second Lien Obligations or (z) redemption date on which such Second Lien Obligations are subject to mandatory sinking fund redemption, the amount on deposit in the applicable Account of the Second Lien Obligations Fund, determined after taking into account all amounts transferred to such Account of the Second Lien Obligations Fund in accordance with clauses Sixth and Seventh of the clauses describing the Indenture flow of funds, and amounts transferred from the following Funds in the following order of priority, the Residual Fund, the Capital Expenditures Fund, the Repair and Rehabilitation Fund and the Toll Revenue Fund in accordance with the Indenture on or prior to such date, is not sufficient to pay interest and/or principal and/or the redemption price (excluding any redemption premium) due on such Second Lien Obligations, then moneys shall be transferred to the Second Lien Obligations Interest Account and/or the Second Lien Obligations Principal Account, as applicable, from the applicable Account of the Second Lien Obligations Reserve Fund which, together with moneys then on deposit in the applicable Account of the Second Lien Obligations Fund, will be sufficient to pay interest and/or principal and/or the redemption price (excluding any redemption premium) due on such Second Lien Obligations on such date. Moneys shall be transferred first to the Second Lien Obligations Interest Account until such Account, together with any available funds then on deposit in the Second Lien Obligations Interest Account is sufficiently funded with respect to such Second Lien Obligations and thereafter, to the Second Lien Obligations Principal Account until such Account, together with any available funds then on deposit in the Second Lien Obligations Principal Account is sufficiently funded with respect to such Second Lien Obligations.

(2) Upon the maturity of the Second Lien Obligations secured by funds on deposit in an Account of the Second Lien Obligations Reserve Fund or upon the earlier redemption of all or any portion of such Second Lien Obligations, the Commission may direct the Trustee to transfer amounts on deposit in the applicable Account within the Second Lien Obligations Reserve Fund to the Second Lien Obligations Principal Account for application to the final payment of principal of all or a portion of the Second Lien Obligations secured thereby or to an escrow account established for defeasance of such Second Lien Obligations pursuant to the Indenture, provided that, if less than all of the Second Lien Obligations mature or are redeemed, the amount remaining on deposit in such Account of the Second Lien Obligations Reserve Fund following any such transfer shall not be less than the Second Lien Obligations Reserve Requirement applicable to the Second Lien Obligations secured thereby to remain Outstanding.

(3) Except as provided in paragraph (2) above, any amounts on deposit in an Account of the Second Lien Obligations Reserve Fund in excess of the applicable Second Lien Obligations Reserve Requirement shall be transferred to the Toll Revenue Fund.

The lien on the Second Lien Obligations Reserve Fund (and all earnings thereon) shall apply only to the Second Lien Obligations and the related interest of the Holder of such Second Lien Obligations with respect to amounts on deposit in such Fund from time to time, and such amounts shall be solely for

the benefit of such holder of Second Lien Obligations until such funds have been disbursed in accordance with the Indenture.

The Second Lien Obligations Reserve Requirement for any Series of Second Lien Obligations may be permitted or required by the Supplemental Indenture establishing the Second Lien Obligations Reserve Requirement to be funded in whole or in part with a Reserve Facility. The terms and conditions for any Reserve Facility shall be set forth in the Reserve Facility or the Supplemental Indenture establishing the Second Lien Obligations Reserve Requirement to be met in whole or in part by the Reserve Facility, provided that those terms and conditions shall conform to and be consistent with the provisions set forth in the Indenture. The Trustee shall withdraw cash (and liquidate investments to produce cash) and draw on Reserve Facilities in or with respect to any Account in the Second Lien Obligations Reserve Fund to fund payments of principal of and interest on Second Lien Obligations supported by such Account in the Second Lien Obligations Reserve Fund in the manner and in the order specified in the Indenture and in the applicable Supplemental Indenture. The Indenture shall not be discharged until all Reserve Facility Costs owing to a Reserve Facility Provider have been paid in full.

Repair and Rehabilitation Fund. The Trustee shall, in accordance with clause Thirteenth of the clauses describing the Indenture flow of funds, cause amounts in the Toll Revenue Fund, to the extent available, to be deposited into the Repair and Rehabilitation Fund from time to time in an amount equal to the Scheduled Repair and Rehabilitation Fund Required Deposit. Any amounts on deposit in the Repair and Rehabilitation Fund certified by the Commission as no longer being needed for Repair and Rehabilitation Fund Permitted Expenditures shall be transferred to the Toll Revenue Fund.

On each date on which Repair and Rehabilitation Fund Permitted Expenditures are due and payable or reasonably expected to become due and payable, monies on deposit in the Repair and Rehabilitation Fund shall be applied by the Trustee pursuant to a Written Request of the Commission to pay such Repair and Rehabilitation Fund Permitted Expenditures.

If, after transferring any funds then on deposit in the Residual Fund and in the Capital Expenditures Fund in accordance with the Indenture, on the Business Day prior to an interest payment date or principal payment date, the amount then on deposit in the Senior Lien Obligations Fund, the Second Lien Obligations Fund or the Subordinate Obligations Fund is insufficient to pay the principal of, and/or interest on, the related Senior Lien Obligations, Second Lien Obligations and/or Subordinate Obligations secured thereby then due, the Trustee shall make the following transfers from amounts on deposit in the Repair and Rehabilitation Fund in the following order of priority; first, to the Senior Lien Obligations Fund, the amount necessary to pay principal and interest due and payable on such interest payment date or principal payment date on the Senior Lien Obligations; second, to the Second Lien Obligations Fund, the amount necessary to pay principal and interest due and payable on such interest payment date or principal payment date on the Second Lien Obligations and third, to the Subordinate Obligations Fund, the amount necessary to pay principal and interest due and payable on such interest payment date or principal payment date on the Subordinate Obligations.

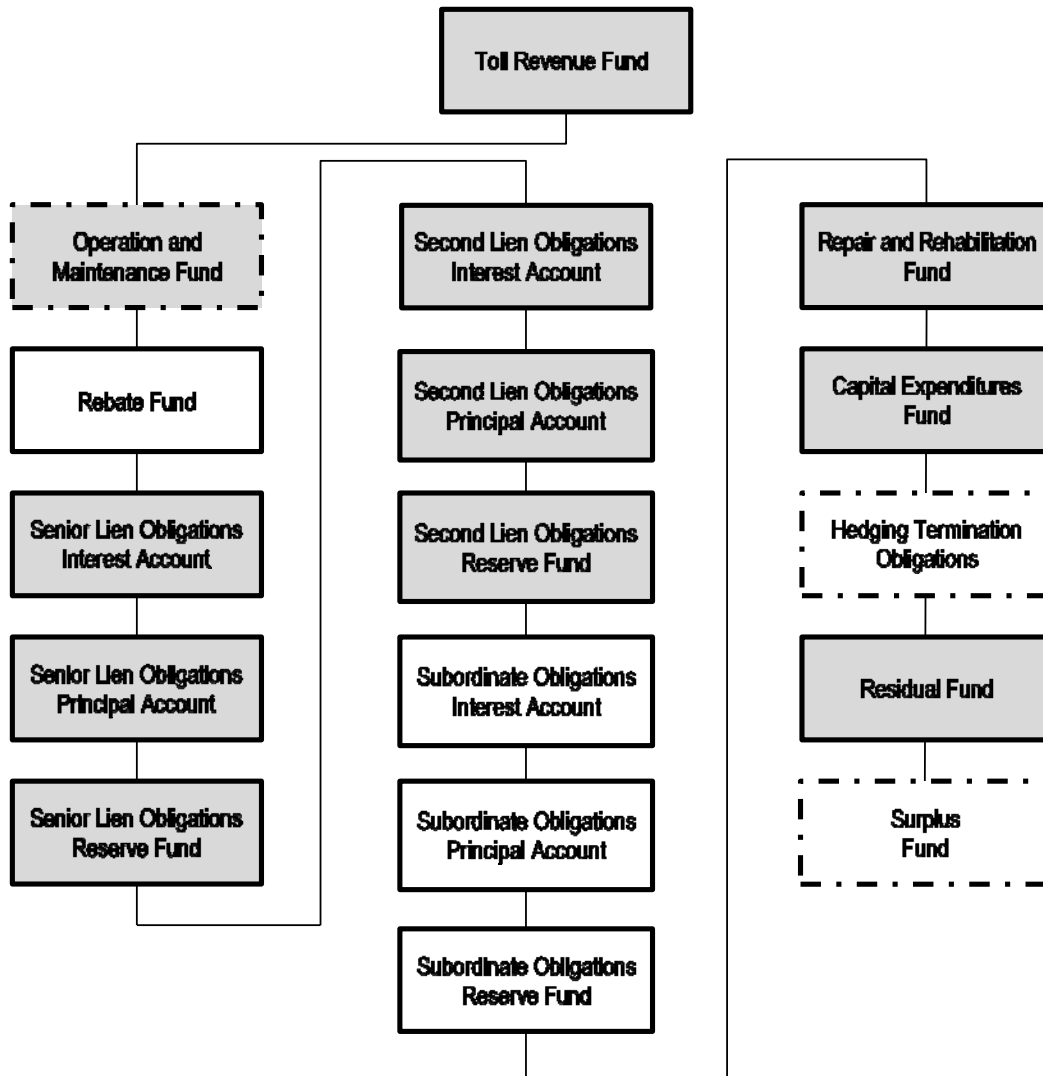
Residual Fund; Surplus Fund. If on the Business Day prior to an interest payment date or principal payment date, the amount then on deposit in the Senior Lien Obligations Fund, the Second Lien Obligations Fund or the Subordinate Obligations Fund is insufficient to pay the principal of, and/or interest on, the related Senior Lien Obligations, Second Lien Obligations and/or Subordinate Obligations secured thereby then due, the Trustee shall make the following transfers from amounts on deposit in the Residual Fund in the following order of priority; first, to the Senior Lien Obligations Fund, the amount necessary to pay principal and interest due and payable on such interest payment date or principal payment date on the Senior Lien Obligations; second, to the Second Lien Obligations Fund, the amount necessary to pay principal and interest due and payable on such interest payment date or principal

payment date on the Second Lien Obligations and third, to the Subordinate Obligations Fund, the amount necessary to pay principal and interest due and payable on such interest payment date or principal payment date on the Subordinate Obligations.

Funds on deposit in the Surplus Fund and funds credited to such Fund will not be subject to the lien and pledge of the Indenture, and the Commission will have the exclusive right to withdraw or otherwise dispose of or transfer funds on deposit in the Surplus Fund to any account (or to such Person) as directed by the Commission in writing in its sole discretion.

A graphical summary of the flow of Toll Revenues described above is presented in the following chart:

**RCTC 91 EXPRESS LANES
TOLL REVENUES FLOW OF FUNDS**



- Funds and Accounts pledged to the payment of debt service on the 2020 Bonds.
- Funds and Accounts held by the Trustee.
- Funds and Accounts held by the Commission or amounts paid directly to obligors.

2020 Series A Senior Bonds Designated as 2013 Bonds Reserve Account Obligations

The 2020 Series A Senior Bonds are designated as 2013 Bonds Reserve Account Obligations pursuant to the Third Supplemental Indenture. As such, the Trust Estate securing the 2020 Series A Senior Bonds includes amounts held in the 2013 Bonds Reserve Account within the Senior Lien Obligations Reserve Fund. On the date of delivery of the 2020 Series A Senior Bonds, proceeds of the 2020 Series A Senior Bonds in the amount of \$_____, representing the additional amount needed to meet the 2013 Bonds Reserve Requirement following issuance of the 2020 Series A Senior Bonds and refunding of the 2013 Series A Senior Bonds, will be deposited in the 2013 Bonds Reserve Account. Funds held in the 2013 Bonds Reserve Account shall secure only the 2013 Bonds Reserve Account Obligations, which at closing will consist of the 2020 Series A Senior Bonds and the 2013 Series B Senior Bonds, and such amounts shall be applied pursuant to the Indenture to make up any shortfall in the payment of interest, principal and/or redemption price (excluding any redemption premium) due on the 2013 Bonds Reserve Account Obligations.

The First Supplemental Indenture defines “2013 Bonds Reserve Requirement” to mean, with respect to the 2013 Bonds Reserve Account Obligations, which at closing will consist of the 2020 Series A Senior Bonds and the 2013 Series B Senior Bonds, an amount, calculated as of the most recent Issue Date of 2013 Bonds Reserve Account Obligations, equal to the least of (i) Maximum Annual Debt Service on the Outstanding 2013 Bonds Reserve Account Obligations, (ii) one hundred twenty-five percent (125%) of average Annual Debt Service on the 2013 Bonds Reserve Account Obligations, or (iii) ten percent (10%) of the original principal amount of the 2013 Bonds Reserve Account Obligations.

2020 Series B Senior Bonds Reserve Account

The Trust Estate securing the 2020 Series B Senior Bonds includes amounts held in the 2020 Series B Senior Bonds Reserve Account within the Senior Lien Obligations Reserve Fund. On the date of delivery of the 2020 Series B Senior Bonds, proceeds of the 2020 Series B Senior Bonds in the amount of \$_____, representing the 2020 Series B Senior Bonds Reserve Requirement, will be deposited in the 2020 Series B Senior Bonds Reserve Account. Funds held in the 2020 Series B Senior Bonds Reserve Account shall secure only the 2020 Series B Senior Bonds Reserve Account Obligations, and such amounts shall be applied pursuant to the Indenture to make up any shortfall in the payment of interest, principal and/or redemption price (excluding any redemption premium) due on the 2020 Series B Senior Bonds Reserve Account Obligations, which at closing will consist of the 2020 Series B Senior Bonds.

The Third Supplemental Indenture defines “2020 Series B Senior Bonds Reserve Requirement” to mean, with respect to the 2020 Series B Senior Bonds and any other 2020 Series B Senior Bonds Reserve Account Obligations, an amount, calculated as of the most recent Issue Date of 2020 Series B Senior Bonds Reserve Account Obligations, equal to the least of (i) Maximum Annual Debt Service on the Outstanding 2020 Series B Senior Bonds Reserve Account Obligations, (ii) one hundred twenty-five percent (125%) of average Annual Debt Service on the 2020 Series B Senior Bonds Reserve Account Obligations, or (iii) ten percent (10%) of the original principal amount of the 2020 Series B Senior Bonds Reserve Account Obligations.

2020 Series C Second Lien Obligations Reserve Account

The Trust Estate securing the 2020 Series C Second Lien Bonds includes amounts held in the 2020 Series C Second Lien Obligations Reserve Account within the Second Lien Obligations Reserve Fund. On the date of delivery of the 2020 Series C Second Lien Bonds, proceeds of the 2020 Series C Second Lien Bonds in the amount of \$_____, representing the 2020 Series C Second Lien Bonds Reserve Requirement, will be deposited in the 2020 Series C Second Lien Obligations Reserve Account.

Funds held in the 2020 Series C Second Lien Obligations Reserve Account shall secure only the 2020 Series C Second Lien Obligations Reserve Account Obligations, and such amounts shall be applied pursuant to the Indenture to make up any shortfall in the payment of interest, principal and/or redemption price (excluding any redemption premium) due on the 2020 Series C Second Lien Obligations Reserve Account Obligations, which at closing will consist of the 2020 Series C Second Lien Bonds.

The Fourth Supplemental Indenture defines “2020 Series C Second Lien Bonds Reserve Requirement” to mean, with respect to the 2020 Series C Second Lien Bonds and any other 2020 Series C Second Lien Obligations Reserve Account Obligations, an amount, calculated as of the most recent Issue Date of 2020 Series C Second Lien Obligations Reserve Account Obligations, equal to the least of (i) Maximum Annual Debt Service on the Outstanding 2020 Series C Second Lien Obligations Reserve Account Obligations, (ii) one hundred twenty-five percent (125%) of average Annual Debt Service on the 2020 Series C Second Lien Obligations Reserve Account Obligations, or (iii) ten percent (10%) of the original principal amount of the 2020 Series C Second Lien Obligations Reserve Account Obligations with respect to all Outstanding 2020 Series C Second Lien Bonds.

Rate Covenant and Annual Budget

The Commission covenants that it shall at all times, beginning in the first full Fiscal Year following the Substantial Completion Date for the RCTC 91 Express Lanes, establish, levy, maintain and collect tolls in connection with the Toll Road and establish such charges for use of the property constituting part of the Toll Road, including, without limitation and as permitted by law, leasehold payments, concession payments, rents and other charges, as shall be sufficient, collectively, to produce Net Revenue in each Fiscal Year, equal to or in excess of the ratios set forth in each of (1), (2), and (3) below:

(1) one hundred fifty percent (150%) of the Annual Debt Service in such Fiscal Year on all Outstanding Senior Lien Obligations;

(2) one hundred thirty percent (130%) of the Annual Debt Service in such Fiscal Year on all Outstanding Senior Lien Obligations, Second Lien Obligations and Subordinate Obligations; and

(3) one hundred percent (100%) of the Annual Debt Service in such Fiscal Year on all Outstanding Obligations, plus the amounts required to be deposited into the Senior Lien Obligations Reserve Fund, the Second Lien Obligations Reserve Fund, the Subordinate Obligations Reserve Fund, the Capital Expenditures Fund and the Repair and Rehabilitation Fund and any other Fund established by a Supplemental Indenture to be funded by Revenue.

In making the calculations in (1), (2), and (3) above, the Commission may take into consideration as a credit against Annual Debt Service any amounts received, or reasonably expected to be received, in the Fiscal Year from or as a result of any additional security irrevocably granted or pledged to the Bondholders by the Commission with respect to the Obligations in accordance with the Indenture; provided, that if such grant or pledge is not for the benefit of all Obligations, the amounts expected to be received may only be taken into account when making the calculation with respect to the Obligations receiving the benefit of such grant or pledge.

Beginning in the first full Fiscal Year following the Substantial Completion Date for the RCTC 91 Express Lanes, the Commission covenants: (i) to compute projected Net Revenue for each Fiscal Year and the projected ratios described in (1), (2) and (3) above (each, a “*Coverage Ratio*”) within ten Business Days after the beginning of that Fiscal Year (such date of computation being hereinafter referred to as a

“Coverage Calculation Date”); (ii) to furnish promptly to the Trustee a Certificate of the Commission setting forth the results of such computations; and (iii) if any Coverage Ratio is less than the applicable rate requirement, to take such action as promptly as practicable after the Coverage Calculation Date (including, without limitation, increasing Toll Revenues through toll increases) as the Commission projects is necessary to cause each projected Coverage Ratio for each Fiscal Year to equal or exceed the rate requirement for each such Fiscal Year.

Within 60 days after the end of each Fiscal Year, the Commission will file with the Trustee a report setting forth the Net Revenue for such Fiscal Year. **The failure of toll rates to yield an amount sufficient to achieve each Coverage Ratio shall not be deemed to constitute an Event of Default so long as the Commission complies with the requirements set forth below.** If any such report indicates that the Net Revenue for such Fiscal Year was less than the amount required, then as soon as practicable after delivering such report to the Trustee and the Commission shall take such actions as it deems appropriate for the current Fiscal Year for purposes of meeting or exceeding such requirement. If any such report indicates that the Net Revenue for such Fiscal Year was less than the amount required for a second consecutive Fiscal Year, then as soon as practicable after delivering such report to the Trustee and the Commission shall employ a Traffic Consultant to review and analyze the operations of the Toll Road and to submit to the Board, as soon as practicable (but not later than such date as will enable the Board to act upon it within 180 days after the end of the Fiscal Year in question), a written report which shall include the actions that the Traffic Consultant recommends should be taken by the Commission with respect to (i) revising the toll rates or the Commission’s toll rate policies, (ii) altering its methods of operation, or (iii) taking other action projected to produce the amount so required to comply in each year with each Coverage Ratio (or, if less, the maximum amount deemed feasible by the Traffic Consultant and that the Traffic Consultant estimates will not adversely affect the amount of Net Revenue). Promptly upon its receipt of such written report (and, in any case, within 180 days after the end of the Fiscal Year in question), after giving due consideration thereto, the Commission will revise the toll rates or toll policies, as permitted by law, alter its methods of operation, or take such other action as it deems appropriate. Such revisions, alterations, or actions need not comply with the recommendations of the Traffic Consultant so long as Net Revenue projected by the Traffic Consultant to be produced by the revisions, alterations or actions then taken by the Commission are at least equal to the amount required under the Indenture.

The Commission further covenants that such toll rates for traffic using the Toll Road will be established and maintained in a reasonable way to cover all traffic (other than vehicles used for maintaining the Toll Road; police, fire, and other public emergency vehicles; buses owned and operated by any public agency; vehicles with multiple passengers or which allow for a limited number of passengers, including motorcycles, according to policies determined by the State or the Commission; electric, hybrid-electric and other vehicles that meet emission-reduction policies determined by the State or the Commission; vehicles which are otherwise exempt from payment of tolls under State or federal law; and any vehicles during a public emergency declared by the Commission) consistent with the requirements hereof, but with such classifications as the Commission may deem appropriate.

Notwithstanding any provision to the contrary, nothing in the Indenture shall be deemed to require the Commission to collect tolls and other fees with respect to which the Commission has determined, based upon a report from a Traffic Consultant, that the costs of collection would exceed the amount of tolls and other fees expected to be collected; and provided further that nothing contained in the Indenture shall prevent the Commission from temporarily reducing or eliminating tolls and other fees in connection with programs which it intends to use to increase Net Revenue.

The Commission covenants that, for each Fiscal Year, it will take such actions as may be required of it to prepare and will adopt an annual budget in accordance with applicable law, including the Act, and

the Toll Agreements. The Commission further covenants that it will provide to the Trustee (A) no later than 30 days prior to the commencement of each Fiscal Year, an operating plan and a preliminary budget, and (B) not later than the first day of each Fiscal Year, a copy of the Commission's final budget (such copy of the final budget being referred to herein as the "*Annual Operating Budget*"). The Trustee shall have no responsibility to review such preliminary budget or Annual Operating Budget and shall only retain such documents as a repository for the holders of the Obligations.

Existing Obligations

As of the date hereof, the Commission has Outstanding \$123,825,000 aggregate principal amount of 2013 Series A Senior Bonds, \$[80,604,924] in accreted value of its 2013 Series B Senior Bonds and \$482,169,632 principal amount plus compounded interest of TIFIA Obligations, which are Subordinate Obligations under the Indenture. Upon the issuance of the 2020 Series Bonds, all of the 2013 Series A Bonds and all of the TIFIA Obligations will be refunded and no longer Outstanding. See "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF BOND PROCEEDS."

Additional Senior Lien Obligations

Upon the issuance of the 2020 Senior Bonds and the application of proceeds thereof, the Commission's outstanding Senior Lien Obligations will include, in addition to the 2020 Senior Bonds, \$[80,604,924] in accreted value of the 2013 Series B Senior Bonds. See "PLAN OF REFUNDING." Additional Senior Lien Obligations may be issued if from time to time the requirements described in clauses (a), (b) or (c) below are met.

(a) The Senior Lien Obligations are issued for purposes of refunding Outstanding Senior Lien Obligations by providing funds for the payment of any or all of the following:

(1) The Bond Obligation, redemption or purchase price (including premium, if any) of the Outstanding Senior Lien Obligations to be refunded;

(2) All expenses incident to the calling, retiring or paying of such Outstanding Senior Lien Obligations, the Costs of Issuance of such refunding Senior Lien Obligations, and any termination payments or other payments to the holders of obligations of the Commission entered into pursuant to California Government Code Section 5922 (or any similar statute) related to such Outstanding Obligations;

(3) Interest on all Outstanding Senior Lien Obligations to be refunded to the date such Senior Lien Obligations will be called for redemption or paid at maturity; and

(4) Interest on the refunding Senior Lien Obligations from the date thereof to the date of payment or redemption of the Senior Lien Obligations to be refunded;

provided that the Commission delivers a Certificate of the Commission to the effect that the Commission projects that the Average Annual Debt Service on all Outstanding Obligations after the issuance of the proposed additional Senior Lien Obligations will be less than the Average Annual Debt Service on all Outstanding Obligations prior to the issuance of such proposed Senior Lien Obligations; and provided further, that, if the maturity date of such additional Senior Lien Obligations to be issued extends to a date later than the stated final maturity date of the Obligations being refunded, then Net Revenue in each Fiscal Year from and after the stated final maturity date of such refunded Obligations is projected to be not less than one hundred thirty

percent (130%) of the Annual Debt Service payable in each such Fiscal Year with respect to all Outstanding Obligations, including the proposed additional Senior Lien Obligations.

Additionally, while the Commission has Outstanding Obligations in the form of or securing payment of a TIFIA Loan, the Commission shall have received the written consent of the TIFIA Lender, if required under the applicable TIFIA Loan Agreement, to such issuance.

(b) The Commission delivers a report of the Traffic Consultant to the effect that, as of the date of issuance of the additional Senior Lien Obligations:

(1) Net Revenue during the preceding Calculation Period ending not more than ninety (90) days prior to the date of delivery of the proposed additional Senior Lien Obligations, was sufficient to satisfy the Toll Road rate covenant of the Indenture (which report may assume that a revision of the tolls that was approved and implemented by the Commission subsequent to the beginning of such Calculation Period had been in effect for the entire Calculation Period), and

(2) projected Net Revenue for each Fiscal Year over the term of the proposed additional Senior Lien Obligations is expected to be sufficient to satisfy the Toll Road rate covenant of the Indenture in each Fiscal Year. In calculating projected Net Revenue, the Traffic Consultant shall take into account amounts projected to be received from any change in toll policy (provided that no additional approvals need to be obtained and no additional requirements need to be satisfied in order to implement any such toll policy) and any additional toll lanes and facilities to be designated as included within the definition of Toll Road.

Additionally, while the Commission has Outstanding Obligations in the form of or securing payment of a TIFIA Loan, the Commission shall have received the written consent of the TIFIA Lender, if required under the applicable TIFIA Loan Agreement, to such issuance.

(c) The Senior Lien Obligations constitute Completion Obligations; provided, however, that prior to the incurrence of such Completion Obligations, the Commission shall furnish to the Trustee: (i) a certificate of a licensed architect or Consulting Engineer estimating the costs of completing the facilities for which such Completion Obligations are to be incurred, (ii) a Certificate of the Commission certifying that the amount of such Completion Obligations to be incurred will be sufficient, together with other funds, if applicable, to complete construction of the facilities as estimated by the architect or Consulting Engineer in respect of which such Completion Obligation is to be incurred and pay capitalized interest, if any, on Commission Obligations Outstanding during the completion period, and (iii) written evidence from the applicable credit rating agency or agencies that such Senior Lien Obligations will be rated at an investment grade rating by such credit rating agency; provided, further, that, while the Commission has outstanding Obligations in the form of or securing payment of a TIFIA Loan held by the TIFIA Lender, the Commission has received the written consent of the TIFIA Lender in accordance with the applicable TIFIA Loan Agreement to such issuance.

Additional Second Lien Obligations or Subordinate Obligations

Upon the issuance of the 2020 Series C Second Lien Bonds and the application of proceeds thereof, the Commission's outstanding Second Lien Obligations will consist of solely the 2020 Series C Second Lien Bonds, and the Commission will have no Subordinate Obligations Outstanding. See "PLAN OF REFUNDING." Additional Second Lien Obligations or Subordinate Obligations (including Subordinate Obligations in the form of or securing payment of one or more TIFIA Loans) may be issued if from time to time the requirements described in clauses (a), (b) or (c) below are met.

(a) The Second Lien Obligations or Subordinate Obligations, as applicable, are issued for purposes of refunding Outstanding Senior Lien Obligations, Outstanding Second Lien Obligations or Outstanding Subordinate Obligations by providing funds for the payment of any or all of the following:

(1) The Bond Obligation, redemption or purchase price (including premium, if any) of the Outstanding Senior Lien Obligations, Outstanding Second Lien Obligations or Outstanding Subordinate Obligations to be refunded;

(2) All expenses incident to the calling, retiring or paying of such Outstanding Senior Lien Obligations, Outstanding Second Lien Obligations or Outstanding Subordinate Obligations, the Costs of Issuance of such refunding Second Lien Obligations or Subordinate Obligations, and any termination payments or other payments to the holders of obligations of the Commission entered into pursuant to California Government Code Section 5922 (or any similar statute) related to such Outstanding Senior Lien Obligations, Outstanding Second Lien Obligations or Outstanding Subordinate Obligations;

(3) Interest on all Outstanding Senior Lien Obligations, Outstanding Second Lien Obligations or Outstanding Subordinate Obligations to be refunded to the date such Senior Lien Obligations, Second Lien Obligations or Subordinate Obligations will be called for redemption or paid at maturity;

(4) Interest on the refunding Second Lien Obligations or Subordinate Obligations from the date thereof to the date of payment or redemption of the Senior Lien Obligations, Second Lien Obligations or Subordinate Obligations to be refunded;

provided that the Commission delivers a Certificate of the Commission to the effect that the Commission projects that the Average Annual Debt Service on all Outstanding Obligations after the issuance of the proposed additional Second Lien Obligations or Subordinate Obligations will be less than the Average Annual Debt Service on all Outstanding Obligations prior to the issuance of such proposed Second Lien Obligations or Subordinate Obligations; and provided further, that, if the maturity date of such additional Second Lien Obligations or Subordinate Obligations to be issued extends to a date later than the stated final maturity date of the Obligations being refunded, then Net Revenue in each Fiscal Year from and after the stated final maturity date of such refunded Obligations is projected to be not less than one hundred thirty percent (130%) of the Annual Debt Service payable in each such Fiscal Year with respect to all Outstanding Obligations, including the proposed additional Second Lien Obligations or Subordinate Obligations.

Additionally, while the Commission has Outstanding Obligations in the form of or securing payment of a TIFIA Loan, the Commission shall have received the written consent of the TIFIA Lender, if required under the applicable TIFIA Loan Agreement, to such issuance.

(b) The Commission delivers a report of the Traffic Consultant to the effect that, as of the date of issuance of the additional Second Lien Obligations or Subordinate Obligations:

(1) Net Revenue during the preceding Calculation Period ending not more than ninety (90) days prior to the date of delivery of the proposed additional Second Lien Obligations or Subordinate Obligations, was sufficient to satisfy the Toll Road rate covenant of the Indenture (which report may assume that a revision of the tolls that was approved and implemented by the Commission subsequent to the beginning of such Calculation Period had been in effect for the entire Calculation Period), and

(2) projected Net Revenue for each Fiscal Year over the term of the proposed additional Second Lien Obligations or Subordinate Obligations is expected to be sufficient to satisfy the Toll Road rate covenant of the Indenture in each Fiscal Year. In calculating projected Net Revenue, the Traffic Consultant shall take into account amounts projected to be received from any change in toll policy (provided that no additional approvals need to be obtained and no additional requirements need to be satisfied in order to implement any such toll policy) and any additional toll lanes and facilities to be designated as included within the definition of Toll Road.

Additionally, while the Commission has Outstanding Obligations in the form of or securing payment of a TIFIA Loan, the Commission shall have received the written consent of the TIFIA Lender, if required under the applicable TIFIA Loan Agreement, to such issuance.

(c) Such Second Lien Obligations or Subordinate Obligations constitute Completion Obligations; provided, however, that prior to the incurrence of such Completion Obligations, the Commission shall furnish to the Trustee: (i) a certificate of a licensed architect or Consulting Engineer estimating the costs of completing the facilities for which such Completion Obligations are to be incurred and pay capitalized interest, if any on Commission Obligations Outstanding during the completion period, and (ii) a Certificate of the Commission certifying that the amount of such Completion Obligations to be incurred will be sufficient, together with other funds, if applicable, to complete construction of the facilities as estimated by the architect or Consulting Engineer in respect of which such Completion Obligation is to be incurred; provided, further, that, while the Commission has outstanding Obligations in the form of or securing payment of a TIFIA Loan held by the TIFIA Lender, the Commission has received the written consent of the TIFIA Lender in accordance with the applicable TIFIA Loan Agreement to such issuance.

AMENDMENTS TO INDENTURE

The Third Supplemental Indenture includes certain amendments to the Indenture (collectively, the “*Amendments*”) arising from the completion of construction of the RCTC 91 Express Lanes and the anticipated refunding and prepayment of the TIFIA Obligations. Pursuant to the Indenture, the Holders of at least a majority in aggregate Bond Obligation of the Obligations Outstanding may consent to amendments thereto. **By their purchase of the 2020 Series Bonds, Holders of the 2020 Series Bonds are deemed to have irrevocably consented and agreed to the Amendments.** Upon the issuance of the Series 2020 Bonds, the Amendments will become effective pursuant to the Indenture.

The Amendments include the elimination of required deposits to the Repair and Rehabilitation Fund, the Capital Expenditures Fund and the Residual Fund, as well as the elimination of the Commission Equity Account and the Sales Tax Revenue Bond Account. The Amendments also include the amendment and restatement of the definition of “Scheduled Repair and Rehabilitation Fund Required Deposit” as follows:

[“**Scheduled Repair and Rehabilitation Fund Required Deposit**” means, for each Monthly Funding Date, (a) any Repair and Rehabilitation Fund Permitted Expenditures due and payable prior to the next Monthly Funding Date and for which the Commission has not previously set aside funds, or for which insufficient monies are on deposit, in the Repair and Rehabilitation Fund, plus (b) one-twelfth (1/12) of the sum of (i) one hundred percent (100%) of the Repair and Rehabilitation Fund Permitted Expenditures that the Commission projects to become due in the period ending one year from such Monthly Funding Date, plus (ii) sixty-six percent (66%) of the Repair and Rehabilitation Fund Permitted Expenditures that the Commission projects to become due in the period commencing one year and one day from such Monthly Funding Date and

ending two years from such Monthly Funding Date, plus (iii) thirty-three percent (33%) of the Repair and Rehabilitation Fund Permitted Expenditures that the Commission projects to become due in the period commencing two years and one day from such Monthly Funding Date and ending three years from such Monthly Funding Date.]

For a detailed description of the Amendments, see “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

PLAN OF REFUNDING

Refunding of 2013 Series A Senior Bonds. The 2013 Series A Senior Bonds were issued pursuant to the Master Indenture, as supplemented by the First Supplemental Indenture, in the aggregate principal amount of \$123,825,000, all of which remains Outstanding. Pursuant to the terms of an Escrow Agreement, dated as of April 1, 2020 (the “*Escrow Agreement*”), by and between the Commission and U.S. Bank National Association, as escrow agent (the “*Escrow Agent*”), a portion of the proceeds of the 2020 Series A Senior Bonds, together with other available moneys (collectively, the “*Escrow Deposit*”), will be deposited into the Escrow Fund established under the Escrow Agreement (the “*Escrow Fund*”). The Escrow Deposit will be sufficient to purchase Defeasance Securities, the principal and interest of which when due will provide moneys that, together with uninvested moneys deposited with the Escrow Agent, will be sufficient to pay (i) the interest on the 2013 Series A Senior Bonds through June 1, 2023 (the “*Redemption Date*”) and (ii) the principal amount of the 2013 Series A Senior Bonds plus accrued and unpaid interest thereon (the “*Redemption Price*”) on the Redemption Date. Upon the Escrow Agent’s receipt of the Escrow Deposit and purchase of the Defeasance Securities, the 2013 Series A Senior Bonds will be defeased and will no longer be Outstanding under the Indenture. The 2013 Series A Senior Bonds to be refunded are listed in the table below.

**Riverside County Transportation Commission
Toll Revenue Senior Lien Bonds
2013 Series A
(Current Interest Bonds)
Redemption Price: 100%**

Maturity Date (June 1)	Par Amount Outstanding	CUSIP (Base No. 76912D)
2044	\$39,315,000	AA6
2048	84,510,000	AB4

Prepayment of TIFIA Obligations. To finance a portion of the construction costs of the RCTC 91 Express Lanes, the Commission borrowed approximately \$421,054,409 plus compounded interest under a TIFIA Loan Agreement with the United States Department of Transportation, evidenced by the Commission’s Toll Revenue Subordinate Bonds, 2013 TIFIA Series (collectively, the “*TIFIA Obligation*”). The current outstanding amount of the TIFIA Obligation is \$482,169,632. The Commission intends to apply a portion of the proceeds of the 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds to prepay the TIFIA Obligation in full, on the date of issuance of the 2020 Series Bonds. See “ESTIMATED SOURCES AND USES OF BOND PROCEEDS.”

Verification. Causey Demgen & Moore P.C., certified public accountants (the “*Verification Agent*”), will deliver a report stating that the firm has verified the accuracy of mathematical computations concerning the adequacy of the amounts deposited in the Escrow Fund to defease the 2013 Series A Senior Bonds. See “VERIFICATION OF MATHEMATICAL COMPUTATIONS.”

ESTIMATED SOURCES AND USES OF BOND PROCEEDS

The estimated sources and uses of the 2020 Series Bonds, and other related amounts, are presented below.

	<u>2020 Series A Senior Bonds</u>	<u>2020 Series B Senior Bonds</u>	<u>2020 Series C Second Lien Bonds</u>	<u>Total</u>
Sources				
Principal Amount	\$	\$	\$	\$
Premium/(Discount)				
Series 2013A Debt Service Fund Release				
TIFIA Loan Reserve Release				
Total Sources	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Uses				
Escrow Fund Deposit	\$	\$	\$	\$
Prepayment of TIFIA Obligations				
2013 Bonds Reserve Account Deposit				
2020 Series B Senior Bonds Reserve				
Account Deposit				
2020 Series C Second Lien Bonds Reserve				
Account Deposit				
2020 Series A Senior Bonds Capitalized				
Interest Account Deposit				
Underwriters' Discount				
Costs of Issuance				
Total Uses	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

DEBT SERVICE REQUIREMENTS

The following table is the annualized debt service schedule for the 2020 Series Bonds assuming no redemption other than mandatory sinking fund redemption.

(1)

99223117.7

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

General

The Commission is a county transportation commission duly organized and existing pursuant to the County Transportation Commissions Act, being Division 12 of the Public Utilities Code of the State of California (Section 130000 et seq.) (as amended, the “*Act*”). The Commission began to oversee the funding and coordination of public transportation services in 1977 within the County of Riverside (the “*County*”). The Commission serves as the tax authority and implementation agency for the voter-approved Measure A Transportation Improvement Program, which imposes a ½ cent sales tax within the County to fund transportation improvements.

The County was organized in 1893 from territory in San Bernardino and San Diego Counties and encompasses 7,177 square miles. The County is bordered on the north by San Bernardino County, on the east by the State of Arizona, on the south by San Diego and Imperial Counties and on the west by Orange and San Bernardino Counties. The County is the fourth largest county (by area) in the State of California (the “*State*”) and stretches 185 miles from the Arizona border to within 20 miles of the Pacific Ocean. There are 28 incorporated cities in the County.

The Commission is charged with a number of important responsibilities in serving the residents of the County. Administering the sales tax program has been by far the most prominent of these responsibilities. The Commission, which has the responsibility of placing future transportation ballot measures before the public, was successful in November 2002 in obtaining more than two-thirds voter approval of the Measure A Sales Tax.

In addition to the Commission’s Measure A responsibilities, the Commission has also been designated as the congestion management agency for the County. As the CMA, the Commission has developed a congestion management program that more effectively utilizes transportation funds by linking land use, transportation and air quality efforts.

The Commission serves as the Service Authority for Freeway Emergencies and operates the freeway service patrol (the “*FSP*”) for the County. The results of these programs – 136 call boxes along the County roadways and 27 FSP tow trucks providing assistance to more than 44,600 motorists annually – are among the most visible of the Commission’s programs.

In 1998, the State Legislature gave new authority to the Commission by changing the way funding is distributed from the State Transportation Improvement Program, which is funded through state and federal gas taxes. In simple terms, counties no longer apply to the State for funding their most urgent transportation needs. Instead, State transportation dollars are given directly as an entitlement, leaving the decision making about transportation spending up to the designated county transportation commission like the Commission. While this gives the Commission greater control over how transportation dollars are spent, it also requires a much higher level of local communication and participation to determine how these dollars are spent throughout a county with many transportation needs. The Commission has the responsibility to program funds received under the California Transportation Development Act, a statewide source of funding for transit purposes, primarily to the County’s major public transit providers, although the Commission has no responsibility to provide transit services.

The Transportation Expenditure Plan

On November 5, 2002, 69.2% of the voters of the County approved Measure “A” – The Riverside County Transportation Commission Transportation Expenditure Plan (the “*Expenditure Plan*”) and Retail

Transaction and Use Tax Ordinance (the “*Ordinance*”), which renewed a half-cent sales tax for transportation levied by the Commission within the County through 2039.

The Ordinance provides that sales tax revenues generated by Measure A (“*Sales Tax Revenues*”) be distributed to the specific geographic areas of Riverside County (*i.e.*, Western County, Coachella Valley, and Palo Verde Valley) based on their proportionate share of revenues generated in the County, and that funds (including proceeds of bonds secured by such sales tax revenues) be allocated for highway and regional arterial projects, local streets and roads, transit and commuter rail, new corridors and economic development. In the Western County, \$370 million is to be used for new corridor projects, \$1.020 billion for highway projects, \$300 million for regional arterial projects, \$390 million for public transit, \$970 million for local street and road improvements, \$270 million for bond financing costs, and the remaining \$40 million for economic development projects. In the Coachella Valley, fifty percent is to be earmarked for its highway and regional arterial system, thirty-five percent for local streets and roads, and the remaining fifteen percent for transit. All Palo Verde Valley funds are designated for the maintenance of local streets and roads.

Sales Tax Revenues and proceeds of bonds payable from Sales Tax Revenues may not be expended on improvements to the RCTC 91 Express Lanes directly relating to the tolled lanes, but may instead be expended on ancillary projects authorized in the Expenditure Plan, including general purpose lane construction and right-of-way acquisition.

Commissioners

Section 130053 of the California Public Utilities Code specifies that the Commission consists of five members of the County Board of Supervisors, one member from each incorporated city in the County (each of whom must be a mayor or member of the City Council) and one non-voting member appointed by the governor of the State of California. The role of the Commission is to act as a policy-making board for Riverside County transportation activities.

To enhance County-wide participation and improve its decision-making, the Commission made a major change in its structure in 1999 by expanding the Board from eight members to 30. The Board expanded in 2008, 2010 and 2011 with the addition of four members in total representing newly incorporated cities. The current Board now has 34 members. The expanded Commission ensures better representation throughout the County and provides the participatory framework for continued success in carrying out these responsibilities.

Executive Staff

The Commission’s key staff members, the position held by each and a brief statement of the background of each staff member are set forth below.

Anne Mayer, Executive Director. Anne Mayer was appointed in October 2007 as the Executive Director of the Commission. She is responsible for overall management of the Commission including execution of operational policies and procedures and all personnel decisions. Ms. Mayer joined the Commission in May 2005 as Deputy Executive Director. Prior to joining the Commission, she was the District 8 Director for the California Department of Transportation (“*Caltrans*”). Ms. Mayer is a Professional Engineer in the State of California with over 36 years of experience in the public works field. Ms. Mayer holds a civil engineering degree from Michigan State University.

John Standiford, Deputy Executive Director. In January 2008, John Standiford was appointed as Deputy Executive Director for the Commission. He joined the Commission in 1999 and was the Public Affairs Director prior to his current appointment. Mr. Standiford also served as the Manager of Government and Media Relations for the OCTA, where he worked for more than seven years. Earlier in his career, Mr. Standiford worked for three state legislators from the Los Angeles area. He received his bachelor and master's degrees from the University of California, Irvine.

Theresia Trevino, Chief Financial Officer. Ms. Trevino joined the Commission as the Chief Financial Officer in January 2004. Her responsibilities include financial, budget, procurement, investment and debt management of a multi-modal program that includes highway, transit, rail, motorist assistance, and tolling. Ms. Trevino manages one of the largest self-help transportation sales tax financing programs in California and the toll revenue financing program. Ms. Trevino previously worked as Manager of Accounting and Financial Reporting for the OCTA. Ms. Trevino's 19-year public accounting career included 16 years with Ernst & Young LLP. As Senior Manager in its Assurance and Advisory Business Services practice serving government clients, she led the development of the Southern California practice. She is a Certified Public Accountant in California and completed the Leadership Academy of the International Bridge, Tunnel and Turnpike Association. Ms. Trevino received a bachelor of science degree in accounting from Loyola Marymount University with Magna Cum Laude Honors.

Michael Blomquist, Toll Program Director. Michael Blomquist has served as the Toll Program Director since 2008 after joining the Commission in 2007. He is responsible for managing the toll program which includes the planning, design, construction, and operation of the Commission's tolled express lane facilities. He previously worked in the consulting engineering arena in various project and program management roles on large design-build freeway projects in California, Oregon, and Utah. He has 29 years of experience in transportation infrastructure and is a Professional Engineer in the State of California. Mr. Blomquist has completed the Leadership Academy of the International Bridge, Tunnel and Turnpike Association. He holds a bachelors of science degree in civil engineering from the California Polytechnic State University at San Luis Obispo and a masters degree in business from the California State University at Fullerton.

RCTC 91 EXPRESS LANES

The RCTC 91 Express Lanes, constructed by the Commission along the median of State Route 91 ("SR-91") in Riverside County, consist of two tolled express lanes in each direction running approximately eight miles, between the Orange County/Riverside County line to the west and the Interstate 15 ("I-15") interchange to the east, as well as a tolled direct connector of one lane in each direction from SR-91 to I-15 south, related improvements and an electronic toll collection and enforcement system. At the Orange County/Riverside County line, the RCTC 91 Express Lanes connect with the tolled express lanes (the "*OCTA 91 Express Lanes*") operated by the Orange County Transportation Authority ("*OCTA*"), using a two-mile long mixing area (allowing vehicles to use either or both sections of the tolled lanes). The portion of SR-91 that includes the 91 Express Lanes provides motorists with two tolled express lanes and five general purpose lanes in each direction.

The RCTC 91 Express Lanes have fully automated tolling, including the application of managed lane variable pricing based on the day and time of travel. The variable pricing approach adjusts toll rates based on the number of vehicles on the road in a manner designed to maintain "free flow" conditions. Toll rates may be changed in accordance with the toll policy approved by the Commission's Board without the need to have separate Board approval for each increase. Tolls on each of the OCTA 91 Express Lanes and the RCTC 91 Express Lanes are charged independently. When travelling along SR-91, vehicles may use either or both of such tolled express lanes, or may use the general purpose lanes (which are free of charge).

The RCTC 91 Express Lanes opened to motorists on March 20, 2017. Ridership on the RCTC 91 Express Lanes and the revenues generated have exceeded forecasts made in the original Traffic and Revenue Study and Engineer's Technical Report prepared in connection with the issuance of the Commission's toll revenue bonds in 2013. See "TRAFFIC AND REVENUE ESTIMATES" and "ENGINEER'S TECHNICAL REPORT."

Construction costs for the RCTC 91 Express Lanes totaled approximately \$1.4 billion, and were partially financed through the issuance pursuant to the Master Indenture, First Supplemental Indenture and Second Supplemental Indenture of \$123,825,000 in aggregate principal amount of the 2013 Series A Senior Bonds, \$52,829,601.60 in initial principal amount of the 2013 Series B Senior Bonds, and the proceeds of a TIFIA Loan in the initial principal amount of \$421,054,409 plus compounded interest, evidenced by the Commission's Toll Revenue Subordinate Bonds, 2013 TIFIA Series. The Commission intends to refund all of the 2013 Series A Senior Bonds and prepay the TIFIA Obligations in full with proceeds of the 2020 Series Bonds. See "PLAN OF REFUNDING" herein.

Since completion of construction of the RCTC 91 Express Lanes, the Commission has completed a westbound SR-91 "weave lane" between the express lanes and general purpose lanes and accelerated a project to widen the westbound SR-91 general purpose lanes at the Orange County/Riverside County line. Other SR-91 corridor projects are also advancing consistent with a regional agreement to prioritize and sequence these projects in the corridor. A design-build contract for the I-15/SR-91 Express Lanes Connector (described below) is scheduled for Commission award at its March 2020 meeting. This project is scheduled for lane opening in 2023. The proposed SR-241/SR-91 Express Connector (241/91 EC) project has completed environmental approvals and is now continuing to develop inter-agency agreements, toll operations planning, and final design work.

In addition to the RCTC 91 Express Lanes, the Commission is also responsible for the construction, operation and maintenance of tolled express lanes along I-15 running north and south from SR-91 (the "*RCTC 15 Express Lanes*"). The Commission is currently undertaking the construction of a direct connector project between the RCTC 91 Express Lanes to and from the northern segment of the RCTC 15 Express Lanes (the "*Express Lanes Connector*"). The Express Lanes Connector will provide for a seamless trip between the RCTC 91 Express Lanes and the northern segment of the RCTC 15 Express Lanes. The toll system for the Express Lanes Connector will be designed to identify when and where a vehicle enters the system in order to determine the combined toll for the inter-facility trip.

The total construction cost of the Express Lanes Connector is approximately \$270,000,000, of which \$180,000,000 will be funded through an appropriation of the State Legislature pursuant to Senate Bill 132. The remainder of the cost will be paid with surplus funds of the RCTC 91 Express Lanes. The Commission plans to enter into a design-build contract for construction of the Express Lanes Connector in March of 2020, with completion expected in 2023. The Express Lanes Connector will be part of the RCTC 15 Express Lanes facility from a cost and operations standpoint, but its users traverse both the RCTC 91 Express Lanes as well as the RCTC 15 Express Lanes facility. As such, the toll paid by users of the Express Lanes Connector should be partly allocated to the RCTC 91 Express Lanes and partly allocated to the RCTC 15 Express Lanes facility. An analysis undertaken by Stantec informed a Commission decision to allocate 70% of the toll revenue from Express Lanes Connector users to the RCTC 91 Express Lanes. This allocation is expected to maintain the level of toll revenue that the RCTC 91 Express Lanes would generate if the Express Lanes Connector were not built. This toll revenue will constitute Toll Revenues under the Indenture. This 70% revenue stream is reflected in Stantec's Updated Study. See "APPENDIX B-1 – RCTC 91 EXPRESS LANES INVESTMENT GRADE TRAFFIC AND REVENUE STUDY—INVESTMENT GRADE STUDY REFRESH 2018" and "APPENDIX B-2 – STANTEC BRINGDOWN LETTER."

OPERATION AND MAINTENANCE OF THE RCTC 91 EXPRESS LANES

General

The operation and maintenance of the RCTC 91 Express Lanes is performed primarily by two contractors: Cofiroute USA LLC (“*Cofiroute*”) and Kapsch TrafficCom USA (“*Kapsch*”). Cofiroute provides the back office system, customer service operations and traffic operations center services. Cofiroute is responsible for transaction processing, customer service, violation processing and incident management. Cofiroute provides these services for both the Commission and OCTA pursuant to an agreement among OCTA, RCTC and Cofiroute with an effective date of January 28, 2020 (the “*Toll Operator Agreement*”). The Toll Operator Agreement has an initial term that expires January 31, 2027, with an option on the part of OCTA and RCTC to extend the term for an additional 36 months. Notwithstanding their physical connection and the use of the same toll operator, the OCTA 91 Express Lanes and the RCTC 91 Express Lanes are independent enterprises and their finances are not commingled.

The Commission contracted with Kapsch in 2018 pursuant to change orders to an existing Toll Services Contract for the I-15 Express Lanes Project, dated January 26, 2017 (collectively, the “*Toll Services Provider Agreement*”) to replace the former roadside system for the RCTC 91 Express Lanes, including the technology to monitor vehicles, read transponders, record toll transactions and transmit transactions to back office facilities. Replacement of the former roadside system enabled the Commission to comply with State regulations requiring the acceptance of 6C transponders and will facilitate tolling between the RCTC 91 Express Lanes, the future RCTC 15 Express Lanes and the future Express Lanes Connector. Under the Toll Services Provider Agreement, Kapsch is responsible for the design, procurement, installation, testing, operations, and maintenance of the new roadside toll collection system for the RCTC 91 Express Lanes, the future RCTC 15 Express Lanes and the future Express Lanes Connector. Kapsch also provides the roadside toll collections system and operation and maintenance for the OCTA 91 Express Lanes.

The Commission is responsible for roadway maintenance of the RCTC 91 Express Lanes infrastructure (e.g. pavement, barriers, channelizers, sign structures, etc.) pursuant to terms of a Toll Facilities Agreement between the Commission and Caltrans. The Commission in turn contracts with Caltrans to perform this maintenance. Caltrans is also responsible for the operations and maintenance for all SR-91 roadway elements outside the RCTC 91 Express Lanes.

Toll Contractors

Cofiroute, headquartered in Irvine, California, is a wholly-owned subsidiary of Cofiroute S.A., headquartered in Paris, France. Cofiroute S.A. is the largest private toll road operator in France, with operations in Germany and the United Kingdom as well. Cofiroute S.A. is part of the VINCI Group, a public company with more than 180,000 employees in over 100 countries.

Kapsch is an international provider of intelligent transportation systems in more than 50 countries around the globe. As part of the Kapsch Group, Kapsch, with headquarters in Vienna, has subsidiaries and branches in more than 30 countries. Kapsch has about 5,000 employees.

The Commission's payments to Cofiroute and Kapsch are a primary component of Operation and Maintenance Expenses of the RCTC 91 Express Lanes. See “APPENDIX C – ENGINEER’S TECHNICAL REPORT” for a detailed discussion of such Operation and Maintenance Expenses.

Toll Operator Agreement

Under the Toll Operator Agreement, Cofiroute is required to perform all aspects of the core services for the RCTC 91 Express Lanes in the functional areas outlined below:

- Program Management and Administration, Information Systems Technology and Telecommunication
- Customer Service, Violations Enforcement and Processing
- Traffic Operations Center
- Incident Management
- Emergency Services Coordination

Cofiroute also manages the posting of toll rates on the changeable message signs along the RCTC 91 Express Lanes and reports on traffic volumes, providing the basis for quarterly toll rate adjustments to ensure that congestion on the RCTC 91 Express Lanes is managed.

Cofiroute is required by the Toll Operator Agreement to provide the following insurance coverage:

- Commercial General Liability with a minimum limit of \$5,000,000 per occurrence and \$10,000,000 general aggregate
- Automobile Liability with a combined single limit of not less than \$5,000,000
- Workers' Compensation with a minimum limit of \$1,000,000 each accident
- Commercial Crime with limits of not less than \$5,000,000 per claim covering employee dishonesty, forgery and alteration, monies and securities, and computer crime;
- Technology Errors and Omissions including privacy and network security liability coverage, with limits of not less than \$15,000,000 per incident and in the annual aggregate

As security for the performance of its obligations under the Toll Operator Agreement, Cofiroute is required to provide an Operation and Maintenance Bond and a Performance Bond issued by sureties authorized to do business in the State with an A.M Best Rating of A-, Class VIII, or better, or as otherwise approved by OCTA and RCTC in their sole discretion. Initially, such Operation and Maintenance Bond shall be in the amount of \$30.9 million (decreasing annually to \$10.8 million in the third year of the contract) and such Performance Bond shall be in the amount of \$14.3 million.

Toll Services Provider Agreement

Under the Toll Services Provider Agreement, Kapsch is responsible for the design, procurement, installation, and testing of the roadside toll collection system for the RCTC 91 Express Lanes. Kapsch completed installation of this toll collection system in 2019, and remains responsible for its operation and maintenance. Kapsch provides 24-hour continuous coverage for maintenance related activities for the roadside toll collection system, including all hardware, equipment, software and firmware maintenance for the toll points.

Kapsch is required by the Toll Services Provider Agreement, which covers work on both the RCTC 91 Express Lanes and the RCTC 15 Express Lanes, to provide the following insurance coverage:

- Commercial General Liability with a minimum limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate
- Business Automobile Liability with a combined single limit of not less than \$10,000,000
- Workers' Compensation with a minimum limit of \$1,000,000 each accident
- Umbrella or Excess Liability Insurance to provide a total liability limit of not less than \$10,000,000 on an occurrence basis at least as broad as primary coverages for commercial general liability, business automobile liability and employer's liability
- Commercial Crime with limits of not less than \$5,000,000 per claim covering employee dishonesty, forgery and alteration, monies and securities, and computer crime;
- Technology Errors and Omissions including privacy and network security liability coverage, with limits of not less than \$10,000,000 per incident and in the annual aggregate
- Professional Liability, unless explicitly covered under Technology Errors and Omissions, with limits not less than \$5,000,000 per claim and in the aggregate

The Toll Services Agreement provides for Kapsch to pay liquidated damages if certain Key Performance Indicators are not met. In order to secure such payment and performance, Kapsch is required to provide an Operations and Maintenance Bonds and a Performance Bond issued by sureties authorized to do business in the State with an A.M. Best Rating of A-, Class VII, or better, or as otherwise approved by RCTC in its sole discretion. Such Operations and Maintenance Bond shall be in the amount of \$39,906,281 and such Performance Bond shall be in the amount of \$18,704,144.

The obligations of Kapsch under the Toll Services Provider Agreement are guaranteed by its parent, Kapsch TrafficCom AG, pursuant to a Guaranty to remain in full force and effect during the term of the Toll Services Provider Agreement, whereby Kapsch TrafficCom AG guarantees to RCTC full and prompt payment and performance when due of all obligations of Kapsch under the Toll Services Agreement.

Electronic Tolling

The RCTC 91 Express Lanes include an all-electronic toll collection system. All users are required to have a prepaid account with a tolling agency that will issue a FasTrak transponder to the customer. FasTrak transponders are fully interoperable with all toll roads and express lanes in California. The RCTC 91 Express Lanes were designed to make the transition from using the OCTA 91 Express Lanes to the RCTC 91 Express Lanes as seamless as possible (although two separate tolls will be charged to vehicles electing to use both of such tolled express lanes).

Tolls are collected along the route between specific points, known as toll points. At each toll point, an overhead antenna reads the transponder identification, encrypting the number for security causing a charge to be levied to the customer's account for the toll amount. Each toll point is also a location at which cameras record images of a vehicle's license plate for violation enforcement purposes.

Toll transponder technology is prescribed by State regulation and overseen by Caltrans. In 2017, Caltrans amended its regulations to change the current transponder technology, which had been in place since 1993, to a new technology referred to as 6C. This amended regulation was supported by the

Commission and all other operating toll agencies in the State. The regulation requires toll agencies to begin transitioning to 6C technology by January 1, 2019. The new technology offers several benefits, including smaller, more physically appealing transponders (some in the form of a sticker) that do not require batteries, and cost savings that can be passed on to customers. Instead of a customer account with a single transponder that is shared among vehicles, the new 6C technology makes it feasible for the Commission to require each vehicle to have its own transponder, thereby increasing the number of transponders per account. The Commission's revised account fee policy includes such a requirement and specifies decreased administrative fees to allow it to remain competitive with other toll agencies. The Commission estimates that its revised account fee policy will decrease annual revenues for the RCTC 91 Express Lanes by approximately \$763,000 on average, for each year through calendar year 2040.

Cofiroute is responsible for the collection, counting, handling, storage, transferring to the Commission's and OCTA's armored car service, and verification of the disposition of all collected funds. This includes cash payments, payments by credit card, check, or other sources associated with both RCTC 91 Express Lanes accounts and collections from violations and/or fines.

Pursuant to the Toll Operator Agreement, the Commission, OCTA and Bank of the West, as custodian (the "*Custodian*"), have entered into a Master Custodial Account Agreement, dated as of January 31, 2017 (the "*Custodial Account Agreement*"), which governs the custody and processing of all toll revenues generated on the OCTA 91 Express Lanes and the RCTC 91 Express Lanes. The Custodian holds all prepaid funds of Express Lanes customers in a single master account in trust for such customers until such time as the customers utilize either the OCTA 91 Express Lanes or the RCTC 91 Express Lanes, and will transfer funds either to OCTA's bank account or to the Trustee on behalf of RCTC as it receives toll transaction information from Cofiroute. Aside from collecting funds for accounts funded without the use of credit cards and collecting toll violation payments, Cofiroute does not have access to or any beneficial interest in funds generated by toll transactions on the RCTC 91 Express Lanes.

Toll Rates

In June 2012, the Commission adopted an "enhanced" toll policy. Under this policy, tolls were to be set by time of day, based on traffic demand observed during the prior three-month period. The toll rates were to be reset quarterly and different rates would be applicable from time to time throughout each weekday and on weekends. The Commission's enhanced toll policy was similar to OCTA's toll policy as it tied toll increases to traffic volumes, but allowed for increases of off-peak toll rates once certain volume thresholds were exceeded.

During the first 16 months of operation, the RCTC 91 Express Lanes experienced demand that materially exceeded original projections, leading to frequent toll rate adjustments. As a result, in October 2018 the Commission amended its toll policy to (i) provide for separate tolling for each express lane in each direction, (ii) adjust peak volume pricing triggers and peak toll amounts, in order to optimize throughput at free flow speeds and balance capacity and demand to serve customers who pay tolls as well as carpoolers with three or more occupants in the vehicle who are offered discounted tolls, and (iii) establish annual inflation adjustments tied to the Consumer Price Index for the region. See "APPENDIX B-1 – RCTC 91 EXPRESS LANES INVESTMENT GRADE TRAFFIC AND REVENUE STUDY—INVESTMENT GRADE STUDY REFRESH 2018" and "APPENDIX B-2 – STANTEC BRINGDOWN LETTER."

Toll Violations Enforcement

According to California statutes, where video imaging or a photo is used for enforcement, the toll agency can pursue the vehicle's owner for collection of the toll plus penalties. Such enforcement

measures are to be taken when the vehicle owner is not a registered program customer, has insufficient funds in his or her account, or has a closed account.

Pursuant to the toll collection system of the RCTC 91 Express Lanes, vehicle and license plate images are captured whenever a vehicle passes under a toll gantry. Cofiroute and Kapsch are responsible for performing image reviews to identify and verify license plate numbers. Such license plate numbers may be linked to valid accounts resulting in the related transaction being posted as a toll charge to the account and no violation notice being issued. If the numbers are not linked to valid accounts and it is determined that a violation has occurred, Cofiroute's back office system will send the information to the State Department of Motor Vehicles ("DMV") to obtain the owner's vehicle registration information, including name and address. Under the Toll Operator Agreement, Cofiroute will be responsible for mailing all violation notices, for tracking violations to completion, and for all violation payment processing. If violation notices are ignored and violation payments remain uncollected for longer than the requisite 90-day notice period, the Commission has the right to have Cofiroute engage a collection agency. For those cases that are deemed uncollectible after all reasonable efforts are made to achieve collection, Cofiroute provides the Commission with information as to the amount of the write-off. See "PROJECTED CASH FLOW AND DEBT SERVICE COVERAGE," "RISK FACTORS – Operating Risks – *Less Than Projected Non-Toll Revenue*" and "APPENDIX C – ENGINEER'S TECHNICAL REPORT."

TRAFFIC AND REVENUE ESTIMATES

General

The Commission has relied on the RCTC 91 Express Lanes Investment Grade Traffic and Revenue Study – Investment Grade Study Refresh 2018, dated November 27, 2018 (the “*Investment Grade Study Refresh*”), as supplemented by Stantec’s Bringdown Letter dated February [11], 2020 (the “*Bringdown Letter*,” and together with the Investment Grade Study Refresh, the “*Updated Study*”), prepared by Stantec Consulting Services Inc. (“*Stantec*”) for its projection of gross revenues generated by the RCTC 91 Express Lanes. See “PROJECTED CASH FLOW AND DEBT SERVICE COVERAGE,” “APPENDIX B-1 – RCTC 91 EXPRESS LANES INVESTMENT GRADE TRAFFIC AND REVENUE STUDY—INVESTMENT GRADE STUDY REFRESH 2018” and “APPENDIX B-2 – STANTEC BRINGDOWN LETTER.” This section includes a brief summary of selected provisions of the Updated Study and is not a full statement of the contents of the Updated Study. Accordingly, the following summary is qualified in its entirety by reference to and is subject to the full text of the Updated Study. The Updated Study is expressly subject to the limitations and disclaimers set forth therein, including qualifications and assumptions made, procedures followed, matters considered and any limitation on the scope of work contained therein.

The following table sets forth historical traffic and revenue, i.e. gross potential toll revenue, since the RCTC 91 Express Lanes opened.

**RCTC 91 Express Lanes
Historical Gross Potential Toll Revenue and Full Toll Transactions
Fiscal Year 2017 to February 15, 2020**

Fiscal Year (ending June 30)	Gross Potential Toll Revenue (millions)	Annual Full Toll Transactions (millions)
2017	\$ 9.62	3.27
2018	\$47.94	11.30
2019	\$57.17	11.42
2020 through 2/15/20 (230 days)	\$41.89	7.43

Note: Fiscal Year 2019-20 statistics reflect traffic and revenue totals through 230 days of the fiscal year.

Stantec Consulting Services Inc.

Stantec Consulting Services Inc. has a professional staff of approximately 22,000 employees and 400 offices across six continents and has been serving public and private clients since 1954. Stantec has a group of approximately 3,000 transportation professionals of which approximately 40 professionals are actively involved with toll facility clients. Stantec’s toll facility experience includes working with more than 100 clients in more than 30 states and internationally. Stantec’s investment grade traffic and revenue reports have been the basis for the sale of over \$55 billion in revenue bonds.

Scope of Traffic and Revenue Study

During the initial phases of construction of the RCTC 91 Express Lanes, the Commission engaged Stantec to serve as traffic and revenue consultant. Stantec prepared the “Riverside County 91 Express Lanes Extension Investment Grade Study” dated May 9, 2012, as supplemented by Stantec’s Supplemental Letter dated June 12, 2013 (collectively, the “*Original Study*”). The Original Study formed

the basis for projections used in connection with the issuance and sale of the Commission's 2013 Senior Bonds.

The Commission subsequently engaged Stantec in 2018 to update the Original Study, leading Stantec to prepare the Investment Grade Study Refresh. The Investment Grade Study Refresh was developed as part of an effort to re-assess the near-term and long-term potential of the RCTC 91 Express Lanes, and to assess the revenue impacts of proposed corridor improvements. The Investment Grade Study Refresh includes forecasts of likely toll traffic and revenue for the RCTC 91 Express Lanes from fiscal years 2018-19 through 2065-66. The Bringdown Letter provides a further update of the Investment Grade Study Refresh.

The Updated Study, among other things, (i) accounts for actual RCTC 91 Express Lanes operating results since March 2017; (ii) updates relevant employment, population and household data; (iii) analyzes new regional projects that affect the traffic network and new regional land development; and (iv) accounts for actual express lane traffic capacities. The Updated Study includes projections for a base case scenario, as well as a sensitivity analysis involving four alternate scenarios assuming various corridor improvements or toll policy changes are implemented.

Since the Investment Grade Study Refresh, the Commission has accelerated an improvement to the RCTC 91 Express Lanes that widens the westbound SR-91 general purpose lanes. The Bringdown Letter concludes that given the timing of that improvement, as well as historical traffic and revenue performance, other anticipated improvements and the growth of employment, households and other economic indicators, the sensitivity case known as "Option 4M" provides the most appropriate projections of RCTC 91 Express Lanes performance. See "APPENDIX B-2 – STANTEC BRINGDOWN LETTER."

With regard to operating results, the Updated Study observes that from the start, utilization of the RCTC 91 Express Lanes has outpaced expectations. Currently, the RCTC 91 Express Lanes see weekday utilization in excess of 45,000 vehicles per day, and weekday full toll transactions in excess of 35,000 vehicles per day. The Original Study estimated that weekday toll transactions in Fiscal Year 2019-20 would be 27,650 vehicles per day. This high utilization is due primarily to the fact that the SR-91 corridor (both express lanes and general purpose lanes) is heavily traveled, carrying over 300,000 vehicles per day.

The Updated Study notes actual gross revenues generated by the RCTC 91 Express Lanes of nearly \$48 million in Fiscal Year 2017-18, and Option 4M thereof forecasts gross revenues of \$47.66 million in Fiscal Year 2019-20, increasing to \$63.93 million in Fiscal Year 2024-25, while annual full toll transactions are forecasted to grow to 11.93 million in the same period. Gross revenues are roughly 8% greater than the corresponding amounts forecasted in the Original Study for the forecast period of Fiscal Year 2018-19 through Fiscal Year 2065-66. See "RISK FACTORS – Operating Risks – *Less Than Projected Use of RCTC 91 Express Lanes*," "APPENDIX B-1 – RCTC 91 EXPRESS LANES INVESTMENT GRADE TRAFFIC AND REVENUE STUDY—INVESTMENT GRADE STUDY REFRESH 2018" and "APPENDIX B-2 – STANTEC BRINGDOWN LETTER."

ENGINEER'S TECHNICAL REPORT

This section includes a brief description of the scope of the Engineer's Technical Report and is not a full statement of the contents of the Engineer's Technical Report. Accordingly, the following summary is qualified in its entirety by reference to and is subject to the full text of the Engineer's Technical Report. The Engineer's Technical Report is expressly subject to the limitations and disclaimers set forth therein, including qualifications and assumptions made, procedures followed, matters considered and any limitation on the scope of work contained therein.

General

The Commission has engaged Parsons Transportation Group, Inc. (“*Parsons*”) to serve as the Commission’s Express Lanes Engineer. In this capacity, Parsons has prepared an Engineer’s Technical Report dated February __, 2020 (the “*Engineer’s Technical Report*”) attached hereto as APPENDIX C, which provides a development history of the RCTC 91 Express Lanes and confirms that all construction, right-of-way acquisition and related work is complete, discusses the tolling strategy and other information relevant to the operations, maintenance, rehabilitation and repair of the RCTC 91 Express Lanes, forecasts non-toll revenues and operational expenses of the RCTC 91 Express Lanes and discusses major toll operations risks. As noted in the Engineer’s Technical Report, Parsons had significant involvement in the planning, development and financing of the RCTC 91 Express Lanes, and prepared the Engineer’s Technical Report dated June 12, 2013 in connection with the issuance and sale of the 2013 Senior Bonds.

Parsons Transportation Group Inc.

Parsons is a construction management and professional services firm with six offices in Southern California, employing more than 500 transportation professionals with experience in planning, preliminary engineering, environmental, final design, transportation technology, design-build and program management with emphasis on freeway corridors. Parsons is a wholly-owned subsidiary of Parsons Corporation, which was founded in 1944. Parsons Corporation is an engineering, construction, technical and management services firm with offices across 34 states and 15 countries, with more than 14,000 employees worldwide.

Scope of Engineer’s Technical Report

The Engineer’s Technical Report analyzes operations of the RCTC 91 Express Lanes. This analysis includes estimated projections of Non-Toll Revenue and Operation and Maintenance Expenses, a discussion of the operational and maintenance aspects of the toll lanes, tolling strategies and toll operation risks of the RCTC 91 Express Lanes. While the Engineer’s Technical Report distinguishes between Toll Transaction Revenue, which is generated by usage of the RCTC 91 Express Lanes by transponder account holders, and Non-Toll Revenue, which is based on RCTC 91 Express Lanes account program fees and toll violation fees, both Toll Transaction Revenue and Non-Toll Revenue as described in the Engineer’s Technical Report constitute “Toll Revenues” as defined in the Indenture.

[to be revised after Parsons review]

HISTORICAL FINANCIAL INFORMATION

Set forth below is a table showing net revenues and Senior Lien Bonds debt service coverage for the RCTC 91 Express Lanes for the period from the start of revenue service on March 20, 2017 to June 30, 2017 and for the full fiscal years ended June 30, 2018 and June 30, 2019.

RCTC 91 Express Lanes Net Revenues⁽¹⁾ Fiscal Year Ended June 30

	2019	2018	2017 ⁽²⁾
Revenues:			
Toll Revenue	\$49,318,361	\$42,313,699	\$ 8,195,904
Non-toll revenue	9,105,100	8,133,125	1,929,391
Interest income, including unrealized gains (losses)	2,764,137	(32,662)	3,435
Total Revenues	\$61,187,598	\$50,414,162	\$10,128,730
Expenses:			
Management and operational services	\$ 9,664,844	\$ 9,136,307	\$2,691,372
Other	3,029,518	2,638,622	613,012
Total Expenses	\$12,694,362	\$11,774,929	\$3,304,384
Net Revenues	\$48,493,236	\$38,639,233	\$6,824,346
Senior Lien Bonds Debt Service⁽³⁾	\$7,119,938	\$3,559,969	\$ -
Senior Lien Bonds Debt Service Coverage	6.81	10.85	N/A

⁽¹⁾ Amounts are derived from audited financial statements of RCTC 91 Express Lanes Fund. See “FINANCIAL STATEMENTS” and “APPENDIX A – RCTC 91 EXPRESS LANES FUND FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019.”

⁽²⁾ 2017 represents partial fiscal year; RCTC 91 Express Lanes opened for revenue service on March 20, 2017.

⁽³⁾ Interest due on the 2013 Series A Toll Revenue Bonds through December 1, 2017 was paid from the 2013 Series A Capitalized Interest Account.

Source: The Commission

PROJECTED CASH FLOW AND DEBT SERVICE COVERAGE

The table on the following page presents, for the fiscal years ending June 30, ____ through June 30, ____, both inclusive, the Toll Revenues for usage of the RCTC 91 Express Lanes as estimated by Stantec, and certain Toll Revenues and non-toll transaction sources and the Operation and Maintenance Expenses of the RCTC 91 Express Lanes as estimated by Parsons, as well as estimated debt service and debt service coverage ratios for the Outstanding Senior Lien Obligations and the Second Lien Obligations. See “APPENDIX B-1 – RCTC 91 EXPRESS LANES INVESTMENT GRADE TRAFFIC AND REVENUE STUDY—INVESTMENT GRADE STUDY REFRESH 2018,” “APPENDIX B-2 – STANTEC BRINGDOWN LETTER” and “APPENDIX C – ENGINEER’S TECHNICAL REPORT.” Actual operating results achieved during the projection period may vary from those presented below and such variations may be material. See “RISK FACTORS – Operating Risks” and “– Forward-Looking Statements.”

Projected Cash Flow and Debt Service Coverage
(Dollars in Thousands)

(1)

Source: The Commission.

RISK FACTORS

The following is a discussion of certain risk factors that should be considered in evaluating an investment in the 2020 Series Bonds. This discussion does not purport to be either comprehensive or definitive. The order in which risks are presented is not intended to reflect either the likelihood that a particular event will occur or the relative significance of such an event. Moreover, there may well be other risks associated with an investment in the 2020 Series Bonds in addition to those set forth herein.

Limited Obligations

The 2020 Series Bonds are limited obligations of the Commission payable solely from and secured solely by a lien on and pledge of the Trust Estate, which consists primarily of Toll Revenues. Other than the pledge of the Trust Estate, the Commission has not mortgaged, assigned or pledged any interest in any real or personal property or improvements, including any interest in the RCTC 91 Express Lanes or any expansions or extensions thereto, as security for payment of the 2020 Series Bonds.

Rate Covenant Not a Guarantee

The ability of the Commission to pay the debt service with respect to the 2020 Series Bonds depends on the ability of the Commission to generate Toll Revenues at the levels required by the Indenture, which in turn depends on use of the Toll Road by a sufficient number of toll-paying vehicles. Although the Commission has covenanted in the Indenture to establish toll rates at specified levels as more particularly described herein (see “SOURCES OF PAYMENT AND SECURITY FOR THE 2020 SERIES BONDS – Rate Covenant and Annual Budget”), and expects that sufficient Toll Revenues will be generated through the imposition and collection of such tolls, the Commission’s covenant does not constitute a guarantee that sufficient Net Revenues will be available to pay debt service with respect to the 2020 Series Bonds.

Limited Remedies Under the Indenture

The remedies available to owners of the 2020 Series Bonds upon an Event of Default under the Indenture are limited to the seeking of specific performance or a writ of mandamus or other suit, action or proceeding compelling and requiring the Commission and its officers to observe and perform any covenant, condition or obligation prescribed in the Indenture. **NO ACCELERATION REMEDY IS AVAILABLE TO OWNERS OF THE 2020 SERIES BONDS.** Therefore, owners of the 2020 Series Bonds will be able to collect principal and interest that become due after an Event of Default only from the Trust Estate (after payment of Trustee costs and Operation and Maintenance Expenses) included in the pledge under the Indenture and only when such principal and interest is scheduled to be paid. The remedies available under the Indenture depend in many respects upon regulatory and judicial actions that are often subject to discretion and delay. Under existing law, such remedies may not be readily available. In addition, enforcement of such remedies (i) may be subject to general principles of equity which may permit the exercise of judicial discretion, (ii) are subject to the exercise in the future by the State and its agencies and political subdivisions of the police power inherent in the sovereignty of the State, (iii) are subject, in part, to the provisions of the United States Bankruptcy Code and other applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or hereafter in effect, and (iv) are subject to the exercise by the United States of the powers delegated to it by the federal Constitution. The various legal opinions to be delivered concurrently with the delivery of the 2020 Series Bonds will be qualified to the extent that the enforceability of certain legal rights related to the 2020 Series Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Operating Risks

The ability for the RCTC 91 Express Lanes to generate Toll Revenues in amounts sufficient to pay debt service on the 2020 Series Bonds when due is subject to and could be materially and adversely affected by the risks inherent in the operation of any toll facility. In addition, disruption of the RCTC 91 Express Lanes automated toll systems may result in a decrease in toll revenues, thereby adversely impacting the Commission's ability to pay debt service on the 2020 Series Bonds. The ability to repay the 2020 Series Bonds will be dependent on the volume of traffic that utilizes the RCTC 91 Express Lanes, as well as the ability of the Toll Operator's computer systems to accurately process data. Toll Revenues to be generated through such use will be influenced by numerous factors, including, among others, the ability to manage toll violations; the ability to control expenses; the availability of adequately trained personnel; population, employment and income trends within the region; the congestion on alternative freeways, highways, and streets; time savings experienced by utilizing the RCTC 91 Express Lanes; the toll rates; the availability and price of fuel; and the construction of new or improved competitive roadways or other transit facilities.

Demographic and Economic Changes. As past recessions have shown, macro-economic and demographic conditions can have a dramatic impact on economic activity, including the willingness and ability of consumers to use the RCTC 91 Express Lanes. Adverse changes to population, household and employment levels and growth and income levels will directly affect the use of the RCTC 91 Express Lanes.

No Non-Compete Provisions. When travelling along SR-91, vehicles will be able to use either or both of the OCTA 91 Express Lanes or the RCTC 91 Express Lanes, or may use the general purpose lanes (which do not require payment of a toll). The Indenture contains no restrictions on the ability of the Commission or Caltrans to construct new or improved roadways or other transit facilities that may compete with the RCTC 91 Express Lanes.

Motor Fuel Prices and Taxes. There is no assurance that motor fuel will remain in adequate supply or that motor fuel prices and federal and State motor fuel taxes will not increase. Increases in motor fuel prices could adversely affect the Toll Revenues of the RCTC 91 Express Lanes. Additionally, if motor fuel prices increase, it could have a material adverse effect on the economy of the regions served by the RCTC 91 Express Lanes and the Toll Revenues of the RCTC 91 Express Lanes.

Changes in Law. The operation of the RCTC 91 Express Lanes is subject to various laws, regulations and policies, including, among others, laws governing environmental protections and tax regulations. To the extent that the Commission or any other parties that are involved with the RCTC 91 Express Lanes are required to expend additional funds not budgeted in order to be in compliance with new or amended laws, regulations or policies, such unanticipated expenditures could have a negative impact on the Toll Revenues generated by the RCTC 91 Express Lanes. Laws, regulations and policies governing, among other things, air pollution, noise abatement and control, hazardous waste, solid waste, water quality and endangered species may become more stringent in the future, possibly requiring additional compliance efforts and having a material adverse effect on the operation of the RCTC 91 Express Lanes.

Additionally, political pressure or legislative action could affect the ability of the Commission, Caltrans, the U.S. Department of Transportation or the Federal Highway Administration to budget for or tax or spend in respect of toll roads and other highway and transportation projects, or shift the focus of government spending to other modes of transportation, resulting in decreased use of the RCTC 91 Express Lanes. Further, action by the State Legislature to continue or expand the exemption enjoyed by

electric vehicles or certain carpools from paying all or a portion of tolls on tolled express lanes in the State could have a material adverse effect on Toll Revenues generated by the RCTC 91 Express Lanes.

Less Than Projected Use of RCTC 91 Express Lanes. The revenue forecasts in the Updated Study are based upon certain assumptions described in such reports and upon certain additional assumptions described therein. See “APPENDIX B-1 – RCTC 91 EXPRESS LANES INVESTMENT GRADE TRAFFIC AND REVENUE STUDY—INVESTMENT GRADE STUDY REFRESH 2018” and “APPENDIX B-2 – STANTEC BRINGDOWN LETTER.” Based upon such assumptions, Stantec has expressed its opinion that such revenue forecasts are reasonable and have been prepared in accordance with accepted practice for such studies. As provided in therein, however, such reports are not a guarantee of any future events or trends and the forecasts therein are subject to future economic and social conditions and demographic developments that cannot be predicted with certainty. Further, any of the estimates and assumptions in such reports are inherently subject to significant economic and competitive uncertainties and contingencies, many of which are beyond the control of the Commission. Failure to achieve or realize any of the assumptions described above may have a material adverse effect upon the amount of Toll Revenues actually generated.

Higher Than Projected Maintenance Costs. Successful operation of the RCTC 91 Express Lanes requires timely and complete maintenance. Although the Commission has covenanted in the Indenture to keep the RCTC 91 Express Lanes in good repair, no assurance can be given that sufficient funds will be available to adequately maintain the RCTC 91 Express Lanes. Any significant deterioration in the RCTC 91 Express Lanes may result in increased operating costs and in reduced usage (or temporary lane closures) and may adversely affect the amount of Net Revenue available to pay debt service with respect to the 2020 Series Bonds.

Less Than Projected Non-Toll Revenue. A component of Toll Revenues is described in the Engineer’s Technical Report as “Non-Toll Revenue” or “NTR.” Non-Toll Revenue is defined as sources of revenue not directly tied to transactions, but derived primarily through administration of various customer convenience programs, violation administration, and interest income from investment of funds. There is no assurance that the actual amount of Non-Toll Revenue will reach estimated levels or increase at the rate projected in the Engineer’s Technical Report. The Commission and OCTA could modify its customer convenience programs, or institute other pricing and promotion policies, that adversely affect Non-Toll Revenue. In addition, the generation of Non-Toll Revenue could be adversely affected by legislative or judicial action limiting toll violation penalties or FasTrak account fees. Weak economic conditions may decrease the number of customer accounts, or increase the number of uncollectible accounts, which also would adversely affect Non-Toll Revenue. The establishment of lower cost user programs by other toll agencies in the region could also decrease the number of customer accounts and adversely affect the generation of Non-Toll Revenue. In addition, ineffective enforcement mechanisms used against toll violators may adversely affect the generation of Non-Toll Revenue. That portion of Non-Toll Revenue consisting of interest income could be adversely affected by decreases (or less than projected increases) in short-term interest rates. Finally, the projection of Non-Toll Revenue in the Engineer’s Technical Report is based on the current provisions of the RCTC/OCTA Cooperative Agreement, dated December 16, 2011 (the “*RCTC/OCTA Cooperative Agreement*”) specifying a fifty-fifty percentage split of certain non-toll revenues (the “*Percentage Revenue Split*”). The RCTC/OCTA Cooperative Agreement expressly provides for a re-evaluation of the Percentage Revenue Split on or before ten years from the opening date of the RCTC 91 Express Lanes and every ten years thereafter. There is no assurance that the Commission and OCTA will continue to agree on the same Percentage Revenue Split. See “APPENDIX C – ENGINEER’S TECHNICAL REPORT.”

Technological and Societal Changes. Neither the Commission nor Stantec can predict the technological and societal changes that may affect the use of the RCTC 91 Express Lanes during the

period that the 2020 Series Bonds remain Outstanding. Societal changes or other contingencies may include, for example, the increased use of telecommuting. See “- Coronavirus” below. Since the growth in traffic on the RCTC 91 Express Lanes can be expected to be sensitive to changes in overall SR-91 corridor usage, higher levels of telecommuting could have an adverse impact on usage of the RCTC 91 Express Lanes. Technological advancements may include broadening the use of electric and/or autonomous vehicles which, together with more stringent air quality standards, could change the characteristics of vehicles on the road. Existing State law, the Caltrans/RCTC Toll Facility Agreement, dated as of May 14, 2012 (the “*Caltrans/RCTC Toll Facility Agreement*”), and the RCTC/OCTA Cooperative Agreement provide for free or discounted usage of the RCTC 91 Express Lanes by such zero emission vehicles. Increased use of commercial ride-sharing services might decrease traffic congestion and, therefore, the use of the RCTC 91 Express Lanes as a result of reduced car ownership or surge pricing which possibly delays or diverts peak hour demands. Increased popularity of carpooling through organized services or companies that facilitate the matching of commuters in order to share rides during peak traffic times, either for free or for a fee (depending on the service provider), could also reduce the use of and revenues generated from the RCTC 91 Express Lanes as a result of fewer commuters traveling to work on an individual basis. The development of new types of switchable transponders and other technological advances may significantly change the way Toll Revenues are collected. Other technologies or societal changes could have a similar detrimental effect on the RCTC 91 Express Lanes and the generation of Toll Revenues.

Seismic or Other Casualty to the RCTC 91 Express Lanes. In the event of an earthquake, or other similar significant damage to the RCTC 91 Express Lanes, complete closure of the RCTC 91 Express Lanes might be required during the time needed for repair. (During development of the RCTC 91 Express Lanes, the geological survey determined that the Chino Fault needed to be considered for potential rupture. This fault runs perpendicular to SR-91 at the Burlington Northern Santa Fe Railroad Prado Overhead Bridge between Auto Center Drive and the SR-71 interchange.) Although certain insurance proceeds may be available to the Commission in the event of an earthquake, there can be no assurances that the occurrence of an earthquake causing damage to the RCTC 91 Express Lanes will not materially adversely affect the amount of Toll Revenues available to pay debt service with respect to the 2020 Series Bonds.

Fuel Availability and Pricing. Another factor which may affect the traffic on the RCTC 91 Express Lanes is the cost of fuel and its availability. Over the past 25 years, the price and availability of crude oil has been negatively impacted from time to time to the point of disrupting normal travel patterns on the nation’s highways and toll roads. Any serious supply disruption could be expected to result in fluctuations in forecasted annual revenues.

Bankruptcy Risks

The Commission. The Commission is authorized to file for bankruptcy under Chapter 9 of the United States Bankruptcy Code under certain circumstances and provided that it satisfies certain requirements under the Bankruptcy Code and State law. An involuntary bankruptcy petition cannot be filed against the Commission. Should the Commission file for bankruptcy, there could be adverse effects on the holders of the 2020 Series Bonds.

If the toll revenues are “special revenues” under the Bankruptcy Code, then toll revenues collected after the date of the bankruptcy filing should be subject to the lien of the Indenture. “Special revenues” are defined in the Bankruptcy Code to include receipts derived from the ownership or operation of projects or systems that are or are intended to be primarily used to provide transportation services. Bankruptcy courts have significant discretion in the characterization of revenues as “special revenues.” While the Toll Revenues appear to satisfy this definition and thus be “special revenues,” no assurance can

be given that a court would hold that the Toll Revenues are special revenues. The Toll Revenues that are pledged by the Commission to the Trustee include revenues other than toll revenues. The portion of the Toll Revenues (as defined in the Indenture) that are not toll revenues may or may not be “special revenues.”

If any or all of the Toll Revenues are determined not to be special revenues, then any such amounts collected after the commencement of the bankruptcy case will likely not be subject to the lien of the Indenture. The holders of the 2020 Series Bonds may not be able to assert a claim against any property of the Commission other than the Toll Revenues, and if any or all of the Toll Revenues are no longer subject to the lien of the Indenture, then there may be limited, if any, funds from which the holders of the 2020 Series Bonds are entitled to be paid.

The Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. Thus, the Commission may be able to use Toll Revenues to pay necessary operating expenses of the RCTC 91 Express Lanes that are greater or different than the Operation and Maintenance Expenses defined in the Indenture, before the remaining Toll Revenues are made available to the Trustee to pay amounts owed to the holders of the 2020 Series Bonds. It is not clear precisely which expenses would constitute necessary operating expenses.

If the Commission is in bankruptcy, the parties (including the Trustee and the Holders of the 2020 Series Bonds) may be prohibited from taking any action to collect any amount from the Commission or to enforce any obligation of the Commission, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the Holders of the 2020 Series Bonds from funds in the Trustee’s possession. The Commission may be able to require that all Toll Revenues be paid directly to it, notwithstanding the provisions of the transaction documents that require the Toll Revenues to be paid directly to the Trustee. The Indenture’s Rate Covenant (see “SOURCES OF PAYMENT AND SECURITY FOR THE 2020 SERIES BONDS – Rate Covenant and Annual Budget”) may not be enforceable in bankruptcy by the Trustee or the Holders of the 2020 Series Bonds.

If the Commission has any Toll Revenues in its possession when it files for bankruptcy and such Toll Revenues have been commingled with other moneys, then the Trustee and the Holders of the 2020 Series Bonds may not have a lien on such moneys and the Commission may not be required to turn over such moneys to the Trustee. If the Commission has possession of Toll Revenues (whether collected before or after commencement of the bankruptcy) and if the Commission does not voluntarily turn over such Toll Revenues to the Trustee, it is not entirely clear what procedures the Trustee and the Holders of the 2020 Series Bonds would have to follow to attempt to obtain possession of such Toll Revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. Under such circumstances, there may be delays or reductions in payments on the 2020 Series Bonds.

The Commission may be able to borrow additional money that is secured by a lien on any of its property (including the Toll Revenues), which lien could have priority over the lien of the Indenture, as long as the bankruptcy court determines that the rights of the Trustee and the Holders of the 2020 Series Bonds will be adequately protected. The Commission may be able to cause Toll Revenues to be released to it, free and clear of the lien of the Indenture, as long as the bankruptcy court determines that the rights of the Trustee and the holders of the 2020 Series Bonds will be adequately protected.

The Commission may be able to reject the existing Toll Operator Agreement and Toll Services Provider Agreement and enter into agreements with a new toll operator or new toll services provider, regardless of any restrictions in the transaction documents.

The Commission may be able, without the consent and over the objection of the Trustee and the Holders of the 2020 Series Bonds, to alter the priority, interest rate, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Indenture and the 2020 Series Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable.

There may be delays in payments on the 2020 Series Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the Commission that could result in delays or reductions in payments on the 2020 Series Bonds, or result in losses to the Holders of the 2020 Series Bonds. Regardless of any specific adverse determinations in a Commission bankruptcy proceeding, the fact of a Commission bankruptcy proceeding could have an adverse effect on the liquidity and value of the 2020 Series Bonds.

Toll Operator. If the Toll Operator were to go into bankruptcy, it may stop performing its functions as operator of the RCTC 91 Express Lanes, and it may be difficult to find a third party to act as successor operator. Alternatively, the Toll Operator may take the position that unless the amount of its compensation is increased or the terms of its obligations are otherwise altered, it will stop performing its functions as operator. If it would be difficult to find a third party to act as operator, the parties, as a practical matter, may have no choice but to agree to the demands of the Toll Operator. The Toll Operator may also have the power, with the approval of the bankruptcy court, to assign its rights and obligations as operator to a third party without the consent, and even over the objection, of the parties, and without complying with the requirements of the applicable documents.

If the Toll Operator is in bankruptcy, then the parties may be prohibited from taking any action to enforce any obligations of the Toll Operator under the applicable documents or to collect any amount owing by the Toll Operator under the applicable documents, unless the permission of the bankruptcy court is obtained.

If the Toll Operator is in bankruptcy, then, despite the terms of the documents, the parties may be prohibited from terminating the Toll Operator and appointing a successor Toll Operator.

The Trustee and the Holders of the 2020 Series Bonds may not have a perfected or priority interest in any Toll Revenues that are in the Toll Operator's possession at the time of the commencement of the bankruptcy. The Toll Operator may not be required to remit to the Trustee any Toll Revenues that are in its possession at the time it goes into bankruptcy. To the extent that the Toll Operator has commingled Toll Revenues with its own funds, the holders of the 2020 Series Bonds may be required to return to the Toll Operator as avoidable transfers payments received on the 2020 Series Bonds that are traceable to funds received from the Toll Operator.

There may be delays in payments on the 2020 Series Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the Toll Operator that could result in delays or reductions in payments on the 2020 Series Bonds, or result in losses to the holders of the 2020 Series Bonds. Regardless of any specific adverse determinations in a Toll Operator bankruptcy proceeding, the fact of a Toll Operator bankruptcy proceeding could have an adverse effect on the liquidity and value of the 2020 Series Bonds.

Third Parties in Possession of Funds. It is contemplated that there will be arrangements in place where cash advances received by a third party, which may be a business organization (such as the Custodian under the Custodial Account Agreement) or a governmental entity (including OCTA), may be applied to the payment of tolls by a user of the RCTC 91 Express Lanes. See "OPERATION AND MAINTENANCE OF THE RCTC 91 EXPRESS LANES – Electronic Tolling." Such cash advances are

not subject to the lien of the Indenture until they are paid to the Commission. The Indenture requires that such business organization or governmental entity must agree to take such actions as the Commission may determine are reasonably necessary to assure that the Commission will receive timely payment of such tolls. Nonetheless, no assurance can be given that, should such a third party go into bankruptcy or become insolvent, such agreement will be effective to assure that the Commission will receive timely payment of such tolls.

If a third party in possession of cash advances is in bankruptcy, then the parties may be prohibited from taking any action to enforce any obligations of the third party under the applicable documents or to collect any amount owing by the third party under the applicable documents, unless the permission of the bankruptcy court is obtained.

Should a third party in possession of cash advances go into bankruptcy, the Commission, the Trustee, and the Holders of the 2020 Series Bonds may not have a lien on, or other interest in, the moneys held by such third party and the third party may not be required to turn over to the Commission or the Trustee such moneys. While such agreements may provide that the third party holds such cash advances in trust, no assurance can be given that a court will not conclude that the relevant agreement does not in fact create a valid trust arrangement. Users of the RCTC 91 Express Lanes may assert that because they have already paid the third party, they are entitled to use the RCTC 91 Express Lanes without paying a second time, regardless of whether the third party turns over funds to the Commission or the Trustee. Under such circumstances, there could be delays or reductions in payments on the 2020 Series Bonds.

The Holders of the 2020 Series Bonds may be required to return to such third party as avoidable transfers payments received on the 2020 Series Bonds that are traceable to funds received from such third party.

There may be delays in payments on the 2020 Series Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of a third party in possession of cash advances that could result in delays or reductions in payments on the 2020 Series Bonds, or result in losses to the Holders of the 2020 Series Bonds. Regardless of any specific adverse determinations in a bankruptcy proceeding of such a third party, the fact of such a bankruptcy proceeding could have an adverse effect on the liquidity and value of the 2020 Series Bonds.

Limitation on Tolling Period

The RCTC 91 Express Lanes are located on freeway right-of-way owned by Caltrans, and leased to the Commission pursuant to the Caltrans/RCTC Toll Facility Agreement. The term of the Caltrans/RCTC Toll Facility Agreement is 50 years commencing as of the first day on which the RCTC 91 Express Lanes opened for public use and toll operations, which was March 20, 2017, and at the end of such period, the Commission shall have no further authority to impose or collect a toll. Moreover, at the end of the term of the Caltrans/RCTC Toll Facility Agreement, all property of the Commission related to the RCTC 91 Express Lanes, including signs, gantries and other tolling equipment, shall automatically become the property of Caltrans. The Caltrans/RCTC Toll Facility Agreement further provides that the term of the Caltrans/RCTC Toll Facility Agreement shall not be extended, unless authorized by the State Legislature.

Cybersecurity

The Commission, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations and finances. As a recipient and provider of personal, private or other electronic sensitive information, the Commission is potentially subject to multiple cyber

threats including, but not limited to, hacking, viruses, malware, ransomware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the Commission's systems for the purposes of misappropriating assets or information or causing operational disruption or damage.

No assurances can be given that the security and operational control measures of the Commission will be successful in guarding against any and each cyber threat or breach. The cost of remedying damage or disruption caused by cyber-attacks could be substantial and in excess of any applicable insurance coverage.

Climate Change Issues and Economic Impact of Possible New and Increased Regulation

In 2006, the California legislature passed Assembly Bill 32, the "California Global Warming Solutions Act of 2006," which requires the Statewide level of greenhouse gas ("GHG") emissions to be reduced to 1990 levels by 2020 and directs the California Air Resources Board ("CARB") to serve as the lead agency to implement the law. On October 20, 2011, CARB made the final adjustments to its implementation plan for Assembly Bill 32 (the "*California Cap-and-Trade Program*" or the "*Program*") which was implemented and became effective in January 2012. The Program covers regulated entities emitting 25,000 million metric tons of carbon dioxide equivalent per year or more and entities in certain listed industries, including major industrial sources, electricity generating facilities, fuel suppliers, and, since January 1, 2015, fuel distributors. While various studies anticipated that the Program would cause an immediate increase in the price of gasoline, its impacts are difficult to observe due to market fluctuations in the price of gasoline caused by other determinants.

The Program's effects on economic activity and transportation mode choices in the County and surrounding areas, both of which may affect Toll Revenues, are difficult to predict. Further, the Commission is unable to predict if any additional federal, State and local laws and regulations with respect GHG emissions or other environmental issues will be adopted, or what effects such laws and regulations will have on the underlying factors that influence vehicle traffic volume on the RCTC 91 Express Lanes. The effects, while unknown, could be material.

Coronavirus

[If a pandemic, epidemic, outbreak of an infectious disease, such as the coronavirus known as COVID-19, or other public health crisis were to occur in an area surrounding the RCTC 91 Express Lanes, Toll Revenues could be reduced, for example, by an increase in telecommuting. Depending on the duration of such reduction, the impact on Toll Revenues could be material and adverse.]

State Legislation

State legislation is introduced from time to time that could affect the finances or operations of the RCTC 91 Express Lanes, including the level and expenditure of tolls. The Commission cannot predict whether any such legislation will be introduced or enacted in future legislative sessions.

Voter Initiatives

In 1996, the voters of the State approved Proposition 218, a constitutional initiative, entitled the "Right to Vote on Taxes Act" ("*Proposition 218*"). Proposition 218 added Articles XIII C and XIII D to the California Constitution and contains a number of interrelated provisions affecting the ability of local governments to levy and collect both existing and future taxes, assessments, fees and charges. Proposition 218 requires majority voter approval for the imposition, extension or increase of general taxes

and two-thirds voter approval for the imposition, extension or increase of special taxes by a local government. Proposition 218 also provides for broad initiative powers to reduce or repeal any local tax, assessment, fee or charge.

In 2010, the voters of the State approved Proposition 26, another constitutional initiative, entitled the “Supermajority Vote to Pass New Taxes and Fees Act” (“*Proposition 26*”). Proposition 26, among other things, added a definition of “tax” as used in Article XIII A, which contains certain limitations with respect to changes in State statute that results in any taxpayer paying a higher tax, and Article XIII C of the California Constitution. The Commission does not believe that the levy and collection of tolls for use of the RCTC 91 Express Lanes are taxes subject to the voter approval provisions of Propositions 26 and 218.

The Supreme Court of California, in the case of *Bighorn-Desert View Water Agency v. Verjil*, 39 Cal. 4th 205 (2006), also held that the initiative power described in Article XIII C applies to any local taxes, assessments, fees and charges as defined in Articles XIII C and XIII D. Article XIII D defines “fee” or “charge” to mean a levy (other than ad valorem or special taxes or assessments) imposed by a local government “upon a parcel or upon a person as an incident of property ownership,” including a user fee for a “property related service.” However, the Court also found that the terms “fee” and “charge” in section 3 of Article XIII C may not be subject to a “property related” qualification. The Commission does not believe that any toll charged for use of the RCTC 91 Express Lanes is a “fee” or “charge” as defined in Article XIII C or XIII D. If ultimately found to be applicable to the such tolls, the initiative power could be used to rescind or reduce the levy and collection of such tolls under Proposition 218. Any attempt by voters to use the initiative provisions under Proposition 218 in a manner which would prevent the payment of debt service on the Commission’s toll revenue bonds arguably violates the Impairment of Contract Clause of the United States Constitution and accordingly should be precluded. The Commission cannot predict the potential financial impact on the financial condition of the Commission and the Commission’s ability to pay the principal of and interest on the 2020 Series Bonds as and when due, as a result of the exercise of the initiative power under Proposition 218.

Potential for TIFIA Loan

The Commission may seek a TIFIA loan or may seek other assistance from the federal government in connection with future capital improvements to the RCTC 91 Express Lanes. No assurances can be given that the Commission would be successful in obtaining additional financial support from the federal government. In the event that the Commission receives a TIFIA loan, under current TIFIA requirements, it is the Commission’s intention that the TIFIA loan would be a Subordinate Obligation and the Commission would be required to comply with the requirements for the issuance of additional Subordinate Obligations. See “SOURCES OF PAYMENT AND SECURITY FOR THE 2020 SERIES BONDS – Additional Second Lien Obligations or Subordinate Obligations.” Current TIFIA regulations may require that the lien on revenues securing the TIFIA loan become a senior lien (on parity with the 2020 Senior Bonds) in the event of the bankruptcy, insolvency or liquidation of the Commission.

Forward-Looking Statements

This Official Statement and Appendices hereto contain “forward-looking statements,” which generally can be identified with words or phrases such as “anticipates,” “believes,” “could,” “estimates,” “expects,” “foresees,” “may,” “plan,” “predict,” “should,” “will” or other words or phrases of similar import. All statements included in this Official Statement and Appendices hereto that any person expects or anticipates will, should or may occur in the future, including but not limited to, the projections in the Updated Study and the Engineer’s Technical Report, are forward-looking statements. These statements are based on assumptions and analysis made by the Commission, Stantec and Parsons, as applicable, in

light of their experience and perception of historical trends, current conditions and expected future developments as well as other factors they believe are appropriate in the circumstances. However, whether actual results and developments will conform with expectations and predictions is subject to a number of risks and uncertainties, including, without limitation, the information discussed under this “RISK FACTORS” caption of this Official Statement as well as additional factors beyond the Commission’s control. The important risk factors and assumptions described under that caption and elsewhere in this Official Statement could cause actual results to differ materially from those expressed in any forward-looking statement. All of the forward-looking statements made in this Official Statement and any Appendices hereto are qualified by these cautionary statements. There can be no assurance that the actual results or developments anticipated will be realized or, even if substantially realized, that they will have the expected consequences to or effects on the Commission’s revenues or operations. All subsequent forward-looking statements attributable to the Commission or persons acting on their behalf are expressly qualified in their entirety by the factors and assumptions described above and in any documents containing those forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Commission and the other aforementioned entities on the date hereof, and neither the Commission nor any of such other aforementioned entities assumes any obligation to update any such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates that are inherently subject to numerous risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

FINANCIAL STATEMENTS

The financial statements of the Commission’s RCTC 91 Express Lanes Fund for the Fiscal Year ended June 30, 2019, included in APPENDIX A of this Official Statement, have been audited by Macias Gini & O’Connell LLP, certified public accountants, as stated in their report therein. Macias Gini & O’Connell LLP, the Commission’s independent auditor, has not been engaged to perform, and has not performed, since the date of its report included therein, any procedures on the financial statements addressed in that report. Macias Gini & O’Connell LLP also has not performed any procedures relating to this Official Statement. The Commission represents that, except as described herein, there has been no material adverse change in the financial position of the RCTC 91 Express Lanes Fund since June 30, 2019.

LITIGATION

There is not now pending any litigation restraining or enjoining the issuance or delivery of the 2020 Series Bonds or questioning or affecting the validity of the 2020 Series Bonds or the proceedings and authority under which they are to be issued. Neither the creation, organization or existence of the Commission, nor the title of the present members of the Commission to their respective offices, is being contested.

There are presently three proposed class action lawsuits pending in federal and state courts challenging the notices issued on behalf of the Commission that are sent to toll violators on the RCTC 91

Express Lanes (collectively, the “*Cofiroute Lawsuits*”). The first is Harvey J. Thompson v. Cofiroute USA, LLC, et. al., Orange County Superior Court, Case No. 30-2019-01108804-CU-MC-CXC (“*Thompson*”). Thompson alleges, on behalf of the proposed class, that he was issued a toll road violation. Upon receipt of the violation, Thompson protested the violation and it was determined that Thompson did not commit a toll road violation, or the violation was otherwise waived. In sending the determination letter to Thompson, Thompson claims that the letter issued contained improper marketing material. This lawsuit is filed on behalf of all motorists who received similar letters from February 7, 2018 to the present.

The second complaint is Mathew Skogebo v. Cofiroute USA, LLC, et al., Orange County Superior Court, Case No. 30-2019-01118474-CU-MC-CXC (“*Skogebo*”). Skogebo alleges, on behalf of the proposed class, that the Commission referenced the wrong code section when issuing toll road violation notices. Specifically, Skogebo alleges that the notices issued by the Commission referenced Vehicle Code section 23302.5, when they should have referenced Vehicle Code section 23302. As a result, Skogebo alleges that the toll road violation notices were invalid, and thus the use of personally identifiable information (i.e., name and address) to send the toll road violation notices was improper. Skogebo alleges that because the notices were improper, the Commission’s inclusion of an “advertisement” to sign up for a FasTrak constitutes impermissible advertising. Here, the proposed class consists of all motorists, who reside inside California, that received a toll road violation notice with this advertisement between October 15, 2017 and October 31, 2018.

The third complaint is Sanket Thakur v. Cofiroute USA, LLC, et al., United States District Court, Case No. 8:19-CV-02233-AG-JDEx (“*Thakur*”). Thakur alleges, on behalf of the proposed class, that the Commission referenced the wrong code section when issuing toll road violation notices. Specifically, Thakur alleges that the notices issued by the Commission referenced Vehicle Code section 23302.5, when they should have referenced Vehicle Code section 23302. As a result, Thakur alleges that the Toll Road violation notices were invalid, and thus the use of personally identifiable information (i.e., name and address) to send the toll road violation notices was improper. Thakur alleges that because the notices were improper, the Commission’s inclusion of an “advertisement” to sign up for a FasTrak constitutes impermissible advertising. Here, the proposed class consists of all motorists, who reside outside California, that received a toll road violation notice with this advertisement between October 15, 2017 and October 31, 2018.

In all three Cofiroute Lawsuits, the crux of the respective Plaintiffs’ arguments is that the Commission violated Section 31490 of the Streets and Highway Code, which states that if “personally identifiable information has been knowingly sold or provided” a plaintiff may bring a lawsuit to recover penalties of \$2,500 to \$4,000 for each violation. In all three Cofiroute Lawsuits, the class has not yet been certified. The Commission is in the process of filing demurrers and motions to strike all of the Cofiroute Lawsuits. In addition to the Commission, Section 31490 actions have been filed in various courts throughout the State against other toll agencies, including OCTA, the Bay Area Toll Authority, the Foothill/Eastern Transportation Corridor Agency, the San Joaquin Hills Transportation Corridor Agency, the Los Angeles County Metropolitan Authority and the San Diego Association of Governments. The Commission believes that the toll road violation notices sent to violators on the RCTC 91 Express Lanes were proper, and that there was no improper advertising contained in the notices. While the Commission is unable to predict the outcome of the Cofiroute Lawsuits, the Commission does not expect any such outcome to materially and adversely affect its ability to pay debt service on the 2020 Series Bonds.

In 2018, two suits were filed in San Francisco Superior Court challenging toll increases on certain state-owned bridges in the San Francisco Bay Area. The plaintiffs in the Toll Increase Challenges, including the Howard Jarvis Taxpayers Association (collectively, “*HJTA Plaintiffs*”), alleged that such toll increases were, in fact, tax increases requiring either a two-thirds vote of members of each of the two

houses of the State Legislature or, alternatively, approval of two-thirds of voters in an election authorizing such toll increases, under Article Section 3 of Article XIII A of the California Constitution or Section 1 of Article XIII C of the California Constitution, respectively. Defendants, California State Legislature, Bay Area Toll Authority and Metropolitan Transportation Commission (collectively, “*Bay Area Toll Defendants*”), responded to the Toll Increase Challenges, arguing that such toll increases were charges for entrance to or use of state property imposed by the State Legislature in accordance with Section 3 of Article XIII A of the California Constitution. On April 3, 2019, and on July 11, 2019, the San Francisco Superior Court granted the Bay Area Toll Defendants’ respective motions for judgment on the pleadings without leave to amend in the Toll Increase Challenges, and subsequently the respective judgments were entered by the San Francisco Superior Court (collectively, the “*Bay Area Toll Judgments*”).

HJTA Plaintiffs have appealed the Bay Area Toll Judgments to the California Court of Appeal, First Appellate District, which appeal remains pending. The Commission cannot predict the outcome of such appeal or the impact, if any, that such outcome may have on tolls charged on the RCTC 91 Express Lanes or the Commission’s toll policies. The Commission believes that tolls on the RCTC 91 Express Lanes are charged in accordance with all applicable law. See “RISK FACTORS – State Legislation” and “– Voter Initiatives.”

LEGAL MATTERS

The validity of the 2020 Series Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Commission. A complete copy of the proposed form of Bond Counsel’s opinion is contained in APPENDIX E hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Compensation paid to Bond Counsel, Disclosure Counsel and Underwriters’ Counsel is conditioned upon the successful issuance of the 2020 Series Bonds. Certain legal matters will be passed upon for the Commission by Norton Rose Fulbright US LLP, Los Angeles, California, as Disclosure Counsel, and by Best Best & Krieger LLP, Riverside, California, the Commission’s General Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, bond counsel to the Commission (“*Bond Counsel*”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds (collectively, the “*Tax-Exempt Bonds*”) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “*Code*”) and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX E hereto.

To the extent the issue price of any maturity of the Tax-Exempt Bonds is less than the amount to be paid at maturity of such Tax-Exempt Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Tax-Exempt Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Tax-Exempt Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Tax-Exempt Bonds is the first price at which a substantial amount of such maturity of the Tax-Exempt Bonds is sold to the public (excluding bond houses, brokers, or similar persons or

organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Tax-Exempt Bonds accrues daily over the term to maturity of such Tax-Exempt Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Tax-Exempt Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Tax-Exempt Bonds. Beneficial Owners of the Tax-Exempt Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Tax-Exempt Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Tax-Exempt Bonds in the original offering to the public at the first price at which a substantial amount of such Tax-Exempt Bonds is sold to the public.

Tax-Exempt Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("*Premium Bonds*") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Tax-Exempt Bonds. The Commission has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Tax-Exempt Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Tax-Exempt Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Tax-Exempt Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Tax-Exempt Bonds may adversely affect the value of, or the tax status of interest on, the Tax-Exempt Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Tax-Exempt Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Tax-Exempt Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Tax-Exempt Bonds. Prospective purchasers of the Tax-Exempt Bonds should consult their own tax advisors regarding the

potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Tax-Exempt Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service (“IRS”) or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Commission or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Commission has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Tax-Exempt Bonds ends with the issuance of the Tax-Exempt Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Commission or the Beneficial Owners regarding the tax-exempt status of the Tax-Exempt Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Commission and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Commission legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Tax-Exempt Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Tax-Exempt Bonds, and may cause the Commission or the Beneficial Owners to incur significant expense.

Federally Taxable Bonds

In the opinion of Bond Counsel to the Commission, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2020 Series A Senior Bonds (the “*Federally Taxable Bonds*”) is exempt from State of California personal income taxes. Interest on the Federally Taxable Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Federally Taxable Bonds. The proposed form of opinion of Bond Counsel is contained in APPENDIX E hereto.

The following discussion summarizes certain U.S. federal tax considerations generally applicable to holders of the Federally Taxable Bonds that acquire their Federally Taxable Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S. federal tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Federally Taxable Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose “functional currency” is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Federally

Taxable Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their Federally Taxable Bonds pursuant to this offering for the issue price that is applicable to such Federally Taxable Bonds (i.e., the price at which a substantial amount of the Federally Taxable Bonds are sold to the public) and who will hold their Federally Taxable Bonds as “capital assets” within the meaning of Section 1221 of the Code.

As used herein, “U.S. Holder” means a beneficial owner of a Federally Taxable Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the Commission of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, “Non-U.S. Holder” generally means a beneficial owner of a Federally Taxable Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds Federally Taxable Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Federally Taxable Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Federally Taxable Bonds (including their status as U.S. Holders or Non-U.S. Holders).

Notwithstanding the rules described below, it should be noted that certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Federally Taxable Bonds at the time that such income, gain or loss is recognized on such financial statements instead of under the rules described below.

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the Federally Taxable Bonds in light of their particular circumstances.

U.S. Holders

Interest. Interest on the Federally Taxable Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

Federally Taxable Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a Federally Taxable Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such Federally Taxable Bond.

Sale or Other Taxable Disposition of the Federally Taxable Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the Commission) or other disposition of a Federally Taxable Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Federally Taxable Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Federally Taxable Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Federally Taxable Bond (generally, the purchase price paid by the U.S. Holder for

the Federally Taxable Bond, decreased by any amortized premium). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Federally Taxable Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Federally Taxable Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Defeasance of the Federally Taxable Bonds. If the Commission defeases any Federally Taxable Bond, the Federally Taxable Bond may be deemed to be retired and “reissued” for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the holder's adjusted tax basis in the Federally Taxable Bond.

Information Reporting and Backup Withholding. Payments on the Federally Taxable Bonds generally will be subject to U.S. information reporting and possibly to “backup withholding.” Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Federally Taxable Bonds may be subject to backup withholding at the current rate of 24% with respect to “reportable payments,” which include interest paid on the Federally Taxable Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Federally Taxable Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number (“TN”) to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a “notified payee underreporting” described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Non-U.S. Holders

Interest. Subject to the discussions below under the headings “Information Reporting and Backup Withholding” and “Foreign Account Tax Compliance Act,” payments of principal of, and interest on, any Federally Taxable Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation, a such term is defined in the Code, which is related to the Commission through stock ownership and (2) a bank which acquires such Federally Taxable Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the beneficial owner of the Federally Taxable Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading “Information Reporting and Backup Withholding,” or an exemption is otherwise established.

Disposition of the Federally Taxable Bonds. Subject to the discussions below under the headings “Information Reporting and Backup Withholding” and “FATCA,” any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the Commission or a deemed retirement due to defeasance of the Federally Taxable Bond) or other disposition of a Federally Taxable Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such

holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the Commission) or other disposition and certain other conditions are met.

U.S. Federal Estate Tax. A Federally Taxable Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that, at the time of such individual's death, payments of interest with respect to such Federally Taxable Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "FATCA," under current U.S. Treasury Regulations, payments of principal and interest on any Federally Taxable Bonds to a holder that is not a United States person will not be subject to any backup withholding tax requirements if the beneficial owner of the Federally Taxable Bond or a financial institution holding the Federally Taxable Bond on behalf of the beneficial owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a beneficial owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury. The current backup withholding tax rate is 24%.

Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Under current guidance, failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest on the 2020 Series Bonds. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to certain "passthru" payments no earlier than the date that is two years after publication of final U.S. Treasury Regulations defining the term "foreign passthru payments." Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of Federally Taxable Bonds in light of the holder's particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of Federally Taxable Bonds, including the application and effect of state, local, non-U.S., and other tax laws.

CONTINUING DISCLOSURE

The Commission has agreed to execute the Continuing Disclosure Agreement and will covenant therein for the benefit of the beneficial owners of the 2020 Series Bonds to provide certain financial information and operating data relating to the Commission and the Toll Revenues by not later than nine months after the end of the Commission's prior fiscal year (the "*Annual Reports*"), and to provide notices of the occurrence of certain enumerated events (the "*Listed Events*"). The Annual Reports and notices of Listed Events will be filed with the MSRB. See "APPENDIX F – FORM OF CONTINUING DISCLOSURE AGREEMENT."

[During Fiscal Year 2018-19, Fitch Ratings upgraded its rating on the 2013 Series A Senior Bonds and the 2013 Series B Senior Bonds. The Commission filed a Listed Event notice for this rating change, but such notice was not filed timely.]

RATINGS

The 2020 Senior Bonds have received ratings of "___" from Fitch Ratings and "___" from S&P Global Ratings, and the 2020 Series C Second Lien Bonds have received ratings of "___" from Fitch Ratings and "___" from S&P Global Ratings. An explanation of the significance of each such rating may be obtained from the agency furnishing the rating. The ratings reflect only the views of such agencies at the time such ratings are given, and the Commission makes no representation as to the appropriateness of the ratings. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies, and assumptions by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant.

Except as described under the caption "CONTINUING DISCLOSURE" herein, neither the Commission nor any of the Underwriters has undertaken any responsibility to bring to the attention of the registered owners of the 2020 Series Bonds any proposed revision or withdrawal of the ratings of the 2020 Series Bonds or to oppose any such proposed revision or withdrawal. Any such change in or withdrawal of such ratings could have an adverse effect on the market price or marketability of the 2020 Series Bonds.

MUNICIPAL ADVISOR

The Commission has retained Fieldman, Rolapp & Associates, Inc., Irvine, California, as Municipal Advisor in connection with the authorization and delivery of the 2020 Series Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent municipal advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. A portion of the compensation paid to the Municipal Advisor is contingent upon the successful issuance of the 2020 Series Bonds.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The Verification Agent, Causey Demgen & Moore P.C., will verify the accuracy of mathematical computations concerning the adequacy of the maturing principal amounts of and interest earned on the Defeasance Securities deposited in the Escrow Account, together with amounts held as cash therein, to provide for payment of debt service on, and the redemption price of, the 2013 Series A Senior Bonds to the Redemption Date.

The report of the Verification Agent will include the statement that the scope of its engagement was limited to verifying the mathematical accuracy of the computations contained in such schedules provided to it and that the Verification Agent has no obligation to update its report because of events occurring, or data or information coming to its attention, after the date of its report.

UNDERWRITING

The Underwriters of the 2020 Series Bonds listed on the cover page hereof (collectively, the “*Underwriters*”), have agreed, subject to certain conditions, to purchase (i) [the 2020 Senior Bonds at the purchase price of \$_____ (representing the aggregate principal amount of the 2020 Senior Bonds, less original issue discount/plus net bond premium of \$_____, less an underwriter’s discount of \$_____),] and (ii) the 2020 Series C Second Lien Bonds at the purchase price of \$_____ (representing the aggregate principal amount of the 2020 Series C Second Lien Bonds, less original issue discount/plus net bond premium of \$_____, less an underwriter’s discount of \$_____).

The Bond Purchase Agreement for the 2020 Series Bonds provides that the Underwriters will purchase all of the 2020 Series Bonds if any are purchased. The 2020 Series Bonds may be offered and sold by the Underwriters to certain dealers and others at yields lower than such public offering yields indicated on the inside cover hereof, and such public offering yields may be changed, from time to time, by the Underwriters.

The following five paragraphs have been provided by the Underwriters for inclusion in this Official Statement and the Commission does not assume any responsibility for the accuracy or completeness of such statements or information.

BofA Securities, Inc., one of the Underwriters of the 2020 Series Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated (“*MLPF&S*”). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the 2020 Series Bonds.

J.P. Morgan Securities LLC (“*JPMS*”), one of the Underwriters of the 2020 Series Bonds, has entered into negotiated dealer agreements (each, a “*Dealer Agreement*”) with each of Charles Schwab & Co., Inc. (“*CS&Co.*”) and LPL Financial LLC (“*LPL*”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase 2020 Series Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 2020 Series Bonds that such firm sells.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group (“*WFBNA*”), one of the underwriters of the 2020 Series Bonds, has entered into an agreement (the “*WFA*”

Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the 2020 Series Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2020 Series Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the 2020 Series Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the Commission and to persons and entities with relationships with the Commission, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Commission (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Commission. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

OTHER MATTERS

The financial data and other information contained herein have been obtained from the Commission’s records, financial statements, and other sources that are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects. Copies may be obtained from the Commission.

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

By: _____
Executive Director

APPENDIX A

**RCTC 91 EXPRESS LANES FUND FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019**

APPENDIX B-1

**RCTC 91 EXPRESS LANES
INVESTMENT GRADE TRAFFIC AND REVENUE STUDY
INVESTMENT GRADE STUDY REFRESH 2018**

APPENDIX B-2
STANTEC BRINGDOWN LETTER

APPENDIX C

ENGINEER'S TECHNICAL REPORT

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

APPENDIX E

FORMS OF BOND COUNSEL OPINIONS

April __, 2020

Riverside County Transportation Commission
Riverside, California

Riverside County Transportation Commission

Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable) and 2020 Series B

Toll Revenue Second Lien Refunding Bonds,
2020 Series C

(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the Riverside County Transportation Commission (the “Issuer”) in connection with issuance of \$_____ aggregate principal amount of Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable) (the “2020 Series A Senior Bonds”), \$_____ aggregate principal amount of Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series B (the “2020 Series B Senior Bonds”), and \$_____ aggregate principal amount of Riverside County Transportation Commission Toll Revenue Second Lien Refunding Bonds, 2020 Series C (the “2020 Series C Second Lien Bonds” and collectively with the 2020 Series A Senior Bonds and the 2020 Series B Senior Bonds, the “Bonds”), issued pursuant to a Master Indenture, dated as of June 1, 2013, as supplemented and amended by a First Supplemental Indenture, dated as of June 1, 2013, as supplemented and amended by a Second Supplemental Indenture, dated as of June 1, 2013, as supplemented and amended by a Third Supplemental Indenture, dated as of April 1, 2020, and as supplemented and amended by a Fourth Supplemental Indenture, dated as of April 1, 2020 (collectively referred to as the “Indenture”), each between the Issuer and U.S. Bank National Association, as trustee (the “Trustee”). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Indenture, the Tax Certificate of the Issuer, dated the date hereof (the “Tax Certificate”), opinions of counsel to the Issuer and the Trustee, certificates of the Issuer, the Trustee and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such

opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Indenture and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against county transportation commissions in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or having the effect of a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement, dated March __, 2020 or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding limited obligations of the Issuer.
2. The Indenture has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Issuer.
3. Interest on the 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds (collectively, the "Tax-Exempt Bonds") is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. Interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Interest on the Bonds is exempt from State of California personal income taxes. We express no

opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

APPENDIX F

FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX G

BOOK-ENTRY SYSTEM

The information in this Appendix G concerning The Depository Trust Company, New York, New York (“DTC”), and DTC’s book-entry system has been obtained from DTC and the Commission and the Trustee take no responsibility for the completeness or accuracy thereof. The Commission and the Trustee cannot and do not give any assurances that DTC, Direct Participants (as defined below) or Indirect Participants (as defined below) will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the 2020 Series Bonds, (b) certificates representing ownership interest in or other confirmation of ownership interest in the 2020 Series Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2020 Series Bonds, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will act in the manner described in this Appendix G. The Commission and the Trustee are not responsible or liable for the failure of DTC or any DTC Direct or Indirect Participant to make any payment or give any notice to a Beneficial Owner with respect to the 2020 Series Bonds or an error or delay relating thereto. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC’s Direct and Indirect Participants are on file with DTC.

DTC will act as securities depository for the 2020 Series Bonds. The 2020 Series Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the 2020 Series Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“*Direct Participants*”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“*DTCC*”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“*Indirect Participants*”). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information on such website is not incorporated herein by reference.

Purchases of 2020 Series Bonds under the DTC book-entry system must be made by or through Direct Participants, which will receive a credit for the 2020 Series Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2020 Series Bond (“*Beneficial Owner*”) is in turn to

be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2020 Series Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2020 Series Bonds, except in the event that use of the book-entry system for the 2020 Series Bonds is discontinued.

To facilitate subsequent transfers, all 2020 Series Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the 2020 Series Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2020 Series Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2020 Series Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2020 Series Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2020 Series Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2020 Series Bond documents. For example, Beneficial Owners of the 2020 Series Bonds may wish to ascertain that the nominee holding the 2020 Series Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices (if applicable) shall be sent to DTC. If less than all of the 2020 Series Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2020 Series Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Commission as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2020 Series Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, premium, if any, and interest on the 2020 Series Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Commission or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct or Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Commission, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest on the 2020 Series Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Commission or the Trustee, disbursement of

such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2020 Series Bonds at any time by giving notice to the Trustee and the Commission. Under certain circumstances, in the event that a successor depository is not obtained, 2020 Series Bond certificates are required to be printed and delivered.

The Commission may decide to discontinue use of the system of book-entry transfers for the 2020 Series Bonds through DTC (or a successor securities depository). In that event, 2020 Series Bond certificates will be printed and delivered as provided in the Indenture. In addition, the following provisions would apply: the principal or redemption price of the 2020 Series Bonds will be payable upon presentation thereof, at the principal corporate trust office of the Trustee, in San Francisco, California; interest on the 2020 Series Bonds will be payable by check mailed on each interest payment date to the registered owners thereof as shown on the registration books of the Trustee as of the close of business on the 15th day of the calendar month immediately preceding the applicable interest payment date (the “*record date*”), except that in the case of an owner of \$1,000,000 or more in aggregate principal amount of 2020 Series Bonds, upon written request of such owner to the Trustee received at least 10 days prior to the record date for the payment of interest, specifying the account or accounts to which such payment shall be made (which request shall remain in effect until revoked by such owner in a subsequent writing delivered to the Trustee), such interest shall be paid in immediately available funds by wire transfer to such account or accounts on the following interest payment date; and the 2020 Series Bonds will be transferable and exchangeable on the terms and conditions provided in the Indenture.

The information in this Appendix G concerning DTC and DTC’s book-entry system has been obtained from sources the Commission believes to be reliable, but the Commission takes no responsibility for the accuracy thereof.

CONTINUING DISCLOSURE AGREEMENT

by and between

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

and

**DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Dissemination Agent**

Dated as of April 1, 2020

Relating to

\$_____
RIVERSIDE COUNTY
TRANSPORTATION COMMISSION
Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable)

\$_____
RIVERSIDE COUNTY
TRANSPORTATION COMMISSION
Toll Revenue Senior Lien Refunding Bonds,
2020 Series B

\$_____
RIVERSIDE COUNTY
TRANSPORTATION COMMISSION
Toll Revenue Second Lien Refunding Bonds,
2020 Series C

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (this “Disclosure Agreement”), dated as of April 1, 2020, is by and between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION, a public entity duly established and existing under the laws of the State of California (the “Commission”), and DIGITAL ASSURANCE CERTIFICATION, L.L.C., as Dissemination Agent (the “Dissemination Agent”).

WITNESSETH:

WHEREAS, the Commission has issued \$_____ in aggregate principal amount of Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable) (the “2020 Series A Senior Bonds”), \$_____ in aggregate initial principal amount of Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series B (the “2020 Series B Senior Bonds”) and \$_____ in aggregate principal amount of Riverside County Transportation Commission Toll Revenue Second Lien Refunding Bonds, 2020 Series C (the “2020 Series C Second Lien Bonds,” and together with the 2020 Series A Senior Bonds and the 2020 Series B Senior Bonds, the “2020 Series Bonds”) pursuant to a Master Indenture, dated as of June 1, 2013, between the Commission and U.S. Bank National Association, as trustee (the “Trustee”), as supplemented by a First Supplemental Indenture, dated as of June 1, 2013, a Second Supplemental Indenture, dated as of June 1, 2013, a Third Supplemental Indenture, dated as of April 1, 2020, and a Fourth Supplemental Indenture, dated as of April 1, 2020, each between the Commission and the Trustee (collectively, the “Indenture”); and

WHEREAS, this Disclosure Agreement is being executed and delivered by the Commission and the Dissemination Agent for the benefit of the owners and beneficial owners of the 2020 Series Bonds and in order to assist the underwriters of the 2020 Series Bonds in complying with the Rule (as defined herein);

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Commission and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the 2020 Series Bonds and in order to assist the Participating Underwriters in complying with SEC Rule 15c2-12.

Section 2. Definitions. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Indenture. In addition, the following capitalized terms shall have the following meanings:

“Annual Operating Budget” means any annual operating budget provided by the Commission pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Annual Report” means any annual report provided by the Commission pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Annual Toll Road Report” means any annual toll road report provided by the Commission pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Disclosure Representative” means the Chief Financial Officer of the Commission, or such other officer or employee of the Commission as the Executive Director of the Commission or the Chief Financial Officer of the Commission shall designate in writing to the Dissemination Agent and the Trustee from time to time.

“Dissemination Agent” means an entity selected and retained by the Commission, or any successor thereto selected by the Commission. The initial Dissemination Agent shall be Digital Assurance Certification, L.L.C.

“Effective Date” means April __, 2020.

“EMMA” shall mean the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for Municipal Securities disclosures, maintained on the internet at <http://emma.msrb.org>.

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” shall mean the period beginning on July 1 of each year and ending on the next succeeding June 30, or any twelve-month or fifty-two week period hereafter selected by the Commission, with notice of such selection or change in fiscal year to be provided as set forth herein.

“Listed Events” means any of the events listed in Section 5 hereof.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” means the Official Statement, dated _____, 2020, relating to the 2020 Series Bonds.

“Participating Underwriters” means the underwriters of the 2020 Series Bonds required to comply with the Rule in connection with the offering of the 2020 Series Bonds.

“Reports” means, collectively, the Annual Report, the Annual Toll Road Report, the Annual Operating Budget, the Traffic and Operating Report and the Traffic and Revenue Report.

“Repository” means, until otherwise designated by the SEC, EMMA.

“Rule” means Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” means the Securities and Exchange Commission.

“Toll Road” means the tolled lanes and facilities (including structures, on-ramps, connector roads, bridges, and roadways that are on, necessary for, or related to operation of the Toll Road) on that portion of SR-91 between the Orange County/Riverside County line and Interstate 15 that constitute the RCTC 91 Express Lanes, as described in the Official Statement.

“Traffic and Operating Report” means any traffic and operating report provided by the Commission pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Traffic and Revenue Report” means any traffic and revenue report provided by the Commission pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

Section 3. Provision of Reports. So long as any 2020 Series Bonds remain outstanding pursuant to the Indenture, the Commission shall provide, or shall cause the Dissemination Agent to provide, to the MSRB, through EMMA:

(a) not later than 210 days after the end of each Fiscal Year, commencing with the report for the 2019-20 Fiscal Year, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. If the Fiscal Year changes for the Commission, the Commission shall give notice of such change in the manner provided under Section 5(e) hereof;

(b) not later than 180 days after the end of each Fiscal Year, commencing with the report for the 2019-20 Fiscal Year, an Annual Toll Road Report that is consistent with the requirements of Section 4 of this Disclosure Agreement;

(c) (A) no later than 30 days prior to the commencement of each Fiscal Year, an operating plan and a preliminary budget and (B) not later than the first day of each Fiscal Year, a final budget (collectively, an “Annual Operating Budget”), in each case commencing with the operating plan, preliminary budget and final budget for the 2019-20 Fiscal Year, that is consistent with the requirements of Section 4 of this Disclosure Agreement;

(d) Not later than ninety (90) days after the end of each fiscal quarter, commencing with the report for the quarter ending June 30, 2020, a Traffic and Operating Report that is consistent with the requirements of Section 4 of this Disclosure Agreement;

(e) Not later than sixty (60) days after the end of each fiscal quarter, commencing with the report for the quarter ending June 30, 2020, a Traffic and Revenue Report that is consistent with the requirements of Section 4 of this Disclosure Agreement;

(f) The Reports must be submitted in electronic format, accompanied by such identifying information as provided by the MSRB. Any or all of the Reports may be submitted as a single document or as separate documents comprising a package, and may

include by reference other information as provided in Section 4 of this Disclosure Agreement; provided, that audited financial statements may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date.

(g) Not later than two (2) Business Days prior to the dates specified in subsections (a) through (f) above for providing Reports to each Repository, the Commission shall provide such Report to the Dissemination Agent. If by any such date, the Dissemination Agent has not received a copy of the related Report from the Commission, the Dissemination Agent shall contact the Commission to determine if the Commission is in compliance with this Section 3.

(h) If the Dissemination Agent is unable to verify that an Annual Report, an Annual Toll Road Report, an Annual Operating Budget, a Traffic and Operating Report or a Traffic and Revenue Report of the Commission has been provided to each Repository by the applicable date required in subsections (a) through (f) above, the Dissemination Agent shall send a notice to each Repository in substantially the form attached hereto as Exhibit A; and

(i) The Dissemination Agent shall:

- (1) determine the electronic filing address of, and then-current procedures for submitting Reports to the MSRB each year prior to the date for providing any such Report; and
- (2) to the extent known to the Dissemination Agent file a report with the Commission and (if the Dissemination Agent is not the Trustee) the Trustee certifying that each Report has been provided pursuant to this Disclosure Agreement, and stating the date such Report was provided.

Section 4. Content of Reports.

(a) The Commission's Annual Report shall contain or include by reference the following the debt service schedule for the 2020 Series Bonds, if there have been any unscheduled redemptions, retirements or defeasances, and the debt service on any additional parity bonds issued, in each case during the prior Fiscal Year.

(b) The Commission's Annual Toll Road Report shall contain or include by reference the audited financial statements of the Commission's 91 Express Lanes Fund for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Commission's audited financial statements for the 91 Express Lanes Fund are not available by the time the Annual Toll Road Report is required to be filed pursuant to Section 3(b), the Annual Toll Road Report shall contain unaudited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Toll Road Report when they become available.

(c) The Commission's Annual Operating Budget shall consist of an operating plan and preliminary budget and a final operating budget, in each case, on a cash flow basis, of projected Revenues, Operating and Maintenance Expenses, Repair and Rehabilitation Fund Permitted Expenditures, interest, and other costs for the next Fiscal Year.

(d) The Commission's Traffic and Operating Report shall include: (A) the operating data for the Commission's 91 Express Lanes for the previous financial quarter, including total Revenue received and total Operating and Maintenance Expenses and Capital Expenditures Fund Permitted Expenditures incurred, (B) the variances for such period between the Revenue actually received and the budgeted Revenue as shown in the Annual Operating Budget, together with a brief narrative explanation of the reasons for any such variance of 20% or more, and (C) the variances for such period between the actual Operating and Maintenance Expenses incurred and the budgeted Operating and Maintenance Expenses as shown in the Annual Operating Budget, together with a brief narrative explanation of the reasons for any such variance of 20% or more.

(e) The Commission's Traffic and Revenue Report shall include: (A) quarterly traffic and revenue statistics on an actual and projected basis with a comparison to the prior year's quarter, including number of trips, revenue and average revenue per trip for full toll lanes, 3+ lanes and gross totals and averages, and (B) fiscal year-to-date traffic and revenue statistics on an actual and projected basis with a comparison to the prior fiscal year, including number of trips, revenue and average revenue per trip for full toll lanes, 3+ lanes and gross totals and averages.

(f) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Commission or public entities related thereto, which have been submitted to each Repository or the SEC. If the document included by reference is a final official statement, it must be available from the MSRB. The Commission shall clearly identify each such other document so included by reference.

(g) The contents, presentation and format of the Reports may be modified from time to time as determined in the judgment of the Commission to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Commission or to reflect changes in the business, structure, operations, legal form of the Commission or any mergers, consolidations, acquisitions or dispositions made by or affecting the Commission; provided that any such modifications shall comply with the requirements of the Rule.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Commission shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2020 Series Bonds (excluding, with respect to item (5) below, the 2020 Series A Bonds) and, in a timely manner not more than ten (10) Business Days after the event:

- (1) principal and interest payment delinquencies;

- (2) defeasances;
- (3) tender offers;
- (4) rating changes;
- (5) adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability or Notices of Proposed Issue (IRS Form 5701-TEB);
- (6) unscheduled draws on the debt service reserves reflecting financial difficulties;
- (7) unscheduled draws on credit enhancements reflecting financial difficulties;
- (8) substitution of credit or liquidity providers or their failure to perform; or
- (9) bankruptcy, insolvency, receivership or similar proceedings.
- (10) default, event of acceleration, termination event, modification of terms, or other similar event under the terms of a Financial Obligation of the Commission, any of which reflect financial difficulties.

For these purposes, any event described in the immediately preceding paragraph (9) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Commission in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commission, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commission.

(b) Pursuant to provisions of this Section 5, the Commission shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2020 Series Bonds, if material, in a timely manner not later than ten (10) Business Days after the occurrence of the event:

- (1) unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the 2020 Series Bonds or other material events affecting the tax status of the 2020 Series Bonds (excluding, in each case, the 2020 Series A Senior Bonds);
- (2) modifications to the rights of Holders;

- (3) optional, unscheduled or contingent Bond calls;
- (4) release, substitution or sale of property securing repayment of the Bonds;
- (5) non-payment related defaults;
- (6) consummation of a merger, consolidation or acquisition involving the Commission or the sale of all or substantially all of the assets of the obligated persons, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; or
- (7) appointment of a successor or additional trustee or the change of the name of a trustee; or
- (8) incurrence of a Financial Obligation of the Commission, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Commission, any of which affect security holders.

(c) Upon the occurrence of a Listed Event described in Section 5(a), or upon the occurrence of a Listed Event described in Section 5(b) which the Commission determines would be material under applicable federal securities laws, the Commission shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in Section 5(b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Indenture. If the Commission determines that knowledge of the occurrence of a Listed Event described in subsection (b) of this Section 5 would be material under applicable federal securities law, the Commission shall promptly notify the Dissemination Agent in writing and instruct the Dissemination Agent to report the occurrence to the MSRB in a timely manner not more than ten (10) Business Days after the event.

(d) The Commission intends to comply with the Listed Events described in Section 5(a)(10) and Section 5(b)(8), and the definition of “Financial Obligation” in Section 1, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the SEC in Release No. 34-83885 dated August 20, 2018 (the “2018 Release”), and any further amendments or written guidance provided by the SEC or its staff with respect to the amendments to the Rule effected by the 2018 Release.

(e) If the Dissemination Agent has been instructed by the Commission to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB.

Section 6. Filings with the MSRB. All information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this

Disclosure Agreement shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The Commission's obligations under this Disclosure Agreement shall terminate upon the legal defeasance or payment in full of all of the 2020 Series Bonds. If such termination occurs prior to the final maturity of the 2020 Series Bonds, the Commission shall give notice of such termination in the same manner as for a Listed Event under Section 5.

Section 8. Dissemination Agent. The Commission may, from time to time, appoint or engage another Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent; provided, it shall receive written notice of such designation at the time of such designation.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Commission may amend this Disclosure Agreement, provided no amendment increasing or affecting the obligations or duties of the Dissemination Agent shall be made without the consent of such party, and any provision of this Disclosure Agreement may be waived if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to the Commission to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Commission from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement.

Section 11. Default. In the event of a failure of the Commission or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee shall, at the written request of any Participating Underwriter or of the holders of at least twenty-five percent (25%) of the aggregate Bond Obligation of the 2020 Series Bonds then Outstanding (but only to the extent funds in an amount satisfactory to the Trustee have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges and fees of the Trustee whatsoever, including, without limitation, reasonable fees and expenses of its attorneys), or any Holder or beneficial owner of the 2020 Series Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Commission or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Commission or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall not be responsible for the form or content of any Report as provided in Section 4 above, or any notice of Listed Event. The Dissemination Agent shall receive reasonable compensation for its services provided under this Disclosure Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Commission agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Commission under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2020 Series Bonds.

Section 13. Notices. Any notices or communications to or among any of the parties to the Disclosure Agreement or the Trustee may be given as follows:

To the Commission:	Riverside County Transportation Commission 4080 Lemon Street, 3 rd Floor Riverside, California 92501 Tel: (951) 787-7926 Fax: (951) 787-7920	Mail: P.O. Box 12008 Riverside, California 92502
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To the Dissemination Agent:	Digital Assurance Certification, L.L.C. 390 North Orange Avenue, Suite 1750 Orlando, Florida 32801 Tel: (407) 515-1100 Fax: (407) 515-6513
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To the Trustee:	U.S. Bank National Association 633 West 5 th Street, 24 th Floor Los Angeles, California 90071 Tel: (213) 615-6023 Fax: (213) 615-6197
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Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent. Any notice or communication may also be sent by electronic mail, receipt of which shall be confirmed.

Section 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Commission, the Dissemination Agent, the Participating Underwriters and holders and beneficial owners from time to time of the 2020 Series Bonds, and shall create no rights in any other person or entity.

Section 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Disclosure Agreement as of the date first above written.

**RIVERSIDE COUNTY TRANSPORTATION
COMMISSION**

By: _____
Theresa Trevino
Chief Financial Officer

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Dissemination Agent

By: _____
Authorized Representative

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Riverside County Transportation Commission (the “Commission”)

Name of Issue: \$_____ Riverside County Transportation Commission
Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable);

\$_____ Riverside County Transportation Commission
Toll Revenue Senior Lien Refunding Bonds, 2020 Series B; and

\$_____ Riverside County Transportation Commission
Toll Revenue Second Lien Refunding Bonds, 2020 Series C
(collectively, the “2020 Series Bonds”)

Date of Issuance: April __, 2020

NOTICE IS HEREBY GIVEN that the Commission has not provided [an/a] [Annual Report] [Annual Toll Road Report] [Annual Operating Budget] [Traffic and Operating Report] [Traffic and Revenue Report] with respect to the above-named 2020 Series Bonds as required by this Continuing Disclosure Agreement, dated as of April 1, 2020, between the Commission and the Dissemination Agent. The Commission anticipates that the Annual Report will be filed by _____.

Dated: _____

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Dissemination Agent, on behalf of the Commission

cc: Riverside County Transportation Commission

THIRD SUPPLEMENTAL INDENTURE

between

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

and

**U.S. BANK NATIONAL ASSOCIATION,
as Trustee**

Dated as of April 1, 2020

Relating to the

**Riverside County Transportation Commission
Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable) and 2020 Series B**

**(Supplementing the Master Indenture
Dated as of June 1, 2013)**

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THIS THIRD SUPPLEMENTAL INDENTURE, dated as of April 1, 2020 (this “Third Supplemental Indenture”), between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION, a public entity duly existing under the laws of the State of California (the “Commission”) and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as successor trustee (together with any successor thereto, the “Trustee”).

WITNESSETH:

WHEREAS, this Third Supplemental Indenture is supplemental to the Master Indenture, dated as of June 1, 2013 (as supplemented and amended from time to time pursuant to its terms, the “Indenture”), between the Commission and the Trustee;

WHEREAS, the Indenture provides that the Commission may issue Senior Lien Bonds from time to time as authorized by a Supplemental Indenture, which Senior Lien Bonds are to be secured by the Trust Estate in accordance with the Indenture;

WHEREAS, the Commission desires to provide at this time for the issuance of Senior Lien Bonds secured by the Trust Estate, such Bonds to be designated “Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable)” (the “2020 Series A Senior Bonds”) and “Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series B” (the “2020 Series B Senior Bonds” and, together with the 2020 Series A Senior Bonds, the “2020 Senior Bonds”),” for the purposes of (i) refunding all of the Commission’s outstanding Toll Revenue Senior Lien Bonds, 2013 Series A (the “2013A Refunded Bonds”), (ii) refunding a portion of the Commission’s outstanding Toll Revenue Subordinate Bonds, 2013 TIFIA Series (the “2013-1 TIFIA Series Refunded Bonds”) by prepaying the 2013 TIFIA Loan Agreement in part (which, together with the proceeds of the 2020 Series C Second Lien Bonds, will prepay the 2013 TIFIA Loan Agreement in full), (iii) funding the required cash deposits to the 2013 Bonds Reserve Account and the 2020 Series B Senior Bonds Reserve Account, (iv) funding capitalized interest on the 2020 Series A Senior Bonds, and (v) paying the costs of issuance incurred in connection with the 2020 Senior Bonds, all as provided in this Third Supplemental Indenture;

WHEREAS, the Commission desires to issue the 2020 Series A Senior Bonds as Bonds the interest on which is included in gross income for federal tax purposes; and

WHEREAS, by their purchase of the 2020 Series Bonds, Holders of the 2020 Series Bonds have consented to the amendments contained in this Third Supplemental Indenture as described in the official statement for the 2020 Series Bonds, and the Commission has prepared and filed a Certificate of the Commission (as defined in the Indenture), stating that Holders of a majority in aggregate Bond obligation of the Obligations Outstanding as of the issuance of the 2020 Series Bonds have consented to such amendments;

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE XXIV

DEFINITIONS

Section 24.01 Definitions.

(a) Definitions. Unless the context otherwise requires, or as otherwise provided in subsection (b) of this Section, all terms defined in the Indenture shall have the same meanings, respectively, in this Third Supplemental Indenture.

(b) Additional Definitions. Unless the context otherwise requires, the following terms shall, for all purposes of this Third Supplemental Indenture, have the following meanings:

“Authorized Denominations” means, with respect to the 2020 Series A Senior Bonds, \$1,000 principal amount and any integral multiple thereof, and with respect to the 2020 Series B Senior Bonds, \$5,000 principal amount and any integral multiple thereof.

“Fourth Supplemental Indenture” means that certain Fourth Supplemental Indenture, dated of even date herewith, by and between the Commission and the Trustee.

“Interest Payment Date” means, with respect to the 2020 Senior Bonds, June 1 and December 1 of each year until the redemption or maturity of such 2020 Senior Bonds, commencing with December 1, 2020.

“Issue Date” means, with respect to the 2020 Senior Bonds, the date on which the 2020 Senior Bonds are first delivered to the purchasers thereof.

“Record Date” means, with respect to the 2020 Senior Bonds, the fifteenth (15th) day (whether or not a Business Day) of the month preceding the month in which such Interest Payment Date occurs.

“Refunding Bond Law” means Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 *et seq.*).

“Third Supplemental Indenture” means this Third Supplemental Indenture, dated as of April 1, 2020.

“2013A Refunded Bonds” means all of the outstanding Riverside County Transportation Commission Toll Revenue Senior Lien Bonds, 2013 Series A identified on Schedule I hereto.

“2013-1 TIFIA Series Refunded Bonds” means a portion of the outstanding Riverside County Transportation Commission Toll Revenue Subordinate Bonds, 2013 TIFIA Series identified on Schedule I hereto.

“2013A Refunded Bonds Escrow Agent” means U.S. Bank National Association, a national banking association duly organized and existing under the laws of the

United States of America, as trustee and as escrow agent, and its successors and assigns pursuant to the terms of the 2013A Refunded Bonds Escrow Agreement.

“2013A Refunded Bonds Escrow Agreement” means the 2013A Refunded Bonds Escrow Agreement, dated as of April 1, 2020, between the Commission and the 2013A Refunded Bonds Escrow Agent, relating to the 2013A Refunded Bonds.

“2013A Refunded Bonds Escrow Fund” means the 2013A Refunded Bonds Escrow Fund, which shall be an irrevocable fund, established under the 2013A Refunded Bonds Escrow Agreement.

“2020 Senior Bonds” means, collectively, the 2020 Series A Senior Bonds and the 2020 Series B Senior Bonds.

“2020 Senior Bonds Costs of Issuance Account” means the 2020 Senior Bonds Costs of Issuance Account established within the Senior Lien Obligations Account within the Project Fund pursuant to Section 28.01.

“2020 Series Bonds” means, collectively, the 2020 Senior Bonds and the 2020 Series C Second Lien Bonds.

“2020 Series Bonds Continuing Disclosure Agreement” means the Continuing Disclosure Agreement, dated as of April 1, 2020, by and between the Commission and Digital Assurance Certification, L.L.C., as dissemination agent, relating to the 2020 Series Bonds.

“2020 Series A Senior Bonds” means the Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable), authorized by Article XXVI of this Indenture.

“2020 Series A Senior Bonds Capitalized Interest Account” means the 2020 Series A Senior Bonds Capitalized Interest Account established within the Senior Lien Obligations Interest Account within the Senior Lien Obligations Fund pursuant to Section 28.01.

“2020 Series B Senior Bonds” means the Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series B, authorized by Article XXVI of this Indenture.

“2020 Series B Senior Bonds Reserve Account” means the 2020 Series B Senior Bonds Reserve Account established within the Senior Lien Obligations Reserve Fund pursuant to Section 28.01.

“2020 Series B Senior Bonds Reserve Account Obligations” means the 2020 Series B Senior Bonds and any Senior Lien Obligations that are in the future designated as 2020 Series B Senior Bonds Reserve Account Obligations in the Supplemental Indenture providing for their issuance.

“2020 Series B Senior Bonds Reserve Requirement” means, with respect to the 2020 Series B Senior Bonds Reserve Account Obligations, an amount, calculated as of the most

recent Issue Date of 2020 Series B Senior Bonds Reserve Account Obligations, equal to the least of (i) Maximum Annual Debt Service on the Outstanding 2020 Series B Senior Bonds Reserve Account Obligations, (ii) one hundred twenty-five percent (125%) of average Annual Debt Service on the 2020 Series B Senior Bonds Reserve Account Obligations, or (iii) ten percent (10%) of the original principal amount of the 2020 Series B Senior Bonds Reserve Account Obligations.

“2020 Series B Senior Bonds Tax Certificate” shall mean that certain Tax Certificate executed on behalf of the Commission in connection with the issuance of the 2020 Series B Senior Bonds and relating to the requirements of the Code.

“2020 Series C Second Lien Bonds” means the Riverside County Transportation Commission Toll Revenue Second Lien Refunding Bonds, 2020 Series C, authorized by Article XXXIII of this Indenture as set forth in the Fourth Supplemental Indenture.

Section 24.02 Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons. Defined terms shall include any variant of the terms set forth in this Article XXIV.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this Third Supplemental Indenture, refer to the Indenture.

ARTICLE XXV

FINDINGS, DETERMINATIONS AND DIRECTIONS

Section 25.01 Findings and Determinations. The Commission hereby finds and determines that the 2020 Senior Bonds shall be issued pursuant to Article XXVI hereof and upon the issuance of the 2020 Senior Bonds, any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the issuance thereof, will exist, will have happened and will have been performed, in due time, form and manner, as required by the Constitution and statutes of the State.

Section 25.02 Recital in Bonds. There shall be included in each of the definitive 2020 Senior Bonds, and also in each of the temporary 2020 Senior Bonds, if any are issued, a certification and recital that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by that 2020 Senior Bond, and in the issuing of that 2020 Senior Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State, the Act and the Refunding Bond Law, and that said 2020 Senior Bond, together with all other indebtedness of the Commission secured by the Trust Estate, is within every debt and other limit prescribed by the Constitution and statutes of the State, the Act and the Refunding Bond Law, and that such certification and recital shall be in such form as is set forth in the forms of the 2020 Senior Bonds attached hereto as Exhibit A.

Section 25.03 Effect of Findings and Recital. From and after the issuance of the 2020 Senior Bonds, the findings and determinations herein shall be conclusive evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the 2020 Senior Bonds is at issue, and no bona fide purchaser of any such 2020 Senior Bond containing the certification and recital shall be required to see to the existence of any fact, or to the performance of any condition, or to the taking of any proceeding, required prior to such issuance, or to the application of the purchase price for such 2020 Senior Bonds.

ARTICLE XXVI

AUTHORIZATION OF 2020 SENIOR BONDS

Section 26.01 Principal Amount, Designation and Series. Pursuant to the provisions of this Indenture, the Act and the Refunding Bond Law, a Series of Senior Lien Bonds entitled to the benefit, protection and security of such provisions, including without limitation the grant of the Trust Estate in the Indenture, is hereby authorized in the aggregate initial principal amount of \$[_____]. Such Senior Lien Bonds shall be issued as fixed rate Current Interest Obligations and shall be designated as, and shall be distinguished from the Senior Lien Bonds of all other Series by the title, “Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable).” Pursuant to the provisions of this Indenture, the Act and the Refunding Bond Law, a Series of Senior Lien Bonds entitled to the benefit, protection and security of such provisions, including without limitation the grant of the Trust Estate in the Indenture, is hereby authorized in the aggregate principal amount of \$[_____]. Such Senior Lien Bonds shall be issued as fixed rate Current Interest Obligations and shall be designated as, and shall be distinguished from the Senior Lien Bonds of all other Series by the title, “Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series B.”

Section 26.02 Purpose. The 2020 Senior Bonds are issued for the purposes of (i) refunding the 2013A Refunded Bonds, (ii) refunding the 2013-1 TIFIA Series Refunded Bonds by prepaying the 2013 TIFIA Loan Agreement in part (which together with the proceeds of the 2020 Series C Second Lien Bonds will prepay the 2013 TIFIA Loan Agreement in full), (iii) funding the required cash deposits to the 2013 Bonds Reserve Account and the 2020 Series B Senior Bonds Reserve Account, (iv) funding capitalized interest on the 2020 Series A Senior Bonds, and (v) paying the costs of issuance incurred in connection with the 2020 Senior Bonds.

Section 26.03 Form, Denomination, Numbers and Letters. The 2020 Senior Bonds shall be issued as Book-Entry Bonds in fully registered form in Authorized Denominations and shall be numbered by Series from one upward in consecutive numerical order preceded by the letter “R” prefixed to the number. The 2020 Series A Senior Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of the 2020 Series A Senior Bonds and as the form of the certificate of authentication. The 2020 Series B Senior Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of the 2020 Series B Senior Bonds and as the form of the certificate of authentication.

Section 26.04 Date, Maturities and Interest Rates.

(a) The 2020 Series A Senior Bonds shall be issued as fixed rate Current Interest Obligations in the aggregate principal amount of \$[_____]. The 2020 Series A Senior Bonds shall be dated their Issue Date, shall bear interest from that date, payable on December 1, 2020, and semiannually thereafter on June 1 and December 1 of each year, at the following rates per annum, computed on the basis of a 360-day year comprised of twelve 30-day months, and shall mature on June 1 in the following years and in the following amounts:

<u>Maturity Date</u> <u>(June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%
*		

*Term Bond Final Maturity

(b) Interest on the 2020 Series A Senior Bond shall be payable to the Owner thereof from the latest of: (i) its Issue Date; (ii) the most recent Interest Payment Date to which interest has been paid thereon or duly provided for, or (iii) if the date of authentication of such Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication.

(c) As long as the 2020 Series A Senior Bonds are Book-Entry Bonds, principal of and premium, if any, and interest on the 2020 Series A Senior Bonds shall be payable by wire transfer to the Securities Depository in lawful money of the United States of America.

(d) If the 2020 Series A Senior Bonds cease to be Book-Entry Bonds, principal of and premium, if any, on the 2020 Series A Senior Bonds shall be payable when due upon presentation and surrender thereof at the Principal Office of the Trustee and interest shall be payable by first class mail on each interest payment date to the Owners thereof as of the close of business on the Record Date; provided, however, that Owners of \$1,000,000 or more in aggregate principal amount of 2020 Series A Senior Bonds may, at any time prior to a Record Date, give the Trustee written instructions for payment of such interest on each succeeding interest payment date by wire transfer.

(e) The 2020 Series B Senior Bonds shall be issued as Current Interest Obligations in the aggregate principal amount of \$[_____]. The 2020 Series B Senior Bonds shall be dated their Issue Date, shall bear interest from that date, payable on December 1, 2020, and semiannually thereafter on June 1 and December 1 of each year, at the following rates per annum, computed on the basis of a 360-day year comprised of twelve 30-day months, and shall mature on June 1 in the following years and in the following amounts:

<u>Maturity Date</u> <u>(June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
---	-------------------------	----------------------

*

\$

%

*Term Bond Final Maturity

(f) Interest on the 2020 Series B Senior Bond shall be payable to the Owner thereof from the latest of: (i) its Issue Date; (ii) the most recent Interest Payment Date to which interest has been paid thereon or duly provided for, or (iii) if the date of authentication of such Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication.

(g) As long as the 2020 Series B Senior Bonds are Book-Entry Bonds, principal of and premium, if any, and interest on the 2020 Series B Senior Bonds shall be payable by wire transfer to the Securities Depository in lawful money of the United States of America.

(h) If the 2020 Series B Senior Bonds cease to be Book-Entry Bonds, principal of and premium, if any, on the 2020 Series B Senior Bonds shall be payable when due upon presentation and surrender thereof at the Principal Office of the Trustee and interest shall be payable by first class mail on each interest payment date to the Owners thereof as of the close of business on the Record Date; provided, however, that Owners of \$1,000,000 or more in aggregate principal amount of 2020 Series B Senior Bonds may, at any time prior to a Record Date, give the Trustee written instructions for payment of such interest on each succeeding interest payment date by wire transfer.

Section 26.05 Conditions to Delivery of 2020 Senior Bonds. Each of the 2020 Senior Bonds shall be executed and delivered as authorized by this Third Supplemental Indenture and the Indenture, including Article II thereof, upon the receipt of payment therefor from the purchaser thereof.

Section 26.06 Disposition of Proceeds of 2020 Senior Bonds. The net proceeds from the sale of the 2020 Senior Bonds in the amount of \$[_____] shall be received by the Trustee and deposited by the Trustee as follows:

- (a) \$[_____] into the 2020 Senior Bonds Costs of Issuance Account;
- (b) \$[_____] into the 2020 Series A Senior Bonds Capitalized Interest Account;
- (c) \$[_____] into the 2013 Bonds Reserve Account, being the additional amount needed to satisfy the 2013 Bonds Reserve Requirement at the time of issuance of the 2020 Series A Senior Bonds, which are designed as 2013 Bonds Reserve Account Obligations as set forth in Section 28.03;
- (d) \$[_____] into the 2020 Series B Senior Bonds Reserve Account, representing the 2020 Series B Senior Bonds Reserve Requirement at the time of issuance of the 2020 Series B Senior Bonds;

(e) the amount of \$[_____] shall be immediately transferred to the 2013A Refunded Bonds Escrow Agent for deposit into the 2013A Refunded Bonds Escrow Fund pursuant to the 2013A Refunded Bonds Escrow Agreement; and

(f) the remaining amount of \$[_____] shall be immediately transferred to the TIFIA Lender for prepayment of the 2013 TIFIA Loan Agreement in part. Such amount, together with a portion of the proceeds from the 2020 Series C Second Lien Bonds and certain funds on deposit in the Subordinate Obligations Reserve Account (2013 TIFIA Loan), as set forth in Section 33.06(c) and Section 33.07 of the Fourth Supplemental Indenture, will be applied to optionally prepay the 2013 TIFIA Loan Agreement in full.

ARTICLE XXVII

REDEMPTION OF 2020 SENIOR BONDS

Section 27.01 Optional Redemption of 2020 Series A Senior Bonds.

(a) The 2020 Series A Senior Bonds shall be subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part, on any date on or after June 1, 20[___] at the principal amount of 2020 Series A Senior Bonds called for redemption plus accrued interest to the date fixed for redemption, without premium.

The Commission shall give the Trustee written notice at least twenty (20) days (or such lesser time period acceptable to the Trustee) before any date fixed for the redemption of the 2020 Series A Senior Bonds to be redeemed pursuant to this subsection (a), designating the maturity or maturities of the 2020 Series A Senior Bonds to be redeemed, the portions thereof to be redeemed and the fact and date of such redemption.

(b) Any optional redemption of 2020 Series A Senior Bonds and notice thereof shall be rescinded and cancelled pursuant to the provisions of Section 4.03 if for any reason on the date fixed for redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the 2020 Series A Senior Bonds called for redemption.

Section 27.02 Optional Redemption of 2020 Series B Senior Bonds.

(a) The 2020 Series B Senior Bonds shall be subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part, on any date on or after June 1, 20[___] at the principal amount of 2020 Series B Senior Bonds called for redemption plus accrued interest to the date fixed for redemption, without premium.

The Commission shall give the Trustee written notice at least twenty (20) days (or such lesser time period acceptable to the Trustee) before any date fixed for the redemption of the 2020 Series B Senior Bonds to be redeemed pursuant to this subsection (a), designating the

maturity or maturities of the 2020 Series B Senior Bonds to be redeemed, the portions thereof to be redeemed and the fact and date of such redemption.

(b) Any optional redemption of 2020 Series B Senior Bonds and notice thereof shall be rescinded and cancelled pursuant to the provisions of Section 4.03 if for any reason on the date fixed for redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the 2020 Series B Senior Bonds called for redemption.

Section 27.03 Mandatory Redemption of 2020 Series A Senior Bonds From Sinking Fund Installments.

(a) The 2020 Series A Senior Bonds maturing on June 1, 20[] shall also be subject to mandatory redemption prior to their respective stated maturities, in part, from Sinking Fund Installments on each June 1 a Sinking Fund Installment is due as specified in Section 27.03(b), in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium.

(b) The Sinking Fund Installments for the 2020 Series A Term Bond maturing on June 1, 20[] shall be due in the amounts and on the dates as follows:

<u>Sinking Fund Installment</u> <u>Dates (June 1)</u>	<u>Sinking Fund Installments</u>
	\$
*	

*Final Maturity

On or before the date such Sinking Fund Installments are due, the Trustee shall deposit such amounts to the Principal Account and amounts so transferred shall be applied as provided in Section 5.02 and this Section 27.03.

Section 27.04 Mandatory Redemption of 2020 Series B Senior Bonds From Sinking Fund Installments.

(a) The 2020 Series B Senior Bonds maturing on June 1, 20[] shall also be subject to mandatory redemption prior to their respective stated maturities, in part, from Sinking Fund Installments on each June 1 a Sinking Fund Installment is due as specified in Section 27.04(b), in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium.

(b) The Sinking Fund Installments for the 2020 Series B Term Bond maturing on June 1, 20[] shall be due in the amounts and on the dates as follows:

Sinking Fund Installment
Dates (June 1)

Sinking Fund Installments

\$

*

*Final Maturity

On or before the date such Sinking Fund Installments are due, the Trustee shall deposit such amounts to the Principal Account and amounts so transferred shall be applied as provided in Section 5.02 and this Section 27.04.

Section 27.05 Selection of 2020 Series A Senior Bonds for Redemption.

The Commission shall designate which maturities of 2020 Series A Senior Bonds are to be called for redemption pursuant to Section 27.01. In the event 2020 Series A Senior Bonds which are Term Bonds are designated for redemption, the Commission may designate the Sinking Fund Installments under Section 27.03, or portions thereof, that are to be reduced as allocated to such redemption. The Trustee shall promptly notify the Commission in writing of the 2020 Series A Senior Bonds so selected for redemption.

If the 2020 Series A Senior Bonds are not registered in book-entry only form, any redemption of less than all of a maturity of the 2020 Series A Senior Bonds shall be effected by the Trustee among owners on a pro-rata basis subject to minimum Authorized Denominations. The particular 2020 Series A Senior Bonds to be redeemed shall be determined by the Trustee, using such method as it shall deem fair and appropriate.

If the 2020 Series A Senior Bonds are registered in book-entry only form, and so long as DTC or a successor Securities Depository is the sole registered owner of the 2020 Series A Senior Bonds, if less than all of the 2020 Series A Senior Bonds of a maturity are called for prior redemption, the particular 2020 Series A Senior Bonds or portions thereof to be redeemed shall be selected on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures, provided that, so long as the 2020 Series A Senior Bonds are held in book-entry form, the selection for redemption of such 2020 Series A Senior Bonds shall be made in accordance with the operational arrangements of DTC then in effect that at issuance provided for adjustment of the principal by a factor provided pursuant to DTC operational arrangements. If the Trustee does not provide the necessary information and identify the redemption as on a Pro Rata Pass-Through Distribution of Principal basis, the 2020 Series A Senior Bonds shall be selected for redemption by lot in accordance with DTC procedures. Redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Commission and the Beneficial Owners are to be made on a "Pro Rata Pass-Through Distribution of Principal" basis as described above. If the DTC operational arrangements do not allow for the redemption of the 2020 Series A Senior Bonds on a "Pro Rata Pass-Through Distribution of Principal" basis as described above, then the 2020 Series A Senior Bonds shall be selected for redemption by lot in accordance with DTC procedures.

Section 27.06 Selection of 2020 Series B Senior Bonds for Redemption.

The Commission shall designate which maturities of 2020 Series B Senior Bonds are to be called

for redemption pursuant to Section 27.02. In the event 2020 Series B Senior Bonds which are Term Bonds are designated for redemption, the Commission may designate the Sinking Fund Installments under Section 27.04, or portions thereof, that are to be reduced as allocated to such redemption. The Trustee shall promptly notify the Commission in writing of the 2020 Series B Senior Bonds so selected for redemption.

If less than all of the 2020 Series B Senior Bonds of a maturity are called for prior redemption, the Trustee shall select the 2020 Series B Senior Bonds of such maturity to be redeemed, from the Outstanding 2020 Series B Senior Bonds of such maturity not previously called for redemption, in minimum denominations of \$5,000 (of principal), by lot in any manner which the Trustee in its sole discretion shall deem appropriate.

Section 27.07 Purchase in Lieu of Redemption. In lieu of mandatory redemption from Sinking Fund Installments, the Commission may surrender to the Trustee for cancellation 2020 Senior Bonds that are Term Bonds purchased on the open market and such 2020 Senior Bonds that are Term Bonds shall be cancelled by the Trustee. If any 2020 Senior Bonds that are Term Bonds are so cancelled, the Commission may designate the Sinking Fund Installments or portions thereof that are to be reduced as allocated to such cancellation.

ARTICLE XXVIII

ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF

Section 28.01 Funds and Accounts. To ensure the proper application of such portion of proceeds from the sale of the 2020 Senior Bonds to be applied to pay Costs of Issuance of the 2020 Senior Bonds, there is hereby established the 2020 Senior Bonds Costs of Issuance Account, which shall be held by the Trustee. To ensure the proper application of such portion of proceeds from the sale of the 2020 Series A Senior Bonds to be applied to pay capitalized interest on the 2020 Series A Senior Bonds, there is hereby established the 2020 Series A Senior Bonds Capitalized Interest Account, which shall be held by the Trustee. To ensure the proper application of such proceeds from the sale of the 2020 Series B Senior Bonds to be applied to satisfy the 2020 Series B Senior Bonds Reserve Requirement, there is hereby established the 2020 Series B Senior Bonds Reserve Account within the Senior Lien Obligations Reserve Fund, such account to be held by the Trustee.

Section 28.02 2020 Senior Bonds Costs of Issuance Account. The proceeds of the 2020 Senior Bonds set aside and placed in the 2020 Senior Bonds Costs of Issuance Account shall remain therein until October 1, 2020 and expended for the purpose of paying the Costs of Issuance of the 2020 Senior Bonds. Before any payment from the 2020 Senior Bonds Costs of Issuance Account shall be made by the Trustee, the Commission shall file or cause to be filed with the Trustee a requisition of the Commission (each a "Requisition"), such Requisition to be signed by an Authorized Representative and to include: (i) the item number of such payment; (ii) the name and address of, or name and wiring instructions for, the person to whom each such payment is due, which may be the Commission in the case of reimbursement for costs theretofore paid by the Commission; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; and (v) that obligations

in the stated amounts have been incurred by the Commission and are presently due and payable and that each item thereof is a proper charge against the 2020 Senior Bonds Costs of Issuance Account and has not been previously paid from said account. On October 1, 2020, any amounts remaining in the 2020 Senior Bonds Costs of Issuance Account shall be transferred to the Toll Revenue Fund and the 2020 Senior Bonds Costs of Issuance Account shall be closed.

Section 28.03 Designation of 2020 Series A Senior Bonds as 2013 Bonds Reserve Account Obligations; 2013 Bonds Reserve Requirement. The 2020 Series A Senior Bonds are Senior Lien Obligations issued to refinance all of the 2013 Series A Bonds and are hereby designated as 2013 Bonds Reserve Account Obligations in accordance with the First Supplemental Indenture. As of the Issue Date of the 2020 Series A Senior Bonds, the 2013 Bonds Reserve Requirement is \$[_____], which shall be satisfied by \$[_____] on deposit in the 2013 Bonds Reserve Account, together with the additional deposit therein, pursuant to Section 26.06(c), of \$[_____] from proceeds of the 2020 Series A Senior Bonds.

Section 28.04 2020 Series B Senior Bonds Reserve Account. The monies set aside and placed in the 2020 Series B Senior Bonds Reserve Account on account of the 2020 Series B Senior Bonds Reserve Requirement shall be held solely for the benefit of the 2020 Series B Senior Bonds Reserve Account Obligations, and shall be used, withdrawn, and replenished as provided herein and in Sections 5.03 and 5.08. If, on any date of valuation of Permitted Investments credited to the 2020 Series B Senior Bonds Reserve Account pursuant to Section 5.23, the amount on deposit in the 2020 Series B Senior Bonds Reserve Account exceeds the 2020 Series B Senior Bonds Reserve Requirement as of such date, the Trustee shall transfer such excess amount to the Toll Revenue Fund.

Section 28.05 2020 Series A Senior Bonds Capitalized Interest Account. Moneys in the 2020 Series A Senior Bonds Capitalized Interest Account shall be transferred to the Senior Lien Obligations Interest Account in the following amounts and on or before the following Interest Payment Dates, and shall be used solely for the purpose of paying interest on the 2020 Series A Senior Bonds Outstanding as the same shall become due and payable (including accrued interest on any 2020 Series A Senior Bonds purchased or redeemed prior to maturity):

Date

Amount

On the Business Day after each Interest Payment Date, any interest earnings on the moneys in the 2020 Series A Senior Bonds Capitalized Interest Account shall be transferred to the Senior Lien Obligations Interest Account.

ARTICLE XXIX

MISCELLANEOUS

Section 29.01 **Severability.** If any covenant, agreement or provision, or any portion thereof, contained in this Third Supplemental Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this Third Supplemental Indenture, and the application of any such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Third Supplemental Indenture shall remain valid.

Section 29.02 **Parties Interested Herein.** Nothing in this Third Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Commission, the Trustee, and the Owners of the 2020 Senior Bonds, any right, remedy or claim under or by reason of this Third Supplemental Indenture or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this Third Supplemental Indenture contained by and on behalf of the Commission shall be for the sole and exclusive benefit of the Commission, the Trustee, and the Owners.

Section 29.03 **Headings Not Binding.** The headings in this Third Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Third Supplemental Indenture.

Section 29.04 **Notice Addresses.** Except as otherwise provided herein, it shall be sufficient service or giving of notice, request, complaint, demand or other paper if the same shall be duly mailed by registered or certified mail, postage prepaid, addressed to the Notice Address for the appropriate party or parties as provided in Exhibit B hereto. Any such entity by notice given hereunder may designate any different addresses to which subsequent notices, certificates or other communications shall be sent, but no notice directed to any one such entity shall be thereby required to be sent to more than two addresses.

Section 29.05 **Notices to Rating Agencies.** The Trustee shall provide notice to the Rating Agencies of the following events with respect to the 2020 Senior Bonds:

- (a) Change in Trustee;
- (b) Amendments to the Indenture; and
- (c) Redemption or defeasance of the 2020 Senior Bonds.

Section 29.06 **Indenture to Remain in Effect.** Save and except as amended and supplemented by this Third Supplemental Indenture, the Master Indenture shall remain in full force and effect.

Section 29.07 **Effective Date of Third Supplemental Indenture.** This Third Supplemental Indenture shall take effect upon its execution and delivery.

Section 29.08 Execution in Counterparts. This Third Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

ARTICLE XXX

AMENDMENTS TO INDENTURE

Section 30.01 Amendments to Indenture. Pursuant to Section 9.02 and Section 9.03 of the Indenture, Holders of at least a majority in aggregate Bond Obligation of the Obligations Outstanding may consent to amendments of the Indenture for the purpose of modifying, altering, amending, or supplementing any of its terms or provisions other than as specified in Section 9.02. By their purchase of the 2020 Series Bonds, Holders of the 2020 Series Bonds have consented to the amendments contained in this Third Supplemental Indenture as described in the official statement for the 2020 Series Bonds, and the Commission has prepared and filed a Certificate of the Commission (as defined in the Indenture), stating that Holders of a majority in aggregate Bond obligation of the Obligations Outstanding as of the issuance of the 2020 Series Bonds have consented to the following amendments:

- (a) Recitals two through five are hereby deleted from the Indenture.
- (b) The definition of, and all references to, “Alternative Repair and Rehabilitation Fund Required Deposit,” “Capital Expenditures Fund Deposits Cap,” “Commission Equity Account,” “Financial Plan,” “Ordinance,” “Rating Confirmation,” “Residual Fund Scheduled Retained Balance,” “Sales Tax Act,” “Sales Tax Eligible Project Costs,” “Sales Tax Revenue Bond Indenture,” “Sales Tax Revenue Bonds,” “Sales Tax Revenue Bonds Account,” “Sales Tax Revenues,” “2013 Sales Tax Revenue Bonds” and “Written Engineer’s Certificate” are hereby deleted from the Indenture.
- (c) The following definitions in the Indenture are hereby amended and restated as follows:

“Capital Expenditures Fund Permitted Expenditures” means any capital expenditures authorized under the Act in such amount as shall be determined from time to time by the Commission pursuant to a Written Request of the Commission.

“Long Stop Date” means, with respect to any Project, the Long Stop Date for such Project, if any, set forth in a Supplemental Indenture providing for the issuance of Obligations to finance such Project.

“Scheduled Repair and Rehabilitation Fund Required Deposit” means, for each Monthly Funding Date, (a) any Repair and Rehabilitation Fund Permitted Expenditures due and payable prior to the next Monthly Funding Date and for which the Commission has not previously set aside funds, or for which insufficient monies are on deposit, in the Repair and Rehabilitation Fund, plus (b) one-twelfth (1/12) of the sum of (i) one hundred percent (100%) of the Repair and Rehabilitation Fund Permitted Expenditures that the Commission projects to become due in the period ending one year from such Monthly Funding Date, plus (ii) sixty-six percent (66%) of the Repair and

Rehabilitation Fund Permitted Expenditures that the Commission projects to become due in the period commencing one year and one day from such Monthly Funding Date and ending two years from such Monthly Funding Date, plus (iii) thirty-three percent (33%) of the Repair and Rehabilitation Fund Permitted Expenditures that the Commission projects to become due in the period commencing two years and one day from such Monthly Funding Date and ending three years from such Monthly Funding Date.

“TIFIA Debt Service Payment Commencement Date” means the date specified in any Supplemental Indenture as the TIFIA Debt Service Payment Commencement Date for a TIFIA Loan.

“TIFIA Lender” means, if any TIFIA Loans are then outstanding, the United States Department of Transportation, acting by and through the Federal Highway Administrator, for the purpose of making one or more TIFIA Loans to the Commission.

“TIFIA Loan” means each loan made to the Commission by the TIFIA Lender, if any, pursuant to a TIFIA Loan Agreement that is payable from, and secured by, Revenue as provided in this Indenture and any Supplemental Indenture.

“TIFIA Loan Agreement” means each loan agreement, if any, evidencing a TIFIA Loan, by and between the Commission and the TIFIA Lender, and, in each case, any amendments or supplements thereto permitted hereby and thereby.

“TIFIA Loan Prepayment Commencement Date” means the date specified in any Supplemental Indenture as the TIFIA Debt Service Payment Commencement Date for a TIFIA Loan.

“Toll Road” means lanes of a street, road or highway upon which the Commission has all right, power and authority pursuant to law to impose tolls, and upon which tolls are imposed by the Commission using any of the following tolling strategies: (a) general purpose or generally-applicable tolls, (b) tolls that may be levied and may vary according to levels of congestion anticipated or experienced or according to the occupancy of the vehicle, (c) any combination of (a) and (b), and (d) any other tolling strategy the Commission may determine appropriate on a facility-by-facility basis; and the related tolling facilities, as such tolled lanes and related facilities may from time to time be expanded, improved, upgraded, enlarged, or enhanced, but only to the extent that: (i) the Commission irrevocably designates in writing that such toll lanes and related facilities, and any expansion, improvement, upgrade, enlargement or enhancement constitutes a Toll Road generating Toll Revenues hereunder and (ii) that (x) the additional Operation and Maintenance Expenses associated with any such expansion, improvement, upgrade, enlargement or enhancement and (y) any additional Obligations issued to finance the costs of any such expansion, improvement, upgrade, enlargement or enhancement, shall not result in debt service coverage ratios for the Subordinate Obligations lower than those described in Section 6.03 hereof. “Toll Road” shall not include any Special Project. “Toll Road” initially means any such tolled lanes and facilities (including structures, on-ramps, connector roads, bridges, and roadways that are on, necessary for, or related to the construction or operation of the Toll Road) on the

portion of SR-91 between the Orange County/Riverside County line and Interstate 15 that constitute a part of the Riverside SR-91 Corridor Improvement Project.

(d) Section 3.01(b)(2) is hereby amended as follows (additions in **bold underline**, deletions in ~~striketrough~~):

(2) projected Net Revenue for each Fiscal Year over the term of the proposed additional Senior Lien Obligations is expected to be sufficient to satisfy the requirements of Section 6.03(a) of this Indenture in each Fiscal Year. In calculating projected Net Revenue, the Traffic Consultant shall take into account amounts projected to be received from any ~~adopted~~ **change in** toll ~~increase or increases~~ **policy** (provided that no additional approvals need to be obtained and no additional requirements need to be satisfied in order to implement any such ~~increase or increases~~ **toll policy**) and any additional toll lanes and facilities to be designated as included within the definition of Toll Road;

(e) Section 3.03(a) is hereby amended as follows (additions in **bold underline**, deletions in ~~striketrough~~):

(a) The Second Lien Obligations or Subordinate Obligations, as applicable, are issued for purposes of refunding **Outstanding Senior Lien Obligations**, Outstanding Second Lien Obligations or Outstanding Subordinate Obligations by providing funds for the payment of any or all of the following:

(1) The Bond Obligation, redemption or purchase price (including premium, if any) of the **Outstanding Senior Lien Obligations**, Outstanding Second Lien Obligations or Outstanding Subordinate Obligations to be refunded;

(2) All expenses incident to the calling, retiring or paying of such **Outstanding Senior Lien Obligations**, Outstanding Second Lien Obligations or Outstanding Subordinate Obligations, the Costs of Issuance of such refunding Second Lien Obligations or Subordinate Obligations, and any termination payments or other payments to the holders of obligations of the Commission entered into pursuant to California Government Code Section 5922 (or any similar statute) related to such **Outstanding Senior Lien Obligations**, Outstanding Second Lien ~~Outstanding~~ Obligations or **Outstanding** Subordinate Obligations;

(3) Interest on all **Outstanding Senior Lien Obligations**, Outstanding Second Lien Obligations or Outstanding Subordinate Obligations to be refunded to the date such **Senior Lien Obligations**, Second Lien Obligations or Subordinate Obligations will be called for redemption or paid at maturity;

(4) Interest on the refunding Second Lien Obligations or Subordinate Obligations from the date thereof to the date of payment or redemption of the **Senior Lien Obligations**, Second Lien Obligations or Subordinate Obligations to be refunded;

(f) Section 3.03(b)(2) is hereby amended as follows (additions in **bold underline**, deletions in ~~strikethrough~~):

(2) projected Net Revenue for each Fiscal Year over the term of the proposed additional Second Lien Obligations or Subordinate Obligations is expected to be sufficient to satisfy the requirements of Section 6.03(a) of this Indenture in each Fiscal Year. In calculating projected Net Revenue, the Traffic Consultant shall take into account amounts projected to be received from any ~~adopted~~ **change in** toll ~~increase or increases~~ **policy** (provided that no additional approvals need to be obtained and no additional requirements need to be satisfied in order to implement any such ~~increase or increases~~ **toll policy**) and any additional toll lanes and facilities to be designated as included within the definition of Toll Road;

(g) Clause Thirteenth of Section 5.03(b) is hereby amended as follows (additions in **bold underline**, deletions in ~~strikethrough~~):

Thirteenth, on each Monthly Funding Date, to the extent sufficient funds are then available after application of funds for the purposes specified in the prior clauses of this Section 5.03(b), to the Repair and Rehabilitation Fund, an amount equal to ~~the Alternative Repair and Rehabilitation Fund Required Deposit or, if no such deposit is then required to be made, an amount not to exceed the Scheduled Repair and Rehabilitation Fund Required Deposit for such Monthly Funding Date. If sufficient funds are not then available on a particular Monthly Funding Date, after application of funds for the purposes specified in the prior clauses, to fund the Scheduled Repair and Rehabilitation Fund Required Deposit or Alternative Repair and Rehabilitation Fund Required Deposit, as applicable, or if the Commission has elected to defer all or a portion of the Scheduled Repair and Rehabilitation Fund Required Deposit for a prior Monthly Funding Date or Monthly Funding Dates, the Commission may use funds on each subsequent Monthly Funding Date to satisfy the cumulative shortfall in the Scheduled Repair and Rehabilitation Fund Required Deposit or Alternative Repair and Rehabilitation Fund Required Deposit, as applicable, from previous Monthly Funding Dates;~~

(h) Clause Fourteenth of Section 5.03(b) is hereby amended and restated as follows (additions in **bold underline**, deletions in ~~strikethrough~~):

Fourteenth, on each Monthly Funding Date, to the Capital Expenditures Fund to the extent necessary to fund such Fund so that the balance therein (taking into account all amounts then on deposit therein) equals the aggregate amount of Capital Expenditures Fund Permitted Expenditures ~~indicated for the next six months in the Annual Operating Budget~~ **as set forth in a Written Request of the Commission**, which amount may be \$0 **and shall be deemed to be \$0 if no Written Request of the Commission has been provided prior to such Monthly Funding Date;** ~~provided, however, that in no event shall the total of all amounts transferred into the Capital Expenditures Fund exceed the Capital Expenditures Fund Deposits Cap;~~

(i) Section 5.03(c) is hereby amended as follows (additions in **bold underline**, deletions in ~~striketrough~~):

(c) To the extent that on any Calculation Date or any other date of determination requested by the Commission, the Commission determines that (i) the amounts on deposit in the Senior Lien Obligations Reserve Fund are in excess of the applicable Senior Lien Obligations Reserve Requirement, (ii) the amounts on deposit in the Second Lien Obligations Reserve Fund are in excess of the applicable Second Lien Obligations Reserve Requirement, (iii) amounts on deposit in the Subordinate Obligations Reserve Fund are in excess of the applicable Subordinate Obligations Reserve Requirement, (iv) the amounts on deposit in the Repair and Rehabilitation Fund are certified by the Commission to be in excess of what is required for expected Repair and Rehabilitation Fund Permitted Expenditures, or (v) the amounts on deposit in the Capital Expenditures Fund are ~~(A)~~ certified by the Commission to no longer be needed for making Capital Expenditures Fund Permitted Expenditures, ~~or (B) in excess of the Capital Expenditures Fund Deposits Cap,~~ then in each such case, as applicable, the excess amounts shall be transferred into the Toll Revenue Fund.

(j) Section 5.04(a)(4), Section 5.04(a)(5), Section 5.04(e), Section 5.04(f), Section 5.04(i), Section 5.05, and Section 5.20(a) are hereby amended and restated in their entirety to read as follows: [Reserved.]

(k) Section 5.07(a) is hereby amended as follows (additions in **bold underline**, deletions in ~~striketrough~~):

(a) The Trustee shall cause amounts in the Toll Revenue Fund, to the extent available, to be deposited into the Capital Expenditures Fund on each Monthly Funding Date in accordance with clause Fourteenth of Section 5.03(b). Any amounts on deposit in the Capital Expenditures Fund that are ~~(i)~~ certified by the Commission to no longer be needed for making Capital Expenditures Fund Permitted Expenditures, ~~or (ii) in excess of the Capital Expenditures Fund Deposits Cap,~~ shall be applied in accordance with the requirements of Section 5.03(c) of this Indenture.

(l) Section 6.03(b)(1) is hereby amended as follows (additions in **bold underline**, deletions in ~~striketrough~~):

(1) Within 60 days after the end of each Fiscal Year (beginning with the first full Fiscal Year following the Substantial Completion Date for the Riverside SR-91 Corridor Improvement Project), the Commission will file with the Trustee a report setting forth the Net Revenue for such Fiscal Year. The failure of toll rates to yield an amount sufficient to achieve each Coverage Ratio shall not be deemed to constitute an Event of Default so long as the Commission complies with the requirements set forth below in this Section 6.03(b). If any such report indicates that the Net Revenue for such Fiscal Year was less than the amount required pursuant to Section 6.03(a), then, as soon as practicable after delivering such report to the Trustee and, while there are Outstanding Obligations in the form of or securing payment of a TIFIA Loan, the TIFIA Lender, the Commission shall **take such actions as it deems appropriate for the current Fiscal**

Year for purposes of meeting or exceeding such requirement. If any such report indicates that the Net Revenue for such Fiscal Year was less than the amount required pursuant to Section 6.03(a) for a second consecutive Fiscal Year, then as soon as practicable after delivering such report to the Trustee and, while there are Outstanding Obligations in the form of or securing payment of a TIFIA Loan, the TIFIA Lender, the Commission shall employ a Traffic Consultant to review and analyze the operations of the Toll Road and to submit to the Board, as soon as practicable (but not later than such date as will enable the Board to act upon it within 180 days after the end of the Fiscal Year in question), a written report which shall include the actions that the Traffic Consultant recommends should be taken by the Commission with respect to (i) revising the toll rates or the Commission's toll rate policies, (ii) altering its methods of operation, or (iii) taking other action projected to produce the amount so required to comply in each year with each Coverage Ratio (or, if less, the maximum amount deemed feasible by the Traffic Consultant and that the Traffic Consultant estimates will not adversely affect the amount of Net Revenue). Promptly upon its receipt of such written report (and, in any case, within 180 days after the end of the Fiscal Year in question), after giving due consideration thereto, the Commission will revise the toll rates or toll policies, as permitted by law, alter its methods of operation, or take such other action as it deems appropriate. Such revisions, alterations, or actions need not comply with the recommendations of the Traffic Consultant so long as Net Revenue projected by the Traffic Consultant to be produced by the revisions, alterations or actions then taken by the Commission are at least equal to the amount required hereinabove. The Trustee shall have no responsibility to review any written report received pursuant to this Section 6.03(b).

(m) Section 6.04 is hereby amended as follows (additions in **bold underline**, deletions in ~~strikethrough~~):

Section 6.04 Annual Budget; Financial Plan. The Commission covenants that, for each Fiscal Year, it will take such actions as may be required of it to prepare and will adopt an annual budget in accordance with applicable law, including the Act, and the Toll Agreements. The Commission further covenants that it will provide to the Trustee (A) no later than 30 days prior to the commencement of each Fiscal Year, an operating plan and a preliminary budget, and (B) not later than the first day of each Fiscal Year, a copy of the Commission's final budget (such copy of the final budget being referred to herein as the "Annual Operating Budget"). ~~The Commission further covenants that it will provide to the Trustee a copy of the Commission's Financial Plans concurrently with their submission to the TIFIA Lender.~~ The Trustee shall have no responsibility to review such preliminary budget, or Annual Operating Budget ~~or Financial Plan~~ and shall only retain such documents as a repository for the holders of the Obligations.

(n) Schedule I, Schedule II, Schedule III, and Exhibit B shall be deleted in their entirety together with any references thereto.

IN WITNESS WHEREOF, the parties hereto have executed this Third Supplemental Indenture by their officers thereunto duly authorized as of the day and year first written above.

RIVERSIDE COUNTY
TRANSPORTATION COMMISSION

By: _____
Executive Director

Countersigned:

Clerk of the Board

APPROVED AS TO FORM:

By: _____
General Counsel

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

EXHIBIT A
FORM OF 2020 SENIOR LIEN SERIES [A][B] BOND

No. R-- [A][B]-_____

\$_____

Riverside County Transportation Commission
Toll Revenue Senior Lien Refunding Bond
(Current Interest Obligation), 2020 Series [A][B] (Federally Taxable)

INTEREST RATE	MATURITY DATE	ISSUE DATE	CUSIP
	June 1, 20[___]	[____], 2020	

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: _____ Dollars

RIVERSIDE COUNTY TRANSPORTATION COMMISSION, a public entity duly organized and existing under the laws of the State of California (the "Commission"), for value received, hereby promises to pay (but solely from the Trust Estate as hereinafter referred to) in lawful money of the United States of America, to the registered owner or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount specified above, together with interest thereon until the principal hereof shall have been paid, at the interest rate per annum specified above based on a 360-day year of twelve 30-day months, payable on December 1, 2020 and semiannually thereafter on June 1 and December 1 and at maturity or upon the prior redemption thereof (each, an "Interest Payment Date"). This Bond shall bear interest from the latest of: (i) its Issue Date; (ii) the most recent Interest Payment Date to which interest has been paid or duly provided for, or (iii) if the date of authentication of this Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication.

As long as 2020 Series [A][B] Bonds are Book-Entry Bonds, principal of and premium, if any, and interest on the 2020 Series [A][B] Bonds shall be payable by wire transfer to the Securities Depository in lawful money of the United States of America.

If the 2020 Series [A][B] Bonds cease to be Book-Entry Bonds, principal of and premium, if any, on the 2020 Series [A][B] Bonds shall be payable when due upon presentation and surrender thereof at the Principal Office of U.S. Bank National Association, as trustee (the "Trustee") and interest shall be payable by first class mail on each interest payment date to the registered owners thereof as of the close of business on the Record Date; provided, however, that the registered owner of \$1,000,000 or more in aggregate principal amount of 2020 Series [A][B] Bonds may, at any time prior to a Record Date, give the Trustee written instructions for payment of such interest on each succeeding interest payment date by wire transfer. As used herein,

“Record Date” means the fifteenth day (whether or not a Business Day) of the month preceding such Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Commission, designated as “Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds” (the “Bonds”), of the series designated above, all of which are being issued pursuant to the County Transportation Commissions Act, being Division 12 of the Public Utilities Code of the State of California (Section 130000 *et seq.*) (the “Act”), Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 *et seq.*) (the “Refunding Bond Law”), and a Master Indenture, dated as of June 1, 2013 (the “Master Indenture”), as supplemented, including as supplemented by a Third Supplemental Indenture, dated as of April 1, 2020 (the “Third Supplemental Indenture”), each between the Commission and the Trustee. The Master Indenture, as supplemented and amended from time to time pursuant to its terms, including as supplemented by the Third Supplemental Indenture, is hereinafter referred to as the “Indenture.” Said authorized issue of Bonds is not limited in principal amount and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as in the Indenture provided. Capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Indenture.

THIS BOND IS A LIMITED OBLIGATION OF THE COMMISSION SECURED SOLELY BY THE TRUST ESTATE AS DEFINED AND PROVIDED IN THE INDENTURE AND THE COMMISSION IS NOT OBLIGATED TO PAY THIS BOND EXCEPT FROM SUCH TRUST ESTATE. THIS BOND DOES NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OF THE STATE OTHER THAN THE COMMISSION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA IS PLEDGED TO THE PAYMENT OF PRINCIPAL OR INTEREST OF THIS BOND.

Reference is hereby made to the Indenture, the Act and the Refunding Bond Law for a description of the terms on which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the Trust Estate and the rights of the registered owners of the Bonds and all the terms of the Indenture are hereby incorporated herein and constitute a contract between the Commission and the registered owner from time to time of this Bond, and to all the provisions thereof the registered owner of this Bond, by its acceptance hereof, consents and agrees. Additional Bonds may be issued and other indebtedness may be incurred on a parity with the Series of Bonds of which this Bond is a part, but only subject to the conditions and limitations contained in the Indenture.

This Bond is secured by and payable both as to principal and interest, and as to any premium upon the redemption hereof, solely from the Trust Estate as defined in the Indenture, subject only to the provisions of the Indenture permitting application thereof for the purposes and on the terms and conditions set forth therein, and the Commission is not obligated to pay this Bond except from said Trust Estate.

The Bonds of the Series of Bonds of which this Bond is a part shall be subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part (and if in part, in such order of maturity as the Commission shall specify and within a maturity by lot or by such other method as the Trustee determines to be fair and reasonable and in Authorized Denominations), on any date on or after June 1, 20[___], at the principal amount of such Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.

[The Bonds of the Series of Bonds of which this Bond is a part maturing on June 1, 20[___] shall be subject to mandatory redemption prior to their stated maturity, in part, from Sinking Fund Installments required by and as specified in the Indenture, at a redemption price equal to the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium, on June 1, 20[___] and June 1, 20[___].]

The rights and obligations of the Commission and of the holders and registered owners of the Bonds of the Series of Bonds of which this Bond is a part may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of Bonds.

This Bond is transferable or exchangeable as provided in the Indenture, only upon the Bond Register at the Principal Office of the Trustee, by the registered owner hereof in person, or by such owner's duly authorized attorney, upon surrender of this Bond at the Principal Office of the Trustee, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such owner's duly authorized attorney, and thereupon a new Bond or Bonds of the same series, maturity, interest rate, shall be issued to the transferee in exchange therefor as provided in the Indenture, upon payment of any charges therein prescribed.

The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner hereof for all purposes, including receiving payment of, or on account of, the principal of and premium and interest due hereon.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, the Act and the Refunding Bond Law, and that this Bond, together with all other indebtedness of the Commission secured by the Trust Estate, is within every debt and other limit prescribed by the Constitution and statutes of the State of California and the Act.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF the Riverside County Transportation Commission has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its duly authorized representatives all as of the Issue Date set forth above.

RIVERSIDE COUNTY
TRANSPORTATION COMMISSION

By: _____
Chair of the Board of Commissioners

(Seal)

Countersigned:

By: _____
Chief Financial Officer

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Bond is one of the 2020 Series [A][B] Bonds described in the within mentioned Indenture and was authenticated on the date set forth below.

Date of Authentication: _____

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

[DTC LEGEND]

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please Print or Type Name and Address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
TAX IDENTIFICATION NUMBER OF ASSIGNEE

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints

to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Signature:

(Signature of Assignor)

Notice: The signature on this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

Notice: Signature must be guaranteed by an eligible guarantor firm.

EXHIBIT B
NOTICE ADDRESSES

To the Commission:

Riverside County Transportation Commission
P.O. Box 12008
Riverside, California 92502
or
4080 Lemon Street, 3rd Floor
Riverside, CA 92501
Attention: Chief Financial Officer
Telephone: (951) 787-7141
Fax: (951) 787-7920

To the Trustee:

U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attention: Global Corporate Trust
Telephone: 213-615-6051
Fax: 213-615-6199

To the Rating Agencies:

S&P Global Ratings
55 Water Street, 38th Floor
New York, New York 10041
Telephone: 212-438-2000
Facsimile: 212-438-2157
Email: pubfin_structured@standardandpoors.com

Fitch Ratings
One State Street Plaza
New York, New York 10004
Telephone: [_____]
Facsimile: [_____]
Email: [_____]

SCHEDULE I
2013A REFUNDED BONDS & 2013-1 TIFIA SERIES REFUNDED BONDS

Riverside County Transportation Commission
Toll Revenue Senior Lien Bonds, 2013 Series A

Maturity Date (June 1)	Principal Amount	Interest Rate	CUSIP No.*	Redemption Price
---------------------------------------	-----------------------------	--------------------------	-------------------	-----------------------------

Riverside County Transportation Commission
Toll Revenue Subordinate Bonds, 2013 TIFIA Series

* CUSIP numbers provided above are provided for the convenience of the Trustee. The Commission is not responsible for the accuracy or completeness of any of the CUSIP numbers.

FOURTH SUPPLEMENTAL INDENTURE

between

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

and

**U.S. BANK NATIONAL ASSOCIATION,
as Trustee**

Dated as of April 1, 2020

Relating to the

**Riverside County Transportation Commission
Toll Revenue Second Lien Refunding Bonds,
2020 Series C**

**(Supplementing the Master Indenture
Dated as of June 1, 2013)**

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THIS FOURTH SUPPLEMENTAL INDENTURE, dated as of April 1, 2020 (this “Fourth Supplemental Indenture”), between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION, a public entity duly existing under the laws of the State of California (the “Commission”) and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as successor trustee (together with any successor thereto, the “Trustee”).

WITNESSETH:

WHEREAS, this Fourth Supplemental Indenture is supplemental to the Master Indenture, dated as of June 1, 2013 (as supplemented and amended from time to time pursuant to its terms, the “Indenture”), between the Commission and the Trustee;

WHEREAS, the Indenture provides that the Commission may issue Second Lien Obligations from time to time as authorized by a Supplemental Indenture, which Second Lien Obligations are to be secured by the Trust Estate in accordance with the Indenture; and

WHEREAS, the Commission desires to provide at this time for the issuance of Second Lien Obligations secured by the Trust Estate, such Bonds to be designated “Riverside County Transportation Commission Toll Revenue Second Lien Refunding Bonds, 2020 Series C” (the “2020 Series C Second Lien Bonds”) for the purposes of (i) refunding a portion of the Commission’s outstanding Toll Revenue Subordinate Bonds, 2013 TIFIA Series (the “2013-2 TIFIA Series Refunded Bonds”) by prepaying the 2013 TIFIA Loan Agreement in part (which together with the proceeds of the 2020 Series B Senior Bonds will prepay the 2013 TIFIA Loan Agreement in full), (ii) funding the required cash deposit to the 2020 Series C Second Lien Obligations Reserve Account, and (iii) paying the costs of issuance incurred in connection with the 2020 Series C Second Lien Bonds, all as provided in this Fourth Supplemental Indenture;

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE XXXI

DEFINITIONS

Section 31.01 Definitions.

(a) Definitions. Unless the context otherwise requires, or as otherwise provided in subsection (b) of this Section, all terms defined in the Indenture shall have the same meanings, respectively, in this Fourth Supplemental Indenture.

(b) Additional Definitions. Unless the context otherwise requires, the following terms shall, for all purposes of this Fourth Supplemental Indenture, have the following meanings:

“**Authorized Denominations**” means, with respect to the 2020 Series C Second Lien Bonds, \$5,000 principal amount and any integral multiple thereof.

“Fourth Supplemental Indenture” means this Fourth Supplemental Indenture, dated as of April 1, 2020.

“Interest Payment Date” means, with respect to the 2020 Series C Second Lien Bonds, June 1 and December 1 of each year until the redemption or maturity of such 2020 Series C Second Lien Bonds, commencing with December 1, 2020.

“Issue Date” means, with respect to the 2020 Series C Second Lien Bonds, the date on which the 2020 Series C Second Lien Bonds are first delivered to the purchasers thereof.

“Record Date” means, with respect to the 2020 Series C Second Lien Bonds, the fifteenth (15th) day (whether or not a Business Day) of the month preceding the month in which such Interest Payment Date occurs.

“Refunding Bond Law” means Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 *et seq.*).

“2013-2 TIFIA Series Refunded Bonds” means the portion of the outstanding Riverside County Transportation Commission Toll Revenue Subordinate Bonds, 2013 TIFIA Series identified on Schedule I hereto.

“2020 Series Bonds Continuing Disclosure Agreement” means the Continuing Disclosure Agreement, dated as of April 1, 2020, by and between the Commission and Digital Assurance Certification, L.L.C., as dissemination agent, relating to the 2020 Series Bonds.

“2020 Series C Second Lien Bonds” means the Riverside County Transportation Commission Toll Revenue Second Lien Refunding Bonds, 2020 Series C, authorized by Article XXXIII of this Indenture.

“2020 Series C Second Lien Bonds Costs of Issuance Account” means the 2020 Series C Second Lien Bonds Costs of Issuance Account established within the Second Lien Obligations Account within the Project Fund pursuant to Section 35.01.

“2020 Series C Second Lien Bonds Reserve Requirement” means, with respect to the 2020 Series C Second Lien Obligations Reserve Account Obligations, an amount, calculated as of the most recent Issue Date of 2020 Series C Second Lien Obligations Reserve Account Obligations, equal to the least of (i) Maximum Annual Debt Service on the Outstanding 2020 Series C Second Lien Obligations Reserve Account Obligations, (ii) one hundred twenty-five percent (125%) of average Annual Debt Service on the 2020 Series C Second Lien Obligations Reserve Account Obligations, or (iii) ten percent (10%) of the original principal amount of the 2020 Series C Second Lien Obligations Reserve Account Obligations with respect to all Outstanding 2020 Series C Second Lien Bonds.

“2020 Series C Second Lien Bonds Tax Certificate” shall mean that certain Tax Certificate executed on behalf of the Commission in connection with the issuance of the 2020 Series C Second Lien Bonds and relating to the requirements of the Code.

“2020 Series C Second Lien Obligations Reserve Account” means the 2020 Series C Second Lien Obligations Reserve Account established within the Second Lien Obligations Reserve Fund pursuant to Section 35.01.

“2020 Series C Second Lien Obligations Reserve Account Obligations” means the 2020 Series C Second Lien Bonds and any Second Lien Obligations that are designated as 2020 Series C Second Lien Obligations Reserve Account Obligations in the Supplemental Indenture providing for their issuance.

Section 31.02 Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons. Defined terms shall include any variant of the terms set forth in this Article XXXI.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this Fourth Supplemental Indenture, refer to the Indenture.

ARTICLE XXXII

FINDINGS, DETERMINATIONS AND DIRECTIONS

Section 32.01 Findings and Determinations. The Commission hereby finds and determines that the 2020 Series C Second Lien Bonds shall be issued pursuant to Article XXXIII hereof and upon the issuance of the 2020 Series C Second Lien Bonds, any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the issuance thereof, will exist, will have happened and will have been performed, in due time, form and manner, as required by the Constitution and statutes of the State.

Section 32.02 Recital in Bonds. There shall be included in each of the definitive 2020 Series C Second Lien Bonds, and also in each of the temporary 2020 Series C Second Lien Bonds, if any are issued, a certification and recital that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by that 2020 Series C Second Lien Bond, and in the issuing of that 2020 Series C Second Lien Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State, the Act and the Refunding Bond Law, and that said 2020 Series C Second Lien Bond, together with all other indebtedness of the Commission secured by the Trust Estate, is within every debt and other limit prescribed by the Constitution and statutes of the State, the Act and the Refunding Bond Law, and that such certification and recital shall be in such form as is set forth in the forms of the 2020 Series C Second Lien Bonds attached hereto as Exhibit A.

Section 32.03 Effect of Findings and Recital. From and after the issuance of the 2020 Series C Second Lien Bonds, the findings and determinations herein shall be conclusive evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the 2020 Series C Second Lien Bonds is at issue, and no bona fide

purchaser of any such 2020 Series C Second Lien Bond containing the certification and recital shall be required to see to the existence of any fact, or to the performance of any condition, or to the taking of any proceeding, required prior to such issuance, or to the application of the purchase price for such 2020 Series C Second Lien Bonds.

ARTICLE XXXIII

AUTHORIZATION OF 2020 SERIES C SECOND LIEN BONDS

Section 33.01 Principal Amount, Designation and Series. Pursuant to the provisions of this Indenture, the Act and the Refunding Bond Law, a Series of Second Lien Obligations entitled to the benefit, protection and security of such provisions, including without limitation the grant of the Trust Estate in the Indenture, is hereby authorized in the aggregate initial principal amount of \$[_____]. Such Second Lien Obligations shall be issued as fixed rate Current Interest Obligations and shall be designated as, and shall be distinguished from the Second Lien Obligations of all other Series by the title, “Riverside County Transportation Commission Toll Revenue Second Lien Refunding Bonds, 2020 Series C.”

Section 33.02 Purpose. The 2020 Series C Second Lien Bonds are issued for the purposes of (i) refunding the 2013-2 TIFIA Series Refunded Bonds by prepaying the 2013 TIFIA Loan Agreement in part (which together with the proceeds of the 2020 Series B Senior Bonds will prepay the 2013 TIFIA Loan Agreement in full), (ii) funding the required cash deposit to the 2020 Series C Second Lien Obligations Reserve Account, and (iii) paying the costs of issuance incurred in connection with the 2020 Series C Second Lien Bonds.

Section 33.03 Form, Denomination, Numbers and Letters. The 2020 Series C Second Lien Bonds shall be issued as Book-Entry Bonds in fully registered form in Authorized Denominations and shall be numbered by Series from one upward in consecutive numerical order preceded by the letter “R” prefixed to the number. The 2020 Series C Second Lien Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of the 2020 Series C Second Lien Bonds and as the form of the certificate of authentication.

Section 33.04 Date, Maturities and Interest Rates.

(a) The 2020 Series C Second Lien Bonds shall be issued as fixed rate Current Interest Obligations in the aggregate principal amount of \$[_____]. The 2020 Series C Second Lien Bonds shall be dated their Issue Date, shall bear interest from that date, payable on December 1, 2020, and semiannually thereafter on June 1 and December 1 of each year, at the following rates per annum, computed on the basis of a 360-day year comprised of twelve 30-day months, and shall mature on June 1 in the following years and in the following amounts:

<u>Maturity Date</u> <u>(June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%
*		

*Term Bond Final Maturity

(b) Interest on the 2020 Series C Second Lien Bond shall be payable to the Owner thereof from the latest of: (i) its Issue Date; (ii) the most recent Interest Payment Date to which interest has been paid thereon or duly provided for, or (iii) if the date of authentication of such Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication.

(c) As long as the 2020 Series C Second Lien Bonds are Book-Entry Bonds, principal of and premium, if any, and interest on the 2020 Series C Second Lien Bonds shall be payable by wire transfer to the Securities Depository in lawful money of the United States of America.

(d) If the 2020 Series C Second Lien Bonds cease to be Book-Entry Bonds, principal of and premium, if any, on the 2020 Series C Second Lien Bonds shall be payable when due upon presentation and surrender thereof at the Principal Office of the Trustee and interest shall be payable by first class mail on each interest payment date to the Owners thereof as of the close of business on the Record Date; provided, however, that Owners of \$1,000,000 or more in aggregate principal amount of 2020 Series C Second Lien Bonds may, at any time prior to a Record Date, give the Trustee written instructions for payment of such interest on each succeeding interest payment date by wire transfer.

Section 33.05 Conditions to Delivery of 2020 Series C Second Lien Bonds.

Each of the 2020 Series C Second Lien Bonds shall be executed and delivered as authorized by this Fourth Supplemental Indenture and the Indenture, including Article II thereof, upon the receipt of payment therefor from the purchaser thereof.

Section 33.06 Disposition of Proceeds of 2020 Series C Second Lien Bonds.

The net proceeds from the sale of the 2020 Series C Second Lien Bonds in the amount of \$[] shall be received by the Trustee and deposited by the Trustee as follows:

(a) \$[] into the 2020 Series C Second Lien Bonds Costs of Issuance Account;

(b) \$[], representing the 2020 Series C Second Lien Bonds Reserve Requirement at the time of issuance of the 2020 Series C Second Lien Bonds, into the 2020 Series C Second Lien Obligations Reserve Account; and

(c) the remaining amount of \$[] shall be immediately transferred to the TIFIA Lender for prepayment of the 2013 TIFIA Loan Agreement. Such amount, together with a portion of the proceeds from the 2020 Series B Senior Bonds and certain funds on deposit

in the Subordinate Obligations Reserve Account (2013 TIFIA Loan), as set forth in Section 26.06(f) and Section 33.07, will be applied to optionally prepay the 2013 TIFIA Loan Agreement in full.

Section 33.07 Transfer of Funds from Subordinate Obligations Reserve Account (2013 TIFIA Loan). Upon the Issue Date, the Trustee shall transfer the amount of \$[_____] from the Subordinate Obligations Reserve Account (2013 TIFIA Loan) to the TIFIA Lender for prepayment of the 2013 TIFIA Loan Agreement. Such funds from the Subordinate Obligations Reserve Account (2013 TIFIA Loan), together with a portion of the proceeds from the 2020 Series B Senior Bonds pursuant to Section 26.06(f) and a portion of the proceeds from the 2020 Series C Second Lien Bonds pursuant to Section 33.06(c), will be applied to optionally prepay the 2013 TIFIA Loan Agreement in full.

ARTICLE XXXIV

REDEMPTION OF 2020 SERIES C SECOND LIEN BONDS

Section 34.01 Optional Redemption of 2020 Series C Second Lien Bonds.

(a) The 2020 Series C Second Lien Bonds shall be subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part, on any date on or after June 1, 20[___] at the principal amount of 2020 Series C Second Lien Bonds called for redemption plus accrued interest to the date fixed for redemption, without premium.

The Commission shall give the Trustee written notice at least twenty (20) days (or such lesser time period acceptable to the Trustee) before any date fixed for the redemption of the 2020 Series C Second Lien Bonds to be redeemed pursuant to this subsection (a), designating the maturity or maturities of the 2020 Series C Second Lien Bonds to be redeemed, the portions thereof to be redeemed and the fact and date of such redemption.

(b) Any optional redemption of 2020 Series C Second Lien Bonds and notice thereof shall be rescinded and cancelled pursuant to the provisions of Section 4.03 if for any reason on the date fixed for redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the 2020 Series C Second Lien Bonds called for redemption.

Section 34.02 Mandatory Redemption of 2020 Series C Second Lien Bonds From Sinking Fund Installments.

(a) The 2020 Series C Second Lien Bonds maturing on June 1, 20[___] shall also be subject to mandatory redemption prior to their respective stated maturities, in part, from Sinking Fund Installments on each June 1 a Sinking Fund Installment is due as specified in Section 34.02(b), in the principal amount equal to the Sinking Fund Installment due on such date

and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium.

(b) The Sinking Fund Installments for the 2020 Second Lien Series C Term Bond maturing on June 1, 20[___] shall be due in the amounts and on the dates as follows:

<u>Sinking Fund Installment Dates (June 1)</u>	<u>Sinking Fund Installments</u>
*	\$
<hr/>	
*Final Maturity	

On or before the date such Sinking Fund Installments are due, the Trustee shall deposit such amounts to the Principal Account and amounts so transferred shall be applied as provided in Section 5.02 and this Section 34.02.

Section 34.03 Selection of 2020 Series C Second Lien Bonds for Redemption. The Commission shall designate which maturities of 2020 Series C Second Lien Bonds are to be called for redemption pursuant to Section 34.01. In the event 2020 Series C Second Lien Bonds which are Term Bonds are designated for redemption, the Commission may designate the Sinking Fund Installments under Section 34.02, or portions thereof, that are to be reduced as allocated to such redemption. The Trustee shall promptly notify the Commission in writing of the 2020 Series C Second Lien Bonds so selected for redemption.

If less than all of the 2020 Series C Second Lien Bonds of a maturity are called for prior redemption, the Trustee shall select the 2020 Series C Second Lien Bonds of such maturity to be redeemed, from the Outstanding 2020 Series C Second Lien Bonds of such maturity not previously called for redemption, in minimum denominations of \$5,000 (of principal), by lot in any manner which the Trustee in its sole discretion shall deem appropriate.

Section 34.04 Purchase in Lieu of Redemption. In lieu of mandatory redemption from Sinking Fund Installments, the Commission may surrender to the Trustee for cancellation 2020 Series C Second Lien Bonds that are Term Bonds purchased on the open market and such 2020 Series C Second Lien Bonds that are Term Bonds shall be cancelled by the Trustee. If any 2020 Series C Second Lien Bonds that are Term Bonds are so cancelled, the Commission may designate the Sinking Fund Installments or portions thereof that are to be reduced as allocated to such cancellation.

ARTICLE XXXV

ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF

Section 35.01 Funds and Accounts. To ensure the proper application of such portion of proceeds from the sale of the 2020 Series C Second Lien Bonds to be applied to pay

Costs of Issuance of the 2020 Series C Second Lien Bonds, there is hereby established the 2020 Series C Second Lien Bonds Costs of Issuance Account, which shall be held by the Trustee. To ensure the proper application of such proceeds from the sale of the 2020 Series C Second Lien Bonds to be applied to satisfy the 2020 Series C Second Lien Bonds Reserve Requirement, there is hereby established the 2020 Series C Second Lien Obligations Reserve Account within the Second Lien Obligations Reserve Fund, such account to be held by the Trustee.

Section 35.02 2020 Series C Second Lien Bonds Costs of Issuance Account.

The proceeds of the 2020 Series C Second Lien Bonds set aside and placed in the 2020 Series C Second Lien Bonds Costs of Issuance Account shall remain therein until October 1, 2020 and expended for the purpose of paying the Costs of Issuance of the 2020 Series C Second Lien Bonds. Before any payment from the 2020 Series C Second Lien Bonds Costs of Issuance Account shall be made by the Trustee, the Commission shall file or cause to be filed with the Trustee a requisition of the Commission (each a "Requisition"), such Requisition to be signed by an Authorized Representative and to include: (i) the item number of such payment; (ii) the name and address of, or name and wiring instructions for, the person to whom each such payment is due, which may be the Commission in the case of reimbursement for costs theretofore paid by the Commission; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; and (v) that obligations in the stated amounts have been incurred by the Commission and are presently due and payable and that each item thereof is a proper charge against the 2020 Series C Second Lien Bonds Costs of Issuance Account and has not been previously paid from said account. On October 1, 2020, any amounts remaining in the 2020 Series C Second Lien Bonds Costs of Issuance Account shall be transferred to the Toll Revenue Fund and the 2020 Series C Second Lien Bonds Costs of Issuance Account shall be closed.

Section 35.03 2020 Series C Second Lien Obligations Reserve Account. The monies set aside and placed in the 2020 Series C Second Lien Obligations Reserve Account on account of the 2020 Series C Second Lien Bonds Reserve Requirement shall be held solely for the benefit of the 2020 Series C Second Lien Obligations Reserve Account Obligations, and shall be used, withdrawn, and replenished as provided herein and in Sections 5.03 and 5.08. If, on any date of valuation of Permitted Investments credited to the 2020 Series C Second Lien Obligations Reserve Account pursuant to Section 5.23, the amount on deposit in the 2020 Series C Second Lien Obligations Reserve Account exceeds the 2020 Series C Second Lien Bonds Reserve Requirement as of such date, the Trustee shall transfer such excess amount to the Toll Revenue Fund.

ARTICLE XXXVI

MISCELLANEOUS

Section 36.01 Severability. If any covenant, agreement or provision, or any portion thereof, contained in this Fourth Supplemental Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this Fourth Supplemental Indenture, and the application of any such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Fourth Supplemental Indenture shall remain valid.

Section 36.02 Parties Interested Herein. Nothing in this Fourth Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Commission, the Trustee, and the Owners of the 2020 Series C Second Lien Bonds, any right, remedy or claim under or by reason of this Fourth Supplemental Indenture or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this Fourth Supplemental Indenture contained by and on behalf of the Commission shall be for the sole and exclusive benefit of the Commission, the Trustee, and the Owners.

Section 36.03 Headings Not Binding. The headings in this Fourth Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Fourth Supplemental Indenture.

Section 36.04 Notice Addresses. Except as otherwise provided herein, it shall be sufficient service or giving of notice, request, complaint, demand or other paper if the same shall be duly mailed by registered or certified mail, postage prepaid, addressed to the Notice Address for the appropriate party or parties as provided in Exhibit B hereto. Any such entity by notice given hereunder may designate any different addresses to which subsequent notices, certificates or other communications shall be sent, but no notice directed to any one such entity shall be thereby required to be sent to more than two addresses.

Section 36.05 Notices to Rating Agencies. The Trustee shall provide notice to the Rating Agencies of the following events with respect to the 2020 Series C Second Lien Bonds:

- (a) Change in Trustee;
- (b) Amendments to the Indenture; and
- (c) Redemption or defeasance of the 2020 Series C Second Lien Bonds.

Section 36.06 Indenture to Remain in Effect. Save and except as amended and supplemented by this Fourth Supplemental Indenture, the Master Indenture shall remain in full force and effect.

Section 36.07 Effective Date of Fourth Supplemental Indenture. This Fourth Supplemental Indenture shall take effect upon its execution and delivery.

Section 36.08 Execution in Counterparts. This Fourth Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Supplemental Indenture by their officers thereunto duly authorized as of the day and year first written above.

RIVERSIDE COUNTY
TRANSPORTATION COMMISSION

By: _____
Executive Director

Countersigned:

Clerk of the Board

APPROVED AS TO FORM:

By: _____
General Counsel

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

EXHIBIT A
FORM OF 2020 SERIES C SECOND LIEN BOND

No. R-- A-_____

\$_____

Riverside County Transportation Commission
Toll Revenue Second Lien Refunding Bond
(Current Interest Obligation), 2020 Series C

INTEREST RATE	MATURITY DATE	ISSUE DATE	CUSIP
	June 1, 20[___]	[____], 2020	

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: _____ Dollars

RIVERSIDE COUNTY TRANSPORTATION COMMISSION, a public entity duly organized and existing under the laws of the State of California (the “Commission”), for value received, hereby promises to pay (but solely from the Trust Estate as hereinafter referred to) in lawful money of the United States of America, to the registered owner or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount specified above, together with interest thereon until the principal hereof shall have been paid, at the interest rate per annum specified above based on a 360-day year of twelve 30-day months, payable on December 1, 2020 and semiannually thereafter on June 1 and December 1 and at maturity or upon the prior redemption thereof (each, an “Interest Payment Date”). This Bond shall bear interest from the latest of: (i) its Issue Date; (ii) the most recent Interest Payment Date to which interest has been paid or duly provided for, or (iii) if the date of authentication of this Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication.

As long as 2020 Series C Bonds are Book-Entry Bonds, principal of and premium, if any, and interest on the 2020 Series C Bonds shall be payable by wire transfer to the Securities Depository in lawful money of the United States of America.

If the 2020 Series C Bonds cease to be Book-Entry Bonds, principal of and premium, if any, on the 2020 Series C Bonds shall be payable when due upon presentation and surrender thereof at the Principal Office of U.S. Bank National Association, as trustee (the “Trustee”) and interest shall be payable by first class mail on each interest payment date to the registered owners thereof as of the close of business on the Record Date; provided, however, that the registered owner of \$1,000,000 or more in aggregate principal amount of 2020 Series C Bonds may, at any time prior to a Record Date, give the Trustee written instructions for payment of such interest on each succeeding interest payment date by wire transfer. As used herein, “Record Date” means the fifteenth day (whether or not a Business Day) of the month preceding such Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Commission, designated as “Riverside County Transportation Commission Toll Revenue Second Lien Refunding Bonds” (the “Bonds”), of the series designated above, all of which are being issued pursuant to the County

Transportation Commissions Act, being Division 12 of the Public Utilities Code of the State of California (Section 130000 *et seq.*) (the “Act”), Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 *et seq.*) (the “Refunding Bond Law”), and a Master Indenture, dated as of June 1, 2013 (the “Master Indenture”), as supplemented, including as supplemented by a Fourth Supplemental Indenture, dated as of April 1, 2020 (the “Fourth Supplemental Indenture”), each between the Commission and the Trustee. The Master Indenture, as supplemented and amended from time to time pursuant to its terms, including as supplemented by the Fourth Supplemental Indenture, is hereinafter referred to as the “Indenture.” Said authorized issue of Bonds is not limited in principal amount and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as in the Indenture provided. Capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Indenture.

THIS BOND IS A LIMITED OBLIGATION OF THE COMMISSION SECURED SOLELY BY THE TRUST ESTATE AS DEFINED AND PROVIDED IN THE INDENTURE AND THE COMMISSION IS NOT OBLIGATED TO PAY THIS BOND EXCEPT FROM SUCH TRUST ESTATE. THIS BOND DOES NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OF THE STATE OTHER THAN THE COMMISSION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA IS PLEDGED TO THE PAYMENT OF PRINCIPAL OR INTEREST OF THIS BOND.

Reference is hereby made to the Indenture, the Act and the Refunding Bond Law for a description of the terms on which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the Trust Estate and the rights of the registered owners of the Bonds and all the terms of the Indenture are hereby incorporated herein and constitute a contract between the Commission and the registered owner from time to time of this Bond, and to all the provisions thereof the registered owner of this Bond, by its acceptance hereof, consents and agrees. Additional Bonds may be issued and other indebtedness may be incurred on a parity with the Series of Bonds of which this Bond is a part, but only subject to the conditions and limitations contained in the Indenture.

This Bond is secured by and payable both as to principal and interest, and as to any premium upon the redemption hereof, solely from the Trust Estate as defined in the Indenture, subject only to the provisions of the Indenture permitting application thereof for the purposes and on the terms and conditions set forth therein, and the Commission is not obligated to pay this Bond except from said Trust Estate.

The Bonds of the Series of Bonds of which this Bond is a part shall be subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part (and if in part, in such order of maturity as the Commission shall specify and within a maturity by lot or by such other method as the Trustee determines to be fair and reasonable and in Authorized Denominations), on any date on or after June 1, 20[___], at the principal amount of such Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.

[The Bonds of the Series of Bonds of which this Bond is a part maturing on June 1, 20[___] shall be subject to mandatory redemption prior to their stated maturity, in part, from Sinking Fund Installments required by and as specified in the Indenture, at a redemption price equal to the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium, on June 1, 20[___] and June 1, 20[___].]

The rights and obligations of the Commission and of the holders and registered owners of the Bonds of the Series of Bonds of which this Bond is a part may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of Bonds.

This Bond is transferable or exchangeable as provided in the Indenture, only upon the Bond Register at the Principal Office of the Trustee, by the registered owner hereof in person, or by such owner's duly authorized attorney, upon surrender of this Bond at the Principal Office of the Trustee, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such owner's duly authorized attorney, and thereupon a new Bond or Bonds of the same series, maturity, interest rate, shall be issued to the transferee in exchange therefor as provided in the Indenture, upon payment of any charges therein prescribed.

The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner hereof for all purposes, including receiving payment of, or on account of, the principal of and premium and interest due hereon.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, the Act and the Refunding Bond Law, and that this Bond, together with all other indebtedness of the Commission secured by the Trust Estate, is within every debt and other limit prescribed by the Constitution and statutes of the State of California and the Act.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF the Riverside County Transportation Commission has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its duly authorized representatives all as of the Issue Date set forth above.

RIVERSIDE COUNTY
TRANSPORTATION COMMISSION

By: _____
Chair of the Board of Commissioners

(Seal)

Countersigned:

By: _____
Chief Financial Officer

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Bond is one of the 2020 Series C Bonds described in the within mentioned Indenture and was authenticated on the date set forth below.

Date of Authentication: _____

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

[DTC LEGEND]

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please Print or Type Name and Address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
TAX IDENTIFICATION NUMBER OF ASSIGNEE

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints

to transfer the within Bond on the books kept for registration thereof with full power of
substitution in the premises

Dated:

Signature:

(Signature of Assignor)

Notice: The signature on this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

Notice: Signature must be guaranteed by an eligible guarantor firm.

EXHIBIT B
NOTICE ADDRESSES

To the Commission:

Riverside County Transportation Commission
P.O. Box 12008
Riverside, California 92502
or
4080 Lemon Street, 3rd Floor
Riverside, CA 92501
Attention: Chief Financial Officer
Telephone: (951) 787-7141
Fax: (951) 787-7920

To the Trustee:

U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attention: Global Corporate Trust
Telephone: 213-615-6051
Fax: 213-615-6199

To the Rating Agencies:

S&P Global Ratings
55 Water Street, 38th Floor
New York, New York 10041
Telephone: 212-438-2000
Facsimile: 212-438-2157
Email: pubfin_structured@standardandpoors.com

Fitch Ratings
One State Street Plaza
New York, New York 10004
Telephone: [_____]
Facsimile: [_____]
Email: [_____]

SCHEDULE I – 2013-2 TIFIA SERIES REFUNDED BONDS

**Riverside County Transportation Commission
Toll Revenue Subordinate Bonds, 2013 TIFIA Series**

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

\$ _____
**Toll Revenue Senior Lien Refunding Bonds,
 2020 Series A (Federally Taxable)**

\$ _____
**Toll Revenue Senior Lien Refunding Bonds,
 2020 Series B**

\$ _____
**Toll Revenue Second Lien Refunding Bonds,
 2020 Series C**

BOND PURCHASE AGREEMENT

_____, 2020

Riverside County Transportation Commission
 P.O. Box 12008
 Riverside, California 92502

Ladies and Gentlemen:

The undersigned, BofA Securities, Inc., as representative (the “Representative”), acting on behalf of itself and the underwriters listed in Exhibit A hereto, (collectively, the “Underwriters”), offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the Riverside County Transportation Commission (the “Commission”), for the purchase by the Underwriters of its Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable) (the “2020 Series A Senior Bonds”), its Toll Revenue Senior Lien Refunding Bonds, 2020 Series B (the “2020 Series B Senior Bonds” and, together with the 2020 Series A Senior Bonds, the “2020 Senior Lien Bonds”), and its Toll Revenue Second Lien Refunding Bonds, 2020 Series C (the “2020 Series C Second Lien Bonds”). The 2020 Senior Lien Bonds and the 2020 Series C Second Lien Bonds are referred to herein collectively as the “Series 2020 Bonds.” The 2020 Series B Senior Bonds and the 2020 Series C Second Lien Bonds are referred to herein as the “2020 Tax-Exempt Bonds.”

The Series 2020 Bonds will be issued pursuant to the Master Indenture, dated as of June 1, 2013 (the “Master Indenture”), as amended and supplemented by the First Supplemental Indenture, dated as of June 1, 2013 (the “First Supplemental Indenture”), the Second Supplemental Indenture, dated as of June 1, 2013 (the “Second Supplemental Indenture”), the Third Supplemental Indenture, dated as of April 1, 2020 (the “Third Supplemental Indenture”), and the Fourth Supplemental Indenture, dated as of April 1, 2020 (the “Fourth Supplemental Indenture” and, together with the Master Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the “Indenture”), by and between the Commission and U.S. Bank National Association, as successor trustee (the “Trustee”), as the same may be amended or supplemented from time to time in accordance with the terms of the Master Indenture. The offer made hereby is subject to its written acceptance by the Commission, and delivery of an executed counterpart of this Purchase Agreement to us at or before 11:59 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice from the Representative delivered to the Commission’s Executive Director or Chief Financial Officer at any time before acceptance. Upon acceptance, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Commission and the Underwriters.

All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Official Statement (as defined herein).

The Underwriters have designated BofA Securities, Inc. as their Representative. The undersigned represent that they have been duly authorized by the Underwriters to execute this Purchase Agreement.

The proceeds of the 2020 Series A Senior Bonds will be used to (i) refund all of the Commission's outstanding Toll Revenue Senior Lien Bonds, 2013 Series A, (ii) fund capitalized interest on the 2020 Series A Senior Bonds, (iii) make a deposit to the 2013 Bonds Reserve Account, and (iv) pay certain costs of issuance of the 2020 Series A Senior Bonds, as described herein. The proceeds of the 2020 Series B Senior Bonds will be used to (i) refund a portion of the Commission's outstanding Toll Revenue Subordinate Bonds, 2013 TIFIA Series (the "Subordinate TIFIA Bonds") by prepaying part of the TIFIA Loan Agreement (as defined in the Official Statement), (ii) fund the required deposit to the 2020 Series B Senior Lien Obligations Reserve Account through a cash deposit, and (iii) pay certain costs of issuance of the 2020 Series B Senior Bonds, as described herein. The proceeds of the 2020 Series C Second Lien Bonds will be used to (i) refund a portion of the Commission's outstanding Subordinate TIFIA Bonds by prepaying part of the TIFIA Loan Agreement (which, together with the proceeds of the 2020 Series B Senior Bonds, will prepay the TIFIA Loan Agreement in full), (ii) fund the required deposit to the 2020 Series C Second Lien Obligations Reserve Account through a cash deposit, and (iii) pay certain costs of issuance of the 2020 Series C Second Lien Bonds, all as more particularly described in the Official Statement.

In order to assist the Underwriters in complying with Rule 15c2-12 (as hereinafter defined), the Commission will undertake, pursuant to the Indenture and a Continuing Disclosure Agreement with Digital Assurance Certification, L.L.C. dated as of April 1, 2020 (the "Continuing Disclosure Agreement"), to provide certain annual financial information and notices of the occurrence of certain specified events. A description of this undertaking is set forth in, and a form of the Continuing Disclosure Agreement is attached as Appendix F to the Preliminary Official Statement and the Official Statement.

In connection with the refunding of the Toll Revenue Senior Lien Bonds, 2013 Series A, the Commission and U.S. Bank National Association, as escrow agent (the "Escrow Agent"), will enter into an Escrow Agreement, dated as of April 1, 2020 (the "Escrow Agreement").

1. On the basis of the representations, warranties and covenants and upon the terms and conditions set forth in this Purchase Agreement, the Underwriters hereby agree to purchase and the Commission hereby agrees to issue and cause the Trustee to authenticate and deliver to the Underwriters all (but not less than all) of the Series 2020 Bonds. The Series 2020 Bonds shall be dated the Closing Date. The Underwriters agree to (i) purchase the 2020 Series A Senior Bonds at the aggregate purchase price of \$_____ (consisting of the aggregate principal amount of the 2020 Senior Lien Bonds, less \$_____ Underwriters' discount) (ii) and purchase the 2020 Series B Senior Lien Bonds at the aggregate purchase price of \$_____ (consisting of the aggregate principal amount of the 2020 Series B Senior Lien Bonds, plus an original issue premium of \$_____ and less \$_____ Underwriters' discount), and (iii) purchase the 2020 Series C Second Lien Bonds at the aggregate purchase price of \$_____ (consisting of the aggregate principal amount of the 2020 Series C Second Lien Bonds, plus an original issue premium of \$_____ and less \$_____ Underwriters' discount).

The Series 2020 Bonds mature in the years and principal amounts and bear interest at the rates, and shall be subject to redemption, all as set forth in Exhibit B hereto and shall be substantially in the form described in the Indenture, and shall be issued and secured under the provisions of and shall be payable and subject to redemption as provided in the Indenture.

The Series 2020 Bonds constitute special, limited obligations of the Commission secured by and payable solely from a first lien on, pledge of, and security interest in the Revenue, which consists primarily of Toll Revenues of the Toll Road, subject to the provisions of the Indenture permitting the application thereof for the purposes described therein.

In connection with the issuance of the Bonds, the Commission will enter into the following agreements: (collectively, the “Bond Documents”):

- (i) this Purchase Agreement;
- (ii) the Continuing Disclosure Agreement;
- (iii) the Indenture;
- (iv) the Escrow Agreement;

In connection with the construction and/or operation of the RCTC Express Lanes (as defined in the Official Statement), the Commission has previously entered into the following agreements (collectively, the “Existing Agreements”):

(i) the High Profile Project Agreement, dated June 18, 2013, among the Federal Highway Administration, the Commission and the California Department of Transportation (“Caltrans”)(the “HPPA”);

(ii) the Cooperative Agreement, dated December 16, 2011, between the Commission and the Orange County Transportation Authority (the “OCTA/RCTC Cooperative Agreement”);]

(iii) the Toll Facility Agreement, dated May 14, 2012, as amended May 1, 2018 between the Commission and Caltrans (the “Toll Facility Agreement”);

(iv) the SR-91 Express Lanes Operating Agreement, dated May 24, 2013, as amended, including as amended by Amendment No. 5, dated July 1, 2019, by and among the Commission, OCTA and Cofiroute USA LLC (“Cofiroute”) (the “ORCOA”)

(v) the Toll Services Provider Agreement, dated January 26, 2017, between the Commission and Kapsch Inc. (“Kapsch”) (the “Toll Services Provider Agreement”);

(vi) the Agreement between the Commission and Riverside County, dated June 5, 2012 (the “Riverside County Agreement”); and

(vii) the Cooperative Agreement, dated November 9, 2011, between the Commission and the City of Corona (the “Corona Cooperative Agreement”).

2. Issue Price.

(a) The Representative, on behalf of the Underwriters, agrees to assist the Commission in establishing the issue price of the Tax-Exempt Bonds and shall execute and deliver to the Commission at Closing an “issue price” or similar certificate, substantially in the form attached hereto as Exhibit F, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Representative, the Commission and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Tax-Exempt Bonds.

(b) [Except for the Hold-the-Price Maturities (defined below),] the Commission represents that it will treat the first price at which 10% of each maturity of the Tax-Exempt Bonds (the “10% Test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). Maturities with respect to which the 10% Test has been satisfied as of the date of this Purchase Agreement are referred to herein as “10% Test Maturities.” At or promptly after the execution of this Purchase Agreement, the Representative shall report to the Commission the price or prices at which the Underwriters have sold to the public each maturity of Bonds.

(c) The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Exhibit B attached hereto, except as otherwise set forth therein. Exhibit B also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Tax-Exempt Bonds for which the 10% Test has not been satisfied (the “Hold-the-Price Maturities”) and for which the Commission and the Representative, on behalf of the Underwriters, agrees that the restrictions set forth in the next sentence shall apply, which will allow the Commission to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Tax-Exempt Bonds, the Underwriters will neither offer nor sell unsold Tax-Exempt Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public.]

(d) The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allocated to it until either all Tax-Exempt Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% Test has been satisfied as to the Tax-Exempt Bonds of that maturity and (ii) to comply with

the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(B) to promptly notify the Representative of any sales of Tax-Exempt Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Tax-Exempt Bonds to the public (each such term being used as defined below),

(C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters and any selling group agreement relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Tax-Exempt Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allocated to it until either all Tax-Exempt Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such Underwriter that the 10% Test has been satisfied as to the Tax-Exempt Bonds of that maturity and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

The Commission acknowledges that, in making the representations set forth in this section, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires, and if applicable, certificates in the form attached hereto as Schedule C to Exhibit F executed by such Underwriter. The Commission further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement to comply with its agreement regarding the requirements for establishing issue price of the Tax-Exempt Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Tax-Exempt Bonds, including, but

not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Tax-Exempt Bonds.

(e) The Underwriters acknowledge that sales of any Tax-Exempt Bonds to any person that is a related party to an underwriter participating in the initial sale of the Tax-Exempt Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party to an underwriter,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Commission (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Tax-Exempt Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Tax-Exempt Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Tax-Exempt Bonds to the public),
- (iii) a purchaser of any of the Tax-Exempt Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Purchase Agreement by all parties.

3. The Commission has delivered or caused to be delivered to the Underwriters prior to the execution of this Purchase Agreement, copies of the Preliminary Official Statement dated ____, 2020, relating to the Series 2020 Bonds (the “Preliminary Official Statement”). The Commission ratifies, confirms and approves the use and distribution by the Underwriters of the Preliminary Official Statement, in connection with the sale of the Series 2020 Bonds. The Commission deems such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (“Rule 15c2-12”) except for information allowed to be omitted by Rule 15c2-12. Within seven (7) business days from the date hereof and in any event not less than two days prior to the date of Closing (as defined below), the Commission shall deliver to the Underwriters a final Official Statement, executed on behalf of the Commission by an authorized representative of the Commission and dated the date hereof, which shall be in the form of the Preliminary Official Statement with only those changes necessary to reflect information permitted to be omitted by paragraph (b)(1) of Rule 15c2-12, and such other amendments or supplements as shall have been approved by the Commission and the Underwriters and such additional conformed copies

thereof (in “designated electronic format,” as defined in MSRB Rule G-32) as the Underwriters may reasonably request in sufficient quantities to comply with Rule 15c2-12 and to meet potential customer requests for copies of the Official Statement. The Official Statement, including the cover page, the appendices thereto and all information incorporated therein by reference is hereinafter referred collectively to as the “Official Statement.”

The Representative agrees to (1) provide the Commission with final pricing information on the Series 2020 Bonds on a timely basis, (2) disseminate to the Underwriters copies of the final Official Statement, including any supplements prepared by the Commission, and (3) promptly file a copy of the final Official Statement, including any supplements prepared by the Commission, with the Municipal Securities Rulemaking Board.

4. The Closing. At 9:00 a.m., California time, on April __, 2020, or at such other time or on such other date as the Commission and the Representative may agree (the “Closing Date”), the Commission, following the receipt by the Trustee of the purchase price from the Underwriters, shall deliver, or cause to be delivered, the Series 2020 Bonds in book-entry form through the Trustee via the F.A.S.T. delivery book-entry system of The Depository Trust Company (“DTC”) to the Underwriters. The Representative, on behalf of the Underwriters, will pay the aggregate purchase price set forth in paragraph 1 hereof, in immediately available funds to or on the order of the Commission and accept such delivery. Concurrently with the delivery of the Series 2020 Bonds to the Underwriters, the Commission will deliver the documents hereinafter mentioned at the offices of Orrick, Herrington & Sutcliffe LLP, San Francisco, California (“Bond Counsel”) or another place to be mutually agreed upon by the Commission and the Representative. This payment for and delivery of the Series 2020 Bonds, together with the delivery of the aforementioned documents, is herein called the “Closing.”

5. Representations, Warranties and Covenants. The Commission represents, warrants and covenants to the Underwriters (and it shall be a condition of the obligation of the Underwriters to purchase and accept delivery of the Series 2020 Bonds) that the representations and warranties contained herein shall be true and correct on the date hereof and at the Closing Date, as if made on and at the Closing. The Commission so represents and warrants that:

(a) the Commission is, and will be on the date of Closing, a county transportation commission organized and existing under the laws of the State, with full legal right, power and authority to cause the execution, sale and delivery of the Series 2020 Bonds, to execute, deliver and perform its obligations under the Bond Documents and the Existing Agreements, and to carry out and consummate all other transactions contemplated by each of the aforesaid and to execute and deliver the Official Statement;

(b) (i) the Preliminary Official Statement, excluding therefrom the information under the caption “UNDERWRITING” and information concerning DTC and the book-entry system and information permitted to be omitted from the Preliminary Official Statement under Rule 15c2-12 (collectively, the “POS Excluded Information”) as to which no representation or warranties are made did not as of its date contain any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (ii) the Preliminary Official Statement, excluding therefrom the POS Excluded Information does not as of the date of this Purchase Agreement contain any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(c) the Official Statement (excluding therefrom the information under the caption “UNDERWRITING,” reoffering prices and yields and information concerning DTC and the book-entry system (the “OS Excluded Information”) as to which no representations or warranties are made), in the form delivered to the Underwriters, does not, as of the date hereof, and will not at the time of Closing (if supplemented or amended prior to the Closing, then as so supplemented or amended), contain any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(d) the Series 2020 Bonds, the Indenture, and the Bond Documents conform in all material respects to the descriptions thereof contained in the Official Statement;

(e) when delivered to and paid for by the Underwriters on the Closing Date in accordance with the provisions of this Purchase Agreement, the Series 2020 Bonds will have been duly authorized, executed and delivered and will constitute valid and binding limited obligations of the Commission in conformity with and entitled to the benefit and security of the Indenture, except as enforcement of such obligations may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State of California;

(f) the Commission, by all necessary official action prior to or concurrently with the acceptance hereof, has duly authorized the execution and delivery of the Bond Documents and the Official Statement, and the Bond Documents, when executed and delivered, assuming due authorization, execution and delivery by the other parties thereto, will constitute the legally valid and binding obligations of the Commission enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;

(g) the Commission is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States of America or any applicable judgment, decree, resolution, contract or other instrument or any agreement to which the Commission is a party or is otherwise subject the breach of which would materially affect its ability to perform its obligations under the Bond Documents and the Existing Agreements, and the execution and delivery of the Series 2020 Bonds and the Bond Documents and compliance with the provisions thereof will not in any material respect conflict with or constitute a material breach of or default under any applicable law, regulation, decree, writ, order or injunction or any agreement, resolution, contract or other instrument or any agreement to which the Commission is subject and which is material to the Commission’s ability to perform its obligations under the Bond Documents, nor will such execution, delivery and compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Commission under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided in the Indenture;

(h) at the Closing, the Commission will be in compliance in all respects with the covenants and agreements contained in the Bond Documents and the Existing Agreements, and no event of default and no event which, with the lapse of time or giving of notice, or both, would constitute an event of default thereunder shall have occurred and be continuing;

(i) no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, government agency, public board or body of competent jurisdiction, is pending or, to the best of the Commission's knowledge, threatened against the Commission: (i) in any way affecting the existence of the Commission or in any way challenging the respective powers of the several offices or the titles of the officials of the Commission to such offices; or (ii) affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of any of the Series 2020 Bonds, the application of the proceeds of the sale of the Series 2020 Bonds, the levy or collection of tolls on the Toll Road (as defined in the Indenture), or in any way contesting or affecting, as to the Commission, the validity or enforceability of the Act, Resolution No. 20-001 of the Commission adopted on March 11, 2020 (the "Resolution"), the Series 2020 Bonds, the Bond Documents or the Existing Agreements or contesting the powers of the Commission or its authority with respect to issuance or delivery of the Series 2020 Bonds or the execution and delivery of the Bond Documents or contesting the power or authority to operate the RCTC Express Lanes and to fix, impose and collect tolls on the Toll Road (as defined in the Indenture) or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby or which might materially adversely affect the ability of the Commission to perform and satisfy its obligations under the Bond Documents, the Series 2020 Bonds or the Existing Agreements; nor to the best of the Commission's knowledge is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the Act, the Bond Documents, the Existing Agreements or the performance by the Commission of its obligations thereunder, or the authorization, execution, delivery or performance by the Commission of the Series 2020 Bonds, the Bond Documents or the Existing Agreements;

(j) under the laws of the State of California, the authority of the Commission to determine, fix, impose and collect tolls on the Toll Road (as defined in the Indenture) is not subject to the regulatory jurisdiction of any local, regional, State, or federal regulatory authority, and the Commission has no actual knowledge of any legislation proposed or pending to limit or restrict such development impact fees or regulate such tolls;

(k) the Commission will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriters which the Underwriters may reasonably request in order (i) to qualify the Series 2020 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate; and (ii) to determine the eligibility of the Series 2020 Bonds for investment under the laws of such states and other jurisdictions, and will continue to take such action so long as required for distribution of the Series 2020 Bonds; provided, however, that in no event shall the Commission be required to take any action which would subject it to service of process in any jurisdiction in which it is not now so subject or be required to register as a dealer or broker or qualify to do business as a foreign corporation or be subject to any other similar requirements deemed by the Commission to be unduly burdensome;

(l) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matters which would constitute a condition precedent to execution by the Commission of the Bond Documents and to the issuance of the Series 2020 Bonds have been duly obtained or made, and are, and will be on the date of Closing, in full force and effect; and the Commission is not aware of any legal or technical impediments to the timely issuance of all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matters which would constitute a condition precedent to the due performance by the Commission of

its obligations under the Bond Documents and to the operation of the RCTC Express Lanes in a timely manner;

(m) if, subsequent to the date hereof, and prior to the Closing, an event occurs, or information becomes known, affecting the Commission which might cause the information in the Official Statement, as then supplemented or amended, to contain an untrue statement of material fact or omit to state a material fact necessary to make the statements made therein, in the light of circumstances under which they were made, not misleading, the Commission shall notify the Representative thereof, and if in the mutual opinion of the Commission and the Representative such event requires a supplement or amendment to the Official Statement, the Commission will supplement or amend the Official Statement in a form and manner approved by the Representative;

(n) for a period of 25 days subsequent to the Closing Date (the "Delivery Period"), if an event occurs which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact, or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Commission shall promptly notify the Representative thereof and if, in the opinion of the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Commission shall prepare and deliver to the Underwriters (at the Commission's expense for 25 days from the date of the Closing), as many copies of an amendment or supplement which will correct such statement or omission as the Underwriters may reasonably request. During the Delivery Period, the Commission shall furnish such information as the Representative may from time to time reasonably request;

(o) if the Official Statement is amended or supplemented pursuant to paragraph 5(n) hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Official Statement as so supplemented or amended (excluding therefrom the OS Excluded Information, as to which no representations or warranties are made) will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(p) between the date of this Purchase Agreement and the date of Closing, the Commission will not, without the prior written consent of the Representative, except as disclosed in the Preliminary Official Statement and the Official Statement and except in the course of normal business operations of the Commission, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent;

(q) during the last five years, the Commission has not failed to comply in all material respects with any previous undertaking relating to continuing disclosure of information pursuant to Rule 15c2-12;

(r) the Commission received notice of any material default on the part of the Commission from any of the counterparties to the Existing Agreements;

(s) the financial statements of the RCTC 91 Express Lanes Fund as of June 30, 2019 fairly represent the revenues, expenditures, assets, liabilities and fund balances of such amounts and, insofar as presented, other funds of the Commission as of the dates and for the periods therein set forth. Except as disclosed in the Official Statement, there has not been any materially adverse change in the financial condition of the RCTC 91 Express Lanes Fund or in the operations of the

RCTC Express Lanes since June 30, 2019 and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change; and

(t) any certificates executed by any officer of the Commission and delivered to the Underwriters pursuant hereto shall be deemed a representation and warranty of the Issuer as to the accuracy of the statements therein made.

6. The Representative, on behalf of themselves and the Underwriters, has entered into this Purchase Agreement in reliance upon the representations and warranties of the Commission contained herein and the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Commission of its obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriters' obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Series 2020 Bonds shall be subject, at the sole option of the Representative, to the accuracy in all material respects of the representations and warranties of the Commission contained herein as of the date hereof and as of the Closing Date, to the accuracy of the statements of the officers and other officials of the Commission made in any certificate or other document furnished pursuant to the provisions hereof, to the performance by the Commission of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and to the following additional conditions:

(a) Prior to the Closing, the Bond Documents shall have been duly authorized, executed and delivered and simultaneously with Closing the Series 2020 Bonds shall have been duly authorized, executed and delivered and none of such documents shall have been amended, modified or repealed, except to the extent to which the Representative has given their written consent;

(b) At the time of Closing, all official action of the Commission relating to the Bond Documents required prior to or concurrently with the delivery of the Series 2020 Bonds, shall be in full force and effect and shall not have been amended, modified, supplemented or repealed in any material respect, and all of the representations of the Commission contained in this Purchase Agreement shall be true and correct as if made at the time of Closing;

(c) At the time of Closing, the Commission shall have made timely payment of principal and/or interest when due on all of its respective outstanding bonds, notes or other obligations;

(d) As of the date hereof and at Closing, trading of securities in general shall not have been suspended on any national securities exchange; nor shall any proceeding be pending or threatened by the Securities and Exchange Commission against the Commission;

(e) Subsequent to the date hereof, up to and including the Closing, there shall not have occurred any change in or particularly affecting the Commission, the Act, the RCTC Express Lanes, the Series 2020 Bonds or the Bond Documents as the foregoing matters are described in the Official Statement, which in the reasonable professional judgment of the Underwriters materially impairs the investment quality of the Series 2020 Bonds;

(f) The Commission shall perform, or have performed at or prior to the time of the Closing, all of its obligations required under or specified in the Bond Documents, as amended to the date of Closing, to be performed at or prior to the Closing;

(g) At or prior to the Closing, the Underwriters shall receive, among other items, the following, in each case reasonably satisfactory in form and substance to the Representative and Underwriters' Counsel:

(i) Executed copies of each of the Bond Documents and specimen copies of the Series 2020 Bonds;

(ii) The approving opinion of Bond Counsel, substantially in the form attached to the Preliminary Official Statement and the Official Statement as Appendix E;

(iii) A supplemental opinion of Bond Counsel, addressed to the Underwriters, stating the Underwriters may rely upon the opinion referred to in subparagraph (ii) hereof as though addressed to them and to the following effect:

(A) The information contained in the Official Statement in the sections entitled "THE 2020 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE 2020 BONDS," "TAX MATTERS," "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE" and "APPENDIX H – PROPOSED FORM OF BOND COUNSEL OPINION" insofar as such information purports to summarize certain provisions of the Indenture and such counsel's opinion relating to the tax exemption of interest on the Series 2020 Bonds, are accurate in all material respects; and

(B) The Series 2020 Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(iv) The opinion of Norton Rose Fulbright US LLP ("Disclosure Counsel") addressed to the Underwriters, to the effect that while they have not independently verified the accuracy or fairness of the statements and representations set forth in the Official Statement or referred to therein or the financial statements and the appendices thereto, as a result of their participation in the preparation of the Preliminary Official Statement and the Official Statement and their review of certain documents referred to therein: (I) no facts have come to the attention of the personnel in the firm directly involved in rendering legal advice and assistance in connection therewith which gives them cause to believe that the Preliminary Official Statement (except for information permitted to be excluded therefrom pursuant to Rule 15c2-12, the financial statements and other financial and statistical data included therein, forecasts, projections, estimates, assumptions and expressions of opinion, statements relating to DTC, Cede & Co. and the book-entry system and statements contained in in Appendices A, B, C and G thereto, as to which no view need to be expressed) as of its date contained, or as of the date hereof contains, any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading; and (II) no facts have come to the attention of the personnel in the firm directly involved in rendering legal advice and assistance in connection therewith which gives them cause to believe that the Official Statement (except for the financial statements and other financial and statistical data included therein, forecasts, projections, estimates, assumptions and expressions of opinion, statements relating to DTC, Cede & Co. and the book-entry system and statements contained in in Appendices A, B, C and G thereto, as to which no view need to be expressed), as of its date contained, or as of the Closing Date contains, any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(v) An opinion, dated the date of the Closing and addressed to the Trustee and the Underwriters, of Best, Best & Krieger LLP, General Counsel to the Commission, in substantially the form attached hereto as Exhibit C;

(vi) a certificate or certificates, dated the Closing Date, signed by a duly authorized official of the Commission to the effect that, to the best of such official's knowledge, (i) the representations and warranties of the Commission contained in this Purchase Agreement are true and correct on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) no event affecting the Commission has occurred since the date of the Official Statement which has the effect of causing the Official Statement (excluding the OS Excluded Information) to contain any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading; (iii) the Commission has, and at the time of the Closing will have, full legal right, power and authority (A) to adopt the Resolution, (B) to sell and deliver the Series 2020 Bonds to the Underwriters pursuant to the Constitution and laws of the State, (C) to issue the Series 2020 Bonds, (D) to pledge the Toll Revenues to the payment of the Series 2020 Bonds and (E) to carry out and to consummate the transactions contemplated by, and to perform all of its obligations under, the Resolution, the Bond Documents, the Series 2020 Bonds and the Official Statement; (iv) the Commission has (A) duly authorized and approved the Official Statement, (B) duly authorized and approved the execution and delivery of, and performance by the Commission of its obligations under, the Series 2020 Bonds and the Bond Documents, (C) duly adopted the Bond Resolution and (D) duly authorized and approved the use of the proceeds of the sale of the Series 2020 Bonds, as contemplated by the Official Statement; (v) at or prior to the time and date of the Closing, the Series 2020 Bonds will have been duly executed and delivered by the Commission, and each of them and the Bond Documents will constitute legal, valid and binding obligations of the Commission enforceable against the Commission in accordance with their respective terms, except to the extent that the enforceability may be limited by bankruptcy, insolvency, arrangement, moratorium or other laws affecting the rights of creditors generally, equitable remedies, judicial discretion and the limitations on legal remedies against local transportation authorities in the State; (vi) the Resolution, the Bond Documents and the Series 2020 Bonds conform in all material respects to the descriptions thereof in the Preliminary Official Statement and the Official Statement; (vii) the financial data relating to the RCTC Express Lanes and the financial statements of the RCTC 91 Express Lanes Fund contained in the Preliminary Official Statement and the Official Statement present fairly the financial condition and results of the operation of the RCTC Express Lanes at the dates and for the periods therein specified and such financial data relating to the RCTC Express Lanes and the financial statements of the RCTC 91 Express Lanes Fund contained in the Preliminary Official Statement and the Official Statement are presented in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited financial statements of the RCTC 91 Express Lanes Fund except as otherwise specifically noted in the Preliminary Official Statement and the Official Statement; (viii) no litigation of any nature is now pending or, to the best of the Commission's knowledge, threatened against the Commission in any court or before any governmental agency of competent jurisdiction: (A) restraining or enjoining, or seeking to restrain or enjoin, the issuance, sale, execution or delivery of the Series 2020 Bonds; or (B) in any way contesting or affecting (1) the validity or enforceability of the Series 2020 Bonds, or (2) any proceedings of or on behalf of the Commission taken with respect to the issuance or sale of the Series 2020 Bonds, or (3) adoption of the Resolution or the execution and delivery of the Bond Documents, or (4) the authority of the Commission to establish, impose and collect tolls on the Toll Road (as defined in the Indenture), or (5) the pledge of Revenues effected by the Indenture, as described in the Preliminary Official Statement and the Official Statement, or (6) the proceedings authorizing and

approving the levy or collection of tolls on the Toll Road (as defined in the Indenture), or (7) the existence or powers of the Commission; or (C) in any manner questioning (1) the proceedings or authority for the issuance of the Series 2020 Bonds, or (2) any provision made or authorized for the payment of the Series 2020 Bonds, or (3) the existence or operations of the Commission, or (4) the power of the Commission to issue the Series 2020 Bonds, or (5) the power of the Commission to undertake any other transactions necessary in connection with this proposed financing; or (D) which would have a material adverse effect upon the operations of the Commission relating to the Series 2020 Bonds or to the contemplated use of the proceeds thereof; (ix) none of the Commission's proceedings or authority for the issuance, sale, execution and delivery of the Series 2020 Bonds, or the adoption of the Resolution as described in the Preliminary Official Statement and the Official Statement has been repealed, modified, amended, revoked or rescinded; (x) no approval, permit, consent or authorization of any governmental or public agency, authority or person having jurisdiction over the Commission not already obtained and no proceedings not already had are required in connection with the issuance and sale of the Series 2020 Bonds or the application of the proceeds of the sale thereof, or, except as described in the Preliminary Official Statement and the Official Statement, the performance by the Commission of its obligations under the Bond Documents and the Series 2020 Bonds; (xi) there is no material adverse change in the condition or affairs of the Commission that would make it unreasonable for the Underwriters or other purchasers of the Series 2020 Bonds to rely upon the Official Statement in connection with the resale of the Series 2020 Bonds, and the Underwriters are hereby authorized to distribute copies of the Official Statement in connection with the resale of the Series 2020 Bonds; and (xii) the Commission has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the date of issuance of the Series 2020 Bonds with respect to the issuance of the Series 2020 Bonds;

(vii) A certificate, dated the Closing Date, signed by a duly authorized official of the Trustee, that:

(A) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into the Indenture and the Escrow Agreement and perform its duties under the Indenture, the Escrow Agreement and the Continuing Disclosure Agreement (together, the "Trustee Documents");

(B) the Trustee is duly authorized to enter into the Indenture and the Escrow Agreement and the Trustee has duly executed and delivered the Indenture and the Escrow Agreement;

(C) the execution and delivery of the Indenture and compliance with the provisions on the Trustee's part contained in the Trustee Documents, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, material agreement or material instrument to which Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or blue sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the Indenture under the terms of any such law, administrative regulation, judgment, decree, material agreement or material instrument, except as provided by the Trustee Documents;

(D) to the knowledge of the Trustee, it has not been served with any action; suit, proceeding, inquiry or investigation, at law or in equity, before or by any court,

governmental agency, public board or body, nor is any such action or other proceeding threatened against the Trustee, as such but not in its individual capacity, affecting the existence of the Trustee, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the collection of Toll Revenues to be applied to pay the principal, premium, if any, and interest on the Series 2020 Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture or the Escrow Agreement against the Trustee, or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Indenture or the Escrow Agreement; and

(E) the Trustee will apply the proceeds from the Series 2020 Bonds as provided in the Indenture;

(viii) an opinion of counsel to the Trustee, addressed to the Underwriters, in form and substance satisfactory to the Representative, to the effect that the Trustee is a national banking association with due power and authority to execute the Indenture and the Escrow Agreement, that the Trustee has duly authenticated the Series 2020 Bonds and that the Indenture and the Escrow Agreement are in effect and are valid and binding upon the Trustee;

(ix) a copy of the Official Statement, executed on behalf of the Commission by a person duly authorized to sign on behalf of the Commission;

(x) a certified copy of the general resolution or resolutions of the Trustee authorizing the execution and delivery of the Indenture and the Series 2020 Bonds;

(xi) certified copies of the resolution or resolutions of the Commission authorizing the execution and delivery of the Bond Documents;

(xii) evidence that the Commissions obligations under the TIFIA Loan Agreement have been paid in full;

(xiii) the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel to the Underwriters, dated the date of the Closing and addressed to the Underwriters, in form and substance satisfactory to the Representative;

(xiv) a copy of the Blue Sky Memorandum with respect to the Series 2020 Bonds, prepared by Underwriters' Counsel;

(xv) A tax certificate relating to the 2020 Tax-Exempt Bonds in form satisfactory to Bond Counsel and the Representative;

(xvi) A copy of the Notices of Sale required to be delivered to the California Debt Investment and Advisory Commission pursuant to Sections 8855(g) and 53583 of the California Government Code;

(xvii) Evidence that any ratings on the Series 2020 Bonds described in the Preliminary Official Statement and the Official Statement are in full force and effect as of the date of the Closing;

(xviii) A copy of the RCTC 91 Express Lanes Investment Grade Updated Study – Investment Grade Study Refresh 2018,” dated November 27, 2018, of Stantec Consulting Services Inc. (the “Traffic and Revenue Consultant”) as supplemented by Stantec’s Supplemental Letter dated February __, 2020 (together, the “Updated Study”), as set forth in Appendix B to the Official Statement;

(xix) A certificate of the Traffic and Revenue Consultant, executed by an authorized signatory of the Traffic and Revenue Consultant and dated the Closing Date, to the effect that:

(A) The Traffic and Revenue Consultant has been retained by the Commission to prepare the Updated Study;

(B) The Traffic and Revenue Consultant consents to the inclusion of the Updated Study as an appendix to the Preliminary Official Statement, and to the inclusion of the Updated Study as an appendix to the Official Statement;

(C) The Traffic and Revenue Consultant has expertise in the matters addressed in the Updated Study and acknowledges that the Commission and the Underwriters have relied on such expertise in connection with obtaining credit ratings on the Series 2020 Bonds and the offering and sale of the Series 2020 Bonds to the purchasers of the Series 2020 Bonds;

(D) The factual information in the Updated Study is true and accurate in all material respects, and the Traffic and Revenue Consultant believes that the conclusions set forth in the Updated Study were reasonable as of the date of the Updated Study and continue to be reasonable as of the date hereof (subject to the assumptions and qualifications set forth in the Updated Study);

(E) The Traffic and Revenue Consultant is not aware of any plan, event, or circumstance occurring after [DATE OF REPORT], and before the date hereof that would cause it believe that the conclusions set forth in the Updated Study are no longer reasonable; and

(F) The Traffic and Revenue Consultant consents to the inclusion in the Preliminary Official Statement and the Official Statement of information from the Updated Study under the caption “TRAFFIC AND REVENUE ESTIMATES” and the Traffic and Revenue Consultant has reviewed that information and agrees that it was accurately excerpted from the Updated Study;

(xx) A copy of the Engineer’s Technical Report (“Technical Report”) of Parsons Transportation Group Inc. (the “Express Lanes Engineer”), as set forth in Appendix C to the Official Statement;

(xxi) A certificate of the Express Lanes Engineer, executed by an authorized signatory of the Express Lanes Engineer and dated the Closing Date, to the effect that:

(A) The Express Lanes Engineer has been retained by the Commission to prepare the Technical Report;

(B) The Express Lanes Engineer consents to the inclusion of the Technical Report as an appendix to the Preliminary Official Statement, and to the inclusion of the Technical Report as an appendix to the Official Statement;

(C) The Express Lanes Engineer has expertise in the matters addressed in the Technical Report and acknowledges that the Commission and the Underwriters have relied on such expertise in connection with obtaining credit ratings on the Series 2020 Bonds and the offering and sale of the Series 2020 Bonds to the purchasers of the Series 2020 Bonds;

(D) The Express Lanes Engineer believes that the factual information in the Technical Report is true and accurate in all material respects, and the Express Lanes Engineer believes that based on the facts, conditions and statements set forth in the Technical Report, the conclusions set forth in the Technical Report were reasonable as of the date of the Technical Report and to the best of its knowledge continue to be reasonable as of the date hereof (subject to the assumptions and qualifications set forth in the Technical Report, including any disclaimers set forth therein);

(E) The Express Lanes Engineer is not aware of any plan, event, or circumstance occurring after [DATE OF REPORT] date hereof that would cause it believe that the conclusions set forth in the Technical Report are no longer reasonable; and

(F) The Express Lanes Engineer consents to the inclusion in the Preliminary Official Statement and the Official Statement of information from the Technical Report under the captions “THE RCTC 91 EXPRESS LANES,” “OPERATION AND MAINTENANCE OF THE RCTC 91 EXPRESS LANES,” and “ENGINEER’S TECHNICAL REPORT” and the Express Lanes Engineer has reviewed that information and agrees that it is consistent with the information in the Technical Report;

(xxii) A certificate of Cofiroute, executed by a duly authorized official of Cofiroute, to the effect that, to the best of such official’s knowledge:

(A) Cofiroute has full legal right, power and authority to execute and enter into the ORCOA, and to carry out and to consummate the transactions contemplated by, and to perform all of its obligations thereunder;

(B) Cofiroute has duly authorized and approved the execution and delivery of, and performance by Cofiroute of its obligations under the ORCOA;

(C) the ORCOA has been duly executed and delivered by Cofiroute, and constitutes the legal, valid and binding obligation of Cofiroute enforceable against Cofiroute in accordance with its terms, except to the extent that the enforceability may be limited by bankruptcy, insolvency, arrangement, moratorium or other laws affecting the rights of creditors generally, equitable remedies and judicial discretion;

(D) no litigation of any nature is now pending or, to the best of Cofiroute’s knowledge, threatened in any court or before any governmental agency of competent jurisdiction restraining or enjoining, or seeking to restrain or enjoin execution or delivery of the ORCOA or in any way contesting or affecting the validity or enforceability of the ORCOA;

(E) no approval, permit, consent or authorization of any governmental or public agency, authority or person having jurisdiction over Cofiroute not already obtained and no proceedings not already had are required in connection with the execution and delivery of the ORCOA, or the performance by Cofiroute of its obligations under the ORCOA and

(F) Cofiroute is not aware of the existence of any event of default under the ORCOA, or the occurrence of any event which by notice, the passage of time or otherwise would constitute any such event of default;

(xxiii) An opinion of counsel to Cofiroute, addressed to the Commission and the Representative, in substantially the form set forth in Exhibit D hereto

(xxiv) A certificate of Kapsch, executed by a duly authorized official of Kapsch, to the effect that, to the best of such official's knowledge:

(A) Kapsch has full legal right, power and authority to execute and enter into the Toll Services Provider Agreement, and to carry out and to consummate the transactions contemplated by, and to perform all of its obligations thereunder;

(B) Kapsch has duly authorized and approved the execution and delivery of, and performance by Kapsch of its obligations under the Toll Services Provider Agreement;

(C) the Toll Services Provider Agreement has been duly executed and delivered by Kapsch, and constitutes the legal, valid and binding obligation of Kapsch enforceable against Kapsch in accordance with its terms, except to the extent that the enforceability may be limited by bankruptcy, insolvency, arrangement, moratorium or other laws affecting the rights of creditors generally, equitable remedies and judicial discretion;

(D) no litigation of any nature is now pending or, to the best of Kapsch's knowledge, threatened in any court or before any governmental agency of competent jurisdiction restraining or enjoining, or seeking to restrain or enjoin execution or delivery of the Toll Services Provider Agreement or in any way contesting or affecting the validity or enforceability of the Toll Services Provider Agreement;

(E) no approval, permit, consent or authorization of any governmental or public agency, authority or person having jurisdiction over Kapsch not already obtained and no proceedings not already had are required in connection with the execution and delivery of the Toll Services Provider Agreement, or the performance by Kapsch of its obligations under the Toll Services Provider Agreement and

(F) Kapsch is not aware of the existence of any event of default under the Toll Services Provider Agreement, or the occurrence of any event which by notice, the passage of time or otherwise would constitute any such event of default;

(xxv) An opinion of counsel to Kapsch, addressed to the Commission and the Representative, in substantially the form set forth in Exhibit E hereto

(xxvi) A copy of the Blanket Letter of Representation to DTC relating to the Series 2020 Bonds signed by DTC and the Commission;

(xxvii) An executed copy of the Continuing Disclosure Agreement;

(xxviii) A copy of the report of Causey Demgen & Moore P.C., as to the accuracy of certain mathematical computations in connection with the refunding of the Toll Revenue Senior Lien Bonds, 2013 Series A; and

(xxix) Such additional certificates, legal opinions of Bond Counsel, Disclosure Counsel or other counsel and such other instruments or documents as Underwriters' Counsel, Disclosure Counsel or Bond Counsel reasonably request to evidence the truth and accuracy as of the date hereof and as of the Closing Date of information contained in the Official Statement and the representations and warranties contained herein and in the Official Statement and the due satisfaction as or prior to the Closing Date of all conditions then to be satisfied in connection with the transaction contemplated hereby.

7. To the extent permitted by law, the Commission agrees to indemnify and hold harmless the Underwriters and each person, if any, who controls (within the meaning of Section 15 of the Securities Act of 1933, as amended, or of Section 20 of the Securities Exchange Act of 1934, as amended) the Underwriters and the officers, agents and employees of the Underwriters (each such person, an "Indemnified Party") against any and all losses, claims, damages, liabilities and expenses arising out of any untrue statement of a material fact contained in the Preliminary Official Statement (other than of the POS Excluded Information) or the Official Statement (other than of the OS Excluded Information) or the omission to state in the Preliminary Official Statement (other than omissions in the POS Excluded Information) or the Official Statement (other than omissions in the OS Excluded Information) a material fact necessary to make the statements therein relating to the Commission, in the light of the circumstances under which they were made, not misleading.

The Commission shall not be liable for any settlement of any such action effected without its consent by any Indemnified Party, which consent shall not be unreasonably withheld, but if settled with the consent of the Commission or if there be a final judgment for the plaintiff in any such action against the Commission or any Indemnified Party, the Commission agrees to indemnify and hold harmless such Indemnified Party to the extent provided herein.

In case any claim shall be made or action brought against an Indemnified Party for which indemnity may be sought against the Commission, as provided above, the Underwriters shall promptly notify the Commission in writing setting forth the particulars of such claim or action and the Commission shall assume the defense thereof, including at its option the retaining of counsel acceptable to the Underwriters and including the payment of all expenses. The Indemnified Party shall not have the right to retain separate counsel unless (i) the Commission shall have specifically authorized the retaining of such counsel or (ii) the parties to such suit include the Indemnified Party and one or more legal defenses may be available to it which may not be available to the Commission, in which case the Commission shall not be entitled to assume the defense of the suit but the Underwriters shall bear the fees and expenses of such counsel.

Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Commission, its employees and its officers, but only with reference to liability in connection with false statements and information in the Preliminary Official Statement and the Official Statement furnished to the Commission in writing by such Underwriter for inclusion in the Preliminary Official Statement and the Official Statement. The Commission acknowledges that the only information provided by the Underwriters for inclusion in the Preliminary Official Statement was the information contained under the caption "UNDERWRITING" and the only information provided by the

Underwriters for inclusion in the Official Statement was the principal amount, interest rates, prices and yields and redemption prices set forth on the inside cover of the Official Statement and the information contained under the caption "UNDERWRITING".

8. The Underwriters shall have the right to cancel their obligation hereunder to purchase the Series 2020 Bonds (and such cancellation shall not constitute a default hereunder by the Underwriters) by the Representative notifying you in writing of its election to do so between the date hereof and the Closing, if at any time hereafter and prior to the Closing:

(i) any event occurring, or information becoming known that, in the reasonable judgment of the Representative, makes untrue any statement of a material fact contained in the Official Statement or results in an omission of a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; or

(ii) an amendment to the Constitution of the United States of America or by any legislation in or by the Congress of the United States of America or by the State of California, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States of America, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States of America, the Treasury Department of the United States of America, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States of America, or the favorable reporting for passage of legislation to either House of the Congress of the United States of America by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or State of California court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State of California authority materially adversely affecting, in the reasonable judgment of the Representative, the federal or State of California tax status of the Commission, or the status of the interest on bonds or notes or obligations of the general character of the 2020 Tax-Exempt Bonds; or

(iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State of California, or a decision by any court of competent jurisdiction within the State of California or any court of the United States of America shall be rendered which, in the reasonable opinion of the Representative, materially adversely affects the market price or marketability of the Series 2020 Bonds; or

(iv) legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the execution, delivery, offering or sale of obligations of the general character of the Series 2020 Bonds, or the execution, delivery, offering or sale of the Series 2020 Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Series 2020 Bonds, or the Series 2020 Bonds, are not exempt from registration under, any provision of the federal securities laws,

including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(v) the imposition by the New York Stock Exchange or other national securities exchange or any governmental authority or any material restrictions not now in force with respect to the Series 2020 Bonds or obligations of the general character of the Series 2020 Bonds or securities generally or the material increase of any such restrictions now in force, including those relating to the extension of credit by or the charge to the net capital requirements of, the Underwriters, which, in the reasonable opinion of the Representative, materially adversely affects the market price or marketability of the Series 2020 Bonds; or

(vi) the declaration of a general banking moratorium by federal, New York or California authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred, or the general suspension of trading or minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required and be in force on the New York Stock Exchange on any national securities exchange by a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental agency having jurisdiction, which, in the reasonable opinion of the Representative, materially adversely affects the market price or marketability of the Series 2020 Bonds; or

(vii) any new outbreak or escalation of hostilities, declaration by the United States of America of a national emergency or war or other calamity or crisis affecting the financial markets which, in the reasonable opinion of the Representative, materially adversely affects the market price or marketability of the Series 2020 Bonds; or

(viii) the ratings on the Series 2020 Bonds as set forth in the Official Statement shall have been withdrawn or reduced, placed on credit watch, assigned a negative outlook or announced to be under review by a rating agency, which, in the Representative's reasonable opinion, materially adversely affects the market price or marketability of the Series 2020 Bonds; or

(ix) the commencement of any action, suit or proceeding described in Section 5(i) hereof which, in the reasonable judgment of the Representative, materially adversely affects the market price of the Series 2020 Bonds; or

(x) there shall be in force a general suspension of trading on the New York Stock Exchange; or

(xi) a material adverse change has occurred or becomes known in the operations or finances of the Commission.

9. The Underwriters shall be under no obligation to pay and the Commission shall pay or cause to be paid from the proceeds of the Series 2020 Bonds or other funds available to it the expenses incident to the performance of the obligations of the Commission hereunder, including but not limited to (a) the cost of printing or engraving, and mailing or delivering the definitive Bonds and the Official Statement in reasonable quantities and all other documents or the cost of recording and filing such documents (other than as set forth in the next succeeding paragraph) prepared in connection with the transactions contemplated hereby; (b) the fees and disbursements of the Trustee, in connection with the execution, sale and delivery of the Series 2020 Bonds; (c) the fees and disbursements of the Bond Counsel, Disclosure Counsel, General Counsel, and any other experts or

consultants retained by the Commission in connection with the transactions contemplated hereby; (d) the costs related to obtaining ratings on the Series 2020 Bonds.

The Underwriters shall pay (a) California Debt and Investment Advisory Commission fees; (b) the cost of preparation and printing of any Blue Sky Memorandum to be used by them; (c) all advertising expenses in connection with the public offering of the Series 2020 Bonds; (d) the fees and expenses of Underwriters' Counsel; (e) CUSIP number costs; and (f) any fees assessed upon the Underwriters with respect to the Series 2020 Bonds by the Municipal Securities Rulemaking Board or the Financial Industry Regulatory Authority. To the extent not otherwise reimbursed in-full by the Commission pursuant to the preceding paragraph of this Section, the Commission acknowledges that a portion of the Underwriters' discount is intended to reimburse the Underwriters for incidental expenses (including, but not limited to, transportation, lodging and meals of Commission and Underwriter personnel) incurred by the Underwriters (on their own behalf and/or on behalf of Underwriter personnel and Commission personnel and advisors, as applicable) in connection with the consummation of the transaction contemplated by this Purchase Agreement.

10. No covenant or agreement contained in this Purchase Agreement shall be deemed to be a covenant or agreement of any member, officer, agent or employee of the Commission nor shall such persons be liable personally under this Purchase Agreement or be subject to any personal liability or accountability solely by reason of the execution of this Purchase Agreement or solely by reason of the breach or attempted alleged breach hereof by the Commission.

11. Any notice to be given to the Commission under this Purchase Agreement may be given by delivering the same to the office thereof c/o Riverside County Transportation Commission, *4080 Lemon Street, 3rd Floor, Riverside, CA 92501 or P.O. Box 12008, Riverside, California 92502, and any such notice to be given to the Representative or the Underwriters may be given by delivering the same to BofA Securities, Inc., 333 S. Hope Street, Suite 2310, Mail Code: CA9-193-23-04, Los Angeles, CA 90071, Attention: Kevin O'Brien.

12. The Commission hereby authorizes the Official Statement and the information therein contained to be used by the Underwriters in connection with the public sale of the Series 2020 Bonds.

13. This Purchase Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

14. The representations and warranties of the Commission set forth in or made pursuant to this Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing or termination of this Purchase Agreement and regardless of any investigations or statements as to the results thereof made by or on behalf of the Underwriters and regardless of delivery of and payment for the Series 2020 Bonds.

15. This Purchase Agreement, when accepted by the Commission, shall constitute the entire agreement between the Commission and the Underwriters and is made solely for the benefit of the Commission and the Underwriters (including the successors of the Underwriters). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein.

* Street address is for non-postal delivery. P.O. Box for postal (US mail) delivery.

16. This Purchase Agreement is made solely for the benefit of the Commission and the Underwriters (including the successors thereof), and no other person, partnership or association shall acquire or have any right hereunder or by virtue hereof. All representations and agreements by the Commission in this Purchase Agreement shall remain operative and in full force and effect except as otherwise provided herein, regardless of any investigations made by or on behalf of the Underwriters and shall survive the issuance of and payment of the Series 2020 Bonds.

17. This Purchase Agreement may be executed simultaneously in several counterparts each of which shall be an original and all of which shall constitute but one and the same instrument.

18. The Representative, in its sole discretion, may waive any condition or requirement imposed upon the Commission as set forth in this Purchase Agreement.

19. The Commission acknowledges and agrees that: (i) the primary role of the Underwriters, as underwriters, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Commission and the Underwriters and that the Underwriters have financial and other interests that differ from those of the Commission; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as the municipal advisor, financial advisor, agent or fiduciary of the Commission; (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Commission with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Commission on other matters); and (iv) the Commission has consulted its own legal, municipal, financial and other advisors to the extent it has deemed appropriate.

20. This Purchase Agreement shall become effective upon the execution of the acceptance hereby by the Commission, and shall be valid and binding and enforceable as of the time of such acceptance.

21. The rights and obligations created by this Purchase Agreement shall not be subject to assignment by the Underwriters or the Commission without the prior written consent of the other parties hereto.

22. In case any one or more of the provisions, contained herein shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not effect any other provisions hereof.

23. The validity, interpretation, and performance of this Purchase Agreement shall be governed by the laws of the State of California.

Very truly yours,

BOFA SECURITIES, INC., on behalf of itself and as
Representative of the Underwriters

By: _____
Authorized Representative

The foregoing is hereby agreed to and
accepted as of the date first above written:

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

By: _____
Authorized Representative

EXHIBIT A
UNDERWRITERS

BofA Securities, Inc.
Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC
Siebert Williams Shank & Co., LLC
Wells Fargo Bank, NA

EXHIBIT B

MATURITY SCHEDULE

\$ _____

**Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable)**

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	Price
-----------------------------------	-----------------------------	----------------------	--------------	--------------

\$ _____ % Term Bonds due June 1, 2048 – Yield: _____ % – Price: _____ %

\$ _____

**Toll Revenue Senior Lien Refunding Bonds,
2020 Series B**

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	Price
-----------------------------------	-----------------------------	----------------------	--------------	--------------

\$ _____ % Term Bonds due June 1, 2048 – Yield: _____ % – Price: _____ %

* 10% Test Maturities

** Hold-the-Price Maturities

\$ _____

**Toll Revenue Second Lien Refunding Bonds,
2020 Series C**

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	Price
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\$ _____ % Term Bonds due June 1, 2048 – Yield: _____ % – Price: _____ %

* 10% Test Maturities

** Hold-the-Price Maturities

REDEMPTION PROVISIONS

Optional Redemption of 2020 Series A Senior Bonds. The 2020 Series A Senior Bonds are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part, on any date on or after June 1, 20__ at the principal amount of 2020 Series A Senior Bonds called for redemption plus accrued interest to the date fixed for redemption, without premium.

Optional Redemption of 2020 Series B Senior Bonds. The 2020 Series B Senior Bonds are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part, on any date on or after June 1, 20__ at the principal amount of 2020 Series B Senior Bonds called for redemption plus accrued interest to the date fixed for redemption, without premium.

Optional Redemption of 2020 Series C Second Lien Bonds. The 2020 Series C Second Lien Bonds are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, as a whole or in part, on any date on or after June 1, 20__ at the principal amount of 2020 Series C Second Lien Bonds called for redemption plus accrued interest to the date fixed for redemption, without premium.

Mandatory Redemption of 2020 Series A Senior Bonds From Sinking Fund Installment. The 2020 Series A Senior Bonds maturing on June 1, 20__ are subject to mandatory redemption prior to their respective stated maturities, in part, from Sinking Fund Installments on each June 1 a Sinking Fund Installment is due in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium. The Sinking Fund Installments for the 2020 Series A Term Bond maturing on June 1, 20__ shall be due in the amounts and on the dates as follows:

Sinking Fund Installment Dates (June 1)	Sinking Fund Installments
*	\$

* Final Maturity

Mandatory Redemption of 2020 Series B Senior Bonds From Sinking Fund Installment. The 2020 Series B Senior Bonds maturing on June 1, 20__ are subject to mandatory redemption prior to their respective stated maturities, in part, from Sinking Fund Installments on each June 1 a Sinking Fund Installment is due in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium. The Sinking Fund Installments for the 2020 Series B Term Bond maturing on June 1, 20__ shall be due in the amounts and on the dates as follows:

<u>Sinking Fund Installment Dates (June 1)</u>	<u>Sinking Fund Installments</u>
*	\$

* Final Maturity

Mandatory Redemption of 2020 Series C Second Lien Bonds From Sinking Fund Installment. The 2020 Series C Second Lien Bonds maturing on June 1, 20__ are subject to mandatory redemption prior to their respective stated maturities, in part, from Sinking Fund Installments on each June 1 a Sinking Fund Installment is due in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest to the redemption date, without premium. The Sinking Fund Installments for the 2020 Series C Second Lien Bonds Term Bond maturing on June 1, 20__ shall be due in the amounts and on the dates as follows:

<u>Sinking Fund Installment Dates (June 1)</u>	<u>Sinking Fund Installments</u>
*	\$

* Final Maturity

EXHIBIT C

OPINION OF GENERAL COUNSEL TO THE COMMISSION

April __, 2020

Riverside County Transportation Commission
4080 Lemon Street
Riverside, CA 92501

BofA Securities Inc., as Representative
333 S. Hope Street
Los Angeles, CA 90071

\$ _____
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable)**

\$ _____
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series B**

\$ _____
**Toll Revenue Second Lien Refunding Bonds,
2020 Series C**

Ladies and Gentlemen:

We serve as general counsel for the Riverside County Transportation Commission (the “Commission”). This opinion is being delivered in connection with the issuance by the Commission of Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Tax-Exempt), its Toll Revenue Senior Lien Refunding Bonds, 2020 Series B (Federally Taxable) and its Toll Revenue Second Lien Refunding Bonds, 2020 Series A (Tax-Exempt) (collectively the “Series 2020 Bonds”). The Series 2020 Bonds are being sold on the date hereof pursuant to a Bond Purchase Agreement, dated _____, 2020 (the “Bond Purchase Agreement”), between the Commission and BofA Securities, Inc., as representative (the “Representative”), acting on behalf of itself, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Siebert Williams Shank & Co., LLC and Wells Fargo Bank, NA (collectively, the “Underwriters”). Unless otherwise defined herein or the context otherwise requires, the capitalized terms used herein shall have the respective meanings ascribed thereto in the Bond Purchase Agreement.

In this connection, we have reviewed the Constitution and the laws of the State of California and certain proceedings taken by the Commission in connection with execution and delivery of the following agreements (collectively, the “Commission Documents”):

1. the Bond Purchase Agreement;
2. the Continuing Disclosure Agreement with Digital Assurance Certification L.L.C., dated as of April 1, 2020 (the “Continuing Disclosure Agreement”);

3. the Master Indenture, dated as of June 1, 2013 (the “Master Indenture”), by and between the Commission and the Trustee, as supplemented by the First Supplemental Indenture, dated as of June 1, 2013 (the “First Supplemental Indenture”), the Second Supplemental Indenture, dated as of June 1, 2013 (the “Second Supplemental Indenture”), the Third Supplemental Indenture, dated as of April 1, 2020 (the “Third Supplemental Indenture”), and the Fourth Supplemental Indenture, dated as of April 1, 2020 (the “Fourth Supplemental Indenture” and, together with the Master Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the “Indenture”), by and between the Commission and the Trustee;

4. the SR-91 Express Lanes Operating Agreement, dated May 24, 2013, as amended, including as amended by Amendment No. 5 dated July 1, 2019, by and among the Commission, OCTA and Cofiroute USA LLC (“Cofiroute”) (the “ORCOA”); and

5. the Toll Services Provider Agreement, dated January 26, 2017, between the Commission and Kapsch Inc. (“Kapsch”) (the “Toll Services Provider Agreement”).

In connection with this opinion, we have examined (i) the Commission Documents and (ii) such other records, documents, certificates, opinions, and other matters as are in our judgment necessary or appropriate to enable us to render the opinions expressed herein. As to relevant factual matters, we have relied upon, among other things, the factual representations contained in the Bond Documents.

We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies. To the extent the Commission’s obligations depend on the enforceability of the Bond Documents against the other parties thereto, we have assumed that the Bond Documents are enforceable against such other parties. We express no opinion with respect to any indemnification, contribution, lien priority or choice of law provisions contained in the foregoing documents.

As used in this opinion, the phrase “current actual knowledge” means knowledge as we have obtained from (i) the incumbency and signature certificate of the Commission; (ii) the representations and warranties contained in each closing certificate of the Commission; and (iii) knowledge of facts or other information currently known to lawyers in our firm who have performed legal services for the Commission.

From such examination, on the basis of our reliance upon the assumptions in this opinion and our consideration of those questions of law we considered relevant, and subject to the limitations and qualifications in this opinion, as of the date hereof we are of the opinion that:

(1) The Commission is a county transportation commission duly organized under the laws of the State.

(2) The Resolutions and other approving actions of the Commission approving and authorizing the execution and delivery of the Commission Documents by the Commission (the “Resolutions”) were duly adopted or taken at meetings of the Commission, which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption.

(3) To our current actual knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body of competent jurisdiction, pending or threatened against the Commission, to restrain or enjoining the enforcement of the Bond Documents or in any way contesting the validity of the Bonds or the Commission Documents.

(4) The execution and delivery of the Series 2020 Bonds by the officer executing the same and the Commission Documents by the Commission, the adoption of the Resolutions, and compliance by the Commission with the provisions of the foregoing, as appropriate, under the circumstances contemplated thereby, to our current actual knowledge, does not and will not conflict with or constitute on the part of the Commission a breach or default under any agreement or other instrument to which the Commission is a party or by which it is bound (and of which we are reasonably aware) or any existing law, regulation, court order or consent decree to which the Commission is subject.

(5) The Commission Documents have been duly authorized, executed and delivered by the Commission and, assuming due authorization, execution and delivery by the other parties thereto, the Commission Documents constitute legal, valid and binding agreements of the Commission, enforceable in accordance with their respective terms, subject in each case to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought.

(6) Except as described in the Official Statement, no authorization, approval, consent, or other order of the State or any other governmental authority or agency within the State having jurisdiction over the Commission is required for the valid authorization, execution, delivery and performance by the Commission of the Commission Documents which has not been obtained.

(7) Without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement and based upon the information made available to us in the course of our participation in the preparation of the Official Statement as general counsel for the Commission, nothing has come to our attention which would cause us to believe that the Official Statement (except for the financial statements and other financial and statistical data included therein, forecasts, projections, estimates, assumptions and expressions of opinion, statements relating to DTC, Cede & Co. and the book-entry system and statements contained in Appendices A, B, C, G and H thereto, as to which we express no opinion) as of the date thereof and as of the Closing Date, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(8) The Commission has full legal right, power and authority to maintain and operate or cause to be maintained and operated the toll collection facilities of the Toll Road as and to the extent described in the Official Statement and the Bond Documents.

(9) Under the laws of the State of California, the Commission's authority to determine, fix, impose and collect tolls on the Toll Road (as defined in the Indenture) is not subject to the regulatory jurisdiction of any local, regional, State or federal regulatory authority.

(10) Except as disclosed in the Official Statement, to our current actual knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government agency or public board or body, pending or, to the our current actual knowledge,

threatened, which may affect the existence of the Commission or the titles of its officers to their respective offices, or which may materially affect or which seeks to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2020 Bonds or the collection of Revenues pledged or to be pledged to pay the principal of and interest on the Series 2020 Bonds, or which in any way contests or affects the validity or enforceability of the Commission Documents or which contests the power of the Commission or any authority or proceedings for the issuance, sale or delivery of the Series 2020 Bonds, the execution or delivery of the Bond Documents, the operation of the RCTC Express Lanes as described in the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Commission Documents.

This opinion may be relied on by you only in connection with the issuance of the Series 2020 Bonds. It may not be used or relied upon for any other purpose or by any other person, nor may copies be delivered to any other person, without in each instance our prior written consent; provided however that it may be included in the transcript of record of proceedings relating to the issuance of the Series 2020 Bonds. This opinion is expressly limited to the matters set forth above, and we render no opinion, whether by implication or otherwise, as to any other matters. This letter speaks only as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that arise after the date of this opinion and come to our attention, or any future changes in laws.

The opinions expressed herein are based on our analysis of existing laws, regulations, rules and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or thence occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events occur. We do not express herein any opinion as to any matter governed by any laws other than the laws of the State of California or the laws of the United States of America.

Respectfully submitted,

EXHIBIT D

OPINION OF COUNSEL TO COFIROUTE

Riverside County Transportation Commission
4080 Lemon Street, 3rd Floor
Riverside, California 92501

BofA Securities, Inc., as Representative
Los Angeles, California

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

\$ _____
Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable)

\$ _____
Toll Revenue Senior Lien Refunding Bonds,
2020 Series B

\$ _____
Toll Revenue Second Lien Refunding Bonds,
2020 Series C

Ladies and Gentlemen:

This opinion is being delivered in connection with the issuance of bonds of the Riverside County Transportation Commission (the "Commission"), of Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable), its Toll Revenue Senior Lien Refunding Bonds, 2020 Series B and its Toll Revenue Second Lien Refunding Bonds, 2020 Series C (collectively the "Series 2020 Bonds"). The Series 2020 Bonds are being sold on the date hereof pursuant to a Bond Purchase Agreement, dated _____, 2020 (the "Bond Purchase Agreement"), between the Commission BofA Securities, Inc., as representative (the "Representative"), acting on behalf of itself, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Siebert Williams Shank & Co., LLC and Wells Fargo Bank, NA (collectively, the "Underwriters").

We have served as counsel to Cofiroute USA LLC ("Cofiroute") in connection with the execution and delivery of the SR-91 Express Lanes Operating Agreement, dated May 24, 2013, as amended, including as amended by Amendment No. 5, dated July 1, 2019 by and among the Commission, OCTA and Cofiroute (the "ORCOA"). In connection with this opinion, we have examined (i) the ORCOA and (ii) such other records, documents, certificates, opinions, and other matters as are in our judgment necessary or appropriate to enable us to render the opinions expressed herein. As to relevant factual matters, we have relied upon, among other things, the factual representations contained in the ORCOA.

We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies.

From such examination, on the basis of our reliance upon the assumptions in this opinion and our consideration of those questions of law we considered relevant, and subject to the limitations and qualifications in this opinion, we are of the opinion that:

1. Cofiroute is a limited liability company created and existing under the laws of the [[State of California]].

2. The ORCOA has been duly authorized, and duly executed and delivered by Cofiroute and constitutes the legally valid and binding obligation of Cofiroute enforceable against Cofiroute in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws relating to or affecting creditors' rights generally, to general principles of equity, and to the exercise of judicial discretion in appropriate cases.

3. The execution and delivery by Cofiroute of the ORCOA, do not conflict with or constitute a breach of or default under any California constitutional provision, law, administrative regulation, judgment or court decree that we have, in the exercise of customary professional diligence, recognized as applicable to Cofiroute and the transactions contemplated by the ORCOA, or, to our knowledge, any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which Cofiroute is a party, with respect to which such conflict, breach or default would materially adversely affect the ability of Cofiroute to perform its obligations under the ORCOA.

We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), arbitration, judicial reference, choice of law, choice of forum, choice of venue, severability or waiver provisions contained in the ORCOA.

The law covered by this opinion is limited to the present law of the State of California. We express no opinion as to the laws of any other jurisdiction.

This opinion may be relied on by you only in connection with the issuance of the Series 2020 Bonds. It may not be used or relied upon for any other purpose or by any other person, nor may copies be delivered to any other person, without in each instance our prior written consent; provided however that it may be included in the transcript of record of proceedings relating to the issuance of the Series 2020 Bonds. This opinion is expressly limited to the matters set forth above, and we render no opinion, whether by implication or otherwise, as to any other matters. This letter speaks only as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that arise after the date of this opinion and come to our attention, or any future changes in laws.

Respectfully submitted,
[COUNSEL TO COFIROUTE]

EXHIBIT E

OPINION OF COUNSEL TO KAPSCH

Riverside County Transportation Commission
4080 Lemon Street, 3rd Floor
Riverside, California 92501

BofA Securities, Inc., as Representative
Los Angeles, California

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

\$ _____
Toll Revenue Senior Lien Refunding Bonds,
2020 Series A (Federally Taxable)

\$ _____
Toll Revenue Senior Lien Refunding Bonds,
2020 Series B

\$ _____
Toll Revenue Second Lien Refunding Bonds,
2020 Series C

Ladies and Gentlemen:

This opinion is being delivered in connection with the issuance of bonds of the Riverside County Transportation Commission (the "Commission"), of Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable), its Toll Revenue Senior Lien Refunding Bonds, 2020 Series B and its Toll Revenue Second Lien Refunding Bonds, 2020 Series C (collectively the "Series 2020 Bonds"). The Series 2020 Bonds are being sold on the date hereof pursuant to a Bond Purchase Agreement, dated _____, 2020 (the "Bond Purchase Agreement"), between the Commission BofA Securities, Inc., as representative (the "Representative"), acting on behalf of itself, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Siebert Williams Shank & Co., LLC and Wells Fargo Bank, NA (collectively, the "Underwriters").

We have served as counsel to Kapsch USA LLC ("Kapsch") in connection with the execution and delivery of the Toll Services Provider Agreement, dated January 26, 2017, by and between the Commission and Kapsch (the "Toll Services Provider Agreement"). In connection with this opinion, we have examined (i) the Toll Services Provider Agreement and (ii) such other records, documents, certificates, opinions, and other matters as are in our judgment necessary or appropriate to enable us to render the opinions expressed herein. As to relevant factual matters, we have relied upon, among other things, the factual representations contained in the Toll Services Provider Agreement.

From such examination, on the basis of our reliance upon the assumptions in this opinion and our consideration of those questions of law we considered relevant, and subject to the limitations and qualifications in this opinion, we are of the opinion that:

1. Kapsch is a limited liability company created and existing under the laws of the [[State of California]].

2. The Toll Services Provider Agreement has been duly authorized, and duly executed and delivered by Kapsch and constitutes the legally valid and binding obligation of Kapsch

enforceable against Kapsch in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws relating to or affecting creditors' rights generally, to general principles of equity, and to the exercise of judicial discretion in appropriate cases.

3. The execution and delivery by Kapsch of the Toll Services Provider Agreement, do not conflict with or constitute a breach of or default under any California constitutional provision, law, administrative regulation, judgment or court decree that we have, in the exercise of customary professional diligence, recognized as applicable to Kapsch and the transactions contemplated by the Toll Services Provider Agreement, or, to our knowledge, any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which Kapsch is a party, with respect to which such conflict, breach or default would materially adversely affect the ability of Kapsch to perform its obligations under the Toll Services Provider Agreement.

We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), arbitration, judicial reference, choice of law, choice of forum, choice of venue, severability or waiver provisions contained in the Toll Services Provider Agreement.

The law covered by this opinion is limited to the present law of the State of California. We express no opinion as to the laws of any other jurisdiction.

This opinion may be relied on by you only in connection with the issuance of the Series 2020 Bonds. It may not be used or relied upon for any other purpose or by any other person, nor may copies be delivered to any other person, without in each instance our prior written consent; provided however that it may be included in the transcript of record of proceedings relating to the issuance of the Series 2020 Bonds. This opinion is expressly limited to the matters set forth above, and we render no opinion, whether by implication or otherwise, as to any other matters. This letter speaks only as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that arise after the date of this opinion and come to our attention, or any future changes in laws.

Respectfully submitted,
[COUNSEL TO KAPSCH]

EXHIBIT F

ISSUE PRICE CERTIFICATE

[FORM OF REPRESENTATIVE ISSUE PRICE CERTIFICATE]

\$ _____	\$ _____
Toll Revenue Senior Lien Refunding Bonds, 2020 Series B	Toll Revenue Second Lien Refunding Bonds, 2020 Series C

ISSUE PRICE CERTIFICATE

The undersigned, BofA Securities, Inc., for itself and as representative of Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Siebert Williams Shank & Co., LLC and Wells Fargo Bank, NA (the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the "Bonds").

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***[Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Contract, dated _____, 2020, by and between the Underwriting Group and the Commission, the Underwriting Group has agreed in writing that: (i) for each Maturity of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price or prices that is/are higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"); and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any unsold Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) ***[Hold-the-Offering-Price Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2020), or (ii) the date on which the Underwriting Group has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) *Commission* means the Riverside County Transportation Commission.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2020.

(h) *Underwriter* means: (i) any person that agrees pursuant to a written contract with the Commission (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public; and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriting Group’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Commission with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Commission from time to time relating to the Bonds.

The certification set forth in Paragraph 1 hereof is not necessarily based on personal knowledge, but in certain cases based on reasonable inquiry conducted and institutional knowledge regarding the matters set forth in Paragraph 1. In certain cases, the undersigned is relying on representations made by the other members of the Underwriting Group, such representations believed to be true based on the contractual obligation between the parties to accurately provide this information, and supported by the undersigned's reasonable inquiry conducted and institutional knowledge.

BOFA SECURITIES, INC.

By:_____

Name:_____

Dated: April __, 2020

Schedule A

**SALE PRICES OF THE GENERAL RULE MATURITIES [AND INITIAL OFFERING
PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES]**

\$ _____
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series B**

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	Price
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\$ _____ % Term Bonds due June 1, 2048 – Yield: _____ % – Price: _____ %

* 10% Test Maturities

** Hold-the-Price Maturities

\$ _____
**Toll Revenue Second Lien Refunding Bonds,
2020 Series C**

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	Price
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\$ _____ % Term Bonds due June 1, 2048 – Yield: _____ % – Price: _____ %

* 10% Test Maturities

** Hold-the-Price Maturities

Schedule B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

Schedule C

FORM OF UNDERWRITER CERTIFICATE

\$ _____
**Toll Revenue Senior Lien Refunding Bonds,
2020 Series B**

\$ _____
**Toll Revenue Second Lien Refunding Bonds,
2020 Series C**

The undersigned, on behalf of [UW FULL NAME] (“[UW DEFINED NAME]”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Initial Offering Price of the Hold-the-Offering-Price Maturities.

(a) [UW DEFINED NAME] and any broker-dealer who is participating in the initial sale of the Bonds as a party to a retail distribution agreement with [UW DEFINED NAME] (if any) each offered the Hold-the-Offering Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) to the Issue Price Certificate of BofA Securities, Inc., as representative, relating to the Bonds, to which this certificate is attached as [part of] Schedule C on or before the Sale Date.

(b) Neither [UW DEFINED NAME] nor any broker-dealer who is participating in the initial sale of the Bonds as a party to a retail distribution agreement with [UW DEFINED NAME] (if any) has offered or sold any Maturity of the Hold-the-Offering Price Maturities allocated to [UW DEFINED NAME] identified in Schedule A-1 attached hereto at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. [UW DEFINED NAME] has not entered into a retail distribution agreement or other written contract directly or indirectly to participate in the initial sale of any of the Bonds to the Public [other than] [NAME OF ANY FIRM WITH WHICH [UW DEFINED NAME] HAS A RETAIL DISTRIBUTION AGREEMENT].

2. Defined Terms.

(a) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds where issue price was established under Treasury Regulations § 1.148-1(f)(2)(ii), as shown in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(b) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the underwriters have sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(c) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different lien levels, stated interest rates or CUSIP identification numbers, are treated as separate maturities.

(d) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a Related Party to an underwriter.

(e) *Related Party* means any entity if an underwriter and the entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [April __], 2020.

(g) *underwriter* means (i) any person that agrees pursuant to a written contract with the Commission (or with the lead underwriter(s) for the Bonds to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Commission with respect to certain of the representations set forth in the Tax Certificate to which this Certificate is attached and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick Herrington & Sutcliffe LLP, as bond counsel to the Commission, in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038, and other federal income tax advice it may give to the Commission from time to time relating to the Bonds. [UW DEFINED NAME] is certifying only as to facts in existence on the date hereof. Nothing herein represents [UW DEFINED NAME]'s interpretation of any laws; in particular the Treasury Regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts.

[UW FULL NAME], as

Underwriter

By: _____

Title: _____

Dated: [April __], 2020

ESCROW AGREEMENT

between

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

and

U.S. BANK NATIONAL ASSOCIATION
as Trustee and Escrow Agent

Dated as of April 1, 2020

Relating to

Riverside County Transportation Commission
Toll Revenue Senior Lien Bonds, 2013 Series A

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ESCROW AGREEMENT

This Escrow Agreement, dated as of April 1, 2020 (this “Escrow Agreement”), is entered into by the Riverside County Transportation Commission, a public entity duly established and existing under the laws of the State of California (the “Commission”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as Trustee (the “Trustee”) under the Master Indenture (as defined herein) and as escrow agent (the “Escrow Agent”).

WITNESSETH:

WHEREAS, the Commission has heretofore issued its Riverside County Transportation Commission Toll Revenue Senior Lien Bonds, 2013 Series A (the “2013 Series A Bonds”), pursuant to a Master Indenture, dated as of June 1, 2013 (as supplemented and amended from time to time pursuant to its terms, the “Master Indenture”), between the Commission and the Trustee;

WHEREAS, the Commission has determined to refund and defease all of the outstanding 2013 Series A Bonds (the “2013A Refunded Bonds”) and is issuing \$[_____] aggregate principal amount of Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable) (the “2020 Series A Senior Bonds”) pursuant to the Master Indenture to, among other purposes, provide funds to refund and defease the 2013A Refunded Bonds, pursuant to Sections 4.02, 10.02 and 15.01 of the Master Indenture;

WHEREAS, Section [26.06(e)] of the Master Indenture provides for the transfer and deposit of \$[_____] consisting of proceeds of the 2020 Series A Senior Bonds [together with other funds of the Commission] to the escrow fund created hereunder, such funds to be applied to refund and defease all of the 2013A Refunded Bonds; and

WHEREAS, such funds shall be deposited in the escrow fund created hereunder in such amount as is necessary, together with interest earnings thereon, to insure the full and timely payment of the Refunding Requirements (as hereinafter defined) for the 2013A Refunded Bonds;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, in order to secure the payment of the Refunding Requirements as heretofore provided, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives, successors and assigns, as follows:

Section 1. Definitions. As used in this Escrow Agreement the following terms have the following meanings:

Chief Financial Officer means the officer who is then performing the functions of Chief Financial Officer of the Commission.

Defeasance Securities means securities of the type defined in the Master Indenture and meeting the requirements for defeasance specified in Section 10.02 of the Master Indenture.

Escrow Agent means U.S. Bank National Association, or any successor thereto appointed under this Escrow Agreement.

Escrow Fund means the fund by that name created pursuant to Section 2 hereof.

Escrowed Defeasance Securities means those certain Defeasance Securities described in the Verification Report, which is included as Exhibit B to this Escrow Agreement, together with any Defeasance Securities purchased in connection with exchanges, substitutions or reinvestments pursuant to Section 4 of this Escrow Agreement.

Redemption Price means with respect to any 2013A Refunded Bond, the principal amount thereof to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium, payable upon redemption thereof.

Refunding Requirements means all installments of interest on and the Redemption Price of the 2013A Refunded Bonds, in each case commencing on the date hereof and concluding on June 1, 2023, when all the 2013A Refunded Bonds will have been paid or redeemed at the Redemption Price, as such payments become due, as set forth in the Verification Report included as Exhibit B to this Escrow Agreement.

Master Indenture means the Master Indenture, dated as of June 1, 2013, as supplemented and amended, between the Commission and the Trustee.

Trustee means U.S. Bank National Association, and its successors and assigns as trustee under the Master Indenture.

Verification Agent means Causey Demgen & Moore P.C.

Verification Report means the verification report, dated [_____], 2020, prepared by the Verification Agent, which is included as Exhibit B hereto.

2013A Refunded Bonds means the Riverside County Transportation Commission Toll Revenue Senior Lien Bonds, 2013 Series A, issued pursuant to the Master Indenture, and defeased and refunded by the 2020 Series A Senior Bonds as set forth in Exhibit A hereto.

2020 Series A Senior Bonds means the Riverside County Transportation Commission Toll Revenue Senior Lien Refunding Bonds, 2020 Series A (Federally Taxable), issued pursuant to the Master Indenture for purposes of refunding the 2013A Refunded Bonds as described herein.

All other capitalized terms used but not defined herein shall have the respective meanings given to such terms in the Master Indenture.

Section 2. Creation and Purpose of Escrow Fund.

(a) There is hereby created and established with the Escrow Agent a special and irrevocable trust fund designated the Escrow Fund (the “Escrow Fund”). The Escrow Agent

shall keep the Escrow Fund separate and apart from all other funds and moneys held by it and shall hold the Escrow Fund in trust for the purposes described herein. All Defeasance Securities and moneys in the Escrow Fund are hereby irrevocably pledged, subject to the provisions of Section 4 and Section 7 hereof, to secure the payment of the 2013A Refunded Bonds.

(b) On the date of issuance of the 2020 Series A Senior Bonds, the Escrow Agent shall deposit \$[_____] into the Escrow Fund, consisting of (i) \$[_____] in proceeds of the 2020 Series A Senior Bonds [and (ii) \$[_____] in additional funds that the Commission previously deposited with the Trustee], which shall be transferred from the Trustee to the Escrow Agent pursuant to the Master Indenture. Such amount shall be held in the Escrow Fund and paid out as provided in this Escrow Agreement and pursuant to the Master Indenture. Such moneys shall be sufficient for the purchase of the Escrowed Defeasance Securities identified in the Verification Report that is included as Exhibit B to this Escrow Agreement and to make the cash deposit of \$[_____] to the Escrow Fund identified in the Verification Report that is included as Exhibit B and shall be used by the Escrow Agent to purchase the Escrowed Defeasance Securities identified in the Verification Report that is included as Exhibit B to this Escrow Agreement and make such cash deposit on the date of issuance of the 2020 Series A Senior Bonds. The principal of and interest on the Escrowed Defeasance Securities and any uninvested cash held hereunder shall be applied by the Escrow Agent to the payment of the Refunding Requirements applicable to the 2013A Refunded Bonds.

(c) As verified by the Verification Report that is included as Exhibit B to this Escrow Agreement, the Escrowed Defeasance Securities identified in such Verification Report are such that, if interest thereon and principal thereof are paid when due, the proceeds from the collection of such interest and principal, together with any uninvested cash held hereunder, will be sufficient to pay the Refunding Requirements applicable to the 2013A Refunded Bonds, when due.

(d) The Escrow Agent shall hold all Defeasance Securities in the Escrow Fund whether acquired as initial investments, subsequent investments or reinvestments hereunder, and the money received from time to time as principal and interest thereon, in trust, to secure, and for the payment of, the Refunding Requirements applicable to the 2013A Refunded Bonds and shall collect the principal of and interest on such Defeasance Securities held by it hereunder promptly as such principal and interest become due.

Section 3. Redemption and Payment of the 2013A Refunded Bonds; Notice of Redemption.

(a) The Escrow Agent, acting as Trustee, is hereby irrevocably instructed to redeem the 2013A Refunded Bonds on June 1, 2023 (the “Redemption Date”), at a redemption price of the principal amount thereof called for redemption plus accrued interest to the Redemption Date, without premium, at the times and places and in the manner specified in the Master Indenture, such payment to be made from the Escrow Fund.

(b) The Escrow Agent, acting as Trustee, is hereby further irrevocably instructed to give notice of such redemption at the time and in the manner provided in Sections 4.02 and 15.01

of the Master Indenture, and in accordance with Section 10.02 of the Master Indenture. The Escrow Agent, as Trustee, acknowledges that these irrevocable instructions constitute satisfactory provision for the giving of notice of redemption required by Section 10.02(b) of the Master Indenture. Attached as Exhibit C hereto is a form of redemption notice.

Section 4. Investment of Escrow Fund; Substitution; Reinvestment.

(a) The Commission and the Escrow Agent each shall take all remaining necessary action to have issued and registered in the name of the Escrow Agent, for the account of the Escrow Fund, the Escrowed Defeasance Securities.

(b) There shall be no exchange or substitution of the Escrowed Defeasance Securities, except upon: (i) the written direction of an Authorized Representative of the Commission; and (ii) receipt by the Commission and the Trustee of a new verification report, prepared by an Independent Certified Public Accountant, verifying the sufficiency of the amount of Defeasance Securities and cash on deposit in the Escrow Fund following such exchange or substitution to pay the Refunding Requirements when due. The Escrow Agent shall not be liable or responsible for any loss resulting from any substitution of securities made pursuant to this Escrow Agreement and in full compliance with the provisions hereof.

(c) Except as otherwise provided herein, the Escrow Agent shall not reinvest any cash portion of the Escrow Fund and shall hold such cash portion uninvested in such Escrow Fund; provided, however, that after receiving a new verification report, prepared by an Independent Certified Public Accountant, to the effect that such reinvestment will not adversely affect the sufficiency of the amount of Defeasance Securities and cash on deposit in the Escrow Fund to pay the Refunding Requirements when due, the Escrow Agent shall, at the written direction of the Commission, reinvest any cash portion of such Escrow Fund in Defeasance Securities. The Escrow Agent shall not be liable or responsible for any loss resulting from any reinvestment made pursuant to this Escrow Agreement and in full compliance with the provisions hereof.

(d) The Escrow Agent shall furnish the Commission periodic cash transaction statements which include detail for all investment transactions effected by the Escrow Agent or brokers selected by the Commission. Upon the Commission's election, such statements will be delivered via the Escrow Agent's online service and upon electing such service, paper statements will be provided only upon request. The Commission waives the right to receive brokerage confirmations of security transactions effected by the Escrow Agent as they occur, to the extent permitted by law. The Commission further understands that trade confirmations for securities transactions effected by the Escrow Agent will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

(e) The Commission acknowledges that, to the extent that the regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Commission the right to receive brokerage confirmations on security transactions as they occur, the Commission specifically waives receipt of such confirmations to the extent permitted by law. The Escrow

Agent shall furnish to the Commission periodic cash transaction statements which shall include details of all investment transactions made by the Escrow Agent hereunder.

Section 5. Sufficiency of Escrow. Moneys deposited in the Escrow Fund, including the investment earnings thereon and any uninvested cash, shall be in an amount, as determined by the Commission and as verified by the Verification Report, that at all times shall be sufficient to meet the Refunding Requirements not theretofore met.

If at any time the Escrow Agent shall have actual knowledge that the moneys in the Escrow Fund, including the investment earnings thereon and any uninvested cash, will not be sufficient to meet the Refunding Requirements, the Escrow Agent shall notify the Chief Financial Officer of the Commission of such deficiency in writing as soon as reasonably practicable. Upon receipt of such notice, the Commission will promptly use its best efforts (but is not legally required) to pay to the Escrow Agent, from any legally available moneys, and the Escrow Agent shall deposit in the Escrow Fund, the amount necessary to make up the deficiency. The Escrow Agent shall not be liable or responsible for any loss resulting from its failure to give such notice nor from the Commission's failure to make any such payment.

Section 6. Payment of the 2013A Refunded Bonds. The Commission hereby requests and irrevocably instructs the Escrow Agent, and the Escrow Agent hereby agrees to collect and deposit in the Escrow Fund the principal of and interest on all Escrowed Defeasance Securities held for the account of such Escrow Fund promptly as such principal and interest become due, and to apply such principal and interest, together with any other moneys and the principal of and interest on any other Defeasance Securities deposited in such Escrow Fund, to the payment of the interest on and redemption price of the 2013A Refunded Bonds at the places and in the manner stipulated in the Master Indenture and herein.

Section 7. Termination of Escrow Agreement. When the Escrow Agent shall have transferred, pursuant to Section 6 hereof, such moneys as are required to pay in full and discharge all of the 2013A Refunded Bonds, the Escrow Agent, after payment of all fees and expenses of the Escrow Agent, shall, in accordance with Section 10.02 of the Master Indenture, immediately transfer any amounts remaining in the Escrow Fund to the Trustee for deposit in the Toll Revenue Fund held by the Trustee under the Master Indenture or, if no Obligations remain Outstanding, pay over to the Commission the moneys, if any, then remaining in the Escrow Fund and, in either such event, this Escrow Agreement shall terminate.

Section 8. Fees and Costs.

(a) The Escrow Agent's fees, expenses and reimbursement for costs incurred for and in carrying out the provisions of this Escrow Agreement have been fixed by separate agreement with the Commission. The Escrow Agent shall also be entitled to additional fees, expenses and reimbursement for costs incurred from the Commission, including but not limited to, legal and accounting services in connection with any litigation or other proceedings that may at any time be instituted involving this Escrow Agreement (other than fees, expenses and costs due to the negligence or willful misconduct of the Escrow Agent).

(b) Payments to the Escrow Agent pursuant to this Section 8 shall not be for deposit in the Escrow Fund, and the fees of and all expenses and costs incurred by the Escrow Agent, including without limitation any accruing under the terms of this Escrow Agreement, shall not be a charge on and in no event shall be deducted from the Escrow Fund.

Section 9. Successors. Any successor to the Trustee under Article VIII of the Master Indenture shall automatically and without further action be the successor to the Escrow Agent hereunder and be deemed to have assumed all duties and responsibilities of the Escrow Agent provided by the terms hereof.

Section 10. Indemnification. The indemnification afforded to the Trustee under Section 8.02 of the Master Indenture shall extend to the Escrow Agent hereunder.

Section 11. Capacity, Immunities and Liabilities of Escrow Agent. The Escrow Agent is entering into this Escrow Agreement in its capacity as Trustee under the Master Indenture and shall be entitled to the rights, protections, limitations from liability and indemnification afforded in Article VIII of the Master Indenture, including, without limitation, the protections and limitations from liability set forth in Sections 8.01(b) and 8.02 of the Master Indenture and the right to resign set forth in Section 8.03 of the Master Indenture. The Escrow Agent shall perform such duties and only such duties as are specifically set forth in this Escrow Agreement and no implied duties or obligations shall be read into this Escrow Agreement against the Escrow Agent. The liability of the Escrow Agent to make payments required pursuant to this Escrow Agreement shall be limited to the cash and Escrowed Defeasance Securities held on deposit in the Escrow Fund. The Escrow Agent shall not be liable or responsible for any loss resulting from any investment or reinvestment made pursuant to this Escrow Agreement and in full compliance with the provisions hereof. Subject to the provisions of Section 7 hereof, moneys held by the Escrow Agent hereunder are to be held and applied for the payment of the 2013A Refunded Bonds in accordance with the Master Indenture.

Section 12. Amendment. This Escrow Agreement is made for the benefit of the Commission and the Owners from time to time of the 2013A Refunded Bonds. This Escrow Agreement shall not be repealed, revoked, altered or amended without the written consent of all such Owners; provided, however, that the Commission and the Escrow Agent may, but without the consent of, or notice to, such Owners, enter into such agreements supplemental to this Escrow Agreement for any one or more of the following purposes: (i) to cure any ambiguity or inconsistency or formal defect or omission in this Escrow Agreement; (ii) to grant to, or confer upon, the Escrow Agent for benefit of such Owners any additional rights, remedies, powers or Commission that may lawfully be granted to, or conferred upon, such Owners or the Escrow Agent; (iii) to subject to this Escrow Agreement additional funds, securities or properties; and (iv) to make any other amendment that does not materially adversely affect the rights of any Owners of the 2013A Refunded Bonds; provided, however that no such agreement supplemental to this Escrow Agreement shall modify or amend the irrevocable pledge of the Escrow Fund, the provisions requiring delivery of an opinion of nationally recognized bond counsel and a verification report to the Escrow Agent prior to any substitution of securities, without the consent of all Owners of the 2013A Refunded Bonds. Prior to entering into such agreement

supplemental to this Escrow Agreement, the Escrow Agent may rely upon an opinion of bond counsel that such supplemental agreement complies with the terms hereof.

Section 13. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given if received or if sent by first class mail, as follows:

If to the Commission: Riverside County Transportation Commission
 P.O. Box 12008
 Riverside, California 92502
 Attention: Chief Financial Officer
 Telephone: (951) 787-7141
 Fax: (951) 787-7920

If to the Trustee
and Escrow Agent: U.S. Bank National Association
 633 West Fifth Street, 24th Floor
 Los Angeles, California 90071
 Attention: Global Corporate Trust
 Telephone: (213) 615-6002
 Fax: (213) 615-6199

Section 14. Payments Due on Non-Business Days. Any payment or transfer which would otherwise become due on a day that is not a Business Day (as such term is defined in the Master Indenture) need not be made on such day but shall be made on the next succeeding Business Day (as such term is defined in the Master Indenture), with the same force and effect as if made on the due date.

Section 15. Severability. If any section, paragraph, clause or provision of this Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Escrow Agreement.

Section 16. Law Governing. This Escrow Agreement is made in the State of California and is to be construed under the Constitution and laws of such State.

Section 17. Counterparts. This Escrow Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Riverside County Transportation Commission has caused this Escrow Agreement to be signed in its name by its duly authorized officer, and U.S. Bank National Association, has caused this Escrow Agreement to be signed in its name by its duly authorized officer, all as of the day and year first above written.

RIVERSIDE COUNTY TRANSPORTATION
COMMISSION

By: _____
Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, as
Trustee and Escrow Agent

By: _____
Authorized Officer

EXHIBIT A

DESCRIPTION OF 2013A REFUNDED BONDS

Riverside County Transportation Commission Toll Revenue Senior Lien Bonds, 2013 Series A

Redemption Date: June 1, 2023

Maturity Date (June 1)	Principal Amount	Interest Rate (%)	CUSIP No. (76912D)*	Redemption Price
2044	\$39,315,000	5.75%	AA6	100%
2048 [‡]	\$84,510,000	5.75	AB4	100%

* CUSIP numbers provided above are provided for the convenience of the Escrow Agent. The Riverside County Transportation Commission is not responsible for the accuracy or completeness of any of the CUSIP numbers.

[‡] Term Bond

EXHIBIT B
VERIFICATION REPORT

EXHIBIT C

FORM OF REDEMPTION NOTICE

NOTICE OF REDEMPTION

RIVERSIDE COUNTY TRANSPORTATION COMMISSION TOLL REVENUE SENIOR LIEN BONDS, 2013 SERIES A

Maturity Date (June 1)	Principal Amount	Interest Rate (%)	CUSIP No. (76912D)*	Redemption Price
2044	\$39,315,000	5.75%	AA6	100%
2048 [‡]	\$84,510,000	5.75	AB4	100%

Notice is hereby given in the name of the Riverside County Transportation Commission (the “Commission”) to the registered owner of the bonds identified above (the “Bonds”) that:

In accordance with the Master Indenture, dated as of June 1, 2013, as amended and supplemented (the “Indenture”), between the Commission and U.S. Bank National Association, as successor trustee (the “Trustee”), the Bonds are subject to optional redemption by the Commission, subject to the conditions set forth in the Indenture and described below.

The Bonds are to be redeemed on June 1, 2023 (the “Redemption Date”). On the Redemption Date there will become due and payable on each of said Bonds the Redemption Price thereof, which is equal to the principal amount of the Bonds, plus accrued and unpaid interest thereon to the Redemption Date, without premium.

1. The Redemption Price will be paid to or as directed by the registered Owner of the Bonds (which is the Securities Depository) in accordance with its rules and procedures. The Bonds shall be surrendered at the following address of the Trustee:

<u>First Class/Registered/Certified</u>	<u>Express Delivery Only</u>
U.S. Bank National Association	U.S. Bank National Association
Global Corporate Trust Services	Global Corporate Trust Services
111 Fillmore Avenue E	111 Fillmore Avenue E
St. Paul, Minnesota 55107	St. Paul, Minnesota 55107

2. The Commission issued refunding bonds on [_____], 2020, a portion of the proceeds of which have been applied to defease the Bonds pursuant to the Indenture and will be used to redeem the Bonds on the Redemption Date.

3. From and after the Redemption Date, interest on the Bonds shall cease to accrue.

4. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Indenture.

5. If the Bonds are mailed, the use of registered, insured mail is recommended.

6. All holders or owners submitting bonds for redemption must complete and deliver the Form W-9 with their Bonds to the Trustee. Failure to provide a completed Form W-9 will result in 28% back-up withholding to holders or owners pursuant to Federal Law.

Dated: _____, 2023

U.S BANK NATIONAL ASSOCIATION, as Trustee for
the Riverside County Transportation Commission

Agreement No. 05-19-510-17**AMENDMENT NO. 17 TO THIS
AGREEMENT FOR BOND COUNSEL SERVICES****1. PARTIES AND DATE**

This Amendment No. 17 to the Agreement for Bond Counsel Services is made and entered into as of March 11, 2020, by and between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION ("Commission") and ORRICK, HERRINGTON & SUTCLIFFE LLP ("Consultant"), a limited liability partnership.

2. RECITALS

- 2.1 The Commission and the Consultant have entered into an agreement No. 05-19-510 dated April 5, 2005 for the purpose of providing bond counsel services (the "Master Agreement").
- 2.2 The Commission and the Consultant have entered into an Amendment No. 1 to the Master Agreement, dated November 14, 2006, for the purpose of bond counsel tasks related to an interest rate swap transaction in connection with the Commission's commercial paper notes under the 2009 Measure A, including a maximum of two (2) counterparty agreements.
- 2.3 The Commission and the Consultant have entered into an Amendment No. 2 to the Master Agreement, dated December 19, 2008, for the purpose of bond counsel services related to the termination of the Lehman Brothers Derivative Products (LBDP) interest rate swap, the review of documentation relating to the execution of a replacement swap, and commercial paper issues resulting from the bankruptcy filing of Lehman Brothers Holdings (LBH).
- 2.4 The Commission and the Consultant have entered into an Amendment No. 3 to the Master Agreement, dated January 1, 2010 for the purpose of extending the term, and providing additional compensation for bond counsel services related to extension of the direct draw letter of credit related to the 2005 Commercial Paper Program and bond counsel services related to the 2009 Measure A debt limit.
- 2.5 The Commission and the Consultant have entered into an Amendment No. 4 to the Master Agreement, dated June 15, 2010 for the purpose of

extending the term and providing additional compensation for bond counsel services.

- 2.6 The Commission and the Consultant have entered into an Amendment No. 5 to the Master Agreement, dated June 15, 2011 for the purpose of extending the term and providing additional compensation for bond counsel services.
- 2.7 The Commission and the Consultant have entered into an Amendment No. 6 to the Master Agreement, dated July 1, 2012 for the purpose of extending the term and providing additional compensation for bond counsel services.
- 2.8 The Commission and the Consultant have entered into an Amendment No. 7 to the Master Agreement, dated June 30, 2013 for the purpose of extending the term and providing additional compensation for bond counsel services.
- 2.9 The Commission and the Consultant have entered into an Amendment No. 8 to the Master Agreement, dated July 1, 2014 for the purpose of extending the term and providing additional compensation for bond counsel services.
- 2.10 The Commission and the Consultant have entered into an Amendment No. 9 to the Master Agreement, dated July 1, 2015 for the purpose of extending the term for bond counsel services.
- 2.11 The Commission and the Consultant have entered into an Amendment No. 10 to the Master Agreement, dated June 30, 2016 for the purpose of extending the term and providing additional compensation for bond counsel services.
- 2.12 The Commission and the Consultant have entered into an Amendment No. 11 to the Master Agreement, dated September 14, 2016, for the purpose of amending the Services, as defined in the Master Agreement, to include the provision of bond counsel services related to termination of the Deutsche Bank swap and issuance of refunding bonds for the 2009 Series A Bonds, and to provide additional funding for the Services.
- 2.13 The Commission and the Consultant have entered into an Amendment No. 12 to the Master Agreement, dated June 30, 2017, for the purpose of extending the term and for providing additional compensation for continued bond counsel services.

- 2.14 The Commission and the Consultant have entered into an Amendment No. 13 to the Master Agreement, dated December 13, 2017, for the purpose of providing additional compensation for bond counsel services related to an advance refunding of all of the 2010 Series A Sales Tax Revenue Bonds and a portion of the 2013 Series A Sales Tax Revenue Bonds with the proceeds from the issuance of 2017 Series B Refunding Bonds.
- 2.15 The Commission and the Consultant have entered into an Amendment No. 14 to the Master Agreement, dated March 14, 2018, in order to provide additional compensation for bond counsel services related to the issuance of the 2018 Series A Refunding Bonds and the termination of the Bank of America, N.A. swap.
- 2.16 The Commission and the Consultant have entered into an Amendment No. 15 to the Master Agreement, dated July 1, 2018, in order to provide additional compensation for bond counsel services.
- 2.17 The Commission and the Consultant have entered into an Amendment No. 16 to the Master Agreement, dated July 1, 2019, in order to provide additional compensation for bond counsel services.
- 2.18 The parties now desire to amend the Master Agreement in order to provide additional compensation for bond counsel services including the issuance of the 2020 Series Toll Revenue Refunding Bonds.

3. TERMS

- 3.1 Reserved.
- 3.2 The maximum compensation for Services performed pursuant to this Amendment shall be Three Hundred Twenty-Five Thousand Dollars (\$325,000). Work shall be performed at the rates set forth in the Master Agreement.
- 3.3 Except as amended by this Amendment No. 17, all provisions of the Master Agreement, as previously amended, including without limitation the indemnity and insurance provisions, shall remain in full force and effect and shall govern the actions of the parties under this Amendment.
- 3.4 This Amendment No. 17 shall be governed by the laws of the State of California. Venue shall be in Riverside County.

- 3.5 This Amendment No. 17 may be signed in counterparts, each of which shall constitute an original.

**SIGNATURE PAGE
TO
AGREEMENT NO. 05-19-510-17**

IN WITNESS WHEREOF, the parties hereto have entered into the Agreement as of the date first herein above written.

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

**ORRICK, HERRINGTON &
SUTCLIFFE LLP**

By: _____
Anne Mayer, Executive Director

By: _____
Signature

Name

Title

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
Counsel to the Riverside County
Transportation Commission

Agreement No. 09-19-072-15**AMENDMENT NO. 15 TO THIS
AGREEMENT FOR DISCLOSURE COUNSEL SERVICES****1. PARTIES AND DATE**

This Amendment No. 15 to the Agreement for Disclosure Counsel Services is made and entered into as of as of March 11, 2020, by and between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION ("Commission") and NORTON ROSE FULBRIGHT US LLP, formerly FULBRIGHT & JAWORSKI LLP ("Consultant").

2. RECITALS

- 2.1 The Commission and Consultant have entered into an agreement dated July 8, 2009 for the purpose of providing disclosure counsel services (the "Master Agreement").
- 2.2 The Commission and Consultant have entered into an Amendment No. 1 to the Master Agreement, dated March 30, 2010, for the purpose of providing disclosure counsel services related to extension of the direct draw letter of credit related to the 2005 Commercial Paper Program.
- 2.3 The Commission and Consultant have entered into an Amendment No. 2 to the Master Agreement, dated October 13, 2010, for the purpose of providing disclosure counsel services related to the issuance of Series 2010 sales tax revenue bonds.
- 2.4 The Commission and Consultant have entered into an Amendment No. 3 to the Master Agreement, dated July 13, 2011, for the purpose of revising the Scope of Services and providing additional compensation in order to provide disclosure counsel services related to the renewal and extension of the standby bond purchase agreements related to the Series 2009 sales tax revenue bonds.
- 2.5 The Commission and Consultant have entered into an Amendment No. 4 to the Master Agreement, dated January 1, 2012, for the purpose of revising the Scope of Services and providing additional compensation in order to provide disclosure counsel services related to the substitution of the letter of credit for the 2005 Commercial Paper Program.

- 2.6 The Commission and Consultant have entered into an Amendment No. 5 to the Master Agreement, dated July 1, 2012, for the purpose of revising the Scope of Services and providing additional compensation in order to provide disclosure counsel services related to financing of the 91 Corridor Improvement Project ("Project").
- 2.7 The Commission and Consultant have entered into an Amendment No. 6 to the Master Agreement, dated July 1, 2013, for the purpose of providing additional compensation and extending the term.
- 2.8 The Commission and Consultant have entered into an Amendment No. 7 to the Master Agreement, dated July 1, 2014, for the purpose of providing additional compensation and extending the term.
- 2.9 The Commission and Consultant have entered into an Amendment No. 8 to the Master Agreement, dated July 1, 2015, for the purpose of extending the term.
- 2.10 The Commission and Consultant have entered into an Amendment No. 9 to the Master Agreement, dated July 1, 2016, for the purpose of providing additional compensation and extending the term.
- 2.11 The Commission and the Consultant have entered into an Amendment No. 10 to the Master Agreement, dated September 14, 2016, for the purpose of amending the Services, as defined in the Master Agreement, to include disclosure counsel services related to the termination of the Deutsche Bank swap and issuance of refunding bonds for the 2009 Bond Series A, and to provide additional funding for such Services.
- 2.12 The Commission and the Consultant have entered into an Amendment No. 11 to the Master Agreement, dated July 1, 2017, for the purpose of providing additional compensation and extending the term.
- 2.13 The Commission and the Consultant have entered into an Amendment No. 12 to the Master Agreement, dated March 14, 2018, for the purpose of providing additional compensation for disclosure counsel services related to the issuance of the 2018 Series A Refunding Bonds and the termination of the Bank of America, N.A. swap.
- 2.14 The Commission and the Consultant have entered into an Amendment No. 13 to the Master Agreement, dated July 1, 2018, for the purpose of providing additional compensation and extending the term.

- 2.15 The Commission and the Consultant have entered into an Amendment No. 14 to the Master Agreement, dated July 1, 2019, for the purpose of providing additional compensation and extending the term.
- 2.16 The parties now desire to amend the Master Agreement in order to provide additional compensation for disclosure counsel services related to the issuance of the 2020 Series Toll Revenue Refunding Bonds.

3. TERMS

- 3.1 Reserved.
- 3.2 The maximum compensation for Services performed pursuant to this Amendment shall be One Hundred Fifty-Five Thousand Dollars (\$155,000). Work shall be performed at the rates set forth in the Master Agreement, as previously amended.
- 3.3 Except as amended by this Amendment, all provisions of the Master Agreement, as amended by Amendment Nos. 1 through 14, including without limitation the indemnity and insurance provisions, shall remain in full force and effect and shall govern the actions of the parties under this Amendment.
- 3.4 This Amendment No. 15 shall be governed by the laws of the State of California. Venue shall be in Riverside County.
- 3.5 This Amendment No. 15 may be signed in counterparts, each of which shall constitute an original.

[Signatures on following page]

**SIGNATURE PAGE
TO
AGREEMENT NO. 09-19-072-15**

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date first herein above written.

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

**NORTON ROSE FULBRIGHT
US LLP**

By: _____
Anne Mayer, Executive Director

By: _____
Signature

Name

Title

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
Counsel to the Riverside County
Transportation Commission

AGENDA ITEM 9

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	Bryce Johnston, Capital Projects Manager Mark Lancaster, Right of Way Manager Marlin Feenstra, Project Delivery Director
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Award of Interstate 15/Railroad Canyon Road Interchange Project Construction Agreement to Riverside Construction Company

WESTERN RIVERSIDE COUNTY PROGRAMS AND PROJECTS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Award Agreement No. 20-31-034-00 to Riverside Construction Company to construct the Interstate 15/Railroad Canyon Road Interchange Project (Project), in the amount of \$27,698,589, plus a contingency amount of \$2,769,859, for potential change orders and supplemental work in the amount of \$910,000 during construction, for a total amount not to exceed \$31,378,448;
- 2) Approve Agreement No. 20-31-046-00 with the Pechanga Band of Luiseño Indians (Pechanga) for an amount not to exceed \$100,000 for Native American monitoring services during construction of the Project;
- 3) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreements on behalf of the Commission; and
- 4) Authorize the Executive Director, or designee, to approve contingency work as may be required for the Project.

BACKGROUND INFORMATION:

At its May 11, 2011, meeting, the Commission approved an agreement with the city of Lake Elsinore, designating the Commission as the lead agency and to develop the plans, specifications and estimate package (PS&E) for the Project (see map on Attachment 1) on behalf of the City. The Project will improve traffic circulation within the area by constructing new northbound hook ramps from I-15 that connect to Grape Street, reconstructing the existing northbound entrance ramp, widening the southbound entrance and exit ramps, widening Railroad Canyon Road under the freeway from six to eight lanes, and installing drainage and signal improvements. The project approval and environmental document phase was completed in August 2017.

Procurement Process:

On December 18, 2019, the Commission released the Invitation for Bids (IFB) No. 20-31-034-00 for construction of the Project. A public notice was advertised in the *Press Enterprise*, and the complete IFB, including all contract documents, was posted on the PlanetBids website, which is accessible through the Commission's website. Electronic mail messages were sent to vendors registered in the Commission's PlanetBids database that fit the IFB qualifications. 133 firms downloaded the IFB. 37 of those firms are located in Riverside County. A pre-bid conference was held at the Commission's office on January 7. On February 13, 12 bids were received and publicly opened. A summary of the bids received is shown in Table 1.

Table 1
Construction of I-15/Railroad Canyon Road Interchange

	Firm (In order from Low Bid to High Bid)	Bid Amount
	Engineer's Estimate	\$35,725,774
1	Riverside Construction Company	\$27,698,589
2	Skanska USA Civil West California District, Inc.	\$27,874,000
3	Ortiz Enterprises, Inc.	\$30,374,376
4	Security Paving Company, Inc.	\$30,499,521
5	Steve P. Rados, Inc.	\$30,691,251
6	Beador Construction Company, Inc.	\$30,944,678
7	Group OHL – North America	\$31,363,844
8	Flatiron West, Inc.	\$31,730,939
9	SEMA Construction, Inc.	\$31,741,926
10	Walsh Construction Company II, LLC	\$33,307,616
11	Griffith Company	\$34,578,000
12	Accel Construction	N/A

The basis for award for a public works contract is the lowest responsive and responsible bidder as defined by the Commission's procurement policy and state law. The preliminary bid analysis (Attachment 3) shows the bid amounts of the three lowest apparent bidders, the total price per item and percent variation from the engineer's estimate for each bid item. The bid price submitted by Riverside Construction Company was 22.5 percent lower than the engineer's estimate. Although Riverside Construction Company's bid is lower than the engineer's estimate, an analysis of the bids is required and will be completed by staff prior to the March Commission meeting.

After analyzing the 12 bids received, staff preliminarily concluded that Riverside Construction Company is the lowest responsible bidder submitting a responsive bid in the amount of \$27,698,589 for the Project.

Staff recommends award of Agreement No. 20-31-034-00 for the construction of the Project to Riverside Construction Company for the amount of \$27,698,589, plus a contingency amount of \$2,769,859, to cover potential change orders encountered during construction and supplemental work items in the amount of \$910,000, for a total amount not to exceed \$31,378,448. Supplemental work is work that will have to be done during construction but is not quantifiable at the time of construction advertisement. Two common supplemental items of work are maintaining existing traffic and the price index fluctuation of asphalt pavement.

Construction activity is expected to begin in April 2020 and will take about 24 months to complete.

Native American Monitoring

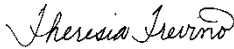
A portion of the Project is within Native American culturally sensitive areas. The environmental document requires that the Project give the affected Native American Tribe, Pechanga, the opportunity to monitor construction excavation activities occurring in the sensitive areas, and it has indicated it wishes to monitor soil disturbance and excavation activities for the Project. Staff recommends approval of Agreement No. 20-31-046-00 for Native American monitoring services during the construction of the Project for an amount not to exceed \$100,000.

Table 2 presents the total funding for the construction and construction support phases of the Project. Construction support dollars reflect the construction management contract awarded to Arcadis U.S, Inc. in June 2019, as well as estimated Commission and Bechtel staff, legal support and other consultant costs for the construction phase of the Project.

**Table 2
Project Funding
(Amounts in thousands)**

	SB1 LPP	STIP-RIP	City Impact Fee	TUMF Regional Arterial	Total
Construction Capital	\$ 15,000	\$ 2,920	\$ 755	\$ 14,799	\$ 33,474
Construction Support	-	-	-	7,450	7,450
Total	\$ 15,000	\$ 2,920	\$ 755	\$ 22,249	\$ 40,924

There is sufficient funding programmed to support the Project costs, including the construction costs and Native American monitoring services that are the subject of this staff report.

Financial Information					
In Fiscal Year Budget:	Yes N/A	Year:	FY 2019/20 FY 2020/21+	Amount:	\$ 5,100,000 \$26,378,448
Source of Funds:	TUMF Regional Arterial; State SB1 Local Partnership Program (LPP) and State Transportation Improvement Program-Regional Improvement Program (STIP/RIP) funds; City of Lake Elsinore Traffic Impact Fees			Budget Adjustment:	No N/A
GL/Project Accounting No.:	005104 81301 00000 0000 210 72 81301 Construction 005104 81304 00000 0000 210 72 81301 Construction Support				
Fiscal Procedures Approved:				Date:	02/14/2020

Attachments:

- 1) Project Map
- 2) Draft Agreement No. 20-31-034-00
- 3) Bid Analysis
- 4) Draft Native American Monitoring Agreement No. 20-31-046-00

<p><i>Approved by the Western Riverside County Programs and Projects Committee on February 24, 2020</i></p>					
In Favor:	11	Abstain:	0	No:	0

CONSTRUCTION SERVICES FOR THE INTERSTATE 15 RAILROAD CANYON ROAD INTERCHANGE AND RELATED WORK

AGREEMENT NO. 20-31-034-00

1. PARTIES AND DATE.

This Contract is made and entered into this ____ day of _____, 2020 by and between the Riverside County Transportation Commission (hereinafter called the "Commission") and **Riverside Construction Company** (hereinafter called the "Contractor"). This Contract is for that Work described in the Contract Documents entitled **CONSTRUCTION SERVICES FOR THE INTERSTATE 15 RAILROAD CANYON ROAD INTERCHANGE AND RELATED WORK**

2. RECITALS.

2.1 The Commission is a County Transportation Commission organized under the provisions of Sections 130000, et seq. of the Public Utilities Code of the State of California, with power to contract for services necessary to achieving its purpose;

2.2 Contractor, in response to a Notice Inviting Bids issued by Commission on **December 18, 2019**, has submitted a bid proposal for **CONSTRUCTION SERVICES FOR THE INTERSTATE 15 RAILROAD CANYON ROAD INTERCHANGE AND RELATED WORK**

2.3 Commission has duly opened and considered the Contractor's bid proposal and duly awarded the bid to Contractor in accordance with the Notice Inviting Bids and other Bid Documents.

2.4 Contractor has obtained, and delivers concurrently herewith, Performance and Payment Bonds and evidences of insurance coverage as required by the Contract Documents.

3. TERMS.

3.1 Incorporation of Documents.

This Contract includes and hereby incorporates in full by reference this Contract and the following Contract Documents provided with the above referenced Notice Inviting Bids, including all exhibits, drawings, specifications and documents therein, and attachments thereto, all of which, including all addendum thereto, are by this reference incorporated herein and made a part of this Contract:

- a. NOTICE INVITING BIDS
- b. INSTRUCTIONS TO BIDDERS
- c. CONTRACT BID FORMS
- d. FORM OF CONTRACT

Contract-1

- e. PAYMENT AND PERFORMANCE BOND FORMS
- f. ESCROW AGREEMENT FOR SECURITY DEPOSITS
- g. CONTRACT APPENDIX

PART "A" - Regulatory Requirements and Permits

PART "B" – Standard Provisions

PART "C" – Special Provisions

PART "D" – Contract Plans

PART "E" – Supplemental Materials

- h. ADDENDUM NO.(S) (N/A or Add Addendum Numbers)

3.2 Contractor's Basic Obligation.

Contractor promises and agrees, at his own cost and expense, to furnish to the Commission all labor, materials, tools, equipment, services, and incidental and customary work for **CONSTRUCTION SERVICES FOR THE INTERSTATE 15 RAILROAD CANYON ROAD INTERCHANGE AND RELATED WORK**

Notwithstanding anything else in the Contract Documents, the Contractor shall complete the Work for a total of Twenty Seven Million Six Hundred Ninety-Eight Thousand Five Hundred Eighty-Nine Dollars (\$27,698,589), as specified in the bid proposal and pricing schedules submitted by the Contractor in response to the above referenced Notice Inviting Bids. Such amount shall be subject to adjustment in accordance with the applicable terms of this Contract. All Work shall be subject to, and performed in accordance with the above referenced Contract Documents.

3.3 Period of Performance.

Contractor shall perform and complete all Work under this Contract within **434 working days (excluding plant establishment work)** of the effective date of the Notice to Proceed, and in accordance with the Milestone Completion Dates set forth in the table below. Contractor agrees that if such Work is not completed within the aforementioned periods, liquidated damages will apply as provided by the applicable provisions of the General Conditions, found in Part "B" of the Contract Appendix. The amount of liquidated damages shall equal thirteen thousand five hundred dollars (**\$13,500.00**) for each day or fraction thereof, it takes to complete the Work, or specified portion(s) of the Work, over and above the number of days specified herein or beyond the Project Milestones established by approved Construction Schedules.

3.4 Commission's Basic Obligation.

Commission agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract Documents, the Commission shall pay to Contractor, as full consideration for the satisfactory performance by the Contractor of services and obligation required by this Contract, the above referenced compensation in accordance with Compensation Provisions set forth in the Contract Documents.

3.5 Contractor's Labor Certification.

Contractor maintains that he is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Work. A certification form for this purpose is attached to this Contract as Exhibit "A" and incorporated herein by reference, and shall be executed simultaneously with this Contract.

3.6 Successors.

The parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract. Contractor may not either voluntarily or by action of law, assign any obligation assumed by Contractor hereunder without the prior written consent of Commission.

3.7 Notices.

All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

Contractor:

Riverside Construction Company
4225 Garner Rd
Riverside, CA 92501
Attn: Bryan Lounsbury

Commission:

Riverside County Transportation Commission
P.O. Box 12008
Riverside, California 92502-2208
Attn: Executive Director

Any notice so given shall be considered received by the other party three (3) days after deposit in the U.S. Mail, first class postage prepaid, addressed to the party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

CONTRACTOR
Riverside Construction Company
COMMISSION

RIVERSIDE COUNTY
TRANSPORTATION

By: _____
Name

Title

Tax I.D. Number:

By: _____
Anne Mayer
Riverside County Transportation
Commission

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
Counsel, RCTC

DRAFT

I-15 Railroad Canyon Interchange										ENGINEER'S ESTIMATE							BID PRICES AND AMOUNTS							AVERAGE OF BID AMOUNTS				VARIANCE FROM AVERAGE OF BIDS									SPREAD (HIGH MINUS LOW)																						
Revision No.: A (completed 10/21/2019) Bid Opening Date: 17 OCT 2019										Yellow items are > \$100kbelow ENGR EST							LOW BIDDER Riverside							SECOND BIDDER Skanska							THIRD BIDDER Ortiz							LOW BIDDER Riverside				SECOND BIDDER Skanska							THIRD BIDDER Ortiz							PRICE SPREAD			
ITEM NUM	ITEM CODE	ITEM DESCRIPTION	UNIT OF MEASURE	BID QTY (A)	ENGINEER'S ESTIMATED PRICE (B)	AMOUNT (C=A x B)	% of Eng Est	PRICE	AMOUNT	% VAR ENGR EST	PRICE	AMOUNT	% VAR ENGR EST	PRICE	AMOUNT	% VAR ENGR EST	PRICE	AMOUNT	% of Total Avg.	% VAR ENGR EST	PRICE	AMOUNT	% Var to Avg	PRICE	AMOUNT	% Var to Avg	PRICE	AMOUNT	% Var to Avg	PRICE SPREAD	AMOUNT SPREAD	% of Total Avg.	ITEM NUM																										
46	^F 193003	STRUCTURE BACKFILL (BRIDGE)	CY	46	\$ 47.00	\$ 2,162	0%	250.00	\$ 11,500	432%	75.00	\$ 3,450	60%	130.00	\$ 5,980	177%	151.67	\$ 6,977	0%	223%	98.33	\$ 4,523	65%	(76.67)	\$ (3,527)	-51%	(21.67)	\$ (997)	-14%	175.00	\$ 8,050	0%	46																										
47	^F 193013	STRUCTURE BACKFILL (RETAINING WALL)	CY	3,636	\$ 45.00	\$ 163,620	0%	100.00	\$ 363,600	122%	45.00	\$ 163,620	0%	32.00	\$ 116,352	-29%	59.00	\$ 214,524	1%	31%	41.00	\$ 149,076	69%	(14.00)	\$ (50,904)	-24%	(27.00)	\$ (98,172)	-46%	68.00	\$ 247,248	1%	47																										
48	^F 193027	STRUCTURE BACKFILL (GROUND ANCHOR WALL)	CY	32	\$ 105.00	\$ 3,360	0%	1,500.00	\$ 48,000	1329%	200.00	\$ 6,400	90%	135.00	\$ 4,320	29%	611.67	\$ 19,573	0%	483%	888.33	\$ 28,427	145%	(411.67)	\$ (13,173)	-67%	(476.67)	\$ (15,253)	-78%	1,365.00	\$ 43,680	0%	48																										
49	^F 193028	STRUCTURE BACKFILL (SOIL NAIL WALL)	CY	78	\$ 150.00	\$ 11,700	0%	500.00	\$ 39,000	233%	85.00	\$ 6,630	-43%	55.00	\$ 4,290	-63%	213.33	\$ 16,640	0%	42%	286.67	\$ 22,360	134%	(128.33)	\$ (10,010)	-60%	(158.33)	\$ (12,350)	-74%	445.00	\$ 34,710	0%	49																										
50	^F 193031	PERVIOUS BACKFILL MATERIAL (RETAINING WALL)	CY	183	\$ 67.00	\$ 12,261	0%	100.00	\$ 18,300	49%	90.00	\$ 16,470	34%	44.00	\$ 8,052	-34%	78.00	\$ 14,274	0%	16%	22.00	\$ 4,026	28%	12.00	\$ 2,196	15%	(34.00)	\$ (6,222)	-44%	56.00	\$ 10,248	0%	50																										
51	194001	DITCH EXCAVATION	CY	52	\$ 75.00	\$ 3,900	0%	100.00	\$ 5,200	33%	40.00	\$ 2,080	-47%	205.00	\$ 10,660	173%	115.00	\$ 5,980	0%	53%	(15.00)	\$ (780)	-13%	(75.00)	\$ (3,900)	-65%	90.00	\$ 4,680	78%	165.00	\$ 8,580	0%	51																										
52	198010	IMPORTED BORROW (CY)	CY	4,516	\$ 20.00	\$ 90,320	0%	1.00	\$ 4,516	-95%	0.50	\$ 2,258	-98%	1.00	\$ 4,516	-95%	0.83	\$ 3,763	0%	-96%	0.17	\$ 753	20%	(0.33)	\$ (1,505)	-40%	0.17	\$ 753	20%	0.50	\$ 2,258	0%	52																										
53	200114	ROCK BLANKET	SQFT	42,334	\$ 25.00	\$ 1,058,350	3%	11.00	\$ 465,674	-56%	11.00	\$ 465,674	-56%	9.50	\$ 402,173	-62%	10.50	\$ 444,507	2%	-58%	0.50	\$ 21,167	5%	0.50	\$ 21,167	5%	(1.00)	\$ (42,334)	-10%	1.50	\$ 63,501	0%	53																										
54	200123	CULTIVATION	SQYD	505	\$ 10.00	\$ 5,050	0%	8.00	\$ 4,040	-20%	3.00	\$ 1,515	-70%	8.00	\$ 4,040	-20%	6.33	\$ 3,198	0%	-37%	1.67	\$ 842	26%	(3.33)	\$ (1,683)	-53%	1.67	\$ 842	26%	5.00	\$ 2,525	0%	54																										
55	202004	IRON SULFATE (LB)	LB	3,953	\$ 4.00	\$ 15,812	0%	1.00	\$ 3,953	-75%	1.00	\$ 3,953	-75%	0.90	\$ 3,558	-78%	0.97	\$ 3,821	0%	-76%	0.03	\$ 132	3%	0.03	\$ 132	3%	(0.07)	\$ (264)	-7%	0.10	\$ 395	0%	55																										
56	202006	SOIL AMENDMENT	CY	213	\$ 42.00	\$ 8,946	0%	20.00	\$ 4,260	-52%	1.00	\$ 213	-98%	20.00	\$ 4,260	-52%	13.67	\$ 2,911	0%	-67%	6.33	\$ 1,349	46%	(12.67)	\$ (2,698)	-93%	6.33	\$ 1,349	46%	19.00	\$ 4,047	0%	56																										
57	202026	RELOCATE BACKFLOW PREVENTER ASSEMBLY	EA	2	\$ 3,000.00	\$ 6,000	0%	1,500.00	\$ 3,000	-50%	3,000.00	\$ 6,000	0%	1,600.00	\$ 3,200	-47%	2,033.33	\$ 4,067	0%	-32%	(533.33)	\$ (1,067)	-26%	966.67	\$ 1,933	48%	(433.33)	\$ (867)	-21%	1,500.00	\$ 3,000	0%	57																										
58	202028	RELOCATE IRRIGATION CONTROLLER	EA	1	\$ 3,550.00	\$ 3,550	0%	1,500.00	\$ 1,500	-58%	3,000.00	\$ 3,000	-15%	1,600.00	\$ 1,600	-55%	2,033.33	\$ 2,033	0%	-43%	(533.33)	\$ (533)	-26%	966.67	\$ 967	48%	(433.33)	\$ (433)	-21%	1,500.00	\$ 1,500	0%	58																										
59	202029	A REMOVE IRRIGATION CONTROLLER	EA	1	\$ 1,000.00	\$ 1,000	0%	800.00	\$ 800	-20%	2,500.00	\$ 2,500	150%	800.00	\$ 800	-20%	1,366.67	\$ 1,367	0%	37%	(566.67)	\$ (567)	-41%	1,133.33	\$ 1,133	83%	(566.67)	\$ (567)	-41%	1,700.00	\$ 1,700	0%	59																										
60	202038	PACKET FERTILIZER	EA	15,418	\$ 2.50	\$ 38,545	0%	0.20	\$ 3,084	-92%	0.50	\$ 7,709	-80%	0.20	\$ 3,084	-92%	0.30	\$ 4,625	0%	-88%	(0.10)	\$ (1,542)	-33%	0.20	\$ 3,084	67%	(0.10)	\$ (1,542)	-33%	0.30	\$ 4,625	0%	60																										
61	204008	PLANT (GROUP H)	EA	1,117	\$ 15.00	\$ 16,755	0%	2.50	\$ 2,793	-83%	5.00	\$ 5,585	-67%	2.50	\$ 2,793	-83%	3.33	\$ 3,723	0%	-78%	(0.83)	\$ (931)	-25%	1.67	\$ 1,862	50%	(0.83)	\$ (931)	-25%	2.50	\$ 2,793	0%	61																										
62	204035	PLANT (GROUP A)	EA	659	\$ 13.00	\$ 8,567	0%	10.00	\$ 6,590	-23%	20.00	\$ 13,180	54%	9.50	\$ 6,261	-27%	13.17	\$ 8,677	0%	1%	(3.17)	\$ (2,087)	-24%	6.83	\$ 4,503	52%	(3.67)	\$ (2,416)	-28%	10.50	\$ 6,920	0%	62																										
63	204036	PLANT (GROUP B)	EA	4,424	\$ 32.00	\$ 141,568	0%	18.00	\$ 79,632	-44%	20.00	\$ 88,480	-38%	18.00	\$ 79,632	-44%	18.67	\$ 82,581	0%	-42%	(0.67)	\$ (2,949)	-4%	1.33	\$ 5,899	7%	(0.67)	\$ (2,949)	-4%	2.00	\$ 8,848	0%	63																										
64	204038	PLANT (GROUP U)	EA	74	\$ 150.00	\$ 11,100	0%	95.00	\$ 7,030	-37%	200.00	\$ 14,800	33%	94.00	\$ 6,956	-37%	129.67	\$ 9,595	0%	-14%	(34.67)	\$ (2,565)	-27%	70.33	\$ 5,205	54%	(35.67)	\$ (2,639)	-28%	106.00	\$ 7,844	0%	64																										
65	204099	PLANT ESTABLISHMENT WORK	LS	1	\$ 60,000.00	\$ 60,000	0%	50,000.00	\$ 50,000	-17%	50,000.00	\$ 50,000	-17%	56,000.00	\$ 56,000	-7%	52,000.00	\$ 52,000	0%	-13%	(2,000.00)	\$ (2,000)	-4%	(2,000.00)	\$ (2,000)	-4%	4,000.00	\$ 4,000	8%	6,000.00	\$ 6,000	0%	65																										
66	205035	WOOD MULCH	CY	2,373	\$ 40.00	\$ 94,920	0%	50.00	\$ 118,650	25%	60.00	\$ 142,380	50%	51.00	\$ 121,023	28%	53.67	\$ 127,351	0%	34%	(3.67)	\$ (8,701)	-7%	6.33	\$ 15,029	12%	(2.67)	\$ (6,328)	-5%	10.00	\$ 23,730	0%	66																										
67	205036	A GRAVEL MULCH TYPE 1	SQFT	2,660	\$ 5.00	\$ 13,300	0%	3.00	\$ 7,980	-40%	3.50	\$ 9,310	-30%	3.00	\$ 7,980	-40%	3.17	\$ 8,423	0%	-37%	(0.17)	\$ (443)	-5%	0.33	\$ 887	11%	(0.17)	\$ (443)	-5%	0.50	\$ 1,330	0%	67																										
68	205037	A GRAVEL MULCH TYPE 2	SQFT	4,880	\$ 5.00	\$ 24,400																																																					

I-15 Railroad Canyon Interchange										ENGINEER'S ESTIMATE										BID PRICES AND AMOUNTS										AVERAGE OF BID AMOUNTS				VARIANCE FROM AVERAGE OF BIDS										SPREAD (HIGH MINUS LOW)															
Revision No.: A (completed 10/21/2019) Bid Opening Date: 17 OCT 2019										Yellow items are > \$100kbelow ENGR EST										LOW BIDDER Riverside										SECOND BIDDER Skanska				THIRD BIDDER Ortiz				LOW BIDDER Riverside										SECOND BIDDER Skanska				THIRD BIDDER Ortiz				PRICE SPREAD			
ITEM NUM	ITEM CODE	ITEM DESCRIPTION	UNIT OF MEASURE	BID QTY (A)	ENGINEER'S ESTIMATED PRICE (B)	AMOUNT (C=A x B)	% of Eng Est	PRICE	AMOUNT	% VAR ENGR EST	PRICE	AMOUNT	% VAR ENGR EST	PRICE	AMOUNT	% VAR ENGR EST	PRICE	AMOUNT	% of Total Avg.	% VAR ENGR EST	PRICE	AMOUNT	% Var to Avg	PRICE	AMOUNT	% Var to Avg	PRICE	AMOUNT	% Var to Avg	PRICE	AMOUNT	% of Total Avg.	ITEM NUM																										
91	F 208599	2 1/2" PLASTIC PIPE (SCHEDULE 40) (SUPPLY LINE)	LF	9,425	\$ 7.50	\$ 70,688	0%	5.30	\$ 49,953	-29%	5.50	\$ 51,838	-27%	5.30	\$ 49,953	-29%	5.37	\$ 50,581	0%	-28%	(0.07)	\$ (628)	-1%	0.13	\$ 1,257	2%	(0.07)	\$ (628)	-1%	0.20	\$ 1,885	0%	91																										
92	F 208607	3" PLASTIC PIPE (CLASS 315) (SUPPLY LINE)	LF	13,255	\$ 8.50	\$ 112,668	0%	8.00	\$ 106,040	-6%	8.00	\$ 106,040	-6%	8.00	\$ 106,040	-6%	8.00	\$ 106,040	0%	-6%	-	\$ -	0%	-	\$ -	0%	-	\$ -	0%	-	\$ -	0%	92																										
93	208683	BALL VALVE	EA	28	\$ 150.00	\$ 4,200	0%	485.00	\$ 13,580	223%	500.00	\$ 14,000	233%	485.00	\$ 13,580	223%	490.00	\$ 13,720	0%	227%	(5.00)	\$ (140)	-1%	10.00	\$ 280	2%	(5.00)	\$ (140)	-1%	15.00	\$ 420	0%	93																										
94	210300	HYDROMULCH	SQFT	650,177	\$ 0.15	\$ 97,527	0%	0.15	\$ 97,527	0%	0.15	\$ 97,527	0%	0.07	\$ 45,512	-53%	0.12	\$ 80,188	0%	-18%	0.03	\$ 17,338	22%	0.03	\$ 17,338	22%	(0.05)	\$ (34,676)	-43%	0.08	\$ 52,014	0%	94																										
95	210430	HYDROSEED	SQFT	650,177	\$ 0.10	\$ 65,018	0%	0.08	\$ 52,014	-20%	0.10	\$ 65,018	0%	0.08	\$ 52,014	-20%	0.09	\$ 56,349	0%	-13%	(0.01)	\$ (4,335)	-8%	0.01	\$ 8,669	15%	(0.01)	\$ (4,335)	-8%	0.02	\$ 13,004	0%	95																										
96	250201	CLASS 2 AGGREGATE SUBBASE	CY	246	\$ 60.00	\$ 14,760	0%	85.00	\$ 20,910	42%	30.00	\$ 7,380	-50%	120.00	\$ 29,520	100%	78.33	\$ 19,270	0%	31%	6.67	\$ 1,640	9%	(48.33)	\$ (11,890)	-62%	41.67	\$ 10,250	53%	90.00	\$ 22,140	0%	96																										
97	260203	CLASS 2 AGGREGATE BASE (CY)	CY	5,778	\$ 50.00	\$ 288,900	1%	80.00	\$ 462,240	60%	30.00	\$ 173,340	-40%	52.00	\$ 300,456	4%	54.00	\$ 312,012	1%	8%	26.00	\$ 150,228	48%	(24.00)	\$ (138,672)	-44%	(2.00)	\$ (11,556)	-4%	50.00	\$ 288,900	1%	97																										
98	390100	PRIME COAT	TON	8	\$ 1,000.00	\$ 8,000	0%	7,000.00	\$ 56,000	600%	1,500.00	\$ 12,000	50%	7,200.00	\$ 57,600	620%	5,233.33	\$ 41,867	0%	423%	1,766.67	\$ 14,133	34%	(3,733.33)	\$ (29,867)	-71%	1,966.67	\$ 15,733	38%	5,700.00	\$ 45,600	0%	98																										
99	390132	HOT MIX ASPHALT (TYPE A)	TON	18,746	\$ 95.00	\$ 1,780,870	5%	96.00	\$ 1,799,616	1%	97.00	\$ 1,818,362	2%	95.00	\$ 1,780,870	0%	96.00	\$ 1,799,616	6%	1%	-	\$ -	0%	1.00	\$ 18,746	1%	(1.00)	\$ (18,746)	-1%	2.00	\$ 37,492	0%	99																										
100	390137	RUBBERIZED HOT MIX ASPHALT (GAP GRADED)	TON	1,197	\$ 120.00	\$ 143,640	0%	98.00	\$ 117,306	-18%	100.00	\$ 119,700	-17%	100.00	\$ 119,700	-17%	99.33	\$ 118,902	0%	-17%	(1.33)	\$ (1,596)	-1%	0.67	\$ 798	1%	0.67	\$ 798	1%	2.00	\$ 2,394	0%	100																										
101	394090	PLACE HOT MIX ASPHALT (MISCELLANEOUS AREA)	SQYD	285	\$ 50.00	\$ 14,250	0%	45.00	\$ 12,825	-10%	50.00	\$ 14,250	0%	61.00	\$ 17,385	22%	52.00	\$ 14,820	0%	4%	(7.00)	\$ (1,995)	-13%	(2.00)	\$ (570)	-4%	9.00	\$ 2,565	17%	16.00	\$ 4,560	0%	101																										
102	397005	TACK COAT	TON	31	\$ 1,000.00	\$ 31,000	0%	700.00	\$ 21,700	-30%	700.00	\$ 21,700	-30%	700.00	\$ 21,700	-30%	700.00	\$ 21,700	0%	-30%	-	\$ -	0%	-	\$ -	0%	-	\$ -	0%	-	\$ -	0%	102																										
103	398000	REMOVE ASPHALT CONCRETE PAVEMENT (CY)	CY	16,908	\$ 40.00	\$ 676,320	2%	22.00	\$ 371,976	-45%	3.00	\$ 50,724	-93%	24.00	\$ 405,792	-40%	16.33	\$ 276,164	1%	-59%	5.67	\$ 95,812	35%	(13.33)	\$ (225,440)	-82%	7.67	\$ 129,628	47%	21.00	\$ 355,068	1%	103																										
104	398100	REMOVE ASPHALT CONCRETE DIKE	LF	3,413	\$ 5.00	\$ 17,065	0%	3.00	\$ 10,239	-40%	2.00	\$ 6,826	-60%	6.00	\$ 20,478	20%	3.67	\$ 12,514	0%	-27%	(0.67)	\$ (2,275)	-18%	(1.67)	\$ (5,688)	-45%	2.33	\$ 7,964	64%	4.00	\$ 13,652	0%	104																										
105	398200	COLD PLANE ASPHALT CONCRETE PAVEMENT	SQYD	13,745	\$ 4.00	\$ 54,980	0%	3.50	\$ 48,108	-13%	4.00	\$ 54,980	0%	5.00	\$ 68,725	25%	4.17	\$ 57,271	0%	4%	(0.67)	\$ (9,163)	-16%	(0.17)	\$ (2,291)	-4%	0.83	\$ 11,454	20%	1.50	\$ 20,618	0%	105																										
106	401050	JOINTED PLAIN CONCRETE PAVEMENT	CY	12,849	\$ 400.00	\$ 5,139,600	14%	280.00	\$ 3,597,720	-30%	223.00	\$ 2,865,327	-44%	275.00	\$ 3,533,475	-31%	259.33	\$ 3,332,174	12%	-35%	20.67	\$ 265,546	8%	(36.33)	\$ (466,847)	-14%	15.67	\$ 201,301	6%	57.00	\$ 732,393	3%	106																										
107	401055	JOINTED PLAIN CONCRETE PAVEMENT (RSC)	CY	791	\$ 420.00	\$ 332,220	1%	340.00	\$ 268,940	-19%	440.00	\$ 348,040	5%	415.00	\$ 328,265	-1%	398.33	\$ 315,082	1%	-5%	(58.33)	\$ (46,142)	-15%	41.67	\$ 32,958	10%	16.67	\$ 13,183	4%	100.00	\$ 79,100	0%	107																										
108	520101	DRILL AND BOND (DOWEL BAR)	LB	128	\$ 2.00	\$ 256	0%	20.00	\$ 2,560	900%	1.00	\$ 128	-50%	12.00	\$ 1,536	500%	11.00	\$ 1,408	0%	450%	9.00	\$ 1,152	82%	(10.00)	\$ (1,280)	-91%	1.00	\$ 128	9%	19.00	\$ 2,432	0%	108																										
109	414240	ISOLATION JOINT SEAL (ASPHALT RUBBER)	LF	9,016	\$ 10.00	\$ 90,160	0%	14.00	\$ 126,224	40%	16.00	\$ 144,256	60%	8.00	\$ 72,128	-20%	12.67	\$ 114,203	0%	27%	1.33	\$ 12,021	11%	3.33	\$ 30,053	26%	(4.67)	\$ (42,075)	-37%	8.00	\$ 72,128	0%	109																										
110	420201	GRIND EXISTING CONCRETE PAVEMENT	SQYD	3,763	\$ 10.00	\$ 37,630	0%	8.00	\$ 30,104	-20%	13.00	\$ 48,919	30%	8.50	\$ 31,986	-15%	9.83	\$ 37,003	0%	-2%	(1.83)	\$ (6,899)	-19%	3.17	\$ 11,916	32%	(1.33)	\$ (5,017)	-14%	5.00	\$ 18,815	0%	110																										
111	460210	GROUND ANCHOR (SUBHORIZONTAL)	EA	279	\$ 4,000.00	\$ 1,116,000	3%	2,000.00	\$ 558,000	-50%	2,000.00	\$ 558,000	-50%	2,755.00	\$ 768,645	-31%	2,251.67	\$ 628,215	2%	-44%	(251.67)	\$ (70,215)	-11%	(251.67)	\$ (70,215)	-11%	503.33	\$ 140,430	22%	755.00	\$ 210,645	1%	111																										
112	460300	SOIL NAIL	LF	16,854	\$ 41.00	\$ 691,014	2%	21.00	\$ 353,934	-49%	20.00	\$ 337,080	-51%	29.00	\$ 488,766	-29%	23.33	\$ 393,260	1%	-43%	(2.33)	\$ (39,326)	-10%	(3.33)	\$ (56,180)	-14%	5.67	\$ 95,506	24%	9.00	\$ 151,686	1%	112																										
113	490528	FURNISH STEEL PILING (HP 14 X 89)	LF	496	\$ 51.00	\$ 25,296	0%	100.00	\$ 49,600	96%	110.00	\$ 54,560	116%</																																														

I-15 Railroad Canyon Interchange										ENGINEER'S ESTIMATE										BID PRICES AND AMOUNTS										AVERAGE OF BID AMOUNTS										VARIANCE FROM AVERAGE OF BIDS										SPREAD (HIGH MINUS LOW)																																							
Revision No.: A (completed 10/21/2019) Bid Opening Date: 17 OCT 2019										Yellow items are > \$100kbelow ENGR EST										LOW BIDDER Riverside										SECOND BIDDER Skanska										THIRD BIDDER Ortiz										LOW BIDDER Riverside										SECOND BIDDER Skanska										THIRD BIDDER Ortiz										PRICE SPREAD									
ITEM NUM	ITEM CODE	ITEM DESCRIPTION				UNIT OF MEASURE	BID QTY (A)	ENGINEER'S ESTIMATED PRICE (B)	AMOUNT (C=A x B)	% of Eng Est	PRICE	AMOUNT	% VAR ENGR EST	PRICE	AMOUNT	% VAR ENGR EST	PRICE	AMOUNT	% VAR ENGR EST	PRICE	AMOUNT	% of Total Avg.	% VAR ENGR EST	PRICE	AMOUNT	% Var to Avg	PRICE	AMOUNT	% Var to Avg	PRICE	AMOUNT	% Var to Avg	PRICE SPREAD	AMOUNT SPREAD	% of Total Avg.	ITEM NUM																																																					
136	F 560219	INSTALL SIGN STRUCTURE (TRUSS)				LB	108,811	\$ 1.00	\$ 108,811	0%	0.30	\$ 32,643	-70%	0.30	\$ 32,643	-70%	0.31	\$ 33,731	-69%	0.30	\$ 33,006	0%	-70%	(0.00)	\$ (363)	-1%	(0.00)	\$ (363)	-1%	0.01	\$ 725	2%	0.01	\$ 1,088	0%	136																																																					
137	568046	REMOVE SIGN STRUCTURE (EA)				EA	5	\$ 4,200.00	\$ 21,000	0%	2,500.00	\$ 12,500	-40%	2,500.00	\$ 12,500	-40%	2,600.00	\$ 13,000	-38%	2,533.33	\$ 12,667	0%	-40%	(33.33)	\$ (167)	-1%	(33.33)	\$ (167)	-1%	66.67	\$ 333	3%	100.00	\$ 500	0%	137																																																					
138	568050	REMOVE BRIDGE MOUNTED SIGN				EA	2	\$ 1,433.00	\$ 2,866	0%	2,000.00	\$ 4,000	40%	2,000.00	\$ 4,000	40%	2,040.00	\$ 4,080	42%	2,013.33	\$ 4,027	0%	40%	(13.33)	\$ (27)	-1%	(13.33)	\$ (27)	-1%	26.67	\$ 53	1%	40.00	\$ 80	0%	138																																																					
139	600017	REMOVE RETAINING WALL (LF)				LF	485	\$ 50.00	\$ 24,250	0%	150.00	\$ 72,750	200%	75.00	\$ 36,375	50%	65.00	\$ 31,525	30%	96.67	\$ 46,883	0%	93%	53.33	\$ 25,867	55%	(21.67)	\$ (10,508)	-22%	(31.67)	\$ (15,358)	-33%	85.00	\$ 41,225	0%	139																																																					
140	600114	BRIDGE REMOVAL (PORTION)				LS	1	\$ 15,000.00	\$ 15,000	0%	25,000.00	\$ 25,000	67%	20,000.00	\$ 20,000	33%	48,000.00	\$ 48,000	220%	31,000.00	\$ 31,000	0%	107%	(6,000.00)	\$ (6,000)	-19%	(11,000.00)	\$ (11,000)	-35%	17,000.00	\$ 17,000	55%	28,000.00	\$ 28,000	0%	140																																																					
141	600130	A BRIDGE MONITORING				LS	1	\$ 50,000.00	\$ 50,000	0%	25,000.00	\$ 25,000	-50%	70,000.00	\$ 70,000	40%	25,000.00	\$ 25,000	-50%	40,000.00	\$ 40,000	0%	-20%	(15,000.00)	\$ (15,000)	-38%	30,000.00	\$ 30,000	75%	(15,000.00)	\$ (15,000)	-38%	45,000.00	\$ 45,000	0%	141																																																					
142	610108	18" ALTERNATIVE PIPE CULVERT				LF	907	\$ 190.00	\$ 172,330	0%	235.00	\$ 213,145	24%	120.00	\$ 108,840	-37%	160.00	\$ 145,120	-16%	171.67	\$ 155,702	1%	-10%	63.33	\$ 57,443	37%	(51.67)	\$ (46,862)	-30%	(11.67)	\$ (10,582)	-7%	115.00	\$ 104,305	0%	142																																																					
143	610112	24" ALTERNATIVE PIPE CULVERT				LF	991	\$ 280.00	\$ 277,480	1%	170.00	\$ 168,470	-39%	130.00	\$ 128,830	-54%	160.00	\$ 158,560	-43%	153.33	\$ 151,953	1%	-45%	16.67	\$ 16,517	11%	(23.33)	\$ (23,123)	-15%	6.67	\$ 6,607	4%	40.00	\$ 39,640	0%	143																																																					
144	610117	30" ALTERNATIVE PIPE CULVERT				LF	121	\$ 145.00	\$ 17,545	0%	220.00	\$ 26,620	52%	280.00	\$ 33,880	93%	265.00	\$ 32,065	83%	255.00	\$ 30,855	0%	76%	(35.00)	\$ (4,235)	-14%	25.00	\$ 3,025	10%	10.00	\$ 1,210	4%	60.00	\$ 7,260	0%	144																																																					
145	610121	36" ALTERNATIVE PIPE CULVERT				LF	979	\$ 300.00	\$ 293,700	1%	125.00	\$ 122,375	-58%	190.00	\$ 186,010	-37%	135.00	\$ 132,165	-55%	150.00	\$ 146,850	1%	-50%	(25.00)	\$ (24,475)	-17%	40.00	\$ 39,160	27%	(15.00)	\$ (14,685)	-10%	65.00	\$ 63,635	0%	145																																																					
146	610128	48" ALTERNATIVE PIPE CULVERT				LF	570	\$ 335.00	\$ 190,950	1%	170.00	\$ 96,900	-49%	225.00	\$ 128,250	-33%	147.00	\$ 83,790	-56%	180.67	\$ 102,980	0%	-46%	(10.67)	\$ (6,080)	-6%	44.33	\$ 25,270	25%	(33.67)	\$ (19,190)	-19%	78.00	\$ 44,460	0%	146																																																					
147	610129	54" ALTERNATIVE PIPE CULVERT				LF	522	\$ 390.00	\$ 203,580	1%	205.00	\$ 107,010	-47%	280.00	\$ 146,160	-28%	180.00	\$ 93,960	-54%	221.67	\$ 115,710	0%	-43%	(16.67)	\$ (8,700)	-8%	58.33	\$ 30,450	26%	(41.67)	\$ (21,750)	-19%	100.00	\$ 52,200	0%	147																																																					
148	610130	60" ALTERNATIVE PIPE CULVERT				LF	832	\$ 425.00	\$ 353,600	1%	200.00	\$ 166,400	-53%	290.00	\$ 241,280	-32%	200.00	\$ 166,400	-53%	230.00	\$ 191,360	1%	-46%	(30.00)	\$ (24,960)	-13%	60.00	\$ 49,920	26%	(30.00)	\$ (24,960)	-13%	90.00	\$ 74,880	0%	148																																																					
149	700617	DRAINAGE INLET MARKER				EA	8	\$ 225.00	\$ 1,800	0%	500.00	\$ 4,000	122%	1,000.00	\$ 8,000	344%	25.00	\$ 200	-89%	508.33	\$ 4,067	0%	126%	(8.33)	\$ (67)	-2%	491.67	\$ 3,933	97%	(483.33)	\$ (3,867)	-95%	975.00	\$ 7,800	0%	149																																																					
150	703460	A 36" WELDED STEEL PIPE CASING (BRIDGE)				LF	46	\$ 515.00	\$ 23,690	0%	450.00	\$ 20,700	-13%	450.00	\$ 20,700	-13%	305.00	\$ 14,030	-41%	401.67	\$ 18,477	0%	-22%	48.33	\$ 2,223	12%	48.33	\$ 2,223	12%	(96.67)	\$ (4,447)	-24%	145.00	\$ 6,670	0%	150																																																					
151	705315	24" ALTERNATIVE FLARED END SECTION				EA	1	\$ 775.00	\$ 775	0%	850.00	\$ 850	10%	550.00	\$ 550	-29%	250.00	\$ 250	-68%	550.00	\$ 550	0%	-29%	300.00	\$ 300	55%	-	\$ -	0%	(300.00)	\$ (300)	-55%	600.00	\$ 600	0%	151																																																					
152	707117	36" PRECAST CONCRETE PIPE INLET				LF	47	\$ 500.00	\$ 23,500	0%	200.00	\$ 9,400	-60%	600.00	\$ 28,200	20%	1,200.00	\$ 56,400	140%	666.67	\$ 31,333	0%	33%	(466.67)	\$ (21,933)	-70%	(66.67)	\$ (3,133)	-10%	533.33	\$ 25,067	80%	1,000.00	\$ 47,000	0%	152																																																					
153	707217	36" PRECAST CONCRETE PIPE MANHOLE				LF	49	\$ 525.00	\$ 25,725	0%	200.00	\$ 9,800	-62%	600.00	\$ 29,400	14%	1,500.00	\$ 73,500	186%	766.67	\$ 37,567	0%	46%	(566.67)	\$ (27,767)	-74%	(166.67)	\$ (8,167)	-22%	733.33	\$ 35,933	96%	1,300.00	\$ 63,700	0%	153																																																					
154	710132	REMOVE CULVERT (LF)				LF	2,797	\$ 75.00	\$ 209,775	1%	18.00	\$ 50,346	-76%	40.00	\$ 111,880	-47%	24.00	\$ 67,128	-68%	27.33	\$ 76,451	0%	-64%	(9.33)	\$ (26,105)	-34%	12.67	\$ 35,429	46%	(3.33)	\$ (9,323)	-12%	22.00	\$ 61,534	0%	154																																																					
155	710150	REMOVE INLET				EA	14	\$ 1,775.00	\$ 24,850	0%	1,000.00	\$ 14,000	-44%	1,500.00	\$ 21,000	-15%	2,100.00	\$ 29,400	18%	1,533.33	\$ 21,467	0%	-14%	(533.33)	\$ (7,467)	-35%	(33.33)	\$ (467)	-2%	566.67	\$ 7,933	37%	1,100.00	\$ 15,400	0%	155																																																					
156	710196	ADJUST INLET				EA	3	\$ 2,500.00	\$ 7,500	0%	1,850.00	\$ 5,550	-26%	4,000.00	\$ 12,000	60%	1,000.00	\$ 3,000	-60%	2,283.33	\$ 6,850	0%	-9%	(433.33)	\$ (1,300)	-19%	1,716.67	\$ 5,150	75%	(1,283.33)	\$ (3,850)	-56%	3,000.00	\$ 9,000	0%	156																																																					
157	710200	ADJUST MANHOLE				EA	5	\$ 1,500.00	\$ 7,500	0%	1,900.00	\$ 9,500	27%	1,600.00	\$ 8,000	7%	1,000.00	\$ 5,000	-33%	1,500.00	\$ 7,500	0%	0%	400.00	\$ 2,000	27%	100.00	\$ 500	7%	(500.00)	\$ (2,500)	-33%	900.00	\$ 4,500	0%	157																																																					
158	710212	ADJUST MANHOLE TO GRADE				EA	3	\$ 1,500.00	\$ 4,500	0%	775.00	\$ 2,325	-48%	1,600.00	\$ 4,800	7%	1,000.00	\$ 3,000	-33%	1,125.00	\$ 3,375	0%	-25%	(350.00)	\$ (1,050)	-31%	475.00	\$ 1,425	42%	(125.00)	\$ (375)	-11%	825.00	\$ 2,475	0%	158																																																					
159	710220	ADJUST UTILITY COVER TO GRADE				EA	5	\$ 800.00	\$ 4,000	0%	9																																																																														

Agreement No. 20-31-046-00

**CULTURAL RESOURCES TREATMENT AND TRIBAL MONITORING AGREEMENT
(Pre-Excavation Agreement)**

I-15 RAILROAD CANYON ROAD INTERCHANGE

I. PARTIES

The PARTIES to this Agreement are (1) The Pechanga Band of Luiseño Indians, a federally recognized Indian tribe ("PECHANGA TRIBE") and (2) Riverside County Transportation Commission ("AGENCY").

All notices to the PARTIES shall be given at the addresses below:

Pechanga Band of Luiseño Indians

Gary DuBois, Director
Pechanga Cultural Resources
P.O. Box 2183
Temecula, CA 92593
Telephone: (951) 770-6300

General Counsel for the Pechanga Band

Michele Fahley, Deputy General Counsel
Pechanga Office of the General Counsel
P.O. Box 1477
Temecula, CA 92593
Telephone: (951) 770-6170
Facsimile: (951) 694-0733

Agency

Riverside County Transportation
Commission
4080 Lemon Street, Third Floor
Riverside, Ca 92501
Telephone: (951) 787-7141

**For Tribal Monitor scheduling and Tribal Monitor
contact information, please refer to Addendum 2
(Monitoring Services Summary Sheet)**

II. SUBJECT MATTER

This Agreement concerns a project known as the I-15 Railroad Canyon Road Interchange. The PECHANGA TRIBE will provide a copy of this Agreement to the Riverside County Medical Examiner's Office and the Riverside County Transportation Commission, Lead Agency for the Project, and agency responsible for environmental compliance of this Project ("AGENCY").

III. PURPOSE

This Agreement formalizes procedures for the treatment of Native American human remains, grave goods, funerary objects, ceremonial items, and cultural items, in the event that any are found in conjunction with construction of the Project. This Agreement also formalizes procedures for Tribal Monitoring during all grading, groundbreaking, excavation, and ground-disturbing activities performed in conjunction with the Project, including archaeological testing, studies, surveys, and staging activities. This Agreement is entered into pursuant to the mitigation measures required under the California Environmental Quality Act, Cal. Public Resources Code Section 21000 et seq., as amended ("CEQA") and the conditions of approval for this Project. This Agreement is effective as of the date provided for in Section XVII.

IV. CULTURAL AFFILIATION & TREATMENT OF CULTURAL RESOURCES

Cultural resources, including ceremonial items and archaeological items, which may be found in conjunction with the development of this Project shall be treated as follows:

The AGENCY agrees to give all cultural items to the PECHANGA TRIBE for appropriate treatment, unless the AGENCY is otherwise ordered by a court or agency of competent jurisdiction. The AGENCY waives any and all claims to ownership of all cultural items in favor of the PECHANGA TRIBE. If temporary possession of cultural items by the AGENCY or its agents, subcontractors, or representatives is necessary (for example a Project archaeologist), said entity or individual shall not possess those items for longer than is reasonably necessary, except that all PARTIES agree that ceremonial and sacred items shall be immediately relinquished to the PECHANGA TRIBE for appropriate treatment.

V. DISCOVERY OF HUMAN REMAINS

A. Most Likely Descendant Determination

If Native American human remains are found during development of the Project, the PARTIES understand that the Native American Heritage Commission ("NAHC") will be notified and will make a determination of Most Likely Descendant ("MLD") pursuant to California Public Resources Code Section 5097.98. Neither PARTY guarantees that the PECHANGA TRIBE or one of its members will be named the MLD. However, given the location of the site and the history/prehistory of the area, the PARTIES' good faith belief is that Tribal Chairperson Mark Macarro of the PECHANGA TRIBE will be named the MLD.

Should the NAHC determine that a member of an Indian tribe other than the PECHANGA TRIBE is the MLD, the provisions of this Agreement relating to the treatment of such Native American human remains shall be null and void in their entirety, except that the provisions of Addendum 1 to this Agreement, which is fully severable, shall continue in full force and effect.

B. Coordination with County Medical Examiner's Office

The AGENCY shall immediately contact the Medical Examiner and the PECHANGA TRIBE in the event that any human remains are discovered during the development of the Project. The Medical Examiner shall ensure that notification is provided to the NAHC as required by California Public Resources Code Section 5097.98(a) and California Health & Safety Code Section 7050.5(c).

C. Treatment of Native American Human Remains

In the event that Native American human remains are found during development of the Project and the PECHANGA TRIBE or one of its members is determined to be the MLD by the NAHC, the following provisions shall apply.

The term "Native American human remains" encompasses more than human bones. The PECHANGA TRIBE'S traditions call for the burial of associated cultural resources with the deceased (grave goods and funerary objects), and the ceremonial burning of human remains, with funerary objects, grave goods and animals. Ashes and other remnants of these burning ceremonies,

as well as grave goods and funerary objects, associated with or buried with the Native American remains, are to be treated in the same manner as bones, bone fragments, and cremations.

The Medical Examiner shall immediately be notified, ground disturbing activities in that location shall cease, and the remains shall be left in the place where they were discovered until the Medical Examiner has had the opportunity to inspect the remains in place and make determinations as required by State law, and until a final decision as to the treatment and disposition has been made pursuant to this Agreement and the State law.

The PECHANGA TRIBE shall be allowed, pursuant to California Public Resources Code Section 5097.98(a), to (1) inspect the site of the discovery, and (2) make recommendations as to how the human remains and grave goods should be treated with appropriate dignity. The AGENCY shall discuss and confer with the PECHANGA TRIBE all reasonable options with regard to its preferences and recommendations for treatment. The PARTIES agree to discuss in good faith what constitutes "appropriate dignity," as that term is used in the applicable statutes and in the PECHANGA TRIBE'S customs and traditions.

The PECHANGA TRIBE shall complete its inspection and make its MLD recommendation within forty-eight (48) hours of receiving notification of the MLD determination from the NAHC. RCTC acknowledges that the PECHANGA TRIBE's general preference may be that all human remains not be disturbed or disinterred and RCTC agrees in good faith to accommodate that preference when feasible to the extent allowed under California Public Resources Code Section 5097.98.

D. Non-Disclosure of Reburial Locations

Unless otherwise required by law, the site of any reburial of Native American human remains shall not be disclosed and will not be governed by public disclosure requirements of the California Public Records Act, Cal. Govt. Code Section 6250 et seq. The Medical Examiner shall withhold public disclosure of information related to such reburial pursuant to the specific exemption set forth in California Government Code Section 6254(r).

VI. SIGNIFICANT SITES IMPACTED BY PROJECT

Handling of any additional significant sites shall be conducted in accordance with the Cultural Resources Treatment and Tribal Monitoring Agreement.

VII. TRIBAL MONITORS

The description of work for Tribal Monitors is attached hereto as Addendum 1 and incorporated herein by reference. Addendum 1 specifies the development activities that Tribal Monitors will monitor, the geographical area over which this monitoring shall be conducted, the size of the monitoring crew, the powers of the monitoring crew, provisions for compensation of the Tribal Monitors, and other pertinent provisions.

VIII. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the heirs, successors, representatives, executors, administrators, and assigns of the parties, including subsequent land owners, developers, and subcontractors of the Project area, and any person or entity obligated to comply with environmental and cultural/archaeological protection laws applicable to the Project.

IX. STATUTORY COMPLIANCE

Nothing in this Agreement shall excuse the AGENCY on this Project from their obligations under any applicable state or federal laws or regulations, including but not limited to the CEQA, Public Resources Code Section 21000 et seq.; the National Historic Preservation Act, 16 U.S.C. Section 470 et seq.; California Public Resources Code Sections 5097.98, 5097.98(c), and 5097.99; California Health and Safety Code Section 7050.5(c); California Government Code Sections 6254, 65040.2, 65092, 65351, 65352, 65560, 65352.3, 65352.4, 65562.5; California Civil Code Section 815.3; the Native American Graves Protection and Repatriation Act, 25 U.S.C. Section 3001 et seq.; the California Native American Graves Protection and Repatriation Act of 2001, California Health and Safety Code Section 8010 et seq.; the American Indian Religious Freedom Act, 16 U.S.C. Section 1996, et seq., and the First Amendment to the United States Constitution. Nothing in this Agreement is intended to make any of the above-referenced laws applicable where such laws would otherwise be inapplicable.

X. INDEMNITY

The PECHANGA TRIBE in no way indemnifies nor guarantees the AGENCY in any of their legal obligations. The PECHANGA TRIBE assumes all risk of injury to their employees, agents, and contractors, including loss, arising out of or in connection with, property damage or bodily injury resulting from the work of the Tribal monitors on the Project except in the case of negligence or willful misconduct of the RCTC, its employees, agents, and contractors.

XI. SEVERABILITY

Should any part of this Agreement be found by any court or agency of competent jurisdiction to be to any extent invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

XII. CONFIDENTIALITY

The AGENCY agrees to keep confidential and shall not disclose the following, unless required by law or a court of competent jurisdiction: any items discussed in Section V(D). The AGENCY shall ensure that all of its officers, directors, agents, employees and contractors agree to keep confidential the above items and to fully comply with this section as though each of them had signed this Agreement. The PARTIES agree that any remedy at law for a breach of this section would be inadequate and such breach shall result in irreparable harm to the PECHANGA TRIBE, who shall be entitled to obtain injunctive relief for a breach of this section, in addition to any other remedies available to it at law.

XIII. LIMITATION ON SCOPE

This Agreement is unique to this Project only and does not set a precedent for other projects.

XVI. AUTHORITY TO EXECUTE

Each of the persons executing this Agreement expressly warrants that he or she is authorized to do so on behalf of the entity for which he or she is executing this Agreement. Each PARTY to this Agreement represents and warrants that this Agreement is executed voluntarily, with full knowledge of its significance.

XVII. COUNTERPARTS

This Agreement may be signed in two or more counterparts and will be effective when all PARTIES and signatories have affixed their signatures to two or more of the counterparts and said counterparts have been delivered to all PARTIES, at which time the counterparts together will be deemed one original document.

XVIII. TERM

The term of this Agreement shall commence upon the date of the last signature below and shall remain in effect until completion of all Project construction activities subject to monitoring as defined herein, and as determined by RCTC.

IX. ELECTRONICALLY TRANSMITTED SIGNATURES

A manually signed copy of this Agreement which is transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

Date:	_____	Date:	_____
Tribes:	PECHANGA BAND OF LUISEÑO INDIANS	Agency:	RIVERSIDE COUNTY TRANSPORTATION COMMISSION
By:	Mark Macarro	By:	Anne Mayer
Its:	Tribal Chairman	Its:	Executive Director

ADDENDUM 1 TRIBAL MONITORING

I-15 Railroad Canyon Road Interchange

I. MONITORING SPECIFICATIONS

The I-15 Railroad Canyon Road Interchange, defined in Section II of the Cultural Resources Treatment and Tribal Monitoring Agreement, shall consist of ramp improvements, and reconfigurations of the existing I-15 Railroad Canyon Road Interchange.

Given the nature and sensitivity of the archaeological sites and cultural resources that are or may be in the Project area, it is agreed that the PECHANGA TRIBE shall designate representatives to be retained as Tribal Monitors to monitor all grading, groundbreaking, excavation, and ground-disturbing activities performed in the Project area and in conjunction with the Project construction including archaeological testing, studies, surveys, and staging activities. Tribal Monitors will not monitor paleontological material. If necessary, archaeological observation shall consist of a qualified archaeologist, retained by the AGENCY, to be present during grading activities to identify and/or ascertain the significance of any subsurface cultural resources or to aid in the avoidance of sensitive areas.

II. DISCOVERY OF HUMAN REMAINS

In the event that human remains, as defined in Section V(C) of the Cultural Resources Treatment and Tribal Monitoring Agreement, incorporated herein by reference, are found during development of the Project, Tribal Monitors shall immediately notify the AGENCY Construction Manager and after notifying are empowered to temporarily halt grading or excavation activities pending further investigation by the Medical Examiner and the PECHANGA TRIBE, pursuant to California Health & Safety Code Section 7050.5. The Tribal Monitors are further empowered to temporarily halt grading or excavation activities, for short periods of time, to conduct further evaluation of the significance of discovered cultural items, including further controlled excavations pursuant to California Public Resources Code Section 21083.2(i). Surface or subsurface artifacts of significance may be collected and mapped during this controlled excavation.

III. PRE-GRADING CONFERENCE & PROJECT CREW SIZES

Regarding grading activities, a pre-grading conference shall be held by the AGENCY to clarify Tribal Monitoring specifications with the grading contractor and/or Construction Manager and Resident Engineer. The PECHANGA TRIBE shall be invited to participate in this conference.

To determine Tribal Monitoring crew sizes, a written schedule of excavation, testing, grading, and ground-disturbing activities shall be submitted by the AGENCY to the PECHANGA TRIBE one week in advance of the commencement of these activities. If the AGENCY changes the written schedule of excavation with less than twenty-four (24) hours' notice, the PECHANGA TRIBE may impose a minimum half-day show-up charge. "Notice" must be given during normal business hours (i.e., Monday-Friday from 8:00 a.m. to 5:00 p.m.). Notice provided outside of normal business hours may result in a minimum half-day charge.

The PARTIES to this Agreement anticipate the need for a Tribal Monitoring crew consisting of two (2) persons. If the scope of work changes to require additional monitors (for example, if inadvertent discoveries of cultural resources are made or simultaneous grading in two or more geographic areas), the AGENCY agrees to come to a reasonable agreement with the PECHANGA TRIBE regarding compensation of more than two (2) monitors.

IV. COMPENSATION

The PECHANGA TRIBE shall hire the Tribal Monitoring crew for this Project and shall be responsible for coordinating their activities on this Project. The PECHANGA TRIBE recognizes that dangerous conditions can exist at the Project work site, particularly during grading operations, and agrees to assume responsibility for the safety of the Tribal Monitors while on the Project site. The PECHANGA TRIBE possesses liability insurance for its Monitors.

The AGENCY shall compensate the Tribal Monitors at the rate of \$75.00 per hour, plus reimbursement for all reasonable and documented mileage expenses at the current Federal Travel Regulation mileage rate. The hourly rate of compensation shall be adjusted for inflation based on 2020 dollars. The adjustment, if any, shall be calculated at the beginning of the calendar year and will be in accordance with the United States Department of Labor, Bureau of Labor Statistics, and Revised Consumer Price Index. A minimum half-day charge ("show up time") will be charged to the AGENCY for unannounced work stoppages of Tribal Monitors which are not due to actions of the PECHANGA TRIBE. The hourly rate will not be applicable to travel time to and from the Project site. A minimum two-hour charge will be applied for the pre-grading conference and any other meetings conducted outside of regularly scheduled grading or construction hours.

Overtime rates of time and a half (\$112.50 per hour) of the quoted rate apply for "after hours" and "weekend" work. "After hours work" is defined as services performed beyond an eight-hour day from start of construction. "Weekend work" is defined as services performed between close of the eight-hour construction day on Friday and start of construction work Monday morning. Holiday rates of double time (\$150 per hour) of the quoted rate apply for all holiday work. The hourly rate will not be applicable to travel time to and from the Project site.

The AGENCY agrees that the PECHANGA TRIBE may invoice the AGENCY for the Tribal Monitors' compensation on a monthly basis. The PECHANGA TRIBE shall submit verified time records with each invoice. The AGENCY also agrees to remit payment in full to the following address within thirty (30) days of receipt of the PECHANGA TRIBE's invoice:

Accounting Department
Pechanga Band of Luiseno Indians
Attn: Accounts Receivable
P.O. Box 1477
Temecula, CA 92593

All unpaid balances are subject to a monthly finance charge of 2% of the balance owed. If the AGENCY fails to remit payment, the PECHANGA TRIBE may pursue any necessary legal action, including collections, to recover the money owed.

RCTC estimates that Tribal Monitors will be required for 8 hours per day, over a period of 150 days, for a total cost of Ninety Thousand Dollars (\$90,000). To ensure adequate funding for any additional days, overtime or work on holidays, RCTC has allocated the total not to exceed sum of One Hundred Thousand Dollars (\$100,000) to this Agreement. Notwithstanding the foregoing,

payment of any funds under this Agreement shall be based on actual invoiced costs, approved by RCTC, in accordance with the terms of this Agreement.

V. MONITOR SERVICES SUMMARY SHEET

Please refer to Addendum 2 for pertinent contact information regarding monitor services.

VI. INSURANCE

The PECHANGA TRIBE shall furnish the RCTC with a certificate of workers compensation insurance indicating compliance with a worker's compensation program and employer's liability insurance. The specific requirements are provided in Addendum 3 to this Agreement

DRAFT

ADDENDUM 2

MONITORING SERVICES SUMMARY SHEET

Project #:	Project Owner/Developer:	PO #:	Project Start Date:	Project End Date:
Hourly Rate:	Overtime Rate:	Holiday Rate:	Mileage Rate:	Show Up: Y or N
\$75.00	\$112.50	\$150.00		
Project Manager Name:			Address:	
E-mail:			Phone Number:	
Accounts Payable Contact:			Address:	
E-mail:			Phone Number:	

Account #:	Name of Tribe:	Address:	Phone Number:
	Pechanga Band of Luiseno Indians	P.O. Box 1477 Temecula CA 92593	951-770-6000
Accounts Receivable Contact:	Address:	E-mail:	Phone Number:
Aide Fierro	P.O. Box 1477 Temecula, CA 92593	afierro@pechanga-nsn.gov	951-770-6111
Monitor Services Contact:	Address:	E-mail:	Phone Number:
Tina Thompson-Mendoza	P.O. Box 2183 Temecula, CA 92593	tmendoza@pechanga-nsn.gov	951-770-6302
If you can not reach Tina Thompson, please contact Ebru Ozdil at (951) 770-6313			

For Internal Use Only:

ADDENDUM 3
TRIBAL MONITOR INSURANCE REQUIREMENTS

A. WORKERS COMPENSATION (IF APPLICABLE)

The Pechanga Band shall furnish the Riverside County Transportation Commission (RCTC) with a certificate of workers compensation insurance indicating compliance with a worker's compensation program and employer's liability insurance with a minimum of \$1,000,000.00 for injury, death, or disease to any employee.

B. GENERAL LIABILITY AND AUTOMOBILE LIABILITY COVERAGES

The Pechanga Band shall, at their own expense, maintain during the performance of this contract professional liability, general liability, and auto liability insurance of the coverage and amount provided below:

Automobile Liability Insurance shall include coverage for bodily injury and property damage for owned (if any), hired, and non-owned vehicles and shall be not less than \$1,000,000.00 combined limit for any one occurrence.

Comprehensive or Commercial General Liability Insurance shall include coverage for bodily injury, property damage, and personal injury for premises operations, products/completed operation, and contractual liability. The amount of the insurance shall not be less than \$1,000,000.00 combined single limit per occurrence and \$2,000,000.00 in the aggregate.

C. ADDITIONAL INSURANCE PROVISIONS

Comprehensive or Commercial General Liability Insurance shall (1) include an endorsement adding the County as additionally insured regarding work performed by the Pechanga Band, (2) contain a severability of interest clause, and (3) provide that the RCTC shall not incur liability to the insurance carrier for payment of premium.

AGENDA ITEM 10

<i>RIVERSIDE COUNTY TRANSPORTATION COMMISSION</i>	
DATE:	March 11, 2020
TO:	Riverside County Transportation Commission
FROM:	David Thomas, Toll Project Manager Michael Blomquist, Toll Program Director
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Award of: (1) Design-Build Contract; and (2) Amendment to Project and Construction Management Services Agreement for the Interstate 15/State Route 91 Express Lanes Connector Project

WESTERN RIVERSIDE COUNTY PROGRAMS AND PROJECTS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Award Agreement No. 19-31-074-00 to Myers-Rados, a Joint Venture (Myers-Rados JV) as the design-build contractor to design and construct the Interstate 15/State Route 91 Express Lanes Connector project (15/91 ELC) in the amount of \$164,840,000, plus a contingency amount of \$10,487,000, for a total amount not to exceed \$175,327,000;
- 2) Approve Agreement No. 15-31-001-07, Amendment No. 7 to Agreement No. 15-31-001-00, with Parsons Transportation Group (Parsons) to provide project and construction management services for the proposed 15/91 ELC in the amount of \$14,825,000, plus a contingency amount of \$1,482,000, for a total amount not to exceed \$16,307,000, and extend the term to June 30, 2024;
- 3) Authorize the Chair or the Executive Director, pursuant to legal counsel review, to finalize and execute the agreements on behalf of the Commission; and
- 4) Authorize the Executive Director or designee to approve contingency work up to the total amounts as required for the project.

BACKGROUND INFORMATION:

In April 2017 Governor Brown signed Senate Bill 132 (SB 132), which appropriated \$427 million to the Riverside County Transportation Efficiency Corridor (RCTEC) for five projects. SB 132 allocated \$180 million to the 15/91 ELC. The 15/91 ELC will provide a tolled express lanes connector between the existing 91 Express Lanes and the future 15 Express Lanes to the north of SR-91 (Figure 1: Vicinity Map).

SB 132 also statutorily created a task force to develop recommendations to accelerate project delivery of the RCTEC projects. On June 27, 2017, Governor Brown signed budget trailer bill

Assembly Bill 115 (AB 115) through which the Commission received additional project delivery authority to ensure cost-effective and timely delivery of the 15/91 ELC.

At its October 2017 meeting, the Commission approved an overall procurement strategy for the 15/91 ELC to secure all the services, design and construction needed to deliver the project. The approved strategy consisted of a series of contract amendments, as permitted by AB 115, to existing 91 Project and I-15 Express Lanes Project (I-15 ELP) contracts with engineering companies, contractors, toll vendors, legal, and financial advisors.



Figure 1: 15/91 Express Lanes Connector Project Vicinity Map

The 15/91 ELC involves adding:

- 1) A single-lane tolled express lane connector from the eastbound RCTC 91 Express Lanes to the future northbound 15 Express lanes that would extend in the median of I-15 to the Hidden Valley Road interchange; and
- 2) A single-lane tolled express lane connector from the future southbound 15 Express Lanes that would extend from the median of I-15 at the Hidden Valley Road interchange and would connect to the westbound RCTC 91 Express Lanes.

In addition, operational improvements are proposed along eastbound SR-91 by extending the eastbound RCTC 91 Express Lane to approximately 0.5 mile east of the 15/91 interchange and widening SR-91 to accommodate extending the outside eastbound general purpose lane from the SR-91 bridge over Arlington Channel to east of Promenade Avenue. A detailed map of the 15/91 ELC is provided as Attachment 1.

In April 2018, staff initiated negotiations with Skanska-Ames, a Joint Venture (Skanska-Ames JV), the I-15 ELP design-build (DB) contractor, to amend the I-15 ELP contract to include the 15/91 ELC work. In November 2018, staff and the I-15 ELP DB contractor were unable to reach an agreement on a negotiated price for the 15/91 ELC. To advance the 15/91 ELC work while the new procurement was underway, the I-15 ELP DB contract was amended to include specific advance engineering design and construction work to accommodate the 15/91 ELC and eliminate throw-away work. The same approach was taken with the I-15 ELP Toll System Provider (TSP) so that the installed I-15 ELP tolling system and software could accommodate the 15/91 ELC upon opening.

The Commission has also executed several amendments with existing firms working on the I-15 ELP to provide support services during the development of the 15/91 ELC. These services include work in the following major areas: environmental studies and approvals, preliminary engineering, legal support, contract document preparation, procurement assistance and construction management.

DISCUSSION:

Design-Build Procurement

Selection Process

The DB contractor for the 15/91 ELC was procured using a competitive procurement method to obtain the best-value for the Commission. The competitive procurement method considers and evaluates the proposal price and the proposal's technical elements.

The DB contractor was selected using a two-step procurement process, as allowed by federal regulations and Public Contract Code 6820 (Design-Build Law). The first step consisted of shortlisting the proposers based on a request for qualifications (RFQ). The second step consisted of the receipt and evaluation of price and technical proposals in response to the request for proposals (RFP). As allowed by the Design-Build Law, the recommended award is based upon a determination using criteria established in the RFP.

The RFP included an upset limit, which identified the Commission's maximum price expectation to the proposers. The upset limit of \$142 million was initially developed by an independent engineer's estimate for the 15/91 ELC based upon the understanding of market conditions at the time of the estimate's development and further increased due to feedback from proposer one-on-one meetings. Depending on the price proposals received, the selection process utilizing the upset limit had three possible selection outcomes:

1. One proposal price under the upset limit: If only one proposer had a price less than the upset limit, were technically compliant with all other RFP requirements and were

responsive and passed all pass/fail criteria, the technical evaluations are not performed and the award could be made to that proposer.

2. More than one proposal price is under the upset limit: If more than one proposer had a price less than the upset limit, were technically compliant with all other RFP requirements and were responsive and passed all pass/fail criteria, the technical evaluations are performed on the proposals under the upset limit, and selection is made on the basis of price and technical scoring as set forth in the RFP.
3. All proposal prices are over the upset limit: If no proposer had a price less than the upset limit, the Commission reserved the right to waive the upset limit requirement and award the contract to the proposer with lowest proposal price that was technically compliant with all other RFP requirements and was responsive and passed all pass/fail criteria.

Request for Qualifications

On February 4, 2019, staff issued a letter to the industry announcing the upcoming release of a RFQ for the 15/91 ELC. The Commission conducted numerous meetings with interested companies to garner their input about the 15/91 ELC prior to the release of the RFQ. On March 4, 2019, staff issued the DB RFQ No. 19-31-001-00 and received seven statements of qualifications (SOQs) in response to the RFQ. A selection team of staff, Caltrans and the city of Corona supported by procurement management consultants reviewed the SOQs and performed a comprehensive evaluation. On May 6, 2019 the Commission announced the shortlisting of the following four design-build teams:

1. Flatiron West, Inc.
2. Guy F. Atkinson Construction, LLC., dba Guy F. Atkinson
3. MCM Construction, Inc.
4. Myers-Rados, a Joint Venture

Request for Proposals

The four short-listed proposers were issued an RFP. Several one-on-one meetings were held with each proposer to get input from the proposers relative to risk allocation, and commercial terms. A total of four Addenda were issued responding to questions received and issues posed by the short-listed proposers.

Two proposers submitted proposals that were reviewed and evaluated by a pass/fail and responsiveness committee for responsiveness to the RFP requirements and satisfaction of the pass/fail criteria set forth in the RFP. Upon determination by the technical evaluation committee that both proposals were responsive and passed the pass/fail criteria, staff opened and reviewed the proposers' form containing the contract upset limit indication. Staff

confirmed that both proposers were above the established upset limit of \$142 million. Pursuant to the RFP, in the event that all proposers' price proposals were above the upset limit, a scored technical evaluation would not proceed and the Commission reserved the right to award the contract to the team that had the lowest proposal price that was technically compliant with all other RFP requirements, was responsive, and passed all pass/fail criteria. Both proposals were determined by the evaluation committees to be technically compliant with all RFP requirements and responsive and passing all pass/fail criteria.

Proposal Price

The two price proposals are as follows:

Proposer	Price Proposal
Myers-Rados, a Joint Venture	\$164,840,000
Flatiron West, Inc.	\$187,298,643

Staff recommends award to the proposer that was technically compliant with all RFP requirements and was responsive and passed all pass/fail criteria — Myers-Rados, a Joint Venture.

Project and Construction Management Services

In April 2015, the Commission awarded an agreement with Parsons to provide project and construction management services for the I-15 ELP. Project and construction management services for this design-build project includes procurement services, project financing support, toll system and operations planning, engineering, design review/oversight, construction management/oversight, agency agreement support, and other necessary services.

On July 10, 2018 the Commission approved an amendment to the Parsons agreement to add additional project and construction management services for the 15/91 ELC. The scope of work included support to staff in its efforts to negotiate with the I-15 ELP DB contractor to amend the I-15 ELP contract to include the 15/91 ELC work, as well as continuing the I-15 ELP construction management/oversight for the 15/91 ELC.

As noted above, an agreement with the I-15 ELP DB contractor on a negotiated price for the 15/91 ELC was not reached, and a new procurement was initiated to hire a 15/91 ELC DB contractor. Staff recommends an amendment to the Parsons contract, in an amount of \$14,825,000 to secure additional project and construction management resources and services for the anticipated duration of the 15/91 ELC.

Total Project Cost

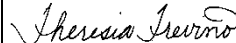
The following is a breakdown of the major cost categories for the 15/91 ELC:

Project Cost Table	
Cost Category	Cost
Project and Construction Management Preliminary Engineering/Environmental	\$ 2,070,000
Project and Construction Management and Legal Services for Design-Build Procurement	9,329,000
Project and Construction Management and Legal Services for Design-Build Phase	24,293,000
Toll Services Provider	12,308,000
Skanska-Ames JV Design-Build Amendments	25,962,000
Myers-Rados JV Design-Build Contract	164,840,000
Caltrans Oversight	7,166,000
Agency	7,831,000
Contingency	16,530,000
Total:	\$ 270,329,000

The current estimated capital cost of the 15/91 ELC is \$270.329 million. At its January 2019 workshop, the Commission committed to fund the remaining balance with surplus toll revenue from the RCTC 91 Express Lanes. Based on current estimates (see Project Cost Table above), this requires a total allocation from surplus toll revenue of \$90.329 million.

STAFF RECOMMENDATION:

Staff recommends approval of Agreement No. 19-31-074-00 with Myers-Rados JV as the DB contractor to design and construct the 15/91 ELC in the amount of \$164,840,000, plus a contingency amount of \$10,487,000, for a total amount of \$175,327,000. Further, staff recommends approval of Agreement No. 15-31-001-07, Amendment No. 7 to Agreement No. 15-31-001-00, with Parsons to provide project and construction management services for the 15/91 ELC, extend the contract term to June 30, 2024, and increase the not to exceed amount by \$14,825,000, plus a contingency amount of \$1,482,000, for a total amount not to exceed \$16,307,000. Staff also recommends authorization for the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute these agreements on behalf of the Commission and authorization for the Executive Director or designee to approve contingency work up to the total not to exceed amounts as required for the 15/91 ELC.

Financial Information					
In Fiscal Year Budget:	Yes N/A	Year:	FY 2019/20 FY 2020/21+	Amount:	\$ 10,000,000 \$181,634,000
Source of Funds:	SB 132 Funds and 91 Express Lanes Surplus Toll Revenue			Budget Adjustment:	No N/A
GL/Project Accounting No.:		003039 81603 00000 0000 605 31 81601			\$175,327,000
		003039 81601 00000 0000 605 31 81601			\$16,307,000
Fiscal Procedures Approved:					Date: 02/13/2020

Attachments:

- 1) Detailed Vicinity Map for the 15/91 Express Lanes Connector
- 2) Draft Contract No. 19-31-074-00 between the Commission and Myers-Rados, a Joint Venture **(Posted on Commission Website)**
- 3) Draft Agreement No. 15-31-001-07, Amendment No. 7 between the Commission and Parsons Transportation Group

*Approved by the Western Riverside County Programs and Projects Committee on
February 24, 2020*

In Favor: 10 Abstain: 0 No: 1

I-15/ SR-91 EXPRESS LANES CONNECTOR





RIVERSIDE COUNTY TRANSPORTATION COMMISSION

**REQUEST FOR PROPOSALS (RFP No. 19-31-074-00)
TO DESIGN AND BUILD THE**

I-15/SR-91 EXPRESS LANES CONNECTOR (ELC)

THROUGH A

DESIGN-BUILD CONTRACT

VOLUME II: CONTRACT

DRAFT EXECUTION COPY: February 12, 2020

EXECUTED: [INSERT DATE]



**4080 Lemon Street, 3rd Floor
Riverside, CA 92501
www.rctc.org**

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LIST OF EXHIBITS

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Exhibit 2	Contract Particulars
Exhibit 3	Modified Standard Specifications (Replacing Sections 1 through 9 of Department's Standard Specifications)
Exhibit 4	Preliminary Baseline Schedule
Exhibit 5	Reserved
Exhibit 6	Listed Subcontractors
Exhibit 7	Subcontractor Identification Form
Exhibit 8	Bonds
8-A	Form of Performance Bond
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Exhibit 11	Disputes Review Board Agreement
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Exhibit 23	Public Contract Code Section 9204

DESIGN-BUILD CONTRACT

I-15/SR-91 EXPRESS LANES CONNECTOR (ELC)

RECITALS

This Design-Build Contract ("**Contract**") is entered into between the Riverside County Transportation Commission, a public entity of the State of California ("**RCTC**"), and Myers-Rados, A Joint Venture ("**DB Contractor**"). This Contract is effective as of the date of its execution by both Parties (the "**Effective Date**"), with reference to the definitions contained in Exhibit 1 (Abbreviations and Definitions) and the following facts:

A. RCTC, in cooperation with Department, wishes to (1) develop a new south to west/east to north Express Lanes connector between 15 Express Lanes and 91 Express Lanes, (2) widen eastbound SR-91 to accommodate extension of the General Purpose Lane #4 from the SR-91 bridge over Arlington Channel to "A" Line Station 435+25 east of South Promenade Avenue bridge, and (3) extend the SR-91 eastbound Express Lane to approximately ½-mile east of the I-15/SR-91 interchange, including ancillary improvements along the 15 Express Lanes and 91 Express Lanes, otherwise known as the 15/91 Express Lanes Connector Project (the "**Project**").

B. Under this Contract, DB Contractor shall design and build the civil infrastructure for the Project.

C. The Project is authorized pursuant to Public Contract Code section 6820 et seq., which authorizes regional transportation agencies, in cooperation with Department, to award design-build contracts for highway, bridge, or tunnel projects under the Transportation Design-Build Program. Contracts authorized under this program are awarded on the basis of the lowest responsible bid or best value, as determined by the regional transportation agency.

D. The Project is authorized in accordance with RCTC's authority to use state-owned ROW granted by the State of California, acting by and through Department, under a Cooperative Agreement (District Agreement No. 08-1526), dated May 31, 2016 (as amended, the "**Department Cooperative Agreement**") and a Toll Facilities Agreement (RCTC Agreement No 17-31-002-00). RCTC also entered into a Reimbursement Agreement with OCTA (RCTC Agreement No 19-31-067000), dated August 7, 2019 (as amended, the "**OCTA Agreement**").

E. On July 10, 2019, RCTC's Commission authorized RCTC staff to issue a Request for Proposals (as subsequently amended by addenda, the "**RFP**") to four shortlisted proposers to design and build the Project, select and negotiate this Contract with the apparent best value proposer, and make a recommendation to RCTC's Commission to award this Contract.

F. On July 10, 2019, RCTC issued the RFP to the short-listed proposers. On November 22, 2019, RCTC received two Proposals in response to the RFP.

G. An RFP evaluation committee determined that DB Contractor was the proposer which best met the selection criteria contained in the RFP and that the Proposal was the one which provided the best value to RCTC.

H. On **[NTD: Update once complete]** [March 11], 2020, RCTC's Commission accepted the recommendation of the Executive Director of RCTC and the RFP evaluation committee to award this Contract to DB Contractor.

I. The Parties intend for this Contract to be a lump sum design-build contract obligating DB Contractor to perform all Work necessary to achieve the Completion Milestones by the Completion Deadlines, and for the Contract Price, subject only to certain specified limited exceptions. DB Contractor has agreed in this Contract to assume such responsibilities and risks and has reflected the assumption of such responsibilities and risks in the Contract Price.

J. Following completion and acceptance of the Project by RCTC and Department, the Project will become part of the state highway system and Department will own all real property located within the ROW, subject to the rights of RCTC to operate and maintain the Toll Facilities for a period of 50 years after the ELP Revenue Service Commencement Date.

NOW, THEREFORE, in consideration of the sums to be paid to DB Contractor by RCTC, the foregoing premises and the covenants and agreements in this Contract, the Parties agree as follows:

SECTION 1
CONTRACT COMPONENTS:
INTERPRETATION OF CONTRACT

1.1. Certain Definitions

Unless the context otherwise requires, capitalized terms, terms used in the Department Standard Specifications, and abbreviations used in this Contract have the meanings given in Exhibit 1 (Abbreviations and Definitions).

1.2. Order of Precedence

1.2.1. Subject to Sections 1.2.2 through 1.2.5, in the event of any irreconcilable conflict, ambiguity or inconsistency between or among any of the provisions of this Contract, the following order of precedence, from highest to lowest, applies:

- (a) For design and other non-construction Work:
 - (i) Change Orders and Contract amendments;
 - (ii) Section 1 through Section 27, including all Exhibits, Schedules, and attachments to this Contract (excluding the Modified Standard Specifications (Exhibit 3) and Proposal Commitments (Exhibit 13-A));
 - (iii) Technical Provisions (excluding TP Attachments);
 - (iv) All TP Attachments (excluding the Project Standards);
 - (v) The Modified Standard Specifications (Exhibit 3);
 - (vi) Project Standards; and
 - (vii) Proposal Commitments (Exhibit 13-A).
- (b) Without limiting Section 1.2.2, for construction-related Work, the same order of precedence shall apply, except that the Final Design Documents shall also be considered part of this Contract and shall be included as a new Section 1.2.1(a)(viii) in the order of precedence subject to the following:
 - (i) Specifications have precedence over plans; and
 - (ii) Any other Deviations contained in the Final Design Documents take priority over conflicting requirements of other parts of this Contract.

1.2.2. Except as set out in Sections 1.5.2 and 1.10, any provisions of this Contract that establish a higher standard, quality, quantum or method of performance shall take precedence over provisions establishing a lower standard, quality, quantum or method of performance regardless of the order of precedence set out in Section 1.2.1(a), as determined by RCTC in its sole discretion.

1.2.3. Except as otherwise expressly provided in this Contract, where this Contract cites any Reference Document to define requirements of this Contract, the cited portion of the applicable Reference Document shall (a) be deemed incorporated into this Contract to the extent

it is so cited, and (b) have the same order of priority as the part of this Contract where the citation is made.

1.2.4. Notwithstanding the order of precedence set out in Section 1.2.1(a), to the extent that any Proposal Commitment expressly specifies that it supersedes specific provisions of this Contract, that Proposal Commitment shall take precedence over the applicable Contract provisions. Incorporation into this Contract of any part of the Proposal (including the Proposal Commitments) shall not (a) limit, modify, or alter RCTC's right to review and approve any Submittal included in the Proposal, or submitted to RCTC after the Proposal (including any Project Schedule), or (b) be deemed as acceptance or approval of any part of the Proposal by RCTC.

1.2.5. DB Contractor shall not take advantage of or benefit from any apparent or actual Error, conflict or ambiguity in this Contract. If DB Contractor becomes aware that any matters with respect to the Work are not sufficiently detailed, described or explained in this Contract, or if DB Contractor becomes aware of any Error or any conflict or ambiguity between or among the documents forming this Contract, DB Contractor shall promptly provide Notice to RCTC, including the item DB Contractor considers should apply based on the applicable rules in this Section 1.2. If (a) the Error, conflict or ambiguity cannot be reconciled by applying the applicable rules in this Contract or (b) the Parties disagree about (i) which rule applies and/or (ii) the results of the application of such applicable rule(s), then RCTC will determine, in its good faith discretion, which of the conflicting items is to apply and provide Notice to DB Contractor before DB Contractor proceeds with the applicable aspect of the Work.

1.3. Reference Documents

1.3.1. Subject to Section 1.2.3 and DB Contractor's rights under Section 16, DB Contractor acknowledges and agrees that:

(a) The Reference Documents are provided without any representation or warranty by or recourse to RCTC, all of which representations and warranties are disclaimed in their entirety;

(b) DB Contractor may not rely on the Reference Documents (including any information, reports or studies about site conditions, geotechnical conditions, Utilities or structures and bridge design (including the Project Schematics), and any interpretations, extrapolations, analyses and recommendations contained in such documents) as presenting a feasible, complete, accurate, viable or desirable technical, design, engineering, construction, system, deployment, integration, operations or maintenance solution or other direction, means or methods for complying with the requirements of this Contract;

(c) The Reference Documents may include interpretations, extrapolations, analyses and recommendations about data, design solutions, technical issues and solutions and construction means and methods, and such interpretations, extrapolations, analyses and recommendations are (i) preliminary in nature and, in many cases, obsolete, (ii) not intended to express the views or preferences of RCTC or any other Governmental Entity, or represent any statement of approval or acceptance thereof by RCTC or any other Governmental Entity, and (iii) not intended to form the basis of DB Contractor's design solutions, technical solutions, or construction means and methods;

(d) Neither RCTC nor Department are liable for any Losses suffered by any DB-Related Entity in connection with the Reference Documents, including any DB-Related Entity's reliance on the Reference Documents;

(e) To the extent any DB-Related Entity or anyone on any DB-Related Entity's behalf uses the Reference Documents in any way, such use is made on the basis that DB Contractor, not RCTC, has approved, and is liable for, the use of the Reference Documents;

(f) DB Contractor is capable of conducting and obligated under this Contract to conduct any and all studies, analyses and investigations as it deems advisable to verify or supplement the Reference Documents; and

(g) Use of the Reference Documents is entirely at DB Contractor's own risk and at its own discretion.

1.4. No Liability Arising From RCTC Actions

1.4.1. DB Contractor acknowledges and agrees that RCTC's and Department's rights under this Contract to review, comment on, approve, disapprove, monitor, inspect, test, accept, or carry out any other act of RCTC or Department in connection with any Submittal, the Project, or the Work exist solely for the benefit and protection of RCTC or Department (as applicable).

1.4.2. Except as expressly set out in this Contract, RCTC and Department owe no duty of care to DB Contractor to:

(a) Review, comment on, approve, disapprove, monitor, inspect, test, accept or carry out any other act or omission of RCTC in connection with any Submittal, the Project or the Work; or

(b) Inspect or review the Work for Nonconformances.

1.4.3. Failure of RCTC or Department to review, comment on, approve, disapprove, monitor, inspect, test, accept or carry out any other act or omission of RCTC or Department in connection with any Submittal or the Project, or to inspect or review the Work shall not:

(a) Relieve DB Contractor from, or alter or affect, its liabilities, obligations or responsibilities, whether under this Contract or otherwise at law, including obligations to perform the Work in accordance with the Contract, or any of its General Warranty or indemnity obligations;

(b) Prejudice RCTC's or Department's rights against DB Contractor, whether under this Contract or Governmental Rules;

(c) Be deemed or construed as any kind of representation or warranty, express or implied, by RCTC or Department, or be relied upon by DB Contractor in determining whether DB Contractor has satisfied the requirements of this Contract;

(d) Be asserted against RCTC or Department by DB Contractor as a defense, legal or equitable, to DB Contractor's obligation to satisfy the requirements of this Contract; or

(e) Preclude or estop RCTC from asserting or showing that the Work or materials do not comply with this Contract or recovering from DB Contractor and its Guarantors or Surety(ies) such damages as RCTC may sustain in connection with DB Contractor's failure to comply or to have complied with this Contract.

1.4.4. Notwithstanding the provisions of Sections 1.4.1 through 1.4.3, DB Contractor may rely on Notices that RCTC gives under this Contract for purposes of confirming RCTC's approval or consent to an event or matter, but without prejudice to any of RCTC's other rights and remedies under the Contract.

1.4.5. RCTC shall use reasonable endeavours to notify DB Contractor if RCTC or Department intend not to review, comment on, approve, disapprove, monitor, inspect, test, accept or carry out any other act or omission of RCTC or Department in connection with any Submittal, the Project or the Work.

1.5. Integration of Department Standard Specifications into Contract

1.5.1. The Parties acknowledge and agree that the Department Standard Specifications dated 2018, published by Department, incorporated by reference into the Technical Provisions, with the exception of Sections 1 through 9 of the Department Standard Specifications which are replaced with the Modified Standard Specifications in Exhibit 3, subject to certain additional modifications as specified in TP Section 1.4 and otherwise in this Contract. The term "**Department Standard Specifications**" as used in this Contract shall refer to the Standard Specifications, as so modified, and include the Modified Standard Specifications contained in Exhibit 3. The Technical Provisions also require compliance with other Department Documents.

1.5.2. If any question arises regarding whether any provision of the Department Documents is applicable to this Contract or how to apply such provision, RCTC's interpretation regarding such matter shall control, subject to Department concurrence.

1.6. Interpretation of Contract

1.6.1. Unless the context otherwise requires, in this Contract:

- (a) Words in the singular number include the plural number and vice versa;
- (b) A reference to a Section is a reference to the Section in the body of the Contract, Exhibit, Schedule or Attachment in which the reference appears;
- (c) Words denoting any gender include all genders;
- (d) The terms "hereby," "hereof," "herein," "under this Contract" and any similar terms refer to this Contract;
- (e) References to days are references to calendar days, provided that if the date to perform falls on a non-Business Day, such act or notice may be timely performed on the next Business Day. Notwithstanding the foregoing, requirements contained in this Contract relating to actions to be taken in the event of an emergency and other requirements for which it is clear that performance is intended to occur on a non-Business Day, shall be performed as specified, even though the date in question may fall on a non-Business Day;
- (f) A reference to time is a reference to Pacific Time;
- (g) The words "include", "includes" and including" will be read as if followed by the words "without limitation";
- (h) The meaning of "or" will be that of the inclusive "or", that is meaning one, some, or all of a number of possibilities;

(i) A reference to any legislation (including any orders, regulations, by-laws, ordinances, orders, codes of practice or instruments made under the relevant legislation) or a provision within it includes any legislation or provision which amends, extends, consolidates or replaces such legislation or provision;

(j) References to Codes are to the codified laws of the State;

(k) A reference to any Governmental Entity includes a reference to any successor to such Governmental Entity or any organization or entity or organizations or entities which has or have taken over the functions or responsibilities of such Governmental Entity;

(l) A reference to any Person includes each of their legal representatives, trustees, executors, administrators, successors and permitted substitutes and assigns, including any Person taking part by way of novation;

(m) A reference to a right includes any benefit, remedy, discretion, authority or power associated with such right;

(n) A reference to an agreement, document, standard, principle or other instrument includes a reference to that agreement, document, standard, principle or instrument as amended, supplemented, substituted, novated or assigned;

(o) A reference to "\$" is to United States Dollars;

(p) On plans, working drawings, and standard plans, calculated dimensions take precedence over scaled dimensions;

(q) The use of the word "remedy" or any form of it in this Contract means that the event to be remedied must be cured or its effects overcome;

(r) In the event of any irreconcilable conflict, ambiguity, inconsistency or dispute regarding the interpretation of this Contract, it shall not be interpreted or construed against the Person which prepared it and, instead, other rules of interpretation and construction shall apply;

(s) Subject to Section 1.8 or as otherwise expressly provided in this Contract, the term "may", when used in the context of a power or right exercisable by RCTC or RCTC's Representative, means that RCTC or RCTC's Representative can exercise that right or power in its sole and unfettered discretion and RCTC or RCTC's Representative has no obligation to DB Contractor to do so;

(t) If this Contract requires calculation of an amount payable to a Party, there must be no double counting in calculating that amount such that the Party would receive more than the amount owed or payable; and

(u) RCTC's interim or final answers to the questions posed during the Proposal process for this Contract do not form part of this Contract and are not relevant in interpreting this Contract, except to the extent RCTC believes the Contract is ambiguous, in which case such interim or final answers may be used to clarify such ambiguous provisions.

1.7. Project Standards and Specifications

1.7.1. Except as otherwise specified in this Contract or directed by RCTC, material and workmanship specified by the number, symbol or title of any standard established by reference to a described manual or publication affecting any portion of the Work shall comply with the latest edition or revision thereof and amendments and supplements as at the Project Standards Setting Date.

1.7.2. In interpreting Project Standards, the following apply:

- (a) References to the project owner shall mean RCTC;
- (b) References to an “engineer” or “Engineer” in which the engineer or Engineer determines compliance with the Project Standard(s) may mean DB Contractor’s Quality Manager or similar representative or it may mean an RCTC or Department representative, depending on the context, as determined by RCTC, in its good faith discretion;
- (c) References to “plan(s)” shall mean the Final Design Documents; and
- (d) Cross-references to measurement and payment provisions contained in the Project Standards shall be deemed to refer to the measurement and payment provisions in this Contract.

1.8. Standard for Approvals

In all cases where approvals or consents are required to be provided by RCTC or DB Contractor under the Contract, such approvals or consents shall not be withheld unreasonably except in cases where a different standard (such as sole discretion or good faith discretion) is specified or, pursuant to Section 1.6.1(s) (with respect to “may” and sole discretion), deemed to specify a different standard. In cases where RCTC’s sole discretion is specified, the decision shall not be subject to dispute resolution or other legal challenge under the Contract.

1.9. Incorporation of ATCs

1.9.1. Subject to Section 8.11.3(b)(ii), Section 1.9.5 and as otherwise expressly provided in this Contract, if any ATC requires additional Governmental Approvals, analysis, assessment, approvals, permits or findings prior to implementation, Section 8.11.3(b) shall apply to such Governmental Approvals, analysis, assessment, approvals, permits or findings (as if each were a Governmental Approval).

1.9.2. DB Contractor shall satisfy all conditions in Exhibit 13-B (ATCs) prior implementing the ATC.

1.9.3. If DB Contractor does not obtain the Governmental Approvals as contemplated by Section 1.9.1 or is unable to comply with Section 1.9.2, or fails in any other way to implement the ATC:

- (a) DB Contractor shall promptly provide Notice of such event to RCTC’s Representative;
- (b) This Contract is deemed to be amended to delete the relevant amendments set out in Exhibit 13-B (ATCs) with respect to the applicable ATC;

(c) DB Contractor shall comply with the corresponding baseline requirements specified in this Contract (unmodified by the ATC) and shall not be entitled to any increase in the Contract Price, extension of the Completion Deadlines or any other Change Order;

1.9.4. DB Contractor may incorporate ATCs contained in proposals submitted by unsuccessful proposers with RCTC's prior consent and such ATCs may be incorporated through the RCTC-Directed Change Notice process under Section 16.4 of this Contract.

1.9.5. RCTC will act as the liaison for additional RCTC-Provided Approvals required as a result of any ATC and the direct costs of labor in the direct employ of RCTC shall be RCTC's expense.

1.10. Federal Requirements

The Work is subject to certain federal statutes, rules and regulations, including the requirements in Exhibit 14 (Federal Requirements). DB Contractor shall comply and require its Subcontractors to comply with all applicable federal requirements, including those requirements in Exhibit 14. In the event of any conflict, ambiguity or inconsistency between any applicable federal requirements and the other requirements of this Contract, the federal requirements shall prevail.

SECTION 2

REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1. DB Contractor Representations, Warranties and Covenants

DB Contractor represents, warrants and covenants that:

2.1.1. DB Contractor is a joint venture, duly organized and validly existing under the laws of the State of California, with all requisite power to own its properties and assets and carry on its business as now conducted or proposed to be conducted.

2.1.2. DB Contractor is composed of Myers & Sons Construction, LLC and Steven P. Rados, Inc.. DB Contractor and each member of DB Contractor is duly qualified to do business, and is in good standing, in the State, and shall remain in good standing throughout the term of this Contract and for as long thereafter as any obligations remain outstanding under this Contract.

2.1.3. As of the Effective Date, DB Contractor has full power, right and authority to execute and deliver this Contract, and to perform all of DB Contractor's obligations provided for under this Contract.

2.1.4. Each person executing this Contract on behalf of DB Contractor has been duly authorized to execute and deliver this Contract on behalf of DB Contractor.

2.1.5. This Contract to which DB Contractor is (or will be) a Party has been (or will be) duly executed and delivered by DB Contractor.

2.1.6. DB Contractor has evaluated the Planned ROW Limits and other constraints affecting design and construction of the Project and has reasonable grounds to believe, and does believe, that the Project can be designed and built within such constraints.

2.1.7. DB Contractor has evaluated the feasibility of performing the Work so as to achieve the Completion Milestones by the Completion Deadlines and for the Contract Price, accounting for constraints affecting the Project, and has reasonable grounds to believe and does believe such performance is feasible and practicable.

2.1.8. DB Contractor has, prior to submitting the Proposal and in accordance with Good Industry Practice, reviewed this Contract and the Reference Documents and has brought to RCTC's attention any Errors, conflicts and ambiguities in the Contract and the Reference Documents.

2.1.9. As of the Effective Date, DB Contractor conducted a Reasonable Investigation of the Site, and DB Contractor is familiar with and has satisfied itself as to the character of the Site, including quality and quantity of surface and subsurface materials or obstacles to be encountered at the Site (including the presence of Utilities, Hazardous Materials, Contaminated Groundwater, archaeological, paleontological, biological, cultural, and other protected resources, and threatened or endangered species affecting the Site or surrounding locations) insofar as this information was reasonably ascertainable through DB Contractor's Reasonable Investigation and that such Reasonable Investigation constituted the basis for establishing its Contract Price.

2.1.10. Failure by DB Contractor to acquaint itself with the available Site information will not relieve DB Contractor from responsibility for the difficulty or cost of successfully performing the Work. DB Contractor further acknowledges and agrees that changes in conditions at the Site may occur after the Effective Date, and that DB Contractor's entitlement to any Change Order in

connection therewith shall be only as permitted under Section 16. Before commencing any Work on a portion of the Site, DB Contractor shall verify all governing dimensions at the relevant portion of the Site, and shall examine all adjoining work which may affect its Work. DB Contractor shall ensure that the Design Documents and Construction Documents accurately depict all governing and adjoining dimensions and conditions.

2.1.11. DB Contractor has familiarized itself with the requirements of all applicable Governmental Rules and the conditions of all required Governmental Approvals prior to entering into this Contract. Except as specifically permitted under Section 16, DB Contractor shall and shall cause its Subcontractors to comply with all such rules and conditions without any increase in the Contract Price or extension of any Completion Deadline on account of such compliance, regardless of whether such compliance would require additional time for performance or additional labor, equipment and/or materials not expressly provided for in this Contract. DB Contractor has no reason to believe that any Governmental Approval required to be obtained by DB Contractor will not be granted in due course in a timely fashion and thereafter remain in effect so as to enable the Work to proceed in accordance with this Contract.

2.1.12. All Work provided by DB Contractor throughout the term of the Contract shall be performed by or under the supervision of Persons who hold all necessary and valid licenses, certifications, registration, permits or approvals to perform the Work in the State, by personnel who are careful, skilled, experienced, and competent in their respective trades or professions, who are professionally qualified to perform the Work in accordance with this Contract, and who shall assume responsibility for the accuracy and completeness of the Design Documents, Construction Documents, and other documents prepared or checked by them (as applicable). Any Subcontractor that performs environmental remediation work shall, to the extent required by Governmental Rules, have a Hazardous Substance Removal Certification from the State of California Contractors State License Board.

2.1.13. The award of this Contract by RCTC to DB Contractor was based, in part, on the qualifications and experience of the personnel listed in the Proposal and DB Contractor's commitment that such individuals would be available to undertake and perform the Work and that such individuals are available for and will fulfill the roles identified for them in the Proposal in connection with the Work.

2.1.14. Execution, delivery and performance of this Contract have been duly authorized by all necessary action of DB Contractor, DB Contractor's members and any Guarantor, and will not result in breach or default under DB Contractor's organizational documents, any indenture, loan or credit agreement, or any other material agreement or instrument to which DB Contractor, any of DB Contractor's members, or any Guarantor is a party, or by which their properties and assets may be bound or affected.

2.1.15. This Contract constitutes the legal, valid and binding obligation of DB Contractor and, if applicable, each member of DB Contractor, in accordance with the terms of this Contract, subject only to applicable bankruptcy, insolvency, and similar Governmental Rule that affect the enforceability of the rights of creditors generally, and the general principles of equity. The Guarantees, if any, constitute the legal, valid, and binding obligation of the Guarantors, enforceable in accordance with the terms of the Guarantees, subject only to applicable bankruptcy, insolvency, and similar laws that affect the enforceability of the rights of creditors generally, and the general principles of equity.

2.1.16. There is no action, suit, proceeding, investigation, or litigation pending and served on DB Contractor that challenges (a) DB Contractor's authority to execute, deliver or

perform, or the validity or enforceability of, this Contract, (b) DB Contractor's assets, properties or operations, as they relate to the Project, or (c) the authority of DB Contractor's official to execute this Contract; and DB Contractor has disclosed to RCTC any pending and un-served or threatened action, suit, proceeding, investigation or litigation with respect to such matters that DB Contractor is aware of or should be aware of after reasonable inquiry and investigation.

2.1.17. DB Contractor agrees to avoid organizational conflicts of interest. For purposes of this Contract, an organizational conflict of interest exists if, due to its other activities, relationships, or contracts, a consultant to RCTC is unable to render impartial assistance or advice to RCTC, or the consultant's objectivity in providing services to RCTC is or might be otherwise impaired. For purposes of the Proposal, organizational conflicts of interest also included any matters that resulted in DB Contractor obtaining an unfair competitive advantage in connection with the procurement of this Contract. As of the Proposal Date, to the extent DB Contractor was actually aware, DB Contractor provided Notice to RCTC of all organizational conflicts of interest involving DB Contractor and DB-Related Entities. Between the Proposal Date and the Effective Date, DB Contractor has not obtained knowledge of any additional organizational conflict of interest, and there have been no organizational changes to DB Contractor or Subcontractors identified in its Proposal not approved by Notice to DB Contractor.

2.1.18. DB Contractor is aware of the provisions of Labor Code section 3700 that require every employer to be insured against liability for workers' compensation, or to undertake self-insurance in accordance with the provisions of that code, and DB Contractor shall comply with such provisions before commencing performance of the Work, and at all times during the term of this Contract, whether by providing its own insurance or self-insurance in accordance with the provisions of that Code.

2.1.19. In connection with this Contract, DB Contractor has not committed or caused, and will not commit or cause, a violation of: (a) Government Code sections 1090 through 1099, 84308, or 87100 through 87105; or (b) California Code of Regulations sections 18438.1 through 18438.8.

2.1.20. DB Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any federal or State department or agency.

2.1.21. DB Contractor has not, in the past three years, been convicted of or had a civil judgment rendered against it for (a) commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (e.g., federal, state or local) transaction or public contract, (b) violation of federal or state antitrust statutes, or (c) commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

2.1.22. DB Contractor is not presently indicted for or otherwise criminally or civilly charged by a Governmental Entity with commission of any of the offenses enumerated in Section 2.1.21;

2.1.23. DB Contractor has not, in the past three years, had one or more public transactions (federal, state or local) terminated for cause or default.

2.1.24. DB Contractor has not received any communication or notice (written or oral), whether from a Governmental Entity, employee, citizens group or any other Person, that alleges DB Contractor is not in full compliance with all Governmental Rules and Governmental Approvals

in connection with the Project and, to the knowledge of DB Contractor, there are no circumstances that may prevent or interfere with full compliance in the future.

2.1.25. DB Contractor (a) is not in violation of: (i) any applicable United States anti-money laundering laws, including those contained in the Bank Secrecy Act and the regulations promulgated thereunder; (ii) any applicable economic sanction laws administered by Office of Foreign Assets Control of the United States Department of the Treasury (“**OFAC**”) or by the United States Department of State; or (iii) any applicable United States anti-drug trafficking, anti-terrorism, or anti-corruption laws, civil or criminal, and (b) is not a Person: (i) that is charged with, or has reason to believe that he, she or it is under investigation for, any violation of any such laws; (ii) that has been convicted of any violation of, has been subject to civil penalties pursuant to, or had any of its property seized or forfeited under any such laws; (iii) that is named on the list of “Special Designated Nationals or Blocked Persons” maintained by OFAC (or any successor United States government office or list), or any similar list maintained by the United States Department of State (or any successor United States government office or list); (iv) with whom any United States Person, any entity organized under the laws of the United States or its constituent states or territories, or any entity, regardless of where organized, having its principal place of business within the United States or any of its territories, is prohibited from transacting business of the type contemplated by any applicable Governmental Rule; (v) that is owned, controlled by, or affiliated with any Person identified in Sections 2.1.25(b)(i), 2.1.25(b)(ii), 2.1.25(b)(iii) or 2.1.25(b)(iv); or (vi) that is in violation of any obligation to maintain appropriate internal controls as required by the governing laws of the jurisdiction of such Person as are necessary to ensure compliance with the economic sanctions, laundering and anti-corruption laws of the United States and the jurisdiction where the Person resides, is domiciled or has its principal place of business.

2.2. RCTC Representations, Warranties and Covenants

RCTC represents, warrants and covenants that:

2.2.1. As of the Effective Date, RCTC has full power, right and authority to execute, deliver and perform this Contract and to perform all of RCTC’s obligations provided for under this Contract;

2.2.2. Each person executing this Contract on behalf of RCTC has been duly authorized to execute and deliver this Contract on behalf of RCTC; and

2.2.3. This Contract has been (or will be) duly executed and delivered by RCTC.

SECTION 3

OBLIGATIONS OF DB CONTRACTOR; DESIGN REQUIREMENTS

3.1. Project Management Plan

3.1.1. DB Contractor is responsible for all Quality Validation and Quality Control activities necessary to manage the Work. DB Contractor shall perform all aspects of Quality Validation and Quality Control for the Project in accordance with the RCTC-approved Project Management Plan, this Contract, Governmental Approvals, Governmental Rules and Good Industry Practice.

3.1.2. DB Contractor shall prepare and submit to RCTC the Project Management Plan and any updates to it, for RCTC's approval in its good faith discretion, in accordance with the procedures, and within the time periods described in Section 4 and TP Section 2.1, and the schedule in TP Attachment 2-1.

3.1.3. RCTC may propose and DB Contractor shall implement any change to the Project Management Plan required (a) to comply with the requirements of TP Section 2.1, (b) to comply with this Contract, Governmental Approvals, Governmental Rules, and Good Industry Practice, or (c) to reflect a change in working practice to be implemented by DB Contractor.

3.1.4. If any part or other documentation of the Project Management Plan refers to, relies on or incorporates any manual, plan, procedure or like document, then all such referenced or incorporated materials shall be submitted to RCTC for approval in its good faith discretion when the relevant part or other documentation of the Project Management Plan or change, addition or revision to the Project Management Plan is submitted to RCTC.

3.1.5. DB Contractor shall carry out internal audits of the Project Management Plan at the times prescribed in the Quality Management Plan and shall provide full details of such audits to RCTC.

3.1.6. DB Contractor shall ensure that, the DQVM shall, irrespective of his or her other responsibilities, have express authority to establish and maintain the design elements of the Project Management Plan and report directly to RCTC on the performance of the Project Management Plan with respect to those elements.

3.1.7. DB Contractor shall ensure that the CQVM shall, irrespective of his or her other responsibilities, have express authority to establish and maintain the construction elements of the Project Management Plan and report directly to RCTC on the performance of the Project Management Plan with respect to those elements.

3.1.8. The construction quality validation laboratory shall not be owned at any time during the term of the Contract by DB Contractor or any subsidiary or affiliate of DB Contractor or DB Contractor's design Subcontractors unless agreed to by Notice from RCTC, in RCTC's sole discretion.

3.1.9. DB Contractor shall not terminate any agreement with the construction quality validation laboratory that may affect the Work, or permit or suffer any substitution or replacement of the construction quality validation laboratory, except with RCTC's prior written approval, in its reasonable discretion.

3.2. Deviations

3.2.1. DB Contractor may provide Notice to RCTC seeking approval of Deviations regarding the design or construction of the Project. Where DB Contractor requests a Deviation as part of the submittal of a component plan of the Project Management Plan or Design Document, DB Contractor shall specifically identify and label the proposed Deviation. RCTC may consider Deviations requested by DB Contractor.

3.2.2. DB Contractor shall bear the burden of persuading RCTC that the Deviation sought is consistent with Governmental Approvals, Governmental Rules and Good Industry Practice, achieves RCTC's applicable safety standards and criteria and, but for the specific item(s) expressly included in the Deviation, is otherwise in accordance with this Contract.

3.2.3. No Deviation shall be deemed approved or be effective unless stated in a signed Notice by RCTC's Representative. RCTC's failure to provide Notice of a Deviation within 14 days after DB Contractor's Notice shall be deemed a disapproval of such application.

3.2.4. RCTC's affirmative approval Notice of any part of the Project Management Plan shall constitute:

(a) Approval of any Deviations expressly identified and labeled as Deviations in the Project Management Plan, unless RCTC takes exception to any such Deviation in which case the identified Deviation is not approved (and DB Contractor shall deliver revisions to such part of the Project Management Plan for RCTC approval in accordance with Section 4); and

(b) Disapproval of any Deviations not expressly identified and labeled as Deviations in the Project Management Plan.

3.2.5. Except as set out in TP Sections 1.4 and 10 and subject to Section 3.2.6, DB Contractor may use the approved nonstandard features in TP Attachment 10-1 without requesting a new Deviation or obtaining approval of the nonstandard features.

3.2.6. DB Contractor shall request a Deviation and follow the processes for Deviations in TP Sections 1.4 and 10.3.2 for those approved nonstandard features in TP Attachment 10-1 where:

(a) The justification or basis under which the nonstandard features was approved by Department has been changed or otherwise modified as a result of DB Contractor's design or utilization of the nonstandard feature, as determined by RCTC and/or Department, in their respective sole discretion;

(b) The submittal by or on behalf of RCTC upon which the nonstandard feature was approved by Department is no longer accurate or no longer reflects the Project design and impacts as a result of DB Contractor's design or utilization of the nonstandard feature, as determined by RCTC and Department, in their respective sole discretion; or

(c) DB Contractor's utilization of the nonstandard feature differs in any way from that which was approved by Department (including as it relates to the location, length, station position or impact of the nonstandard feature), unless (i) RCTC and Department, in their respective sole discretion, determine such difference is not material; and (ii) DB Contractor may utilize such nonstandard feature in the express manner indicated in DB Contractor's design.

3.2.7. DB Contractor shall provide Notice and plan sheets to RCTC and Department which expressly describe and identify any eliminations, changes, improvements, differences or deviations in DB Contractor's proposed use of any nonstandard feature approved by Department and listed in TP Attachment 10-1.

3.2.8. Use of any nonstandard features listed in TP Attachment 10-1 is entirely at DB Contractor's own risk and discretion. DB Contractor assumes sole responsibility and risk for the use of such nonstandard features, including for any Errors in the nonstandard features.

3.3. Performance as Directed

At all times during the term of this Contract, including during the course of any Dispute, DB Contractor shall: (a) perform the Work as directed by RCTC, in a diligent manner and without delay; (b) abide by RCTC's decisions or orders in accordance with this Contract; and (c) comply with all applicable provisions of this Contract.

3.4. General Obligations of DB Contractor

3.4.1. DB Contractor shall, and shall cause its Subcontractors to:

- (a) Comply with the terms of the General Warranty;
- (b) Perform the Work in accordance with:
 - (i) The Project Management Plan;
 - (ii) The Basic Configuration, except as otherwise approved by Notice from RCTC, in its sole discretion;
 - (iii) All Governmental Rules (including Environmental Laws, the Labor Code, the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.), including any amendments, and the federal requirements in Exhibit 14), Governmental Approvals and Project Standards;
 - (iv) Supplier warranties in the case of equipment;
 - (v) The RCTC-approved Final Design Documents and Construction Documents;
 - (vi) Good Industry Practice; and
 - (vii) Otherwise in accordance with this Contract, in each case taking into account the Planned ROW Limits and other constraints affecting the Project; and
- (c) Perform the Work so as to ensure:
 - (i) The Construction Work meets each of the purposes and requirements set out in the Contract;
 - (ii) The Design Work meets each of the requirements set out in the Contract; and
 - (iii) The Work is free of Deviations unless approved by RCTC; and

(d) Timely submit all Submittals by the applicable times in this Contract, including TP Section 3, and all such Submittals shall be accurate and complete as required under this Contract.

3.4.2. DB Contractor shall:

(a) Use the design Subcontractor(s) identified in Exhibit 2 (Contract Particulars) to perform the design services required by this Contract or other Subcontractors approved by Notice from RCTC. RCTC's approval shall not be withheld where RCTC determined, in its reasonable discretion, that such firm has the demonstrated competence and professional qualifications necessary for the satisfactory performance of the required design services, and that the key personnel at such firm have sufficient experience with Department and other requirements applicable to the Project;

(b) Not shift design Work from any Major Subcontractor or Listed Subcontractor to another without the prior written approval of RCTC, in its good faith discretion, except that DB Contractor may shift non-material amounts of design Work to the extent consistent with Applicable Law where such shift does not eliminate a Major Subcontractor or Listed Subcontractor;

(c) Provide and maintain field offices as described in TP Section 2.2 for the exclusive use of RCTC and its consultants for the Project, as well as for Department and other third parties as directed by RCTC; and

(d) Ensure labor harmony on the Site during all stages of the Project, including taking appropriate steps to prevent strikes, walkouts, work stoppages, work slowdowns, work curtailments, cessations or interruptions of production due to labor disputes or other labor-related matters.

3.4.3. Except as otherwise expressly provided in this Contract, DB Contractor:

(a) Accepts all risks, responsibilities, obligations and liabilities in connection with delivering the Work consistent with this Contract; and

(b) Is not entitled to make any Claim against RCTC for any Losses in connection with the Project, Work or this Contract other than as expressly provided in Section 16.

3.5. Coordination and Cooperation

3.5.1. DB Contractor shall perform the Work so as not to:

(a) Enter upon, disturb or use any property of any Person except with the express permission of, and in compliance with all requirements of, the owner or holder of such property;

(b) Damage, close or obstruct any Utility installation, highway, road or other property unless and until all applicable Governmental Approvals have been obtained; or

(c) Disrupt or otherwise interfere with the operation of any Utility, improvement or structure unless otherwise specifically authorized by this Contract, an applicable Governmental Rule or any Governmental Approval.

3.5.2. DB Contractor acknowledges and agrees that:

(a) Other RCTC Contractors might be working at, near or otherwise be present on or near the Site during performance of the Work;

(b) The work of Other RCTC Contractors might interfere with DB Contractor's use of certain facilities on or near the Site; and

(c) DB-Related Entities, including DB Contractor, shall fully cooperate and be solely responsible for coordinating the Work with Other RCTC Contractors and shall schedule and sequence the Work as reasonably necessary to accommodate the work of Other RCTC Contractors.

3.5.3. DB Contractor shall cooperate and coordinate with:

(a) RCTC and Other RCTC Contractors in connection with the ongoing operation, maintenance, renewal, and replacement of the 15 Express Lanes, the 91 Express Lanes, this Project and other obligations under this Contract; and

(b) RCTC, Other RCTC Contractors, Department, FHWA and other Governmental Entities with jurisdiction over the Work in performing oversight and conducting inspections during the performance of the Work and other matters relating to the 15 Express Lanes, the 91 Express Lanes and this Project.

3.5.4. DB Contractor shall cause Subcontractors to cooperate and provide such information as is necessary or requested by RCTC to assist or facilitate the submission by RCTC of any documentation, reports or analysis required by the State, FHWA and/or any other Governmental Entity with jurisdiction over the Project.

3.5.5. Additional requirements for DB Contractor to coordinate the Work with TSP, ELP DB Contractor, 91 Express Lanes Operator and the Pavement Contractor are included in Section 25.1 through Section 25.3.

3.5.6. If RCTC awards or performs other, separate contracts or projects that affect the Work, DB Contractor shall perform and coordinate the Work so as to not unreasonably interfere with the progress or completion of the work performed under such contracts or as part of such projects.

3.5.7. Except as set out in Section 3.5.8 or as expressly provided under the this Contract, if DB Contractor asserts that a contractor of Department, Local Agencies or BNSF has caused damage to the Work or has hindered or interfered with the progress or completion of the Work, then except as expressly set forth in the Contract, DB Contractor's sole remedy under this Contract shall be to seek recourse against the respective contractor.

3.5.8. DB Contractor may submit disputes between itself and contractors of Department, Local Agencies or BNSF for resolution under Section 24 so long as: (a) the contractor and the contractor's sureties agree to submit the dispute to the Disputes Review Board; and (b) the proceeding is conducted at no cost to RCTC.

3.5.9. DB Contractor shall have no right to compensation, time extension, or otherwise make any Claim against RCTC for the actions or omissions of any contractor retained, or work performed, by Department, BNSF, or other Local Agencies or any Utility Owner except as expressly provided in this Contract.

SECTION 4
INFORMATION SUPPLIED TO DB CONTRACTOR; SUBMITTALS, DESIGN
REQUIREMENTS AND DISCLAIMER; ROLES OF PCM, DEPARTMENT, FHWA

4.1. Submittals

4.1.1. General

(a) This Section 4 describes the terms and procedures that govern DB Contractor's Submittals to RCTC pursuant to this Contract (including the Project Management Plan, Project Schedule, Design Documents and Construction Documents, among others). In the event of any irreconcilable conflict between the provisions of this Section 4 and other provisions of this Contract or the Project Management Plan concerning submission, review and approval procedures for Submittals, this Section 4 shall control, except to the extent that the conflicting provision expressly states that it supersedes this Section 4.

(b) Where DB Contractor is required to make a Submittal to RCTC under this Contract, DB Contractor shall deliver such Submittal to the individual or organization, if any, appointed by RCTC to act on its behalf.

(c) Where DB Contractor is required to obtain an action (e.g., review, comment, approval) from Department, FHWA or BNSF in connection with a Submittal under this Contract, DB Contractor shall timely make the corresponding Submittal to RCTC for RCTC to review and distribute to Department, FHWA or BNSF, as applicable, in accordance with TP Section 3.2.2. In the case of all other third parties, DB Contractor shall make the Submittal directly to the third party in accordance with TP Section 3.2.2. DB Contractor shall coordinate with all third parties to determine and comply with their applicable requirements such that third-party action in connection with Submittals does not cause delay to the Project Schedule.

(d) DB Contractor shall provide RCTC with copies of all correspondence, communications, submittals or notices to, by or between DB Contractor and Department, FHWA, other Governmental Entities, Utility Owners, BNSF, Other RCTC Contractors, property owners, insurers and other third parties with an interest arising out of or relating to the Work.

4.1.2. Time Periods

(a) Except as otherwise provided below, whenever RCTC and/or Department are entitled to review and comment on, to affirmatively approve, or take other action with respect to a Submittal, RCTC and/or Department will have the following time periods to provide DB Contractor the applicable review, comment, approval or other action after the date RCTC and/or Department, as applicable, receive an accurate and complete Submittal:

(i) For NTP1 Submittals, the time period indicated in TP Section 3.2.2;

(ii) For Design Documents, Construction Documents, and Requests for Information, the time periods indicated in TP Section 3.2.2; and

(iii) For all other Submittals, the time periods expressly indicated for the applicable Submittal in this Contract or, if no specific time period is indicated, ten Business Days after receipt by RCTC or Department (as applicable).

(b) DB Contractor acknowledges that this Contract, including TP Section 3.2.2, includes certain limitations on the number, type, sequencing, bundling and packaging of Submittals DB Contractor may submit to RCTC and/or Department at any one time and during any particular period.

(c) All time periods for RCTC and/or Department to act shall be extended by the period of any delay caused, in whole or in part, by (i) the acts or omission of any DB-Related Entity or any DB Contractor Fault, and (ii) any Delay Event (other than those described in clauses (b), (c), (e), and (f) of the definition of "Delay Event").

(d) RCTC shall endeavor to reasonably accommodate Notices from DB Contractor for expedited action on specific Submittals, within the reasonable and practical limitations on availability of RCTC personnel appropriate for acting on the types of Submittal in question, so long as DB Contractor sets forth in its request specific, abnormal or exigent circumstances demonstrating the need for expedited action. Such accommodation, if undertaken, may result in extension of the time period for review, response and/or approval of other Submittals. This provision shall not apply, however, during any time described in Section 4.1.2(c).

(e) Whenever RCTC and/or Department are required to affirmatively approve a Submittal or other matter under this Contract, and RCTC and/or Department, as applicable, deliver no approval, disapproval, consent, denial, determination, decision or other action within the applicable time period under this Section 4.1.2, then DB Contractor shall deliver to RCTC and/or Department, as applicable, a Notice stating the date within which RCTC and/or Department was to have decided or acted. Any delay from and after such Notice shall constitute an RCTC-Caused Delay (for RCTC failure to decide or act where the standard is a "reasonable" standard) for which DB Contractor may be entitled to relief under Section 16.

4.1.3. RCTC and Department Approvals

(a) If the Submittal is one where this Contract indicates approval, consent, determination, acceptance, decision or other action (including a failure to act which constitutes a disapproval) is required from RCTC and/or Department in its sole or good faith discretion, then RCTC's and/or Departments' lack of approval, consent, determination, acceptance, decision or other action within the applicable time period under Section 4.1.2 will be deemed disapproval. If the approval, consent, determination, acceptance, decision or other action is subject to the sole discretion of RCTC and/or Department (as applicable), then its approval, consent, determination, decision or other action (including a failure to act which constitutes a disapproval) shall be subject to Section 1.8.

(b) Whenever this Contract indicates that a Submittal or other matter is subject to RCTC's and/or Department's approval, consent, determination, acceptance, decision or other action and the standard is a reasonable standard, RCTC's and/or Department's exception, objection, rejection, disapproval or other action (including a failure to act which constitutes a disapproval) under this Section 4 shall be deemed reasonable, valid and binding if based on any of the following grounds or other grounds set forth elsewhere in this Contract:

(i) The Submittal or subject provision fails to comply, or is inconsistent, with any applicable covenant, condition, requirement, standard, term or provision of this Contract;

(ii) The Submittal or subject provision is not to a standard equal to or better than Good Industry Practice;

(iii) DB Contractor has not provided all content or information required or reasonably requested in respect of the Submittal or subject provisions thereof, in which case DB Contractor may resubmit the Submittal with the required content or information;

(iv) Adoption of the Submittal or subject provision, or of any proposed course of action under such Submittal, would result in a conflict with or violation of any Applicable Law or Governmental Approval; or

(v) In the case of a Submittal that is to be delivered to a Governmental Entity as a proposed Governmental Approval, or in order to obtain, modify, amend, supplement, renew, extend, waive or carry out a Governmental Approval, it proposes commitments, requirements, actions, terms or conditions that are (i) inconsistent with this Contract, Applicable Law, the requirements of Good Industry Practice, or RCTC and/or Department practices for public-private contracting, or (ii) not usual and customary arrangements that RCTC and/or Department offers or accepts for addressing similar circumstances affecting its projects (except if usual and customary for RCTC and/or Department regarding its projects delivered via public-private contracting).

4.1.4. RCTC and/or Department Review and Comment

Whenever this Contract indicates that a Submittal or other matter is subject to RCTC and/or Department's review, comment, review and comment, disapproval or similar action not entailing a prior approval and RCTC and/or Department delivers no comments, exceptions, objections, rejections or disapprovals within the applicable time period under Section 4.1.2, then DB Contractor may proceed thereafter at its election and risk, without prejudice to RCTC and/or Department's rights to later object or disapprove in accordance with Section 4.1.3. No such failure or delay by RCTC and/or Department in delivering comments, exceptions, objections, rejections or disapprovals within the applicable time period under Section 4.1.2 shall constitute an RCTC-Caused Delay, or Delay Event or other basis for any Claim. When used in this Contract, the phrase "completion of the review and comment process" or similar terminology means either (a) RCTC and/or Department has reviewed, provided comments, exceptions, objections, rejections or disapprovals, and all the same have been fully resolved, or (b) the applicable time period has passed without RCTC and/or Department providing any comments, exceptions, objections, rejections or disapprovals.

4.1.5. Submittals Not Subject to Prior Review, Comment or Approval

Whenever this Contract indicates that DB Contractor is to deliver a Submittal to RCTC and/or Department but expresses no requirement for RCTC and/or Department review, comment, disapproval, prior approval or other action, then DB Contractor is under no obligation to provide RCTC and/or Department any period of time to review the Submittal or obtain approval of it before proceeding with further Project Work, and RCTC and/or Department may at any time review, comment on, take exception to, object to, reject or disapprove the Submittal in accordance with Section 4.1.6(a). No failure or delay by RCTC and/or Department in delivering comments, exceptions, objections, rejections or disapprovals with respect to any such Submittal shall constitute an RCTC-Caused Delay or Department-Caused Delay or be the basis of a Change Order, Delay Event or other basis for any Claim.

4.1.6. Resolution of RCTC and/or Department Comments and Objections

(a) DB Contractor acknowledges that RCTC and/or Department may provide comments, exceptions, disapprovals and objections which reflect concerns regarding

interpretation or preferences of the commenter or which otherwise do not directly relate to grounds in Section 4.1.5. DB Contractor shall undertake reasonable efforts to accommodate or otherwise resolve any such comments, exceptions, disapprovals or objections through the review processes described in this Section 4.1.6.

(b) DB Contractor shall respond in writing to all of RCTC's and/or Department's comments, exceptions, disapprovals and objections to a Submittal and, except as provided below, make modifications to the Submittal as necessary to fully reflect and resolve all such comments, exceptions, disapprovals and objections, in accordance with the review processes in TP Section 3.2.2.5. However, if the Submittal is not governed by Section 4.1.2, DB Contractor is not obligated to incorporate any comments or resolve exceptions, disapprovals or objections that (a) are not on any of the grounds in Section 4.1.2 (and not on any other grounds set forth elsewhere in this Contract), (b) are otherwise not reasonable with respect to subject matter or length, and (c) would result in a delay to a Critical Path matter in the Project Schedule, or in costs associated with additional work or delay, except pursuant to a Change. If, however, DB Contractor does not accommodate or otherwise resolve any comment, exception, disapproval or objection, DB Contractor shall deliver to RCTC and/or Department within a reasonable time period, not to exceed 14 Business Days after receipt of RCTC and/or Department's comments, exceptions, disapprovals or objections, an explanation why modifications based on such comment, exception, disapproval or objection are not required. The explanation must include the facts, analyses and reasons that support the conclusion.

(c) The foregoing does not obligate DB Contractor to incorporate any comments or resolve exceptions, disapprovals and objections that would render the Submittal erroneous, defective or less than Good Industry Practice, except pursuant to an RCTC-Directed Change.

(d) If DB Contractor fails to notify RCTC within the time period in Section 4.1.6(b), RCTC may deliver to DB Contractor a Notice stating the date by which DB Contractor was to have addressed RCTC's and/or Department's comments and that if DB Contractor does not address those comments within five days after receipt of this Notice, then that failure will constitute DB Contractor's agreement to make all changes necessary to accommodate and resolve the comment or objection and full acceptance of all responsibility for such changes without right to an RCTC-Directed Change, Delay Event or other basis for any Claim, including any Claim that RCTC and/or Department assumes design or other liability.

(e) After RCTC receives DB Contractor's explanation as to why the modifications are not required as provided in Sections 4.1.6(a) through 4.6.1(d), if RCTC and/or Department is not satisfied with DB Contractor's explanation the Parties shall attempt in good faith to resolve the dispute. If they are unable to resolve the Dispute, either Party may request dispute resolution in accordance with Section 24; provided that if RCTC elects to issue a Directive Letter with respect to the matter in Dispute, DB Contractor shall proceed in accordance with RCTC's Directive Letter while retaining any Claim as to the matter in dispute.

4.2. Responsibility for Design

4.2.1. DB Contractor Responsibility

DB Contractor acknowledges and agrees that:

(a) It has full responsibility and liability for the design of the Project and that DB Contractor will provide the design of the Project, regardless of the fact that aspects of the

Project Schematics have been provided to DB Contractor prior to the date of execution of the Contract, as a preliminary basis for DB Contractor's design.

(b) Except to the extent expressly provided in this Contract, DB Contractor is not entitled to rely on (i) the Project Schematics, except as expressly specified in Section 4.2.2(b), (ii) the other Reference Documents, or (iii) any other documents or information provided by or on behalf of RCTC.

(c) DB Contractor shall be responsible for any Errors in the Project Schematics through the design and/or construction process without any increase in the Contract Price, extension of a Completion Deadline or any other relief, subject only to the right to a Change Order with respect to any Necessary Basic Configuration Changes to the extent permitted by Section 16.

(d) RCTC's liability for Errors in the Project Schematics, Geometric Approval Drawings or Planned ROW Limits (as applicable) is limited to its obligations relating to Necessary Basic Configuration Changes and provision of access to parcels within the RCTC-Provided Property, and is subject to the requirements and limitations of Section 16.

(e) Except for Necessary Basic Configuration Changes to the extent permitted by Section 16, DB Contractor's warranties and indemnities under this Contract cover Errors in the Project even though they may be related to, result from, or arise out of Errors in the Project Schematics.

(f) DB Contractor shall verify all calculations and quantity takeoffs contained in the Technical Provisions or otherwise provided by RCTC without any increase in the Contract Price, extension of a Completion Deadline or any other relief.

4.2.2. Project Schematics

(a) DB Contractor acknowledges and agrees that:

(i) The Project Schematics have been previously reviewed by Department;

(ii) If DB Contractor wishes to deviate from the concepts contained in the Project Schematics, it must provide Notice of such proposed deviations to RCTC and Department together with justification for the modification; and

(iii) Constraints in this Contract, including Planned ROW Limits, RCTC's schedule for acquisition of property within the Planned ROW Limits, conditions, and RCTC's schedule for acquisition of the RCTC-Provided Approvals, draft BNSF Construction & Maintenance Agreement as described in TP Section 8 and TP Attachment 8-1, and Site conditions, will impact DB Contractor's ability to revise the concepts contained in the Project Schematics.

(b) DB Contractor may rely on the Planned ROW Limits identified in the Project Schematics, and may obtain a Change Order for Necessary Basic Configuration Changes.

4.2.3. Design Review Process and Compliance with Final Design Documents

(a) DB Contractor shall:

(i) Prepare, sign, seal and provide Design Documents and Construction Documents to RCTC, Department and other third parties, as applicable, for appropriate action in accordance with this Contract, including TP Section 3;

(ii) Obtain Department and RCTC approval for any Deviation from Project Standards, including design exceptions from applicable Department requirements, as specified in TP Section 10.3.2;

(iii) Obtain RCTC and Department approval of Release for Construction Packages and Final Design Documents in accordance with TP Section 3.2.2.5. Approval by RCTC and Department of Release For Construction Packages and Final Design Documents, as described in TP Section 3.2.2.5, shall constitute approval of the design in advance of construction by RCTC and Department for purposes of Government Code section 830.6, and shall not relieve DB Contractor of liability for the design;

(iv) Provide Notice to RCTC within the earlier of 14 days (i) after receipt of any comments, the incorporation of which DB Contractor believes would adversely affect the Design Documents, Construction Documents, the Work, the Project Schedule or any other part of this Contract; or (ii) the date on which it should have, in the exercise of reasonable diligence or in the performance of its obligations under this Contract, been aware that such comments would adversely affect the Design Documents, Construction Documents, the Work, the Project Schedule or any other part of this Contract. Failure of DB Contractor to Notify RCTC shall not relieve DB Contractor of its full responsibility and liability for the design of the Project under this Section 4.2;

(v) Respond to the comments and make modifications to the Design Documents and Construction Documents based on the comments in accordance with TP Section 3.2, including specifically TP Section 3.2.2.5. DB Contractor acknowledges that comments may be provided that reflect concerns regarding operability or preferences of the commenter or that otherwise do not directly relate to specific requirements of this Contract. DB Contractor shall undertake reasonable efforts to accommodate or otherwise resolve any such comments through the review processes described in TP Section 3.2.2, provided that DB Contractor shall not be required to incorporate any comments regarding operability or preferences that would result in a significant disruption to its schedule or a significant increase in its costs, except pursuant to an RCTC-Directed Change; and

(vi) Coordinate design reviews by, and obtain all required design approvals and other action required under this Contract from, Governmental Entities, BNSF, and Utility Owners in connection with the Work in accordance with TP Section 3.2.2 and TP Attachment 3-2.

(b) The Final Design Documents may be changed only with prior written approval of RCTC and Department.

4.3. Design Professional Licensing Requirements

RCTC does not intend to contract for, pay for or receive any professional services that violate any professional licensing or registration laws. By execution of this Contract, DB Contractor acknowledges that RCTC has no such intent. It is the intent of the Parties that DB Contractor is fully responsible for furnishing and providing the professional services of the Project itself or through Subcontracts with licensed/registered professional service firm(s) as provided in this Contract. Any references in this Contract to DB Contractor's responsibilities or obligations to

“perform” the professional services portions of the Work shall be deemed to mean that DB Contractor shall “furnish” the professional services for the Project. The terms and provisions of this Section 4.3 shall control and supersede every other provision of this Contract.

4.4. Role of PCM

4.4.1. Project and Construction Manager is responsible for oversight of all Work on RCTC’s behalf. PCM shall coordinate comments from RCTC to DB Contractor with respect to the Work, and shall be the primary liaison between RCTC and DB Contractor. PCM will perform the function of the “Department Engineer” under the Department Standard Specifications.

4.4.2. DB Contractor shall deliver all Design Documents, Construction Documents, other Submittals and other documents required to be submitted to RCTC pursuant to Section 4.1 to PCM.

4.4.3. PCM has certain responsibilities with respect to environmental mitigation requirements, as specified in TP Section 6.3.2 and TP Attachment 6-1.

4.4.4. RCTC may retain other consultants to provide services to RCTC relating to the Project. DB Contractor shall fully cooperate with PCM and RCTC’s other consultants in the exercise of their respective duties and responsibilities in connection with the Project.

4.4.5. PCM is not authorized to:

- (a) Direct or suspend the performance of the Work, unless continued performance of Work will endanger the health, welfare, or safety of the public or any Project worker, or will damage or endanger Environmentally Sensitive Areas;
- (b) Approve Deviations from Contract requirements;
- (c) Approve changes in or Deviations from the approved Design Documents;
- (d) Approve performance by DB Contractor of extra Work or changed Work;
- (e) Waive any Contract requirements or provisions
- (f) Issue Directive Letters; or
- (g) Approve Change Orders, VECs or Contract amendments.

4.5. Role of Department and FHWA

4.5.1. DB Contractor acknowledges and agrees that Department and FHWA will have certain review and approval rights with respect to the Project (including rights to approve the Project design and certain Change Orders), as well as the right to provide certain oversight and technical services with respect to the Project.

4.5.2. DB Contractor shall fully cooperate with Department and FHWA in the exercise of their respective duties and responsibilities in connection with the Project. DB Contractor shall comply with all applicable terms, requirements and conditions of the Department Cooperative Agreement and OCTA Agreement expressly set out in this Contract.

4.6. Role of OCTA

DB Contractor acknowledges and agrees that OCTA will have certain approval, review and compensation rights with respect to the Project. DB Contractor shall fully cooperate with OCTA in the exercise of its duties and responsibilities in connection with the Project. Without limiting the foregoing, DB Contractor shall comply with all applicable terms, requirements and conditions set forth in this Contract, including Section 21.1, Exhibit 17 (OCTA-Related Work), Exhibit 21 (91 EL Closure Charges) and TP Section 18.3.3.3, in connection with OCTA-Related Work.

4.7. Role of Other Local Agencies

DB Contractor acknowledges and agrees that, in addition to OCTA, other Local Agencies will have certain approval, review, and other rights with respect to the Project. DB Contractor shall comply with applicable terms, requirements, and conditions in the Technical Provisions with respect to cooperation with Local Agencies.

4.8. Toll Services Provider

DB Contractor shall:

(a) If requested by RCTC, (i) review and comment on submissions TSP makes to RCTC as part of the TSP Work or inspect any work RCTC is required to inspect under the TSP Contract, and (ii) provide written comments to RCTC, in the form requested by RCTC, no later than two Business Days before RCTC is required to respond to the applicable submission or inspection under the contract between RCTC and TSP, or if such contract provides no applicable response time, ten Business Days after RCTC makes the request, provided RCTC allows DB Contractor a minimum of three Business Days to respond; and

(b) Before submitting to RCTC any Release for Construction Package that includes design elements for the TCS Infrastructure, obtain from TSP the TSP Ready for Construction Certification for such design elements in accordance with TP Section 19.2.2.

4.9. ELP DB Contractor

DB Contractor shall, if requested by RCTC, (i) review and comment on submissions ELP DB Contractor makes to RCTC as part of the ELP or inspect any work RCTC is required to inspect under the ELP DB Contract, and (ii) provide written comments to RCTC, in the form requested by RCTC, no later than two Business Days before RCTC is required to respond to the applicable submission or inspection under the contract between RCTC and ELP DB Contractor, or if such contract provides no applicable response time, ten Business Days after RCTC makes the request.

4.10. 91 Express Lanes Operator

DB Contractor shall, if requested by RCTC, (i) review and comment on submissions 91 Express Lanes Operator makes to RCTC as part of the 91 Express Lanes Operator Work or inspect any work RCTC is required to inspect under the 91 Express Lanes Operator Contract, and (ii) provide written comments to RCTC, in the form requested by RCTC, no later than two Business Days before RCTC is required to respond to the applicable submission or inspection under the contract between RCTC and 91 Express Lanes Operator, or if such contract provides no applicable response time, ten Business Days after RCTC makes the request.

SECTION 5

NOTICES TO PROCEED

5.1. NTP1

5.1.1. DB Contractor shall not proceed with the Work until directed by RCTC through issuance of NTP1. DB Contractor acknowledges and agrees that:

- (a) RCTC has no obligation to issue NTP1; and
- (b) Unless and until NTP1 is issued, RCTC has no liability to DB Contractor under this Contract.

5.1.2. Subject to Section 5.1.3, RCTC anticipates issuing NTP1 concurrently with the execution and delivery of this Contract.

5.1.3. RCTC shall not issue NTP1 until the following requirements for the Work have been satisfied:

- (a) Satisfaction of all conditions to award in the ITP (including Section 6.1 of the ITP);
- (b) DB Contractor has delivered to RCTC the NTP1 Performance Bond and the NTP1 Payment Bond, each executed by the issuing Eligible Surety;
- (c) DB Contractor has delivered to RCTC the Guaranty of DB Contractor's obligations in accordance with this Contract, executed by Guarantor in the form of Exhibit 15;
- (d) DB Contractor has provided to RCTC the insurance policies, certificates of insurance, riders to its existing insurance policies or other evidence reasonably required by RCTC to confirm the existence of all the insurance coverages required for the NTP1 Work in accordance with Section 11; and
- (e) DB Contractor has provided to RCTC any other documents, things or assurances required by this Contract as a condition of NTP1.

5.1.4. Issuance of NTP1 authorizes DB Contractor to perform the NTP1 Work, so long as DB Contractor obtains the applicable approvals and permits described in TP Sections 1.1.3 and 9.4.3.

5.1.5. RCTC will pay DB Contractor for NTP1 Work prior to NTP2 in accordance with Section 14.1.2(a), Section 14.2.1 and Exhibit 10-A (NTP1 Payment Schedule).

5.1.6. DB Contractor's rights and remedies arising from a delay in issuance of NTP1 are in Section 19.11.

5.2. NTP2

5.2.1. DB Contractor acknowledges and agrees that unless and until NTP2 is issued, RCTC has no liability to DB Contractor under this Contract, except with respect to the NTP1 Work and any other work for which payment is authorized in accordance with Section 5.1.5, where NTP1 has been issued.

5.2.2. RCTC shall issue NTP2 within 10 Business Days of satisfaction of the following conditions:

(a) DB Contractor has submitted to RCTC a draft of the full Baseline Schedule;

(b) DB Contractor has submitted and RCTC has approved all Submittals, including the Post Award Baseline Schedule, designated “Approved Prior to Issuance of NTP2” in TP Section 1.1.3, Table 1-2;

(c) DB Contractor has submitted to RCTC a draft of the Utility Strip Map;

(d) DB Contractor has submitted to RCTC a draft of the As-Built Verification Map;

(e) DB Contractor has delivered to RCTC the NTP2 Performance Bond and NTP2 Payment Bond;

(f) The Guaranty of DB Contractor’s obligations in accordance with this Contract in the form of Exhibit 15 (Form of Guaranty) remains in full force and effect;

(g) RCTC has approved, in writing, any changes in Key Personnel, in accordance with Section 9.5.1;

(h) DB Contractor has provided to RCTC the insurance policies, certificates of insurance, riders to its existing insurance policies, or other evidence reasonably required by RCTC to confirm the existence of all the insurance coverages required for the NTP2 Work in accordance with Section 11;

(i) DB Contractor has provided RCTC office space available for occupancy at the Co-Located Office, in accordance with TP Section 2.2.1; and

(j) DB Contractor has provided to RCTC any other documents or assurances required by this Contract as a condition of NTP2.

5.2.3. Issuance of NTP2 authorizes DB Contractor to perform all other Work and activities for the Project.

5.2.4. DB Contractor’s rights and remedies arising from a delay in issuance of NTP2 are provided in Sections 14.1.2 and 19.12.

5.2.5. RCTC will pay DB Contractor for NTP2 Work in accordance with Section 6.2.3.

SECTION 6
TIME WITHIN WHICH PROJECT SHALL BE COMPLETED,
PROJECT SCHEDULE AND PROGRESS

6.1. Time of Essence

6.1.1. DB Contractor acknowledges that achieving the Completion Milestones by the relevant Completion Deadlines is of the essence of this Contract.

6.1.2. Except as otherwise specifically provided in Section 15 and Section 16, and subject to any constraints on Work under this Contract (including applicable Governmental Rules), DB Contractor shall:

(a) Perform the Work in accordance with this Contract so as to achieve each Completion Milestone by the applicable Completion Deadline and in accordance with the Project Schedule; and

(b) Provide such employees, materials, facilities and equipment, and work such hours, extra shifts, overtime operations, Sundays, and holidays as necessary to achieve each Completion Milestone by the applicable Completion Deadline.

6.2. Scheduling of Design, Construction and Payment

6.2.1. Project Schedule

(a) DB Contractor shall undertake and complete the NTP1 Work in accordance with the Preliminary Baseline Schedule.

(b) DB Contractor shall undertake and complete the Work between NTP2 and the earlier of (i) 180 days after NTP2, and (ii) RCTC's approval of the final Baseline Schedule in accordance with the Post Award Baseline Schedule, which DB Contractor shall submit to RCTC for review and approval within 14 days after issuance of NTP1.

(c) DB Contractor shall undertake and complete the remaining Work (i.e., Work commencing after RCTC's approval of the Baseline Schedule) in accordance with the Baseline Schedule.

(i) DB Contractor shall submit to RCTC a draft of the Baseline Schedule for review and comment within 60 days after issuance of NTP1.

(ii) DB Contractor shall submit to RCTC the proposed final Baseline Schedule for RCTC review and approval no later than 60 days after NTP2. DB Contractor acknowledges and agrees that: (1) if DB Contractor fails to obtain RCTC's approval of the final Baseline Schedule within 60 days after NTP2, RCTC may withhold up to 25% from each progress payment until RCTC approves the Baseline Schedule; and (2) if DB Contractor fails to obtain RCTC's approval of the final Baseline Schedule within 180 days of NTP2, RCTC may withhold up to 50% from each progress payment until RCTC approves the Baseline Schedule.

(d) The Parties shall use the then-applicable Project Schedule to plan and monitor the progress of the Work, and as the basis to determine the amount of monthly progress payments owing from RCTC to DB Contractor.

(e) RCTC has no obligation to accept a Project Schedule that sets forth Completion Deadlines that differ from the Preliminary Baseline Schedule, Post Award Baseline Schedule, or previously-approved Baseline Schedule (as applicable), as those durations may be extended pursuant to Section 16; provided, however, that, if RCTC accepts a Project Schedule with Completion Deadlines forecasted earlier than the previously-approved Project, then the difference between the forecasted early Completion Deadline and the specified Completion Deadline shall be considered Float.

(f) If DB Contractor plans to achieve any Completion Milestone prior to the scheduled Completion Deadline, RCTC shall not be responsible for any delays or compensation related to delays, however caused, that affect DB Contractor's planned early completion.

(g) RCTC's acceptance of a Project Schedule shall not:

(i) Imply RCTC's acceptance of any particular construction methods, or relieve DB Contractor from its responsibility to provide sufficient materials, equipment and labor to guarantee completion of the Project (or any portion thereof) in accordance with this Contract;

(ii) Attest to the validity of assumptions, activities, relationships, sequences, resource allocations or any other aspect of the applicable Project Schedule;

(iii) Imply that DB Contractor is entitled to any Change Order extending a Completion Deadline or adjusting the Contract Price; or

(iv) Modify this Contract.

(h) DB Contractor's failure to include any element of Work required by the Contract in the applicable Project Schedule shall not relieve DB Contractor's responsibility to perform that element of Work.

6.2.2. Float

(a) All Float contained in the Project Schedule, or generated after RCTC's approval of the Baseline Schedule, shall be a Project resource available to either Party or both Parties, as needed, to absorb delays caused by any event and to achieve schedule milestones, interim completion dates and/or Completion Deadlines.

(b) All Float shall be shown as such in the Project Schedule and on each applicable schedule path. RCTC shall consider DB Contractor's identification of (or failure to identify) Float on the Project Schedule in determining whether to approve the Project Schedule. Once identified, DB Contractor shall monitor, account for and maintain Float in accordance with CPM.

6.2.3. Payment

Following issuance of NTP2, RCTC shall pay DB Contractor on the basis of DB Contractor's progress of the Work.

6.3. Conditions to Design Work Review and Payment

6.3.1. Except as set out in Sections 5.1.4 and 5.1.5, RCTC shall have no obligation to commence its review of, or pay DB Contractor for, any Design Documents until RCTC

(a) issues NTP2, and (b) receives and approves: (i) the Quality Management Plan (general requirements and professional services); and (ii) the Submittal Schedule.

6.3.2. RCTC may reject without review or payment any Design Documents DB Contractor submits to RCTC before all the conditions in Section 6.3.1 are satisfied. All time periods available under this Contract for RCTC to review and, as applicable approve any Design Document submitted before the date all such conditions are satisfied shall begin to run on that date, and shall be subject to TP Section 3.2.2.7.

6.4. Conditions to Commencement of Construction

6.4.1. Construction Work Generally

(a) Except with the prior written approval of RCTC, which RCTC may provide, DB Contractor shall not start construction of any portion of the Project (or recommence construction following any suspension) unless:

- (i) RCTC has delivered NTP2 to DB Contractor;
- (ii) RCTC and, as applicable, Department have approved the Submittals in TP Section 1.1.3, Table 1-2, including the proposed final Baseline Schedule;
- (iii) RCTC and Department have approved the Transportation Management Plan in accordance with TP Section 18.3.1;
- (iv) All requirements of the Construction Quality Management Plan, which are a condition to commencement of construction, have been met;
- (v) DB Contractor has obtained and delivered to RCTC in fully executed, required form, all approvals from RCTC and any Governmental Approvals necessary for construction of the applicable portion of the Project required by the Project Management Plan and this Contract;
- (vi) DB Contractor has complied with and performed all conditions of Governmental Approvals which are a prerequisite to commencement of the applicable portion of the Project;
- (vii) RCTC and Department have approved all Release for Construction Packages and Construction Documents for the applicable portion of the Project;
- (viii) The Performance Bond and Payment Bond required under Sections 10.1.1 and 10.1.2, respectively, have been obtained and such Bonds remain in full force and effect;
- (ix) All insurance policies required to be delivered to RCTC under this Contract prior to commencement of construction have been received and approved by RCTC and shall remain in full force and effect;
- (x) The Guarantees, if any, required under Section 10.3 have been obtained and delivered to RCTC and are in full force and effect;
- (xi) All necessary rights of access acceptable to RCTC, in its good faith discretion, for construction of the applicable portion of the Project have been obtained, and

all previous owners or occupants of such portion of RCTC-Provided Property have been relocated;

(xii) All pre-construction environmental surveys and mitigation have been completed as required by the Governmental Approvals or otherwise under this Contract for the area(s) proposed for construction, and DB Contractor has performed all other survey work and delivered all notices required by this Contract to be delivered prior to commencement of construction on such portion of the Project;

(xiii) All representations and warranties of DB Contractor in Section 2.1 remain true and correct in all material respects;

(xiv) There exists no uncured Event of Default for which DB Contractor has received Notice from RCTC; and

(xv) DB Contractor has provided to RCTC at least ten Business Days' advance Notice of the date DB Contractor determines it will satisfy the conditions in this Section 6.4.1.

(b) As used in this Section 6.4.1, the term "construction" specifically excludes potholing and geotechnical investigations incidental to design Work, mobilization, Site security and establishment of work yard(s) and storage sites.

6.4.2. As-Built Verification Map

DB Contractor shall submit to RCTC the final As-Built Verification Map for review and approval within 180 days after NTP1 ("**As-Built Verification Map Deadline**").

6.4.3. DB Utility Work

(a) DB Contractor shall submit to RCTC the final Utility Strip Map for review and approval within 180 days after NTP1 ("**Utility Strip Map Deadline**").

(b) DB Contractor shall not commence or permit commencement of construction of any Relocation or Incidental Utility Work until:

(i) RCTC issues NTP2;

(ii) RCTC approves the final Utility Strip Map; and

(iii) All the conditions in Section 6.4.1 that are applicable to the Relocation or Incidental Utility Work (reading such provisions as if they referred to the applicable Relocation or Incidental Utility Work) have been satisfied.

(c) With respect to Relocations only, DB Contractor shall not commence or permit commencement of construction of any Relocation until:

(i) Except as otherwise provided in Section 8.6.5, the Relocation is contemplated by an executed Utility Agreement;

(ii) The review and comment process has been completed or RCTC's approval has been obtained, as applicable, for the Utility Plans covering the Relocation; and

(iii) Any other required approvals have been obtained for the Utility Plans covering the Relocation.

6.5. Recovery Schedule

6.5.1. If at any time, the Work on any Critical Path or near critical item is delayed for a period that exceeds the lesser of (a) 30 days in the aggregate, and (b) that number of days in the aggregate equal to 5% of the days remaining until a Completion Deadline (including delays for which DB Contractor is entitled to submit a Claim for a time extension subject to complying with Section 16), then DB Contractor shall prepare and submit to RCTC for review and approval a Recovery Schedule within ten Business Days after DB Contractor first becomes aware of such delay or otherwise at the request of RCTC.

6.5.2. Within ten Business Days after receipt of a Recovery Schedule, RCTC shall notify DB Contractor whether the Recovery Schedule is approved or rejected. Within five Business Days after RCTC's rejection of a Recovery Schedule, DB Contractor shall resubmit a revised Recovery Schedule incorporating RCTC's comments.

6.5.3. Within five Business Days after RCTC's approval of a Recovery Schedule, DB Contractor shall incorporate and fully include such Recovery Schedule into the Project Schedule, and perform the Work so as to achieve the Recovery Schedule.

6.5.4. If DB Contractor fails to provide RCTC with an acceptable Recovery Schedule, and the reason for the Recovery Schedule being required does not relate to an event for which DB Contractor is entitled to submit a Claim for a time extension subject to complying with Section 16, within 30 days after DB Contractor's receipt of Notice to do so, RCTC may withhold up to 10% from each progress payment owing to DB Contractor thereafter until DB Contractor prepares and RCTC reviews and approves the Recovery Schedule. Any failure or delay in DB Contractor's submittal or RCTC's approval of a Recovery Schedule shall not result in any compensation, time extension or otherwise entitle DB Contractor to any Claim under this Contract.

6.5.5. The requirement to submit a Recovery Schedule shall not preclude the need for, or delay the submittal of, regular monthly updates of the Project Schedule during the period when a Recovery Schedule is being prepared and submitted by DB Contractor and reviewed and approved by RCTC.

SECTION 7

CONTROL OF WORK

7.1. Control of Work

DB Contractor shall be solely responsible for and have control over the construction means and methods, techniques, sequences, procedures, and Site safety.

7.2. Safety

7.2.1. DB Contractor shall:

(a) Take all reasonable precautions and be solely responsible for the safety of, and provide protection to prevent damage, injury, or loss to, all Persons on the Site or who would reasonably be expected to be affected by the Work, including Persons performing Work, employees of RCTC and its consultants, employees of Department and FHWA, visitors to the Site and members of the public who may be affected by the Work;

(b) Comply with all safety requirements of this Contract, the RCTC-approved Health and Safety Plan, and all such requirements under applicable Governmental Rules and Government Approvals (as applicable); and

(c) Undertake the Work in a manner that will minimize the effect on surrounding property and the public to the maximum extent practicable.

7.2.2. If, in the sole discretion of RCTC, PCM or Department, any conditions or activities may present an imminent danger that could result in serious injury, death, material property damage or material loss of revenues, RCTC may direct DB Contractor to stop the affected portion of the Work immediately and not to recommence the Work until the practices or conditions are corrected to the satisfaction of RCTC, PCM and Department.

7.2.3. If the Work or any portion of it is suspended by RCTC, PCM, Department or any other Governmental Entity because of an unsafe condition, such suspension shall be treated in accordance with Section 18.2.1(a).

7.3. Oversight, Inspection and Testing

7.3.1. DB Contractor shall perform the inspection, sampling, testing, Quality Control and Quality Validation necessary to comply with this Contract.

7.3.2. DB Contractor shall at all times permit RCTC, Department, PCM, FHWA and their authorized representatives safe, free and unrestricted access to the Work and the Site to the extent necessary or advisable (as determined by each of such entities) to: (i) comply with FHWA or other applicable federal agency requirements; (ii) carry out Department's inspection and other rights under the Department Cooperative Agreement and California Streets and Highways Code section 91.2; and (iii) verify DB Contractor's compliance with this Contract and Project Management Plan.

7.3.3. RCTC shall perform activities under this Section 7.3 in compliance with DB Contractor's reasonable safety procedures and in a manner intended to minimize interference with the Project.

7.3.4. If this Contract or any Governmental Rule requires any portion of the Project or the Site to be inspected, tested or approved by RCTC or Department, DB Contractor shall give RCTC timely Notice of its readiness to continue the Work, pending satisfaction of any such inspection, test or approval, so RCTC and, if applicable, Department may observe or make such inspection, testing or approval. DB Contractor shall not proceed with any such inspection, test or approval until RCTC or Department, as applicable, have observed or made such inspection, test or approval or provided Notice waiving their respective rights to inspect, test or approve.

7.3.5. DB Contractor shall provide to RCTC all test results and reports one Business Day after DB Contractor receives them. Where the inspection, test or approval does not meet the requirements of this Contract or Governmental Rules, DB Contractor shall provide further Notice to RCTC of such fact and re-perform the inspection, test or approval in accordance with this Contract as if it were the original inspection, test or approval.

7.3.6. When any Utility Owner is to accept or pay for a portion of the cost of the Work, its respective representatives have the right to oversee, inspect and test such Work.

7.3.7. DB Contractor shall cause its representatives to be available at all reasonable times for consultation with RCTC and Department.

7.3.8. Without limiting the foregoing, DB Contractor shall afford RCTC, PCM, Department, FHWA, and their respective authorized representatives: (a) safe and unrestricted access to the Project at all times, (b) safe access during normal business hours to DB Contractor's Project offices and operations buildings and (c) unrestricted access to data related to the Project, subject to Section 26.7. Without limiting the foregoing, DB Contractor shall deliver to RCTC upon request accurate and complete books, records, data and information regarding the Project and the Relocation Work, in the format required by the Technical Provisions.

7.3.9. Nothing in this Contract shall preclude, and DB Contractor shall not interfere with, any review or oversight of Submittals or of Work that FHWA or any other applicable federal agency may desire to conduct.

7.3.10. DB Contractor shall bear all of its costs of such inspections, tests or approvals unless otherwise provided in this Contract.

7.4. Obligation to Uncover Finished Work

7.4.1. Before covering any part of the Work, DB Contractor shall provide Notice to RCTC and Department, and offer RCTC, Department, PCM and any other Persons designated by RCTC a full and adequate opportunity to inspect and test such part of the Work before it is covered.

7.4.2. At all times before Final Acceptance, DB Contractor shall remove or uncover such portions of the finished or covered construction Work as directed by RCTC or Department for inspection and/or testing by RCTC, Department, PCM and any other Persons designated by RCTC.

7.4.3. If, after inspection and/or testing under Section 7.3.2 or 7.3.3, the Work exposed or examined is found to not be in accordance with this Contract:

(a) DB Contractor shall rebuild, repair or replace the Work to the standard required by this Contract; and

(b) Recovery of any delay to any Critical Path occasioned by such examination shall be at DB Contractor's cost and DB Contractor is not entitled to any Claim in connection with the inspection and/or testing.

7.4.4. If DB Contractor fails to provide Notice in accordance with Section 7.4.1 to allow RCTC, Department, PCM and any other Persons designated by RCTC a full and adequate opportunity to inspect and test any Work done or materials used may be ordered uncovered, removed, repaired, restored or replaced by RCTC at DB Contractor's cost and without an entitlement to a Claim, even if the Work proves to be in compliance with the Contract after uncovering.

7.4.5. Progress Meetings

DB Contractor shall arrange and conduct regular meetings with RCTC, and other Persons as provided in TP Section 2.5.4 and otherwise designated by RCTC, at least weekly during the course of the Work. In addition, RCTC and DB Contractor, through their respective Representatives, shall meet from time to time at the other Party's request to discuss and resolve matters relating to the Work or Project. DB Contractor shall schedule all meetings with RCTC at a date, time, and place reasonably convenient to both Parties and, except in the case of urgency, shall provide RCTC with Notice and a meeting agenda at least three Business Days in advance of each meeting.

7.4.6. Nonconformances and Correction of Work

(a) At any time prior to Project Completion and within a reasonable period after RCTC has Actual Knowledge of any Nonconformance, RCTC may give DB Contractor Notice of any Nonconformance.

(b) If RCTC fails to provide Notice in accordance with Section 7.4.6(a), such failure shall not constitute a waiver of RCTC's rights. DB Contractor shall not, however, be responsible for any increase in Cost directly and solely resulting from RCTC's failure to provide timely Notice of the Nonconformance, unless DB Contractor had Actual Knowledge of, or should have been aware of, in the exercise of reasonable diligence or in the performance of its obligations under this Contract, such Nonconformance.

(c) If DB Contractor has Actual Knowledge of any Nonconformance or has received Notice from RCTC under Section 7.4.6(a), DB Contractor shall:

(i) Promptly, and within five Business Days, provide Notice to RCTC of such Nonconformance;

(ii) Subject to Section 7.4.6(c)(iii), remedy such Nonconformance and any damage to the TSP Work, ELP Work or property of third parties to the extent caused by such Nonconformance within ten Business Days of having Actual Knowledge;

(iii) If DB Contractor considers it is not possible to remedy the Nonconformance within ten Business Days of having Actual Knowledge or receipt of Notice: (1) commence efforts to remedy such Nonconformance within ten Business Days of having Actual Knowledge or receipt of Notice; (2) submit a written plan to RCTC for approval, in its good faith discretion, identifying DB Contractor's process for remedying the Nonconformance and the proposed timeframe for remedying the Nonconformance within ten Business Days of having Actual Knowledge or receipt of Notice; and (3) if such plan is approved by RCTC, remedy the Nonconformance within the time period for remedy approved in such plan;

(iv) Take all action necessary to prevent similar Nonconformances from occurring in the future; and

(v) Perform such tests as RCTC may require to remedy a Nonconformance.

(d) If DB Contractor has received Notice from RCTC under Section 7.4.6(a), failure of DB Contractor to provide timely Notice to RCTC in accordance with Section 7.4.6(c)(i) shall be treated as DB Contractor's acknowledgement that the Nonconformance exists and shall preclude DB Contractor from disputing the existence of such Nonconformance.

7.4.7. Failure to Remedy Nonconformances

(a) RCTC may remedy any Nonconformance, and may deduct the Cost of doing so (plus an administrative charge equal to 10% of the Cost) from moneys due to DB Contractor or may obtain reimbursement from DB Contractor for that Cost (plus an administrative charge equal to 10% of the Cost), if DB Contractor fails to comply with its obligations under Section 7.4.6(c)(ii) or 7.4.6(c)(iii) (as applicable).

(b) RCTC's right to remedy Nonconformances shall be in addition to all other rights and remedies provided under this Contract or by applicable Governmental Rules, and shall not relieve DB Contractor of any of its responsibilities under this Contract.

7.4.8. Agreement to Accept Nonconformances

(a) If RCTC agrees (subject to Department's prior written consent) to accept any Nonconformance without requiring it to be fully remedied, RCTC shall be entitled to reimbursement of an amount equal to the greater of: (i) the amount deemed appropriate by RCTC and Department to provide compensation for future revenue impacts and maintenance and/or other Costs relating to the Nonconformance; or (ii) 100% of DB Contractor's cost savings associated with its failure to perform the Work in accordance with Contract requirements.

(b) Without limiting Section 14.3.2, such reimbursement shall be payable to RCTC within ten Business Days after DB Contractor's receipt of an invoice from RCTC identifying the amounts owing.

(c) DB Contractor acknowledges and agrees that RCTC and Department shall each have sole discretion regarding acceptance or rejection of Nonconformances and the amount payable in connection with such Work; provided, however, that the foregoing does not preclude DB Contractor from disputing whether or not a Nonconformance has occurred. Payment, reimbursement or deduction of the amounts owing to RCTC under this Section 7.4.8 shall be a condition precedent to the acceptance of the applicable Nonconformances.

SECTION 8
ACCESS TO SITE; UTILITIES;
ENVIRONMENTAL MITIGATION; HAZARDOUS MATERIALS; APPROVALS;
COOPERATION WITH LOCAL AGENCIES

8.1. Access to Site

8.1.1. Planned ROW Limits

In the event of any changes in ROW requirements in connection with any RCTC-Directed Change or Necessary Basic Configuration Change, the Planned ROW Limits shall be deemed modified to incorporate the change.

8.1.2. Access to RCTC-Provided Property

(a) Subject to Section 8.1.2(b), RCTC shall:

(i) Provide access to each RCTC-Provided Property parcel on or before the latest date construction is scheduled to start on such parcel in the Project Schedule;

(ii) In the case of TCEs included in RCTC-Provided Property, provide DB Contractor access to each TCE for the applicable time specified in TP Attachment 9-1. If DB Contractor requires use of any TCE beyond such specified time, then TP Section 9.4.4 shall apply; and

(iii) In the case of Utility Easements (if any) RCTC is required to provide under any Utility Agreement, provide DB Contractor access to such Utility Easement(s) by the time(s) specified in the applicable Utility Agreement.

(b) RCTC is not required to provide access to, and construction shall not be scheduled to commence on, RCTC-Provided Property earlier than the applicable date in TP Section 9.4 and TP Attachment 9-1.

(c) DB Contractor shall obtain and maintain encroachment permits and other permits and rights of entry to gain access to areas of RCTC-Provided Property within the jurisdictions of Local Agencies (excluding Department) and BNSF.

(d) RCTC shall obtain encroachment permits to gain access to areas of RCTC-Provided Property within the jurisdiction of Department, and DB Contractor shall obtain and maintain any corresponding encroachment permit riders or rights of entry required to perform the Work.

(e) DB Contractor shall pay all permit fees and comply with all permit requirements in connection with RCTC-Provided Property, including obtaining necessary approvals of plans and specifications.

(f) The Department Cooperative Agreement provides certain terms and conditions relating to the encroachment permit process applicable to Existing Department ROW. DB Contractor shall remain informed of and comply with any access restrictions in any documents granting access to any Project ROW (including the Department Cooperative Agreement).

(g) Access to the ELP Project Site is subject to Section 25.1 and TP Section 9.4 and access to the Pavement Contractor ROW is subject to Section 25.2.

(h) RCTC shall provide Notice to DB Contractor within ten Business Days after it becomes apparent to RCTC that RCTC will not be able to obtain any particular parcel(s) included in the RCTC-Provided Property, and shall provide a Directive Letter or Change Order requiring DB Contractor to take action as necessary to accommodate the change.

(i) Concurrently with preparation and review of the Baseline Schedule, DB Contractor and RCTC shall: (i) discuss ROW access requirements associated with the scheduled activities; (ii) identify and agree which parcels are on a Critical Path; and (iii) agree latest dates, to be included in the Baseline Schedule, for scheduled activities associated with provision of access as specified in TP Section 9 (including TP Section 9.4 and TP Attachment 9-1). The Baseline Schedule shall provide commercially reasonable workarounds, re-sequencing, and redeployments to progress the Project based on the scheduled access date for each parcel, and minimize dependence on the acquisition process.

(j) Within ten Business Days after RCTC determines that it will be unable to provide access to a particular parcel or parcels of RCTC-Provided Property by the date set out in TP Attachment 9-1, RCTC shall provide Notice to DB Contractor regarding the revised projected date for delivery of access. DB Contractor shall fully cooperate with RCTC to work around, re-sequence, and redeploy around such parcel until access can be provided, including rescheduling Work so as to avoid any delay to the overall Project.

(k) Without limiting the requirements of Section 15 or Section 16, within ten Business Days after DB Contractor is advised of a projected delay, DB Contractor shall provide RCTC with Notice (i) specifying the Project Schedule activity number, late finish date, and current total Float associated with the parcel in question, and (ii) advising RCTC of any potential impacts to a Critical Path and potential costs that may be incurred as the result of a delay.

(l) Various agreements that RCTC has entered into, or will enter into, with respect to the I-15 Express Lanes and the SR-91 Express Lanes provide, or will provide, that the TSP and the SR 91 Express Lanes operator shall have access to the Project ROW for purposes of sporadic operations and maintenance activities. DB Contractor shall remain informed of and comply with any documents granting the TSP and the 91 Express Lanes operator the right to access the Project ROW, subject to DB Contractor's right to additional time for completion and compensation in case of a Compensable Event resulting from such access to the Planned ROW Limits taken by the TSP or SR 91 Express Lanes operator.

8.1.3. Additional Properties

(a) In addition to provision of access to the RCTC-Provided Property, RCTC will provide access to certain other parcels provided DB Contractor provides Notice and can demonstrate to RCTC's reasonable satisfaction (after consultation with Department), that: (i) the property is required for permanent improvements for the Project or for Relocations being constructed by the Utility Owners; and (ii) acquisition of the property is otherwise consistent with applicable Governmental Rules and Governmental Approvals; and (iii) DB Contractor has complied with TP Section 9.4.2 ("**Additional Properties**"). RCTC has no obligation to acquire temporary interests in property (other than those included in the RCTC-Provided Property), but may agree to do so following receipt of request from DB Contractor.

(b) The process for acquisitions of Additional Properties by RCTC is set out in TP Section 9.4.

(c) The process for scheduling provision of access in Section 8.1.2 shall apply to Additional Properties as if the Additional Properties were RCTC-Provided Properties, except that (i) RCTC shall provide DB Contractor with Notice of the minimum time necessary for provision of access upon its approval of the acquisition, and (ii) delay in acquisition is not considered an RCTC-Caused Delay except to the extent that the delay was directly attributable to negligent actions affirmatively taken by RCTC.

(d) Except as set out in Section 8.1.3(f), DB Contractor shall pay directly all Costs in connection with acquiring Additional Properties, including:

- (i) The cost of acquisition services and document preparation;
- (ii) The cost of condemnation proceedings required by RCTC and Department, including private attorneys' fees and expert witness fees, and all fees and expenses for exhibits, transcripts, photos and other documents and materials production;
- (iii) The purchase prices, court awards or judgments in connection with the acquisition of all Additional Properties (to be paid by DB Contractor at the time of closing or final award, as applicable);
- (iv) The cost of permitting;
- (v) Closing costs associated with parcel purchases;
- (vi) Relocation assistance payments and costs;
- (vii) The cost for separate property survey(s) in addition to the Planned ROW Limits survey(s); and
- (viii) The cost of all claims for good will, severance damages or inverse condemnation in connection with the acquisition of the Additional Properties.

(e) All Costs described in Section 8.1.3(d) shall be determined in accordance with the California Relocation Assistance Law (Government Code section 7260 et seq.), the Uniform Act, and RCTC and Department policies. If RCTC incurs any such Costs on DB Contractor's behalf, RCTC may submit invoices for such Costs to DB Contractor, in which case DB Contractor shall pay the invoices prior to delinquency. If RCTC pays any such Costs on DB Contractor's behalf, and without limiting Section 14.3.2, DB Contractor shall reimburse RCTC within ten Business Days of RCTC's submittal to DB Contractor of an invoice for such RCTC Costs.

(f) Notwithstanding the foregoing: (i) for additional real property associated with a VECP, the costs of obtaining the additional real property shall be considered in determining the Contract Price adjustment under Section 17; (ii) DB Contractor is not responsible for costs of acquisition for any Utility Easement unless required because of a change to the Project design proposed by DB Contractor; and (iii) DB Contractor is not responsible for costs of or delays resulting from acquisition of additional real property required in connection with any RCTC-Directed Change or Necessary Basic Configuration Change. Any cost savings resulting from the acquisition of Additional Properties (including by avoiding use of retaining walls or other engineering modifications) shall be subject to the "value engineering" provisions in Section 17.

(g) Except as set out in Section 8.1.3(f), in the event that the acquisition of Additional Properties necessitates any Governmental Approvals, DB Contractor shall: (i) be solely

responsible for the cost and schedule impact of any related review, analysis, assessment, approvals, permits and findings; (ii) be solely responsible for the risk that any Governmental Approvals are not (1) granted, issued, approved or obtained or (2) timely granted, issued, approved or obtained; and (iii) not be entitled to any increase in the Contract Price or extension of the Completion Deadlines as a result of any delay, inability or cost associated with the Governmental Approvals related to such Additional Properties.

(h) Except as expressly provided otherwise in this Contract, DB Contractor is not entitled to any increase in the Contract Price or any extension of a Completion Deadline pursuant to Section 16 or otherwise entitled to make a Claim as a result of (i) Site conditions associated with any Additional Properties (including those relating to Hazardous Materials, Differing Site Conditions or Utilities); (ii) any delay, liability or cost associated with the acquisition of any Additional Properties, including Additional Properties required to implement any ATCs.

(i) DB Contractor shall support any requests for acquisition of Additional Properties with such information as may be reasonably required by RCTC, including all information required by TP Section 9.4.2. In all cases, RCTC's obligation to provide such access is subject to the following conditions: (i) if requested by RCTC, DB Contractor's providing an analysis regarding alternative courses of action; (ii) RCTC's agreement (after consultation with Department) that the property acquisition is in the best interest of the Project; (iii) DB Contractor's providing such evidence as RCTC may require to enable issuance of a determination of necessity; and (iv) if required, issuance of a determination of necessity by RCTC's Commission.

8.1.4. Acquisition of Temporary Interests by DB Contractor

(a) DB Contractor shall acquire all temporary interests in property (if any) that DB Contractor determines are necessary, desirable, or advisable to complete the Project, other than temporary interests included in RCTC-Provided Property. Temporary interests may include construction easements or rights to use property for borrow pits and storage, as well as any property needed for any temporary utility facilities being constructed by DB Contractor. DB Contractor shall pay the purchase price for all such property interests directly.

(b) If the property is within the limits of the RCTC-Provided Property or is intended to be used for permanent improvements, or if DB Contractor intends to request that RCTC acquire such property, DB Contractor shall not negotiate with the property owner(s), except in compliance with the California Relocation Assistance Law (Cal. Gov. Code section 7260 et seq.), the Uniform Act, and 23 CFR Part 710.

(c) Additional requirements regarding early access to properties subject to temporary rights or interests are provided in TP Section 9.

(d) RCTC has no obligations or responsibilities with respect to the acquisition, maintenance, or disposition of such temporary rights or interests or the condition of such rights or interests, and is not obligated to use its powers of eminent domain in connection therewith.

(e) DB Contractor shall comply with all applicable Governmental Approvals and Governmental Rules in acquiring and maintaining or disposing of any such property rights or interests. DB Contractor shall cause the documentation of any such property interest to contain the grantor's express acknowledgment that RCTC has no liability or obligations with respect thereto.

(f) If a temporary interest in property is sought by DB Contractor for any property that is owned or otherwise possessed or occupied by a Person with whom RCTC has acquired or is acquiring RCTC-Provided Property or if DB Contractor requires use of any TCE beyond the applicable time specified in TP Attachment 9-1:

(i) DB Contractor shall not attempt to secure such Temporary Interest;

(ii) RCTC shall, if such acquisition is, in RCTC's determination, consistent with Governmental Rules and Governmental Approvals, reasonably attempt to secure access through the applicable property owner;

(iii) RCTC makes no representations or guaranty that RCTC shall be able to secure such interests or access; and

(iv) DB Contractor shall be solely responsible for the cost and schedule impact of any acquisition, including any inability to acquire such interests.

8.1.5. Avoidance of Additional Permanent Acquisitions

DB Contractor shall use its best efforts to avoid additional permanent acquisitions. To the extent reasonably possible, DB Contractor shall use retaining walls or make other engineering adjustments as an alternative to acquiring Additional Properties.

8.1.6. Conveyance Documents

DB Contractor shall prepare all documents necessary to evidence any easements or conveyance of other real property interests relating to the Project to be granted by RCTC to Utility Owners and other Persons; except that RCTC shall prepare legal descriptions and grant documentation for any transfers of real property and/or interests therein by RCTC to Department.

8.1.7. Access to BNSF Property

(a) RCTC has delivered to DB Contractor the final BNSF Construction & Maintenance Agreement(s) to be entered into by and among BNSF, RCTC and Department.

(b) Upon execution thereof, RCTC shall deliver to DB Contractor the final BNSF Construction & Maintenance Agreement(s) to be entered into by and among BNSF, RCTC and Department.

(c) DB Contractor shall comply with the requirements that apply to the Work in the final BNSF Construction & Maintenance Agreement(s). Such requirements include DB Contractor's obligation to (i) enter into the "Agreement Between BNSF Railway Company and the Contractor" (which shall be attached to the BNSF Construction & Maintenance Agreement(s) as Exhibit C-1), and (ii) comply with the "Contractor Requirements," including requirements regarding scheduling and use of BNSF flagging services, which shall be attached to said agreement as Exhibit C. A sample copy of the Contractor Requirements is provided in TP Attachment 8-1 (Railroad Agreement Term Sheet). DB Contractor shall use the provisions and information in TP Attachment 8-1 relevant to the Work as a basis to plan the related Work prior to execution of the final BNSF Construction and Maintenance Agreement(s).

(d) DB Contractor shall be liable for and pay to RCTC \$3,200.00 per consecutive 12 hour period or part thereof for BNSF flagging services during the periods and subject to the conditions identified in TP Section 8.4.2 (“**Flagging Charges**”).

(e) DB Contractor shall provide Notice to RCTC requesting BNSF flagging services at least 30 days before the date and time flagging services are required. For costs in connection with BNSF flaggers required at all other times beyond the periods specified in Section 8.1.7(c) or where so specified in the BNSF Construction & Maintenance Agreement, DB Contractor shall pay, at RCTC’s option, BNSF or RCTC, for BNSF’s expenses relating to Work under this Contract that the BNSF Construction & Maintenance Agreements state are payable by RCTC, within the time specified in the BNSF Construction & Maintenance Agreements.

(f) If BNSF flagging services are scheduled and DB Contractor wishes to reschedule or cancel the services, then DB Contractor shall provide applicable Notice to RCTC at least 72 hours in advance of the originally scheduled date and time or shall otherwise be subject to Liquidated Damages under Section 21.4.

(g) Notwithstanding anything to the contrary contained in the BNSF Construction & Maintenance Agreement(s), DB Contractor shall maintain the structures described in the BNSF Construction & Maintenance Agreements until it is relieved of maintenance liability in accordance with Section 12.2.

(h) If DB Contractor considers that there are changes in the BNSF Construction & Maintenance Agreement(s) that would constitute an Eligible Change, DB Contractor shall provide a DB Contractor Change Request pursuant to Section 16 within 30 days of receipt of RCTC’s final agreement(s). DB Contractor shall assist and fully cooperate with RCTC in obtaining and amending the BNSF Construction & Maintenance Agreement(s), including providing complete Permit Submittal Packages and other information requested by RCTC and participating in meetings regarding such agreement(s) and related approvals.

(i) DB Contractor shall enter into any agreements with Governmental Entities or others, and obtain and maintain any Governmental Approvals from such Governmental Entities or others that are necessary to comply with the requirements of TP Section 8 or that otherwise apply to the Work, except for those items expressly described in this Section 8.1.7 or Section 8.11 as being the responsibility of RCTC.

8.1.8. Available Properties for Temporary Work

(a) In addition to providing access to the RCTC-Provided Property, RCTC will provide access to Available Properties subject to the terms of this Section 8.1.8 for the performance of temporary Work (e.g., office trailers).

(b) Subject to Sections 8.1.8(c) and (d), DB Contractor shall provide Notice to RCTC prior to NTP2 as to (i) which Available Properties DB Contractor requires RCTC to provide access to for the performance of temporary Work (“**DB Contractor Available Properties**”); (ii) the duration of access for such DB Contractor Available Properties, which may not commence prior to February 1, 2021 or extend beyond one year following Substantial Completion; and (iii) the proposed usage for such access to DB Contractor Available Properties.

(c) RCTC shall provide access to DB Contractor Available Properties on or before the latest date temporary Work is scheduled to start on such parcel in the Project Schedule; provided such date is no earlier than February 1, 2021. RCTC is not obligated to

provide access to Available Properties that are not specified in DB Contractor's Notice under Section 8.1.8(b).

(d) DB Contractor shall comply with all obligations with respect to encroachment permits, as set out in the License Agreement with respect to each of the DB Contractor Available Properties.

(e) DB Contractor shall enter into a License Agreement with RCTC with respect to each of the DB Contractor Available Properties prior to being granted access to such property.

(f) DB Contractor shall comply with TP Section 9.4.2, as if DB Contractor Available Properties were Additional Properties.

(g) DB Contractor shall obtain all Government Approvals, pay all Government Approvals fees and comply with all Government Approvals requirements in connection with DB Contractor Available Properties, including obtaining necessary approvals of plans and specifications.

(h) DB Contractor shall pay directly all Costs in connection with access to and use of DB Contractor Available Properties.

(i) Subject to Section 8.1.8(j), notwithstanding any contrary provision of this Contract, DB Contractor is not entitled to any increase in the Contract Price or any extension of a Completion Deadline pursuant to Section 16 or otherwise entitled to make a Claim as a result of (i) Site conditions associated with any DB Contractor Available Properties (including those relating to Hazardous Materials, Differing Site Conditions or Utilities); (ii) any delay, liability or cost associated with the acquisition of any DB Contractor Available Properties.

(j) DB Contractor shall not be responsible for the cost of the removal, disposal and/or remediation of Known or Suspected Hazardous Materials on DB Contractor Available Properties.

(k) DB Contractor, at its own cost and risk, shall be solely liable and responsible for Hazardous Materials Management of any Hazardous Materials that any DB-Related Entity brings on to or uses at or near DB Contractor Available Properties.

8.2. Access to Temescal Wash

DB Contractor shall not access the Temescal Wash and surrounding areas shown in TP Attachment 1-1 until DB Contractor:

(a) Provides to RCTC, and receives RCTC's approval of, the Permit Submittal Packages for the Major Approvals described in TP Section 6.3.5.1;

(b) Provides other information to RCTC, and participates in meetings as requested by RCTC, in order for DB Contractor to obtain in RCTC's name the Major Approvals described in TP Section 6.3.5.1; and

(c) Obtains the Major Approvals described in TP Section 6.3.5.1, and any other Governmental Approvals from Governmental Entities and/or other third parties, including the City of Corona encroachment permit and Riverside County Flood Control District permit, necessary for DB Contractor to comply with the requirements of TP Section 6, or that otherwise

apply to the Work to be performed in the Temescal Wash and surrounding areas shown in TP Attachment 1-1.

8.3. Utility Relocations

8.3.1. Scope of DB Utility Work

(a) Sections 8.3 through 8.7 describe DB Contractor's responsibilities with respect to DB Utility Work, and how the risks associated with DB Utility Work are allocated between RCTC and DB Contractor. TP Section 7 further describes the scope of Work with respect to DB Utility Work.

(b) DB Contractor shall perform (and the scope of the DB Utility Work includes) all Relocations and Incidental Utility Work necessary to complete the Project, except Relocations under Section 8.3.3, and any other efforts expressly identified as "work by others" in the Utility Information or that this Section 8 or TP Section 7 specifically identifies as the responsibility of Utility Owners or RCTC, or otherwise specifically excludes from the DB Utility Work.

(c) The DB Utility Work includes all Work associated with Relocation of Utilities and Incidental Utility Work, including:

(i) The Work described in Sections 8.3 through 8.7 and TP Section 7;

(ii) Any Betterments added to the scope of the DB Utility Work pursuant to Section 8.5.1;

(iii) Any Work to be performed by DB Contractor pursuant to Section 8.1 with regard to acquisition of Utility Easements; and

(iv) Any efforts expressly identified as "work by others" (including Utility Owners and RCTC) in the Utility Maps or Utility Agreements that this Section 8 or TP Section 7 expressly identifies as the responsibility of DB Contractor.

(d) Reserved.

(e) The DB Utility Work does not include:

(i) Drafting or negotiating Utility Agreements with Utility Owners (except that DB Contractor shall fully cooperate and provide assistance to RCTC with preparing and finalizing Utility Agreements and preparing and issuing any Notices to Owner, as specified in TP Section 7);

(ii) Except as set out in Section 8.3.1(c)(iv), any efforts expressly identified as "work by others" (including Utility Owners and RCTC) in the Utility Maps or Utility Agreements;

(iii) Billing for and collecting payments due from Utility Owners (except that DB Contractor shall fully cooperate with RCTC, assist in the preparation of estimates and invoices, and provide supporting documentation, as specified in Section 14.2.2 and in TP Section 7);

(iv) Reimbursing Utility Owners for costs they incur in connection with Relocations (except that this foregoing exclusion shall not limit DB Contractor's obligations to reimburse RCTC for certain payments to Utility Owners, to indemnify, defend and hold harmless RCTC and/or Utility Owners with respect to certain matters, and to repair damage to Utilities caused by any DB-Related Entity, all as specified in this Contract);

(v) Obtaining access to or rights or interests in property for the benefit of Utility Owners (except that DB Contractor shall perform any duties and bear any costs that are DB Contractor's responsibility pursuant to Section 8.1 and/or TP Section 9, and DB Contractor shall at all times accommodate work by, and cooperate with, Utility Owners in performing each party's obligations and exercising each party's rights under the applicable Utility Agreements); and

(vi) Relocations under Section 8.3.3.

(f) Relocations may be necessary upon discovery of the following conditions: (i) a physical conflict exists between the Project and a Utility (including their respective construction, operation, maintenance, or use); and/or (ii) a conflict exists between the Project, as designed, and a Utility based on the applicable Utility Standards, Governmental Approvals, and/or Governmental Rules (even though there is no physical conflict). The limits of Relocation of existing Utilities extend as far as necessary to accommodate or permit construction of the Project in accordance with the foregoing, whether inside or outside the Planned ROW Limits. DB Contractor shall ensure that all Relocations are compatible, interface properly, and do not conflict with the Project.

(g) Certain Utilities being Relocated are also being modified to provide service to the Project (i.e., they are "**New Utilities**"). This Section 8.3 and all other provisions of this Contract pertaining to Relocations apply to such New Utilities. Any New Utilities that do not also involve Relocation Work, however, are not subject to provisions in the Contract pertaining to Relocations. The scope of DB Contractor's responsibilities relating to the New Utilities is addressed in TP Sections 15.3.3.1 and 21.3.7.

8.3.2. Agreements with Utility Owners

(a) If any Utilities are identified after the Setting Date as requiring Relocation, RCTC will prepare, negotiate and enter into additional Utility Agreements with the applicable Utility Owners setting out the details for the applicable Relocation(s).

(b) DB Contractor shall provide such assistance as RCTC shall reasonably require, as provided in TP Section 7 with respect to any subsequently entered Utility Agreement. DB Contractor shall not be a party to any Utility Agreement and shall have no authority to enter into Utility Agreements on RCTC's behalf.

(c) Subject only to DB Contractor's entitlement, if any, to a Change Order under Section 16.12, DB Contractor shall:

(i) Comply with the terms and conditions of all Utility Agreements;
and

(ii) Timely perform DB Contractor's obligations under each Utility Agreement together with any of RCTC's obligations under each Utility Agreement that are delegated to DB Contractor under this Contract.

(d) If applicable, and in accordance with TP Section 7.2.4, RCTC shall issue FD Notices to Owner and Construction Notices to Owner for any Relocations to be performed by Utility Owners, except as otherwise provided in TP Section 7.2.6. DB Contractor shall not issue or negotiate FD Notices to Owner or Construction Notices to Owner, but shall provide such assistance as RCTC shall reasonably require, including attendance at meetings, preparation of such designs, reports, documentation, and information as RCTC may require for RCTC's meetings with the Utility Owners, and preparation of exhibits.

8.3.3. Responsibility for Relocations

(a) For any known, unknown or misidentified Utility that requires Relocation, the corresponding Utility Owner will be responsible for design, construction and/or materials procurement, in accordance with TP Section 7.2.6 and as otherwise provided under the applicable Utility Agreement.

(b) For purposes of this Section 8.3.3 and TP Section 7.2.6, references to responsibility for design and construction of Relocations includes all tasks customarily associated with a Relocation; except that DB Contractor shall coordinate with Utility Owners as necessary in order to accomplish the Relocations in compliance with the requirements of this Contract.

8.3.4. Incidental Utility Work

(a) DB Contractor shall provide all designs for Incidental Utility Work it performs, unless a Utility Owner provides such designs under the applicable Utility Agreement.

(b) DB Contractor shall not be required to provide a credit or reimburse RCTC on account of any Incidental Utility Work performed by a Utility Owner, even if RCTC is required to reimburse the Utility Owner for such work.

8.3.5. Work Not Assigned to DB Contractor in a Utility Agreement

(a) RCTC may issue a Directive Letter or Change Order requiring DB Contractor to perform Relocation Work regardless of whether the Work is covered under a Utility Agreement, and regardless of the assignment of responsibility for such Work under the applicable Utility Agreement or this Contract. In such case, Relocation Work shall be treated as if a Utility Agreement has been executed that requires DB Contractor to perform the Work in question. If the Utility Owner objects to such direction to proceed, then Section 8.6 shall apply.

(b) DB Contractor shall ensure that the Project Schedule includes sufficient time for all required Relocations (without regard to whether a Relocation is performed by DB Contractor or by the affected Utility Owner or its contractors). Accordingly, any reallocation of responsibility for Relocation work between DB Contractor and a Utility Owner shall not entitle DB Contractor to any compensation, time extension or otherwise make any Claim under this Contract.

8.3.6. Bonds and Insurance Increase or Change for DB Utility Work

(a) Utility Owners whose Relocations are included in the DB Utility Work may, upon request, require DB Contractor to:

(i) Add the Utility Owner as an additional obligee to the Payment Bonds and Performance Bonds, to the extent of the amount of the applicable DB Utility Work; provided that the Payment Bonds and Performance Bonds continue to cover the full amounts required by RCTC, with no riders that reduce RCTC's potential of recovery; or

(ii) Provide separate bonds satisfactory to the Utility Owners to cover such DB Utility Work.

(b) DB Contractor shall procure from and provide all information necessary for the bonds required under Section 8.3.6(a) to the surety(ies) providing such bonds.

(c) DB Contractor shall include the cost (or the allocable cost, as applicable) of any applicable bond premiums in all cost estimates it provides for DB Utility Work.

(d) Without limiting the requirements of Section 11, DB Contractor shall comply with all insurance requirements established in the applicable Utility Agreement(s). Such insurance shall be provided by naming the applicable Utility Owner as an additional insured on the insurance provided by DB Contractor and any Subcontractor pursuant to Section 11, to the extent it satisfies the requirements of the Utility Agreement(s).

8.4. Accuracy of RCTC-Supplied Information Concerning Existing Utilities

8.4.1. Main or Trunkline Utilities

RCTC's and DB Contractor's entitlements to Change Orders for certain inaccuracies in the Utility Information regarding Main or Trunkline Utilities are described in Section 16.12

8.4.2. All Other Utilities

(1) DB Contractor acknowledges that:

(b) Except as expressly provided in Section 16.12 with respect to Main or Trunkline Utilities, any information with respect to Utilities (including their existence, location, ownership, occupancy rights, type, material, status, usage or any other characteristic including the Proposed Dispositions for any Utilities or how the Proposed Dispositions will be accomplished) provided in the Utility Information, or elsewhere in the Reference Documents or this Contract, is for informational purposes only, is preliminary, has not been verified and shall not be relied upon by DB Contractor;

(c) The information with respect to Utilities described in Section 8.4.2(b) does not identify most Service Lines at the Site and may not identify all non-Service Line Utilities at the Site. DB Contractor shall verify all information with respect to Utilities included in the Utility Information, and elsewhere in the Reference Documents or this Contract, and shall perform its own investigations as provided in TP Section 7.3.2; and

(d) DB Contractor is not entitled to any adjustment to the Contract Price (either up or down) or an extension of any Completion Deadlines on account of any inaccuracies in the Utility Information, other Reference Documents or this Contract, with respect to any Utility (including its existence, location, ownership, type, material, status, usage and/or any other characteristic), unless otherwise expressly allowed pursuant to Section 16.12.

8.4.3. Acknowledgements and Waivers

(a) The Parties specifically intend to delegate to DB Contractor the obligation to perform all responsibilities with respect to identification of Utilities, and to allocate to DB Contractor all risk of increased costs and time of the Work resulting from having to repair, remove, relocate, or Protect in Place any Utilities not identified or misidentified in the Utility Information, other Reference Documents, and this Contract, except as otherwise provided in

Section 16.12 with respect to Main or Trunkline Utilities. DB Contractor acknowledges and agrees that the provisions of Section 16.12 satisfy RCTC's obligations pursuant to Government Code section 4215.

(b) DB Contractor acknowledges and agrees that:

(i) If the Parties' delegation to DB Contractor of the obligation described in Section 8.4.3(a) is deemed ineffective, RCTC shall be entitled to a credit against the Contract Price equal to the actual costs incurred by RCTC to cause performance of the obligations and satisfaction of the liabilities from which DB Contractor is thereby relieved; and

(ii) The acknowledgements, waivers and agreements in Section 8.4.3(a) extend to and include any rights that DB Contractor might otherwise claim under Chapters 11-4.3 and 11-2.4 of RCTC's ROW Policies and Procedures Manual.

8.4.4. DB Contractor's Failure to Timely and Accurately Identify Utilities

If any Utility potentially requiring Protection in Place or Relocation is not identified fully and accurately in the final Utility Strip Map that DB Contractor submits to RCTC in accordance with Section 6.4.3(a), then DB Contractor shall (i) reimburse RCTC for the increase (if any) in the amount that RCTC owes to the Utility Owner for such Protection in Place or Relocation (including with respect to the acquisition of Utility Easements) that could have been avoided if the Utility had been fully and accurately identified (and the actual field conditions addressed) in the final Utility Strip Map; and (ii) DB Contractor shall also bear the schedule impact of such Protection in Place or Relocation and shall not be entitled to any compensation, extension of time or otherwise make a Claim under this Contract. Without limiting Section 14.3.2, DB Contractor shall pay any amount under this Section 8.4.4 to RCTC within ten Business Days after receipt of RCTC's invoice therefor, or, in RCTC's discretion, RCTC may deduct the amount of reimbursement due from the payment (or payments, if necessary) next due to DB Contractor under this Contract.

8.4.5. Changes by DB Contractor

(a) For purposes of this Section 8.4.5, a Project design change that impacts Relocations is a change in Project plans that requires Relocation of a Utility that was not listed on the Preliminary Utility Matrix.

(b) DB Contractor acknowledges and agrees that:

(i) Through the design and construction of the Project, DB Contractor may have opportunities to reduce the costs of certain portions of the Work, which may increase the costs of certain other portions of the Work or of Relocation work to be performed by Utility Owners;

(ii) In considering such opportunities, DB Contractor shall consider the impact of Project design changes on Relocations with the overall goal of minimizing the necessity for Relocations to the extent practicable, in compliance with Section 8.7; and

(iii) Except for cost increases or decreases resulting from Necessary Basic Configuration Changes or RCTC-Directed Changes in Project design affecting Relocation work, and notwithstanding any other contrary provision of this Contract, the following rules shall apply with respect to Project design changes during the course of the Project which either reduce the nature or extent of or eliminate any Relocation, or result in unanticipated Relocations or an increase in the nature, extent, or costs of anticipated Relocations:

(1) DB Contractor is not entitled to extension of any Completion Deadline on account of delays resulting from any such Project design changes (including delays in acquisition of Utility Easements by RCTC or Utility Owners or delays in performing any Relocations);

(2) DB Contractor is not entitled to any increase in the Contract Price for any additional costs DB Contractor incurs as a result of such Project design changes (including additional costs of DB Utility Work, the costs of any additional Work on other aspects of the Project undertaken in order to facilitate the avoidance or minimization of Relocations, and increased costs resulting from any Site conditions associated with Utility Easements made necessary by such design changes);

(3) If RCTC incurs any additional costs as a result of such design changes (including any increases in reimbursement for Utility Easement acquisition costs or other amounts owed by RCTC to Utility Owners, e.g. for work which is unusable or which must be redone), then without limiting Section 14.3.2, DB Contractor shall reimburse RCTC for such costs within ten days after receipt of RCTC's invoice for such work; and

(4) RCTC is not entitled to a credit on account of reductions in the cost of the Work due to any such avoided or minimized Relocations.

(c) This Section 8.4.5 shall not apply to any changes in design made to accommodate any change in Utility Standards or Change in Law.

8.5. Utility Enhancements

8.5.1. Betterments

Betterments shall be addressed as provided in this Section 8.5.1 and in TP Section 7.2.7.4.

(a) Notwithstanding any other provision of this Section 8.5.1, DB Contractor cannot claim a Betterment for any work initially included in the Work as described in the Contract, including any Utility Agreement.

(b) Any Utility Owner may request that RCTC permit DB Contractor to perform Betterments as part of the DB Utility Work, at the Utility Owner's expense. RCTC may approve or deny a Utility Owner's request for a Betterment. DB Contractor shall provide RCTC with such information, analyses and certificates as may be requested by RCTC in connection with the possible addition of a Betterment to the DB Utility Work.

(c) If RCTC approves any such Betterment request, DB Contractor shall be required to perform such work, with the right to receive additional payment and, if allowed pursuant to Section 8.5.1(e), an extension of any affected Completion Deadline. Work performed pursuant to such Betterment request shall be performed on a time and materials basis in accordance with Section 16.10 unless RCTC, the Utility Owner and DB Contractor agree upon a lump sum price or other pricing method for such additional Betterment work.

(d) A Betterment approved by RCTC will be added to the scope of the Work by execution of an agreement between RCTC and the Utility Owner providing for performance of such work as a Betterment. In such event, RCTC agrees to issue a Change Order increasing the Contract Price on account of any Betterment added to the Work pursuant to this Section 8.5.1. The amount of any such Change Order shall be a direct pass-through of the price determined in

accordance with Section 8.5.1(c) as set forth in the applicable agreement between RCTC and the Utility Owner (with no additional mark-ups, profit or overhead) or, if no such price has been negotiated, an amount determined in accordance with Section 16.10. DB Contractor shall not be entitled to any compensation, time extension or any other Claim for a Betterment, unless the work in question (i) has been approved by RCTC (including the amount of any compensation and extent of any time extension) and identified as a Betterment in the applicable agreement, and (ii) was not initially included in the Work. DB Contractor shall not accept any payment directly from the Utility Owner for any Betterment initially included in or added to the Work. Any change in the scope of Work pursuant to this Section 8.5.1 shall not be considered an RCTC-Directed Change.

(e) If the addition of an approved Betterment to the Work causes delay to a Critical Path, then DB Contractor shall be entitled to an extension of any affected Completion Deadline, but only if DB Contractor complies with the requirements stated in this Section 8.5.1(e) and Section 16. If DB Contractor anticipates that a proposed Betterment would cause delay to a Critical Path, DB Contractor shall submit an Eligible Change Notice to RCTC in accordance with Section 16.5.1; provided, however, that such Eligible Change Notice shall be delivered to RCTC concurrently with DB Contractor's submittal to RCTC of Utility Plans providing for such Betterment (in lieu of the deadline specified for delivery of an Eligible Change Notice in Section 16.5.1(a)). If DB Contractor delivers to RCTC more than one version of Utility Plans providing for such a Betterment, DB Contractor shall include an Eligible Change Notice with each version. Notwithstanding any contrary provision of the Contract, if DB Contractor fails to timely provide a notice required by this Section 8.5.1(e), DB Contractor shall be deemed to have irrevocably waived and forfeited any Claim or right to a time extension or additional compensation, and shall be precluded from any relief on account of any delay caused by such Betterment, regardless of (a) any contrary provision of this Contract, (b) Actual Knowledge on the part of RCTC and (c) any alleged lack of prejudice to RCTC from late notice.

(f) If DB Contractor's Work with regard to any Betterment previously added to the Work (pursuant to this Section 8.5.1) is reduced or eliminated, then RCTC shall be entitled to a deductive Change Order equal to the full amount added to the Contract Price pursuant to Section 8.5.1(d) if an added Betterment is being deleted entirely; otherwise, RCTC shall be entitled to a deductive Change Order determined in accordance with Section 16.9.4.

(g) DB Contractor shall promptly provide Notice to RCTC of any requests or requirements by Utility Owners that DB Contractor considers to be Betterments, and shall keep RCTC informed as to the status of discussions with Utility Owners concerning such requests and requirements. If DB Contractor and the Utility Owner disagree as to whether a particular Utility Owner request or requirement is a Betterment, DB Contractor shall notify RCTC and the provisions of this Section 8.5 shall apply.

(h) Except as otherwise provided in this Section 8.5.1, any Change Order requested by DB Contractor to extend a Completion Deadline or increase the Contract Price on account of a Betterment shall be addressed in accordance with the requirements and procedures set forth in Section 16.

(i) Except as otherwise provided in this Section 8 or in TP Section 7, all the terms and conditions of the Contract which apply to the DB Contractor Utility Work shall apply to any Betterment initially included in the Work or added to the Work pursuant to this Section 8.5.1.

8.5.2. Utility Owner Projects

(a) If requested by a Utility Owner, DB Contractor may design and/or construct any Utility Owner Project meeting the requirements of Section 8.5.2(b); however, DB Contractor shall perform any such work pursuant to a separate contract between DB Contractor and the Utility Owner, outside of the Contract and the Work, and without any right to a Change Order or impact on any Completion Deadline or on the Contract Price.

(b) DB Contractor shall not proceed with any Utility Owner Project that is incompatible with the Project or cannot be performed within the constraints of the applicable Governmental Rules, the Governmental Approvals and this Contract, including the Completion Deadlines and the Contract Price, in each case, as determined by RCTC, in its sole discretion. DB Contractor shall provide RCTC with such information, analyses and certificates as RCTC may request in order to determine compliance with this Section 8.5.2.

8.6. Failure of Utility Owners to Cooperate

8.6.1. DB Contractor shall make diligent efforts to obtain the cooperation of each Utility Owner as necessary for the Project.

8.6.2. DB Contractor shall provide Notice to RCTC immediately if:

(a) DB Contractor reasonably believes for any reason that any Utility Owner would not undertake or permit a Relocation in a manner consistent with the timely completion of the Project or in accordance with the applicable Utility Agreement, Governmental Rules, the Governmental Approvals, or this Contract;

(b) DB Contractor becomes aware that a Utility Owner is not cooperating in providing needed work, reviews, comments, or approvals; or

(c) Any other dispute arises between DB Contractor and any Utility Owner with respect to the Project, including any dispute as to whether a particular Utility Owner request or requirement is a Betterment.

8.6.3. After giving Notice in accordance with Section 8.6.2, DB Contractor shall:

(a) Continue to diligently pursue the Utility Owner's cooperation or to otherwise resolve the dispute, and may request RCTC's assistance for such purposes;

(b) Include in any request for assistance evidence satisfactory to RCTC showing that DB Contractor has made diligent efforts to obtain the Utility Owner's cooperation or to otherwise resolve the dispute, but that such efforts have not succeeded; and

(c) Provide RCTC with such evidence and information as RCTC requests regarding the Utility Owner's failure to cooperate and the effect of any resulting delay on the Project Schedule.

8.6.4. Following RCTC's receipt of satisfactory evidence and information under Section 8.6.3(c), RCTC shall take such reasonable steps as DB Contractor may request to obtain the cooperation of the Utility Owner or resolve the dispute and DB Contractor shall comply with Section 8.11.1(a)(iii); except that RCTC is not obligated to take legal action against an uncooperative Utility Owner unless RCTC elects to do so in its sole discretion.

8.6.5. If a Utility Owner fails to complete work for which it is responsible on or before the deadline established in the applicable Utility Agreement(s), or if RCTC reasonably determines

that the Utility Owner will be unable to timely complete such work, then RCTC may, if permitted by applicable Governmental Rules or the applicable Utility Agreement(s), terminate the Utility Owner's performance of such work and either direct DB Contractor to perform such work or cause it to be performed by another contractor. If RCTC directs DB Contractor to perform work pursuant to this Section 8.6.5, then the provisions of Section 8.3.5 shall apply.

8.6.6. Monitoring and Notification

DB Contractor shall verify progress of each Utility Owner's work and provide Notice to RCTC when DB Contractor believes that any Utility Owner will not meet a deadline determined pursuant to Section 8.6.5. DB Contractor shall provide Notice to RCTC within two Business Days after discovery of such potential delay.

8.7. Avoiding Relocations and Minimizing RCTC Costs

8.7.1. DB Contractor shall use its best efforts to minimize costs to Utility Owners that will be subject to reimbursement by RCTC (provided that DB Contractor has Actual Knowledge of RCTC's reimbursement obligation or has been advised of such reimbursement obligation, whether by receipt of Utility Agreements providing for same, or by other notice from RCTC), to the extent practical and allowable pursuant to this Contract.

8.7.2. Subject to Section 8.7.1, DB Contractor shall consider the location of Utilities and the potential impact of Relocations in developing and finalizing the design of the Project, with the goal of minimizing Relocations to the extent practical and allowable pursuant to this Contract.

8.7.3. DB Contractor shall reimburse RCTC for any costs RCTC incurs as a result of DB Contractor's failure to comply with the requirements of this Section 8.7 (including with respect to the acquisition of Utility Easements). Without limiting the generality of the foregoing, DB Contractor shall reimburse RCTC for any payments RCTC makes to Utility Owners in reimbursement for Relocations (whether temporary or permanent) not necessary for the Project but undertaken merely for DB Contractor's convenience. Without limiting Section 14.3.2, all reimbursement amounts required pursuant to this Section 8.7 (plus an administrative charge equal to 10% of the amount) shall be due within ten days after DB Contractor receives RCTC's request for reimbursement.

8.7.4. DB Contractor shall use best efforts to avoid multiple Relocations or Protections in Place of the same Utility, whether by the Utility Owner or by DB Contractor. Accordingly, after a Utility has been Relocated or Protected in Place once in order to accommodate the Project, DB Contractor shall be responsible for all costs incurred by any of DB Contractor, the Utility Owner or RCTC in order to subsequently Relocate or Protect in Place such Utility to accommodate the Project. If the Utility Owner performs such subsequent Relocation or Protection in Place at RCTC's expense, then DB Contractor shall reimburse RCTC for all amounts paid by RCTC to such Utility Owner in reimbursement for such subsequent Relocation or Protection in Place. If DB Contractor performs such subsequent Relocation or Protection in Place, then DB Contractor shall not receive any extension of any Completion Deadline or increase in the Contract Price on account of the performance of such subsequent Relocation or Protection in Place.

8.7.5. DB Contractor shall provide documentation satisfactory to RCTC showing that the required analysis was performed and an appropriate determination made regarding the need for any Relocation, and shall also bear the burden of proving that the amount of any additional costs or time incurred by DB Contractor are both necessary and reasonable.

8.7.6. Coordination Costs

DB Contractor is not entitled to any increase in the Contract Price for any costs of coordinating with Utility Owners.

8.7.7. Cost Liability; Reimbursement by Utility Owners

DB Contractor may not collect reimbursement from Utility Owners for DB Utility Work. Subject to DB Contractor's right to obtain an increase in the Contract Price for certain Work in accordance with this Section 8, all DB Utility Work is included in the Contract Price, regardless of whether RCTC or the Utility Owner has Cost Liability for such DB Utility Work. Accordingly, the determination of Cost Liability for a Relocation (as between the Utility Owner and RCTC), and/or RCTC's collection of reimbursement from any Utility Owner, shall not constitute grounds for any change in the Contract Price (either up or down) or extension of time.

8.7.8. Voluntary Action by DB Contractor

If DB Contractor elects to make payments to Utility Owners or to undertake any other efforts which are not required by the terms of this Contract, DB Contractor is not entitled to any compensation, time extension or any other Claim unless DB Contractor has received a Directive Letter or Change Order to do so. DB Contractor shall promptly notify RCTC of the terms of any such arrangements and provide RCTC with copies of all related correspondence and agreements.

8.7.9. RCTC's Utility Easement Acquisition Costs

If, due to a circumstance entitling DB Contractor to a Change Order for increased costs pursuant to any of Sections 8.3 through 8.7 or Section 16, RCTC incurs additional costs in acquisition of a Utility Easement which DB Contractor is otherwise required to reimburse pursuant to Section 8.1.3(d), then DB Contractor is not required to reimburse RCTC for such additional costs, notwithstanding the provisions of Section 8.1.3(d).

8.8. Process to Follow Upon Discovery of Certain Site Conditions

8.8.1. Notification to RCTC

(a) If DB Contractor discovers or becomes aware of within the Site (1) any material that DB Contractor believes may contain Hazardous Materials required to be removed or treated in accordance with this Contract or applicable Governmental Rules, (2) any Differing Site Conditions, or (3) any other protected resources that may affect the Work, DB Contractor shall immediately:

(i) Notify RCTC by telephone or in person, to be followed immediately by Notice, with a copy of the Notice provided directly to Department (if it relates to Hazardous Materials); and

(ii) Except where DB Contractor is required to take immediate action under this Contract or applicable Governmental Rules, stop Work in and secure the area unless the materials are Known or Suspected Hazardous Materials in which case Section 8.9 will apply.

(b) DB Contractor's Notice under Section 8.8.1(a)(i) shall:

(i) Specify the nature of the discovery, including, if possible, whether the potential Hazardous Material is HM-1 or HM-2;

(ii) Specify whether the Hazardous Material is located within Existing Department ROW; and

(iii) Advise RCTC of any obligation to notify Governmental Entities under applicable Governmental Rules and Governmental Approvals.

(c) Except where DB Contractor is required to take immediate action under this Contract or applicable Governmental Rules, RCTC and Department shall have three Business Days after RCTC receives Notice to inspect the area and consult with DB Contractor about the recommended approach before any other action is taken that would inhibit RCTC's or Department's ability to ascertain the nature and extent of the discovery.

8.8.2. RCTC Response

(a) Upon receipt of Notice under Section 8.8.1(a)(i), RCTC will:

(i) View the location and conduct such further investigation as RCTC deems appropriate; and

(ii) Use reasonable efforts to provide Notice to DB Contractor within three Business Days of receiving Notice under Section 8.8.1(a)(i) whether Work should be resumed, whether further investigation is required, whether additional action is required to be undertaken by DB Contractor, or whether in RCTC's opinion the situation falls within the scope of Section 8.9.3.

(b) If Hazardous Materials or Contaminated Groundwater is involved, RCTC's Notice under Section 8.8.2(a)(ii) shall describe the type of remediation measures, if any, that DB Contractor is to undertake with respect to such Hazardous Materials or Contaminated Groundwater.

(c) If any Governmental Approval or this Contract specifies a procedure to be followed that differs from the procedure in this Contract, DB Contractor shall follow the procedure in the Governmental Approval or this Contract in lieu of the procedure in Section 8.8.1.

(d) RCTC may require DB Contractor to recommence Work in the area at any time, even though an investigation may still be ongoing. DB Contractor shall promptly recommence Work in the area upon Notice from RCTC to do so. Upon recommencing Work, DB Contractor shall follow all applicable procedures contained in this Contract and all other Governmental Rules with respect to such Work, consistent with RCTC's determination or preliminary determination regarding the nature of the material or condition and the basis upon which DB Contractor may recommence Work.

8.9. Hazardous Materials Management

8.9.1. Procedures and Compensation for Hazardous Materials Management

(a) Except for Hazardous Materials Management with respect to HM-1 undertaken by Department under Section 8.9.3, DB Contractor shall test, manage, treat, handle, store, remediate, remove, transport (where applicable), document and dispose of all Hazardous Materials, including Contaminated Groundwater, and perform all other aspects of Hazardous

Materials Management as appropriate, in accordance with Governmental Rules, Governmental Approvals, the approved plans required to be provided under TP Section 6.3, and all provisions of this Contract.

(b) Where the discovery relates to quantities of Hazardous Materials that trigger any reporting, investigation, remediation, other response action requirements under any Environmental Law not covered by Section 8.9.3, develop and obtain RCTC's approval of a plan to undertake Hazardous Materials Management, which plan shall provide for reasonable steps, including design modifications and/or construction techniques, to avoid excavation, dewatering or other active, intrusive management in areas where Hazardous Materials are encountered.

(c) Where excavation or dewatering is unavoidable, DB Contractor shall use appropriately trained personnel and shall select the most cost-effective approach to Hazardous Materials Management, unless otherwise directed by RCTC. Wherever feasible and consistent with applicable Governmental Rules, contaminated soil and groundwater shall not be disposed off-Site.

(d) DB Contractor shall: (i) comply with all Governmental Rules and Governmental Approvals applicable to Hazardous Materials brought onto the Site by any DB-Related Entity; (ii) test, contain, store, manage, transport and dispose of all such Hazardous Materials in accordance with this Contract and all Governmental Rules and Governmental Approvals; and (iii) pay all penalties, expenses (including attorneys' fees and costs), costs, suits, judgments, claims, actions, damages (including damages to natural resources, property or Persons), delays and liability arising in connection with such Hazardous Materials.

8.9.2. Hazardous Materials Generator

(a) Subject to Section 8.9.2(b), as between DB Contractor and RCTC, RCTC shall be considered the generator and assume generator responsibility for (i) existing Hazardous Materials located within the RCTC-Provided Property as of the date of issuance of NTP1; and (ii) any spill of Hazardous Material by a third party that falls within clause (i), sub-clause (iv) of the definition of Delay Event.

(b) Section 8.9.2(a) does not alter or modify DB Contractor's obligation to undertake all Hazardous Materials Management, specifically including the hazardous waste management responsibilities found at 40 CFR Part 261, but excluding Hazardous Materials Management undertaken by Department under Section 8.9.3. DB Contractor may list RCTC as the "generator" under applicable Governmental Rules of materials covered under Section 8.9.2(a) on all manifests and other waste tracking records.

(c) DB Contractor shall propose to RCTC the destination facility to which existing or third party-generated Hazardous Materials will be transported. RCTC shall exercise reasonable discretion regarding selection of such destination facilities.

(d) This Section 8.9.2 does not preclude or limit any rights or remedies that RCTC may have against any Governmental Entity or other third parties, including prior owners, lessees, licensees and occupants of properties on or under which Hazardous Materials exist under Sections 8.9.2(a)(i) or 8.9.2(a)(ii). Notwithstanding the foregoing, DB Contractor (and not RCTC) shall be considered the generator and assume generator responsibility for performing the obligations and all Costs associated with any Release(s) of Hazardous Materials for which DB Contractor is responsible under Section 23.1.1(g).

8.9.3. HM-1 in Existing Department ROW

(a) Pursuant to the terms of the Department Cooperative Agreement, Department is responsible for Hazardous Materials Management of HM-1 discovered within the Existing Department ROW excluding any costs of testing to determine whether such material is HM-1 which shall be borne by DB Contractor under this Contract. If HM-1 is discovered within the Existing Department ROW, Department may either (i) undertake the Hazardous Materials Management with Department forces or contractors or (ii) delegate the Hazardous Materials Management investigation work to RCTC, to be undertaken by DB Contractor in which case Section 8.8.2 will apply as if RCTC had received a Notice from DB Contractor under Section 8.8.1(a)(i).

(b) Upon receipt of the Notice under Section 8.8.1(a)(i), Department or its representative has three Business Days to investigate and commence Hazardous Materials Management of any HM-1 located within the Existing Department ROW. Upon commencement of the applicable Hazardous Materials Management, Department has an additional seven days to complete such Hazardous Materials Management.

(c) During the period of Department's investigation and Hazardous Materials Management of any HM-1 discovered within the Existing Department ROW, DB Contractor shall fully cooperate with RCTC to work around and re-sequence and redeploy around the area, including rescheduling Work so as to avoid any delay to the overall Project.

8.9.4. Environmental Approvals Relating to Hazardous Materials

DB Contractor shall obtain, maintain and comply with all Governmental Approvals relating to Hazardous Materials Management performed by DB Contractor, including federal and State surface water and groundwater discharge permits, permits for recycling or reuse of Hazardous Materials, and Governmental Approvals governing the preparation of waste profiles, waste manifests and bills of lading. DB Contractor shall coordinate with RCTC on obtaining appropriate signatures.

8.9.5. Public Contract Code Section 7104

DB Contractor acknowledges and agrees that, as a result of its agreement to undertake the risk of and responsibility for differences in site conditions from those which may have been anticipated by DB Contractor, and except to the extent that a Change Order is allowed under Section 16, information regarding site conditions included in the Technical Provisions, Project Schematics and other Reference Documents (including any information, reports, or studies about site conditions, geotechnical conditions, Utilities or structure and bridge design, and any interpretations, extrapolations, analyses and recommendations contained in the Reference Documents) shall not be considered "indicated" therein as such term is used in Public Contract Code section 7104. To the maximum extent permitted by law, DB Contractor knowingly, unconditionally, irrevocably and specifically waives each and every right and benefit of Public Contract Code section 7104 to the extent that it may be inconsistent with any provision of this Contract, including the provisions in Section 16. DB Contractor acknowledges and agrees that this waiver and the risk allocations in this Contract are material consideration for RCTC to award this Contract to DB Contractor and to enter into this Contract. The foregoing shall in no way affect DB Contractor's rights to an increase in the Contract Price and/or extension of a Completion Deadline as and to the extent provided in Section 16.

8.10. Environmental Compliance, Mitigation, and Approval Requirements

8.10.1. Environmental Compliance

DB Contractor shall:

(a) Comply with all Environmental Laws in performance of the Work, and with all other conditions and requirements of this Contract and Governmental Approvals issued under such Environmental Laws, whether obtained by RCTC or DB Contractor, including the requirements in the RCTC-Provided Approvals and TP Section 6;

(b) Perform or cause to be performed all environmental mitigation measures required under this Contract, the Environmental Approvals, and other Governmental Approvals that apply to the Work, and shall comply with all other conditions, and requirements thereof; and

(c) Abide by and comply with the commitments contained in subsequent re-evaluations, re-validations, and modifications of Environmental Approvals.

8.10.2. DB Contractor shall reimburse RCTC for RCTC's costs of technical studies and documentation, including biological and cultural resource studies, prepared in connection with any such environmental re-evaluations, re-validations, and new or modified Environmental Approvals, other Governmental Approvals and any other approvals, authorizations and consents required for the Work, unless such items are due to a Necessary Basic Configuration Change pursuant to Section 16.

8.10.3. Performance of Mitigation Measures

(a) DB Contractor shall perform all environmental mitigation measures (which term shall be deemed to include all requirements of the RCTC-Provided Approvals and similar Governmental Approvals and the New Approvals which Section 8.11 provides are DB Contractor's responsibility, regardless of whether such requirements would be considered to fall within a strict definition of the term) for the Project, excluding only those which are expressly specified as RCTC's responsibility in TP Attachment 6-1 and this Section 8.10.

(b) DB Contractor shall monitor the progress of performance of environmental mitigation measures and provide periodic reports to RCTC as required by the Environmental Management Plan, the requirements in TP Attachment 6-1 that are specified as being the responsibility of DB Contractor, and TP Section 6.

(c) DB Contractor acknowledges and agrees that the Environmental Management Plan may be updated from time to time to account for any revisions in mitigation requirements. Whenever a New Approval is obtained which changes the existing environmental mitigation requirements or adds new environmental mitigation requirements, the Environmental Management Plan will be revised to include such amendments or new requirements, and DB Contractor shall comply with the revised plan from and after the date it receives the revised plan.

(d) No Change Order shall be allowed in connection with any update or revision to the Environmental Management Plan except that (a) Change Orders shall be issued for additional Work resulting from New Approvals which are RCTC's responsibility as specified in Section 8.11.3(a), and (b) if DB Contractor believes that any revision represents an RCTC-Directed Change, it may seek a Change Order on that basis in accordance with the requirements of, and subject to the limitations in Section 15 and Section 16.

8.11. Approvals

8.11.1. Governmental Approvals and Third Party Agreements

(a) DB Contractor shall:

(i) Obtain and pay the cost of obtaining all Governmental Approvals required in connection with the Project (except to the extent RCTC has expressly agreed to be responsible under Section 8.10 or with respect to RCTC-Provided Approvals);

(ii) Comply with all conditions imposed by and undertake all actions required by and all actions necessary to maintain in full force and effect all Governmental Approvals, except to the extent that this Contract expressly assigns responsibility for performance of such actions to another Person;

(iii) Provide such assistance as is reasonably requested by RCTC in dealing with any Governmental Entity or Utility Owner and/or in prosecuting and defending lawsuits in any and all matters relating to the Project. Such cooperation shall include DB Contractor's staff and consultants acting as witnesses in such lawsuits and proceedings and providing testimony, information, reports, graphs, photos, plans, renderings, and similar materials to RCTC's counsel, executing declarations, attending meetings and hearings. RCTC shall remit to DB Contractor any amounts collected on DB Contractor's behalf as a result of any such action or proceeding. This provision is not intended to require DB Contractor to provide legal services for the benefit of RCTC and any assistance provided by RCTC shall not relieve DB Contractor of its sole and primary responsibility for the satisfactory compliance with its obligations under this Contract;

(iv) Prior to submitting to a Governmental Entity any application for a Governmental Approval (or any proposed modification, renewal, extension or waiver of a Governmental Approval or provision thereof), DB Contractor shall submit the same, together with any supporting environmental or technical studies, data and analyses, to RCTC. RCTC may approve any application for a proposed modification, renewal, extension or waiver of an RCTC-Provided Approval. All other applications for Governmental Approvals shall be subject to RCTC's review and comment; and

(v) Promptly provide RCTC and Department with copies of all Governmental Approvals and any other permit, license, consent, authorization, approval or similar document issued to DB Contractor by, or agreement entered into between DB Contractor and any Governmental Entity, Utility Owner, BNSF, property owner or other third party relating to the Project.

(b) If DB Contractor wishes to pursue Additional Properties, or any other Deviation from any Governmental Approvals, including RCTC-Provided Approvals, DB Contractor shall first comply with, and obtain and maintain, as applicable, any consent, approval or waiver required pursuant to, then-existing agreements between RCTC and other Governmental Entities.

(c) Upon DB Contractor's request, RCTC will reasonably cooperate with DB Contractor in providing DB Contractor with copies of the applicable agreements between RCTC and other Governmental Entities.

(d) If any Governmental Approvals required to be obtained by DB Contractor (including Major Approvals) must formally be issued in the name of RCTC, DB Contractor shall undertake all efforts to obtain and maintain such approvals subject to RCTC's

reasonable cooperation with DB Contractor, at DB Contractor's expense (except in connection with Governmental Approvals required solely due to an RCTC-Directed Change), including execution and delivery of appropriate applications and other documentation in form approved by RCTC. DB Contractor shall assist RCTC in obtaining any Governmental Approvals which RCTC may be obligated to obtain, including providing information requested by RCTC and participating in meetings regarding such approvals.

(e) In the event that RCTC, Department or FHWA must act as the lead agency and directly coordinate with a Governmental Entity in connection with obtaining Governmental Approvals which are the responsibility of DB Contractor, DB Contractor shall provide all necessary support to facilitate the approval, mitigation or compliance process. Such support shall include conducting necessary field investigations, surveys, and preparation of any required reports, documents and applications.

(f) DB Contractor shall not enter into any agreement with any Governmental Entity, Utility Owner, BNSF, property owner or other third party having regulatory jurisdiction over any aspect of the Project or having any property interest affected by the Project that in any way purports to obligate RCTC or Department, or states or implies that RCTC or Department has an obligation, to the third party to carry out any installation, design, construction, maintenance, repair, operation, control, supervision, regulation or other activity after the expiration or termination of this Contract, unless RCTC otherwise approves such agreement by Notice, in its sole discretion. DB Contractor has no power or authority to act as an agent or representative of RCTC or Department or to enter into any such agreement with a third party in the name or on behalf of RCTC or Department.

8.11.2. RCTC-Provided Approvals

(a) The RCTC-Provided Approvals that RCTC has obtained as of the Proposal Date are included in the Reference Documents, but do not form part of this Contract. DB Contractor shall comply with applicable requirements and conditions of those RCTC-Provided Approvals in TP Sections 2.5.2 and 6.3 and TP Attachment 6-1.

(b) Where RCTC or Department acts as a regulatory authority or permitting entity:

(i) Section 4.1.2(e) does not apply, and nothing in this context shall be considered an RCTC-Caused Delay; and

(ii) RCTC or Department is not obligated to: (A) exercise its legal rights in order to avoid or eliminate the requirement to obtain any Governmental Approvals; or (B) automatically grant Governmental Approvals for which it is the authorizing entity and will apply its usual procedures and criteria in considering applications from DB Contractor for such Governmental Approvals.

8.11.3. New Approvals

(a) New Approvals To Be Obtained at RCTC's Expense

(i) RCTC shall obtain any New Approvals necessitated by an RCTC-Directed Change, Force Majeure Event, or Necessary Basic Configuration Change. DB Contractor shall provide support services to RCTC with respect to obtaining any such New Approval.

(ii) Any Change Order covering a New Approval necessitated by an RCTC-Directed Change, Force Majeure Event or Necessary Basic Configuration Change shall include compensation to DB Contractor for any material changes in the Work (including performance of material additional mitigation measures but excluding performance of such support services) resulting from such New Approvals, as well as any time extension necessitated by such New Approvals, subject to the limitations contained in Section 15 and Section 16.

(b) Other Governmental Approvals To Be Obtained at DB Contractor's Expense

(i) Subject to Sections 8.11.3(b)(ii) and 8.11.3(b)(iii), if any Governmental Approval (including any New Approval) becomes necessary for any reason other than those specified in Section 8.11.3(a), DB Contractor shall: (1) be solely responsible for the risk that any such Governmental Approvals are not (or are not timely) granted, issued, approved or obtained as well as for any litigation arising in connection therewith; and (2) not be entitled to any increase in the Contract Price or extension of the Completion Deadlines as a result of any delay or cost associated with such Governmental Approvals.

(ii) RCTC shall be the implementing agency for any New Approvals under applicable Governmental Rules with the exception of the California Water Resources Control Board Clean Water Act - Section 402 Permit.

(iii) If DB Contractor wishes to adopt any design or construction approach that would require a New Approval, DB Contractor shall consult with RCTC (and with Department if the RCTC-Provided Approval is in Department's name). DB Contractor shall not implement any such approach unless concurrence of RCTC (and Department) has first been obtained and arrangements have been made to reimburse RCTC and Department for the costs of the proposed change.

(iv) If any New Approval is associated with a VECP, the costs of obtaining and complying with the terms of the New Approval shall be considered in determining the Contract Price adjustment under Section 17.

8.11.4. Environmental Compliance by DB Contractor for Off-Site Activities

If DB Contractor chooses to add or select any ground or resource disturbing features such as material (gravel, borrow, disposal or re-use) sites, equipment staging sites, office sites, water lines, holding ponds, Hazardous Materials and/or non-Hazardous Materials staging areas, etc., for which a new Governmental Approval is required, DB Contractor shall, at its cost and risk, obtain and provide to RCTC such Governmental Approvals before commencing any construction activity within the feature(s).

8.11.5. Major Approvals

DB Contractor shall obtain and maintain all Major Approvals, even though such approvals must formally be issued in RCTC's name.

8.12. Cooperation with Local Agencies

8.12.1. Compliance with Local Agency Requirements

DB Contractor shall comply with all Local Agency terms, requirements and conditions applicable to the Work, including payment of all plan review and construction inspection costs charged by Local Agencies relating to the Work.

8.12.2. Bonds and Insurance

Upon request by RCTC, DB Contractor shall: (a) provide additional obligee riders to the Payment Bonds and Performance Bonds in favor of Local Agencies; and (b) provide certificates naming Local Agencies as additional insureds to the insurance policies required to be provided under Section 11.

SECTION 9 SUBCONTRACTORS AND LABOR

9.1. Subcontracts

9.1.1. General

- (a) DB Contractor is responsible for:
 - (i) The engagement and management of each Subcontract;
 - (ii) All Work performed by its Subcontractors;
 - (iii) Proper supervision and coordination of the Work performed by its Subcontractors so as to ensure that all Work is in accordance with this Contract; and
 - (iv) The actions, errors, omissions, negligence, willful misconduct, or breach of applicable Governmental Rules or contract by any DB-Related Entity or Subcontractor, as though DB Contractor directly employed all such Persons.
- (b) DB Contractor may not materially amend or terminate any Major Subcontract or amend the scope of a Listed Subcontractor without the prior written consent of RCTC, in its sole discretion except that DB Contractor may terminate a Major Subcontract in the event of material default by the Major Subcontractor, provided that DB Contractor has provided Notice of such intended termination to RCTC in advance of the termination. Where an amendment includes a material addition to the scope of work under a Subcontract with a Listed Subcontractor, RCTC may require such work to be the subject of a new procurement by DB Contractor under Section 9.1.2. RCTC shall respond to such Notice within 10 Business Days.
- (c) No Subcontractor may start any Work until after RCTC receives a copy of its Subcontract, a copy of such Subcontractor's valid California Contractor License, and any insurance documents required under Section 11.

9.1.2. Procurement of New Subcontracts

The following procedures shall apply to procurement of Subcontracts under this Contract by DB Contractor for construction Work (including Subcontractors for fabrication and installation of a portion of the Work), excluding Subcontracts with Listed Subcontractors and Affiliates.

- (a) DB Contractor shall (i) provide public notice of the availability of work to be subcontracted in accordance with the publication requirements applicable to the competitive bidding process of RCTC; and (ii) provide a fixed date and time on which the subcontracted work will be awarded.
- (b) DB Contractor shall use a competitive process that complies with the provisions of Public Contract Code section 6826. Prior to soliciting any proposals or bids for Subcontracts, DB Contractor shall submit to RCTC for its review and approval a reasonable procedure for the conduct of the procurement and approval process applicable to Subcontracts.
- (c) DB Contractor shall promptly provide Notice to RCTC identifying each Subcontractor selected and, upon RCTC's request, provide the solicitation and evaluation materials and results.

(d) If any Subcontractor is an Affiliate, DB Contractor shall require such Affiliate to follow the procedures under this Section 9.1.2 in connection with lower tier Subcontracts for construction Work and shall comply with Section 9.1.5.

9.1.3. Substitution of Subcontractors

DB Contractor may not make any substitution of any Listed Subcontractor or Subcontractor selected pursuant to Section 9.1.2 except in accordance with the provisions of the Subletting and Subcontracting Fair Practices Act, Public Contract Code section 4100 et seq.

9.1.4. Subcontract Requirements

(a) Each Subcontract shall:

(i) Include express requirements that: (1) RCTC and Department are third party beneficiaries of the Subcontract, and shall each have the independent right to enforce all of the terms of the Subcontract for their own benefit; (2) all guarantees and warranties, express or implied, shall inure to the benefit of RCTC and Department, and their respective successors and assigns; (3) the rights of DB Contractor under such instrument are assigned to RCTC contingent only upon delivery of Notice from RCTC following default by DB Contractor or termination or expiration of this Contract, allowing RCTC to assume the benefit of DB Contractor's rights with liability only for those remaining obligations of DB Contractor accruing after the date of assumption by RCTC; and (4) the Subcontractor shall recognize and attorn to RCTC upon receipt of Notice from RCTC that RCTC has exercised its rights under this Contract, without necessity for consent or approval from DB Contractor or to determine whether RCTC validly exercised its rights, and DB Contractor's covenant to waive and release any claim or cause of action against the Subcontractor in connection with its recognition and attornment in reliance on any such Notice;

(ii) Not impose upon RCTC or Department any obligation or liability;

(iii) Not create any contractual relationship between RCTC or Department and the applicable Subcontractor;

(iv) Include the following provision:

Nothing contained herein shall be deemed to create any privity of contract between or among the Riverside County Transportation Commission (RCTC), the California Department of Transportation (Department) and the Subcontractor, nor does it create any duties, obligations, or liabilities on the part of RCTC or Department to the Subcontractor except those allowed under California law. In the event of any claim or dispute arising under the Subcontract and/or DB Contractor's Contract with RCTC, the Subcontractor shall look only to DB Contractor for any payment, redress, relief, or other satisfaction. The Subcontractor hereby waives any claim or cause of action against RCTC or Department arising out of the Subcontract or otherwise arising in connection with the Subcontractor's Work;

(v) Set forth a standard of professional responsibility or standard for commercial practice (as applicable) equal to or better than the requirements of this Contract and Good Industry Practice for work of similar scope and scale and contain certification by the

Subcontractor that the Subcontractor is experienced in and qualified to do, and knowledgeable about, the subcontracted Work;

(vi) Require the Subcontractor to carry out its applicable scope of work in accordance with this Contract, applicable Governmental Approvals, and Governmental Rules, and to be joined in any dispute resolution proceeding pursuant to Section 24 if RCTC determines such joinder is reasonably necessary to resolve the Dispute;

(vii) Set forth effective procedures for claims and change orders, which procedures are consistent with the Change Order process in this Contract;

(viii) Set forth warranties, guaranties, and liability provisions of the contracting party in accordance with Good Industry Practice for work of similar scope and scale;

(ix) Include the following: (1) requirement to maintain usual and customary Books and Records for the type and scope of operations of business in which the Subcontractor is engaged (e.g., constructor, equipment supplier, designer, service provider); (2) provision permitting audits to be conducted by DB Contractor, RCTC, Department, and FHWA; (3) provision that Subcontractor warrants the completeness and accuracy of all information the Subcontractors or its agents provide in connection with Section 26.7; (4) requirement to provide progress reports to DB Contractor appropriate for the type of work it is performing sufficient to enable DB Contractor to provide the reports it is required to provide RCTC under this Contract; (5) requirement for the Subcontractor to maintain all appropriate licenses and for any Subcontractor performing construction Work to be registered and maintain registration to perform public work pursuant to Labor Code section 1725.5 and to notify of any labor dispute that may delay performance under this Contract, requiring each Subcontractor to give notice and information to the next higher tier Subcontractor (or to DB Contractor, if it is a direct Subcontract; (6) provision prohibiting assignment of the Subcontract by the Subcontractor without DB Contractor's prior written consent; (7) provisions implementing the requirements of Section 26.5, and (8) copies of Labor Code sections 1771, 1775, 1776, 1777.5, 1813, and 1815; For Major Subcontracts: (i) be terminable only for cause, unless RCTC exercises a Termination for Convenience under this Contract pursuant to Section 19.1, in which case DB Contractor may terminate the Subcontractor for convenience in accordance with Section 9.1.4(a)(xi); (ii) include an indemnity from the Subcontractor in favor of DB Contractor and the Indemnified Parties against any and all Losses in connection with any negligent act error, or omission, gross negligence, fraud, recklessness, willful misconduct, or breach of Governmental Approvals, violation of Governmental Rules, or breach of contract by the Subcontractor or any of its officers, employees, agents or representatives; provided, however, that such Subcontractor indemnities shall not inure to the benefit of an Indemnified Party so as to impose liability on the Subcontractor for the active negligence of RCTC, or to relieve RCTC of liability for such active negligence; and (iii) include a covenant, expressly stated to survive termination of the Major Subcontract, to promptly execute and deliver to RCTC a new contract between the Subcontractor and RCTC on the same terms and conditions as the Major Subcontract, in the event: (A) the Major Subcontract is rejected by DB Contractor in bankruptcy or otherwise wrongfully terminated by DB Contractor or (B) RCTC delivers Notice for such new contract following termination or expiration of this Contract;

(x) Expressly require that, upon Notice from DB Contractor after RCTC's request, the Subcontractor participate in meetings between DB Contractor and RCTC concerning matters pertaining to the Subcontract or its work. Nothing in this Section 9.1.4(a)(x) shall limit the authority of RCTC to give such direction or take such action which, in its opinion, is necessary to remove an immediate and present threat to the safety of life, property or revenues;

(xi) Include the right of DB Contractor to terminate the Subcontract in whole or in part upon any Termination for Convenience of this Contract without liability of DB Contractor or RCTC for the Subcontractor's lost profits, consequential, or other damages, or business opportunity;

(xii) Expressly provide that all Liens, claims, and charges of the Subcontractor and its Subcontractors at any time shall not attach to any interest of RCTC or Department in the Project or the Project ROW;

(xiii) Include the prompt payment requirements in Section 14.7.1 and require the Subcontractor to make payments to sub-subcontractors and Suppliers in a similar manner;

(xiv) Include provisions consistent with Public Contract Code section 9204(d)(5), which provides that a Subcontractor may request in writing, either on its own behalf or on behalf of a lower tier Subcontractor, that DB Contractor present a claim for work which was performed by the Subcontractor or by a lower tier Subcontractor on behalf of the Subcontractor. In such event the Subcontractor must furnish reasonable documentation to support the claim. Within 45 days of receipt of this written request, DB Contractor is required to notify the Subcontractor in writing as to whether DB Contractor presented the claim to RCTC and, if DB Contractor did not present the claim, provide the Subcontractor with a statement of the reasons for not having done so; and

(xv) Be consistent in all other respects with the terms and conditions of this Contract to the extent such terms and conditions are applicable to the scope of work of such Subcontractors, and include all other provisions required by this Contract.

(b) The amount of retainage to be withheld under Subcontracts shall not exceed the amount withheld by RCTC pursuant to Section 14.3.1.

(c) RCTC is not bound by any Subcontract, and no Subcontract shall include a provision purporting to bind it.

(d) Within ten Business Days after issuance of NTP2, DB Contractor shall complete and provide to RCTC a schedule listing its current Subcontractors, in the form of Exhibit 7 (Subcontractor Identification Form). DB Contractor shall provide an updated schedule monthly throughout performance of the Work.

(e) DB Contractor shall allow RCTC access to all Subcontracts and records regarding Subcontracts and shall deliver to RCTC, within ten Business Days after execution, true and complete copies of all Major Subcontracts, and within ten Business Days after receipt of a request from RCTC, true and complete copies of all other Subcontracts as may be requested. At DB Contractor's option, copies of the pages of the Subcontracts delivered to RCTC may be redacted to remove pricing information; provided, however, that in such event a full copy of the Subcontract shall be added to the EPDs maintained under Section 26.1.

(f) RCTC may review the form of subcontract used by DB Contractor for the Project and require modifications to such form to conform to the requirements in this Contract.

9.1.5. Subcontracts with Affiliates

(a) DB Contractor may have Work and services performed by Affiliates only under the following terms and conditions:

(i) DB Contractor shall execute a written Subcontract with the Affiliate which complies with all requirements for Subcontracts under this Contract;

(ii) The terms and conditions of the Subcontract (including pricing and scheduling) shall be no less favorable to DB Contractor than those that DB Contractor could reasonably obtain in an arm's length, competitively procured transaction with an unaffiliated Subcontractor. DB Contractor shall bear the burden of proving that the same are no less favorable to DB Contractor; and

(iii) No Affiliate shall be engaged to perform any Work which this Contract or the Project Management Plan requires be performed by an independent or unaffiliated party. No Affiliate shall be engaged to perform any Work which would be inconsistent with Good Industry Practice or other Contract requirements.

(b) Before entering into or amending any Subcontract with an Affiliate, DB Contractor shall submit a true and complete copy of the proposed Subcontract to RCTC for review and comment. RCTC has 20 Business Days after receipt to deliver its comments to DB Contractor.

(c) DB Contractor shall make no payments to Affiliates for Work in advance of provision of such Work, except for reasonable mobilization payments or other payments consistent with arm's length, competitive transactions of similar scope.

9.1.6. Other Requirements

(a) Pursuant to section 6109 of the Public Contract Code, no Subcontractor shall perform Work if that Subcontractor is ineligible to perform work on public works projects pursuant to section 1777.1 or 1777.7 of the Labor Code.

(b) DB Contractor shall comply with all other subcontracting requirements in Section 7 of the Modified Standard Specifications (Exhibit 3).

9.2. Equal Employment Opportunity

9.2.1. DB Contractor shall not, and shall cause the Subcontractors to not, discriminate on the basis of race, color, national origin or sex in the selection of Subcontractors and the performance of the Work under this Contract. Failure by DB Contractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy as RCTC deems appropriate (subject to DB Contractor's rights to notice and opportunity to cure in this Contract).

9.2.2. DB Contractor shall include Section 9.2.1 in every Subcontract (including purchase orders and in every subcontract of any DB-Related Entity for the Work), and shall require that they be included in all Subcontracts at lower tiers, so that such provisions will be binding upon each Subcontractor.

9.2.3. DB Contractor confirms that DB Contractor has an equal employment opportunity policy ensuring equal employment opportunity without regard to race, color, national origin, sex, age, religion or handicap; and that DB Contractor maintains no employee facilities segregated on the basis of race, color, religion or national origin. DB Contractor shall comply with all applicable Governmental Rules relating to equal employment opportunity and nondiscrimination, including those in Section 7-1.01A of the Modified Standard Specifications

(Exhibit 3), and in Exhibits 14 (Federal Requirements) and 16 (Labor Code Requirements), and shall require its Subcontractors to comply with such provisions.

9.3. Labor Code Requirements

9.3.1. DB Contractor shall comply and cause its Subcontractor to comply with the provisions of the Labor Code and implementing regulations, including requirements with respect to prevailing wages, and employment and training of apprentices, as described in Exhibit 16 (Labor Code Requirements).

9.3.2. DB Contractor shall comply with the applicable provisions of the Labor Code and implementing regulations relating to labor nondiscrimination, and with the applicable federal requirements, including those in Exhibits 2 (Contract Particulars), 14 (Federal Requirements) and 16 (Labor Code Requirements).

9.3.3. The California Department of Industrial Relations (DIR) is responsible for monitoring and enforcing prevailing wage requirements of applicable labor laws to insure that all contractors working on the Project are in compliance with State (Division 2, Part 7, Chapter 1 of the Labor Code) prevailing wage statutes and regulations. Accordingly, the Project is subject to the requirements of DIR's compliance monitoring and enforcement program in Title 8, Chapter 8, Subchapter 4.5 of the California Code of Regulations, which include, among other requirements, the obligation to provide payroll records directly to the DIR Labor Commissioner.

9.3.4. Refer to Section 7-1.02K(3) of the Modified Standard Specifications (Exhibit 3) and Exhibit 16 (Labor Code Requirements) for certain information regarding a number of labor compliance requirements applicable to the Contract under Labor Code section 1776. The labor compliance requirements do not constitute an exhaustive list, and that additional labor compliance requirements may apply to the Project under other Governmental Rules.

9.3.5. DB Contractor shall post a notice at the Site containing the following language:

"This public works project is subject to monitoring and investigative activities by the Division of Labor Standards Enforcement (DLSE), Department of Industrial Relations, State of California. This Notice is intended to provide information to all workers employed in the execution of the contract for public work and to all contractors and other persons having access to the job site to ensure compliance with and enforcement of prevailing wage laws on public works projects.

The prevailing wage laws require that all workers be paid at least the minimum hourly wage as determined by the Director of Industrial Relations for the specific classification (or type of work) performed by workers on the Project. These rates are listed on a separate job site posting of minimum prevailing rates required to be maintained by the public entity which awarded the public works contract. Complaints concerning nonpayment of the required minimum wage rates to workers on this Project may be filed with the office of the DLSE.

Complaints should be filed in writing immediately upon discovery of any violations of the prevailing wage laws due to the short period of

time following the completion of the Project that the CMU may take legal action against those responsible.

Complaints should contain details about the violations alleged (for example, wrong rate paid, not all hours paid, overtime rate not paid for hours worked in excess of 8 hours per day or 40 per week, etc.) as well as the name of the employer, the public entity which awarded the public works contract, and the location and name of the Project.

For general information concerning the prevailing wage laws and how to file a complaint concerning any violation of these prevailing wage laws, you may contact any DLSE office. Complaint forms are also available at the Department of Industrial Relations website found at www.dir.ca.gov/dlse/PublicWorks.html.

9.3.6. Whenever DB Contractor has knowledge that any actual or potential labor dispute may delay its performance under this Contract, DB Contractor shall immediately Notify and submit all relevant information to RCTC.

9.4. Prevailing Wages

9.4.1. DB Contractor shall comply and cause its Subcontractors to comply with all applicable requirements of Division 2, Part 7, Chapter 1 of the Labor Code, including those in Exhibits 2 (Contract Particulars) and 16 (Labor Code Requirements).

9.4.2. If it is found that a DB Contractor employee or a Subcontractor has been or is being paid a rate of wages less than the rate of wages required by this Contract to be paid, RCTC may declare a DB Contractor Default under Section 20.1.1(g).

9.5. Key Personnel; Qualifications of Employees

9.5.1. DB Contractor shall:

(a) Appoint or procure the engagement of the Key Personnel in the positions stated in Exhibit 2 (Contract Particulars);

(b) Not change, or permit any change in, Key Personnel without the prior written consent of RCTC;

(c) Provide Notice to RCTC of any proposed changes in any Key Personnel;

(d) Provide phone, e-mail addresses and mobile telephone numbers for all Key Personnel. RCTC requires the ability to contact the following Key Personnel 24 hours per day, seven days per week:

- (i) Project Manager;
- (ii) Construction Manager;
- (iii) Design Manager;

(iv) Structures Design Manager; and

(v) Traffic Manager;

(e) Ensure the Key Personnel are available for the time commitment specified in TP Section 2.6.1. RCTC may require a 100% time commitment per position from any Key Personnel if RCTC, in its good faith discretion, determines that such personnel are not devoting sufficient time to the prosecution and performance of the Work; and

(f) Ensure that all Persons performing the Work:

(i) Have the skill and experience and any licenses required to perform the Work assigned to them; and

(ii) Are available for the Work and shall maintain active involvement in the prosecution and performance of the Work.

9.5.2. RCTC may review the qualifications and character of each individual to be appointed to a Key Personnel position (including personnel employed by Subcontractors) and may approve or disapprove use of such individual in such position prior to the commencement of any Work by such individual or at any time during the prosecution of the Work.

9.5.3. If RCTC determines, in its good faith discretion, that any Person (a) is not performing the Work in a proper, safe and skillful manner or is detrimental to the Work; (b) poses a potential health, safety or security threat to RCTC's customers, RCTC Parties or assets; (c) does not meet the minimum performance requirements of the Work; or (d) is not qualified to fulfill the responsibilities of his or her appointed Key Personnel position, then upon Notice from RCTC, DB Contractor or its Subcontractor shall promptly remove such Person and shall not re-employ them on the Project without the prior written approval of RCTC, which RCTC may grant or withhold.

9.6. Key Personnel Liquidated Damages

9.6.1. If an individual filling a Key Personnel role is not available for, or actively involved in, the performance of the Work as required in TP Section 2.6.1, as determined by RCTC in its good faith discretion, then:

(a) DB Contractor acknowledges that RCTC and the Project will suffer significant and substantial damages and that it is impracticable and extremely difficult to ascertain and determine the actual damages which would accrue to RCTC in such event; and

(b) DB Contractor agrees to pay RCTC a liquidated amount as follows, for each position held by such individual, as deemed compensation to RCTC for such damages:

POSITION	LIQUIDATED AMOUNT
Project Manager	\$150,000
Construction Manager	\$100,000
Design Manager	\$50,000
Structures Design Manager	\$50,000

9.6.2. A further liquidated amount in accordance with Section 9.6.1 for the positions listed above or in the amount of \$20,000 for any other Key Personnel will be payable from DB Contractor to RCTC for each 6 month period where any Key personnel position is vacant or not being fulfilled in accordance with this Contract as determined by RCTC.

9.6.3. DB Contractor is not liable for Liquidated Damages under Section 9.6.1 if: (a) DB Contractor removes or replaces such personnel at the direction of RCTC; (b) such individual is unavailable due to death, retirement, injury or no longer being employed by the applicable DB-Related Entity (provided that moving to an affiliated company or a Subcontractor is not considered grounds for avoiding Liquidated Damages); or (c) such individual is unavailable due to RCTC's failure to issue NTP1 within 210 days of the Proposal Date for a reason other than the acts or omissions or any DB-Related Entity, or any DB Contractor Fault; provided DB Contractor promptly proposes to RCTC a replacement for such personnel for review and approval within 15 Business Days of unavailability, in the case of Sections 9.6.3(a) or 9.6.3(b) or 15 Business Days from the issuance of NTP1, in the case of Section 9.6.3(c).

9.6.4. Upon approval of any Key Personnel replacement under Section 9.6.3, the new individual shall be considered a Key Personnel for all purposes under this Contract, including Section 9.6.1.

SECTION 10

PERFORMANCE AND PAYMENT BONDS; GUARANTY

10.1. Provision of Bonds

DB Contractor shall provide RCTC with Bonds securing DB Contractor's obligations under this Contract, each in the amount specified in Exhibit 2 (Contract Particulars), and shall maintain such bonds in full force and effect as described below.

10.1.1. Performance Bond

(a) As a condition precedent to issuance of NTP1, DB Contractor shall provide RCTC a performance bond in the initial amount specified in Exhibit 2 (Contract Particulars) (the "**NTP1 Performance Bond Amount**"), including a multiple obligee rider in favor of Department, and in the form of Exhibit 8-A (the "**NTP1 Performance Bond**").

(b) As condition precedent to issuance of NTP2: (i) the amount of the NTP1 Performance Bond shall increase to the amount specified in Exhibit 2 (the "**NTP2 Performance Bond Amount**"), in accordance with the rider included in Exhibit 8-A effecting such increase; or (ii) DB Contractor shall provide a new performance bond in the same form as Exhibit 8-A (with such modifications as RCTC may accept, in its sole discretion), including a multiple obligee rider in favor of Department, in an amount equal to the NTP2 Performance Bond Amount.

(c) RCTC will release the NTP2 Performance Bond upon Final Acceptance so long as the following conditions have been met: (i) DB Contractor is not in default under this Contract and no event has occurred which, with the passage of time or the giving of notice, would constitute a default under this Contract; and (ii) RCTC has received the Warranty Bond in accordance with Section 10.1.3.

10.1.2. Payment Bond

(a) As a condition precedent to issuance of NTP1, DB Contractor shall provide RCTC a payment bond in the amount specified in Exhibit 2 (Contract Particulars) (the "**NTP1 Payment Bond Amount**"), including a multiple obligee rider in favor of Department, and in the form of Exhibit 8-B (the "**NTP1 Payment Bond**").

(b) As a condition to issuance of NTP2: (i) the amount of the NTP1 Payment Bond shall increase to the amount specified in Exhibit 2 (the "**NTP2 Payment Bond Amount**"), in accordance with the rider included in Exhibit 8-B effecting such increase; or (ii) DB Contractor shall provide a new payment bond in the same form as Exhibit 8-B (with such modifications as RCTC may accept, in its sole discretion), including a multiple obligee rider in favor of Department, in an amount equal to the NTP2 Payment Bond Amount.

(c) DB Contractor shall maintain the NTP2 Payment Bond in full force and effect until: (i) DB Contractor has delivered to RCTC (1) evidence, satisfactory to RCTC, that all Persons eligible to file a Claim against the Payment Bond have been fully paid, and (2) unconditional releases of Liens and stop payment notices from all Subcontractors who filed a preliminary notice of a claim against the NTP2 Payment Bond; or (ii) expiration of the statutory period for Subcontractors to file a claim against the NTP2 Payment Bond.

10.1.3. Warranty Bond

(a) Subject to Sections 10.1.1(c) and 10.1.2(c), upon Final Acceptance, DB Contractor may obtain a release of the Performance Bond and Payment Bond if DB Contractor provides to RCTC and maintains a warranty bond in the form of Exhibit 8-C, or such other security as RCTC may approve, that guarantees performance of Work required to be performed during the period following Final Acceptance, including Warranty Work and Plant Establishment Work, and which shall also constitute a payment bond guaranteeing payment to Persons performing such Work (the “**Warranty Bond**”). The Warranty Bond, if used, shall include a multiple obligee rider, in form and substance consistent with that in Exhibit 8-C, in favor of Department, Utility Owners and Local Agencies (as applicable).

(b) If used, the Warranty Bond shall be in an amount specified in Exhibit 2 (Contract Particulars) (“**Warranty Bond Amount**”). RCTC will release the Warranty Bond upon the later of expiration of the Warranty Period or Plant Establishment Period, provided the following conditions have been met:

(i) DB Contractor is not in default under this Contract and no event has occurred that, with the passage of time or the giving of Notice, would constitute a default under this Contract;

(ii) RCTC receives (1) evidence satisfactory to RCTC that all Persons eligible to file a Claim against the Warranty Bond have been fully paid, and (2) unconditional releases of Liens and stop payment notices from all Subcontractors, if any, that filed preliminary notice of a claim against the Warranty Bond;

(iii) The statutory period for Subcontractors to file a Claim against the Warranty Bond has expired and no claims have been filed; and

(iv) As of the end of the Warranty Period, DB Contractor has assigned and transferred to RCTC all unexpired warranties on equipment, materials or otherwise relating to the Work.

10.1.4. Eligible Surety; Replacement Bonds; Increase in Bonds

(a) Each Bond required under this Contract shall be issued by an Eligible Surety authorized to do business in the State and listed on United States Department of the Treasury’s Listing or Approved Sureties or otherwise approved by RCTC in its sole discretion.

(b) If any Bond previously provided becomes ineffective, or if the Eligible Surety that provided the Bond no longer meets the requirements of this Contract, DB Contractor shall provide a replacement Bond in the same form issued by an Eligible Surety. DB Contractor shall provide Notice to RCTC promptly following such Bond being rendered ineffective or when such Bond’s surety is no longer an Eligible Surety, in no case later than two Business Days thereafter.

(c) If the Contract Price is increased in connection with a Change Order, RCTC may require a corresponding proportionate increase in the amount of any Bond, a new Bond, or alternative security to cover the Change Order Work.

10.2. No Relief of Liability

Notwithstanding any other provision of this Contract, performance by a Surety or Guarantor of any of the obligations of DB Contractor shall not relieve DB Contractor of any of its obligations under this Contract.

10.3. Guaranty

(a) The Guarantor shall provide and maintain the guaranty, in the form of Exhibit 15, in full force and effect throughout the term of this Contract.

(b) DB Contractor shall periodically report to RCTC regarding the financial capacity of the Guarantor as required in Section 26.6.2(b). If, at any point during the course of this Contract, the Guarantor's financial capacity is materially negatively affected, as determined by RCTC in its good faith discretion, RCTC may require, and DB Contractor provide, one or more additional guarantees so that the combined financial capacity of the Guarantor and the additional guarantors provides equivalent security to RCTC as the guaranty provided as of the Effective Date. Each such guaranty shall be substantially in the form provided in Exhibit 15, together with appropriate evidence of authorization, execution, delivery and validity of such guarantee.

SECTION 11

INSURANCE

DB Contractor shall purchase and continuously maintain in full force and effect the insurance coverages specified in this Section 11 and Exhibit 12 (Insurance Policy Requirements). Coverage shall be maintained from and after the Effective Date through the expiration of the Warranty Period, or such longer or shorter time as may be specifically provided in this Section 11 or Exhibit 12.

11.1. General Insurance Provisions

11.1.1. Commencement of Work

DB Contractor and its Subcontractors shall not commence Work under this Contract or any applicable Subcontract until DB Contractor or the applicable Subcontractor: (a) obtains the insurance coverage required under this Section 11 and Exhibit 12 for the applicable Work; (b) provides RCTC with evidence that the required insurance, as specified under Section 11.1.8, is in effect for the applicable Work; and (c) RCTC approves such insurance. RCTC has no duty to pay or perform under this Contract until such evidence of insurance, in compliance with all requirements of this Section 11, has been provided.

11.1.2. Non Limitation of Insurance Requirements

(a) The Parties acknowledge and agree that:

(i) the insurance coverage provided and limits required under this Contract are minimum requirements and are not intended to limit DB Contractor's indemnification obligations under Section 23, nor do the indemnity obligations limit the rights of the Indemnified Parties to the coverage afforded by their insured status;

(ii) requirements of specific coverage features or limits contained in this Section 11 and Exhibit 12 are not intended as a limitation on coverage, limits, or other requirements, or a waiver of any coverage normally provided by insurance;

(iii) specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type; and

(iv) all insurance coverage and limits provided by DB Contractor, or by third parties pursuant to DB Contractor's obligations under this Contract, and, in each case, available or applicable to this Contract are intended to apply to the full extent of the insurance policies, and nothing contained in this Contract limits, or shall be deemed to limit, the application of such insurance coverage.

(b) With the exception of any insurance required by a railroad, liability insurance coverage shall not be limited to the specific location designated as the Site, except that if DB Contractor arranges project-specific general liability, excess liability, or workers' compensation coverage, limitations of coverage to the Site will be permitted subject to RCTC approval and use of the broadest available site-specific endorsements. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third-party-over action" claims, including any exclusion for bodily injury to an employee of the insured or of any Subcontractor.

11.1.3. No Recourse

There shall be no recourse against RCTC or Department for payment of premiums, deductibles, or other amounts with respect to the insurance DB Contractor is required to provide under this Contract, except for deductibles payable by RCTC as specified in this Contract.

11.1.4. Changes in Insurance Requirements

RCTC shall provide Notice to DB Contractor of any changes in the requirements to insurance DB Contractor is required to provide under this Contract. Subject to Section 11.1.10(c), any additional cost from such change shall be paid by RCTC and any reduction in cost shall reduce the Contract Price pursuant to a Change Order.

11.1.5. Premiums, Deductibles and Self-Insured Retentions

(a) DB Contractor shall pay all insurance premiums required under this Section 11.

(b) DB Contractor acknowledges and agrees that for each Claim made against insurance policies provided under this Contract, with respect to all matters for which DB Contractor is responsible under this Contract, DB Contractor shall be solely responsible for all deductibles, self-insured retentions, and loss amounts in excess of the coverage limits provided.

(c) Any self-insured retentions maintained by DB Contractor over \$500,000 must be declared to and approved by RCTC; except that (i) self-insured retentions for professional liability insurance shall be governed by Section 6 of Exhibit 12, and (ii) self-insured retentions for commercial general liability insurance shall be governed by Section 1(d) of Exhibit 12.

(d) In the event RCTC determines, in its good faith discretion, that conditions exist that could result in substantial financial peril to DB Contractor, RCTC may, in its good faith discretion, require DB Contractor to post collateral to RCTC guaranteeing payment of losses and related investigations, claims administration, and defense expenses or require DB Contractor to reduce the amount of self-insured retentions under the policies.

11.1.6. Required Endorsements or Policy Provisions

All insurance policies that DB Contractor is required to provide under this Contract shall contain provisions or be endorsed to comply with the following requirements:

(a) Each of the Indemnified Parties, either through endorsement or policy provision, shall be an insured under DB Contractor's and Subcontractors' commercial general liability, automobile liability, umbrella or excess liability, pollution liability, and builder's risk insurance policies. Insured status for Indemnified Parties under any commercial general liability policy shall be as specified in Section 1(a) of Exhibit 12. Insured status for Indemnified Parties under any builder's risk insurance policies shall be as specified in Section 7 of Exhibit 12.

(b) For Claims covered by the insurance required under this Contract, said insurance coverage shall be primary insurance with respect to the insureds, additional insureds, and their respective members, directors, officers, employees, agents, and consultants. Any insurance or self-insurance beyond that required in this Contract that is maintained by an Indemnified Party, their directors, officers, employees, agents, or consultants shall be excess of such insurance required by this Contract and shall not contribute with it.

(c) The insurance shall apply separately to each insured and additional insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(d) Each insurance policy required under this Contract shall be endorsed to state that coverage shall not be canceled or non-renewed except after providing to RCTC 30 days' prior Notice (or ten days' prior Notice in the case of cancellation for non-payment of premium), and such endorsement shall not include any limitation of liability of the insurer for failure to provide such Notice.

(e) Each policy shall provide coverage on an "occurrence" basis and not a "claims made" basis (with the exception of professional liability), and no policy issued on an occurrence basis shall have any sunset clause requiring reporting within a specified period of time, except as specified for pollution liability policies in Section 4(e) of Exhibit 12.

11.1.7. Waivers

RCTC and DB Contractor waive all rights against each other, against each other's agents and employees, and their respective members, directors, officers, employees, agents, and consultants for any Third Party Claims to the extent covered by insurance obtained pursuant to this Section 11 and Exhibit 12, except such rights as they may have to the proceeds of such insurance. DB Contractor shall include similar waivers in all Subcontracts. Workers' compensation policies must be endorsed to waive the insurer's right of subrogation for the parties identified above. All other policies, except professional liability, shall waive any right of subrogation by endorsement, or by policy provision that would allow the insured to waive its right of recovery against the Indemnified Parties and their respective members, directors, officers, employees, agents and consultants "before loss."

11.1.8. Verification of Coverage

(a) DB Contractor Policies

DB Contractor shall:

(i) Prior to its commencement of the applicable Work, cause each Subcontractor to provide certificates of insurance and amendatory endorsements effecting coverage required by this Section 11 and Exhibit 12 and maintain such evidence until the fifth anniversary of the expiration of the last Warranty Period, at which time DB Contractor shall forward to RCTC all collected evidence of insurance relating to the Project, or copies thereof; and

(ii) Permit, and cause each Subcontractor to permit, RCTC to inspect any insurance policies that have not been delivered to RCTC; except that this requirement shall not apply to the corporate or practice professional liability insurance policies of design Subcontractors.

(b) Renewal Policies

DB Contractor shall promptly deliver to RCTC evidence of insurance with respect to each renewal policy, as necessary to demonstrate the maintenance of the required insurance coverages for the terms specified in this Contract. Such evidence shall be delivered to RCTC not less than 15 Business Days prior to the expiration date of any policy, or such shorter period as approved in advance by RCTC.

11.1.9. Review of Coverage

(a) RCTC may at any time to review the coverage, form, and amount of insurance required under this Section 11 and Exhibit 12, and may require DB Contractor to make changes in such insurance reasonably sufficient in coverage, form, and amount to provide adequate protection against the kind and extent of risk that exists at that time.

(b) RCTC may change the insurance coverages and limits required under this Section 11 and Exhibit 12 by Notice to DB Contractor, whereupon DB Contractor shall, within 60 days of such Notice date, procure the additional and/or modified insurance coverages. Upon such change, and except as provided in Section 11.1.10, any additional Cost from such change shall be paid by RCTC and any reduction in Cost shall reduce the Contract Price pursuant to a Change Order.

11.1.10. Commercial Unavailability of Required Coverages

(a) If, through no fault of DB Contractor, any of the coverages required in this Section 11 or Exhibit 12 (or any of the required terms of such coverages, including policy limits) become unavailable or are available only with commercially unreasonable premiums, RCTC will consider in good faith alternative insurance packages and programs that DB Contractor proposes, with the goal of reaching agreement on a package that provides coverage equivalent to that specified in this Contract.

(b) DB Contractor shall demonstrate to RCTC's satisfaction that DB Contractor used diligent efforts in the global insurance markets to place the required insurance coverages, and shall advise RCTC of the specific results of those efforts.

(c) DB Contractor shall not be entitled to any increase in the Contract Price for increased Costs resulting from the unavailability of coverage and the requirement to provide acceptable alternatives. RCTC, however, may receive a reduction in the Contract Price if it accepts alternative policies that provides less than equivalent coverage, with the amount of such reduction to be determined by extrapolation using the insurance quotes included in the Escrowed Proposal Documents (or based on other evidence of insurance premiums as of the Proposal Date if the Escrowed Proposal Documents do not provide adequate information).

11.1.11. Notice of Prosecution of Claims

Responsibility for Notice and prosecution of Claims shall be in accordance with the following provisions:

(a) To the extent permitted by applicable Governmental Rules, RCTC may submit RCTC's Claims and tenders of defense and indemnity under applicable insurance policies. Unless otherwise directed by RCTC by Notice with respect to RCTC's insurance Claims, DB Contractor shall report and process all potential claims by RCTC or DB Contractor against the insurance policies. DB Contractor agrees to report timely to the insurer(s) under such policies any and all matters that may give rise to an insurance Claim by DB Contractor or RCTC, and to promptly and diligently pursue such insurance Claims in accordance with the Claims procedures specified in such policies, whether for defense or indemnity or both. DB Contractor shall enforce all legal rights against the insurer under the applicable insurance policies and applicable Governmental Rules in order to collect thereon, including pursuing necessary litigation and enforcement of judgments.

(b) DB Contractor shall immediately provide Notice to RCTC, and thereafter keep RCTC fully informed, of any incident, Claim, or other matter of which DB Contractor becomes aware that involves or could conceivably involve an Indemnified Party as a defendant. DB Contractor shall cooperate with RCTC and shall require its liability insurers to agree in writing to work with RCTC to assure compliance with all requirements of the California Government Claims Acts, Government Code sections 910, 911, 912, 913, and 945, regarding timely response to claims.

(c) RCTC shall promptly provide Notice to DB Contractor of RCTC's incidents, potential Claims against RCTC, and matters of which RCTC is actually aware and that may give rise to an RCTC insurance claim, or to a right of defense and indemnification under Section 23.1. Delivery of any such Notice will constitute a tender of RCTC's defense of the Claim to DB Contractor and the insurer under any applicable insurance policies, subject to RCTC's rights to control its own defense to the extent provided in Section 23.2 or by applicable Governmental Rules. RCTC shall cooperate with DB Contractor as necessary for DB Contractor to fulfill its duties under this Contract, including providing DB Contractor a copy of all written materials RCTC receives asserting a claim against RCTC that is subject to defense by an insurer under an insurance policy or by DB Contractor under Section 23.1.

(d) If an insurer providing any of the insurance policies required under this Section 11 becomes the subject of bankruptcy proceedings, becomes insolvent, or is the subject of an order or directive given by any Governmental Entity, including the State, limiting the insurer's business activities, DB Contractor shall promptly secure alternative coverage that complies with the insurance requirements in this Section 11, so as to avoid any lapse in insurance coverage.

11.1.12. DB Contractor's Failure to Comply

(a) If DB Contractor or any Subcontractor fails to provide and maintain insurance as required in this Contract, then RCTC may purchase such insurance or suspend DB Contractor's right to proceed with the Work until proper evidence of insurance is provided.

(b) Any amounts paid by RCTC pursuant to Section 11.1.12(a) (plus an administrative charge equal to 10% of the cost) shall, at RCTC's sole option, be deducted from amounts payable to DB Contractor, or reimbursed by DB Contractor upon demand. Nothing in this Contract shall preclude RCTC from exercising its rights and remedies under Section 20 as a result of the failure of DB Contractor or any Subcontractor to satisfy the obligations of this Section 11 and Exhibit 12.

(c) If on account of DB Contractor's failure to comply with the provisions of this Section 11 or Exhibit 12, RCTC is adjudged to be responsible for all or any portion of a judgment, loss, or settlement (through admission or stipulation by DB Contractor or court decision) that would have been covered by insurance but for non-compliance with this Section 11 or Exhibit 12, then any loss or damage RCTC sustains by reason thereof shall be borne by DB Contractor, and DB Contractor shall immediately pay the same to RCTC, upon receipt of Notice and evidence of such loss or damage.

(d) DB Contractor acknowledges and agrees that any actual or alleged failure on the part of RCTC to inform DB Contractor of non-compliance with any requirement imposes no additional obligations on RCTC nor does it waive any rights under this Contract.

11.1.13. Subcontractor Insurance Requirements

(a) DB Contractor shall cause each Subcontractor to provide insurance that complies with the requirements for DB Contractor-provided insurance in this Section 11 and Exhibit 12 in circumstances where Subcontractor acts or omissions are not covered by DB Contractor-provided insurance.

(b) Except as otherwise specified in this Section 11 or Exhibit 12, DB Contractor has sole responsibility for determining the limits of coverage required to be obtained by Subcontractors, which determination shall be made in accordance with reasonable and prudent business practices.

(c) DB Contractor shall cause each such Subcontractor to include the Indemnified Parties as additional insureds under such Subcontractor's general liability and excess liability insurance policies.

(d) If requested by RCTC, DB Contractor shall promptly provide certificates of insurance evidencing coverage for each Subcontractor. RCTC may contact the Subcontractors directly in order to verify the above coverage. DB Contractor's determination of such insurance shall not be interpreted as relieving DB Contractor or its insurer of any liability otherwise imposed on DB Contractor or its insurers under this Contract.

11.1.14. Coverage to be Provided by DB Contractor During Warranty Period and Plant Establishment Period

During the period from Project Completion and through the expirations of the Warranty Period and Plant Establishment Period, DB Contractor shall continue to comply with insurance requirements, which shall be the same as required during the period after issuance of NTP1 and prior to issuance of NTP2, as specified in Sections 1 through 6 of Exhibit 12.

11.1.15. Disclaimer

(a) DB Contractor and each Subcontractor shall ensure that their insurance programs fit their particular needs, and it is their responsibility to arrange for and secure any insurance coverage they deem advisable, whether or not specified in this Contract, and to fulfill their defense and indemnity obligations as specified under this Contract.

(b) RCTC makes no representation or warranty that the coverage, limits of liability, or other terms specified for the insurance policies required under this Section 11 or Exhibit 12 are adequate to protect DB Contractor against its undertakings under this Contract or its liability to any third party, nor shall the existence of any such terms preclude RCTC from taking any actions as are available to it under this Contract or otherwise at law.

SECTION 12

SITE SECURITY; MAINTENANCE AND REPAIR; TITLE

12.1. Site Security

DB Contractor shall provide appropriate security for the Site, and shall take all reasonable precautions and provide protection to prevent damage, injury, vandalism, theft and loss to the Work, equipment and materials used to perform the Work, real property within the Site (including all RCTC-Provided Property, Available Properties and Additional Properties) and other property at or on the Site, whether owned, or under exercise of other real property rights, by DB Contractor, RCTC, Department or any other third party.

12.2. Obligation to Maintain and Repair

12.2.1. Maintenance and Repair Liability

(a) Subject to DB Contractor's relief from maintenance responsibilities under Section 12.2.3, DB Contractor shall:

(i) Perform Maintenance Work and Extra Maintenance Work within the RCTC-Provided Property, in accordance with and during the time periods in TP Section 21.4;

(ii) Maintain and, as applicable, rebuild, repair, or replace Work (including Design Documents, Construction Documents, materials, equipment, supplies, and maintenance equipment purchased for permanent installation in, or for use during construction of, the Project, and regardless of whether RCTC has title thereto) that is injured or damaged from NTP1 until the Revenue Service Commencement Date for Work comprising the TCS Infrastructure, and from NTP1 until Final Acceptance for all other Work;

(iii) Maintain and protect existing landscaping (including existing trees, shrubs, lawns, and other plantings), replacement plantings, and irrigation systems within the Site in accordance with and during the time periods in TP Section 20.4; and

(iv) Subject to DB Contractor's entitlement to additional compensation or extension of time for Extra Maintenance Work, maintain and, as applicable, rebuild, repair, or replace all other property (including structures, Utilities, curbs, walks, drives, trees, shrubs, lawns, and landscaping) at or on the Site or affected by DB Contractor's activities, whether owned by DB Contractor, RCTC, Department, or any other third party from the Effective Date until Final Acceptance as provided in TP Section 21.4.5, Table 21-1.

(b) DB Contractor shall provide suitable drainage of the roadway and erect temporary structures where necessary to protect the Work, and equipment and materials used to perform the Work, from damage and loss. If any element of the Work is damaged, DB Contractor shall rebuild, repair, or replace the damaged element to the condition this Contract requires for initial construction of the element.

(c) DB Contractor shall provide guards, protection and covering as necessary to protect third-party owned real property (including RCTC-Provided Property, Available Property and Additional Property) and other property within, on, or adjacent to the Site, and affected in connection with the Work but excluding the TCS Infrastructure. If any such third-party owned real or other property is damaged (whether caused by a DB-Related Entity or arising out of the Work) DB Contractor shall immediately provide Notice to the affected third party and to

RCTC and, subject to Section 12.2.1(d), rebuild, repair, or replace, as applicable, the damaged property to its condition before the damage.

(d) Where a Governmental Rule or preexisting agreement between the third-party property owner and either RCTC or DB Contractor requires a different standard for rebuilding or replacing damaged property, DB Contractor shall rebuild, repair, or replace the damaged property to such different standard. If, however, the third-party property owner elects to rebuild or repair the damaged property with its own forces, DB Contractor shall pay such party to perform that work.

(e) If DB Contractor fails to comply with the requirements of Section 12.2.1(c) through 12.2.1(d), RCTC may take action under Section 7.4.7 as if the work was a Nonconformance.

(f) If ordered by RCTC, DB Contractor shall properly store materials that have been partially paid for by RCTC. Storage by DB Contractor shall be on behalf of RCTC; RCTC shall at all times be entitled to the possession of the materials; and DB Contractor shall promptly return the materials to the Site when requested by RCTC. DB Contractor shall not dispose of any of the materials so stored except with RCTC's prior, written consent.

12.2.2. Use of Insurance Proceeds

(a) If insurance proceeds with respect to any loss or damage are paid to RCTC under any insurance policies required to be provided under this Contract, then RCTC shall arrange for such proceeds to be paid to DB Contractor as rebuild, repair or replacement work is performed by DB Contractor to the extent that RCTC has not previously paid for such rebuild, repair or replacement work.

(b) Release of proceeds to DB Contractor under Section 12.2.2(a) is not a condition precedent to DB Contractor performing such repair, rebuild or replacement work or an indication that such rebuild, repair or replacement work has been approved and accepted by RCTC, and DB Contractor shall remain obligated to pay deductibles and self-insured retentions as specified in Section 11.

12.2.3. Relief from Maintenance Liability

(a) Effective as of the Revenue Service Commencement Date, DB Contractor shall be relieved of maintenance liability for the TCS Infrastructure and all other elements of the Project that comprise the Toll Facilities and which are then placed in full operations and service, which decision shall be subject to RCTC's good faith discretion.

(b) All remaining elements of the Work (except for Plant Establishment Work) and remaining portions of the RCTC-Provided Property shall be considered accepted for maintenance purposes, and relief from maintenance responsibility for DB Contractor shall occur, as of the Final Acceptance Date.

(c) Upon expiration of the Plant Establishment Period, DB Contractor shall be relieved of responsibility for Plant Establishment Work.

(d) Notwithstanding the foregoing, all elements of the Work and portions of the RCTC-Provided Property that will be owned by Persons other than RCTC or Department (such as Utility facilities or Local Agencies) will be considered accepted for maintenance purposes only as of the date of acceptance of maintenance responsibilities by such Persons.

12.2.4. Extension of Maintenance and Repair Obligation

RCTC may require DB Contractor to continue to maintain, rebuild, repair or replace Work accepted by RCTC by way of a Change Order or Directive Letter under Section 16.4. Any RCTC-Directed Change extending DB Contractor's obligations to maintain, rebuild, repair and replace Work shall include a requirement to provide performance security separate from the Bonds described in Section 10.1 and extensions of certain insurance coverages described in Section 11 and Exhibit 12 (Insurance Policy Requirements). Notwithstanding the RCTC-Directed Change, DB Contractor shall be entitled to release of each Performance Bond and Payment Bond in accordance with the terms of those instruments and Section 10.1, provided that (a) DB Contractor has otherwise satisfied all conditions to the release of the Payment Bond and Performance Bond but for the addition of the extended maintenance, rebuild, repair and replacement obligations directed by RCTC, and (b) DB Contractor has provided separate performance security for the extended maintenance, rebuild, repair and replacement obligations in form, amount and substance satisfactory to RCTC and such security will remain in effect after the release of the Payment Bond and Performance Bond.

12.3. Title

(a) DB Contractor warrants that it owns, or will own, and has, or will have, good and marketable title to all materials, equipment, tools and supplies provided, or to be provided, by it and its Subcontractors that become part of the Project or are purchased for RCTC for the operation, maintenance, rebuild, repair or replacement thereof, free and clear of all Liens.

(b) Title to all such materials, equipment, tools and supplies delivered to the Site shall pass to RCTC, free and clear of all Liens, upon the sooner of (i) incorporation into the Project, (ii) payment by RCTC to DB Contractor of invoiced amounts pertaining to such materials, equipment, tools and supplies; and (iii) acceptance by RCTC.

(c) Notwithstanding any such passage of title, DB Contractor shall retain sole care, custody and control of, and risk of loss with respect to, such materials, equipment, tools and supplies and shall exercise due care with respect thereto until Final Acceptance or until DB Contractor is removed from the Project.

SECTION 13

WARRANTIES AND NONCONFORMANCES DURING THE WARRANTY PERIOD

13.1. DB Contractor Warranties

13.1.1. General Warranty

DB Contractor warrants that:

- (a) All Design Work furnished under this Contract shall conform to Good Industry Practice and shall comply with the applicable requirements of this Contract;
- (b) The Project and the Work shall be free of Nonconformances;
- (c) Materials furnished by or on behalf of any DB-Related Entity under this Contract shall be of good quality and shall be new when installed;
- (d) Equipment furnished by or on behalf of any DB-Related Entity shall be of modern design and in good working condition;
- (e) The Work shall be free of Deviations that do not constitute RCTC approved Deviations;
- (f) The Work shall meet all of the requirements and warranties of this Contract; and
- (g) The Construction Work shall be fit for use for the purposes and requirements set out in this Contract.

13.1.2. Warranty Period

- (a) Subject to Sections 13.1.2(b) and 13.1.2(c), the original Warranty Period during which each element of the Project shall meet the General Warranty is as follows:
 - (i) For each element of the Project, except elements that will be owned by Persons other than RCTC and/or Department (e.g., Utility Owners and Local Agencies), the Warranty Period commences upon Project Completion and ends two years after the Project Completion Date; and
 - (ii) For each element of the Project that will be owned by Persons other than RCTC and/or Department (e.g., Utility Owners and Local Agencies), the Warranty Period commences upon acceptance of the element by the Person that will own such element and ends two years after such acceptance, or, in the case of Relocations, for such longer term required by the applicable Utility Agreement(s).
- (b) For each element of the Project subject to Warranty Work, the Warranty Period for that element shall extend beyond the original Warranty Period, if necessary, to provide at least a two-year Warranty Period after acceptance of the Warranty Work; except that no Warranty Period shall exceed three years after the Project Completion Date.
- (c) If this Contract is terminated for any reason prior to Substantial Completion, then a two-year Warranty Period shall apply to the elements of the Project completed or provided in accordance with the requirements of this Contract on or prior to such termination.

For such elements, the Warranty Period shall commence upon the Termination Date and end two years after the Termination Date.

(d) At the completion of the Warranty Period, DB Contractor shall assign and transfer to RCTC all unexpired warranties on equipment, materials or otherwise relating to the Work.

13.1.3. Nonconformances during the Warranty Period; Warranty Work

(a) If RCTC determines within the applicable Warranty Period that any of the Work does not meet the General Warranty, then, subject to Section 7.4.8, DB Contractor shall perform the Warranty Work necessary to remedy such Work as specified in Section 13.1.3(b), even if performance of such Warranty Work extends beyond the applicable Warranty Period.

(b) To the extent applicable, the provisions in Sections 7.4.6 through 7.4.8 regarding notice and remedy of Nonconformances prior to Project Completion, shall apply to Warranty Work, except that if DB Contractor fails to remedy Nonconformances in accordance with Section 7.4.7, RCTC may, without limiting its rights under Section 14.3.2, make a claim under any Bond, or draw on any certificate of deposit, letter of credit, or other security provided by DB Contractor pursuant to this Contract to satisfy such amounts.

(c) RCTC and DB Contractor shall conduct a walkthrough of the Site prior to expiration of the applicable Warranty Period and produce a punch list of Nonconformances that require Warranty Work.

13.2. Subcontractor Warranties

13.2.1. Warranty Requirements

(a) Without in any way derogating the General Warranty and DB Contractor's own representations and warranties and other obligations with respect to the Work, DB Contractor shall obtain from all Subcontractors for periods at least coterminous with the Warranty Period and cause to be extended to RCTC and Department, appropriate representations, warranties, guarantees and obligations with respect to design, materials, workmanship, equipment, tools and supplies provided by such Subcontractors to comply with this Section 13.

(b) Subject to Section 13.2.1(c), DB Contractor shall cause Subcontractor warranties to be extended and enforceable by:

(i) RCTC and Department and any other parties for whom Work is being performed or equipment, tools, supplies or software is being supplied by such Subcontractor; and

(ii) Local Agencies and Utility Owners, with respect to those portions of the Work owned or controlled by each such Person, respectively provided such enforcement shall not exceed, RCTC and Department's applicable rights under this Section 13.2.1(b).

(c) Section 13.2.1(b) shall not apply to standard, pre-specified manufacturer warranties of mass-marketed materials, products (including software products), equipment or supplies where the warranty cannot be extended to RCTC using commercially

reasonable efforts. RCTC agrees to forebear from exercising remedies under any such warranty so long as DB Contractor is diligently pursuing remedies thereunder.

(d) All representations, warranties, guarantees and obligations of Subcontractors (i) shall be written so as to survive all RCTC and Department inspections, tests and approvals under this Contract, and (ii) shall run directly to and be enforceable by DB Contractor, Department and/or RCTC and their respective successors and assigns.

(e) DB Contractor assigns to RCTC and Department all of DB Contractor's rights and interest in all extended warranties DB Contractor receives from any of its Subcontractors for periods exceeding the applicable Warranty Period. To the extent that any Subcontractor warranty would be voided by reason of DB Contractor's negligence or failure to comply with this Contract in incorporating material or equipment into the Work, DB Contractor shall remedy such Nonconformance to preserve such Subcontractor warranty.

(f) Except with respect to extended warranties under Section 13.2.1(e) after expiration of the Warranty Period, if RCTC or Department provides Notice of a failure of any of the Work to satisfy any Subcontractor warranty, representation, guarantee, or obligation, DB Contractor shall enforce or perform any such representation, warranty, guaranty, or obligation for the duration of the applicable warranty (including correcting any Nonconformances).

13.3. No Limitation of Liability

(a) The General Warranty and Subcontractor warranties are in addition to all rights and remedies available under this Contract or applicable law or in equity, and, subject to the limitation on punitive, indirect, incidental, or consequential damages in Section 22.2.1, shall not relieve DB Contractor of any liability or responsibility imposed by this Contract or applicable law with respect to the Work, including liability for design defects, latent construction defects, strict liability, breach, negligence, willful misconduct or fraud.

(b) The fact that RCTC may not have discovered any Nonconformance prior to Final Acceptance shall not constitute an acceptance of such Nonconformances.

13.4. Damages for Breach of Warranty and Other Rights at Law / Equity

Subject to Section 22, RCTC and Department may pursue any remedies available at law or in equity against DB Contractor and the DB-Related Entities for (a) Nonconformances, including design defects and latent construction defects; and (b) breach of an express or implied warranty, Subcontractor warranty or the General Warranty, including the cost of performance of such obligations by others.

SECTION 14

PAYMENT FOR SERVICES

14.1. Contract Price

14.1.1. Fixed Price

Except as set out in Section 14.1.2, and as otherwise expressly provided in Section 16:

(a) The complete compensation payable by RCTC to DB Contractor under this Contract is the Contract Price; and

(b) The Contract Price shall not be modified.

14.1.2. NTP1 Work; Delay in Issuance of NTP2

(a) Subject to Section 19, DB Contractor acknowledges and agrees that the amount of funds available to pay for Work performed prior to issuance of NTP2 is limited to:

(i) \$1,400,000 for performance of NTP1 Submittals, to be paid in accordance with the NTP1 Payment Schedule; plus

(ii) \$3,500,000 for performance of NTP Design and Geotechnical Work, to be paid in accordance with the NTP1 Payment Schedule; plus

(iii) \$4,700,000 for mobilization (including NTP1 Mobilization Work) to be paid in accordance with Section 14.3.5(a)(i); plus

(iv) Premiums for bonds and insurance associated with NTP1 Work to be paid accordance with Section 14.3.6.

(b) RCTC has no obligation to make any payments to DB Contractor in excess of the amounts specified under Section 14.1.2(a), until such time (if any) as NTP2 is issued.

(c) If NTP1 has not been issued by 210 days after the Proposal Date and such delay is not caused in whole or in part by any act or omission of any DB-Related Entity or any DB Contractor Fault, then the Contract Price (less any amounts previously earned or paid) shall be adjusted based on the change in the three-year rolling average of the monthly ENR Los Angeles Construction Cost Index (CCI), by adding or subtracting the product of the following from the Contract Price:

$$D = (\text{Contract Price (less any amounts previously earned or paid)}) \\ * ([A-B]/B)$$

where:

“D” is the adjustment amount;

“A” is the average of the ENR Los Angeles CCI published during the 36-month period preceding the date of issuance of NTP1 (i.e., the amount determined by taking the average of the index most recently published as of the date of the NTP1, the index most

recently published as of the date one month prior to that date, etc.);
and

“B” is the average of the ENR Los Angeles CCI published during the 36-month period preceding the date that is NTP1 plus 210 days.

For example, if the Proposal Date was November 20, 2019, the date for commencement of escalation would be August 16, 2020. Assuming (a) the as-proposed Contract Price (less any amounts previously earned or paid) is \$100,000,000, (b) NTP1 is issued on November 1, 2020, (c) the average monthly ENR Los Angeles CCI for the 36-month period ending August 16, 2020 was 7500, and (d) the average monthly ENR Los Angeles CCI published for the 36-month period ending November 1, 2020 was 7875, then the price adjustment amount would be:

$$D = \$100,000,000 \times (([7875-7500]/7500)) = \$5,000,000$$

Accordingly, the Contract Price of \$100,000,000 would be increased to \$105,000,000 as a result of the delay in issuance of NTP1.

(d) Any Contract Price increase under this Section 14.1.2 shall be amortized proportionally over all Work at issue, and shall be evidenced by a Change Order accompanied by a revised Project Schedule and otherwise in accordance with Section 16.

14.2. Invoicing and Payment

The Contract Price shall be invoiced and paid in accordance with the following process.

14.2.1. NTP1 Work

RCTC will pay DB Contractor for NTP 1 Work no more often than once monthly after NTP 1 and only based on the following:

(a) For NTP 1 Submittals in the NTP1 Payment Schedule (Exhibit 10-A), RCTC will pay DB Contractor the amounts in the corresponding line items for Submittals in the NTP1 Payment Schedule (Exhibit 10-A) subject to complete submission to and approval by RCTC of the Submittals for which DB Contractor is requesting payment;

(b) For NTP1 Mobilization Work, RCTC will pay DB Contractor in accordance with Section 14.3.5(a)(i); and

(c) For bond and insurance premiums for NTP1 Work, RCTC will pay DB Contractor in accordance with Section 14.3.6(a)(i).

14.2.2. Draft Invoice and Progress Meeting

(a) On or before the 25th day of each month following the issuance of NTP1, DB Contractor shall deliver to RCTC a draft invoice for that month (“**Draft Invoice**”), or other RCTC-approved form, including:

(i) The portion of the Contract Price allocable to the Work actually performed by DB Contractor in accordance with this Contract during the month, and due in accordance with the most recent Monthly Progress Schedule, as of the date of the most recent Progress Meeting;

- (ii) The Monthly Progress Report described in TP Section 2.5.3;
 - (iii) An Invoice Certificate certified by DB Contractor, signed and sealed by DB Contractor's Representative, with no additions or deletions other than those approved by RCTC;
 - (iv) In the case of amounts to be paid on a unit price basis, invoices, receipts or other evidence establishing the number of units delivered;
 - (v) In the case of amounts invoiced for Time and Materials Work, all supporting documentation described in Section 16.10;
 - (vi) The amounts paid to Subcontractors (including Suppliers) from the payments made by RCTC to DB Contractor with respect to the prior month's invoice;
 - (vii) Affidavits of payment and unconditional waivers of Liens and claims, in the applicable forms required under Civil Code sections 8132 and 8138, executed by DB Contractor and each Subcontractor with respect to all amounts paid in the prior month's invoice;
 - (viii) In the case of invoices that cover Utility Work, documentation as required by TP Section 7.2.7.2. Such invoices shall also separately identify the total amount due for (a) Utility Betterments, and (b) any other Work for which the Utility Owner has Cost Liability;
 - (ix) Subcontractor payment releases in the form required in Civil Code sections 8132 through 8138;
 - (x) Documentation showing that materials being invoiced meet or exceed the applicable requirements of the Quality Management Plan (e.g., sampling/testing frequency, Buy America Certification, etc.);
 - (xi) Any other Submittals that this Contract require to be included with invoice packages;
 - (xii) Any amounts otherwise payable in accordance with this Contract;
 - (xiii) All materials, reports, schedules, certifications and other submittals identified in TP Sections 2.5.3 and 4.3.3; and
 - (xiv) Any supporting documentation reasonably requested by RCTC to enable RCTC to fully and accurately determine (without needing to refer to any other documentation or information) the amounts payable by RCTC to DB Contractor.
- (b) Each Progress Meeting shall be attended by DB Contractor and RCTC and/or its consultants and may also be attended by Department.
- (c) At each Progress Meeting, DB Contractor's and RCTC's Representatives shall:
- (i) Ascertain the progress of the Work;

(ii) Review the Draft Invoice reflecting the value of Work completed as of the date of the Progress Meeting based on:

- (1) Completed and approved Submittals for NTP1 Work;
- (2) Quantities and unit prices for unit priced Work;
- (3) Time and materials for Time and Materials Work; and
- (4) For all other Work, based on the percentage completion of Project Schedule activities and the values distributed to such activities; and

(iii) Sign the Draft Invoice, indicating the portions of it that have been approved and the proposed total payment amount, which shall be the approved value of the Work then completed, based on the factors in Section 14.2.2(c)(ii), less Retainage and progress payments previously made.

(d) If DB Contractor fails to submit the Monthly Progress Report by the time required under Section 14.2.2(a), RCTC may, in addition to any other withholdings, withhold up to 5% from each progress payment until RCTC receives the Monthly Progress Report.

14.2.3. Delivery of Invoice

(a) Within seven days after each Progress Meeting, DB Contractor shall submit to RCTC five copies of an updated Invoice. Each Invoice shall be based upon the Draft Invoice signed under Section 14.2.2(c)(iii) and may not include any amounts not approved by RCTC in the Progress Meeting reviewing the Draft Invoice, except for modifications as appropriate to account for unit priced, and for Time and Materials Work completed during the remainder of the Month.

(b) DB Contractor acknowledges that RCTC will obtain funding for portions of the Work from various sources, and agrees to segregate billings for all such Work in a format reasonably requested by RCTC and with detail and information as reasonably requested by RCTC.

(c) Within ten Business Days after RCTC's receipt of the Invoice, RCTC:

(i) Will review the Invoice for consistency with the Draft Invoice signed under Section 14.2.2(c)(iii) and compliance with this Contract;

(ii) Shall Notify DB Contractor of the amount approved for payment and specify the reason for disapproval of any remaining amounts in the Invoice; and

(iii) DB Contractor may include any disapproved amounts under Section 14.2.3(c)(iii) in the next month's Draft Invoice and Invoice (as applicable) after correction of the deficiencies noted by RCTC (all such disapproved amounts shall be deemed in dispute unless otherwise agreed).

14.2.4. Payment by RCTC

(a) Within 30 days after RCTC's receipt of a complete Invoice or Application for Final Payment in accordance with Section 14.4, RCTC shall pay DB Contractor the amount of the invoice or Application for Final Payment approved for payment less any

applicable Retainage and less any amounts that RCTC is otherwise entitled to withhold or deduct under this Contract.

(b) For Work authorized by NTP1, RCTC has no obligation to pay DB Contractor any amount that would result in: (i) payment for any activity or Submittal prior to its completion and approval by RCTC, as provided in Section 14.2.1; or (ii) aggregate payments for Work authorized by NTP1 that exceed the maximum limit specified in Section 14.1.2(a).

(c) For Work authorized by NTP2, RCTC has no obligation to pay DB Contractor any amount that:

(i) Results in payment for any activity in excess of the value of the activity times the completion percentage of such activity (for non-unit priced Work);

(ii) Was not approved by RCTC under Section 14.2.3(c); or

(iii) Results in aggregate payments under this Contract in excess of the overall completion percentage for the Project multiplied by the Contract Price (for non-unit priced Work), plus amounts allowed by Change Orders.

14.3. Deductions, Exclusions and Limitations on Payment

14.3.1. Retainage

(a) RCTC shall withhold funds ("**Retainage**") from each payment to be made to DB Contractor under Section 14.2.4 until DB Contractor achieves Substantial Completion, and thereafter shall cease withholding Retainage from future payments other than payment for Plant Establishment Work. The Retainage shall be an amount equal to 5% of the payment amount.

(b) Except as otherwise provided in Section 14.3.1(c), no portion of the Retainage shall be released until the following conditions have been met:

(i) All Liquidated Damages, Lane Closure Charges and Flagging Charges have been paid to RCTC in accordance with this Contract;

(ii) DB Contractor has established to RCTC's satisfaction that Liquidated Damages, Lane Closure Charges and Flagging Charges are not anticipated to be owing to RCTC;

(iii) DB Contractor has provided Notice requesting release or Retainage;

(iv) No Event of Default has occurred or remains uncured, and no event has occurred that, with the passage of time or the giving of notice, would constitute an Event of Default; and

(v) Release or Retainage has been approved in writing by each Surety.

(c) RCTC shall release Retainage withheld for Work completed by any Subcontractor, once per fiscal quarter upon receipt of a quarterly application from DB Contractor (i) stating the Subcontractor has satisfactorily completed all Work required to be performed under

its Subcontract, (ii) stating the amount withheld by DB Contractor under the Subcontract, and (iii) providing all backup information and stop payment notice and Lien releases as may be required by RCTC.

(d) Within seven days after receipt of payment of Retainage from RCTC to DB Contractor for completed subcontracted Work, DB Contractor shall pay to the applicable Subcontractor (i.e., the Subcontractor that completed the subcontracted Work) all moneys withheld as retention from the Subcontractor, even if Work to be performed by DB Contractor or other Subcontractors is not completed and has not been accepted. DB Contractor must show good cause and obtain RCTC's prior written consent for any delay or postponement in payment of retainage over 30 days.

(e) Subject to Section 14.3.1(f), RCTC shall release:

(i) 50% of the Retainage less the total amount of prior releases (bringing the total withholding to 50% of the value of the total Retainage) 30 days after Substantial Completion;

(ii) An additional portion of Retainage 30 days after Project Completion to bring the total withholding to 25% of the value of the total Retainage; and

(iii) All remaining Retainage on the date that Final Payment is due under the Contract other than payment for Plant Establishment Work and 150% of estimated amounts to pay:

(f) The amounts to be released under Section 14.3.1(e) shall be reduced by 150% of the sum of (i) any amounts which RCTC is required to retain under Public Contract Code section 9203, (ii) amounts applied to the payment of Losses incurred by RCTC for which DB Contractor is responsible, (iii) amounts that RCTC deems advisable, in its good faith discretion, to retain to cover any existing or threatened claims, Liens and stop payment notices from Subcontractors, Suppliers, laborers, Utility Owners, BNSF or other third parties relating to the Project, (iv) the estimated cost, as determined by RCTC, in its good faith discretion, of remedying any Nonconformances or otherwise remedying any breach of contract or Event of Default by DB Contractor, (v) amounts RCTC is required to retain under applicable federal law, including 26 U.S.C. § 3402, and (vi) any Liquidated Damages, Lane Closure Charges or Flagging Charges.

(g) Final payment of Retainage not applied as a result of Section 14.3.1(f) shall be made upon DB Contractor's showing, to RCTC's satisfaction, that all such matters have been resolved, and DB Contractor shall deliver to RCTC a certificate representing that there are no outstanding Claims of DB Contractor or any Claims, Liens or stop payment notices of any Subcontractor, Supplier, laborer, Utility Owner or other third party with respect to the Work.

(h) RCTC shall release payment for Plant Establishment Work in accordance with Section 14.3.8.

(i) DB Contractor may substitute securities or a letter of credit for the Retainage pursuant to the procedures contained in Public Contract Code section 22300. No such substitution shall be accepted until: (i) RCTC approves such securities or letter of credit as qualifying substitutes; (ii) the value of such securities has been established to RCTC's satisfaction; (iii) the Parties have entered into an escrow agreement (if the securities are to be held in escrow) in form substantially similar to that contained in Public Contract Code section 22300; (iv) and all documentation necessary for assignment of the securities to RCTC or

to the escrow agent, as appropriate, has been delivered in form and substance satisfactory to RCTC. If DB Contractor has substituted securities for any of the Retainage, then RCTC may request that such securities be revalued from time to time, but not more often than monthly. Such revaluation would be made by the Person designated by RCTC and approved by DB Contractor. If such revaluation results in a determination that such securities have a market value less than the amount of Retainage for which they were substituted, then, notwithstanding anything to the contrary contained in this Contract, the amount of the Retainage required under this Contract shall be increased by such difference in market value. Such increased Retainage shall be withheld from the next progress payment due to DB Contractor under this Contract.

14.3.2. Withholding of Payment

Notwithstanding any other provision of this Contract and in addition to the deductions provided for under Section 14.3.1, RCTC may deduct from any payment owing under this Contract:

(a) Any debt, charge, payment, reimbursement or other moneys due from DB Contractor to RCTC, whether under this Contract, under applicable Governmental Rules or in equity, including Liquidated Damages, Lane Closure Charges or Flagging Charges, that have accrued as of the date of the Invoice or Application for Final Payment, or that are anticipated to accrue based on the Completion Deadlines shown in the Project Schedule;

(b) Any Claim that RCTC or others as specified below may have against DB Contractor including;

(i) Failure of DB Contractor to make payments of undisputed amounts to a Subcontractor when such payments are due under the Subcontract, which failure is not cured by DB Contractor; and

(ii) Third Party Claims for which DB Contractor is responsible under this Contract;

(c) If a notice to stop payment is filed with RCTC, due to DB Contractor's failure to pay for labor or materials used in the Work, money due for such labor or materials, plus the 25% prescribed by law, will be withheld from payment to DB Contractor. In accordance with Civil Code section 9364, RCTC may accept a bond by a corporate surety in lieu of withholding payment;

(d) Any sums expended by or owing to RCTC as a result of DB Contractor's failure to maintain the As-Built Documents;

(e) Any sums expended by RCTC in performing any of DB Contractor's obligations under this Contract that DB Contractor has failed to perform or that RCTC may elect to undertake itself plus an administrative charge equal to 10% of such costs;

(f) Any sums for a Change Order that decreases, omits, deletes or removes Work;

(g) Any sums for Nonconformances that are not timely remedied by DB Contractor pursuant to the terms of this Contract; and

(h) All legally required sums for, but not limited to stop notices, labor and tax Liens, including any fines or penalties RCTC or Department incurs because of the failure or

alleged failure by any DB-Related Entity to comply with the Governmental Approvals or Governmental Rules (including any Environmental Laws).

The failure by RCTC to deduct any of these sums from any payment shall not constitute a waiver of RCTC's rights (i) to such sums or (ii) with respect to any breach or default related thereto. When the reasons for deducting, offsetting or withholding payment are removed, RCTC shall pay DB Contractor for amounts previously deducted as part of the next monthly payment.

14.3.3. Interest

(a) Any amounts that DB Contractor owes to RCTC under this Contract shall earn interest from the date such amounts are due to RCTC at the lesser rate of (i) 10% per annum, and (ii) the maximum rate allowable under applicable Governmental Rules.

(b) Except with respect to Claims under Section 24, if payment of any undisputed amount from RCTC to DB Contractor is made after the 30th day following the proper submission of an undisputed and properly complete Invoice, then the payment shall include interest on the amount owing, at the rate in Code of Civil Procedure section 685.010(a), from the 30th day after the payment was due until the date of payment.

(c) Interest shall not accrue on Retainage or monies withheld pursuant to stop notices or the final payment.

14.3.4. Unincorporated Materials

RCTC will not pay for materials not yet incorporated in the Work unless the following conditions are met:

(a) Material shall be delivered to the Site, or delivered to DB Contractor and promptly stored by DB Contractor in bonded storage at a location approved by RCTC, in its reasonable discretion. DB Contractor shall submit certified bills for such materials with the Invoice, as a condition to payment for such materials. RCTC shall allow and pay only such portion of the amount represented by these bills as in its opinion is consistent with the reasonable cost of such materials. If such materials are stored at any site not approved by RCTC, DB Contractor shall accept responsibility for and pay all personal and property taxes that may be levied against RCTC by any state or subdivision thereof on account of such storage of such material. RCTC will permit DB Contractor, in good faith, to contest the validity of any such tax levied against RCTC in appropriate proceedings and in the event of any judgment or decree of a court, DB Contractor agrees to pay same together with any penalty or other costs, relating thereto.

(b) DB Contractor shall promptly execute, acknowledge and deliver to RCTC proper bills of sale or other instruments in writing in a form acceptable to RCTC conveying and assuring to RCTC title to such material included in any Invoice, free and clear of all Liens, as and when title passes under Section 12.3 for any materials delivered to Site. DB Contractor shall conspicuously mark such material as the property of RCTC, shall not permit such materials to become commingled with non-RCTC-owned property and shall take such other steps, if any, as RCTC may require or regard as necessary to vest title to such material in RCTC free and clear of Liens.

(c) Material included in an Invoice but which is subsequently lost, damaged or unsatisfactory shall be deducted from succeeding Invoices.

(d) Payment for material provided and delivered as indicated in this Section 14.3.4 will not exceed the amount paid by DB Contractor as evidenced by a bill of sale supported by the paid Invoice. RCTC shall withhold Retainage from such payment as specified in Section 14.3.1.

14.3.5. Payment for Mobilization

(a) RCTC shall pay DB Contractor for mobilization an amount equal to the amount set out in Exhibit 2 (Contract Particulars), not to exceed \$14.8 million. This amount shall be fixed and paid in installments as follows:

(i) The first \$4.7 million for NTP1 Mobilization Work shall be paid in three consecutive monthly installments of equal amounts, commencing with RCTC's first payment to DB Contractor after issuance of NTP1;

(ii) The second payment shall be made after issuance of NTP2 in an amount not to exceed \$3 million, payable when 5% of the Contract Price is earned on items other than mobilization;

(iii) The third payment shall be made after issuance of NTP2 in an amount not to exceed \$2.5 million, payable when 7.5% of the Contract Price is earned on items other than mobilization; and

(iv) The fourth payment shall be made after issuance of NTP2 in an amount not to exceed \$1.1 million, payable when 10% of the Contract Price is earned on items other than mobilization.

14.3.6. Payment for Bond and Insurance Premiums

(a) RCTC shall reimburse DB Contractor for bond and insurance premiums set forth in the Proposal. Any additional bond and insurance premiums with respect to Work performed under a Change Order (whether it is a reduction or increase) will be paid on the basis of the amount actually paid, without markup and not to exceed the amount set out in Exhibit 2 (Contract Particulars). DB Contractor shall invoice such pass-through amounts as follows:

(i) For the portion of the Contract Price allocated to bond and insurance premiums for NTP1 Work, no earlier than the first Invoice following NTP1;

(ii) For the portion of the Contract Price allocated to bond and insurance premiums for NTP2 Work, no earlier than the first Invoice following NTP2; and

(iii) Except for any Work performed with respect to a Change Order, any excess portion of the insurance premiums actually paid, without markup shall be payable following Substantial Completion provided such amounts do not exceed the amount set out in Exhibit 2 (Contract Particulars).

14.3.7. Payment for As-Built Documents

DB Contractor shall not be entitled to payment for the last \$824,200 until As-Built Documents have been delivered to RCTC and approved by RCTC.

14.3.8. Payment for Plant Establishment Work

RCTC shall retain from payment to DB Contractor an amount equal to \$200,000 until the end of the Plant Establishment Period and RCTC's receipt of a certification from DB Contractor representing that there are no outstanding Claims of DB Contractor or any claims, Liens or stop payment notices of any Subcontractor, Supplier, laborer or third party with respect to the Plant Establishment Work.

14.3.9. Payment for Equipment

RCTC shall not pay for direct costs of equipment. Costs of equipment, whether new, used, or rented, and to the extent not included in the mobilization payments under Section 14.3.5, shall be allocated to and paid for as part of the activities with which the equipment is associated, in a manner which is consistent with the requirements of Section 16.10.3.

14.3.10. DB Contractor Payment for Department furnished materials

DB Contractor shall pay RCTC for all Department furnished materials in accordance with Section 6-1.02 of the Modified Standard Specifications.

14.4. Final Payment

14.4.1. Final Payment for all Work, other than Plant Establishment Work, shall not become due to DB Contractor under this Contract until DB Contractor submits to RCTC the Application for Final Payment showing the proposed total amount due to DB Contractor, including Retainage. The Application for Final Payment shall include:

- (a) All requirements for Invoices under Section 14.2.2;
- (b) A list of all outstanding or pending DB Contractor Change Requests and all existing or threatened claims, Liens and stop payment notices by Subcontractors, Utility Owners, BNSF, or other third parties relating to the Project, including any notices filed or to be filed with the Affidavit of Final Acceptance, stating the amount at issue associated with each such notice;
- (c) Complete and legally effective releases or waivers of Liens and stop payment notices, in the applicable forms required under Civil Code sections 8132 through 8138, from all Persons legally eligible to file Liens and stop payment notices in connection with the Work; except that, as applicable, DB Contractor may provide release bonds, or other security acceptable to RCTC, in amounts equal to 125% of amounts claimed in any stop payment notices filed in connection with the Project;
- (d) Consent of any Guarantors and Surety(ies) to the Final Payment;
- (e) An executed release from DB Contractor for any Claims that arise in connection with the Work that survives the Final Payment, including an express and unconditional waiver and release sufficient to waive any rights and benefits DB Contractor may have pursuant to section 1542 of the Civil Code, which shall release and waive any Claims against the Indemnified Parties, excluding only those matters identified in any Change Notices listed as outstanding in the Application for Final Payment and any Claims for unpaid amounts owing under this Contract relating to Plant Establishment Work and Warranty Work. The release shall be accompanied by an affidavit from DB Contractor certifying that:
 - (i) All Work has been performed in accordance with this Contract;

(ii) It has resolved any Claims made by Subcontractors, Utility Owners, BNSF and others against DB Contractor or the Project;

(iii) It has no reason to believe that any Person has a valid Claim against DB Contractor or the Project which DB Contractor has not provided Notice of to RCTC as of the date of the certificate; and

(iv) All guarantees, the General Warranty and Subcontractor warranties are in full force and effect.

(f) Bills of sale or other instruments of title transfer or assignment with respect to Intellectual Property (excluding Proprietary Intellectual Property), as requested by RCTC, free and clear of liens, claims and encumbrances;

(g) Affidavits of prevailing wages paid, signed and submitted by DB Contractor and each Subcontractor required to submit such an affidavit under Labor Code section 1775(b)(4) in the form required under Governmental Rules or Project Standards;

(h) Assignment to RCTC of all right, title and interest in and to all claims and causes of action it might have under section 4 of the Clayton Act (15 U.S.C. § 15) or under the Cartwright Act (Chapter 2 (commencing with section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, equipment, hardware, software or materials in accordance with this Contract or any Subcontract; and

(i) Such other supporting documentation to enable RCTC to fully and accurately determine (without needing to refer to any other documentation or information) the amounts payable by RCTC to DB Contractor, including any information reasonably requested by RCTC.

14.4.2. DB Contractor Change Requests filed concurrently with the Application for Final Payment must otherwise be timely and meet all requirements under Section 16 and are subject to Section 15.

14.4.3. If the Application for Final Payment lists any existing or threatened Claims, Liens and stop payment notices of Subcontractors, Suppliers, laborers, Utility Owners, BNSF or other third parties against DB Contractor, RCTC or the Project, or if any is thereafter filed, RCTC may withhold from payment such amount as RCTC deems advisable to cover any amounts owing or which may become owing to RCTC by DB Contractor, including costs to complete or remediate uncompleted Work or Nonconformances, and 125% of the amount of any existing or threatened Claims, Liens and stop payment notices of Subcontractors, Suppliers, laborers, Utility Owners, BNSF and other third parties against DB Contractor, RCTC or the Project.

14.4.4. RCTC will review DB Contractor's proposed Application for Final Payment as if it were an Invoice under Section 14.2.3 except that any changes or corrections, including deductions described in Section 14.3.2 or 14.4.3, will be forwarded to DB Contractor for correction within 20 Business Days. Any changes or corrections made pursuant to this Section 14.4.4 will be reflected in an updated monthly payment schedule showing the net amount owed to DB Contractor by month.

14.4.5. DB Contractor's acceptance of Final Payment for the Work shall constitute a waiver of all Claims by DB Contractor, known or unknown, suspected or unsuspected, except those previously made in writing and identified as unsettled at the time of submission of the Application for Final Payment for the Work and Claims which DB Contractor may be entitled to

assert against RCTC with respect to indemnities under this Contract or with respect to RCTC's breach of obligations under this Contract to be performed after Final Payment.

14.5. Payment for Subsequent Claims

Except as set out in Section 14.4.5, if, after Final Payment is made, it is determined through the informal or formal Claims or dispute resolution processes in this Contract, that either Party is entitled to payment from the other Party with respect to Claims that (a) were identified as being unsettled in the release and waivers of Claims required in Section 14.4.1(b), (b) DB Contractor may be entitled to assert against RCTC with respect to indemnities under this Contract or with respect to RCTC's breach of obligations under this Contract that may occur after the Final Payment, or (c) RCTC may be entitled to assert against DB Contractor with respect to DB Contractor's continuing obligations under this Contract, such Party shall pay the amounts determined to be owing to the other Party within ten Business Days after such determination.

14.6. Payments Not Acceptance of Work

14.6.1. Any payment of moneys under Section 14.2.4 is not (a) evidence of the value of Work, (b) evidence that the Work has been satisfactorily carried out in accordance with this Contract, (c) an admission of liability by RCTC, (d) an approval by RCTC of DB Contractor's performance or compliance with this Contract, (e) an acknowledgement that RCTC has inspected or accepted the Work or (f) a waiver of any Claim or right that RCTC may then or thereafter have, including among others, warranty and indemnity rights.

14.6.2. All payments made by RCTC shall be subject to correction or adjustment in subsequent progress reviews and payments.

14.7. Payment to Subcontractors

14.7.1. Upon receipt of payment from RCTC, DB Contractor shall pay each Subcontractor within seven days of receipt of payment from RCTC, out of the amount paid to DB Contractor on account of such Subcontractor's portion of the Work, the amount to which such Subcontractor is entitled, less any retainage provided for in the Subcontract.

14.7.2. Any breach of the prompt payment requirements in Section 14.7.1 shall subject DB Contractor to the penalties, sanctions and other remedies specified in Business and Professions Code section 7108.5, and may result in the application of appropriate administrative sanctions, including RCTC's right to withhold two percent of the Invoice amount due to DB Contractor as a penalty for every month that full payment is not made to a Subcontractor. This requirement shall not be construed to limit or impair any contractual, administrative, judicial or equitable remedies otherwise available to DB Contractor or any Subcontractor against each other in the event of a dispute involving late payment or nonpayment by DB Contractor or deficient Subcontract performance or noncompliance by a Subcontractor.

14.7.3. RCTC has no obligation to pay or to see to the payment of money to a Subcontractor, except as may otherwise be required by applicable Governmental Rules. Within five Business Days after submission of any Notice of Claim (including any Relevant Event Notice) or other similar notification under this Contract, in each case, that is based in whole or in part on a request by a Subcontractor for a price increase or time extension under its Subcontract, DB Contractor shall review and analyze the claim, determine in good faith and certify that it is justified under the Subcontract and that DB Contractor is justified in making its request for an increase in compensation and/or time extension. Each such Notice of Claim (or similar notification) involving

Subcontractor work shall include a summary of DB Contractor's analysis of the claim. Any Notice of Claim (or similar notification) under this Section 14.7.3 shall be considered incomplete if it involves Subcontractor work and is not accompanied by such analysis and certification.

14.8. Payment of "Claims" under Public Contract Code section 9204

The Parties acknowledge that Public Contract Code section 9204 requires RCTC to make payments to DB Contractor with respect to any portion of a "claim" as that term is defined in Public Contract Code section 9204, which RCTC identifies as undisputed. If any such payments are made, future Invoices shall account for such payments in a manner acceptable to RCTC. A copy of Public Contract Code section 9204 is attached as Exhibit 23.

14.9. Disputes

Failure by RCTC to pay any amount in dispute shall not alleviate, diminish or modify in any respect DB Contractor's obligation to perform the Work in accordance with this Contract, and DB Contractor shall not cease or slow down its performance under this Contract on account of any such amount in dispute. Any Dispute regarding payment shall be resolved in accordance with Section 24. DB Contractor shall proceed as directed by RCTC pending resolution of the Dispute. Upon resolution of any such Dispute, each Party shall promptly pay to the other any amount owing.

SECTION 15

GENERAL PROVISIONS APPLYING TO CHANGES IN THE WORK

15.1. Mitigation

15.1.1. If an event occurs for which DB Contractor considers it is entitled to claim an extension of time, compensation, relief from performance of its obligations under this Contract or other relief under this Contract (a "**Relevant Event**"), DB Contractor shall, and shall require DB-Related Entities to use and continue to use commercially reasonable efforts to:

(a) Eliminate or mitigate the Losses, schedule impacts, and other adverse consequences of the Relevant Event on performance of the Work by re-sequencing, reallocating, and/or redeploying forces to other Work, as appropriate;

(b) Except as expressly provided in this Contract, continue to perform and remain liable and responsible for its obligations under this Contract notwithstanding the Relevant Event; and

(c) Resume performance of Work affected by the Relevant Event as soon as practicable and in all events promptly after the cessation or mitigation of the Relevant Event.

15.1.2. To the extent that DB Contractor does not comply with its obligations under this Section 15.1, then DB Contractor's entitlement to claim an extension of time, compensation, or relief from performance of its obligations, or other relief under this Contract with respect to the Relevant Event will be reduced or eliminated to the extent of such failure.

15.2. Deductions/Reductions for Relevant Events

15.2.1. The compensation payable, extension of time granted, or other relief provided to DB Contractor in connection with an applicable Relevant Event shall be reduced:

(a) By any amount any DB-Related Entities recovers under any insurance policy required under this Contract, or otherwise maintained by DB-Related Entities, or would have recovered if the DB-Related Entity had complied with the requirements of this Contract in respect of any insurance policy required under this Contract, which amount, for greater certainty, will not include any excess or deductibles or any amount over the maximum amount insured under any such insurance policy;

(b) Subject to Section 16.6.2(b), in the case of an extension of time, by the amount of time avoided or otherwise reduced as a result of the Relevant Event;

(c) By the amount of any Costs avoided or otherwise reduced as a result of the Relevant Event; or

(d) To the extent the Relevant Event arises out of, relates to, or was caused or contributed to by any act or omission of any DB-Related Entity or DB Contractor Fault.

15.3. Sole Entitlement

DB Contractor acknowledges and agrees that:

(a) The Contract Price constitutes full compensation for performance of the Work; and

(b) DB Contractor's sole right to claim an extension of time, additional compensation, relief from performance of its obligations, or other relief under this Contract or to otherwise make any Claim for any Losses in connection with any Change or Relevant Event is as set out in Section 15, Section 16 and Section 17.

15.4. Notifications; Delay in Notification

15.4.1. If DB Contractor submits to RCTC any Notice or any required information with respect to a Relevant Event ("**Relevant Event Notice**") after the due date under this Contract for the applicable Relevant Event, then DB Contractor shall be deemed to have expressly waived:

(a) The right to collect any Costs, in connection with the Relevant Event, that DB Contractor incurs prior to the delivery date of the Relevant Event Notice; and

(b) The right to an extension of any Completion Deadline for a Critical Path delay in connection with the Relevant Event, which accrued prior to the delivery date of the Relevant Event Notice.

15.4.2. If DB Contractor fails to provide a Relevant Event Notice within the earlier of: (a) the timeframe expressly stated within this Contract with respect to the specific Relevant Event; or (b) 20 Business Days after the earlier of (i) obtaining Actual Knowledge of a Relevant Event; or (ii) the date on which it should have, in the exercise of reasonable diligence or in the performance of its obligations under this Contract, been aware of the Relevant Event, DB Contractor shall not be entitled to any relief, and waives all relief, in connection with that Relevant Event, unless DB Contractor proves to RCTC, based on clear and convincing evidence, that:

(a) RCTC was not materially prejudiced by the lack of the Relevant Event Notice; or

(b) RCTC's Representative had Actual Knowledge of the Relevant Event prior to the due date for the Relevant Event Notice.

15.4.3. DB Contractor may be entitled to relief under this Contract for such Relevant Event, subject to application of Section 15.4.1 and the other applicable provisions of this Contract.

15.4.4. The following matters (among others) shall be considered in determining whether RCTC has been prejudiced by DB Contractor's failure to provide a timely Relevant Event Notice:

(a) The effect of the delay on alternatives available to RCTC (that is, a comparison of alternatives available at the time Notice was actually given and alternatives that would have been available if Notice were given within the applicable time frame in Section 15.4.2); and

(b) The impact of the delay on RCTC's ability to obtain and review objective information contemporaneously with the applicable Relevant Event.

15.4.5. DB Contractor's failure to provide a Relevant Event Notice within (a) 15 Business Days of the timeframe expressly stated within this Contract with respect to the specific Relevant Event; or (b) 30 Business Days after the earlier of (i) obtaining Actual Knowledge of a Relevant Event; or (ii) the date on which it should have, in the exercise of reasonable diligence or in the performance of its obligations under this Contract, been aware of the Relevant Event

shall preclude DB Contractor from any relief due to the occurrence of the Relevant Event, including the right to receive payment for any Costs, receive a Change Order or make any Claim for any Losses or Costs in connection with the Relevant Event.

15.4.6. DB CONTRACTOR HEREBY EXPRESSLY WAIVES ALL RIGHTS TO ASSERT ANY AND ALL CLAIMS BASED ON ANY CHANGE IN THE WORK, DELAY, SUSPENSION OR ACCELERATION (INCLUDING ANY CONSTRUCTIVE CHANGE IN THE WORK, DELAY, SUSPENSION OR ACCELERATION) FOR WHICH DB CONTRACTOR FAILED TO PROVIDE PROPER AND TIMELY NOTICE OR FAILED TO PROVIDE A TIMELY DB CONTRACTOR CHANGE REQUEST, AND AGREES THAT IT SHALL BE ENTITLED TO NO COMPENSATION OR DAMAGES OR TIME EXTENSION WHATSOEVER IN CONNECTION WITH THE WORK EXCEPT TO THE EXTENT THAT THE CONTRACT EXPRESSLY SPECIFIES THAT DB CONTRACTOR IS ENTITLED TO A CHANGE ORDER OR OTHER COMPENSATION, DAMAGES OR TIME EXTENSION.

SECTION 16

CHANGES IN THE WORK

16.1. Change Order and Directive Letters

Subject to Section 15, this Section 16 sets forth the requirements for obtaining Change Orders and Directive Letters.

To the extent that any other provision of this Contract expressly provides for a Change Order or Directive Letter to be issued, such provision is incorporated into and subject to Section 15 and this Section 16.

16.2. Right of RCTC to Issue Change Orders and Directive Letters

16.2.1. RCTC may, at any time and for any reason, without notice to any Surety or Guarantor, authorize and/or require a change within the general scope of this Contract pursuant to a Change Order or Directive Letter.

16.2.2. DB Contractor shall have no obligation to perform any material change outside the general scope of this Contract, except on terms mutually acceptable to RCTC and DB Contractor.

16.2.3. For the purpose of Sections 16.2.1 and 16.2.2:

(a) Any direction to perform Work shall not be considered a Change and shall be considered within the general scope of this Contract if the direction is related in whole or in part, or directly or indirectly, to the Project; or

(b) Any direction to delete or modify the Work shall be considered within the general scope unless, as a result the change, this Contract would no longer be considered a contract to design and build the Project of the nature described in the RFP.

16.3. Issuance of Directive Letter

16.3.1. RCTC may, at any time and for any reason, issue a Directive Letter to DB Contractor with respect to a change or in the event of any Dispute regarding the scope of Work.

16.3.2. Any Directive Letter shall state that it is issued under this Section 16.3 and provide a written detailed description of the change, and the proposed basis for compensation or reduction in compensation, if any.

16.3.3. Directive Letters shall be effective upon issuance by RCTC. If RCTC issues a Directive Letter, DB Contractor shall proceed immediately to implement the change in accordance with the Directive Letter, pending execution of a formal Change Order in the event of a Change. If, however, the Directive Letter states that the directed Work is within DB Contractor's original scope of Work and does not constitute a Change, DB Contractor shall proceed with the Work as directed, but may advise RCTC that it considers the directed Work to constitute a Change and request that RCTC issue a Change Order under Section 16.4.

16.3.4. In RCTC's sole discretion, a Directive Letter may also be considered a Notice by RCTC pursuant to Section 16.4.2(b)(ii), requiring DB Contractor to provide a Change

Response to RCTC, provided the DB Contractor is provided Notice in the Directive Letter to such effect by RCTC.

16.4. RCTC-Directed Change Orders

16.4.1. Change Notice

If RCTC desires to evaluate whether to initiate an RCTC-Directed Change, then RCTC may issue a Change Notice setting out the details of the proposed Change.

16.4.2. Change Notice Consultations

(a) Within seven days after delivery of RCTC's Change Notice, or such shorter period as the Parties mutually agree depending upon the complexity of the proposed Change, the Parties shall consult to define the proposed scope of the Change. Within five Business Days after the initial consultation, or such longer period as the Parties mutually agree, the Parties shall consult concerning the estimated cost and time impacts, if any, to complete the Change Work. DB Contractor shall provide data regarding such matters as requested by RCTC.

(b) Within five Business Days after the second consultation and provision of any data regarding matters RCTC requests, RCTC shall notify DB Contractor whether RCTC:

- (i) Wishes to issue a Change Order or Directive Letter;
- (ii) Wishes to request DB Contractor to provide a full Change Response;
- (iii) Wishes to request DB Contractor to prepare a modified work plan for the Change and a full Change Response based on the modified work plan; or
- (iv) No longer wishes to issue a Change Order.

16.4.3. Change Response

(a) If so requested by RCTC, within ten Business Days after receiving Notice under Section 16.4.2(b)(ii), or such longer period as the Parties mutually agree, DB Contractor shall prepare and deliver to RCTC, for RCTC's review and approval, a Change Response that includes:

- (i) A detailed written evaluation of and justification for the proposed Change, including all activities associated with the Change and the specific provision(s) of this Contract which permit a Change Order, including data and documents supporting such evaluation;
- (ii) A statement and detailed breakdown of the estimated increase or decrease (as applicable) to the Contract Price and adjustments to any applicable budget within or component of the Contract Price required as a result of the Change including all data and reports required under Section 16.17 and Section 16.18) to support such estimate;
- (iii) A breakdown for labor, materials, equipment and permitted markups for overhead and profit;

(iv) If the Work will be performed by Subcontractors and if the work is sufficiently defined to obtain Subcontractor quotes, DB Contractor shall obtain and provide quotes (with breakdowns showing cost of labor, materials, equipment, and markups for overhead and profit) on the Subcontractor's stationery, and shall include such quotes as back-up for DB Contractor's estimate. No markup shall be allowed in excess of the amounts allowed under Section 16.10;

(v) If DB Contractor believes the Change affects a Critical Path, it shall provide an impacted delay analysis indicating all activities represented or affected by the Change, with activity numbers, durations, predecessor, and successor activities, resources and cost, and with a narrative report, in form satisfactory to RCTC, which compares the proposed new schedule to the Project Schedule or details of any Acceleration Costs. RCTC may at any time require DB Contractor to provide two alternative Cost and Schedule Proposals: alternative A, which shall provide for a time extension and any additional costs permitted under this Contract; and alternative B, which shall show all Acceleration Costs associated with meeting the original Completion Deadlines. If it is not feasible to recover any original Completion Deadline or if DB Contractor believes that the costs associated with such a recovery are prohibitive, then DB Contractor shall recommend a date to be shown in the alternative B Change Response;

(vi) A certification under penalty of perjury according to the laws of the State, in form acceptable to RCTC, executed by DB Contractor and stating that (1) the amount of time and/or compensation requested is justified as to entitlement and amount, (2) the amount of time and/or compensation requested includes all known and anticipated impacts or amounts, direct, indirect and consequential, which may be incurred as a result of the proposed Change, and (3) the cost and pricing data forming the basis for the Change Order is complete, accurate and current, with specific reference to the California False Claims Act (Government Code section 12650 et seq.) and the U.S. False Claims Act (31 U.S.C. § 3729 et seq.);

(vii) A schedule for completing the Change including any estimated adjustments to the Completion Deadlines;

(viii) DB Contractor's proposed plan to mitigate the impacts of the Change and a reasonably detailed breakdown of the expected actual Costs, if any, of such mitigation; and

(ix) Any other information reasonably requested by RCTC.

(b) If it is not practicable, due to the nature and/or timing of the event giving rise to a proposed Change Order, for DB Contractor to provide a complete Change Response within the time in Section 16.4.3(a), DB Contractor shall provide an incomplete Change Response that includes all information capable of being ascertained together with a list of those Change Response requirements that are not fulfilled, and an explanation reasonably satisfactory to RCTC stating why such requirements cannot be met. DB Contractor shall bear the burden of proving that providing the Change Response within the time in Section 16.4.3(a) was not practicable.

(c) DB Contractor shall bear the cost of developing the Change Response, including any modifications requested by RCTC, except that actual and reasonable costs of design and engineering work required for preparation of plans or exhibits necessary to the Change Response, as pre-authorized by RCTC, may be included in the Change Order as reimbursable items. If the Change Order is approved, such actual and reasonable design and engineering costs will be included within the Change Order.

16.4.4. Change Order Determination

(a) Within 20 Business Days after receipt of DB Contractor's Change Response, RCTC shall provide Notice of RCTC's intent to proceed or not to proceed with the Change. If RCTC elects to proceed with the Change and accepts DB Contractor's Change Response, and any proposed adjustments to this Contract, DB Contractor shall prepare a Change Order for execution. If RCTC elects to proceed with the Change Order but does not accept the Change Response in total, RCTC shall either: (i) negotiate and agree to a Change Order with DB Contractor; (ii) issue a Time and Materials Change Order, as provided in Section 16.10 for the Change; or (iii) issue a Directive Letter for the Change.

(b) Subject to receipt of any required approvals from Department and FHWA, if RCTC issues or agrees to a Change Order with DB Contractor in accordance with Section 16.4.4(a), RCTC and DB Contractor shall execute a Change Order form with respect to the Change.

(c) Upon receipt of a Change Order under Section 16.4.4(b), DB Contractor shall implement the Change in accordance with the Change Order.

16.4.5. Notwithstanding the process in this Section 16.4, the Parties may agree to use a multiple-step process involving issuance of a Change Order which includes an estimated cost and which provides for a revised Change Order to be issued after a certain design level has been reached, to allow refinement and further definition of the estimated cost.

16.5. DB Contractor-Initiated Change Orders for Eligible Change

16.5.1. Notice Requirements and DB Contractor Change Requests

(a) DB Contractor shall give RCTC a Notice as soon as possible and within ten Business Days after DB Contractor had Actual Knowledge of or should have known of an Eligible Change.

(b) DB Contractor shall, within 20 Business Days after its Notice under Section 16.5.1(a) or such longer period of time as may be allowed in writing by RCTC, provide a DB Contractor Change Request which shall:

(i) Be labeled and numbered sequentially (for example the first DB Contractor Change Request shall be labeled "DB Contractor Change Request No. 1");

(ii) Include, all information required to be submitted by DB Contractor in a Change Response as if the Eligible Change was a Change with respect to which RCTC issued a Change Notice;

(iii) In the case of an Eligible Change that is a Delay Event for which DB Contractor seeks relief under Section 16.6, provide a time impact and delay analysis indicating all activities represented or affected by the Change, with activity numbers, durations, predecessor and successor activities, resources and cost; and include a narrative report in form satisfactory to RCTC that compares the proposed new schedule to the Project Schedule and, if RCTC issues direction under Section 16.5.1(e), provides details of any Acceleration Costs;

(iv) State the name, title, and activity of each PCM personnel and RCTC representative with Actual Knowledge of the Eligible Change;

(v) Identify any documents and the substance of any oral communication involved in the facts underlying the Eligible Change;

(vi) Provide an estimate of the time within which a response from RCTC to the DB Contractor Change Request is required to minimize cost, delay or disruption of performance; and

(vii) If the DB Contractor Change Request relates to a decision that this Contract leaves to the discretion of a Person or as to which this Contract provides that such Person's decision is final, the DB Contractor Change Request shall set out in detail all facts supporting DB Contractor's objection to the decision, including all facts supporting any contention that the decision was capricious or arbitrary or is not supported by substantial evidence.

(c) DB Contractor's Notice of an Eligible Change under Section 16.5.1(a) may also serve as a DB Contractor Change Request provided it meets the requirements for a DB Contractor Change Request under Section 16.5.1(b).

(d) Any adjustments made to the Contract shall not include increased Costs or time extensions for delay resulting from DB Contractor's failure to timely provide requested additional information under this Section 16.5.1.

(e) If DB Contractor requests a time extension as part of a DB Contractor Change Request, then RCTC may require DB Contractor to provide two alternative Requests for Change Order, one of which shall provide for a time extension and any additional Costs permitted under this Contract, and the other of which shall show all Acceleration Costs associated with meeting the original Completion Deadlines, as well as any additional Costs permitted under this Contract. If it is not feasible to recover any original Completion Deadline or if DB Contractor believes that the costs associated with such a recovery are prohibitive, then DB Contractor shall recommend a date to be shown in the alternative DB Contractor Change Request.

16.5.2. Incomplete Requests for Change Order

(a) If it is not practicable, due to the nature and/or timing of the event giving rise to an Eligible Change, for DB Contractor to provide a complete DB Contractor Change Request meeting all of the requirements of Section 16.5.1, DB Contractor shall provide an incomplete DB Contractor Change Request that includes:

(i) All information capable of being ascertained;

(ii) A list of those DB Contractor Change Request requirements which are not fulfilled, and an explanation reasonably satisfactory to RCTC stating why such requirements cannot be met;

(iii) Such information regarding projected impact of the Relevant Event on a Critical Path and Completion Deadlines as is requested by RCTC; and

(iv) Sufficient detail to ascertain the basis for the proposed Change Order and for any Contract Price increase associated therewith, to the extent such amount is then ascertainable.

(b) DB Contractor shall furnish, when requested by RCTC or its designee, such further information and details as may be required to determine the facts or contentions involved. DB Contractor shall give RCTC and its designees access to any and all of DB

Contractor's books, records, and other materials relating to the Work, and shall cause its Subcontractors to do the same, so that RCTC and its designees can investigate the basis for such proposed Change Order.

(c) Once a complete DB Contractor Change Request is provided, RCTC shall, within a period not to exceed 45 days, provide DB Contractor with a written statement identifying what portion of the DB Contractor Change Request is disputed and what portion is undisputed.

(d) RCTC may reject the DB Contractor Change Request at any point in the process for any reason. Once a complete DB Contractor Change Request is provided, RCTC's failure to respond within 45 days of delivery of the request shall be deemed a rejection of such DB Contractor Change Request. In any such case, either Party may request dispute resolution in accordance with Section 24.

16.5.3. Review of Subcontractor Claims

(a) Prior to submission by DB Contractor of any DB Contractor Change Request that is based in whole or in part on a request by a Subcontractor to DB Contractor for a price increase or time extension under its Subcontract, DB Contractor shall have: (i) reviewed and analyzed all Claims by the Subcontractor that constitute the basis for the DB Contractor Change Request; and (ii) determined in good faith that each such claim has sufficient justification under this Contract to warrant DB Contractor requesting an increase in the Contract Price and/or change in Completion Deadlines in the amounts specified in the DB Contractor Change Request. DB Contractor shall certify in its DB Contractor Change Request that it has completed such review and that the Claim has justification under this Contract.

(b) Each DB Contractor Change Request involving Subcontractor Work, and each update to an incomplete DB Contractor Change Request involving such Work, shall include a summary of DB Contractor's analysis of all Subcontractor claims components and shall include a certification signed by DB Contractor's Representative stating that DB Contractor has: (i) investigated the basis for the Subcontractor's claims and believes there is sufficient justification under this Contract as to entitlement and the amount of money and/or time requested; (ii) reviewed and verified the adequacy of all back-up documentation to be placed in escrow pursuant to Section 26.5; and (iii) no reason to believe and does not believe that the factual basis for the Subcontractor's claim is falsely represented. Any DB Contractor Change Request involving Subcontractor Work which is not accompanied by such analysis and certification shall be considered incomplete.

16.6. Change Order Entitlement for Delay Events

16.6.1. Subject to Section 15 and Section 16.6.2, and so long as DB Contractor complies with the applicable Notice requirements in this Section 16, in the case of a Delay Event that causes or will result in an identifiable and measurable disruption of the Project that impacts an activity on the Critical Path (i.e., consumes all available Float and extends the time required to achieve a Completion Milestone beyond the applicable Completion Deadline), DB Contractor shall be entitled to a Change Order that provides for:

(a) Either (i) an adjustment to the applicable Completion Deadline (based on critical path method analysis) to the extent of the actual delay caused by the Delay Event, or (ii) Acceleration Costs, but only if RCTC elects to order acceleration under Section 16.5.1(e), in

which case the Change Order shall not provide for an adjustment in the applicable Completion Deadline;

(b) Subject to Sections 16.6.2(a), 16.6.2(b) and 16.6.2(c), delay and disruption damages for events only within clauses (a), (b), (c), (e), (f) or (h) of the definition of RCTC-Caused Delays;

(c) Subject to Sections 16.6.2(a), 16.6.2(b) and 16.6.2(c), delay and disruption damages for events only within clauses (d) and (g) of the definition of RCTC-Caused Delays and within clauses (d), (g), (h), (j) and (l) of the definition of Delay Event, subject to the following thresholds:

Delay and disruption damages as a result of specified Delay Events	RCTC liability to DB Contractor for delay and disruption damages as a result of specified Delay Events
Up to and including 60 days of delay	No liability for delay and disruption damages
Greater than 60 days of delay	\$5,000 per day (regardless of the number of concurrent Delay Events)

; and

(d) Compensation for idle time of equipment, but only if (i) the Delay Event results from unidentified or misidentified Main or Trunkline Utilities, to the extent set out in Section 16.12.1(a), and (ii) DB Contractor is also entitled to extension of a Completion Deadline under Section 16.6.1(a).

16.6.2. DB Contractor's entitlement to a Change Order under Section 16.6.1 is subject to the following limitations:

(a) Delay and disruption damages shall be limited to (i) direct costs solely and directly attributable to the delays described in Section 16.6.1(a) and markups on such direct costs in accordance with Section 16.10, and (ii) any additional field office and jobsite overhead costs that DB Contractor incurs solely and directly attributable to such delays and subject to Section 9-1.11 of the Modified Standard Specifications (Exhibit 3);

(b) DB Contractor shall not be entitled to an extension of a Completion Deadline or delay or disruption damages under Section 16.6.1 if the Delay Event is concurrent with any other unrelated delay to a Critical Path for which any DB-Related Entity is responsible under this Contract.

(c) Delay and disruption damages for the event within clause (j) of the definition of Delay Event shall be limited to negligent acts or omissions of any Other RCTC Contractor, which materially and adversely directly affects DB Contractor's obligations under this Contract.

16.7. Change Order Entitlement for Compensable Events

Subject to Section 15 and DB Contractor complying with this Section 16, where RCTC issues a Change Order as a result of a Change or a Compensable Event that changes the scope of the

Work, DB Contractor (or RCTC, in the case of a deductive change) shall be entitled to an adjustment of the Contract Price as provided in Sections 16.8 through 16.21 (as applicable).

16.8. Change Order Entitlement for Force Majeure Events

16.8.1. Subject to Section 15 and DB Contractor complying with this Section 16, if Work or the Project is wholly or substantially destroyed or damaged by:

(a) A Force Majeure Event which is not insured against and is not required to be insured against in accordance with this Agreement; and

(b) RCTC requires DB Contractor to repair, replace or rebuild the Work or the Project,

the Parties will use reasonable efforts to negotiate and agree on how the Work or the Project will be repaired, replaced or rebuilt in accordance with this Section 16.

16.8.2. The Parties' attempts to negotiate shall not limit RCTC's right to issue a Directive Letter or terminate the Contract in accordance with this Contract.

16.9. Change Order Pricing

16.9.1. General Pricing

Except as expressly provided otherwise in this Sections 16.9 through 16.24, the price of a Change Order issued under this Section 16 shall be a negotiated lump sum price or unit prices as provided below. The lump sum price or unit prices shall be based on the original allocations of the Contract Price to comparable activities, whenever possible. If reference to price allocations is inappropriate (as determined by RCTC) and if requested by RCTC, negotiation for lump sum or unit price Change Orders shall be on an Open Book Basis and may be based on the pricing contained in Escrowed Proposal Documents as well as competitive Subcontractors' bid prices.

16.9.2. Detailed Cost Proposal

DB Contractor may be required to submit to RCTC a detailed cost proposal identifying all categories of costs set out in Section 16.10: (a) showing all impacts on the Contract from Work additions, deletions, and modifications shown in the Change Order being priced; and (b) setting out the proposed costs in such a way that a fair evaluation can be made. DB Contractor shall identify all conditions with respect to prices or other aspects of the cost proposal, such as pricing contingent on firm orders being made by a certain date or the occurrence or nonoccurrence of an event.

16.9.3. Added Work

When a Change Order adds Work to DB Contractor's scope, the increase in the Contract Price shall be negotiated based on: (a) estimated costs of labor, material, and equipment; (b) unit prices in accordance with Section 16.9.6; or (c) actual costs in accordance with Section 16.10. For negotiated Change Orders, markups for profit and overhead shall be consistent with Section 16.10.3.

16.9.4. Deleted Work

When a Change Order deletes Work from DB Contractor's scope, the amount of the reduction in the Contract Price shall be based upon applicable documentation in the EPDs, including a bill of material, a breakdown of labor, material, and equipment costs, and overhead and profit associated with the deleted Work. The current estimated amount of risk associated with such Work shall be a factor in determining the markup for the deduction. When a deduction is involved, documented cancellation and restocking charges may be included in costs and subtracted from the price deduction.

16.9.5. Change Order Both Adding and Deleting Work

When the Change Order includes both added and deleted Work, DB Contractor shall prepare a statement of the cost of labor, material and equipment for both added and deleted work. If the cost of labor, material and equipment for the Work added and deleted results in a:

(a) Net increase in cost, the Change shall be treated as work added and the provisions of Section 16.9.3 shall be used to determine markups for overhead and profit. Markups for overhead and profit will be allowed only for the net increase in cost in order to establish the amount to be added to the Contract Price;

(b) Net decrease in cost, the change shall be treated as Work deleted and the provisions of Section 16.9.4 shall be used on the net decrease in cost in order to establish the amount deducted from the Contract Price; or

(c) Net change of zero, there will be no change in the Contract Price.

16.9.6. Unit Priced Change Orders

Measurement of unit-priced quantities will be in accordance with Section 9-1.02 of the Department Standard Specifications. Unit prices shall be deemed to include all costs for labor, material, overhead and profit, and are not subject to change regardless of any change in the estimated quantities. Unit-priced Change Orders shall initially include an estimated increase in the Contract Price based on estimated quantities. Upon final determination of the quantities, RCTC will issue a modified Change Order setting forth the final adjustment to the Contract Price. DB Contractor shall keep detailed records of the quantities for unit priced Work, and shall submit supporting documentation of such quantities with its Invoices.

16.10. Time and Materials Change Orders

16.10.1. Issuance

RCTC may issue a Time and Materials Change Order. The Time and Materials Change Order shall instruct DB Contractor to perform the Work, indicating expressly the intention to treat the items as changes in the Work, and setting forth the kind, character, and limits of the Work as far as they can be ascertained, the terms under which changes to the Contract Price will be determined and the estimated total change in the Contract Price. Upon final determination of the allowable costs, RCTC shall issue a modified Change Order setting forth the final adjustment to the Contract Price.

16.10.2. Pricing and Payment

(a) Time and Materials Change Orders shall be issued in accordance with Section 9-1.04 of the Modified Standard Specifications (Exhibit 3). DB Contractor shall comply

with all recordkeeping and other obligations in Section 9-1.04D(6) of the Modified Standard Specifications (Exhibit 3).

(b) Payments for Time and Materials Work shall be invoiced with the regular monthly Invoice, based on the extra work reports provided by DB Contractor for each period. Costs evidenced by daily extra work reports provided less than five Business Days prior to preparation of the Invoice shall be included in the subsequent month's Invoice.

16.10.3. Overhead Items

The following items are considered overhead costs and are included in the Change Order markups in Section 9-1.04 of the Modified Standard Specifications (Exhibit 3):

- (a) Additional salary and expenses of executive officers, supervising officers or supervising employees;
- (b) DB Contractor's superintendent (general foreman);
- (c) Clerical or stenographic employees;
- (d) Charges for minor equipment, such as small tools, including shovels, picks, axes, saws, bars, sledges, lanterns, jacks, cables, pails, wrenches, etc., consumables, and other miscellaneous supplies and services;
- (e) Any and all field and home office overhead and operating expenses whatsoever;
- (f) Subsistence and travel expenses for personnel (craft personnel excluded); and
- (g) All additional bond and insurance premiums.

With respect to non-construction related labor costs, overhead is covered by the labor surcharge which shall constitute full compensation for all profit, overhead, and all state and federal payroll, unemployment and other taxes, insurance, fringe benefits and all other payments made to, or on behalf of, the workers, in excess of actual wages, as well as for profit and overhead, and includes accessories such as computer assisted drafting and design (CADD) systems, software and computers, facsimile machines, scanners, plotters, etc.

16.10.4. Change Order Data

(a) DB Contractor shall collect, record in writing, segregate and preserve: (a) all data necessary to determine the Costs described in this Section 16.10 with respect to all Work that is the subject of a Change Order, a Change Response or a DB Contractor Change Request (excluding negotiated lump sum Change Orders previously executed and delivered), specifically including costs associated with design Work as well as DB Contractor's costs for DB Utility Work, and (b) all data, documents and analyses necessary to show the actual impact (if any) on the Critical Path, the Project Schedule, and applicable Completion Deadlines with respect to all Work which is the subject of a Change Order or a proposed Change Order. Such data shall be provided to RCTC and any RCTC representative reviewing any Claim or Dispute regarding compensation for such Work or time extension immediately upon their request or demand. DB Contractor waives the right to obtain compensation or time extension for any Work for which cost or schedule data is required to be maintained and provided under this Contract, if

DB Contractor fails to maintain and timely provide to RCTC cost or schedule data, documents and analyses meeting the requirements of this Contract.

(b) DB Contractor shall maintain its records in such a manner as to provide a clear distinction between: (i) the direct Cost of Work for which it is entitled (or for which it believes it is entitled) to an increase in the Contract Price; and (ii) the Costs of other operations. DB Contractor shall provide daily, on forms approved by RCTC, reports of all costs described in Section 16.10.4(b)(i). The reports shall itemize all Costs for labor, materials, and equipment rental and give a total of costs through the date of the report. For workers, the reports shall include hours worked, rates of pay, names and classifications. For equipment, the reports shall include size, type, identification number, rental rate and actual working hours of operation. All such records and reports shall be made immediately available to RCTC upon its request. DB Contractor cost accounting records, payroll reports, paid invoices, and other actual cost records shall be provided to RCTC upon request to support hourly labor rates and other submitted costs included in the daily cost reports.

(c) All reports prepared under this Section 16.10 shall be signed by DB Contractor and certified as true, accurate and complete. RCTC will compare its records with DB Contractor's reports, make the necessary adjustments and compile the costs of Work completed under a Time and Materials Change Order. When such reports are agreed upon and signed by both Parties, they will become the basis of payment. If the Parties cannot agree on the data contained in the reports then only the amounts agreed to by RCTC will be processed for payment and DB Contractor and DB Contractor may submit the amount of such price deduction to dispute resolution in accordance with Section 24.

16.11. Basic Configuration Changes

16.11.1. If DB Contractor commences construction Work affected by a Necessary Basic Configuration Change prior to delivery of an appropriate DB Contractor Change Request in accordance with Section 16.5, the Change Order shall allow RCTC a credit for the cost of any unnecessary Work performed and/or shall exclude any additional costs associated with redoing the Work already performed.

16.11.2. DB Contractor shall be responsible for any cost increases and/or delays that affect the duration of a Critical Path or Completion Deadline resulting from changes in requirements and obligations of DB Contractor relating to the Project due to Errors in the Project Schematics other than those which require a Necessary Basic Configuration Change.

16.11.3. If a VECP results in a change in Basic Configuration, any cost savings from such VECP shall be shared in accordance with Section 17.6.

16.11.4. DB Contractor shall not make any change in the Basic Configuration, except as approved by RCTC and authorized in accordance with this Section 16.

16.12. Main or Trunkline Utilities

16.12.1. Inaccuracy Resulting in Additional Costs or Time

(a) If, prior to the 180-day period in which the Utility Strip Map must be approved by RCTC, any Main or Trunkline Utility that is located within the Planned ROW Limits and requires Relocation is:

(i) Not identified at all in the Utility Information (i.e., is “unidentified”); or

(ii) Not identified in the Utility Information with “reasonable accuracy,” as defined in Section 16.12.2 (i.e., is “misidentified”),

then DB Contractor shall be entitled to a Change Order that increases the Contract Price to compensate DB Contractor for any increase in DB Contractor’s costs to perform the Work directly attributable to such lacking or inaccurate information, subject to the limitations in Section 16.12.1(c). The amount of such Change Order shall be determined in accordance with Section 16.9.3.

(b) If any Main or Trunkline Utility is discovered after the 180-day period in which the Utility Strip Map must be approved by RCTC, and such Main or Trunkline Utility was not identified (i.e., is “unidentified”); in the Utility Information or the Utility Strip Map, then DB Contractor shall be entitled to a Change Order that increases the Contract Price to compensate DB Contractor for any increase in DB Contractor’s direct costs to perform the Work directly attributable to such lacking or inaccurate information, subject to the limitations in Section 16.12.1(c). The amount of such Change Order shall be determined in accordance with Section 16.9.3.

(c) DB Contractor shall not be entitled to any increase in the Contract Price or extension of time for any of the following:

(i) Increased costs of the Work or time attributable to unidentified or misidentified Utilities, to the extent that the existence of the Utility was known to DB Contractor as of the Setting Date or could have been inferred from a Reasonable Investigation or the presence of other facilities, such as buildings, meters, junction boxes, manholes, or identifying markers, visible during a surface inspection of the area conducted prior to the Setting Date;

(ii) Non-Dig Alert Mapped Utilities; and

(iii) Except as provided in Section 16.12.1(b) for unidentified Utilities, increased costs of the Work or time attributable to misidentified or unidentified Utilities, to the extent such costs could have been avoided if DB Contractor had fully and accurately identified the Utility and addressed the actual field conditions in the Utility Strip Map;

(iv) Delay and disruption damages or extensions of time, except that DB Contractor shall be entitled to compensation for idle time of equipment in Section 16.6.1(d) on account of such delay.

16.12.2. “Reasonable Accuracy” Defined

(a) For purposes of this Section 16.12, a Main or Trunkline Utility is not identified with “reasonable accuracy” only if:

(i) The Utility’s actual centerline location is located more than five feet distant from the horizontal centerline location indicated therefor in the Utility Information (without regard to vertical location);

(ii) The Utility Information shows the Utility as abandoned (i.e., nonexistent except “on paper”, or existent but no longer active) when in fact the Utility exists and is active, or the Utility Information shows the Utility as active when in fact the Utility is abandoned;

(iii) The Utility has an actual nominal diameter (excluding casings and any other appurtenances) greater than 12 inches, and its actual nominal diameter is either greater than or less than the outside diameter shown in the Utility Information by 25% or more of the diameter shown in the Utility Information; or

(iv) The encasement material or encasement status of the Utility differs materially from what is shown in the Utility Strip Map.

(b) Any other inaccuracies in the Utility Information have no impact on “reasonable accuracy” and shall not result in a determination that the Utility was not identified with “reasonable accuracy.” If there is any discrepancy between any of the components of the Utility Information (e.g., Preliminary Utility Matrix and Utility Maps contain conflicting information), only the most accurate information shall be relevant for purposes of this Section 16.12.

16.13. Differing Site Conditions

16.13.1. DB Contractor shall bear the burden of proving that a Differing Site Condition exists and that DB Contractor could not have reasonably worked around the Differing Site Condition so as to avoid additional cost.

16.13.2. Each DB Contractor Change Request relating to a Differing Site Condition shall be accompanied by a statement signed by a qualified professional including all relevant assumptions made by DB Contractor with respect to the condition at the relevant portion of the Site, justifying the basis for such assumptions, explaining exactly how the existing conditions differ from those assumptions, and stating the efforts DB Contractor took to find alternative design or construction solutions to eliminate or minimize the problem and the associated costs. If the request is based on clause (a) of the definition of Differing Site Condition, the statement shall also include detailed information regarding the alleged Error in the Boring Data provided by RCTC forming the basis for the request, and shall explain how DB Contractor’s assumptions would have changed had the Boring Data been accurate.

16.13.3. No additional compensation, time extension or other Claim will be allowed in connection with any Work stoppage in affected areas during periods within which DB Contractor prepares the DB Change Order Request under this Section 16.13.

16.14. Changes in Project Standards

(a) If a change to a Project Standard occurs after the Setting Date, DB Contractor shall give Notice to RCTC of such change within 20 Business Days of the change. If, after such Notice, RCTC directs DB Contractor to comply with the changed Project Standard (rather than with the Project Standard applicable at the Setting Date), then DB Contractor shall comply with the Project Standard as changed. To the extent such compliance directly and materially impacts the Work and would not have otherwise been taken into account by compliance with Good Industry Practice, DB Contractor shall be entitled to a Change Order, subject to Section 15 and compliance with this Section 16.

(b) If RCTC directs DB Contractor not to comply with the changed Project Standard (which direction may only be given where DB Contractor is not otherwise legally obliged to comply with the changed Project Standard), then DB Contractor shall continue to comply with the Project Standard applicable at the Setting Date without entitlement to a Change Order.

(c) This Section 16.14 shall not apply to Changes in Law.

16.15. Hazardous Materials Management

Subject to the limitations in this Section 16.15 and Section 15, DB Contractor shall be entitled to a Change Order for certain costs of Hazardous Materials Management for Compensable Events that fall within clause (g) of the definition of Delay Event:

(a) Any Costs payable under this Section 16.15 shall be limited to Costs of Work performed pursuant to the approved plans required to be provided under TP Section 6.3, excluding markup for overhead and profit;

(b) No Contract Price increase or time extension shall be allowed with respect to:

(i) Removal, disposal and/or remediation of (A) asbestos or asbestos-containing materials (other than mineral asbestos naturally occurring in the ground) on or in the Site, removed in accordance with TP Sections 6.3 and 6.4 and the approved Environmental Management Plan, or (B) any other materials not falling within the definition of Hazardous Waste that are encountered during or in connection with the demolition of buildings, fixtures or other improvements on any parcels within the Site;

(ii) Release(s) of Hazardous Materials or threatened Release(s) of Hazardous Materials for which DB Contractor is responsible under Section 23.1.1(g);

(iii) Less than “material quantities” (e.g., quantities that trigger a reporting requirement as defined in Section 8.9.1) of Hazardous Materials;

(iv) Any Hazardous Materials that could have been avoided by reasonable design modifications or construction techniques; or

(v) Any Hazardous Materials on or affecting property outside of the RCTC-Provided Property, except that compensation will be allowed for environmental remediation work on such property to the extent that it is legally required to be taken with Hazardous Materials Management required within the RCTC-Provided Property;

(c) The amount of the Change Order for Hazardous Materials Management shall either be a negotiated amount acceptable to the Parties, or an amount determined in accordance with Section 16.10 and this Section 16.15 for the work in question;

(d) DB Contractor shall be deemed to have waived the right to collect any and all costs incurred in connection with any Hazardous Materials Management and any right to obtain an extension of a Completion Deadline if RCTC and Department are not provided Notice of the discovery of Hazardous Materials delivered under Section 8.8.1(a), and afforded the opportunity to inspect sites containing Hazardous Materials before any action is taken which would inhibit the ability of RCTC or Department to ascertain, based on a Site inspection, the nature and extent of the materials. In the event of an emergency involving Hazardous Materials, DB Contractor may take such limited actions as are required by Governmental Rules without advance notice to RCTC and Department, but shall provide Notice immediately thereafter (which in no event shall be more than two hours after the incident by phone and 24 hours after the incident by Notice);

(e) In cases involving reimbursement for Hazardous Materials Management under this Section 16.15, allowable costs shall be limited to the incremental direct costs but excluding both delay and disruption damages and markup for overhead and profit

(except to the extent any delay qualifies as an RCTC-Caused Delay under clause (g) of the definition of that term in Exhibit 1 (Abbreviations and Definitions), in which case delay and disruption damages calculated in accordance with Section 16.6.2(a) shall be allowed) incurred after completion of the testing process to determine whether Hazardous Materials are present, associated with the Hazardous Materials at issue (deducting any avoided costs such as the cost of disposal that would have been incurred had Hazardous Materials not been present). Investigating and characterizing Hazardous Materials are included in the Work and in the Contract Price and DB Contractor is not entitled to additional compensation therefor. DB Contractor shall take all reasonable steps to minimize any such costs. Compensation shall be allowed only to the extent that DB Contractor demonstrates to RCTC's satisfaction that (i) the Hazardous Materials Management could not have been avoided by reasonable design modifications or construction techniques, and (ii) DB Contractor's plan for the Hazardous Materials Management represents the approach which is most beneficial to the Project and the public. DB Contractor shall provide RCTC with such information, analyses and certificates as may be requested by RCTC in order to enable a determination regarding eligibility for payment;

(f) If DB Contractor encounters Hazardous Materials within the RCTC-Provided Property which, due to no act or omission of any DB-Related Entity or any DB Contractor Fault, results in delays to a Critical Path, then RCTC shall bear the risk of such delay (excluding those conditions for which DB Contractor has agreed to be responsible as described in Section 23.1.1(g)), and subject to the limitations in this Section 16.15;

(g) Section 16.15(f) shall not apply to any delays associated with Department's investigation and Hazardous Materials Management of HM-1 located within the Existing Department ROW, which delays shall be treated as an RCTC-Caused Delays under this Contract; and

(h) Notwithstanding any contrary provision of this Contract, DB Contractor has no right to receive (a) any compensation for delay and disruption damages (except to the extent any delay qualifies as a RCTC-Caused Delay under clause (g) of the definition of that term in Exhibit 1 (Abbreviations and Definitions), in which case delay and disruption damages calculated in accordance with Section 16.6.2(a) shall be allowed) or markup for overhead and profit related to Hazardous Materials Management, (b) any compensation for any Hazardous Materials Management resulting from a situation described in Section 23.1.1(g), or (c) any compensation, time extension or otherwise make any Claim in connection with any work stoppage in affected areas during the investigation periods described in Sections 8.8.1, 8.8.2, or 8.9.3. DB Contractor shall also not be entitled to receive any compensation, time extension or otherwise make any Claim for (1) immaterial quantities of Hazardous Materials, (2) any Hazardous Materials that could have been avoided by reasonable design modifications or construction techniques, (3) any costs that could have been avoided, (4) Hazardous Materials on any Available Properties or any Additional Properties, temporary real property interests or other property of DB Contractor, or (5) any Hazardous Materials encountered during or in connection with the demolition of buildings, fixtures or other improvements on any parcels within the Site. Such limitations shall apply to all Change Orders related to Hazardous Materials Management.

16.16. Pavement Adjustment

Subject to the limitations in Section 15 and this Section 16, the amount payable by RCTC to DB Contractor for any Change Order issued with respect to an event falling within clause (d) of the definition of Compensable Event shall not be greater than 100% of the positive Pavement Adjustment calculated under Section 21.6.4. DB Contractor shall not otherwise be entitled to

receive any compensation, time extension or otherwise make any Claim with respect to any pavement adjustment falling within clause (d) of the definition of Compensable Event.

16.17. Errors in As-Built Reference Document Information

(a) Where a material error exists at the Setting Date in:

(i) information within the bridge as-built plans contained in the Reference Documents that directly specifies the bridge type, number and type of girders, foundation type and barrier type, of the existing bridges;

(ii) information within the retaining wall as-built plans contained in the Reference Documents that directly specifies retaining wall type, foundation type, barrier and railing type, of the existing retaining walls; and

(iii) information within other as-built plans contained in the Reference Documents that directly specifies existing lane-widths, shoulder widths, structural sections, barrier type and approximate barrier locations, approximate location and type of drainage facilities, approximate location of existing overhead signs,

(together the “**As-Built Reference Document Information**”),

then DB Contractor shall be entitled to a Change Order that provides for an extension of time and increases the Contract Price to compensate DB Contractor for any material increase in DB Contractor’s costs to perform the Work directly attributable to such errors, subject to the limitations specified in Section 16.17(b). The amount of such Change Order shall be determined in accordance with Section 16.9.3.

(b) DB Contractor shall not be entitled to any increase in the Contract Price or extension of time under Section 16.17(a) for any of the following:

(i) Increased costs of the Work or time attributable to errors in As-Built Reference Document Information, to the extent that the existence of the error was known to DB Contractor as of the Setting Date or could have been inferred from a Reasonable Investigation conducted prior to the Proposal Due Date; and

(ii) Increased costs of the Work or time attributable to errors in As-Built Reference Document Information, to the extent such costs could have been avoided if DB Contractor had fully and accurately identified the relevant structures and addressed the actual as-built conditions in the As-Built Verification Maps as required by TP Section 17.3.2.

16.18. Change Order Records

DB Contractor shall maintain its records in such a manner as to provide a clear distinction between the direct costs of Work for which it is entitled (or for which it believes it is entitled) to an increase in the Contract Price and the costs of other operations. DB Contractor shall collect, record in writing, segregate and preserve: (a) separate daily occurrence logs as required under TP Section 5.4.2.6 and Section 9-1.04(D)(6) of the Modified Standard Specifications (Exhibit 3), together with all other data necessary to determine the costs of all Work which is the subject of a Directive Letter, Change Order or a requested Change Order, specifically including costs associated with design Work as well as Relocations; and (b) all data necessary to show the actual impact (if any) of the change on each Critical Path and Completion Deadline with respect to all Work which is the subject of a Directive Letter, Change Order or a proposed Change Order. Such

data shall be provided to the Disputes Review Board (if a Change Order or requested Change Order is under dispute), RCTC and its representatives as directed by RCTC, on forms approved by RCTC.

16.19. Daily Work Reports and Data Collection

DB Contractor shall provide RCTC completed daily work reports for each day's Work which is to be paid for on a time and material basis. The daily time and material Work reports shall be detailed as follows:

- (a) Name, classification, date, daily hours, total hours, rate and extension for each worker (including both construction and non-construction personnel) for whom reimbursement is requested;
- (b) Designation, dates, daily hours, total hours, rental rate and extension for each unit of machinery and equipment;
- (c) Quantities of materials, prices, and extensions;
- (d) Transportation of materials; and
- (e) The total costs to date for the Work performed under the Time and Materials Change Order.

16.20. Supplier's Invoices

Materials charges shall be substantiated by valid copies of Supplier's invoices. Such invoices shall be submitted with the daily time and material Work reports, or if not available, they shall be submitted with subsequent daily time and material Work reports. Should said Supplier's invoices not be submitted within 60 days after the date of delivery of the materials, RCTC may establish the cost of such materials at the lowest current wholesale prices at which such materials are available, in the quantities concerned, delivered to the location of Work, less any discounts available.

16.21. Execution of Reports

RCTC will compare its records with the completed daily time and material Work reports provided by DB Contractor and make any necessary adjustments. When these daily time and material Work reports are agreed upon and signed by both Parties, said reports shall become the basis of payment for the Work performed, but shall not preclude subsequent adjustment based on a later audit. DB Contractor's cost records pertaining to Change Order Work paid for on a time and material basis shall be open, during all regular business hours, to inspection or audit by representatives of RCTC during the term of the Contract and for a period of not less than five years after the Final Acceptance Date, and DB Contractor shall retain such records for that period. Where payment for materials or labor is based on the cost thereof to any Person other than DB Contractor, DB Contractor shall make every reasonable effort to insure that the cost records of each such other Person will be open to inspection and audit by representatives of RCTC on the same terms and conditions as the cost records of DB Contractor. Payment for such costs may be deleted if the records of such third parties are not made available to RCTC's representatives.

16.22. Disputes

The failure of RCTC and DB Contractor to agree to any Change Order under this Section 16 (including agreement as to the amount of compensation allowed under a Time and Materials Change Order and the disputed amount of the increase in the Contract Price and/or extension of a Completion Deadline in connection with a Change Order as described above) shall be a Dispute to be resolved pursuant to Section 24.

Except as otherwise specified in the Change Order, execution of a Change Order by both Parties shall be deemed accord and satisfaction of all claims by DB Contractor of any nature arising from or relating to the Work covered by the Change Order and DB Contractor shall be deemed to have expressly released, waived, and disclaimed any right to receive compensation, time extension or make any Claim related thereto. DB Contractor's Claim and any award by the dispute resolver shall be limited to the incremental costs incurred by DB Contractor with respect to the disputed matter (crediting RCTC for any corresponding reduction in DB Contractor's other costs) and shall in no event exceed the amounts allowed by Section 16.10 with respect thereto.

16.23. Work Performed Without Direction or Authority

If DB Contractor undertakes any work or efforts: (a) outside of the scope of the Work; (b) upon any request, order, or other authorization issued by a Person in excess of that Person's authority as provided in this Contract, (c) included in any oral request or directive or (d) unrelated to the Project, DB Contractor shall be deemed to have undertaken such efforts voluntarily, at its sole cost and risk, and shall not be entitled to a Change unless DB Contractor has received a Directive Letter or Change Order signed by RCTC. In addition, RCTC may require DB Contractor to remove or otherwise undo the results of any such work efforts without any entitlement to a Claim.

16.24. Changes Not Requiring Change Order

Subject to Section 16.11, Deviations from standards specified in this Contract which have a neutral net cost effect and do not affect a Critical Path or Completion Deadline shall not require a Change Order provided such Deviations are approved by RCTC and Department pursuant to TP Section 1.4. Any other change in the requirements of this Contract shall require either a Directive Letter, a Change Order or an executed amendment to this Contract.

16.25. No Release or Waiver; Course of Dealings

16.25.1. The grant of an extension of time beyond the date fixed for the completion of any part of the Work, the performance and acceptance of any part of the Work or materials specified by the Contract after a Completion Deadline, and making of payments to DB Contractor after a Completion Deadline shall not, in any case:

(a) Be deemed to be a waiver by RCTC of any of its rights and remedies under this Contract, at law or in equity, including its right to terminate the Contract for abandonment or failure to complete within the time specified (as it may have been extended) or to impose and deduct damages as may be provided; or

(b) Release DB Contractor's Surety(ies) or any Guarantor from its obligations and Work shall continue and be carried on in accordance with all the provisions of this Contract and this Contract shall be and shall remain in full force and effect unless formally suspended or terminated by RCTC in accordance with the terms of this Contract.

16.25.2. No Claim, Change Order or DB Contractor Change Request shall be based on any course of conduct or dealings between the Parties, any express or implied acceptance of alterations or additions to the Work, or any claim that RCTC has been unjustly enriched.

SECTION 17

VALUE ENGINEERING

17.1. General

17.1.1. This Section 17 sets forth the requirements applicable to preparation, review and approval of value engineering recommendations (“**Value Engineering Change Proposals**” or “**VECPs**”) for the purpose of enabling DB Contractor and RCTC to take advantage of potential cost savings or provide potential improvements to the Work through changes in the requirements relating to the Work.

17.1.2. DB Contractor is encouraged to submit VECPs whenever it identifies potential savings or improvements for the Project. RCTC may also request DB Contractor to develop and submit a specific VECP (“**RCTC-Initiated VECP**”). DB Contractor may refuse to consider such RCTC-Initiated VECP; provided, however, that nothing in this Contract is intended to alter RCTC’s right to issue RCTC-Directed Changes in accordance with Section 16.

17.2. Value Engineering Recommendation

A VECP is a proposal developed and documented by DB Contractor which:

17.2.1. Would modify or require a change in any of the commitments, requirements of or constraints in this Contract in order to be implemented; and

17.2.2. Reduces the Contract Price without impairing essential functions or characteristics of the Project (including the meeting of requirements contained in all Governmental Approvals) including service life, economy of operation, ease of maintenance, desirability and safety, and provided that it is not based solely upon a change in quantities, performance or reliability or a relaxation of the requirements contained in this Contract.

17.3. Information to be Provided

17.3.1. At a minimum, the following information shall be submitted by DB Contractor with each VECP:

(a) A statement that the submission is a VECP, and a narrative description of the proposed change;

(b) Description of the existing requirements of this Contract which are involved in the proposed change;

(c) Discussion of differences between existing requirements in this Contract and the proposed change, together with advantages and disadvantages of each changed item;

(d) Itemization of the requirements of this Contract which must be changed if the VECP is approved (e.g., document sections, drawing numbers and specifications);

(e) A complete cost analysis including: (i) DB Contractor’s cost estimate for performing the subject Work in accordance with this Contract compared to DB Contractor’s cost estimate for performing the subject Work in accordance with the proposed changes, (ii) an estimate of additional costs that will be incurred by RCTC, including estimated impact on future maintenance costs; and (iii) costs of development and implementation of the VECP by DB

Contractor. The cost of any additional Governmental Approvals, rights of way or easements and other costs or impacts to the Project, shall be included in the cost analysis;

(f) Justification for changes in function or characteristics of each item, and effect of the change on the performance of the end item, as well as on the meeting of requirements contained in this Contract, including environmental compliance and requirements contained in Governmental Approvals;

(g) If available, a description of any previous use or tests of the VECP and the conditions and results; and

(h) Date or time by which a Change Order adopting the VECP must be issued in order to obtain the maximum cost reduction, noting any effect on the Project Schedule.

17.3.2. Any additional information requested by RCTC shall be provided in a timely manner. Additional information could include results of field investigations and surveys, design computations and field change sheets.

17.4. Review by RCTC

17.4.1. DB Contractor shall submit VECPs directly to PCM for transmittal to RCTC. Each VECP shall be prepared in a form acceptable to RCTC, and shall meet all applicable requirements of this Section 17. RCTC will determine whether a VECP qualifies for consideration and evaluation. VECPs that require excessive time or costs for review, evaluation or investigations, or that are not consistent with RCTC's design policies and basic design criteria may be rejected without evaluation.

17.4.2. DB Contractor has no Claim for any additional costs or delays resulting from the rejection of a VECP initiated by DB Contractor, including VECP development costs, loss of anticipated profits or increased material or labor costs. RCTC will consider only proven features that have been employed under similar conditions or projects acceptable to RCTC. RCTC is not liable for any delay in acting upon any proposal submitted pursuant to this Section 17. DB Contractor may withdraw all or part of any VECP at any time prior to approval by RCTC. Subject to Section 17.6, in all other situations each Party shall bear its own costs in connection with preparation and review of VECPs. Notwithstanding anything in this Contract to the contrary, RCTC will not consider any VECP with estimated net savings less than \$50,000.

17.5. Approval of VECPs

17.5.1. RCTC may approve or reject, in whole or in part, by Change Order, any VECP submitted. Designs for approved VECPs shall be prepared by DB Contractor for incorporation into the Design Documents. Until a Change Order is issued based on a VECP, DB Contractor shall remain obligated to perform in accordance with the Project Design Documents and this Contract.

17.5.2. The following provisions shall apply to any Dispute between RCTC and DB Contractor regarding DB Contractor's performance of Work that RCTC believes should have properly been submitted as a VECP:

(a) DB Contractor agrees that, within 30 days following a request from RCTC for a VECP with regard to any such Work, DB Contractor shall deliver a VECP to RCTC meeting the requirements of this Section 17, but may specify that the VECP is delivered under

protest. In such case, either Party may submit the question of DB Contractor's entitlement to proceed without an approved VECP to dispute resolution;

(b) If a determination is ultimately made that DB Contractor is not entitled to proceed without an approved VECP, RCTC may receive a credit against the Contract Price as provided in Section 17.6; and

(c) If a determination is ultimately made that DB Contractor is entitled to proceed without an approved VECP, the VECP shall be deemed withdrawn and have no effect. If DB Contractor fails to deliver a complete VECP within the foregoing deadline, RCTC may submit the issue to dispute resolution at any time. In such event, if the dispute resolution proceeding ultimately results in a determination that DB Contractor was not entitled to perform such Work without a prior approved VECP, RCTC may receive a credit against the Contract Price equal to 100% of DB Contractor's cost savings, plus profit, rather than 50% of estimated net savings as provided in Section 17.6.

17.5.3. Unless DB Contractor has received written approval from RCTC to proceed with VECP work pending approval of a VECP, DB Contractor shall not proceed with such work until the VECP is approved. Furthermore, if DB Contractor proceeds with any work that might have been the basis for a VECP price increase based on savings in RCTC's right of way costs, without first submitting a VECP, DB Contractor shall be deemed to have performed such work voluntarily, at its sole cost and risk and shall not have the right to later submit a VECP under this Contract.

17.6. Contract Price Adjustment

If RCTC accepts a VECP submitted by DB Contractor pursuant to this Section 17, the Contract Price shall be adjusted in accordance with the following.

17.6.1. The term "estimated net savings" as used in this Contract shall mean (a) the difference between the cost of performing the Work according to this Contract and the actual cost to perform it according to the proposed change, less (b) the reasonable costs of studying and preparing the VECP as proven by DB Contractor and approved by RCTC in accordance with the Change Order procedures in this Contract, less (c) any additional costs incurred or to be incurred by RCTC resulting from the VECP, including the cost of RCTC's review of the VECP and implementation and maintenance costs associated therewith. DB Contractor's profit is not considered part of the cost.

17.6.2. Except as specified in Section 17.6.4, DB Contractor is not entitled to share in either collateral or future contract savings. The term "collateral savings" means additional revenues that may arise as a result of the VECP and those measurable net reductions in RCTC's costs resulting from the VECP, including operations and maintenance costs and cost of RCTC-provided property. The term "future Contract savings" shall mean reductions in the cost of performance of future construction contracts for essentially the same item resulting from a VECP submitted by DB Contractor.

17.6.3. Subject to Sections 17.6.4 and 17.6.5, the Contract Price shall be reduced by an amount equal to the sum of (a) 100% of any additional costs incurred by RCTC resulting from the VECP plus (b) 50% of estimated net savings; provided, however, that DB Contractor's profit shall not be reduced by application of the VECP.

17.6.4. In a case where DB Contractor proposes that an adjustment be made to the planned acquisition of real property in order to result in an overall cost savings to the Project (such

as a proposal that additional real property be purchased outside of the Planned ROW Limits in order to save on construction costs, or a proposal which would enable a reduction in the real property required to be obtained by RCTC under this Contract by incurring additional construction costs), the VECP shall compare (a) the incremental reduction in costs (such as for not designing and building a wall), and (b) the costs involved in adjusting the real property limits or Environmental Approvals (which shall be based on DB Contractor's additional costs, such as for providing real property acquisition support services (including profit) plus RCTC's additional costs, including costs of personnel as well as out-of-pocket costs such as the price of the additional real property), or (as appropriate) shall compare (y) the incremental reduction in costs (if any) for not acquiring the unnecessary real property, and (z) the additional construction costs to be incurred. The estimated net savings shall be shared 50-50 between RCTC and DB Contractor. Reimbursements for Relocation expenses owed to Utility Owners shall be addressed in calculating estimated net savings to be shared between RCTC and DB Contractor. DB Contractor shall include in its VECP an analysis of any impacts on Utility Owners for consideration by RCTC. If DB Contractor wishes to propose such a VECP, DB Contractor shall provide a separate notification to RCTC describing the proposed impact concurrently with delivery of the VECP to RCTC.

17.6.5. DB Contractor's share of any VECP cost savings shall be payable at such time as payments would have been made for the Work which is the subject of the VECP had the VECP not been implemented.

17.6.6. A VECP is not required for any changes to the concepts in the Project Schematics approved by RCTC and Department as specified in Section 4.2.2, or for any Deviations from Project Standards allowed by RCTC and Department as specified in TP Section 1.4, except for changes based on concepts submitted by other proposers, or changes that also entail a modification of commitments contained in the Proposal or requirements of or constraints in this Contract.

17.7. Use of VECPs by RCTC

All approved or disapproved VECPs will become the property of RCTC, and shall contain no restrictions imposed by DB Contractor on their use or disclosure, except as permitted in Section 17.8 below. Notwithstanding any restrictions pursuant to Section 17.8, RCTC may use, duplicate and disclose in whole or in part any data necessary for the utilization of the VECP on any other or subsequent projects without any obligation to DB Contractor. This provision is not intended to deny rights provided by law with respect to patented materials or processes.

17.8. Public Records Act Exclusion

If DB Contractor proposes any VECP that incorporates intellectual property or other proprietary information developed prior to award of the Contract, or developed by DB Contractor after award of the Contract (provided that DB Contractor establishes to RCTC's satisfaction that it was developed apart from, and in isolation from, the Contract), DB Contractor may identify such data and information included in the VECP as "trade secret" or "confidential," as such terms are used in the Public Records Act, in which event the provisions of Section 26.8.3 shall apply.

SECTION 18

SUSPENSION

18.1. Suspensions for Convenience

18.1.1. RCTC may, at any time and for any reason, by Notice, order DB Contractor to suspend all or any part of the Work for its convenience, for the period of time RCTC deems appropriate.

18.1.2. DB Contractor shall promptly comply with any Notice under Section 18.1.1.

18.1.3. DB Contractor shall promptly recommence the Work upon receipt of Notice from RCTC directing DB Contractor to resume Work.

18.2. Suspensions for Cause

18.2.1. RCTC may, by Notice to DB Contractor, order DB Contractor to suspend the whole or any part of the Work for DB Contractor or any Subcontractors failure to:

(a) Correct conditions unsafe for the Project personnel, RCTC personnel, Other RCTC Contractor personnel or the general public;

(b) Comply with any Governmental Approval, Governmental Rule or this Contract;

(c) Carry out orders or directions of RCTC in accordance with this Contract, Change Orders or Directive Letters;

(d) Comply with requirements to develop and implement the Quality Management Plan;

(e) Remove any Person as required under Section 9.5.3 or if DB Contractor or its Subcontractor fails to ensure employment of an alternative skilled and experienced Person;

(f) Provide proof of required insurance coverage as provided in Section 11;

(g) Reopen lanes closed to public traffic as part of a Permitted Lane Closures by the times specified in the approved closure requests in TP Section 18.3.3;

(h) Comply with environmental requirements;

(i) Pay in full when due undisputed amounts owing to RCTC under this Contract; or

(j) Remove from the Work and dismiss from the Project any Subcontractor that is determined disqualified, suspended, debarred or otherwise excluded from bidding, proposing or contracting with a federal or a State department or agency.

18.2.2. DB Contractor shall promptly comply with any Notice under Section 18.2.1 to suspend the Work in whole or in part.

18.2.3. DB Contractor shall promptly recommence the suspended Work upon receipt of Notice from RCTC directing DB Contractor to resume the Work.

18.2.4. RCTC has no liability to DB Contractor and DB Contractor is not entitled to make any Claim in connection with any suspension under Section 18.2.1.

18.2.5. If RCTC orders suspension of any Work under Section 18.2.1, but it is finally determined under the dispute resolution procedures of this Contract that such grounds did not exist, it shall be treated as a suspension for RCTC's convenience under Section 18.1.

18.3. Department Suspensions

18.3.1. DB Contractor acknowledges that Department has the authority to issue an order suspending Work wholly or in part and to take appropriate action when public safety is jeopardized as authorized under Streets and Highways Code section 91.2(b) and otherwise in accordance with the Department Cooperative Agreement. DB Contractor shall promptly comply with any such written suspension order. DB Contractor shall promptly recommence the Work upon receipt of Notice from Department directing DB Contractor to resume the suspended Work. Neither RCTC nor Department shall have any liability to DB Contractor related to such suspension and DB Contractor shall have no right to Claim in connection with any such suspension.

18.4. Responsibilities of DB Contractor during Suspension Periods

Where the Work is suspended in whole or in part:

18.4.1. DB Contractor remains responsible for the Work and shall prevent damage, loss or injury to the Project, provide for drainage and shall erect necessary temporary structures, signs or other facilities required to maintain the Project;

18.4.2. DB Contractor shall maintain in a growing condition all newly established plantings, seedings and soddings provided under this Contract, and shall protect new tree growth and other vegetative growth against injury, replacing all dead plants requiring replacement during the suspension period; and

18.4.3. DB Contractor shall continue other Work not subject to the suspension.

SECTION 19

TERMINATION FOR CONVENIENCE

19.1. Notice of Termination for Convenience

19.1.1. RCTC may, at any time after NTP2, terminate this Contract in whole or in part, at its convenience, by Notice to DB Contractor specifying the extent of termination and its effective date ("**Notice of Termination for Convenience**").

19.1.2. Termination (or partial termination) of this Contract shall not relieve any Surety or Guarantor of its obligation for any Claims arising out of the Work performed.

19.1.3. DB Contractor acknowledges and agrees that unless and until NTP2 is issued, RCTC has no liability to DB Contractor for a Termination for Convenience under this Contract, except as provided under Sections 19.11 and 19.12.

19.2. Transition Plan

19.2.1. Within three days after receipt of a Notice of Termination for Convenience, DB Contractor shall meet and confer with RCTC to develop an interim transition plan for the orderly transition of the terminated Work, demobilization and transfer of the Project to RCTC.

19.2.2. The Parties shall use diligent efforts to:

(a) Complete preparation of the interim transition plan within 15 days after DB Contractor receives Notice of Termination for Convenience; and

(b) Complete preparation of a final transition plan within 30 days after DB Contractor receives Notice of Termination for Convenience.

19.2.3. The transition plan shall be in form and substance acceptable to RCTC in its good faith discretion and shall include and be consistent with the other provisions and procedures in Section 19.3.

19.3. DB Contractor's Responsibilities after Receipt of Notice of Termination

After receipt of a Notice of Termination for Convenience, and except as otherwise directed by RCTC, DB Contractor shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due under this Section 19 or acceptance of the transition plan:

(a) Stop Work as specified in the Notice of Termination for Convenience;

(b) Notify all affected Subcontractors that this Contract is being terminated, and that such Subcontractors stop performance under their Subcontracts (including orders for materials, services or facilities), unless otherwise authorized by Notice from RCTC;

(c) Place no further (i) Subcontracts (including orders for materials, services, equipment or facilities) or (ii) orders for Department furnished materials pursuant to Section 6-1.02 of the Modified Standard Specifications (Exhibit 3), except as necessary to complete the continued portion of the Work, if any, or for mitigation of damages;

(d) Unless instructed otherwise by RCTC, terminate all Subcontracts to the extent they relate to the Work terminated;

(e) To the extent directed by RCTC, execute and deliver to RCTC written assignments, in form and substance acceptable to RCTC, acting reasonably, of all of DB Contractor's right, title, and interest in and to (i) Subcontracts that relate to the terminated Work, provided that RCTC assumes by Notice all of DB Contractor's obligations thereunder that arise after the effective date of the termination, and (ii) all warranties (excluding those that DB Contractor is unable to secure assignment of despite performing its obligations under Section 13.2.1(c)), claims, and causes of action held by DB Contractor against Subcontractors and other third parties in connection with the terminated Work, to the extent such Work is adversely affected by any Subcontractor or other third party breach of warranty, contract or other legal obligation;

(f) Subject to the prior written approval of RCTC, settle all outstanding Claims and all termination settlement proposals arising from termination of Subcontracts;

(g) No later than 30 days from the effective Termination Date, unless extended by Notice from RCTC responding to any request from DB Contractor within this 30-day period, provide RCTC with an inventory list of all materials and equipment previously produced, purchased or ordered from (i) Suppliers and (ii) Department (for Department furnished materials as described in Section 6-1.02 of the Modified Standard Specifications (Exhibit 3) for use in the Work but not yet used in the Work, including its storage location, as well as any documentation or other property required to be delivered under this Contract that is either in the process of development or previously completed but not yet delivered to RCTC, and such other information as RCTC may request; and transfer title and deliver to RCTC through bills of sale or other documents of title, as directed by RCTC, (1) the Work in process, completed Work, supplies and other material produced or acquired for the Work terminated, and (2) the Design Documents, Construction Documents, and all other completed or partially completed drawings (including plans, elevations, sections, details and diagrams), specifications, records, samples, information and other property that would have been required to be provided to RCTC if the Work had been completed;

(h) Complete performance in accordance with this Contract of all Work not terminated;

(i) Take all action that may be necessary, or that RCTC may direct, for the safety, protection and preservation of: (i) the public, including public and private vehicular movement, (ii) the Work; (iii) the property and facilities of Department and Local Agencies; and (iv) equipment, machinery, materials and property related to the Project that is in the possession, care, custody or control of DB Contractor and in which RCTC has or may acquire an interest;

(j) As authorized by Notice from RCTC, use its best efforts to sell at reasonable prices any property of the types referred to in Section 19.3(g); except that DB Contractor (i) shall not be required to extend credit to any purchaser, and (ii) may acquire the property under the conditions prescribed and at prices approved by RCTC. The proceeds of any transfer or disposition will be applied to reduce any payments to be made by RCTC under this Contract or paid in any other manner directed by RCTC;

(k) If requested by RCTC, withdraw from the portions of the Site designated by RCTC and remove such materials, equipment, tools and instruments used by, and any debris or waste materials generated by, DB Contractor and any Subcontractor in the performance of the Work as RCTC may direct; and

- (l) Take other actions directed by RCTC.

19.4. Acceptance

19.4.1. DB Contractor shall remain responsible for damage and loss to materials after issuance of the Notice of Termination for Convenience, except as follows:

- (a) DB Contractor's responsibility for damage to materials for which partial payment has been made, as provided in this Contract, shall terminate when RCTC's Representative certifies that those materials have been stored in the manner and at the locations directed by RCTC; and

- (b) DB Contractor's responsibility for damage to materials purchased by RCTC after the issuance of the Notice of Termination for Convenience shall terminate when RCTC takes title and delivery of those materials.

19.4.2. When RCTC's Representative determines that DB Contractor has completed the Work directed to be completed prior to termination and such other work as may have been ordered to secure the Project for termination, RCTC's Representative will recommend that RCTC formally accept such Work, and immediately upon and after RCTC's acceptance, DB Contractor shall not be required to perform any further work thereon (except for such work that otherwise would have been required with respect to the terminated Work after Final Acceptance) and shall be relieved of maintenance responsibility for such terminated Work after RCTC formally accepts such Work.

19.5. Payment for Termination for Convenience

19.5.1. If RCTC terminates this Contract for convenience under Section 19.1, DB Contractor shall be entitled to payment of the following amounts (collectively, the **"Termination for Convenience Amount"**).

- (a) DB Contractor's documented Costs, without profit, and including equipment costs only to the extent permitted by Section 16.10.3, for all Work performed, including mobilization, demobilization, and work done to secure the Project for termination, including reasonable overhead and accounting for any refunds payable with respect to insurance premiums, deposits, or similar items, as established to RCTC's satisfaction. In determining the reasonable Cost, deductions will be made for the Cost of materials to be retained by DB Contractor, amounts realized by the sale of materials, and for other appropriate credits against the cost of the Work. Deductions will also be made, when the Contract is terminated as the result of a Force Majeure Event, for the cost of materials damaged by the "occurrence." When, in the opinion of RCTC's Representative, the Cost of a contract item of Work is excessively high due to costs incurred to remedy or replace Nonconformances, the reasonable Cost to be allowed will be the estimated reasonable Cost of performing that Work in compliance with the requirements of this Contract.

- (b) As profit on Section 19.5.1(a), a sum determined by RCTC to be fair and reasonable; except that if it appears DB Contractor would have sustained a loss on the entire Contract had it been completed, no profit shall be included or allowed under this Section 19.5.1(b), and an appropriate adjustment shall be made by reducing the amount of the settlement to reflect the indicated rate of loss.

- (c) The cost of settling and paying Claims arising out of the termination of Work under Subcontracts, as provided in Section 19.3(f), excluding the amounts paid or payable

on account of supplies or materials delivered or services provided by the Subcontractor prior to the effective date of the Notice of Termination for Convenience, which amounts shall be included in the Cost on account of which payment is made under Section 19.5.1(a).

(d) The reasonable out-of-pocket cost (including reasonable overhead) of the preservation and protection of property incurred pursuant to Section 19.3(i) and any other reasonable out-of-pocket cost (including overhead) incidental to termination of Work under this Contract, including the reasonable cost to DB Contractor of handling material returned to a Supplier, delivered to RCTC or otherwise disposed of as directed by RCTC, and including a reasonable allowance for DB Contractor's administrative costs in determining the amount payable due to termination of the Contract.

19.5.2. DB Contractor acknowledges and agrees that the Termination for Convenience Amount shall not exceed:

(a) The value of the terminated Work performed plus its settlement costs, and that items such as lost or anticipated profits, unabsorbed overhead, opportunity costs, and consequential damages shall not be recoverable in the Termination for Convenience Amount; or

(b) The total Contract Price less the amount of payments previously made and the Contract Price of Work not terminated.

19.5.3. The Termination for Convenience Amount excludes the fair value, as determined by RCTC, of equipment, machinery, and materials that are destroyed, lost, stolen or damaged so as to become undeliverable to RCTC.

19.5.4. Upon determination of the Termination for Convenience Amount, this Contract shall be amended to reflect the terminated Work and the agreed termination payment, DB Contractor shall be paid the agreed amount, and the Contract Price shall be reduced to reflect the reduced scope of the Work.

19.5.5. If a partial termination occurs, DB Contractor may file a proposal with RCTC for an equitable adjustment of the Contract Price for the continued portion of this Contract. Any proposal by DB Contractor for an equitable adjustment under this Section 19.5.5 shall be requested within 90 days from the Termination Date unless extended by Notice from RCTC. The amount of any such adjustment as may be agreed upon shall be set forth in an amendment to this Contract.

19.6. Settlement Proposal

No later than 90 days from the Notice of Termination for Convenience, DB Contractor shall submit a final termination settlement proposal (including the proposed Termination for Convenience Amount) in a form reasonably acceptable to RCTC and with such certifications requested by RCTC. DB Contractor's termination settlement proposal shall be reviewed by RCTC and acted upon, returned with comments, or rejected. If RCTC returns the termination settlement proposal with comments, DB Contractor shall address such comments and resubmit the termination settlement proposal within 30 days after receiving RCTC's comments. If DB Contractor fails to submit the proposal within the time allowed, RCTC may determine the Termination for Convenience Amount and DB Contractor shall be bound by RCTC's determination.

19.7. Amount of Negotiated Termination Settlement

19.7.1. DB Contractor and RCTC may agree upon the Termination for Convenience Amount, as provided and subject to the limitations in Section 19.5, by reason of any Termination for Convenience. Such negotiated settlement shall be documented in a settlement agreement, executed and delivered by the Parties, and subject to Section 19.5.1(b) may include a reasonable allowance for profit solely on Work that has been completed as of the Termination Date and subsequently inspected and accepted by RCTC.

19.7.2. Upon determination of the settlement amount, this Contract will be amended accordingly, and DB Contractor will, subject to Section 19.9 and following execution of such settlement agreement, be paid the agreed amount as described in this Section 19.7. RCTC's execution and delivery of any settlement agreement shall not affect any of its rights under this Contract with respect to completed Work, relieve DB Contractor from its obligations under this Contract, including the General Warranty, or affect the right and obligations of RCTC or DB Contractor under any Bond and/or Guaranty as to such completed or non-terminated Work.

19.8. No Agreement as to Amount of Termination Settlement for Work

If DB Contractor and RCTC fail to agree upon any amount payable to DB Contractor because of RCTC's termination of this Contract for convenience, RCTC shall pay to DB Contractor the Termination for Convenience Amount described in Section 19.5.1 (excluding interest charges and any amounts deducted pursuant to Section 19.9) as calculated by RCTC (and without duplication of any items or of any amounts agreed upon in accordance with Sections 19.5 and 19.7) within 30 days after RCTC's calculation of the Termination for Convenience Amount described in Section 19.5.1.

19.9. Conditions to Payment; Reduction in Amount of Claim

19.9.1. As a condition to its obligation to pay DB Contractor amounts due under this Section 19, but not as a condition to termination, DB Contractor shall provide RCTC the following:

(a) A list of all outstanding or pending DB Contractor Change Requests and all existing or threatened claims, Liens, and stop payment notices by Subcontractors, Utility Owners, BNSF or other third parties relating to the Project;

(b) Complete and legally effective releases or waivers of Liens and stop payment notices satisfactory to RCTC, from all Persons legally eligible to file Liens and stop payment notices in connection with the Work;

(c) Consent of any Guarantors and Surety(ies);

(d) Executed release(s) meeting the requirements of Sections 14.4.1(e) and 19.13.3 and otherwise satisfactory in form and content to RCTC;

(e) An affidavit from DB Contractor meeting the requirements of Section 14.4.1(e); and

(f) Such other documentation as RCTC may reasonably require.

19.10. Payment upon Termination

19.10.1. Subject to Sections 14.3.2, 19.8 and 19.9, RCTC shall pay the Termination for Convenience Amount within 30 days after receipt of an Invoice from DB Contractor. If DB Contractor and RCTC fail to agree upon the Termination for Convenience Amount under Section 19.8, RCTC shall pay the Termination for Convenience Amount within 30 days after RCTC's calculation as to the Termination for Convenience Amount described in Section 19.5.1.

19.10.2. RCTC may from time to time, under such terms and conditions as it may prescribe and in its good faith discretion, make partial payments on account against Costs incurred by DB Contractor in connection with the terminated portion of this Contract, whenever in the opinion of RCTC the aggregate of such payments shall be within the amount to which DB Contractor will be entitled under this Contract. If the total of such payments is in excess of the Termination for Convenience Amount, such excess shall be payable by DB Contractor to RCTC upon demand together with interest at the rate of the lesser of: (a) 10% per annum; and (b) the maximum rate allowable under applicable Governmental Rules.

19.11. Termination Based on Delay in or Failure to Issue NTP1

If NTP1 has not been issued within 210 days after the Proposal Date, and this delay is not caused by an act or failure to act by any DB-Related Entity or any DB Contractor Fault, DB Contractor shall have the right to terminate this Contract. This right shall be exercised by delivery of Notice of termination to RCTC. In such event, RCTC's sole liability to DB Contractor shall be to pay DB Contractor \$250,000 (i.e., the amount equal to the stipend payment provided to unsuccessful proposers under the RFP).

19.12. Termination Based on Delay in or Failure to Issue NTP2

RCTC may, at any time after issuance of NTP1 and for any reason, elect not to issue NTP2 and terminate this Contract and the performance of the Work by DB Contractor by Notice to DB Contractor. In such event, RCTC's sole liability to DB Contractor is to pay DB Contractor (a) any unpaid amounts due for Work performed pursuant to NTP1 in accordance with Section 14.2.1; plus (b) all additional Costs for performing Work up to the date of termination only if the delay in issuing NTP2 is not caused in whole or in part by any act or omission of any DB-Related Entity or any DB Contractor Fault.

19.13. No Waiver; Release

19.13.1. The payment to DB Contractor determined in accordance with this Section 19 constitutes DB Contractor's exclusive remedy for a termination hereunder.

19.13.2. Notwithstanding any other provision of this Contract, a termination under this Section 19 shall not waive any Claim that RCTC may have under this Contract. Accordingly, RCTC may pursue any such Claim against DB Contractor.

19.13.3. RCTC's payment to DB Contractor of the amounts provided under this Section 19 shall constitute full and final satisfaction of, and upon payment RCTC shall be forever released and discharged from, any and all Claims or Losses, known or unknown, suspected or unsuspected, that DB Contractor may have against RCTC in connection with the terminated Work. Concurrently with such payment, DB Contractor shall execute and deliver to RCTC all such releases and discharges RCTC reasonably requires to confirm the foregoing (which releases shall include an express and unconditional waiver and release sufficient, in RCTC's good faith discretion, to waive any rights and benefits DB Contractor may have pursuant to Civil Code

section 1542), but no such written release and discharge shall be necessary to give effect to the foregoing satisfaction and release.

19.14. Dispute Resolution

The failure of the Parties to agree on amounts due under this Section 19 shall be a Dispute to be resolved in accordance with Section 24.

19.15. Allowability of Costs

All Costs claimed by DB Contractor under this Section 19 shall be allowable, allocable, and reasonable in accordance with the cost principles and procedures of 48 CFR Part 31.

SECTION 20 DEFAULT

20.1. Default of DB Contractor

20.1.1. Events and Conditions Constituting DB Contractor Default

DB Contractor shall be in default under this Contract upon the occurrence of any one or more of the following events or conditions (each a “**DB Contractor Default**”):

(a) DB Contractor fails to: (i) promptly begin the Work under this Contract following issuance of any Notice to Proceed; or (ii) resume performance of Work that has been suspended or stopped within a reasonable time after receipt of Notice from RCTC to do so or (if applicable) after cessation of the event preventing performance;

(b) DB Contractor fails to perform the Work in accordance with this Contract, including DB Contractor’s failure to comply with applicable standards in this Contract with respect to the Work, and refusing to remedy Nonconformances;

(c) DB Contractor suspends, ceases, stops or abandons the Work, or fails to continuously and diligently prosecute the Work excluding Work stoppages due to: (i) termination by RCTC; (ii) the occurrence and continuance of a Force Majeure Event or suspension by RCTC; or (iii) RCTC’s failure to make undisputed payments to DB Contractor, in accordance with Section 20.3;

(d) DB Contractor fails to obtain, provide or maintain in full force and effect any insurance, Bonds, guarantees or other performance security as and when required under this Contract and for the benefit of relevant parties, or fails to comply with any requirement of this Contract pertaining to the amount, terms, or coverage of the same;

(e) DB Contractor fails to provide RCTC with the NTP2 Performance Bond and NTP2 Payment Bond within 15 days of receiving Notice from RCTC of RCTC’s intent to close its financing for the Project, and in no event later than three weeks prior to close of financing;

(f) DB Contractor makes or attempts to make, or suffers a voluntary or involuntary assignment or transfer of this Contract or any right or interest in this Contract, except as expressly permitted under Section 27.4;

(g) DB Contractor fails, absent a valid dispute, to make payment when due for labor, equipment or materials in accordance with its agreements with Subcontractors and applicable law, or fails to comply with any Governmental Rule or reasonably comply with the instructions of RCTC consistent with this Contract;

(h) DB Contractor fails to make payment when due to RCTC of any amounts owing to RCTC under this Contract, including Liquidated Damages, Lane Closure Charges or Flagging Charges;

(i) DB Contractor fails to timely observe or perform, or fails to cause to be timely observed or performed, any other agreement or covenant that DB Contractor is required to perform under this Contract;

(j) Any Guarantor revokes or attempts to revoke its obligations under its Guaranty, or otherwise takes the position that such instrument is no longer in full force and effect;

(k) Issuance of any final judgment holding DB Contractor or any of its equity members liable for an amount in excess of \$100,000 based on a finding of intentional or reckless misconduct or violation of a state or federal false claims act;

(l) Any representation or warranty made by DB Contractor or any Guarantor in this Contract (including the Proposer Questionnaire included in the Proposal, and the questionnaire included in the Statement of Qualifications) or any certificate, schedule, instrument or other document delivered by DB Contractor pursuant to this Contract was false or materially misleading when made;

(m) DB Contractor commences a voluntary case seeking liquidation, reorganization or other relief with respect to DB Contractor or DB Contractor's debts under any U.S. or foreign bankruptcy, insolvency or other similar Governmental Rule; seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of its, or any substantial part of its, assets; becomes insolvent, or generally does not pay its debts as they become due; provides notice of its inability to pay its debts; makes an assignment for the benefit of creditors; or takes any action to authorize any of the foregoing;

(n) An involuntary case is commenced against DB Contractor seeking liquidation, reorganization, dissolution, winding up, a composition or arrangement with creditors, a readjustment of debts or other relief with respect to such DB Contractor or DB Contractor's debts under any U.S. or foreign bankruptcy, insolvency or other similar Governmental Rule; seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its assets; seeking the issuance of a writ of attachment, execution, or similar process; or seeking like relief, and such involuntary case shall not be contested by it in good faith or shall remain undismissed and unstayed for a period of 60 days;

(o) In any voluntary or involuntary case seeking liquidation, reorganization or other relief with respect to DB Contractor or its debts under any U.S. or foreign bankruptcy, insolvency or other similar Governmental Rule, this Contract, is rejected, including a rejection under 11 U.S.C. section 365 or any successor statute;

(p) Any voluntary or involuntary case or other act or event described in Sections 20.1.1(m) through (o) shall occur (and in the case of an involuntary case shall not be contested in good faith or shall remain undismissed and unstayed for a period of 60 days) with respect to (i) any member, partner or joint venture member of DB Contractor (unless said Person has fully met all financial obligations owing to DB Contractor investment and payments or transfers of money or property previously made to or for the benefit of DB Contractor are not subject to sections 544, 547, 548 or 550 of the Bankruptcy Code or any similar applicable state or federal Governmental Rule respecting the avoidance or recovery of preferences or fraudulent transfers, including any applicable enactment of the Uniform Fraudulent Transfer Act), (ii) any member, partner or joint venture member of DB Contractor for whom transfer of ownership or management authority would constitute a prohibited assignment under Section 27.4 or impermissible Change of Control, or (iii) any Guarantor of DB Contractor obligations to RCTC under this Contract, unless another Guarantor of the same obligations then exists, is solvent, is not and has not been the debtor in any such voluntary or involuntary case, has not repudiated its guaranty and is not in breach of its guaranty; and

(q) After any rights of appeal have been exhausted, DB Contractor, any Affiliate or any Subcontractor (i) is determined disqualified, suspended or debarred, or otherwise excluded from bidding, proposing or contracting with a federal or a State department or agency, or (ii) has not dismissed any Subcontractor whose work is not substantially complete and who is

determined disqualified, suspended or debarred, or otherwise excluded from bidding, or proposing or contracting with a federal or a State department or agency.

20.1.2. Notice and Opportunity to Cure

(a) Except with respect to the DB Contractor Defaults described in Sections 20.1.1(c), (d), (e), (f), (h), and Section 20.1.1(i) through (g), DB Contractor and Surety shall be entitled to 15 days' Notice and opportunity to cure any DB Contractor Default before an Event of Default is declared.

(b) No notice and opportunity to cure is required for any DB Contractor Default that by its nature cannot be cured. Failure to provide notice to Surety or any Guarantor shall not preclude RCTC from exercising its remedies against DB Contractor.

(c) If a DB Contractor Default (other than the DB Contractor Defaults described in Sections 20.1.1(c), (d), (e), (f), (h), and (i) through (g)) is capable of cure but, by its nature, cannot be cured within 15 days, as determined by RCTC, such additional period of time shall be allowed as may be reasonably necessary to cure the DB Contractor Default, so long as DB Contractor commences such cure within such 15-day period and thereafter diligently prosecutes such cure to completion; except that, in no event shall such cure period exceed 60 days in total.

(d) In the event of a DB Contractor Default under Section 20.1.1(d), (e) or (h), DB Contractor shall be entitled to seven days' Notice and opportunity to cure.

(e) DB Contractor acknowledges and agrees that the DB Contractor Defaults described in Sections 20.1.1(c), (f), and (i) through (g) are not curable and no notice or cure period shall apply; except that, if a DB Contractor Default under Section 20.1.1(m) or Section 20.1.1(n) arises due solely to the specified acts or events of a Guarantor, then DB Contractor shall have an opportunity to cure such DB Contractor Default, within two Business Days after the occurrence thereof (without any requirement of notice from RCTC), by providing RCTC with alternative security, which security must be in a form satisfactory to RCTC, in its sole discretion.

(f) Notwithstanding the foregoing, RCTC may, without Notice and without awaiting lapse of the period to cure any DB Contractor Default, in the event of existence of a condition on or affecting the Project which RCTC believes poses an immediate and imminent danger to revenues or public health or safety, rectify the dangerous condition at DB Contractor's cost, and so long as RCTC undertakes such action in good faith, even if under a mistaken belief in the occurrence of such DB Contractor Default, such action shall not expose RCTC to any liability to DB Contractor and shall not entitle DB Contractor to any other remedy, it being acknowledged that RCTC has a paramount public interest in providing and maintaining safe public use of and access to the Project. RCTC's good faith determination of the existence of such danger shall be deemed conclusive in the absence of clear and convincing evidence to the contrary.

20.2. Remedies

20.2.1. If any DB Contractor Default is not subject to cure or is not cured within the applicable cure period (if any) specified in Section 20.1.2, RCTC may provide Notice to DB Contractor that an "Event of Default" has occurred. In addition to all other rights and remedies provided by law or in equity, and such rights and remedies as are otherwise available under this Contract, the Performance Bond, the Warranty Bond and/or the Guaranty, if an Event of Default

occurs, then RCTC may without further notice and without waiving or releasing DB Contractor from any obligations, and DB Contractor shall have the following obligations (as applicable):

(a) RCTC may terminate this Contract in whole or part, including DB Contractor's rights of entry upon the Site and possession, control and operation of the Project, in which case, the provisions of Sections 19.3 and 19.4 shall apply;

(b) If and as directed by RCTC, DB Contractor shall discontinue the Work, withdraw from the Site, and shall remove materials, equipment, tools, and instruments used by, and any debris or waste materials generated by, any DB-Related Entity in the performance of the Work;

(c) DB Contractor shall deliver to RCTC possession of any or all Design Documents, Construction Documents, and all other completed or partially completed drawings (including plans, elevations, sections, details and diagrams), specifications, records, information, schedules, samples, shop drawings, electronic files and other documents and facilities related to the Project that RCTC deems necessary to complete the Work;

(d) DB Contractor shall confirm the assignment to RCTC of the Subcontracts requested by RCTC, and DB Contractor shall terminate all other Subcontracts;

(e) RCTC may deduct from any amounts payable by RCTC to DB Contractor such amounts payable by DB Contractor to RCTC, including: (i) the aggregate of reimbursements owing; (ii) Liquidated Damages; (iii) Lane Closure Charges; (iv) Flagging Charges; (v) 125% of the amounts RCTC deems advisable to cover any existing or threatened claims, Liens, and stop payment notices of Subcontractors, laborers, or other Persons; (vi) amounts of any Losses or Third Party Claims that have accrued; (vii) the cost to complete or remediate uncompleted Work or Nonconformances, plus an administrative charge equal to 10% of such costs; and (viii) other damages or amounts that RCTC has determined are or may be payable to RCTC under this Contract;

(f) RCTC may pay such amounts and/or perform such act as may then be required from DB Contractor under this Contract or Subcontracts;

(g) RCTC may appropriate any or all materials and equipment on the Site as may be suitable and acceptable and may direct the Surety to complete the Project or may enter into an agreement to complete the Project according to the terms and provisions hereof with another contractor or the Surety, or use such other methods as may be required to complete the Project, including completion of the Project by RCTC; and/or

(h) If RCTC exercises any right to perform any obligations of DB Contractor, in the exercise of such right RCTC may: (i) perform or attempt to perform, or cause to be performed, such work; (ii) spend such sums as RCTC deems necessary and reasonable to employ and pay such architects, engineers, consultants and contractors, and obtain materials and equipment as may be required to complete such work; (iii) execute all applications, certificates and other documents as may be required to complete the work; (iv) modify or terminate any contractual arrangements; (v) take any other actions that RCTC may consider necessary to complete the Work; and (vi) prosecute and defend any action or proceeding incident to the Work.

20.2.2. If an Event of Default occurs, DB Contractor, any Guarantor and Surety shall be jointly and severally liable to RCTC for all Losses incurred by RCTC or any party acting on RCTC's behalf to complete the Work, or to have the Work completed by another Person (including any re-procurement costs, throw-away costs for unused portions of the completed Work, and

increased financing costs). Upon occurrence of an Event of Default and for so long as the Event of Default continues, RCTC may withhold all or any portion of further payments to DB Contractor until the Final Acceptance Date or the date on which RCTC otherwise accepts the Project as complete or determines that it will not proceed with completion, at which time RCTC will determine whether DB Contractor is entitled to further payments. Promptly following the Final Acceptance Date or the date on which RCTC otherwise accepts the Project as complete or determines that it will not proceed with completion, the total cost of all completed Work shall be determined, and RCTC shall provide Notice to DB Contractor, Surety and each Guarantor of the amount, if any, that DB Contractor, each Guarantor, and the Surety shall pay RCTC or RCTC shall pay DB Contractor or its Surety with respect thereto. RCTC will deduct, from any moneys due or which will become due DB Contractor or its Surety, all costs and charges incurred by RCTC, including attorneys', accountants' and expert witness fees and costs; together with: (a) the cost of completing the Work (which shall include all Plant Establishment Work) under this Contract together with an administrative charge of 10% of such costs; (b) any reimbursements owing to RCTC; (c) any Liquidated Damages, Lane Closure Charges and Flagging Charges; (d) 125% of the amounts RCTC deems advisable to cover any existing or threatened claims, Liens and stop payment notices of Subcontractors, laborers or other Persons; (e) the amounts of any Losses or Third Party Claims that have accrued; and (f) other damages or amounts that RCTC has determined are or may be payable to RCTC under this Contract. If such expense exceeds the sum which would have been payable under the Contract, then DB Contractor, each Guarantor and its Surety(ies) shall be liable and shall pay to RCTC the amount of such excess. If any Guarantor or the Surety fails to pay such amount immediately upon RCTC's demand, then RCTC may collect interest from the Surety and/or such Guarantors on the amounts DB Contractor is required to pay in excess of the remaining balance of the Contract Price. The interest rate which the Surety and/or such Guarantors shall pay shall be the lesser of (i) 10% per annum or (ii) the maximum rate allowable under applicable Governmental Rules. The interest rate shall accrue on all amounts RCTC has had to pay in excess of the remaining balance of the Contract Price from the date of RCTC payment.

20.2.3. DB Contractor acknowledges that if a DB Contractor Default under Section 20.1.1(m) through 20.1.1(p) occurs, such event could impair or frustrate DB Contractor's performance of the Work. Accordingly, DB Contractor agrees that upon the occurrence of any such DB Contractor Default, RCTC may request of DB Contractor, or its successor in interest, adequate assurance of future performance in accordance with the terms and conditions hereof. Failure to comply with such request within ten days of delivery of the request shall entitle RCTC to terminate the Contract and to the accompanying rights set forth above. Pending receipt of adequate assurance of performance and actual performance in accordance therewith, RCTC may proceed with the Work with its own forces or with other contractors on a time and material or other appropriate basis, the cost of which (plus an administrative charge of 10% of such cost) will be credited against and deducted from RCTC's payment obligations under this Contract. The foregoing shall be in addition to all other rights and remedies provided by law or equity and such rights and remedies as are otherwise available under this Contract, the Performance Bond and the Guaranty.

20.2.4. In lieu of the provisions of this Section 20.2 for terminating the Contract and completing the Work, RCTC may pay DB Contractor for the Work already done according to the provisions of this Contract (including RCTC's right to deduct certain amounts therefrom) and may treat the Work remaining undone as if they had never been included or contemplated by this Contract. No claim under this provision will be allowed for prospective profits on, or any other compensation relating to, Work uncompleted by DB Contractor.

20.2.5. In the event that the Contract is terminated for grounds which are later determined not to justify a termination for default, such termination shall be deemed to constitute a termination for convenience pursuant to Section 19.

20.2.6. The exercise or beginning of the exercise by RCTC of any one or more rights or remedies under this Section 20.2 shall not preclude the simultaneous or later exercise by RCTC of any or all other such rights or remedies, each of which shall be cumulative.

20.2.7. DB Contractor, each Guarantor and Surety shall not be relieved of liability for continuing Liquidated Damages, Lane Closure Charges or Flagging Charges on account of a DB Contractor Default by DB Contractor under this Contract or by RCTC's declaration of an Event of Default, or by actions taken by RCTC under this Section 20.2.

20.2.8. In the event RCTC suffers Losses as a result of any act or omission of any DB-Related Entity or any DB Contractor Fault, then, subject to the limitation on liability contained in Section 22, RCTC may recover such Losses from DB Contractor regardless of whether the breach or failure that gives rise to the damages ripens into an Event of Default.

20.2.9. RCTC's remedies associated with any false statement contained in the Proposer Questionnaire included in the Proposal or the questionnaire included in the Statement of Qualifications shall include the right to rescind the Contract.

20.3. Right to Stop Work for Failure by RCTC to Make Undisputed Payment

DB Contractor may stop Work if RCTC fails to make an undisputed payment due under this Contract within 30 days after receipt of Notice of nonpayment. Any such Work stoppage shall be considered a suspension for convenience under Section 17. DB Contractor shall not have the right to terminate the Contract for default as the result of any failure by RCTC to make an undisputed payment due under this Contract. However, if such nonpayment continues for more than 180 days, upon Notice from DB Contractor to RCTC, DB Contractor may declare a Termination for Convenience under Section 19 by delivering to RCTC a Notice of termination specifying its effective date. Upon such termination, the Parties' rights and obligations shall be as provided in Section 19.

20.4. Event of Default Due Solely to DB Contractor's Failure to Achieve Completion Deadlines

20.4.1. If an Event of Default consists solely of DB Contractor's failure to achieve Substantial Completion, Project Completion, or Final Acceptance by the applicable Completion Deadline, RCTC's sole monetary remedy for such Event of Default shall be the right to assess Liquidated Damages under Section 21.1; provided, however, that: (a) such Event of Default does not delay Substantial Completion, Project Completion, or Final Acceptance beyond 180-days of the applicable Completion Deadline; and (b) DB Contractor continues to diligently perform the Work despite such Event of Default. Nothing in this Section 20.4 shall prejudice any other rights or remedies that RCTC may have due to any other Event of Default during such 180-day period.

20.4.2. If any Completion Milestone has not occurred within 180-days of the applicable Completion Deadline, RCTC may: (a) terminate this Contract; (b) continue to assess Liquidated Damages subject only to the limitations in Section 21.1; and/or (c) exercise any other right or remedy under this Contract, at law or in equity.

SECTION 21

LIQUIDATED DAMAGES

21.1. Liquidated Damages for Delay in Completion

21.1.1. DB Contractor shall be liable for and pay to RCTC Liquidated Damages with respect to any failure to achieve a Completion Milestone by the applicable Completion Deadline. This liability shall apply to DB Contractor whether a cure period remains available to DB Contractor or a cure occurs. The amounts of Liquidated Damages under this Section 21.1 are as follows:

(a) \$30,000 for each day Substantial Completion is delayed beyond the Substantial Completion Deadline, not to exceed 365 days;

(b) \$10,000 for each day Project Completion is delayed beyond the Project Completion Deadline, not to exceed 365 days; and

(c) \$10,000 for each day Final Acceptance is delayed beyond the Final Acceptance Deadline, not to exceed 365 days.

21.1.2. The Liquidated Damages under this Section 21.1 shall commence on the applicable Completion Deadline, and shall continue to accrue until the date of the applicable Completion Deadline, or until termination of this Contract. Such Liquidated Damages shall constitute RCTC's sole right to monetary damages for Completion Deadline delay.

21.1.3. The application of Liquidated Damages under this Section 21.1, shall not: (a) liquidate DB Contractor's liability under the indemnification provisions of Section 23, even though Third Party Claims against Indemnified Parties may arise out of the same event, breach, or failure that gives rise to the Liquidated Damages; or (b) limit RCTC's rights to terminate this Contract under Section 19 or Section 20.

21.2. Lane Closure Charges for Lane Closures on General Purpose Lanes, 91 Express Lanes and 15 Express Lanes

21.2.1. DB Contractor shall perform the Work in a manner that will reasonably minimize impacts to the operations of the GP Lanes, 15 Express Lanes and the 91 Express Lanes, including minimizing Lane Closures.

21.2.2. For Lane Closures between NTP1 and the end of the Warranty Period (or as otherwise expressly stated in Exhibits 19-22), DB Contractor shall be liable for and pay the following fees and/or charges to RCTC. Numbered "Segments" referenced below are as shown in TP Attachment 18-3:

(a) Permitted GP Lane Closures at the locations and during the periods identified in TP Attachment 18-1, shall be at no charge to DB Contractor, so long as the Lane Closure complies with the requirements for Lane Closures in this Contract. Where a Permitted GP Lane Closure goes beyond or outside the duration approved by RCTC or does not comply with the requirements for Lane Closures in this Contract, it is an Unpermitted GP Lane Closure and Section 21.2.2(b) shall apply.

(b) For an Unpermitted GP Lane Closure, DB Contractor shall pay GP Lane Closure Charges for each affected GP Lane as set forth in Exhibit 19 (GP Lane Closure Charges).

(c) For Permitted 15 EL Closures of Segment 1 Northbound, Segment 2 Northbound, Segment 1 Southbound, and Segment 2 Southbound, DB Contractor shall pay 15 EL Closure Charges for each affected EL Segment as set forth in Exhibit 20 – Chart 20-1.

(d) For Permitted 15 EL Closures of Segment 3 Northbound, Segment 4 Northbound, Segment 3 Southbound, and Segment 4 Southbound, DB Contractor shall pay 15 EL Closure Charges for each affected EL Segment as set forth in Exhibit 20 – Chart 20-2.

(e) For Unpermitted 15 EL Closures of Segment 1 Northbound, Segment 2 Northbound, Segment 1 Southbound, and Segment 2 Southbound, DB Contractor shall pay 15 EL Closure Charges for each affected EL Segment as set forth in Exhibit 20 – Chart 20-3.

(f) For Unpermitted 15 EL Closures of Segment 3 Northbound, Segment 4 Northbound, Segment 3 Southbound, and Segment 4 Southbound, DB Contractor shall pay 15 EL Closure Charges for each affected EL Segment as set forth in Exhibit 20 – Chart 20-4.

(g) For a Permitted 91 RCTC Westbound EL Closure, DB Contractor shall pay 91 EL Closure Charges for each affected EL as set forth in Exhibit 21 – Chart 21-1.

(h) For a Permitted 91 RCTC Eastbound EL Closure, DB Contractor shall pay 91 EL Closure Charges for each affected EL as set forth in Exhibit 21 – Chart 21-2.

(i) For an Unpermitted 91 RCTC EL Closure, DB Contractor shall pay 91 EL Closure Charges for each affected EL as set forth in Exhibit 21 – Chart 21-3.

(j) For a Permitted 91 OCTA EL Closure, DB Contractor shall pay 91 EL Closure Charges for each affected EL as set forth in Exhibit 21 – Chart 21-4.

(k) For an Unpermitted 91 OCTA EL Closure, DB Contractor shall pay 91 EL Closure Charges for each affected EL as set forth in Exhibit 21 – Chart 21-5.

(l) For a Permitted ELC Lane Closure, DB Contractor shall pay ELC Lane Closure Charges for each affected EL as set forth in Exhibit 22 – Chart 22-1.

(m) For an Unpermitted ELC Lane Closure, DB Contractor shall pay ELC Lane Closure Charges for each affected EL as set forth in Exhibit 22 – Chart 22-2.

21.2.3. DB Contractor shall pay the Lane Closure Charges owing under this Contract to RCTC as and when provided in TP Sections 18.3.3.1 and 18.3.3.2, as applicable.

21.2.4. Without limiting Section 21.7, if DB Contractor fails to timely make any timely payment of Lane Closure Charges, then:

(a) RCTC may prohibit DB Contractor from pursuing or implementing any further Permitted Lane Closures, until such past due payments are made; and

(b) DB Contractor shall not be entitled to any compensation, time extension or otherwise make any Claim arising out of any inability to pursue or implement such Permitted Lane Closures.

21.2.5. When RCTC permits or requires DB Contractor to proceed with a Permitted Lane Closure after DB Contractor has failed to timely pay Lane Closure Charges, as provided in

this Contract, this shall not waive RCTC's or OCTA's right to receive damages under this Contract or any rights or remedies otherwise available to RCTC or OCTA, as applicable.

21.3. Liquidated Damages for Failure to Comply with Requests for Lane Closures of General Purpose Lanes

DB Contractor shall be subject to Liquidated Damages under this Section 21.3 for failure to comply with requests for GP Lane Closures (including failure to timely cancel). Subject to the monthly threshold in TP Section 18.3.3.1.1, the amount of Liquidated Damages owing from DB Contractor to RCTC for each failure shall be \$5,000. These Liquidated Damages are in addition to any fees or costs associated with the Construction Zone Enhanced Enforcement Program ("**COZEEP**"), which DB Contractor shall reimburse RCTC for in accordance with TP Section 18.4.1.2.

21.4. Liquidated Damages for DB Contractor's Failure to Timely Cancel BNSF Flagging Services

Subject to the monthly aggregate thresholds in TP Section 8.4.2, DB Contractor shall be subject to Liquidated Damages under this Section 21.4 in the amount of \$20,000, in each instance, if DB Contractor (a) fails to utilize BNSF flagging services its requests under Section 8.1.7(e) (including in the manner for which such flagging services were requested), or (b) fails to provide RCTC advance Notice canceling the requested flagging services at least 72 hours before the date and time the requested flagging services are scheduled to commence.

21.5. Liquidated Damages for Unavailability of Key Personnel

DB Contractor shall be subject to Liquidated Damages for unavailability of Key Personnel to work on the Project, in accordance with Section 9.6.

21.6. Pavement Adjustments; Liquidated Damages for Net Negative Pavement Adjustments

21.6.1. Construction of new pavement for the Project shall comply with all Contract requirements, including TP Section 11 and Department Standard Specifications.

21.6.2. Subject to DB Contractor's obligations with respect to performance of Corrective Measures under TP Section 11.4, if, at either Package 2 Turnover, Package 3 Turnover or Substantial Completion, any 0.10-mile segment of new pavement within the Project (as applicable) has an MRI measured value of less than 85.0, RCTC will calculate the sum total of each 0.10-mile segment's Pavement Adjustment (i.e., pavement deductions or credits against pavement deductions) in accordance with the following table (each, a "**Pavement Adjustment**"):

MRI Measured Value	Pavement Adjustment Per 0.10-Mile Segment of the Project (as applicable)
< 45.0	DB Contractor credit of \$1500 against any pavement deduction
45.1 – 55.0	DB Contractor credit \$1000 against any pavement deduction
55.1 – 65.0	No adjustment
65.1 – 75.0	DB Contractor to pay RCTC \$3500 as a pavement deduction
75.1 – 85.0	DB Contractor to pay RCTC \$5000 as a pavement deduction

MRI Measured Value	Pavement Adjustment Per 0.10-Mile Segment of the Project (as applicable)
> 85.0	DB Contractor shall perform Corrective Measures in accordance with TP <u>Section 11.4</u> .

21.6.3. Subject to Section 21.6.4, where a Pavement Adjustment results in a net negative Pavement Adjustment, DB Contractor shall pay RCTC such amount as Liquidated Damages in accordance with Section 21.7.

21.6.4. Where a Pavement Adjustment results in a net positive Pavement Adjustment, such net positive Pavement Adjustment will constitute a Compensable Event, entitling DB Contractor to additional compensation in an amount no greater than 100% of the positive Pavement Adjustment.

21.6.5. For illustrative purposes only, as examples:

If Package 2 there are eight 0.10-mile segments with MRI measurements < 45.0, three 0.10-mile segments with MRI measurements between 65.1 and 75.0, and two 0.1-mile segments with MRI measurements between 75.1-85.0, the net negative Pavement Adjustment would be -\$8,500, and DB Contractor shall pay RCTC \$8,500 calculated as follows:

$$8 \times (\$1,500) - 3 \times (\$3,500) - 2 \times (\$5,000) = -\$8,500.$$

If, in the above example, for Package 2, there was a net positive Pavement Adjustment of \$3,000, then DB Contractor would not owe any Pavement Adjustment to RCTC for Package 2. However, the \$3,000 for Package 2 would offset a net negative Pavement Adjustment owing for Substantial Completion up to \$3,000. Accordingly, if, consistent with the above example for Package 2, there is a net negative Pavement Adjustment of -\$8,500, DB Contractor shall pay RCTC \$5,000 calculated as follows at Substantial Completion:

$$-\$8,500 + \$3,000 = -\$5,000$$

21.7. Acknowledgements Regarding Liquidated Damages, Lane Closure Charges and Flagging Charges

21.7.1. The Parties acknowledge and agree that if DB Contractor fails to comply with certain obligations under this Contract, DB Contractor shall be liable to RCTC or OCTA, as applicable, for liquidated damages. Liquidated damages (collectively, “**Liquidated Damages**”), Lane Closure Charges and Flagging Charges shall apply and be payable in accordance with Sections 21.1, 21.2, 21.3, 21.4, 21.5, 21.6 and 21.9.

21.7.2. The Parties acknowledge and agree:

(a) That RCTC or OCTA, as applicable, shall incur damages that are incapable of accurate measurement, because of, among other things the unique nature of the Project and the unavailability of a substitute for it. Such damages include loss of use, enjoyment and benefit of the Project, the 91 Express Lanes and connecting RCTC transportation facilities by the general public, injury to the credibility and reputation of RCTC’s and OCTA’s transportation improvement program with policy makers and with the general public who depend on and expect availability of service on the Project, 15 Express Lanes and 91 Express Lanes, which injury to

credibility and reputation may directly result in loss of ridership on the Project, 15 Express Lanes and 91 Express Lanes, and additional costs of administering this Contract (including engineering, legal, accounting, overhead and other administrative costs);

(b) To fix the Liquidated Damages, Lane Closure Charges and Flagging Charges payable by DB Contractor to RCTC or OCTA (as applicable) in the event of the Liquidated Damages Events, Lane Closure Charges and Flagging Charges (as applicable) and avoid later Disputes over what amounts of damages are properly chargeable to DB Contractor for such Liquidated Damages Events given the difficulties of the proof of loss, and the inconvenience or infeasibility of otherwise obtaining an adequate remedy;

(c) That the Liquidated Damages, Lane Closure Charges and Flagging Charges are reasonable and represent good faith estimates and evaluations by the Parties as to the actual, potential damages or harm RCTC or OCTA (as applicable) would incur as a result of the applicable Liquidated Damages Event, Lane Closure Charges or Flagging Charges (as applicable);

(d) That the Parties intend for the Liquidated Damages in Section 21.1 to constitute "liquidated damages" as such term is used in Government Code section 53069.85 to the extent said statute may apply, and to constitute "stipulated damages" to the extent that said statute is not applicable; and

(e) The Liquidated Damages, Lane Closure Charges and Flagging Charges (as applicable) do not constitute a penalty.

21.8. Payment; Offset; Reduction; Waiver; Non-Exclusive Remedy

21.8.1. Except for the Liquidated Damages set out in Section 21.2.3, DB Contractor shall pay any Liquidated Damages, Lane Closure Charges and Flagging Charges owing, within ten Business Days after DB Contractor's receipt of RCTC's invoice or demand therefor.

21.8.2. RCTC may deduct and offset any unpaid Liquidated Damages, Lane Closure Charges and Flagging Charges from any amounts owed by RCTC to DB Contractor, including any Retainage which may be payable by RCTC to DB Contractor pursuant to Section 14.3.1. RCTC also may draw on any bond, certificate of deposit, letter of credit or other security provided by DB Contractor pursuant to this Contract to satisfy Liquidated Damages, Lane Closure Charges and Flagging Charges not paid when due.

21.8.3. Permitting or requiring DB Contractor to continue and finish the Work or any part thereof after a Completion Deadline as applicable shall not act as a waiver of RCTC's right to receive Liquidated Damages, Lane Closure Charges and Flagging Charges under this Contract or any rights or remedies otherwise available to RCTC.

21.8.4. Subject to Section 20.4, RCTC's right to, and imposition of, Liquidated Damages, Lane Closure Charges and Flagging Charges are in addition, and without prejudice, to any other rights and remedies available to RCTC under this Contract, at law or in equity respecting the breach, failure to perform or DB Contractor Default, except for recovery of the monetary damage that the Liquidated Damages, Lane Closure Charges and Flagging Charges are intended to compensate.

21.9. Liquidated Damages for Failure to Comply with Time Limitation for SR-91 Eastbound Lane Closure

(a) DB Contractor's closure of the eastbound SR-91 GP number 4 lane in compliance with the requirements specified in TP Section 18.3.3.1.2 shall be a Permitted Lane Closure for a period of not more than 396 consecutive days. If such Permitted Lane Closure goes beyond 396 days or does not comply with the requirements for Lane Closures in this Contract, it shall be an Unpermitted Lane Closure for each day of closure in excess of 396 days, and each day in noncompliance with the requirements specified in TP Section 18.3.3.1.2, in which case Section 21.9(b) shall apply.

(b) For an Unpermitted Lane Closure of the eastbound SR-91 GP number 4 lane, DB Contractor shall be subject to Liquidated Damages under this Section 21.9 in the amount of \$5,000 per day of such Unpermitted Lane Closure.

SECTION 22 LIMITATION OF DB CONTRACTOR'S LIABILITY

22.1. Limitation of Liability

To the extent permitted by Governmental Rules, DB Contractor's liability under this Contract to RCTC for all damages (including (i) actual, special or multiple damages; and (ii) indirect, incidental, consequential or punitive damages for which DB Contractor is liable under Section 22.2) whether arising in contract, negligence or other tort, or any other theory of law shall not exceed the sum of:

(a) All those costs reasonably incurred by RCTC or any party acting on RCTC's behalf to complete or correct the Work, or to have the Work completed or corrected by another Person, including costs as described in Section 24; plus

(b) An amount equal to \$65,000,000 (which amount shall specifically include any Liquidated Damages paid under Section 21.1 and without limiting Section 22.1(c), DB Contractor's indemnities under Section 23 regarding third party suits, actions, proceedings, judgments and claims); plus

(c) Any amounts paid or payable by or on behalf of DB Contractor which are covered by insurance proceeds required to be carried under this Contract, or for which DB Contractor was required to provide insurance if coverage is not in force; plus

(d) All Losses incurred by any Indemnified Party in connection with, relating to or arising out of any illegal activities, fraud, recklessness, criminal conduct, gross negligence, bad faith or intentional misconduct on the part of any DB-Related Entity; plus

(e) Losses arising out of DB Contractor Release of Hazardous Materials; plus

(f) Lane Closure Charges and Flagging Charges; and plus

(g) Liquidated Damages (excluding Liquidated Damages under Section 21.1).

22.2. Consequential Damages

22.2.1. Except as otherwise expressly specified in this Contract, including this Section 22, to the extent permitted by applicable Governmental Rules, neither Party shall be liable to the other for punitive, indirect, incidental or consequential damages, whether arising out of breach of this Contract, tort (including negligence) or any other theory of liability, with the understanding that lost toll revenues other than those covered by Liquidated Damages, Lane Closure Charges or Flagging Charges payable under this Contract shall be considered as consequential damages for purposes of this Section 22.2, and each Party releases the other Party from any such liability.

22.2.2. The limitations on DB Contractor's liability under this Section 22.2 shall not apply to or limit any right of recovery RCTC may have with respect to the following (and DB Contractor agrees that it shall not assert the application of Section 22.2.1 against any such item, obligation, liability or Losses):

(a) Any amounts paid or payable by or on behalf of DB Contractor which are covered by insurance proceeds required to be carried under this Contract, or for which DB Contractor was required to provide insurance if coverage is not in force;

(b) Losses in connection with any illegal activities, fraud, recklessness, criminal conduct, intentional misconduct, bad faith, or gross negligence on the part of any DB-Related Entity;

(c) DB Contractor's indemnities under Section 23 or elsewhere in this Contract;

(d) DB Contractor's obligation to pay Lane Closure Charges, Flagging Charges or Liquidated Damages under this Contract; and

(e) Losses arising out of DB Contractor Release of Hazardous Materials.

SECTION 23 INDEMNIFICATION

23.1. Indemnifications by DB Contractor

23.1.1. Subject to Section 23.1.2, DB Contractor shall release, defend, indemnify and hold harmless the Indemnified Parties from and against any and all Claims and Losses in connection with the following (each an “**Indemnified Claim**”):

- (a) The breach or alleged breach of this Contract by any DB-Related Entity;
- (b) The failure or alleged failure by any DB-Related Entity to comply with the Governmental Approvals or Governmental Rules (including any Environmental Laws);
- (c) Any alleged patent or copyright infringement or other allegedly improper appropriation or use of trade secrets, patents, proprietary information, know-how, copyright rights or inventions in connection with the Project, this Contract and the Work and/or the system of methods, processes, designs, information or other items provided or communicated to RCTC or another Indemnified Party in accordance with this Contract; provided that if infringement can be avoided by modification to the allegedly infringing article, RCTC agrees to allow such modification unless the form, fit, or function of the allegedly infringing article or the system is, in RCTC’s sole determination, adversely affected; and further provided that this indemnity shall not apply to any infringement to the extent directly and solely resulting from: (i) RCTC’s material failure to comply with a material specific prior written instruction regarding use provided to RCTC by DB Contractor; (ii) compliance with written specifications prescribed by RCTC with respect to which: (1) DB Contractor has complied in full; (2) the reason for the infringement solely and directly arises out of RCTC’s specifications; and (3) DB Contractor has notified RCTC in writing in advance of potential infringement and RCTC has directed DB Contractor to proceed and disregard the potential infringement; or (iii) material modifications to the deliverables directed by RCTC and not made by a DB-Related Entity;
- (d) The actual or alleged negligent act, error or omission, illegal activities, fraud, recklessness, criminal conduct, intentional misconduct, bad faith or gross negligence or of any DB-Related Entity or any DB Contractor Fault in or associated with performance of the Work and/or this Contract;
- (e) Any and all Claims by any Governmental Entity or taxing authority claiming taxes based on gross receipts, purchases or sales, the use of any property or income of any DB-Related Entity or any of their respective agents, officers or employees with respect to any payment for the Work made to or earned by any DB-Related Entity;
- (f) Any and all stop payment notices and/or Liens filed in connection with the Work, including all reasonable expenses and attorneys’, accountants’ and expert witness fees and costs incurred in discharging any stop payment notice or Lien and any other liability to Subcontractors for failure to pay sums due for their work or services; provided that RCTC is not in default in undisputed payments owing to DB Contractor with respect to such Work;
- (g) Any DB Contractor Release of Hazardous Materials;
- (h) To the extent of the negligence of any DB-Related Entity or failure to comply with DB Contractor’s obligations under Section 3 or Section 25; the claim or assertion by Pavement Contractor or any other contractor (excluding Other RCTC Contractors) that any DB-Related Entity (i) interfered with or hindered the progress or completion of work being performed

by such other contractor, so as to cause inconvenience disruption, delay, or loss, except where the DB-Related Entity was not in any manner engaged in performance of the Work, or (ii) failed to cooperate reasonably with other contractors in accordance therewith;

(i) DB Contractor's performance of, or failure to perform, the obligations under any Utility Agreement or BNSF Construction & Maintenance Agreement(s) which are DB Contractor's responsibility pursuant to this Contract, or any dispute between DB Contractor and a Utility Owner as to whether work relating to a Relocation constitutes a Betterment;

(j) Any DB-Related Entity's breach of or failure to perform an obligation that RCTC owes to a third Person, including Governmental Entities, Utility Owners, and BNSF, under law or under any agreement between RCTC and a third Person, where (i) RCTC has delegated performance of the obligation to DB Contractor under this Contract, or (ii) the acts or omissions of any DB-Related Entity which render RCTC unable to perform an obligation that RCTC owes to a third Person, including Governmental Entities, Utility Owners, and BNSF, under any agreement between RCTC and a third Person, where the agreement was expressly disclosed to DB Contractor;

(k) Inverse condemnation, trespass, nuisance, or similar taking of or harm to real property by reason of (i) the failure of any DB-Related Entity to comply with Good Industry Practices, requirements of this Contract, Project Management Plan or Governmental Approvals, (ii) the fraud, criminal conduct, bad faith, intentional misconduct, recklessness or negligence of any DB-Related Entity, or (iii) the actual physical entry onto or encroachment upon another's property by any DB-Related Entity not permitted under this Contract;

(l) Any failure to pay any Liquidated Damages, Lane Closure Charges of Flagging Charges under this Contract; and/or.

(m) Subject to Section 23.1.2, Errors in the Design Documents provided by DB Contractor (including those pertaining to Relocations), regardless of whether such Errors were also included in the Basic Configuration, Project Schematics, or other Reference Documents. DB Contractor agrees that, because the concepts in the Basic Configuration, Project Schematics and other Reference Documents are subject to review and modification by DB Contractor, (i) it is appropriate for DB Contractor to assume liability for Errors in the completed Project even though they may be related to Errors in the Basic Configuration, Project Schematics, and other Reference Documents, and (ii) such documents shall not be deemed "design furnished" by RCTC or any of the other Indemnified Parties, as the term "design furnished" is used in Civil Code section 2782 and as it pertains to Section 23.1.4(a). DB Contractor agrees to waive the benefit (if any) of Civil Code section 2782 and agrees that this Section 23.1.1(m) constitutes an agreement governed by Civil Code section 2782.5.

23.1.2. Subject to the releases and disclaimers under this Contract, DB Contractor's indemnity under this Section 23 shall not extend to any Claim or Losses to the extent that such Claim or Losses were directly caused by:

(a) Without limiting Section 23.1.4(a) the active negligence, gross negligence, reckless or willful misconduct, bad faith or fraud of such Indemnified Party;

(b) RCTC's material breach of any of its obligations under this Contract; or

(c) An Indemnified Parties material violation of any applicable Governmental Rules or Governmental Approvals.

23.1.3. With respect to Claims by an employee of DB Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under this Section 23 shall not be limited by any limitations under workers' compensation, disability benefit or other employee benefits laws, including limitations on the amount or type of damages, compensation or benefits payable by or for DB Contractor or a Subcontractor.

23.1.4. The following restrictions shall apply to the indemnities in Sections 23.1.1.

(a) Except as permitted by Civil Code sections 2782.1, 2782.2 and 2782.5, such indemnities shall not inure to the benefit of an Indemnified Party so as to impose liability on DB Contractor for the active negligence of RCTC, or to relieve RCTC of liability for such active negligence.

(b) With respect to Work performed by a design professional as defined in California Civil Code section 2782.8, such indemnities shall apply only to the extent permitted by said section 2782.8.

(c) In Claims by an employee of DB Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under this Section 23 is not limited by a limitation on the amount or type of damages, compensation or benefits payable by or for DB Contractor or a Subcontractor under workers' compensation, disability benefit or other employee benefits laws.

(d) DB Contractor is advised that Utility Agreements and the BNSF Construction & Maintenance Agreement(s) may include certain agreements by RCTC to indemnify, defend and hold harmless the Utility Owners and BNSF with respect to certain matters. DB Contractor's obligations under this Section 23 shall automatically apply to require DB Contractor, subject to Section 23.1.2, to release, indemnify, defend and hold harmless the Utility Owners, BNSF and their employees and agents, in addition to the Indemnified Parties, with respect to all such matters. If any Utility Agreements or BNSF Construction & Maintenance Agreement(s) contain provisions requiring RCTC's contractor(s) to indemnify, save and hold harmless the Utility Owner with respect to any matters, then, subject to Section 23.1.2, DB Contractor agrees to and shall perform and comply with such provisions of the Utility Agreements for the benefit of the Utility Owners, their employees and agents.

(e) The requirement to provide an indemnity for breach or alleged breach of this Contract as provided in Section 23.1.1(a) is intended to provide protection to RCTC with respect to third-party claims associated with such breach or alleged breach. It is not intended to provide RCTC with an alternative cause of action for damages incurred by RCTC with respect to such breach or alleged breach.

23.2. Defense and Indemnification Procedures

23.2.1. If an Indemnified Party receives notice of a Claim or other item covered under this Section 23, or otherwise has Actual Knowledge of an Indemnified Claim that it believes is within the scope of the indemnities provided under this Section 23, then, as soon as practicable after receipt of the Indemnified Claim, RCTC shall by Notice:

(a) Inform DB Contractor of the Indemnified Claim;

(b) Send to DB Contractor a copy of all written materials RCTC has received asserting such Indemnified Claim; and

(c) Notify DB Contractor that if no insurer accepts defense of the Indemnified Claim, the Indemnified Party will conduct its own defense unless DB Contractor accepts the tender of the Indemnified Claim in accordance with Section 23.2.4.

23.2.2. As soon as practicable after DB Contractor receives Notice of an Indemnified Claim or otherwise has Actual Knowledge of an Indemnified Claim, it shall tender the Indemnified Claim by Notice to the insurers under all potentially applicable insurance policies. RCTC and other Indemnified Parties also may tender such Indemnified Claims directly to such insurers.

23.2.3. If the insurer under any applicable insurance policy accepts the tender of defense, RCTC and DB Contractor shall cooperate in the defense as required by the insurance policy. If no insurer under potentially applicable insurance policies provides defense, then Section 23.2.4 shall apply.

23.2.4. If the defense is tendered to DB Contractor, then within 30 days after receipt of the tender, DB Contractor shall notify the Indemnified Party whether it has tendered the matter to an insurer and (if not tendered to an insurer or if the insurer has rejected the tender) shall deliver a Notice stating that DB Contractor:

(a) Accepts the tender of defense and confirms that the Indemnified Claim is subject to full indemnification under this Contract without any “reservation of rights” to deny or disclaim full indemnification thereafter;

(b) Accepts the tender of defense but with a “reservation of rights” in whole or in part; or

(c) Rejects the tender of defense based on a determination that it is not required to indemnify against the Indemnified Claim under the terms of this Contract.

23.2.5. If DB Contractor accepts the tender of defense under Section 23.2.4(a), DB Contractor may select legal counsel for the Indemnified Party, subject to reasonable approval by the Indemnified Party, and DB Contractor shall otherwise control the defense of such Indemnified Claim, including settlement, and bear the fees and costs of defending and settling such Indemnified Claim; except that RCTC has the right of prior approval of any settlement that waives any defenses or rights of RCTC, increases RCTC’s risk, including Project risk, or relates to or may impact the Work or the design, construction, operations, maintenance, financing, or revenues of the Project. During such defense:

(a) DB Contractor shall fully and regularly inform the Indemnified Party in writing of the progress of the defense and of any settlement discussions; and

(b) The Indemnified Party shall fully cooperate in said defense, provide to DB Contractor all materials and access to personnel that DB Contractor requests as necessary for defense, preparation and trial, and which or who are under the control of or reasonably available to the Indemnified Party, and use reasonable efforts to maintain the confidentiality of all communications between it and DB Contractor concerning such defense.

23.2.6. If DB Contractor responds to the tender of defense as specified in Section 23.2.4(b) or 23.2.4(c), the Indemnified Party may select its own legal counsel and otherwise control the defense of such Indemnified Claim, including settlement.

23.2.7. Notwithstanding DB Contractor’s acceptance of a tender of defense under Section 23.2.4(a) or 23.2.4(b), the Indemnified Party may assume its own defense by delivering

to DB Contractor Notice of such election and the reasons therefore, if the Indemnified Party, at the time it gives Notice of the Indemnified Claim or at any time thereafter, reasonably determines that:

(a) A conflict exists between the Indemnified Party and DB Contractor which prevents or potentially prevents DB Contractor from presenting a full and effective defense;

(b) DB Contractor is otherwise not providing an effective defense in connection with the Indemnified Claim; or

(c) DB Contractor lacks the financial capacity to satisfy potential liability or to provide an effective defense.

23.2.8. If the Indemnified Party is entitled to and elects to conduct its own defense of an Indemnified Claim for which it is entitled to indemnification under this Contract, DB Contractor shall reimburse on a current basis all reasonable Costs and expenses the Indemnified Party incurs in investigating and defending. If the Indemnified Party is entitled to and elects to conduct its own defense, then:

(a) In the case of a defense that otherwise would be conducted under Section 23.2.4(a), the Indemnified Party may settle or compromise the Indemnified Claim with DB Contractor's prior written consent, which shall not be unreasonably withheld or delayed;

(b) In the case of a defense that otherwise would be conducted under Section 23.2.4(b), the Indemnified Party may settle or compromise the Indemnified Claim with DB Contractor's prior written consent, which shall not be unreasonably withheld or delayed, or with approval of the court or arbitrator following reasonable notice to DB Contractor and opportunity to be heard and without prejudice to the Indemnified Party's rights to be indemnified by DB Contractor; and

(c) In the case of a defense conducted under Section 23.2.4(c), the Indemnified Party shall have the right to settle or compromise the Indemnified Claim without DB Contractor's prior written consent and without prejudice to its rights to be indemnified by DB Contractor.

23.2.9. A refusal of, or failure to accept, a tender of defense, as well as any Dispute over whether an Indemnified Party that has assumed control of defense is entitled to do so under Section 23.2.6 shall be resolved in accordance with Section 24, but the foregoing shall not preclude an Indemnified Party from preserving its rights or defending the claim pending such resolution.

23.2.10. The Parties acknowledge that while this Section 23 contemplates that DB Contractor will have responsibility for certain Indemnified Claims, circumstances may arise where the Parties may share liability with respect to such Indemnified Claims and liabilities. In such cases, where either Party believes that an Indemnified Claim or liability may entail shared responsibility, and that principles of comparative negligence and indemnity are applicable, the Party shall confer with the other Party on management of the Indemnified Claim or liability in question. If the Parties cannot agree on an approach to representation in the matter in question, each Party shall arrange to represent itself and to bear its own costs in connection therewith pending the outcome of the matter. Within 30 days after the final, non-appealable resolution of the matter in question (whether by settlement, arbitration or by judicial proceedings), the Parties shall adjust the costs of defense, including reimbursement of reasonable attorneys' fees, and other litigation and defense costs, in accordance with the indemnification arrangements of this

Section 23.2, and consistent with the outcome of such proceedings concerning the respective liabilities of the Parties on the Indemnified Claim.

23.2.11. In determining responsibilities and obligations for defending Indemnified Claims under to this Section 23.2, specific consideration shall be given to the following factors:

- (a) The party performing the activity in question;
- (b) The location of the activity and incident;
- (c) Contractual arrangements then governing the performance of the activity; and
- (d) Allegations of respective fault contained in the Indemnified Claim.

23.3. Responsibility of RCTC for Certain Hazardous Materials

The Parties acknowledge and agree that:

23.3.1. RCTC may assert that certain third persons or parties may rightfully bear the ultimate legal responsibility for any and all Hazardous Materials that may currently be present on the Site; and

23.3.2. Certain State and federal statutes provide that individuals and firms may be held liable for damages and claims related to Hazardous Materials under such doctrines as joint and several liability and/or strict liability. It is not the intention of the Parties that DB Contractor be exposed to any such liability to the extent arising out of (a) proper Hazardous Materials Management activities in connection with pre-existing Site contamination, whether known or unknown, and/or (b) the activities of any Persons other than DB-Related Entities.

23.4. No Effect on Other Rights

The obligations in Sections 23.1 through 23.3 shall not be construed to negate, abridge or reduce other rights or obligations which would otherwise exist in favor of an Indemnified Party under this Contract.

23.5. CERCLA Agreement

The indemnities in Section 23.1.1(g) are intended to operate as agreements pursuant to section 9607(e) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. § 9607(e), and Health and Safety Code section 25364, to defend, indemnify and hold harmless the Indemnified Parties.

23.6. Notification of Third Party Claim

RCTC and DB Contractor shall each provide timely notification to the other party of the receipt of any third party claim relating to this Contract.

SECTION 24

PARTNERING AND DISPUTE RESOLUTION

24.1. Partnering; Informal Process and mediation for Resolution of Claims

The Parties acknowledge that Public Contract Code section 9204 applies to Claims (as defined thereunder) made by DB Contractor or its Subcontractors under this Contract, and that this Section 24, and as pertains to “claims” under Public Contract Code section 9204, complies in substance and procedure with Public Contract Code section 9204. To the extent that any provision in this Section 24 conflicts with Public Contract Code section 9204, solely with respect to “claims” thereunder, the procedures in Public Contract Code section 9204 shall control.

24.1.1. Partnering

(a) RCTC encourages partnering among DB Contractor, its Subcontractors, TSP, RCTC, PCM, Department, FHWA and other stakeholders. Partnering is intended to identify potential problem areas early in the progress of the Project. The parties shall commence partnering sessions to address and establish a process for resolving them in order to prevent them from becoming Claims or Disputes. Early in the progress of the Project, specific interface issues, definition of the scope of Work, division of responsibilities, communication channels, and application of alternative resolution principles shall guide partnering sessions so as to prevent problems from becoming Claims or Disputes. The issues addressed in subsequent partnering sessions will be determined by the parties to the partnering sessions as needed.

(b) The facilitator for the partnering sessions will be the individual in Exhibit 2 (Contract Particulars), or another facilitator acceptable to DB Contractor, TSP and RCTC. The cost of the partnering facilitator shall be shared equally among DB Contractor, TSP and RCTC. Partnering meetings shall be conducted at the offices of RCTC, PCM or at such location as otherwise agreed upon by the parties to the partnering sessions. An initial partnering session will be conducted with DB Contractor, TSP, RCTC, PCM, Department and FHWA as soon as possible after the Effective Date, but no later than the first 90 days. Follow up partnering sessions shall be held quarterly throughout the term of this Contract. Persons who must attend partnering sessions include key personnel and senior management officials of the Parties and Department.

(c) Pursuant to Evidence Code sections 1119 and 1152, and Federal Rule of Evidence 408, and similar prohibitions, oral and written statements made during partnering sessions and statements of the facilitator shall not be admissible or discoverable in any judicial or other dispute resolution proceeding.

24.1.2. Informal Process and Mediation for Resolution of Claims

(a) Notwithstanding anything to the contrary in this Contract, DB Contractor shall deliver to RCTC a Notice of any potential Claim under this Contract. For purposes of clarity the Notice sent under this Section 24.1.2(a) is not (i) the Notice sent under Section 24.2.2(a), which initiates this Contract’s dispute resolution process at such point a potential or actual Claim becomes a Dispute or (ii) the Notice sent under Section 16.5.1(a), which initiates this Contract’s DB Contractor-initiated Change Order process.

(b) RCTC will provide a written statement identifying what portion of any Claim is disputed and what portion is undisputed, if any, within 45 days (or, if any determination

requires approval from RCTC's governing body, three days after the next duly publicly noticed meeting of such governing body after such 45 day period).

(c) Without limiting any other provision of this Contract (e.g., relating to timely filing of Relevant Event Notices or other Notices), if DB Contractor disputes RCTC's written response (or deemed response) to any Notice of potential Claim delivered by DB Contractor to RCTC under this Contract, DB Contractor may notify RCTC, within ten Business Days of receipt of RCTC's written or deemed response, that it wishes to proceed with informal discussion of the matter through partnering or through a separate informal process as contemplated by Public Contract Code section 9204. If the notification regarding the dispute of RCTC's written response involves a DB Contractor "claim" as that term is defined in Public Contract Code section 9204, then DB Contractor shall identify, in writing that portion of the claim which is still in dispute and shall deliver such request by registered mail or certified mail, return receipt requested. Upon receipt of such notification, RCTC shall schedule a meet and confer conference within ten Business Days.

(d) Within ten Business Days following the conclusion of the meet and confer conference, if the Claim, or any portion of the Claim remains unresolved, RCTC shall provide DB Contractor with a written statement identifying the portion of the Claim that remains unresolved and the portion that is resolved.

(e) Failure of either party to request mediation under this Section 24.1.2(e) within 10 Business Days shall be deemed acceptance by DB Contractor that the unresolved portion of the Claim is resolved in RCTC's favor. Any unresolved portion of the Claim, as identified by DB Contractor in writing to RCTC, may, on the request of either party, be submitted to nonbinding mediation before the facilitator chosen by the Parties for the partnering sessions, with both Parties sharing the associated costs equally, unless both Parties agree to proceed with formal dispute resolution proceedings under this Contract without mediation. If mediation is elected, the parties shall mutually agree to a mediator within ten Business Days after RCTC has received the Notice identifying the unresolved portion of the Claim. If the Parties cannot agree upon a mediator, then each Party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the unresolved portion of the Claim. Each Party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. If mediation is unsuccessful, the parts of the Claim remaining unresolved shall be subject to further dispute resolution as specified below.

(f) Unresolved Claims that become Disputes between the Parties that are not governed by Public Contract Code section 9204 shall be presented to RCTC's Executive Director (or other officer of RCTC with authority to make final decisions subject only to board approval and any required third party approvals) for resolution under Section 24.2.4 below.

(g) Failure by RCTC to respond to a claim from DB Contractor within the time periods described in this Section 24.1.2 (including failure to schedule a meet and confer within the timeframe in Section 24.1.2(c)) or to otherwise meet the time requirements of Public Contract Code section 9204 shall result in the Claim being deemed rejected in its entirety.

24.2. Commencement of Dispute Resolution Process

All Disputes between DB Contractor and RCTC that arise under this Contract shall be resolved in accordance with this Section 24, except for those matters identified in Section 24.2.1. All Disputes shall be decided strictly in accordance with the terms and conditions of this Contract and general principles of contract law of the State. Before DB Contractor may submit any Dispute to

dispute resolution under Sections 24.4, 24.5, or 24.6, it must first obtain a final RCTC Decision in accordance with this Section 24.2.

24.2.1. Matters not Eligible for Dispute Resolution

The dispute resolution procedures in this Section 24 shall not apply to the following:

- (a) Any matters this Contract expressly states are final, binding, or not subject to dispute resolution or are subject to the sole discretion of RCTC;
- (b) Disputes regarding compliance with Governmental Rules, the rights of RCTC to terminate this Contract, liability or indemnification;
- (c) Any claim for injunctive relief;
- (d) Any claim against an insurance company, including any Subcontractor Dispute that is covered by insurance;
- (e) Disputes regarding matters under the jurisdiction of Cal-OSHA;
- (f) Reserved;
- (g) Issues related to Subcontractor substitutions governed by Public Contract Code section 4100 et seq.;
- (h) Any claim for, or Dispute based on, remedies expressly created by statute;
- (i) Any Dispute that is actionable only against a Surety;
- (j) Any claim arising out of or relating to the Work where a third party is a necessary or appropriate party (excluding any DB-Related Entity, TSP, the 91 Express Lanes Operator, the ELP DB Contractor, Pavement Contractor, RCTC, PCM, Department, FHWA); and
- (k) Any claim or dispute that does not arise under the Contract.

The Parties acknowledge and agree that the items above are not “claims” within the meaning of Public Contract Code section 9204.

24.2.2. Request for Dispute Resolution

(a) DB Contractor may file with RCTC a Notice requesting dispute resolution if DB Contractor objects to any decision, action, order, or position of RCTC. Such Notice shall be filed within ten Business Days of the written decision, action, order, or position of RCTC to which DB Contractor objects. Without limiting the foregoing restriction, in no event shall any such Notice be filed later than ten Business Days after Project Completion (except to the extent that the decision, action, order, or position relates to warranties or other post-Final Acceptance obligations of DB Contractor). Notices given under this Section 24.2.2(a) regarding Claims that are governed by (and defined under) Public Contract Code section 9204 shall conform to the requirements of such Governmental Rule. Notices given under this Section 24.2.2(a) for Disputes between the Parties that are not governed by Public Contract Code section 9204 shall be deemed to be Notices given under Section 24.2.3(c) for executive level negotiation without need to proceed to project level negotiation under Section 24.2.3.

(b) RCTC may initiate the dispute resolution process at any time by filing with the Disputes Review Board and delivering to DB Contractor a Notice requesting dispute resolution.

(c) Notices requesting dispute resolution, whether from DB Contractor or RCTC, shall: (i) identify the issues in dispute; (ii) state the position of the requester; (iii) state the dollar amount and/or duration of Critical Path and Completion Deadline impact or interference involved in the Dispute; and (iv) state whether it is the position of the requester that the Dispute must be resolved expeditiously and thus must be resolved in accordance with the provisions of Section 24.13.

(d) Within ten Business Days of receipt of a Notice requesting dispute resolution, RCTC may join, or require that DB Contractor join, such other parties as RCTC deems necessary or appropriate for the full resolution of the dispute.

24.2.3. Project Level Negotiation

(a) Upon commencement of the dispute resolution process, except with respect to Notices given under this Section 24.2.3(a) (seeking executive level negotiation under Section 24.2.4), the Parties shall first attempt to resolve the Dispute between RCTC's Representative and DB Contractor's Representative. The two Representatives shall meet and attempt to resolve the Dispute in good faith within five Business Days after the date the Notice for dispute resolution is received by the non-requesting Party. There shall be at least one meeting to attempt such project level negotiation. The project level negotiation may be continued upon the agreement of all Parties.

(b) Within ten Business Days following the conclusion of the project level negotiation, RCTC will issue to DB Contractor a Notice of RCTC Decision; except that if no Notice is issued, RCTC shall be deemed to have denied DB Contractor's objection and an RCTC Decision to that effect shall be deemed received by DB Contractor at the end of such ten Business Day period. A project level negotiation is deemed concluded if a session has ended for the day, but the parties have not agreed within five Business Days to the date for a continuation of that project level negotiation."

(c) Within ten Business Days following receipt (or deemed receipt) of an RCTC Decision, DB Contractor may, by Notice to all other parties involved, request executive level negotiation. If no such request is made, the initial RCTC Decision shall be deemed final and binding.

24.2.4. Executive Level Negotiation

(a) RCTC's Executive Director and DB Contractor's Chief Executive Officer (or other officer of either Party with authority to make final decisions subject only to board approval and any required third party approvals) shall meet within ten Business Days after receipt of the Notice (i) given under Section 24.2.2(a) for Disputes between the Parties that are not governed by Public Contract Code section 9204, or (ii) given under Section 24.2.3(c), following unsuccessful project level negotiation, requesting executive level negotiation, and attempt to resolve the Dispute. There shall be at least one meeting between RCTC's Executive Director and DB Contractor's Chief Executive Officer (or such other officer described above).

(b) If RCTC's Executive Director or DB Contractor's Chief Executive Officer (or such other officer described above) is not in the United States during the time period he or she

needs to participate in any dispute resolution procedure, the person authorized to perform any or all of such officer's duties during his or her absence may participate in said dispute resolution procedure instead.

(c) RCTC will issue a final RCTC Decision to DB Contractor at RCTC's own initiative, but in any event within five Business Days after the meeting between RCTC's Executive Director and DB Contractor's Chief Executive Officer (or such other officer described in Section 24.2.4(a)) (which meeting shall be no later than ten Business Days after receipt of DB Contractor's Notice); except that if no Notice is issued, RCTC shall be deemed to have denied DB Contractor's protest and a final RCTC Decision to that effect shall be deemed received by DB Contractor at the end of such five Business Day period.

24.2.5. Effect of Final RCTC Decision

The final RCTC Decision shall be final and conclusive, subject to DB Contractor's right to submit the issue to the Disputes Review Board, if DB Contractor does not accept the final RCTC determination, for further dispute resolution under Section 24.4 or 24.6, as applicable, based on the value of the Dispute, and in any event only after providing a Notice within ten Business Days after receipt of the final RCTC Decision, stating in general terms the factual or legal objections, or both, to the determination. DB Contractor's failure to object in writing within the above-specified time limit shall constitute acceptance of the final RCTC Decision. Thereafter, either DB Contractor (if DB Contractor objects to the final RCTC Decision in accordance with this Section 24.2.5), or RCTC may seek a determination of the dispute by the dispute resolution procedure set forth below.

24.3. Disputes Review Board

RCTC and DB Contractor shall select a Disputes Review Board to assist in resolution of Disputes that: (a) arise prior to expiration of the Warranty Period; (b) are subject to the dispute resolution process under this Section 24; and (c) the Parties attempted to but did not resolve through project level and executive level negotiations. The Disputes Review Board will provide special expertise to assist in and facilitate the resolution of such Disputes, and attempt to avoid construction delays. The Disputes Review Board may also assist in resolution of Disputes involving other parties. This Section 24.3 describes the purpose, procedure, functions, and key features of the Disputes Review Board.

24.3.1. Membership

The Disputes Review Board shall consist of one member selected by RCTC, one member selected by DB Contractor, and a third member selected by the first two members. Normally, the third member will act as chairman for all Disputes Review Board activities. All members of the Disputes Review Board shall be both experienced with the type of design and construction involved in the Project, and experienced in the interpretation of contract documents. The third member shall be a lawyer, licensed in the State and experienced with design and construction disputes.

(a) The criteria and limitations for Disputes Review Board membership shall be as follows:

(i) No member of the Disputes Review Board shall have an ownership interest in any DB-Related Entity, Affiliate, or PCM, or any financial interest in this Contract or the Project, except for payment for serving on the Disputes Review Board;

(ii) Except for fee-based consulting services on other projects, no member of the Disputes Review Board or member's employer has been employed by RCTC, Department, any DB-Related Entity, Affiliate or PCM within a period of two years prior to the Effective Date;

(iii) No member of the Disputes Review Board shall have had substantial prior involvement in the Project or with RCTC, Department, any DB-Related Entity, any Affiliate or PCM of a nature that could affect his/her ability to impartially resolve Disputes;

(iv) No member of the Disputes Review Board shall be employed by RCTC, Department, any DB-Related Entity, any Affiliate or PCM during the term of the Contract and for as long thereafter as any Dispute submitted to the Disputes Review Board remains outstanding under this Contract, except as a member of other disputes boards; and

(v) During the term of the Contract and for as long thereafter as any obligations remain outstanding under this Contract, no discussion or agreement shall be made between any member of the Disputes Review Board and RCTC, Department, any DB-Related Entity, any Affiliate or PCM regarding employment of a member of the Disputes Review Board.

(b) Within 30 days after the issuance of NTP1, each Party shall select its member of the Disputes Review Board and enter into a three-party agreement between the member, RCTC and DB Contractor with such member pursuant to which such person shall serve on the Disputes Review Board. The first two members shall immediately commence selection of a third member who shall meet all the criteria listed above. The third member shall be selected within 30 days after both of the first two members have been selected, and shall enter into an agreement with RCTC and DB Contractor negotiated by the first two members and agreed to by RCTC and DB Contractor. All parties shall enter into an agreement in the form attached as Exhibit 11 (Disputes Review Board Agreement).

(c) Before their appointments are made, the first two prospective members shall submit complete disclosure statements for approval by both RCTC and DB Contractor. Each statement shall include a resume of experience, a disclosure of any circumstances likely to prevent prompt hearings and decisions or to create any appearance of bias and a declaration describing all past, present, anticipated, or planned future relationships to the Project and with all parties involved in this Contract. The third member of the Disputes Review Board shall supply such a statement to the first two members of the Disputes Review Board before his/her appointment is finalized.

(d) Disputes about an appointment to the Disputes Review Board (including Disputes resulting from an objection by either Party to any member on the grounds that the qualifications in this Contract are not met and disputes resulting from the inability of the two selected members to agree on a third member) shall be subject to judicial reference in accordance with Section 24.5.

(e) Prior to hearing the first Dispute under this Contract, and upon request by either Party thereafter, each member of the Disputes Review Board shall supply RCTC and DB Contractor a declaration under penalty of perjury affirming that such member meets the above qualifications and agrees to be bound by the terms of this Contract. If at any time a member of the Disputes Review Board fails to meet such qualifications, such member shall be removed and replaced in accordance with the procedures for appointment of members set forth above.

(f) Either Party may require that a new Disputes Review Board be appointed to resolve future Disputes, which right shall be exercised by delivery of Notice to such effect to the other Party. The procedures and requirements for appointment shall be identical with those in this Section 24.3.1, except that the members selected by the Parties shall be selected within 30 days after the date of delivery of the Notice requesting a new Disputes Review Board. In such event, a new agreement, in the same form as Exhibit 11 (Disputes Review Board Agreement), shall be executed establishing a new Disputes Review Board. Nothing shall prohibit a Party from reappointing its then-current member. All Disputes submitted to the Disputes Review Board after delivery of Notice requiring appointment of a new Disputes Review Board shall be heard and decided by the new Disputes Review Board. All Disputes submitted prior to such date shall be heard by the old Disputes Review Board unless the Parties agree otherwise.

(g) If a Party does not select its member for the new Disputes Review Board within 30 days after the date of delivery of the Notice requesting a new Disputes Review Board, the other Party may provide a Notice to cure to that Party. Upon receipt of the Notice, the Party that did not make its selection will have 20 days to cure by selecting a member for the new DRB. If the Party does not make the selection within the 20 day cure period, the noticing Party may proceed in accordance with Section 24.5.

24.3.2. Operation

The Disputes Review Board shall adopt rules of procedure subject to approval by RCTC and DB Contractor. The Parties may agree in writing to any new or different procedures and the Disputes Review Board will follow such changes. The Disputes Review Board may schedule regular meetings and visits to the Site. If the Parties consider it necessary or desirable, RCTC will prepare minutes of all regular meetings and circulate them for comments, corrections, and/or approval by all concerned. If a field inspection is undertaken, the Disputes Review Board shall be accompanied by representatives of both RCTC and DB Contractor. Seeking the Disputes Review Board member(s)' advice or consultation, ex parte, is expressly prohibited.

24.3.3. Procedure and Schedule for Dispute Resolution

(a) Disputes shall be considered as quickly as possible, taking into consideration the particular circumstances and the time required to prepare detailed documentation. All Disputes arising out of a single event, act, omission or set of circumstances shall be considered a single Dispute. All Losses and Claims arising out of that event, act, omission or set of circumstances shall be considered Losses and Claims under a single Dispute. Accordingly, all such Disputes, Losses and Claims presented as a single Dispute shall be included in the statement of the single Dispute within a reasonable time after the initial filing so that the other Party will have ample time for discovery before the hearing date. Any disputes, Losses or Claims not presented in such single Dispute within such reasonable time shall be deemed waived by the Party bringing the Dispute.

(b) DB Contractor and RCTC shall each be afforded an opportunity to be heard by the Disputes Review Board and to offer evidence. The Parties agree that discovery shall be permitted to the full extent provided by Code of Civil Procedure sections 1283.05(a) through (d). The Recommendation of the Disputes Review Board will be given in writing to both RCTC and DB Contractor within ten Business Days of completion of the hearings, if possible.

(c) RCTC will promptly process any required Change Order or amendment to this Contract based on: (i) an agreed upon resolution between RCTC and DB Contractor; (ii) a

binding Recommendation of the Disputes Review Board; or (iii) a final judgment or award entered in accordance with Section 24.5 or 24.6.

24.3.4. Hearing and Recommendation

Each hearing before the Disputes Review Board shall be conducted at facilities provided by RCTC. RCTC and DB Contractor may have representatives at all hearings. After the hearings are concluded, the Disputes Review Board shall meet in private to formulate its Recommendation, which shall be supported by two or more members. All deliberations of the Disputes Review Board shall be conducted in private, with all individual views kept strictly confidential, except as may be reflected in the Recommendation. The Recommendation shall be made in accordance with such procedures as are approved by the Parties. The Disputes Review Board shall make every effort to reach a unanimous Recommendation. If the Recommendation is not unanimous, then the dissenting member may prepare a minority recommendation.

24.3.5. Right to Litigate Disputes; Admissibility of Disputes Review Board Findings

(a) RCTC and DB Contractor agree that submission of any unresolved Dispute to project level and executive level negotiations, under Sections 24.2.3 and 24.2.4, and the Disputes Review Board, under this Section 24.3, are conditions precedent to RCTC's or DB Contractor's right to litigate such unresolved Dispute.

(b) Findings of fact by the Disputes Review Board will not be collateral estoppel in any other proceeding involving the same issue, but final decisions that are binding in accordance with Section 24.6 will be res judicata. The written findings and Recommendations of the Disputes Review Board, together with its reasons, including any minority reports or dissenting recommendations or opinions, and all submissions of the Parties shall not be admissible in any subsequent arbitration, mediation, or litigation concerning the same Dispute or Claim. Any settlement negotiations between the Parties during the Disputes Review Board process, whether voluntary or at the direction of the Disputes Review Board, shall be considered confidential, and no evidence of anything said, nor any admission made in such settlement negotiations, nor any document prepared for the purpose of the settlement negotiations, shall be admissible in evidence, nor shall disclosure of such evidence be compelled at a later date, unless such evidence is otherwise admissible or subject to discovery, except that any settlement executed by the Parties shall not be considered confidential and may be disclosed.

(c) RCTC and DB Contractor shall not call any individual who served as a member of the Disputes Review Board as a witness in any litigation proceedings in connection with this Contract.

24.4. Resolution of Disputes Exceeding \$375,000 by Disputes Review Board

24.4.1. RCTC and DB Contractor may submit to the Disputes Resolution Board Disputes that arise prior to the expiration of the applicable Warranty Period only when (a) project level and executive level negotiations between the Parties are unsuccessful, and (b) the amount in controversy exceeds \$375,000.

24.4.2. Such Disputes submitted by DB Contractor to the Disputes Review Board must be based on a final RCTC Decision, and must be submitted within 30 days of the date the RCTC Decision became final. RCTC may submit such a Dispute to the Disputes Review Board at any time.

24.4.3. The Dispute shall be submitted to the Disputes Review Board by filing a “complaint” in accordance with the procedures adopted by the Disputes Review Board, and service upon the other Party in accordance with the requirements of the Code of Civil Procedure that pertain to service of summons and complaint. Concurrently with service of the complaint upon the other Party, the Party submitting the Dispute shall also deliver a copy of the complaint to counsel for the other Party, if the other Party has been previously represented in such Dispute. The complaint shall include a declaration executed by the Party submitting the Dispute, in the following form:

I certify that the claim set forth herein is made in good faith, that the supporting data is accurate and complete to the best of my knowledge and belief, and that the amount and/or time requested accurately reflects the [Contract schedule adjustment] [amount] for which [RCTC] [DB Contractor] believes, at this time, [RCTC] [DB Contractor] is liable.

By: [RCTC] / [DB Contractor]
[Person Responsible for Claim]

24.4.4. The term “Recommendation” means the written document issued by the Disputes Review Board in connection with a Dispute, issued in accordance with the procedures adopted by the Disputes Review Board, which states that it is the Disputes Review Board’s final recommendation for resolution of said Dispute. The Parties agree that all statutes of limitations shall be tolled from the date of submission of a Dispute to the Disputes Review Board until the date of receipt of the Recommendation.

24.4.5. Within 30 days after receiving the Recommendation, or such other time specified by the Disputes Review Board, both RCTC and DB Contractor shall respond to each other and to the Disputes Review Board by Notice, signifying either acceptance or rejection of the Recommendation. Failure of either Party to respond within the specified period shall be deemed an acceptance of the Recommendation, such that the duration of the limitations period(s) is increased by the amount of time that the Dispute is tolled, and that no limitations period shall expire while the statutes of limitations are tolled. If RCTC and DB Contractor are able to resolve the Dispute based on the Recommendation, RCTC will promptly process any required Contract changes.

24.4.6. If the Dispute remains unresolved during the 120 days following issuance of the Recommendation, either Party may submit the Dispute to judicial reference under Section 24.5 (no other methods of settlement shall be available). If the Dispute is not submitted to judicial reference within such 120-day period, then the applicable Recommendation shall stand as final and binding, and the Parties shall be deemed to have conclusively agreed to accept that Recommendation.

24.5. Resolution of Disputes Exceeding \$375,000 by Judicial Reference

RCTC and DB Contractor may submit Disputes to judicial reference only when: (a) the amount in controversy exceeds \$375,000; (b) project level and executive level negotiations between the Parties are unsuccessful with respect to the Dispute; either (c)(i) the Disputes Review Board has issued a Recommendation with respect to the Dispute or (c)(ii) a Party has failed to cure a failure to select a member for a new Disputes Review Board after notice and an opportunity to cure pursuant to Section 24.3.1(g); and (d) the Dispute is submitted to judicial reference within timeframe in Section 24.4.6. All Disputes submitted to judicial reference shall be heard and

determined by a referee in accordance with Code of Civil Procedure section 638, subsection 1. The venue of any proceeding under this Contract shall be in Riverside County, California, unless changed by the judicial officer.

24.5.1. Filing of Complaint

Subject to the procedural requirements in this Section 24.5, the Party submitting a Dispute to judicial reference shall file in court and serve on the other Party a complaint describing the matters in dispute. Said complaint shall be filed no later than 120 days following issuance of the applicable Recommendation by the Disputes Resolution Board. Service of the complaint shall be as prescribed by law.

24.5.2. Procedure for Appointment

(a) At any time after service of the complaint, either Party may request the designation of a referee to try the Dispute. Thereafter the Parties shall use their best efforts to agree upon the selection of a referee.

(b) If the Parties are unable to agree upon a referee within ten Business Days after a written request to do so by any Party, then either Party may petition the presiding judge of the Superior Court to appoint a referee. The presiding judge shall have the power to assign such request to such judge of the Riverside County, California, Superior Court as the presiding judge deems appropriate.

(c) For the guidance of the judge making the appointment of such referee, the Parties agree that the person so appointed shall be a lawyer, licensed in the State and experienced in the subject matter of the Dispute, a court commissioner, or a retired judge.

24.5.3. Standards for Decision

(a) The provisions of Code of Civil Procedure sections 640, 642, 643, 644 and 645 shall be applicable to dispute resolution by a referee hereunder. In an effort to clarify and amplify the provisions of Code of Civil Procedure sections 644 and 645, the Parties agree that the referee shall decide issues of fact and law submitted by the Parties for decision in the same manner as required for a trial by court as specified in Code of Civil Procedure sections 631.8 and 632, and California Rules of Court, Rule 3.1590. The right to trial by jury is waived by both Parties.

(b) The referee shall try and decide the Dispute, and all pretrial matters, including discovery, and shall proceed according to all of the substantive and procedural laws of the State, unless the Parties stipulate to the contrary.

(c) When the referee has decided the Dispute, the referee shall also cause the preparation of a judgment based on such decision. The judgment to be entered by the Superior Court, based upon the decision of the referee, shall be appealable in the same manner as if the judge signing the judgment had tried the case.

24.5.4. Agreement to Appoint Proposed Referee as Judge Pro Tem

The Parties recognize that the appointment of the proposed referee as a temporary judge in accordance with Article VI, Section 21 of the California Constitution and California Rules of Court, Rule 2.831, would be desirable and therefore agree that the proposed referee be appointed

as a temporary judge in accordance with Article VI, Section 21 of the California Constitution, in the event of the filing of an action in the Superior Court to resolve any Dispute.

24.6. Resolution of Disputes Involving \$375,000 or Less by Arbitration

24.6.1. RCTC and DB Contractor may submit to arbitration Disputes that arise prior to the expiration of the applicable Warranty Period only when (a) project level and executive level negotiations between the Parties are unsuccessful, and (b) the amount in controversy is equal to or less than \$375,000.

24.6.2. Disputes submitted by DB Contractor to arbitration under this Section 24.6 must be based on a final RCTC Decision, and a demand for arbitration must be submitted within 30 days after the date the RCTC Decision becomes final. RCTC may submit a demand for arbitration under this Section 24.6 at any time.

24.6.3. As permitted by Public Contract Code section 20104(a)(2), each Dispute involving \$375,000 or less shall be heard and determined by an arbitrator or arbitrators selected pursuant to Public Contract Code sections 10240 et seq. (the “**State Arbitration Act**”), and in accordance with the procedures in California Code of Regulations, title 1, sections 300 et seq. (the “**Regulations**”).

24.6.4. RCTC and DB Contractor agree to appoint the members of the Disputes Review Board to act as arbitrators under the State Arbitration Act for all such Disputes, as permitted by Public Contract Code section 10240.3 and section 321(a) of the Regulations; except that the Parties may, in lieu of appointing the entire Disputes Review Board, agree to appoint the neutral member of the Disputes Review Board as such arbitrator.

24.6.5. Discovery shall be permitted to the full extent provided by Code of Civil Procedure sections 1283.05(a) through (d).

24.6.6. The Parties intend to comply with the State Arbitration Act, and agree that the State Arbitration Act and Regulations shall be applicable with respect to Disputes up to \$375,000, except as otherwise provided in this Contract. Accordingly, for Disputes up to \$375,000, the Disputes Review Board will issue a final decision which will be binding in accordance with the State Arbitration Act.

24.7. Cooperation

The Parties shall diligently cooperate with one another and with the person(s) appointed to resolve Disputes, and shall perform such acts as may be necessary to obtain a prompt and expeditious resolution of Disputes. If either Party refuses to diligently cooperate, and the other Party, after first giving Notice of its intent to rely on the provisions of this Section 24.7, incurs additional expenses or attorneys’ fees solely as a result of such failure to diligently cooperate, then the individual(s) resolving the Dispute may award such additional expenses and attorneys’ fees to the Party giving such Notice, even if such Party is not the prevailing Party in the Dispute.

24.8. Costs

The Parties shall share equally in all Costs for the Disputes Review Board and for resolution of Disputes pursuant to the dispute resolution procedures under this Contract, including any costs associated with a reference of a Dispute to a judicial referee in accordance with Section 24.5; except that the Party against whom an award of additional attorneys’ fees or expenses is made in accordance with Section 24.7 shall make such payments to the other Party and is not entitled

to recover (or offset) the amount paid. If either Party refuses to pay its share of the costs of the proceeding at the time required, then the other Party may do so, in which event that Party will be entitled to recover (or offset) the amount advanced, with interest at the maximum rate permitted by law, even if that Party is not the prevailing Party. The person(s) resolving the Dispute shall include such costs in his/her/their judgment or award. Except as otherwise provided in Section 24.7, each Party shall pay its own attorneys' fees and expert witness fees. If DB Contractor is entitled to recover from RCTC costs and interest under this Section 24.8, and so long as RCTC's portion of such costs is undisputed, then "interest at the maximum rate permitted by law" means interest at the rate of 7% per annum, if such undisputed amount is not paid within 60 days after the undisputed amount is established by written statement to RCTC under this Contract.

24.9. Provisional Remedies

No party shall be precluded from initiating a proceeding in a court of competent jurisdiction for the purpose of obtaining any emergency or provisional remedy which may be necessary, and which is not otherwise available under this Section 24, to protect its rights, including temporary and preliminary injunctive relief, attachment, claim and delivery, receivership and any extraordinary writ.

24.10. Continuing Performance

During any dispute resolution proceedings, DB Contractor shall carry on its duties under this Contract, and RCTC shall continue to make undisputed payments in accordance with this Contract.

24.11. Participation in Proceedings; Joinder

DB Contractor agrees that: (a) at RCTC's request, DB Contractor shall take appropriate action to join TSP or any third parties, including Subcontractors, involved in the design or construction of any part of the Project as parties in dispute resolution proceedings under this Section 24; and (b) DB Contractor will allow itself to be joined as a participant in any Dispute, arbitration or other proceeding that involves RCTC and any other Person relating to the Project, including those relating to TSP, and agrees to be bound by the procedures and decisions rendered in such proceeding. This provision is for the benefit of RCTC and not for the benefit of any other party.

24.12. Effect on Surety and Guarantor

Decisions made in accordance with this Section 24 that are binding on DB Contractor shall also be binding on the Surety under the Performance Bond and any Guarantor; except that, unless the Surety or Guarantor, as applicable, is a party to such proceedings, such decisions shall not affect any defenses that are special to the Surety or Guarantor, as applicable (i.e. defenses available to the Surety or Guarantor, as applicable, which could not have been asserted by DB Contractor in the underlying proceeding). In the event that the Surety or Guarantor, as applicable, is a party to any proceedings, it may, and must, assert any such special defenses therein or else such defenses are deemed waived.

24.13. Emergency Dispute Resolution

If a Dispute arises that must be resolved expeditiously in order to prevent serious damage to revenues, person or property, or serious interference with a Critical Path, both Parties shall make commercially reasonable efforts to resolve that Dispute quickly. In such case, if DB Contractor's Representative and RCTC's Representative cannot reach a resolution of that Dispute within

24 hours, they must refer the Dispute to RCTC's Executive Director and DB Contractor's Chief Executive Officer (or other officer with authority to make final decisions subject only to board approval and any required third party approvals) for a meeting between RCTC's Executive Director and DB Contractor's Chief Executive Officer to occur within the following 24 hours. Once the urgent aspects of the Dispute have been resolved, the Parties may continue with the remaining procedures for dispute resolution if necessary and to the extent applicable.

24.14. Time Limitation

DB Contractor acknowledges and agrees that RCTC is subject to substantial constraints that have resulted in limitations on its ability to increase the Contract Price or extend a Completion Deadline. DB Contractor acknowledges and agrees that, due to limitations on funding for the Project, prompt resolution of Disputes is of vital importance to RCTC. DB Contractor agrees that the time limitations stated in the Contract for the filing of Claims and/or complaints with the Disputes Review Board are necessary and reasonable. DB Contractor expressly waives any longer statute of limitations contained in any statute, including Government Code section 900 et seq. that would otherwise be applicable, except as it relates to the matters in Section 24.2.1.

24.15. Timely Payment of Undisputed Amounts of any Claim

In accordance with Public Contract Code section 9204, RCTC shall conduct a reasonable review of any Claim by DB Contractor subject to Public Contract Code section 9204 within 45 days (or, if any determination requires approval from RCTC's governing body, in which case within three days after the next duly publicly noticed meeting of such governing body after such 45 day period) and pay DB Contractor within 60 days thereafter the undisputed portion of any Claim. RCTC shall provide DB Contractor a written statement identifying what portion of any Claim is disputed and what portion is undisputed, if any. RCTC may request additional evidence from DB Contractor to aid RCTC in identifying the disputed and undisputed portions of any Claim. DB Contractor shall provide such evidence promptly thereafter. RCTC will pay within 60 days after receipt of sufficient evidence, in RCTC's discretion, further amounts of such Claim that RCTC identifies as undisputed. The Parties may, by mutual agreement, extend these time periods. As part of any dispute resolution proceeding in this Section 24, DB Contractor bears the burden of identifying the disputed and undisputed portions of the Claim and providing reasonable documentation in support thereof.

SECTION 25 **ACCEPTANCE**

25.1. Coordination of Work with ELP DB Contractor

25.1.1. General Requirements

DB Contractor acknowledges and agrees that:

(a) The Project physically interfaces with the ELP as described in TP Section 2.5.1; and

(b) DB Contractor shall coordinate the performance of the Work with the ELP in accordance with TP Section 18.4.6, and shall allow ELP DB Contractor to complete the ELP in advance of the applicable portions of the Planned ROW Limits being made available in TP Attachment 9-2.

25.1.2. Requirements for ELP Turnover

(a) RCTC shall give DB Contractor separate Notices:

- (i) 120 days;
- (ii) 60 days; and
- (iii) 30 days,

prior to the date upon which it reasonably expects ELP Turnover to be achieved.

25.1.3. Notice and Inspection of ELP Substantial Completion

(a) ELP Turnover shall not be effective until RCTC issues the applicable Certificate of ELP Turnover in accordance with this Section 25.1.3.

(b) RCTC shall provide DB Contractor not less than ten Business Days' prior Notice of the date ELP DB Contractor considers it will achieve ELP Turnover.

(c) During this ten Business Day period:

(i) DB Contractor, RCTC, and ELP DB Contractor shall meet and confer on a regular and cooperative basis to exchange information, with the goal being orderly and timely inspection of the work comprising ELP Turnover to determine whether ELP Turnover has been achieved; and

(ii) ELP DB Contractor shall allow RCTC and DB Contractor access to the portion of the Site comprising ELP Turnover, but neither RCTC nor DB Contractor shall perform the applicable ELP Turnover inspection until ELP DB Contractor considers it has achieved ELP Turnover, including ELP DB Contractor's own internal inspection and punch list, and RCTC delivers Notice under Section 25.1.3(d).

(d) RCTC shall provide DB Contractor with a second Notice when ELP DB Contractor determines it has achieved ELP Turnover.

(e) ELP DB Contractor shall allow DB Contractor and RCTC access to the portion of the Site comprising the applicable ELP Turnover for up to an additional ten Business Days after receipt of RCTC's second Notice indicating ELP DB Contractor has achieved ELP Turnover. During this ten Business Days period: (i) RCTC and DB Contractor shall inspect the Work comprising the applicable ELP Turnover and its components, and conduct such other investigations as may be necessary to evaluate whether ELP DB Contractor achieved ELP Turnover; and (ii) DB Contractor shall provide Notice to RCTC listing the Work which, in DB Contractor's opinion, remains to be performed to achieve the ELP Turnover.

(f) No later than ten Business Days after DB Contractor receives RCTC's second Notice described in Section 25.1.3(d), RCTC shall (i) issue a Certificate of ELP Turnover, or (ii) provide Notice to ELP DB Contractor listing the Work which, in RCTC's opinion, remains to be performed to achieve the ELP Turnover.

(g) If applicable, RCTC shall give Notice to DB Contractor when ELP DB Contractor considers that the Work listed in a Notice issued by the RCTC under Section 25.3.3(f) has been completed, and Sections 25.1.3(d) through 25.1.3(g) will apply to such Notice in the same way as if it were the original Notice.

(h) If ELP DB Contractor performs repairs to elements of the Work damaged after the applicable ELP Turnover, the repair Work shall be subject to inspection by RCTC and DB Contractor, and acceptance by RCTC. Accordingly, the provisions in Sections 25.1.3(b) through 25.1.3(g) shall apply to the repair work as if it were part of the initial ELP Turnover.

25.2. Coordination of work with Pavement Rehabilitation Project

25.2.1. General

DB Contractor acknowledges and agrees that:

(a) The Project physically interfaces with the Pavement Rehabilitation Project as described in TP Section 18.4.7; and

(b) DB Contractor shall coordinate the performance of the Work with the Pavement Rehabilitation Work in accordance with TP Section 18.4.7;

25.2.2. Requirements for Pavement Rehabilitation Project

(a) RCTC shall give DB Contractor separate Notices:

- (i) 120 days;
- (ii) 60 days; and
- (iii) 30 days,

prior to the date upon which the Pavement Rehabilitation Project is anticipated to be complete.

(b) RCTC shall give DB Contractor Notice on the actual date upon which the Pavement Rehabilitation Project is complete (as certified by Department).

(c) Subject to DB Contractor's entitlement to relief under clause (k) of the definition of Force Majeure Event, DB Contractor shall allow the Pavement Contractor access to the applicable portions of the Pavement Contractor ROW to complete the Pavement Rehabilitation Project from the Effective Date until the date RCTC provides Notice to DB Contractor that the Pavement Rehabilitation Project is complete under Section 25.2.2(b).

25.3. Coordination of Work with TSP

25.3.1. General Requirements

DB Contractor acknowledges and agrees that:

(a) The Project is comprised of three Packages as described in TP Section 19; and

(b) DB Contractor shall coordinate the performance of the Work with the TSP Work in accordance with TP Section 19, and shall allow TSP to install such facilities reasonably in advance of the Substantial Completion Deadline, as specified in this Section 25 and TP Section 19.

25.3.2. Notice Requirements for each Package Turnover

(a) In its Monthly Progress Reports and schedule updates, DB Contractor shall provide updates as to the anticipated date for each Package Turnover.

(b) DB Contractor shall give the RCTC Representative and TSP separate Notices:

- (i) 120 days;
- (ii) 60 days; and
- (iii) 30 days,

prior to the date upon which it reasonably expects to achieve each Package Turnover.

25.3.3. Conditions for Package Turnover; Inspection of Packages

(a) No Package Turnover shall be effective until RCTC issues the applicable Certificate of Package Turnover in accordance with this Section 25.3.3.

(b) DB Contractor shall provide RCTC and TSP not less than ten Business Days' prior Notice of the date DB Contractor determines it will achieve each Package Turnover.

(c) During this ten Business Day period:

(i) DB Contractor, RCTC, and TSP shall meet and confer on a regular and cooperative basis to exchange information, with the goal being orderly and timely inspection of the Work comprising the applicable Package Turnover to determine whether the applicable Package Turnover has been achieved.

(ii) DB Contractor shall allow RCTC and TSP access to the portion of the Site comprising the applicable Turnover Package, but neither RCTC nor TSP shall perform the applicable Package Turnover inspection until DB Contractor considers it has achieved Package Turnover, including DB Contractor's own internal inspection and punch list, and delivers Notice under Section 25.3.3(d).

(d) DB Contractor shall provide RCTC with a second Notice when DB Contractor determines it has achieved each Package Turnover.

(e) DB Contractor shall allow TSP and RCTC access to the portion of the Site comprising the applicable Package Turnover for up to an additional ten Business Days after receipt of DB Contractor's second Notice indicating it has achieved Package Turnover. During this ten Business Days period RCTC and TSP shall inspect the Work comprising the applicable Package Turnover and its components, and conduct such other investigations as may be necessary to evaluate whether DB Contractor achieved Package Turnover.

(f) No later than ten Business Days after RCTC receives DB Contractor's second Notice described in Section 25.3.3(d), RCTC shall (i) issue a Certificate of Package Turnover, or (ii) provide Notice to DB Contractor listing the Work which, in RCTC's opinion, remains to be performed to achieve the Package Turnover.

(g) If applicable, DB Contractor shall give Notice to RCTC when DB Contractor considers that the Work listed in a Notice issued by the RCTC under Section 25.3.3(f) has been completed, and Sections 25.3.3(d) through (f) will apply to such Notice in the same way as if it were the original Notice.

(h) If DB Contractor performs repairs to elements of the TCS Infrastructure damaged after the applicable Package Turnover, the repair Work shall be subject to inspection by RCTC and TSP, and acceptance by RCTC. Accordingly, Sections 25.3.3(b) through (g) shall apply to the repair work as if it were part of the initial Package Turnover.

25.4. Notification of Substantial Completion

(a) DB Contractor shall provide RCTC with at least 30 Business Days' prior Notice of the date DB Contractor determines it will achieve Substantial Completion. During this 30 Business Day period, DB Contractor and RCTC shall meet, confer, and exchange information on a regular and cooperative basis with the goal being RCTC's orderly, timely inspection and review of the Project, Final Design Documents, and Construction Documents, and RCTC's issuance of a Certificate of Substantial Completion.

(b) During this 30 Business Day period, RCTC shall conduct an inspection of the Project and its components, a review of the Final Design Documents and Construction Documents and such other investigation as may be necessary to evaluate whether Substantial Completion is achieved. To facilitate RCTC's inspection of the Project, DB Contractor shall provide RCTC marked up copies of the Final Design Documents and Construction Documents to reflect changes made to the Project during construction and reflect the Project's as-built condition (e.g., draft As-Built Documents).

(c) DB Contractor shall provide RCTC a second Notice when DB Contractor determines it has achieved Substantial Completion.

(d) RCTC will then conduct such inspections, surveys and/or testing as it deems desirable. If such inspections, surveys and/or tests disclose that any of the Work does

not meet the requirements of this Contract, RCTC, after consultation with Department, will promptly advise DB Contractor as to any Nonconformances in the Work necessary to be corrected as a condition to Substantial Completion and as to any Nonconformances which may be corrected as Punch List items. Upon correction of the Nonconformances identified as a prerequisite to Substantial Completion, DB Contractor shall provide Notice to RCTC, and RCTC will conduct additional inspections, surveys and/or testing as it deems desirable. This procedure shall be repeated until RCTC finds that all prerequisites to Substantial Completion have been met.

(e) Within five Business Days after expiration of the 30 Business Day period and RCTC's receipt of the second Notice described in Section 25.4(c), RCTC shall either: (a) issue the Certificate of Substantial Completion or (b) provide Notice to DB Contractor setting forth, why the Project has not reached Substantial Completion. If RCTC and DB Contractor cannot agree as to the date of Substantial Completion, such Dispute shall be resolved in accordance with Section 24.

25.5. Punch List

The Project Management Plan shall establish procedures and schedules for preparing a Punch List and completing Punch List work for each Package Turnover and Substantial Completion. Such procedures and schedules shall conform to the following provisions:

(a) For each Package Turnover and Substantial Completion, the schedule for preparation of the Punch List either shall be consistent and coordinated with the inspections regarding each Package Turnover and Substantial Completion, or shall follow such inspections.

(b) DB Contractor shall prepare and maintain the Punch List. DB Contractor shall deliver to RCTC not less than five Business Days' prior Notice stating the date when DB Contractor will commence Punch List field inspections and Punch List preparation. RCTC may participate in the development of the Punch List. Each participant may add items to the Punch List and none shall remove any item added by any other without the other's express permission. If DB Contractor objects to the addition of an item by RCTC, the item shall be noted as included under protest, and if the Parties thereafter are unable to reconcile the protest, the Dispute shall be resolved according to the dispute resolution procedures in this Contract. DB Contractor shall deliver to RCTC a true and complete copy of the Punch List, including modifications, as soon as it is prepared.

(c) DB Contractor shall immediately commence work on the Punch List items and diligently prosecute such work to completion, consistent with this Contract, within the time period in the Project Management Plan and in any case by the Project Completion Deadline.

25.6. Project Completion

25.6.1. Project Completion

(a) DB Contractor shall provide Notice to RCTC when it considers it has achieved Project Completion. Such Notice shall be accompanied by a certification from DB Contractor's Construction Quality Validation Manager, in form and substance satisfactory to RCTC, certifying conformity of the construction with the Design Documents.

(b) RCTC will issue a Certificate of Project Completion when it finds that (i) all conditions for Project Completion have been satisfied, and (ii) all Nonconformances that are prerequisites to Project Completion have been corrected.

25.6.2. Recordation of Notice of Project Completion

DB Contractor is advised that recordation of a notice of completion meeting the requirements of Civil Code section 8182, within 15 days after completion of all construction Work, has the effect of reducing the period for filing of stop payment notices and claims against the Payment Bond, under Civil Code sections 9356 and 9560. If DB Contractor wishes RCTC to record a notice of completion, DB Contractor shall prepare such notice and deliver it to RCTC at least ten Business Days prior to the scheduled date for completion of construction. The notice shall: (a) identify RCTC as the Project owner as defined in Civil Code section 8188, (b) state that RCTC has been granted certain rights with respect to the Project pursuant to the Department Cooperative Agreement, (c) provide the names and addresses of the record owners of the improvements constructed under this Contract (i.e., Department, Local Agencies and Utility Owners), and (d) otherwise meet the requirements of Civil Code sections 8182 and 9200 et seq.

25.7. Final Acceptance

25.7.1. Conditions to Final Acceptance

(a) Promptly after Project Completion has occurred, DB Contractor shall perform all Work, if any, that was deferred for purposes of Final Acceptance, and shall satisfy its other obligations under this Contract (other than completion of the obligation for Plant Establishment Work), so as to achieve Final Acceptance. When all of the foregoing have occurred, DB Contractor shall provide an executed sworn Affidavit of Final Acceptance to RCTC including the following statement:

To the best of DB Contractor's knowledge and belief, except for Plant Establishment Work not yet performed, all Work under this Contract has been completed in strict accordance with this Contract, no lawful debts for labor or materials are outstanding and no federal excise tax has been included in the Contract Price; all requests for funds for undisputed work under this Contract, including changes in the Work, and under all billings of whatsoever nature are accurate, complete and final and no additional compensation over and above the final payment will be requested or is due under this Contract or under any adjustment issued thereunder for said undisputed work; there are no outstanding claims, Liens or stop payment notices relating to the Project or the Work, including claims by Utility Owners, BNSF and Local Agencies, there is no existing default of RCTC's obligations under any Utility Agreement that are DB Contractor's responsibility pursuant to this Contract, and no event has occurred which, with the passing of time or giving of notice or both, would lead to a claim relating to the Work or an event of default under any Utility Agreement; and upon receipt of final payment, DB Contractor and Subcontractors acknowledge that RCTC and any and all employees of RCTC and their authorized representatives will thereby be released, discharged and acquitted from any and all claims or liability for additional sums on account of undisputed work performed under this Contract.

(b) If DB Contractor is unable to provide the affidavit in the above form as it relates to outstanding Claims, Liens or stop payment notices relating to the Project or the Work,

the affidavit shall certify that all such outstanding matters are in an attached list which shall describe the outstanding matters in such detail as may be requested by RCTC. The affidavit shall include a representation of DB Contractor that it is diligently and in good faith contesting all such matters by appropriate legal proceedings and shall provide a status report regarding the same including an estimate of the maximum payable with respect to each such matter. RCTC may condition its acceptance of such affidavit in such form by requiring that DB Contractor post security or take other actions which, in RCTC's discretion, will adequately protect RCTC and the Project against such outstanding matters.

25.7.2. Inspection and Issuance of Certificate of Final Acceptance

(a) Upon receipt of Notice from DB Contractor that it has met all conditions to Final Acceptance, RCTC and Department will perform the final inspection with the final As-Built Documents in hand.

(b) Based on this final inspection RCTC will either issue a Certificate of Final Acceptance or notify DB Contractor regarding any Work that remains to be performed. Final Acceptance is subject to concurrence by Department.

(c) If RCTC fails to issue a Certificate of Final Acceptance, DB Contractor shall promptly remedy the defective and/or uncompleted portions of the Work and shall give RCTC a revised Affidavit of Final Acceptance with a new date based on when the defective and/or uncompleted portions of the Work were corrected. The foregoing procedure shall apply successively thereafter until RCTC has given DB Contractor an executed Certificate of Final Acceptance.

25.7.3. No Relief from Liability

Final Acceptance will not prevent RCTC from correcting any measurement, estimate, or certificate made before or after completion of the applicable Work, nor shall it prevent RCTC from recovering from DB Contractor, any Guarantor, the Surety(ies), or other provider of performance security or any combination of the foregoing, overpayment sustained for failure of DB Contractor to fulfill the obligations under this Contract. A waiver on the part of RCTC of any breach of any part of DB Contractor is not a waiver of any other or subsequent breach. Final Acceptance shall not relieve DB Contractor from any of its continuing or surviving obligations under this Contract, including Warranty obligations.

25.8. Opening Sections of Project to Traffic

25.8.1. Plan for Opening to Traffic

(a) The Project Schedule shall set forth DB Contractor's plan for completing segments of the Project and opening them to traffic. RCTC may request that DB Contractor expedite certain segments of the Project, and DB Contractor shall accommodate such requests to the extent that it can do so in consideration of safety to the public and construction personnel and without significant disruption to its schedule or a significant increase in its costs.

(b) Notwithstanding Section 25.8.1(a), if RCTC orders DB Contractor to open portions of the Project to traffic which cannot be accommodated without significant disruption to DB Contractor's schedule or a significant increase in DB Contractor's costs, such direction shall be considered an RCTC-Directed Change provided that DB Contractor has provided RCTC Notice and otherwise followed the process for RCTC-Directed Changes in Section 16.

25.8.2. Direction to Open Following DB Contractor Failure to Perform

If DB Contractor is delinquent in completing outside tie-in work, drainage structures or other features of the Work, and is not compliant with the applicable traffic opening date(s) set forth in the Project Schedule, RCTC may order all or a portion of the Project opened to traffic notwithstanding such incomplete elements. DB Contractor shall then conduct the remainder of the construction operations, minimizing obstruction to traffic. Except as provided in Section 25.8.1, DB Contractor shall not receive any compensation, time or otherwise make any Claim due to the schedule impacts attributable to the opening of the Project to traffic.

25.8.3. No Waiver

Opening of portions or segments of the Project prior to Final Acceptance does not constitute acceptance of the Work, constitute Substantial Completion, Project Completion, or Final Acceptance or waive any provisions of or any of RCTC's rights under this Contract.

25.9. Expiration of Plant Establishment Period

Expiration of the Plant Establishment Period shall be deemed to have occurred when DB Contractor has fully satisfied the obligation for the Plant Establishment Work in accordance with the requirements of TP Section 20.4.5.2, and is subject to concurrence by Department.

SECTION 26

DOCUMENTS AND RECORDS

26.1. Escrowed Proposal Documents

26.1.1. Prior to the Effective Date, DB Contractor and RCTC have delivered one copy of all cost and pricing data used in preparation of its Proposal and the Contract Price (the “**Escrowed Proposal Documents**” or “**EPDs**”) and previously held by the Escrow Agent to a jointly keyed and locked fireproof cabinet supplied by DB Contractor and located in the Co-Located Office or another location acceptable to both Parties.

26.1.2. Concurrently with submission of any quotations or revisions to quotations provided in connection with Contract amendments and concurrently with approval of each Change Order, if appropriate, one copy of all cost and pricing data used in preparation of the quotation, amendment or Change Order, as applicable, shall be added to the cabinet, to be held with the other EPDs, and shall update the index and catalogue.

26.1.3. The EPDs shall comply with Section 26.4 and be maintained in accordance with this Section 26.1 until the following have occurred: (a) 180 days have elapsed from Final Acceptance or termination of the Work, as applicable; (b) all Claims and Disputes regarding this Contract have been settled; and (c) Final Payment on the Contract has been made by RCTC and accepted by DB Contractor.

26.2. Review of EPDs

26.2.1. Upon at least three days’ Notice, DB Contractor and RCTC may jointly examine, through one or more designated representatives all or any part of the EPDs during RCTC’s normal business hours. The Party undertaking an examination need not have or state a specific reason to examine such material.

26.2.2. If RCTC determines that any EPDs are incomplete or missing, RCTC may request that DB Contractor submit the supplementary information and DB Contractor shall provide such supplementary information within five days of the request. The supplementary EPDs shall:

(a) Be date stamped and labeled to identify it as supplementary information;

(b) Added to the EPDs along with an updated executed index and catalogue of the full contents of the EPDs (which was originally developed as of the Effective Date); and

(c) Include a written certification that (i) the supplementary information constitutes true and complete EPDs in accordance with this Agreement, and (ii) an authorized officer of DB Contractor has personally examined the contents of the supplementary information.

26.2.3. In connection with any negotiations, Disputes or Claims, RCTC may make and retain copies of EPDs as it deems appropriate; provided, however, that RCTC has executed and delivered to DB Contractor a confidentiality statement specifying that, to the extent consistent with applicable law, all proprietary information contained in such documents will be kept confidential, that copies of such documents will not be distributed to any third parties other than RCTC’s attorneys and experts, the Disputes Review Board and any judicial referee, arbitrator or court considering a Dispute or Claim, and that all copies of such documents (other than those delivered

to dispute resolvers) will be either destroyed or returned to the depository (or to DB Contractor if the EPDs have been returned to it) upon final resolution of the negotiations or Disputes or Claims.

26.2.4. Neither Party may add to or change the EPDs except as otherwise provided in this Contract or with prior written approval of the other Party.

26.2.5. Either Party may introduce the EPDs into evidence in accordance with the Dispute Resolution Procedures. The Parties shall promptly abide by any request from the court, or other dispute resolver to assist in its deliberations.

26.3. Proprietary Information

The EPDs are the property of DB Contractor and shall be considered to be in DB Contractor's possession, subject to RCTC's right to review and use the EPDs as provided in this Section 26. RCTC acknowledges that DB Contractor may consider that the EPDs constitute trade secrets or proprietary information. This acknowledgment is based upon RCTC's understanding that the information contained in the EPDs is not known outside DB Contractor's business, is known only to a limited extent and by a limited number of employees of DB Contractor, is safeguarded while in DB Contractor's possession, and may be valuable to DB Contractor's construction strategies, assumptions and intended means, methods and techniques of construction. RCTC further acknowledges that DB Contractor expended money in developing the information included in the EPDs and further acknowledges that it would be difficult for a competitor to replicate the information contained therein. RCTC acknowledges that the EPDs are being made accessible to RCTC only because it is an express prerequisite to award of the Contract.

26.4. Format and Contents of EPDs

26.4.1. The EPDs shall:

(a) Detail how the components of the Contract Price were determined and shall be adequate to enable a complete understanding and interpretation of how DB Contractor arrived at the Contract Price;

(b) Detail how the components of the Contract Price were determined and shall be adequate to enable a complete understanding and interpretation of how DB Contractor arrived at the Contract Price;

(c) In connection with quotations, Contract amendments and Change Orders, clearly detail how the total price and individual components of that price were determined;

(d) Detail crews, equipment, materials, quantities, rates of production;

(e) Be divided into DB Contractor's usual cost categories such as direct labor, repair labor, equipment ownership, rental and operation, expendable materials, permanent materials and Subcontract costs as appropriate;

(f) Detail plant and equipment and indirect costs including identifying risk contingencies, markup and other items to each direct cost item;

(g) Itemize the estimated costs of the Payment Bonds and Performance Bonds and the insurance premiums for each coverage required to be provided by DB Contractor under Section 11;

(h) Include electronic media data files associated with all assumptions, risk assumptions, detailed quantity takeoffs, progress calculations, quotes from Subcontractors and Suppliers, quotes for insurance and bond premiums, memoranda, narratives and all other information used by DB Contractor to arrive at the Contract Price or any amendment or Change Order; and

(i) Be submitted in format as is used by DB Contractor to develop its Proposal and Contract Price.

26.4.2. DB Contractor represents, warrants and agrees that the EPDs:

(a) Provided with the Proposal and this Contract were or will be personally examined prior to delivery by an authorized officer of DB Contractor and meet the requirements of Section 26.4.1;

(b) Constitute all of the information used in the preparation of its Proposal, the Contract Price and pricing related to Contract amendments and Change Orders and agrees that no other historical cost information will be considered in resolving Disputes or Claims; and

(c) Are not part of this Contract and that nothing in the EPDs shall change or modify this Contract.

26.5. Subcontractor Pricing Documents

26.5.1. DB Contractor shall require the principal design Subcontractor (including any joint venture) and each Major Subcontractor to:

(a) Submit to DB Contractor a copy of all cost and pricing data used in determining its Subcontract price (or the price for Subcontract Work included in any Change Order or Contract amendment), immediately prior to executing the Subcontract and each Change Order and Subcontract amendment, to be deposited, accessed and maintained on terms substantially similar to the EPDs under this Contract; and

(b) Provide a representation and warranty from the Subcontractor, for the benefit of DB Contractor and RCTC, consistent with Section 26.4.2, replacing references to the DB Contractor with principal design Subcontractor.

26.5.2. Each Subcontract that is not subject to the requirements in Section 26.5.1(a) shall include a provision requiring the Subcontractor to preserve all cost and pricing data used in establishing its Subcontract price and to provide such documentation to DB Contractor and/or RCTC in connection with any claim made by such Subcontractor.

26.6. Financial Reporting Requirements

26.6.1. DB Contractor shall provide, or cause to be provided, to RCTC such information, statements, financial and narrative reports, budgets and information required under this Contract and as RCTC may otherwise reasonably request from time to time for any purpose related to the Project or this Contract.

26.6.2. DB Contractor shall deliver to RCTC, at the times specified below, the following financial statements, stated in United States Dollars and prepared in accordance with U.S. GAAP as set forth in Section 26.6.2(b) for DB Contractor and each Guarantor:

(a) Within 60 days after the end of each fiscal year, duplicate copies of the balance sheet and a consolidated statement of earnings of DB Contractor and each Guarantor and its consolidated subsidiaries for such fiscal year, setting forth in comparative form the figures for the previous fiscal year, all in reasonable detail and certified as complete and correct, subject to changes resulting from year-end adjustments, by the chief financial officer of DB Contractor and each Guarantor, respectively;

(b) Within 120 days after the end of each fiscal year, (i) any financial ratings obtained, and (ii) duplicate copies of the financial statements (which shall include a balance sheet and a consolidated statement of financial condition of DB Contractor and each Guarantor and their respective consolidated subsidiaries at the end of such year, and statements of earnings, changes in financial position of DB Contractor and each Guarantor and their respective consolidated subsidiaries for such year, and all related notes to the financial statements, setting forth in each case in comparative form the figures for the previous fiscal year), all in reasonable detail and accompanied by an opinion thereon of an independent public accountant of recognized national standing selected by DB Contractor and each Guarantor, as applicable, which opinion shall state that such financial statements have been prepared in accordance with U.S. GAAP consistently applied, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and accordingly, included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances. If financial statements are prepared in accordance with principles other than U.S. GAAP, a letter from the certified public accountant of the applicable entity, discussing the areas of the financial statements that would be affected by a conversion to U.S. GAAP is required and an estimate of changes required to recalculate in accordance with U.S. GAAP. Provision of financial statements and information for a parent company or other affiliate will not be sufficient to satisfy the requirement to provide financial statements; and

(c) Upon request of RCTC for particular fiscal quarters, and without request where documents are provided under Section 26.6.2(b), copies of all other financial statements and information reported by DB Contractor and each Guarantor to its shareholders generally and of all reports filed by DB Contractor and each Guarantor with the United States Securities Exchange Commission under sections 13, 14 or 15(d) of the Securities Exchange Act, to be provided to RCTC as soon as practicable after providing such information to the shareholders of DB Contractor and each Guarantor, as applicable, or filing such reports with the Securities and Exchange Commission, as the case may be.

26.6.3. DB Contractor shall cooperate and provide, and shall cause each Guarantor and the Subcontractors to cooperate and provide, such information as determined necessary or desirable by RCTC in connection with any Project funding or financing. Without limiting the generality of the foregoing, DB Contractor shall provide such information deemed necessary or desirable by RCTC for inclusion in RCTC's securities disclosure documents and in order to comply with Securities and Exchange Commission Rule 15c2-12 regarding certain periodic information and notice of material events as well as summary financial information detailing DB Contractor's financial capacity to perform the Work. DB Contractor shall provide customary representations and warranties to RCTC and the capital markets as to the correctness, completeness and accuracy of any information provided.

26.6.4. All reports and information delivered by DB Contractor under Section 26.6.3 shall also be delivered electronically, to the extent electronic files exist, and be suitable for website posting.

26.7. Maintenance of, Access to and Audit of Records

26.7.1. Except for EPDs (which shall be maintained as set forth in Section 26.1), DB Contractor shall maintain at its Project administration office in Riverside County, California a complete set of all Books and Records, including copies of all original documents delivered to RCTC and Department. DB Contractor shall notify RCTC where such records and documents are kept.

26.7.2. DB Contractor shall keep and maintain all the documents required under Section 26.7.1 in accordance with applicable provisions of this Contract and of the Project Management Plan, and otherwise in accordance with Good Industry Practice until five years after the Final Acceptance Date or the termination of this Contract (as applicable).

26.7.3. Notwithstanding Section 26.7.2, all Books and Records which relate to Claims being processed or Disputes brought under the dispute resolution procedures of this Contract shall be retained and made available until such Disputes and Claims have been finally resolved.

26.7.4. RCTC may:

(a) Review and audit DB Contractor, its Subcontractors and their respective Books and Records as and when RCTC deems necessary from time to time:

(i) For the purposes of verifying compliance with this Contract, the Governmental Approvals and applicable Governmental Rules; and

(ii) In connection with the issuance of Change Orders and Contract amendments, the resolution of Disputes and Claims.

(b) Audit DB Contractor's Project Management Plan and compliance therewith, including the right to inspect Work and/or activities and to verify the accuracy and adequacy of the Project Management Plan and its component parts, plans and other documentation.

26.7.5. DB Contractor agrees to grant to RCTC and its representatives and legal counsel, Department, and FHWA the audit and inspection rights under Section 26.7.4 without charge and allow such Persons such access to such Books and Records and the Work. RCTC may conduct any such audit of Books and Records or inspection of the Work upon 48 hours' prior Notice, or unannounced and without prior notice where there is good faith suspicion of fraud or other criminal activity. The right of audit and inspection includes the right to make copies and extracts and take notes.

26.7.6. Where the payment method for any Work is on a time and materials basis, such examination and audit rights shall include all Books and Records and other evidence and accounting principles and practices sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for the performance of such Work. If an audit indicates DB Contractor has been over credited under a previous progress report or progress payment, that over credit will, at RCTC's sole option, be credited against current progress reports or payments or reimbursed to RCTC by DB Contractor upon demand therefor.

26.7.7. For cost and pricing data submitted in connection with pricing Change Orders or Contract amendments, unless such pricing is based on adequate price competition (as determined by RCTC), established catalog or market prices of commercial items sold in

substantial quantities to the public, or prices set by Governmental Rule, such Persons and their representatives have the right to examine all Books and Records related to the negotiation of or performance of Work under such Change Orders and Contract amendments for the purpose of evaluating the accuracy, completeness and currency of the cost or pricing data submitted. The right of examination shall extend to all documents deemed necessary by such Persons to permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used therein.

26.7.8. All Claims or Disputes filed against RCTC shall be subject to audit at any time following the filing of the Claim or Dispute. The audit may be performed by employees of RCTC or by an auditor under contract with RCTC. No notice is required before commencing any audit before 45 Business Days after the Final Acceptance Date. Thereafter, RCTC shall provide 15 Business Day notice to DB Contractor, any Subcontractors or their respective agents before commencing an audit of any Claim or Dispute. DB Contractor, Subcontractors or their agents shall provide adequate facilities, acceptable to RCTC, for the audit during normal business hours. DB Contractor, Subcontractors or their agents shall cooperate with the auditors. Failure of DB Contractor, Subcontractors or their agents to maintain and retain sufficient Books and Records to allow the auditors to verify all or a portion of the Claim or Dispute or to permit the auditor access to the Books and Records of DB Contractor, Subcontractors or their agents shall constitute a waiver of the Claim or Dispute and shall bar any recovery thereunder.

26.7.9. Full compliance by DB Contractor with the provisions of this Section 26.7 is a contractual condition precedent to DB Contractor's right to seek relief under Section 24.

26.7.10. DB Contractor represents and warrants the completeness and accuracy of all information (including Books and Records) it or its agents provide in connection with the audits identified in this Contract, and shall cause all Subcontractors to warrant the completeness and accuracy of all information (including Books and Records such Subcontractors or their agents provide in connection with this Section 26.7.

26.7.11. DB Contractor's internal and third party quality and compliance auditing responsibilities shall be set forth in the Project Management Plan, consistent with the audit requirements in TP Sections 2.1, 5.2.3, 5.3.2, 5.4.2, and 5.4.3.

26.7.12. DB Contractor shall collect and preserve each of the following types of data in written form contemporaneously during DB Contractor's performance of the Work, which shall be in form approved by RCTC and in conformance with the requirements of the Department Cooperative Agreement, and index filed in accordance with Section 5-102 "Organization of Project Documents" of the Department Construction Manual:

(a) Monthly report of labor by classification of management, supervision, engineering and other technical personnel used on the job;

(b) Daily labor and equipment reports from DB Contractor and each Subcontractor for construction related activities;

(c) Quality Control documentation as required by TP Section 5;

(d) A daily occurrence log (in the form of a bound book with entries in ink) for construction related activities which shall be maintained by DB Contractor's Representative or his designee(s), in which shall be recorded daily in a narrative form all significant occurrences on the Project, including permit problems, unusual weather, asserted Force Majeure Events, events and conditions causing or threatening to cause delay or disruption or interference with the

progress of any of the Work, known injuries to person or property, a listing of each activity depicted on the Project Schedule which is being actively prosecuted; notifications given and received, and significant Project related meetings; and

(e) A daily record in the format required by Section 9-1.04D(6) of the Modified Standard Specifications (Exhibit 3), recording all labor, materials and equipment expenses which are being incurred by reason of any event, condition or circumstance which DB Contractor believes is or may become the subject of a Claim against RCTC. Any initialed or signed concurrence by PCM (or designees) will be for purposes of verifying physical labor, material and equipment count rather than validating DB Contractor's Claims.

26.7.13. To the extent requested by RCTC, DB Contractor shall provide RCTC with access to and a copy of each item described in Section 26.7.12 (provided, however, that the provision of such information shall not constitute a Notice under Section 15.4.1).

26.7.14. Pursuant to Government Code section 8546.7, this Contract, and DB Contractor and RCTC as the contracting parties, are subject to the examination and audit of the California State Auditor, at the request of RCTC or as part of any audit of RCTC, for a period of three years after the final payment under the Contract.

26.8. Public Records Act

26.8.1. DB Contractor acknowledges and agrees that all records, documents, drawings, plans, specifications and other materials in RCTC's possession, including materials submitted by DB Contractor, are subject to the provisions of the California Public Records Act (Government Code section 6250 et seq.) (the "**Public Records Act**").

26.8.2. If DB Contractor believes information or materials submitted to RCTC constitute trade secrets, proprietary information or other information that is not subject to or excepted from disclosure under the Public Records Act, DB Contractor shall be solely responsible for specifically and conspicuously designating that information by placing "CONFIDENTIAL" in the center header of each such page affected, as it determines to be appropriate. Any specific proprietary information, trade secrets or confidential commercial and financial information shall be clearly identified as such, and shall be accompanied by a concise statement of reasons supporting the claim. Nothing contained in this Section 26.8 shall modify or amend requirements and obligations imposed on RCTC by the Public Records Act or other applicable Governmental Rule, and the provisions of the Public Records Act or other Governmental Rules shall control in the event of a conflict between the procedures described above and the applicable Governmental Rules. DB Contractor is advised to contact legal counsel concerning such Governmental Rules and its application to DB Contractor.

26.8.3. If RCTC receives a request for public disclosure of materials marked "CONFIDENTIAL," RCTC will use reasonable efforts to provide Notice to DB Contractor of the request and give DB Contractor an opportunity to assert, by Notice, a claimed exception under the Public Records Act or other applicable Governmental Rules within the time period specified in the notice issued by RCTC and allowed under the Public Records Act. Under no circumstances, however, will RCTC be responsible or liable to DB Contractor or any other Person for the disclosure of any such labeled materials, whether the disclosure is required by Governmental Rules, or court order, or occurs through inadvertence, mistake or negligence on the part of RCTC or its officers, employees, contractors or consultants.

26.8.4. In the event of any proceeding or litigation concerning the disclosure of any material submitted by DB Contractor to RCTC, RCTC's sole involvement will be as a stakeholder retaining the material until otherwise ordered by a court or such other authority having jurisdiction with respect to the material, and DB Contractor shall be fully responsible for otherwise prosecuting or defending any action concerning the materials; provided, however, that RCTC reserves the right, in its sole discretion, to intervene or participate in the litigation in such manner as it deems necessary or desirable. Except in the case of RCTC's voluntary intervention or participation in litigation, DB Contractor shall pay and reimburse RCTC within 30 days after receipt of written demand and reasonable supporting documentation for all costs and fees, including attorneys' fees and costs RCTC incurs in connection with any litigation, proceeding or request for disclosure.

26.9. Ownership of Documents

Subject to Sections 26.3 and 26.10, all data, sketches, charts, calculations, plans, specifications, electronic files, correspondence, reports, analyses, studies and other documents and materials created or collected under the terms of this Contract shall be considered "works made for hire" for which RCTC owns the copyright. Design Documents shall become RCTC's property upon preparation; Construction Documents shall become RCTC's property upon delivery to RCTC; and other documents prepared or obtained by DB Contractor in connection with the performance of its obligations under this Contract, including studies, manuals, As-Built Documents, technical and other reports and the like, shall become the property of RCTC upon DB Contractor's preparation or receipt thereof. Copies of all Design Documents and Construction Documents shall be provided to RCTC upon preparation or receipt thereof by DB Contractor. DB Contractor shall maintain all other documents described in this Section 26.9 in accordance with the requirements of Section 26.7 and shall deliver copies to RCTC as required by this Contract or upon request if not otherwise required to be delivered, with an indexed set delivered to RCTC as a condition to Final Acceptance.

26.10. Intellectual Property

26.10.1. All Proprietary Intellectual Property, including with respect to Source Code and Source Code Documentation, shall remain exclusively the property of DB Contractor or its Affiliates or Subcontractors that supply the same, notwithstanding any delivery of copies to RCTC.

26.10.2. RCTC has and is hereby granted a nonexclusive, transferable, irrevocable, royalty-free, fully paid up right and license to use, reproduce, modify, adapt and disclose, and sublicense others to use, reproduce, modify, adapt and disclose, the Proprietary Intellectual Property of DB Contractor, including with respect to Source Code and Source Code Documentation, solely in connection with the Project and any interstate or state highway, tolled or not tolled, owned and operated by RCTC or a State or regional Governmental Entity; provided that RCTC may exercise such license only at the following times:

(a) From and after the expiration or earlier termination of this Contract for any reason whatsoever; and

(b) During any time that a receiver is appointed for DB Contractor, or during any time that there is pending a voluntarily or involuntary proceeding in bankruptcy in which DB Contractor is the debtor, in which case RCTC may exercise such license only in connection with the Project.

26.10.3. Notwithstanding the foregoing, DB Contractor shall have no liability or responsibility to RCTC for Claims and Losses in connection with RCTC's use of DB Contractor's

Proprietary Intellectual Property on any interstate or state highway, tolled or not tolled, owned and operated by RCTC or a State or regional Governmental Entity other than the Project.

26.10.4. Subject to the license and rights granted to RCTC pursuant to Section 26.10.2, RCTC shall not at any time sell any Proprietary Intellectual Property of DB Contractor or use, reproduce, modify, adapt and disclose, or allow any party to use, reproduce, modify, adapt and disclose, any such Proprietary Intellectual Property for any other purpose.

26.10.5. The right to transfer the license is limited to any Governmental Entity that succeeds to the power and authority of RCTC generally or with respect to the Project.

26.10.6. The right to sublicense is limited to State or regional Governmental Entities that own or operate an interstate or state highway or other road, tolled or not tolled, and to the lessees, operators, contractors, subcontractors, employees, attorneys, consultants and agents that are retained by or on behalf of RCTC or any such State or regional Governmental Entity in connection with the Project or an interstate or another state highway or other road, tolled or non-tolled. All such sublicenses shall be subject to Section 26.10.7.

26.10.7. Subject to Section 26.8, RCTC shall:

(a) Not disclose any Proprietary Intellectual Property of DB Contractor to any Person other than authorized transferees and sublicensees who agree to be bound by any confidentiality obligations of RCTC relating thereto; and

(b) Include, or where applicable require such State or regional Governmental Entity to include, in the contract with the sublicensee its covenant to employ sound business practices no less diligent than those used for its own confidential information, and no less diligent than required by commercially reasonable standards of confidentiality, to protect all Proprietary Intellectual Property of DB Contractor and other materials provided under the sublicense against disclosure to third parties not in receipt of a sublicense, and to use the sublicense only for the permitted purposes.

26.10.8. Notwithstanding any contrary provision of this Contract, in no event shall RCTC or any of its directors, officers, employees, consultants or agents be liable to DB Contractor, any Affiliate or any Subcontractor for any damages, including loss of profit, arising out of breach of the duty of confidentiality in Section 26.10.7 if such breach is not the result of gross negligence or intentional misconduct. DB Contractor irrevocably waives all claims to any such damages.

26.10.9. DB Contractor shall continue to have a full and complete right to use any and all duplicates or other originals of its Proprietary Intellectual Property in any manner it chooses.

26.10.10. With respect to any Proprietary Intellectual Property, including with respect to Source Code and Source Code Documentation, owned by a Person other than DB Contractor, including any Affiliate, and other than RCTC or a Governmental Entity acting as a Subcontractor, DB Contractor shall obtain from such owner, concurrently with the execution of any contract, Subcontract or purchase order with such owner or with the first use or adaptation of the Proprietary Intellectual Property in connection with the Project, both for DB Contractor and RCTC, nonexclusive, transferable, irrevocable, fully paid up, royalty-free licenses to use, reproduce, modify, adapt and disclose such Proprietary Intellectual Property solely in connection with the Project and any state highway, tolled or not tolled, owned and operated by RCTC or a State or regional Governmental Entity, of at least identical scope, purpose, duration and applicability as the license granted under Section 26.10.2. The foregoing requirement shall not apply, however, to mass-marketed software products (sometimes referred to as “shrink wrap software”) owned by

such a Person where such a license cannot be extended to RCTC using commercially reasonable efforts. The limitations on sale, transfer, sublicensing and disclosure by RCTC in Sections 26.10.3 through 26.10.7 shall also apply to RCTC's licenses in such Proprietary Intellectual Property.

SECTION 27

MISCELLANEOUS PROVISIONS

27.1. Amendments

Except to the extent expressly provided otherwise in this Contract, this Contract may be amended only by a written instrument duly executed by the Parties or their respective successors or assigns.

27.2. Waiver

27.2.1. No waiver of any term, covenant or condition of this Contract shall be valid unless in writing and signed by the obligee Party.

27.2.2. The exercise by a Party of any right provided under this Contract shall not waive or preclude any other or further exercise thereof or the exercise of any other right. No waiver by any Party of any right under this Contract shall be deemed to be a waiver of any other or subsequent right under this Contract. The consent by one Party to any act by the other Party requiring such consent shall not create a course of conduct or be deemed to render unnecessary the obtaining of consent to any subsequent act for which consent is required, regardless of whether similar to the act for which consent is given.

27.2.3. Except as expressly provided otherwise in this Contract, no act, delay or omission done, suffered or permitted by one Party or its agents shall be deemed to create a course of conduct or waive, exhaust or impair any right, remedy or power of such Party under this Contract, or to relieve the other Party from the full performance of its obligations under this Contract.

27.2.4. Either Party's waiver of any breach or failure to enforce any of the terms, covenants, conditions or other provisions of this Contract at any time shall not in any way create a course of conduct or limit or waive that Party's right thereafter to enforce or compel strict compliance with every term, covenant, condition or other provision, any course of dealing or custom of the trade notwithstanding. Furthermore, if the Parties make and implement any interpretation of this Contract without documenting such interpretation by an instrument in writing signed by both Parties, such interpretation and implementation thereof will not be binding in the event of any future Disputes.

27.3. Independent Contractor

27.3.1. DB Contractor is an independent contractor, and nothing contained in this Contract shall be construed as constituting any relationship with RCTC other than that of Project developer and independent contractor.

27.3.2. Both Parties, in the performance of this Contract, shall act in an individual capacity and not as agents, employees, partners, joint venturers or associates of one another. Nothing in this Contract is intended or shall be construed to create any partnership, joint venture or similar relationship between RCTC and DB Contractor; and in no event shall either Party take a position in any tax return or other writing of any kind that a partnership, joint venture or similar relationship exists.

27.3.3. In no event shall the relationship between RCTC and DB Contractor be construed as creating any relationship whatsoever between RCTC and DB Contractor's employees. Neither DB Contractor nor any of the employees of any DB-Related Entity is or shall

be deemed to be an employee of RCTC. Except as otherwise specified in this Contract, DB Contractor has sole authority and responsibility to employ, discharge and otherwise control its employees and has complete and sole responsibility as a principal for its agents, for all Subcontractors and for all other Persons that DB Contractor or any Subcontractor hires to perform or assist in performing the Work.

27.4. Successors and Assigns

27.4.1. This Contract shall be binding upon and inure to the benefit of RCTC and DB Contractor and their permitted successors, assigns and legal representatives.

27.4.2. Upon providing ten Business Days' prior Notice to DB Contractor, RCTC may assign all or part of its right, title and interest in and to any part of this Contract and performance security, including rights with respect to the Payment Bonds and Performance Bonds, the Warranty Bond and the Guaranty, to any other Person.

27.4.3. DB Contractor shall not voluntarily or involuntarily sell, assign, convey, transfer, pledge, mortgage, or otherwise encumber DB Contractor's interest in and to this Contract or any portion thereof without RCTC's prior written approval, except to any entity in which the organizations signing this Contract for DB Contractor, or the shareholder(s), general partner(s) or member(s) that exercise management control over such organizations, hold and exercise effective management control and hold the same percent of equity interest in DB Contractor that exists as of the Proposal Date. DB Contractor shall not sublease or grant any other special occupancy or use of the Project to any other Person, without RCTC's prior written approval. Any sale, assignment, conveyance, transfer, pledge, mortgage, encumbrance, sublease or grant of other special occupancy or use in violation of this provision shall be null and void ab initio and RCTC, at its option, may declare any such attempted action to be a material DB Contractor Default.

27.4.4. DB Contractor shall not voluntarily or involuntarily cause, permit or suffer any Change of Control prior to Final Acceptance without RCTC's prior written approval. If there occurs any voluntary or involuntary Change of Control without RCTC's prior written approval, RCTC, at its option, may declare it to be a material DB Contractor Default.

27.4.5. Where RCTC's prior approval is required for a proposed sale, assignment, conveyance, transfer, pledge, mortgage, encumbrance, sublease or grant of other special occupancy or use, or for any proposed Change of Control prior to Final Acceptance, RCTC may withhold or condition its approval in its sole discretion. Any such decision of RCTC to withhold consent shall be final, binding and not subject to the dispute resolution procedures in this Contract. If for any reason RCTC does not act within 30 days after receiving all required information, or any extension thereof by mutual agreement of the Parties, the proposed sale, assignment, conveyance, transfer, pledge, mortgage, encumbrance, sublease or grant of other special occupancy or use, or for any proposed Change of Control is not permitted.

27.4.6. Assignments and transfers of DB Contractor's interest permitted under this Section 27.4 or otherwise approved by Notice from RCTC shall be effective only upon RCTC's receipt of Notice of the assignment or transfer and a written recordable instrument executed by the transferee (and any Guarantor and any Surety), in form and substance acceptable to RCTC, in which the transferee, without condition or reservation, assumes all of DB Contractor's obligations, duties and liabilities under this Contract then in effect and agrees to perform and observe all provisions thereof applicable to DB Contractor. Each transferee shall take DB Contractor's interest subject to, and shall be bound by, the Project Management Plan, the Major

Subcontracts, the Utility Agreements, all RCTC-Provided Approvals, all agreements between the transferor and railroads, the Governmental Approvals, and all agreements between the transferor and Governmental Entities with jurisdiction over the Project, except to the extent otherwise approved by Notice from RCTC, in its sole discretion.

27.4.7. No assignment, conveyance, transfer, pledge, mortgage, encumbrance, sublease or grant by DB Contractor or any permitted successor and assign thereto shall release DB Contractor, any Guarantor, any Surety or the assignor from any liabilities or obligations under this Contract and each of such entities shall remain liable and obligated therefor.

27.4.8. DB Contractor shall not change the legal form of its organization without the prior written approval of RCTC, which RCTC may grant or withhold.

27.4.9. Any permitted assignment of DB Contractor's interest shall not take effect until replacement Bonds and Guarantees are provided without lapse in coverage. This requirement may be met if the Surety/ies and Guarantor(s) amend existing Bonds and Guarantees to name DB Contractor's assignee as the Principal (under the Bonds) and "DB Contractor" (under the Guarantees).

27.5. Designation of Representatives; Cooperation with Representatives

27.5.1. RCTC and DB Contractor shall each designate an individual or individuals who shall be authorized to make decisions and bind the Parties on matters relating to this Contract ("**Representative**"). Exhibit 2 (Contract Particulars) provides the Parties' initial Representative designations.

27.5.2. DB Contractor Representative (a) will have full responsibility for the prosecution of the Project, (b) will act as agent and be a single point of contact in all matters on behalf of DB Contractor, (c) will be available to execute instructions and directions received from RCTC or its Representatives; and (d) shall be available at all times while the Project is actually in progress.

27.5.3. The designation of Representatives may be changed by a subsequent Notice to the other party in accordance with Section 27.11.

27.5.4. The Parties may also designate technical representatives, who shall be authorized to investigate and report on matters relating to the Project and to negotiate on behalf of each of the Parties, but who shall not have authority to bind RCTC or DB Contractor.

27.6. Gratuities and Conflicts of Interest

27.6.1. DB Contractor shall not permit any officer, official or employee of RCTC to have any financial interest in the Contract prohibited by sections 1090 et seq. and 87100 et seq. of the Government Code. In addition, DB Contractor or its employees shall not enter into any contract involving services or property with a Person or business prohibited from transacting such business with RCTC, pursuant to sections 1090 et seq. and 87100 et seq. of the Government Code. Except to the extent explicitly disclosed in DB Contractor's Proposal, DB Contractor affirms that no RCTC officer, official or employee has any interest (whether contractual, non-contractual, financial, or otherwise) in this transaction or in the business of DB Contractor. If any such interest becomes known to DB Contractor at any time, DB Contractor shall submit a full and complete disclosure of such information by Notice to RCTC, even if such interest would not be considered a conflict under sections 1090 et seq. and 87100 et seq. of the Government Code.

27.6.2. Neither DB Contractor nor any of its employees, agents and representatives shall offer or give to an officer, official or employee of RCTC or Department gifts, entertainment, payments, loans or gratuities. RCTC may, by Notice to DB Contractor, terminate the right of DB Contractor to proceed under the Contract if it is found that gratuities (in the form of gifts, entertainment, or otherwise) were offered or given by DB Contractor, or any agent of DB Contractor, to any member of RCTC's board of directors or any officer, agent and/or employee of RCTC or Department.

27.6.3. The rights and remedies of RCTC specified in this Section 27.6 are not exclusive and are in addition to any other rights and remedies allowed by law.

27.6.4. Employment (whether as an employee, consultant, or independent contractor) of personnel on RCTC's payroll by any DB-Related Entity is not permitted in the performance of the Contract, even though such employment may be outside RCTC's employee's regular working hours or on Saturdays, Sundays, holidays or vacation time; further, employment by any DB-Related Entity of personnel who have been on RCTC's payroll within one year prior to the date of Contract award is also prohibited, if such employment is caused by and/or dependent upon DB Contractor securing this or a related Contract with RCTC.

27.7. Survival

DB Contractor's representations and warranties, the dispute resolution provisions contained in Section 24, the warranties contained in Section 13, the indemnifications and releases contained in Section 23 and elsewhere in this Contract, the rights and obligations of the Parties following termination of this Contract under Section 19 and Section 20, the provisions regarding invoicing and payment under Section 14, the obligations regarding Application for Final Payment under Section 14.4 and payment for subsequent Claims under Section 14.5, and all other provisions which by their express terms or their inherent character or express terms should survive termination of the Contract and/or Final Acceptance, shall survive the termination of the Contract and the Final Acceptance Date.

27.8. Limitation on Third Party Beneficiaries

Department is an intended third party beneficiary to this Contract and the Indemnified Parties are intended third party beneficiaries of the indemnity and insurance provisions of this Contract. Except as expressly provided in this Contract (such as warranty and indemnity provisions), it is not intended by any of the provisions of this Contract to create any other third party beneficiary under this Contract or to authorize anyone not a Party to maintain a suit for personal injury or property damage pursuant to the terms or provisions hereof. Except as otherwise provided in this Section 27.8, the duties, obligations and responsibilities of the Parties pursuant to this Contract with respect to third parties shall remain as imposed by law. This Contract does not create a contractual relationship of any kind between RCTC and a Subcontractor or any Person other than DB Contractor.

27.9. Tort Liability, Personal Liability of RCTC Employees

27.9.1. RCTC's Representatives are acting solely as agents and representatives of RCTC when carrying out the provisions of or exercising any right under this Contract. They shall not be liable either personally or as employees of RCTC for actions in their ordinary course of employment.

27.9.2. The Parties agree to provide to each other's Representative(s) Notice of any Claim that either Party receives from any third party relating in any way to the matters addressed in this Contract, and shall otherwise provide Notice in such form and within such period as is required by Governmental Rules.

27.9.3. No agent, consultant, officer, or authorized employee of RCTC nor any member of RCTC's Board of Directors, shall be personally responsible for any liability arising under this Contract.

27.10. Governing Law; Venue

This Contract shall be governed by and construed in accordance with the law of the State, without regard to conflict of law principles. The venue of any court, judicial, or referee proceeding under this Contract shall be in Riverside County, California, unless changed by the judicial officer.

27.11. Notices and Communications

27.11.1. All notices, requests, demands, instructions, certificates, consents, explanations, agreements, approvals and other communications (each being a "**Notice**") required or permitted under this Contract shall be in writing and (a) delivered personally, (b) sent by certified mail, return receipt requested, (c) sent by a recognized overnight mail or courier service, with delivery receipt requested, or (d) sent by facsimile or email communication followed by a hard copy and with receipt confirmed by telephone, to the following addresses (or to such other address as may from time to time be specified in writing by such Person):

All correspondence with DB Contractor shall be sent to DB Contractor's Representative or as otherwise directed by DB Contractor's Representative. The address for such communications shall be:

Myers-Rados, A Joint Venture
Address: 2002 E. McFadden Avenue, Suite 200,
Santa Ana, CA 92705
Mailing Address: P.O. Box 15184, Santa Ana, CA
92735-0184
Attention: Stephen S. Rados
Telephone: (714) 835-4612
E-mail: ssrados@radoscompanies.com

All communications to RCTC shall be marked as regarding the 15/91 Express Lanes Connector Project and shall be delivered as directed by RCTC's Toll Program Director. The address for such communications shall be:

Riverside County Transportation Commission
Attention: Michael Blomquist, Toll Program Director
3850 Vine Street,
Riverside, California
Phone: (951) 787-7141
Facsimile: (951) 787-7920
Email address: mblomquist@rctc.org

With a copy to:

Riverside County Transportation Commission

Attention: David Thomas, Toll Program Manager
4080 Lemon Street, 3rd Floor
Riverside, California 92501
Phone: (951) 787-7141
Facsimile: (951) 787-7920
Email address: dthomas@rctc.org

In addition, copies of all notices regarding Claims, Disputes, termination and default Notices shall be delivered to the following Persons:

Riverside County Transportation Commission

Attention: Anne Mayer, Executive Director
4080 Lemon Street, 3rd Floor
Riverside, CA 92501
Phone: (951) 787-7141
Facsimile: (951) 787-7920
Email address: amayer@rctc.org

Steven C. DeBaun, Esq.
Best and Krieger
3750 University Avenue, Suite 400
P.O. Box 1028
Riverside, California, 92502
Phone: (951) 686-1450
Facsimile: (951) 686-3083
Email address: Steve.DeBaun@bbklaw.com

All Notices and other communications or documentation required to be delivered by DB Contractor to OCTA under this Contract shall be marked as regarding the Project and shall be delivered to the following Person or as otherwise directed by OCTA in writing. The address for such Notices and other communications or documentation shall be:

Orange County Transportation Commission

Attention: Kirk Avila, General Manager
550 South Main Street
Orange, California 92688
Phone: (714) 560-5674
Facsimile: (714) 560-5800
Email address: kavila@octa.net

27.11.2. Notices shall be deemed received when actually received in the office of the addressee (or by the addressee if personally delivered) or when delivery is refused, as shown on the receipt of the U.S. Postal Service, private carrier or other Person making the delivery. Notwithstanding the foregoing, Notices sent by facsimile after 4:00 p.m. Pacific Standard or Daylight Time (as applicable) and all other Notices received after 5:00 p.m. shall be deemed received on the first Business Day following delivery (that is, in order for a fax to be deemed received on the same day, at least the first page of the fax must have been received before 4:00 p.m.). Any technical or other communications pertaining to the Work shall be conducted by DB Contractor's Representative and technical representatives designated by RCTC.

27.11.3. DB Contractor shall copy RCTC on all written correspondence pertaining to this Contract between DB Contractor and any Person other than DB Contractor's Subcontractors, consultants and attorneys.

27.12. Taxes

27.12.1. DB Contractor shall pay, prior to delinquency, all applicable taxes. DB Contractor accepts sole responsibility, and agrees it shall have no right to a Change Order or to any other Claim, because of its misinterpretation of Governmental Rules respecting taxes, or incorrect assumptions regarding applicability of taxes.

27.13. Further Assurances

DB Contractor shall promptly execute and deliver to RCTC all such instruments and other documents and assurances as are reasonably requested by RCTC to further evidence the obligations of DB Contractor under this Contract, including assurances regarding the validity of (a) the assignments of Subcontracts contained in this Contract and (b) any instruments securing performance hereof.

27.14. Severability

If any clause, provision, Section or part of this Contract is ruled invalid under Section 24 or otherwise by a court having proper jurisdiction, then the Parties shall: (a) promptly meet and negotiate a substitute for such clause, provision, Section or part, which shall, to the greatest extent legally permissible, effect the original intent of the Parties, including an equitable adjustment to the Contract Price to account for any change in the Work resulting from such invalidated portion; and (b) if necessary or desirable, apply to the court or other decision maker (as applicable) which declared such invalidity for an interpretation of the invalidated portion to guide the negotiations. The invalidity or unenforceability of any such clause, provision, Section or part shall not affect the validity or enforceability of the balance of this Contract, which shall be construed and enforced as if this Contract did not contain such invalid or unenforceable clause, provision, Section or part.

27.15. Headings

The table of contents and captions of the Sections of this Contract are for convenience only and shall not be deemed part of this Contract or considered in construing this Contract.

27.16. Entire Agreement

This Contract contain the entire understanding of the Parties with respect to the subject matter hereof and supersede all prior agreements, understandings, statements, representations and negotiations between the Parties with respect to its subject matter.

27.17. Counterparts

This instrument may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

27.18. Costs

(a) Each Party is responsible for paying its own Costs and expenses incurred in connection with the negotiation, preparation and execution and delivery of this Contract.

(b) Except as otherwise provided in this Contract, each Party perform its obligations in accordance with this Contract at its own Cost and risk.

SECTION 28
SIGNATURE WARRANTY

28.1. Signature Warranty

Each signatory to this Contract warrants that the signatory has necessary authority to execute this Contract on behalf of the entity represented.

[Signatures on next page]

IN WITNESS WHEREOF, this Contract has been executed as of _____, 2020.

DB CONTRACTOR:
Myers-Rados, A Joint Venture

By: _____
Name:
Title:

By: _____
Name:
Title:

Contractor License No.: 1059871

RCTC:
RIVERSIDE COUNTY TRANSPORTATION COMMISSION

By: _____
Name:
Title:

APPROVED AS TO FORM:

By: _____
Steven C. DeBaun, General Counsel
Date: _____, 2020

ADDENDUM

Myers & Sons Construction, LLC and Steven P. Rados, Inc. agree that they shall be jointly and severally liable for the obligations of DB Contractor under this Contract. Myers & Sons Construction, LLC and Steven P. Rados, Inc. agree that RCTC and its successors and assignees may enforce any claim or judgment against DB Contractor arising out of this Contract directly against DB Contractor, Myers & Sons Construction, LLC, and Steven P. Rados, Inc. in any order.

Dated as of _____, 2020

Steven P. Rados, Inc.

By: _____

Name:

Title:

* * *

Myers & Sons Construction, LLC

By: _____

Name:

Title:

EXHIBIT 1

ABBREVIATIONS AND DEFINITIONS

Unless the context otherwise requires:

- (a) the following abbreviations, capitalized terms or terms used in the Department Standard Specifications as used in this Contract have the meanings given in this Exhibit 1; and
- (b) the definitions in this Exhibit 1 that are in lower case also apply to terms that are capitalized.

Abbreviation	Meaning
AASHTO	American Association of State Highway and Transportation Officials
AB	aggregate base
ACI	American Concrete Institute
ADA	Americans with Disabilities Act
ADAS	Automatic Data Acquisition System
ADL	Aerially Deposited Lead
ANSI	American National Standards Institute
APE	Area of Potential Effect
AQMD	air quality management district
ARB	California Air Resources Board
AREMA	American Railway Engineering and Maintenance-of-Way Association
AS	aggregate subbase
ASME	American Society of Mechanical Engineers
ASNT	American Society of Nondestructive Testing
ASTM	American Society of Testing and Materials
AT&T	American Telephone & Telegraph
ATC	Alternative Technical Concept
AV	Audio Visual
AWS^a	American Welding Society
BMP	Best Management Practice
BNSF	Burlington Northern and Santa Fe
BO	Biological Opinion
BSDS	Bridge Site Data Submittal
BSPP	Business Support Program Plan
CAC	California Certified Asbestos Consultant
CADD	Computer Aided Drafting and Design
Cal-NExUS	California Numbered Exit Uniform System
Cal/OSHA	California Division of Occupational Safety and Health Administration
CAR	Corrective Action Report

CAT	Contract Acceptance Testing
CCI	Construction Cost Index
CCITT	International Telegraph and Telephone Consultative Committee
CCP	Crisis Communication Plan
CCR	California Code of Regulations
CCS	California Coordinate System
CCTV	Closed Circuit Television
CDFW	California Department of Fish and Wildlife
CEQA	California Environmental Quality Act
CERCLA	Comprehensive Environmental Response Compensation and Liability Act
CFR	Code of Federal Regulations
CHP	California Highway Patrol
CHST	Construction Health and Safety Technician
CIDH	Cast-In-Drilled-Hole
CIH	Certified Industrial Hygienist
CIP	Corridor Improvement Project
CJP	complete joint penetration
CLOMR	Conditional Letter Map or Revision
CMS	Changeable Message Sign
CMU	DIR's Compliance Monitoring Unit
CNDDb	California Natural Diversity Database
CO	Change Order
COZEPP	Construction Zone Enhanced Enforcement Program
CPL	Contractor's Pollution Liability (insurance)
CPM	critical path method
CPP	Communication Protocol Plan
CPR	Cardiopulmonary Resuscitation
CPT	Cone Penetration Test
CPUC	California Public Utilities Commission
CQMP	Construction Quality Management Plan

CQVM	Construction Quality Validation Manager
CRCP	continuously reinforced concrete pavement
CRM	crumb rubber modifier
CSL	crosshole sonic logging
CTB	cement treated base
CTM	California Test Method
CWI	AWS Certified Welding Inspector
DB	Design-Build
DBESP	Determination of Biological Equivalent or Superior Preservation
DFEH	California Department of Fair Employment and Housing
DGS	California Department of General Services
DHCP	Dynamic Host Configuration Protocol
DIGGS	Data Interchange for Geotechnical and Geoenvironmental Specialists
DIR	California Department of Industrial Relations
DLC	Detector Lead-In Cable
DMS	Document Management System
DOSH	Division of Occupational Safety and Health
DOT	Department of Transportation
Dpi	Dots per inch
DPN	Department Parcel Number
DQMP	Design Quality Management Plan
DQVM	Design Quality Validation Manager
DRA	Dispute Resolution Advisor
DRB	Dispute Resolution Board
DSA	Division of the State Architect
DTSC	Department of Toxic Substances Control
DVBE	disabled veteran business enterprise
DVD	Digital Versatile Disc
EA	Expenditure Authorization
ECM	Environmental Compliance Manager

ECR	Environmental Commitments Record
EDMS	Electronic Document Management System
EEO	Equal Employment Opportunity
EI	Expansion Index
EIA/ECIA	Electronic Industries Alliance/Electronic Components Industry Association
EIT	Engineer-in-Training
EL	Express Lane
ELC	I-15/SR-91 (South to West / East to North) Express Lanes Connector
ELP	15 Express Lanes Project
EMS	Extinguishable Message Sign
EPD	Escrowed Proposal Documents
ERS	Earth Retaining Systems
ESA	Environmentally Sensitive Area
ETC	Electronic Toll Collection
ETW	Edge of Travel Way
f_c	extreme fiber compressive stress in concrete at service loads
f'_c	compressive strength of concrete
F/O	Fiber Optic
FD	Final Design
FEMA	Federal Emergency Management Agency
FHWA	Federal Highway Administration
FR	Foundation Report
FRP	Fiber Reinforced Polymer
FSP	Freeway Service Patrol
FTE	Full-time equivalent
GAD	Geometric Approval Drawing
Gbps	Gigabit per second
GDR	Geotechnical Design Report
GEP	Geotechnical Execution Plan
GGL	gamma-gamma logging

GP	General Purpose
GPS	Global Positioning System
HAZWOPER	Hazardous Waste Operations and Emergency Response
HDM	Department Highway Design Manual
HEC	Hydraulic Engineering Circular
HM	Hazardous Materials
HMA	Hot Mix Asphalt
HMA-O	hot mix asphalt (open graded)
HOV	High Occupancy Vehicle
HS	high strength
HVAC	Heating Ventilation and Air Conditioning
I-15	Interstate 15
IAST	Independent Assurance Sampling and Testing
ICC	International Code Council
ICEA	Insulated Cable Engineers Association
IDR	Inspector Delay Report
IEEE	Institute of Electrical and Electronics Engineers
IES	Illuminating Engineer Society
IH	Interstate Highway
IIPP	Injury and Illness and Prevention Program
INVEST	Infrastructure Voluntary Evaluation Sustainability Tool
IP	Internet Protocol
ISO	Insurance Services Office
IT	Information Technology
ITE	Institute of Transportation Engineers
ITP	Instructions to Proposers
ITS	Intelligent Transport Systems
JHA	Job Hazard Analysis
JPCP	Jointed Plain Concrete Pavement
JPEG	Joint Photographic Experts Group

JRT	Joint Resolution Team
LAPM	Local Assistance Procedures Manual
LBP	Lead-Based Paint
LCB	Lean Concrete Base
LCCA	Life Cycle Cost Analysis
LCP	Labor Compliance Program
LCS	Department's lane closure system
LED	Light Emitting Diode
LOE	Level of Effort
LOTB	Log of Test Borings
LOTO	Lockout/Tagout
LRFD	Load and Resistance Factor Design
LTDS	long term design strength
MB	Megabyte
MC	medium curing
METS	Material Engineering and Testing Services
MIT	Magnetic Imaging Technology
MOT	Maintenance of Traffic
<i>MPQP</i>	<i>Material Plant Quality Program</i> published by the Department
MR	movement rating
MRI	Mean Roughness Index
MSDS^b	material safety data sheet
MSE	Mechanically Stabilized Earth
MSHCP	Multiple Association of Corrosion Engineers
MT	magnetic particle testing
MUTCD	Manual on Uniform Traffic Control Devices
MVP	Maintenance Vehicle Pullout
NAD	North American Datum
NAHC	Native American Heritage Commission
NAL	numeric action level

NAVD	North American Vertical Datum
NCR	Nonconformance Report
NCR/MAR	New Connections Report/Modified Access Report
NDC	Notice of Design Change
NDT	nondestructive testing
NEC	National Electrical Code
NEMA	National Electrical Manufacturers Association
NEPA	National Environmental Policy Act
NESC	National Electric Safety Code
NFPA	National Fire Protection Association
NHPA	National Historic Preservation Act
NOI	Notice of Intent
NOT	Notice of Termination
NPT	National Pipe Thread Taper
NRTL	Nationally Recognized Testing Laboratory
NTP	Notice to Proceed
OC	Overcrossing
OCP	California Office of Community Partnerships
OCTA	Orange County Transportation Authority
OFAC	Office of Foreign Assets Control of the United States Department of the Treasury
OFCCP	Office of Federal Contract Compliance Program
OH	Overhead
OJT	On-the-Job Training
ORT	Open Road Tolling
OSD	Offices of Structure Design
OSHA	Occupational Safety and Health Administration
OT	Overtime
PA/ED	Project Approval/Environmental Document
PALM	Project Aesthetics and Landscape Master Plan
PC	precast

PCC	Portland Cement Concrete
PCI	Protective Coatings Inspector
PCM	Project and Construction Manager
PCMS	portable changeable message sign
Pdf	portable document format
PE	Professional Engineer
PFR	Preliminary Foundation Report
PGSSP	Project General Standard Special Provision
PI	Plasticity Index
PLS	Professional Land Surveyor
PMP	Project Management Plan
PPE	Personal Protective Equipment
PPM	Pages Per Minute
PS	prestressed
PS&E	Plans, Specifications and Estimates
PTS	Yellow Paint and Theroplastic Striping
QC	Quality Control
QMP	Quality Management Plan
QV	Quality Validation
RCFC&WCD	Riverside County Flood Control & Water Conservation District
RCP	Reinforced Concrete Pipe
RCTC	Riverside County Transportation Commission
RFC	Release for Construction
RFI	Request For Information
RFP	Request for Proposals
RFQ	Request for Qualifications
RHMA	rubberized hot mix asphalt
RHMA-G	Rubberized Hot Mix Asphalt (Gap Graded)
RM	Ramp Meter
RMS	Ramp Meter System

ROC	RCTC Operations Center
ROW	Right of Way
RR	Railroad
RT	radiographic testing
SARB	Santa Ana River Bridge
SARWQCB	Santa Ana Regional Water Quality Control Board
SBCTA	San Bernardino County Transportation Authority
SBE	Small Business Enterprise
SC	slow curing
SCE	Southern California Edison
SCG	Southern California Gas
SCRRA	Southern California Regional Rail Authority
SDC	Seismic Design Criteria
SDS	safety data sheet
SER	Standard Environmental Reference
SF	Square Foot
SH	State Highway
SHE	Safety, Health and Environmental
SKR	Stephen's Kangaroo Rat
SMFO	Single Mode Fiber-Optic
SPT	Standard Penetration Test
SR	State Route
SR-91	State Route 91
SRC	District 8 Safety Review Committee
SSID	Service Set Identification
SSP	Standard Special Provisions
SUE	Subsurface Utility Engineering
SUV	Service Utility Vehicle
SWDR	Storm Water Data Report
TCE	Temporary Construction Easement

TCP	Traffic Control Plan
TCS	Toll Collection System
TEES	Department Transportation Electrical Equipment Specification
TIFF	Tagged Image File Format
TMC	Traffic Management Center
TMDL	Total Maximum Daily Load
TMP	Transportation Management Plan
TMS	Transportation Management System
TOC	Toll Backbone Communications and Operations Center
TOS	Traffic Operations System
TP	Technical Provisions
TRO	time-related overhead
TS	Traffic Signal
TSP	Toll Services Provider
TUB	Toll Utility Building
TW	Time Warner
UC	Undercrossing
UL	Underwriters Laboratories, Inc.
USACE	United States Army Corps of Engineers
USB	Universal Serial Bus
U.S.C.	United States Code
USDOL	United States Department of Labor
USDOT	United States Department of Transportation
USEPA	United States Environmental Protection Agency
USFWS	United States Fish and Wildlife Service
U.S. GAAP	Generally Accepted Accounting Principles
UT	ultrasonic testing
UTP	Unshielded Twisted Pair
VAC	Voltage Alternating Current
VECP	Value Engineering Change Proposal

VGA	Video Graphics Array
VLAN	Virtual Local Area Network
VTMS	Variable Toll Message Sign
WAN	Wide Area Network
WBS	Work Breakdown Structure
WDR	Waste Discharge Requirement
WLAN	Wireless Local Area Network
WPC	water pollution control
WPCP	water pollution control program

15 EL Closure Charges means the charges payable by DB Contractor to RCTC for certain Lane Closures of 15 Express Lanes, as set forth in Exhibit 20.

15 Express Lanes means one to two tolled express lanes in each direction generally between the I-15/Cajalco Road interchange and the I-15/State Route 60 interchange through the cities of Corona, Norco, Eastvale, Jurupa Valley, and portions of unincorporated Riverside County.

55-Hour Weekend Closure means a 55-hour weekend closure of (a) the southbound I-15 General Purpose Lanes and/or Express Lanes, or (b) the westbound 91 General Purpose Lanes and 91 RCTC Express Lanes, in any case, commencing at or later than 9 p.m. on a Friday and ending at or earlier than 4 a.m. on the immediately following Monday and solely for the purpose of constructing the ELC bridge structures.

91 Express Lanes means approximately eighteen miles of tolled express lanes on State Route 91 (SR 91) between the State Route 55 and State Route 91 interchange and the Interstate 15 and State Route 91 interchange from the toll express lanes to and from the Interstate 15.

91 OCTA EL Closure Charges means the charges owing from DB Contractor to RCTC for Lane Closures of 91 OCTA Express Lanes, in Exhibit 21.

91 OCTA Express Lanes means the 91 Express Lanes operated by OCTA. The eastbound 91 OCTA Express Lanes end at the express lane exit near the Orange County / Riverside County line. The westbound 91 OCTA Express Lanes begin at the express lane entrance near the Orange County / Riverside County line.

91 OCTA Express Lanes or **91 OCTA ELs** means an approximately ten-mile high occupancy toll road (express lanes) entirely within the median of the Riverside Freeway State Route 91 in Orange County, California. The express lanes run from the Costa Mesa Freeway State Route 55 interchange in the vicinity of Anaheim to the Riverside/Orange County line. The 91 OCTA Express Lanes are owned and operated by OCTA.

91 RCTC EL Closure Charges means the charges owing from DB Contractor to RCTC for Lane Closures of 91 RCTC Express Lanes, in Exhibit 21.

91 RCTC Express Lanes means the 91 Express Lanes operated by RCTC. The eastbound 91 RCTC Express Lanes begin at the express lane entrance near the Orange County / Riverside

County line. The westbound 91 RCTC Express Lanes end at the express lane exit near the Orange County / Riverside County line.

91 Revenue Service Commencement Date means March 20, 2017.

abandon means to render unserviceable in place.

Acceleration Costs means those fully documented increased Costs reasonably incurred by DB Contractor (that is, reasonable Costs over and above what DB Contractor would otherwise have incurred) which are directly and solely attributable to increasing the performance and production levels of the Work to complete necessary elements or segments of the Work earlier than otherwise anticipated, such as for additional equipment, additional crews, lost productivity, overtime and shift premiums, increased supervision and any unexpected material, equipment or crew movement necessary for resequencing in connection with accelerated efforts. Profit, overhead and indirect costs in connection with acceleration efforts shall not exceed the amount allowed under Section 9 of the Modified Standard Specifications (Exhibit 3).

activity means, in the context of Project Schedules, a task, event, or other project element on a schedule that contributes to completing the project. An activity has a description, start date, finish date, duration, and one or more logic ties.

Actual Knowledge means facts and information actually known to RCTC, DB Contractor or RCTC's or DB Contractor's Representative (in each case, as applicable), after due consultation with other personnel of such Person (or in the case of DB Contractor, each DB-Related Entity), as applicable.

Additional Properties has the meaning given in Section 8.1.3(a) and includes any Utility Easements which are RCTC's responsibility to acquire pursuant to the applicable Utility Agreement(s) and are not included in the RCTC-Provided Property.

adjust or **Adjust** means, in the context of Utility-related Work, to raise or lower a facility to match a new grade line.

ADL Management Plan means the plan described in TP Section 6.4.5, as updated in accordance with this Contract.

aerially deposited lead means lead primarily from vehicle emissions deposited within unpaved areas or formerly unpaved areas.

Aesthetics and Replacement Planting Concept Meeting has the meaning given in TP Section 20.2.3.

Affidavit of Final Acceptance means the affidavit described in Section 25.7.1(a).

Affiliate means (a) any Person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, DB Contractor or any of its members, partners, or shareholders holding a 10% or greater interest in DB Contractor; and (b) any Person for which 10% or more of the equity interest in such Person is held directly or indirectly, beneficially, or of record by (i) DB Contractor, (ii) any of DB Contractor's members, partners or 10% or greater shareholders, or (iii) any Affiliate of DB Contractor under clause (a) of this definition. For purposes of this definition the term "control" means the possession, directly or indirectly, of the power to cause the direction of the management of a Person, whether through

voting securities, by contract, family relationship or otherwise. Work performed by Affiliates shall be deemed performed by DB Contractor.

Alternative Technical Concept or **ATC** means an RCTC-approved technical solution or approach that differs from the Contract requirements and is listed in Exhibit 13-B (ATCs).

Application for Final Payment means DB Contractor's written request for Final Payment of the unpaid remainder of the Contract Price as described in Section 14.4.1.

Apprenticeable craft or **trade** has the meaning given in Exhibit 16 (Labor Code Requirements).

Area of Potential Effect or **APE** means the area of potential effect identified in TP Attachment 6-2 (APE Map).

As-Built Documents means (a) the Final Construction Documents and related documentation revised to show changes made in the field during construction so that they reflect the Project's as-built condition; and (b) the As-Built Schedule.

As-Built Schedule means the final schedule for the Project, reflecting the actual scope, actual completion dates and actual durations of the activities in the Project Schedule.

As-Built Verification Maps has the meaning given in TP Section 17.3.2.

As-Built Verification Maps Deadline has the meaning given in Section 6.4.2, as such deadline may be extended under this Contract.

authorized laboratory means an independent testing laboratory (a) not employed or compensated by any Subcontractor or Subcontractor's affiliate providing other services for this Contract, and (b) authorized by Department.

Available Properties means each of the RCTC-owned parcels described as "RCTC Available Property – SITE PLAN" in the Reference Documents as being required for performance of the Work by DB Contractor.

base means, in the context of road-building, a layer of specified material of planned thickness placed immediately below the pavement or surfacing.

Baseline Schedule means the approved Submittal provided in accordance with TP Section 4.3.3 and Section 6.2.1(c)(ii).

basement material means, in the context of road-building, material in an excavation or embankment under the lowest layer to be placed.

Basic Configuration means the following elements defining the Project:

- (a) The Planned ROW Limits;
- (b) The number of lanes (as set forth in the Geometric Approval Drawings);
- (c) The approximate number and location of the following items as set forth in the Project Schematics:
 - (i) Toll Gantries;

- (ii) CCTV and TTMS Poles; and
- (iii) overhead signs for the 15 Express Lanes and 91 Express; and
- (d) The approximate location of ramps and approximate lengths of auxiliary lanes (as set forth in the Geometric Approval Drawings).

Bat Management Plan means the plan described in TP Section 6.4.10.2, as updated in accordance with this Contract.

Betterment has, with respect to a given Utility facility, the meaning (if any) given in the applicable Utility Agreement. In all other cases, the term “Betterment” means any upgrading of the Relocated Utility that is not attributable to the construction of the Project and is made solely for the benefit of and at the election of the Utility Owner, including an increase in the capacity, capability, level of service, efficiency, duration or function of the Relocated Utility facility over that which was provided by the existing Utility facility; except that the following are not considered Betterments in such cases:

- (a) Any upgrading necessary for safe and effective construction of the Project;
- (b) Replacement devices or materials that meet equivalent standards although they are not identical;
- (c) Replacement of devices or materials no longer regularly manufactured with the next highest grade or size;
- (d) Any upgrading required by applicable Governmental Rules (excluding any Governmental Rules that fall within the definition of Utility Standards for such Utility Owner); or
- (e) Replacement devices or materials which are used for reasons of economy (e.g. non-stocked items may be uneconomical to purchase).

BNSF Construction & Maintenance Agreement means an agreement conforming to the terms of TP Attachment 8-1 (Railroad Agreement Term Sheet).

BNSF Railway Company means the Burlington Northern and Santa Fe Railway Company.

Bond means each of the Performance Bond, Payment Bond and Warranty Bond or any or all of them, as the context requires.

Books and Records means any and all documents, books, records, papers or other information of any DB-Related Entity or Affiliate relating to the Project, RCTC-Provided Property, Relocations or Work, including:

- (a) all design and construction documents (including drawings, specifications, Submittals, Subcontracts, invoices, schedules, meeting minutes, budgets, forecasts and change orders);
- (b) all budgets, certificates, claims, correspondence, daily time sheet and supervisor’s daily reports, data (including test data), cost accounting data, documents, expert analyses, facts, files, information, investigations, materials, notices, payroll documents, plans, projections, proposals, records, reports, requests, samples,

schedules, settlements, statements, studies, surveys, tax returns and information, tests, test results, vehicular traffic information, operational information analyzed, categorized, characterized, created, collected, generated, maintained, processed, produced, prepared, provided, recorded, stored or used by any DB-Related Entity in connection with the Project;

- (c) union agreements;
- (d) insurance, welfare and benefits records;
- (e) payroll registers;
- (f) earnings records;
- (g) payroll tax forms;
- (h) material invoices and requisitions;
- (i) material cost distribution work sheet;
- (j) equipment records (list of company equipment, rates, etc.);
- (k) Subcontractors' (including Suppliers) invoices;
- (l) Subcontractors' and agents' payment certificates;
- (m) canceled checks;
- (n) job cost report;
- (o) job payroll ledger;
- (p) general ledger;
- (q) cash disbursements journal;
- (r) Project schedules;
- (s) all documents that relate to each and every Claim and Dispute, together with all documents that support the amount of damages as to each Claim or Dispute;
- (t) work sheets used to prepare the Claim or Dispute establishing the cost components for items of the Claim or Dispute, including labor, benefits and insurance, materials, equipment, Subcontractors, all documents that establish the time periods, individuals involved, the hours for the individuals, and the rates for the individuals;
- (u) email;
- (v) network servers, data storage devices, backup tapes/media;
- (w) letters and correspondence; and

- (x) with respect to all of the above, any information that is stored electronically or on computer-related media.

For purposes of the requirements of this Contract to maintain Books and Records, the term “Books and Records” includes documents or information that are subject to the attorney-client privilege, but for purposes of requirements of this Contract to provide access to Books and Records, the term specifically excludes documents or information that are subject to the attorney-client privilege and are identified in a privilege log as attorney-client privileged information.

Boring Data means the geotechnical field and laboratory raw data provided for the actual boring holes expressly identified in the Geotechnical Information included in the Reference Documents. Boring Data does not include any interpretation, analysis, or other commentary that is based on the raw data or otherwise contained in the Geotechnical Information.

Boulder means any rock that fails to pass through a 12-inch sieve as defined Department Soil and Rock Logging, Classification, and Presentation Manual (2010).

bridge means a structure that:

- (a) Has a bridge number, and
- (b) Carries a (1) utility, (2) railroad, or (3) vehicle, pedestrian, or other traffic over, under, or around obstructions or waterways.

Business Day means Monday through Friday, excluding weekends and Holidays.

Cal-OSHA means the California Department of Industrial Relations, Division of Occupational Safety and Health.

California Test means Department-developed test for determining work quality. For California Tests, go to the METS website.

certificate of compliance means, in the context of providing materials under the Technical Provisions, a certificate stating the material complies with this Contract.

Certificate of Environmental Compliance has the meaning given in TP Section 6.3.1.

Certificate of Final Acceptance means the Notice issued by RCTC to DB Contractor that, except for Plant Establishment Work, DB Contractor has achieved Final Acceptance and all Work has been fully completed in accordance with this Contract.

Certificate of Package Turnover means each Notice issued by RCTC to DB Contractor that DB Contractor has achieved Package Turnover with respect to a specific Package.

Certificate of Project Completion means the Notice issued by RCTC to DB Contractor that DB Contractor has achieved Project Completion.

Certificate of Substantial Completion means the Notice issued by RCTC to DB Contractor that DB Contractor has achieved Substantial Completion.

Certification of As-Built Documents has the meaning given in TP Section 3.4.4.

Certification of Final Design Documents has the certificate described in TP Section 5.3.3.2.

Change means:

- (a) Any addition, decrease, omission, deletion, or removal to or from the Work, the Project or the Technical Provisions;
 - (b) Any change to a Completion Deadline or the Contract Price;
 - (c) Any addition, omission or change to insurance policy limits or deductibles; and
 - (d) Other items the Parties agree to be a Change or which this Contract states to be a Change,
- excluding Deviations.

Change in Law means the enactment, adoption, modification, repeal or other change in any Governmental Rule that occurs after the Setting Date, including any change in the judicial or administrative interpretation of any Governmental Rule, or adoption of any new Governmental Rule, which is materially inconsistent with Governmental Rules in effect on the Setting Date, but excluding:

- (a) Any change in or new Governmental Rule which was passed or adopted but not yet effective as of the Setting Date;
- (b) A change in a Project Standard or Utility Standard;
- (c) A change in the way a Governmental Rule is applied or interpreted as a result of:
 - (i) The failure of any DB-Related Entity to comply with a Governmental Rule or any Governmental Approval; or
 - (ii) Any act or omission of any DB-Related Entity or any DB Contractor Fault;
- (d) A change in any Governmental Rule relating to taxes (excluding any Change in Governmental Rule related to sales tax on materials that are permanently incorporated in the Work); or
- (e) A change in Governmental Rule which was not in force at the Setting Date but which (i) had been published as a draft bill or draft statutory instrument or otherwise specifically referred to prior to the Setting Date; (ii) a party experienced and competent in the implementation of works or services similar to the Work would have reasonably foreseen or anticipated prior to the Setting Date, including adoption of a national interoperability standard; or (iii) is substantially the same as a Governmental Rule in force prior to the Setting Date.

Change Notice means a Notice delivered by RCTC to DB Contractor pursuant to Section 16.4.1.

Change of Control means any assignment, sale, financing, grant of security interest, transfer of interest or other transaction of any type or description, including by or through voting securities, asset transfer, contract, merger, acquisition, succession, dissolution, liquidation or otherwise, that results, directly or indirectly, in a change in possession of the power to direct or control or cause the direction or control of the management of DB Contractor or a material aspect of its business. A Change of Control of a shareholder, member, partner or joint venture member of DB Contractor may constitute a Change of Control of DB Contractor if such shareholder, member, partner or

joint venture member possesses the power to direct or control or cause the direction or control of the management of DB Contractor. Notwithstanding the foregoing, the following shall not constitute a Change of Control:

- (a) A change in possession of the power to direct or control the management of DB Contractor or a material aspect of its business due solely to a bona fide transaction involving beneficial interests in the ultimate parent organization of a shareholder, member, partner or joint venture member of DB Contractor, (but not if the shareholder, member, partner or joint venture member is the ultimate parent organization), unless the transferee in such transaction is at the time of the transaction suspended or debarred or subject to a proceeding to suspend or debar from bidding, proposing or contracting with any federal or State department or agency;
- (b) An upstream reorganization or transfer of direct or indirect interests in DB Contractor so long as no change occurs in the entity with ultimate power to direct or control or cause the direction or control of the management of DB Contractor;
- (c) A transfer of interests between managed funds that are under common ownership or control other than a change in the management or control of a fund that manages or controls DB Contractor; or
- (d) The exercise of minority veto or voting rights (whether provided by applicable Governmental Rules, by DB Contractor's organizational documents or by related member or shareholder agreements or similar agreements) over major business decisions of DB Contractor, provided that if such minority veto or voting rights are provided by shareholder or similar agreements, RCTC has previously received copies of such agreements.

Change Order means a written amendment to the terms and conditions of this Contract issued by RCTC to DB Contractor with respect to a Change or Relevant Event in accordance with Section 16 and includes the undisputed portion of any "claim" from DB Contractor, as that term is defined in Public Contract Code section 9204.

Change Response has the meaning given in Section 16.4.3.

Claim means any claim, proceeding, action, cause of action, demand, judgment, investigation or suit (including by way of contribution or indemnity) made:

- (a) In connection with this Contract, the Project or the Site;
- (b) Under Governmental Rules or in equity; or
- (c) For specific performance, restitution, payment of money (including damages), an extension of time, or any other form of relief.

Submission of a DB Contractor Change Request is not a Claim.

closure means a closure of a traffic lane or lanes, including shoulder, ramp or connector lanes, within a single traffic control system.

Co-Located Office has the meaning given in TP Section 2.2.

Code means the statutory law of the State.

Collection System means the toll collection system for the 91 Express Lanes or 15 Express Lanes (as applicable).

commercial quality means the level of quality meeting the Good Industry Practice.

commercial source means an established business operating as a material source for the general public.

Commission means the governing body of RCTC.

Compensable Event means each of the following events:

- (a) Delay Events (excluding Force Majeure Events);
- (b) Subject to Section 16.8, Force Majeure Events that are not insured against and are not required to be insured against in accordance with this Contract and result in substantial destruction or damage to the Work;
- (c) Additional Work resulting from RCTC-Directed Changes for which RCTC has not issued a Change Order or Directive Letter;
- (d) Any net positive Pavement Adjustment with respect to Package 2 or Substantial Completion as described in Section 21.6.4;
- (e) Subject to DB Contractor complying with its obligations under Section 3.5, Section 25, TP Section 2.5 and TP Section 19.2.2, performance of operations or maintenance activities by TSP or 91 Express Lanes Operator, on the Planned ROW Limits that (i) exceeds six hours a month in the aggregate for the 15 Express Lanes; or (ii) exceeds 12 hours a month in the aggregate for the 91 Express Lanes and the 91 OCTA Express Lanes (excluding any operation and maintenance activities allowed under TP Sections 18.3.3.3.1(iii) and 18.3.3.3.2(iii), as applicable); and (ii) materially and directly disrupts and interferes with the Work;
- (f) Except as set out in Section 7.4.4, uncovering, removing and restoring Work under Section 7.4, where the Work uncovered, removed, or restored is in compliance with this Contract; and
- (g) Elements of the ELP Work that: (i) differ materially from elements of the ELP Work identified in TP Attachment 1-1 (Scope of Work), (ii) DB Contractor identifies in its Notice to RCTC under Section 25.1.3(e) and are not remedied prior to the date upon which DB Contractor is required to access the ELP Project Site under the Project Schedule, and (iii) would result in a material increase in DB Contractor's Cost of performing the Work.

Completion Deadline means the As-Built Verification Map Deadline, the Utility Strip Map Deadline, each Package Turnover Deadline, Substantial Completion Deadline, Project Completion Deadline and Final Acceptance Deadline, or all of them as the context requires.

Completion Milestone means each Package Turnover Deadline, Substantial Completion, Project Completion and Final Acceptance or all of them as the context requires.

Conduit means any conduit, casing, sleeve, hanger, attachment, or blockout for installation or protection of Utilities attached to or installed through structures, or installed under rail or roadway crossings, and any associated pull-ropes for Utility cables.

Construction Documents means all shop drawings, working drawings, fabrication plans, material and hardware descriptions, specifications, construction quality control reports, construction quality validation reports and samples necessary for construction of the Project in accordance with this Contract.

Construction Manager has the meaning given in TP Section 2.6.1.2.

Construction Notice to Owner has the meaning given in TP Section 7.2.4.

Construction Quality Management Plan means the plan described in TP Section 5.4.1, as updated in accordance with this Contract.

Construction Quality Validation Manager has the meaning given in TP Section 2.6.2.1.

Construction Safety Orders means the California Construction Safety Orders of the Division of Occupational Safety and Health.

Construction Work means all Work to build or construct, make, form, manufacture, furnish, install, supply, deliver, landscape or equip the Project.

Construction Work Zone means the portion of the RCTC-Provided Property in which a DB-Related Entity's construction equipment or material is present, or temporary traffic control devices, including temporary traffic striping and temporary signing, for the purposes of construction by any DB-Related Entity, are in place.

Contaminated Groundwater means any extracted, pumped and/or ponded groundwater that contains Hazardous Materials.

Contract means this Design-Build Contract made and entered into the _____ day of _____, 2020, between RCTC, and DB Contractor, including all exhibits, and the other documents listed in Sections 1.2.1(a) and 1.2.1(b) (as applicable).

Contract Price means the amount set out in Exhibit 2 (Contract Particulars), subject to adjustment only in accordance with the express terms of this Contract.

Contractor means the entity identified as "DB Contractor" under this Contract.

Controlling activity means, in the context of Project Schedules, a construction activity that will extend the scheduled completion date if delayed.

Corrective Action Report or **CAR** has the meaning given in TP Section 5.2.3.1.6, as applicable.

Corrective Measures means corrective measures taken by DB Contractor in accordance with Department Standards to achieve for any 0.10-mile segment of new pavement an MRI reading less than 85.0.

Cost(s) means the actual, documented, direct incremental costs of design, construction, commissioning, maintenance, or repair (as applicable).

Cost and Schedule Proposal has the meaning given in Section 16.4.3(a)(v).

Cost Liability means the obligation to bear the cost of a Relocation (as between RCTC and the Utility Owner), whether arising out of common or statutory law or contract (including Utility Agreements), as determined by RCTC, in its good faith discretion.

Co-Sureties has the meaning given in Exhibit 8-A (Performance Bond).

Crisis Communications Plan or **CCP** means the Crisis Communications Plan, as updated in accordance with this Contract.

Critical Activity Point has the meaning given in TP Section 5.4.4.

Critical Path means each critical path on the Project Schedule which ends on the applicable Completion Deadline, as applicable (i.e., the term shall apply only following consumption of all available Float in the schedule for a Completion Milestone, as applicable). The lower case term “critical path,” as used in the preceding sentence, means the longest continuous chain of activities for the Project that has the least amount of total float of all chains.

critical path method means a method of planning and scheduling for a project where activities are arranged based on activity relationships (i.e., a network-based planning technique using activity durations and relationships between activities to calculate a schedule for the entire project). This process determines which activities are “critical” (i.e., on the longest path) and which have “total float” (i.e., can be delayed without making the project longer).

culvert means a structure other than a bridge that provides an opening under a roadway.

data date means, in the context of the Project Schedules, the day after the date through which a schedule is current. Everything occurring earlier than the data date is as-built and everything on or after the data date is planned.

DB Contractor has the meaning given in the Recitals to this Contract.

DB Contractor Available Property(ies) has the meaning given in Section 8.1.8(b).

DB Contractor Change Request means a Notice delivered by DB Contractor to RCTC pursuant to Section 16.5.1(b).

DB Contractor Default has the meaning given in Section 20.1.1.

DB Contractor Fault means:

- (a) A breach by DB Contractor of any of its obligations or any representation or warranty under this Contract;
- (b) A failure by DB Contractor to submit and/or obtain RCTC’s approval of any Submittal listed in Sections 5.1.3 and 5.2.2;
- (c) A breach or violation by any DB-Related Entity of any Governmental Rule or Governmental Approval; or

- (d) Negligence, gross negligence, fraud, bad faith recklessness, criminal conduct intentional misconduct or any other negligent or culpable act or omission by any DB-Related Entity.

DB Contractor Office Space has the meaning given in TP Section 2.2.

DB Contractor Release of Hazardous Materials means any spill or release, or threatened spill or release, of a Hazardous Material and in the case of clause (b) any exacerbation of any existing release or condition of Hazardous Materials, that was (a) brought onto the Site by a DB-Related Entity, or (b) attributable to any act or omission of any DB-Related Entity or any DB Contractor Fault.

DB Contractor's Utility Conflict Matrix means an update to the Preliminary Utility Matrix to be provided by DB Contractor as described in TP Section 7.3.5.

DB-Related Entities means DB Contractor, Subcontractors or any of, their respective employees, agents, representatives, shareholders, directors, members, managers, partners and officers and all other Persons for whom DB Contractor may be legally or contractually responsible.

DB Utility Work has the meaning given in Section 8.3.1(c).

debarred has the meaning given in Attachment 2 to Exhibit 14.

Delay Event means each of the following events:

- (a) Force Majeure Events;
- (b) Extra Maintenance Work required in accordance with TP Section 21.4.4 of the TPs;
- (c) RCTC-Caused Delays;
- (d) A Change in Law which (i) requires a material modification in the design of the Project, or (ii) results in imposition of material additional mitigation requirements on the Project due to impacts on archaeological, paleontological, biological or cultural resources;
- (e) Any failure by a Utility Owner to complete design, construction, materials procurement, and/or acquisition of a Utility Easement (as applicable) for any Relocation before the deadline in the applicable Utility Agreement;
- (f) Subject to Section 16.13, a Differing Site Condition, provided a Reasonable Investigation and exploration prior to the Setting Date would not have indicated the condition DB Contractor and had no Actual Knowledge of such conditions as of the Setting Date;
- (g) Performance of Hazardous Materials Management by DB Contractor resulting from:
 - (i) Discovery of material quantities of HM-1 within the Existing Department ROW;
 - (ii) Discovery of material quantities of HM-2 within the Existing Department ROW which are Unknown Hazardous Material;

- (iii) Discovery of material quantities of Unknown Hazardous Materials within the Project ROW or any parcels added to the RCTC-Provided Property by an RCTC-Directed Change or required due to a Force Majeure Event (excluding the Existing Department ROW); or
- (iv) Any spill of Hazardous Material by a third party who is not acting in a capacity of, on behalf or under the authority or permission of a DB-Related Entity which: (i) is required to be reported to a Governmental Entity and (ii) renders use of the roadway or construction area unsafe or potentially unsafe absent assessment, containment and/or remediation;
- (h) Failure by the Utility Owner or RCTC (as applicable) to provide DB Contractor with timely access to any Utility Easement, where that Party is responsible for handling acquisition efforts for a particular Utility Easement under the terms of any applicable Utility Agreement;
- (i) Unidentified or misidentified Main or Trunkline Utilities to the extent set out in Section 16.12.1(a) or Section 16.12.1(b);
- (j) Subject to DB Contractor complying with its obligations under Section 3.5, acts or omissions of any Other RCTC Contractor, which materially and adversely directly affects DB Contractor's obligations under this Contract;
- (k) Errors in As-Built Reference Document Information to the extent set out in Section 16.17; and
- (l) Any new or changed condition or requirement in the Major Approvals Baseline Conditions not identified in Part 2 of TP Attachment 6-1, subject to the limitations and conditions described in TP Section 6.3.5.1.

Demarcation Matrix means the table setting out the responsibilities of DB Contractor and TSP with respect to the Project set out in TP Attachment 19-1.

Department means the State of California Department of Transportation as defined in Streets and Highways Code section 20, and authorized in Streets and Highways Code section 90; and its authorized representatives.

Department Cooperative Agreement means the cooperative agreement between RCTC and Department identified in Recital D to this Contract.

Department Documents means the Department Standard Plans, Department Revised Standard Plans, the Department Standard Specifications, the Department Revised Standard Specifications, the Department Standard Special Provisions, and all other provisions of publications, manuals, handbooks, engineering manuals, technical memoranda, standards, guidelines rules and regulations of Department that are applicable to the type of Work required under this Contract.

Department Safety Review Committee has the meaning given in TP Section 22.2.7.

Department Standard Specifications or **Standard Specifications** has the meaning given in Section 1.5.1.

Design Documents means all drawings (including plans, elevations, sections, details and diagrams), specifications, reports, calculations, records and other Submittals necessary for

design of the Project in accordance with this Contract, following approval by RCTC and others as required by this Contract.

Design Manager has the meaning given in TP Section 2.6.1.3.

Design Quality Management Plan means the plan described in TP Section 5.3.1, as updated in accordance with this Contract.

Design Quality Validation Manager has the meaning given in TP Section 2.6.2.2.

Design Review means the formal review of an existing or proposed design for the purpose of detection and remedy of design deficiencies that would, among other things, affect fitness-for-use and environmental aspects of the product, process or service, and/or identification of potential improvements of performance, safety and economic aspects.

Design Work means all Work related to the design, engineering or architecture for the Project.

detour means a temporary route for traffic around a closed road part. A passageway through a job site is not a detour.

Deviation means any change, deviation, modification, or alteration from the requirements of this Contract (including deviations from standards referenced in this Contract) but excluding any Change that is approved by RCTC in accordance with Section 3.2. Subject to Sections 3.2.2 and 3.2.3, and TP Section 10.3.1, a design exception not listed in TP Attachments 10-1, 10-2 and 10-3 is a Deviation.

Differing Site Condition means (a) subsurface or latent physical conditions that are encountered at or near the Site that differ from those reasonably assumed by DB Contractor based on incorrect Boring Data provided by RCTC, to the extent that correct Boring Data would have resulted in accurate assumptions, or (b) physical conditions of an unusual nature, differing materially from those ordinarily encountered in the area and generally recognized as inherent in the type of work provided for in the Contract including:

- (a) The discovery at, near or on the Site of any archaeological, paleontological, biological or cultural resource; provided that the existence of such resource was not disclosed in the RFP Documents, DB Contractor had no Actual Knowledge of such condition as of the Setting Date and such condition would not have become known to DB Contractor by undertaking Reasonable Investigation prior to the Setting Date; and
- (b) The discovery at, near or on the Site of any species listed as threatened or endangered under the federal or State Endangered Species Act, except to the extent that the RCTC-Provided Approvals provide for mitigation measures to be undertaken with respect thereto (regardless of whether the species is listed as threatened or endangered as of the Setting Date), and also subject to the risk allocation provisions contained in Section 8.11 (relating to DB Contractor's obligation to obtain and maintain environmental approvals under certain circumstances).

The definition of Differing Site Condition excludes: (i) the discovery of any Boulder that is less than four feet in diameter or does not have a material impact on DB Contractor's performance of the Work; (ii) Utilities; (iii) Hazardous Materials; (iv) moving groundwater; and (v) any differences

in groundwater depth, flow or location from the depths, flow or location, if any, noted in the Reference Documents or otherwise.

Subject to the exclusions in the above paragraph, for the purposes of the definition of Differing Site Condition, and subject to the DB Contractor's obligation to perform a Reasonable Investigation, it shall be reasonable for DB Contractor to assume the Boring Data will be consistent within a 30 ft. horizontal radius from the center of the borehole or half the horizontal distance to the nearest adjacent borehole, whichever is less.

Directive Letter means a Notice issued by RCTC under Section 16.3.

disabled veteran business enterprise means a business certified as a DVBE by the State Department of General Services, Office of Small Business and DVBE Services.

Disadvantaged Business Enterprise means a disadvantaged business enterprise as defined in 49 CFR § 26.5.

dispose of means to remove from the job site.

Dispute means a disagreement between the Parties as to the merits, amounts, or remedy arising out of an issue in controversy, including a disagreement regarding a Claim.

Disputes Review Board means the Project's adjudication board established by the Parties under Section 24.3.

District 8 means Department District 8.

divided highway means a highway with separated traveled ways for traffic, generally in opposite directions.

Draft Invoice means a draft invoice in the form included in Exhibit 9-A including all documents and information required by Section 14.2.2(a), prepared for the purposes of the Progress Meeting in Section 14.2.2.

early completion time means, in the context of the Project Schedule, the difference in time between an early scheduled completion date and the work completion date.

Effective Date has the meaning given in the Recitals to this Contract.

ELC Lane Closure Charges means the charges payable by DB Contractor to RCTC for certain Lane Closures of Express Lanes, as set forth in Exhibit 22.

Eligible Change means a Delay Event and a Compensable Event, or either, as the context requires.

Eligible Surety means a Surety licensed in the State, listed on the U.S. Department of the Treasury's "Listing and Approved Sureties" (found at www.fms.treas.gov/c570/c570.html), rated "A" or higher by at least two nationally-recognized rating agencies (Fitch Ratings, Moody's Investor Service and Standard & Poor's) or rated at least A-, X or higher according to A.M. Best's Financial Strength Rating and Financial Size.

ELP DB Contract means the agreement between RCTC and the ELP DB Contractor for design and construction of the civil infrastructure for the I-15 Express Lanes Project.

ELP DB Contractor means Skanska-Ames a Joint Venture, the design-build contractor for the I-15 Express Lanes Project.

ELP Project Site means that portion of the Existing Department ROW on CADD layer “ELP Project Site” within TP Attachment 9-2.

ELP Revenue Service Commencement Date means the date after or coincident with ELP Substantial Completion upon which the Toll Facilities commence revenue service.

ELP Substantial Completion means substantial completion of the ELP by the ELP DB Contractor in accordance with the ELP DB Contract.

ELP Turnover means the stage in the Work where ELP DB Contractor has completed design, construction, and inspection of the elements of the ELP that physically interface with the Work as described in TP Section 2.5.1 (including providing documentation of the ELP Project Site as described in TP Section 2.3.3).

Emergency Action Plan has the meaning given in TP Section 22.2.3.3, as updated in accordance with this Contract.

Engineer means, subject to Section 1.7.2(b), a Registered Professional Engineer authorized by DB Contractor to perform or furnish professional services in connection with the Work.

ENR Los Angeles Construction Cost Index means the Los Angeles Construction Cost Index published by Engineering News Record.

Environmental Approvals means all Governmental Approvals arising from or required by any Environmental Law in connection with construction, use or operation of the Project, including approvals and permits required under the National Environmental Policy Act (42 U.S.C. §§ 4321 et seq.), as amended, or the California Environmental Quality Act (section 21000 et seq. of the Public Resources Code). Environmental Approvals include the NEPA/CEQA Revalidation and the ROD. In the case of the NEPA/CEQA Revalidation and the ROD, DB Contractor’s obligations with respect to such Environmental Approvals are limited to those obligations set out in the Environmental Commitments Record.

Environmental Commitments Record means the document entitled “Environmental Commitments Record” included in TP Attachment 6-1 (Project Environmental Commitment Requirements).

Environmental Compliance Manager has the meaning given in TP Section 2.6.1.5.

Environmental Laws means (1) all Governmental Rules applicable to the Project or the Work now or hereafter in effect regulating, relating to, or imposing liability or standards of conduct concerning the environment or to generation, production, emissions, discharges, storage, use, handling, transportation, treatment, disposal, remediation, releases or threatened releases of Hazardous Materials or other hazardous, toxic or dangerous waste, pollutants, contaminants, substances, or materials into the environment including into the air, surface water or ground water or onto land, and (2) any requirements and standards that pertain to the protection of the environment, or to the management of Hazardous Materials or generation, production, emissions, storage, use, handling, transportation, treatment, disposal, remediation, discharges, releases or threatened releases of Hazardous Materials or other hazardous, toxic or dangerous waste, pollutants, contaminants, substances or materials into the environment, contamination of any type whatsoever, or health and safety matters with respect to Hazardous Materials, set forth in any

Governmental Approval, or other criteria and guidelines promulgated, pursuant to Governmental Rules applicable to the Project or the Work, as each of the foregoing have been or are amended, modified, or supplemented from time to time (including any present and future amendments thereto and reauthorizations thereof), including those relating to:

- (a) The manufacture, processing, distribution, use, re-use, treatment, storage, disposal, transport or handling of Hazardous Materials or other hazardous, toxic or dangerous waste, pollutants, contaminants, substances or materials;
- (b) The protection of public health, public welfare, public safety or the environment (including protection of nonhuman forms of life, land, surface water, groundwater and air);
- (c) Air, soil, surface and subsurface strata, stream sediments, surface water, and groundwater;
- (d) Releases of Hazardous Materials;
- (e) Protection of wildlife, endangered, threatened, and sensitive species, wetlands, water courses and water bodies, parks and recreation lands, cultural, historical, archeological, and paleontological resources and natural resources;
- (f) The operation and closure of underground or aboveground storage tanks;
- (g) Health and safety of employees and other persons with respect to Hazardous Materials; or other hazardous, toxic or dangerous waste, pollutants, contaminants, substances or materials; and
- (h) Notification, documentation and record keeping requirements relating to the foregoing.

Without limiting the above, the term "Environmental Laws" shall also include the following (all as amended):

- (i) The Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. ("**CERCLA**");
- (ii) The Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. ("**RCRA**");
- (iii) The Emergency Planning and Community Right to Know Act of 1986, 42 U.S.C. § 11001 et seq.;
- (iv) The Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.;
- (v) The National Environmental Policy Act, 42 U.S.C. § 4321 et seq.;
- (vi) The Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.;
- (vii) The California Occupational Safety and Health Act of 1973, Lab. Code § 63000 et seq.;
- (viii) The Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq.;

- (ix) The Endangered Species Act, 16 U.S.C. § 1531 et seq.;
- (x) The Clean Water Act, 33 U.S.C. § 1251 et seq.;
- (xi) The Clean Air Act, 42 U.S.C. § 7401 et seq.;
- (xii) The Federal Water Pollution Control Act, as amended by the Clean Water Act, 33 U.S.C. § 1251 et seq.;
- (xiii) The Oil Pollution Act, 33 U.S.C. § 2701 et seq.;
- (xiv) The Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq.;
- (xv) The Federal Safe Drinking Water Act, 42 U.S.C. § 300 et seq.;
- (xvi) The Federal Radon and Indoor Air Quality Research Act, 42 U.S.C. § 7401 et seq.;
- (xvii) The Fish and Wildlife Coordination Act, 16 U.S.C. § 661 et seq.;
- (xviii) The Coastal Zone Management Act, 33 U.S.C. § 1451 et seq.;
- (xix) The Rivers and Harbors Act of 1899, 33 U.S.C. § 401 et seq.;
- (xx) The Migratory Bird Treaty Act, 16 U.S.C. § 703 et seq.;
- (xxi) The Marine Mammal Protection Act, 16 U.S.C. § 1361 et seq.;
- (xxii) Section 4f of the Department of Transportation Act, 49 U.S.C. § 303;
- (xxiii) The National Historic Preservation Act, 16 U.S.C. § 470;
- (xxiv) 33 CFR §§ 114 and 125;
- (xxv) The California Environmental Quality Act, § 21000 et seq. of the California Public Resources Code;
- (xxvi) The California Clean Air Act of 1988, § 39000 et seq. of the California Health and Safety Code;
- (xxvii) The California Porter-Cologne Water Quality Act, § 13000 et seq. of the California Water Code;
- (xxviii) The California Coastal Act, § 30000 et seq. of the California Public Resource Code;
- (xxix) The Integrated Waste Management Act, § 40000 et seq. of the California Public Resources Code;
- (xxx) The California Safe Drinking Water and Toxic Enforcement Act, § 25249.5 et seq. of the California Health and Safety Code;

- (xxxi) The California Hazardous Waste Control Act, Chapter 6.5 of Division 20 of the California Health and Safety Code, § 25100 et seq.;
- (xxxii) The California Hazardous Substance Account Act, the California Health and Safety Code, § 25330 et seq.;
- (xxxiii) Health and Safety Code § 25280 et seq. (Underground Storage of Hazardous Substances);
- (xxxiv) The California Hazardous Waste Management Act, the California Health and Safety Code § 25170.1 et seq.;
- (xxxv) Health and Safety Code § 25501 et seq. (Hazardous Materials Response Plans and Inventory);
- (xxxvi) Fish and Game Code §§ 1600 et seq., 1360 et seq., 2050 et seq., and 2080 et seq.; and
- (xxxvii) California Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act, all as amended.

Environmental Management Plan has the meaning given in TP Section 6.3.2, as updated in accordance with this Contract.

Environmental Management Program has the meaning given in TP Section 6.3.1.

Environmental Monitoring Reports has the meaning given in TP Section 6.3.2.

Environmental Notification Checklist has the meaning given in TP Section 6.3.3.

Environmentally Sensitive Area means an area within or near the Site where access is prohibited or limited to protect environmental resources and as set forth in TP Section 6.4.1.

Error means an error, omission, inconsistency, inaccuracy, deficiency or other defect.

Escrow Agent means the individual or entity designated in the RFP Documents who is authorized to act as the escrow holder with respect to the Escrowed Proposal Documents.

Escrowed Proposal Documents has the meaning given in Section 26.1.

Event of Default has the meaning given in Section 20.2.1.

Existing Department ROW means the real property, owned by Department as of the Effective Date, which RCTC intends to make available for permanent improvements included in the Project which is shown graphically in the Project Schematic. Subject to TP Section 9, the limits of Existing Department ROW permitted for use for the Project will be: (a) all real property shown in CADD layer “Known Department ROW Limits” in TP Attachment 9-2; and (b) all real property within 10 feet of the boundary line shown in CADD layer “Approximate Department ROW Limits” in TP Attachment 9-2.

Express Lane means any Lane that is an 15 Express Lane (or 15 EL), an 91 Express Lane (or 91 EL) or an 15/91 Express Lane (or 15/91 EL).

Extra Maintenance Work has the meaning given in TP Section 21.4.4.

Facilitator for partnering meetings has the meaning given in Exhibit 2 (Contract Particulars).

FD Notice to Owner has the meaning given in TP Section 7.2.4.

federal-aid contract means a contract that is financed in part with federal funds.

Final Acceptance means the stage in the Work where the following requirements have been satisfied by DB Contractor:

- (a) All requirements for Project Completion have been satisfied;
- (b) DB Contractor has provided RCTC with all Design Documents, original working drawings, shop drawings and final As-Built Documents of the DB Work, right-of-way record maps, surveys, test data and other Submittals required under this Contract;
- (c) DB Contractor has submitted and received RCTC approval of all Submittals required by the Contract, including in TP Section 3.4.5.4;
- (d) All special tools, equipment, furnishings and supplies purchased and/or used by DB Contractor as provided in this Contract have been delivered to RCTC and all replacement spare parts shall have been purchased and delivered to RCTC free and clear of Liens;
- (e) The items on the Final Acceptance Punch List shall have been completed to the satisfaction of RCTC and Department, and all of DB Contractor's other obligations under this Contract (other than obligations which by their nature are required to be performed after Final Acceptance, including Plant Establishment Work) has been satisfied in full or waived by Notice from RCTC;
- (f) RCTC's governing board formally accepts the Work as complete; and
- (g) All other conditions to Final Acceptance in this Contract shall have been satisfied.

Final Acceptance Date means the date on which Final Acceptance occurs.

Final Acceptance Deadline means 90 days after the Project Completion Date, as such deadline may be extended under this Contract.

Final Design Documents means the complete final construction plans (including drawings, elevations, sections, details and diagrams) and specifications needed by DB Contractor to build the Project.

Final Design Package has the meaning given in TP Section 3.3.1.4.

Final Environmental Mitigation and Monitoring Reports has the meaning given in TP Section 6.3.2.

Final Payment means payment by RCTC of the final installment of the Contract Price.

fixed cost means labor, material, or equipment cost directly incurred by DB Contractor or any of its Subcontractors as a result of performing or supplying a particular bid item that remains constant regardless of the item's quantity.

Flagging Charge has the meaning given in Section 8.1.7(d).

Float means the amount of time that any given activity or logically connected sequence of activities shown on the Project Schedule may be delayed before it will affect DB Contractor's ability to achieve a Completion Milestone by its applicable Completion Deadline. "Float" generally means the difference between early completion times and late completion times for activities as shown on the Project Schedule, and shall include any float contained within an activity as well as any period containing an artificial activity (that is, one which is not encompassed within the meaning of the word "Work").

Force Majeure Event means any of the events listed in clauses (a) through (k) below, subject to the exclusions listed in clauses (i) through (vii) below, which materially and adversely directly affects DB Contractor's obligations:

- (a) Any earthquake, tornado, hurricane, Wildfire, lightning one in a 100 year flood or other natural disaster that causes direct physical damage to the Project;
- (b) Any epidemic in the Riverside County, California area;
- (c) Any blockade, rebellion, war, riot, act of sabotage or civil commotion that causes direct physical damage to the Project;
- (d) Any major new State or federal Environmental Approval necessitated by the discovery at, near or on the Planned ROW Limits of any archaeological, paleontological, biological or cultural resources provided that the existence of such resources or substances was not disclosed in, or ascertainable from, the RFP Documents, was not otherwise known to DB Contractor prior to the Setting Date and would not have become known to DB Contractor by undertaking Reasonable Investigation prior to the Setting Date;
- (e) Any major new State or federal Environmental Approval necessitated by the discovery at, near or on the Planned ROW Limits of any species listed as a threatened or endangered species (regardless of whether the species is listed as threatened or endangered as of the Setting Date), provided that the presence of such species was not disclosed in, or ascertainable from, the RFP Documents, was not otherwise known to DB Contractor prior to the Setting Date and would not have become known to DB Contractor by undertaking Reasonable Investigation prior to the Setting Date;
- (f) Issuance of a temporary restraining order or other form of injunction by a court that prohibits prosecution of a material portion of the Work;
- (g) The suspension, termination, interruption, denial or failure to obtain, failure to maintain, or non-renewal of any RCTC-Provided Approval, except if such suspension, termination, interruption, denial or failure to obtain, failure to maintain or non-renewal arises from failure by any DB-Related Entity to locate or design the Project or carry out the Work in accordance with the RCTC-Provided Approvals or other Governmental Approval;

- (h) Any failure by RCTC to obtain a fully executed and recorded BNSF Construction & Maintenance Agreement and CPUC authorization, prior to the later of (i) 365 days after RCTC's receipt from DB Contractor of a complete Permit Submittal Package in accordance with TP Section 8, and (ii) the late date for start of Work requiring such agreement in the Project Schedule;
- (i) Delay in obtaining a Major Approval by the applicable Major Approval Deadline where the delay is not due to differences in the Basic Configuration or DB Contractor's final design;
- (j) If, after DB Contractor fully complies with all requirements in TP Section 18.3.3.5, RCTC and Department do not approve (i) at least one 55-Hour Weekend Closure of the I-15 in the southbound direction; and (ii) at least one 55-Hour Weekend Closure of the SR-91 in the westbound direction;
- (k) Subject to DB Contractor complying with its obligations under Section 3.5, Section 25 and TP Section 18.4.7, DB Contractor is unable to access the Pavement Contractor ROW as of the latest of (i) 8 months after issuance of NTP2; (ii) the date shown in the then current Project Schedule; and (iii) June 1, 2021;
- (l) Delay in obtaining approvals from the City of Corona of design submittals within the timeframe specified in TP Attachment 3-1 from DB Contractor's submittal to the City of Corona of a complete package of documents required for such review or approval, provided that such delay is not caused by DB Contractor's actions; and
- (m) The cumulative duration of Work stoppages under paragraph (f) of the definition of RCTC-Caused Delay exceeds 15 Business Days.

The term "Force Majeure Event" shall be limited to the matters listed above and specifically excludes from its definition the following matters which might otherwise be considered a force majeure event:

- (i) Any physical destruction or damage, or delays to the Project which occur by action of the elements, including explosion, fire, lightning, wind, drought, rain, snow, or storm, except as specified in clause (a) above;
- (ii) Except as provided in clause (c) above, malicious or other acts intended to cause loss or damage or other similar occurrence, including vandalism or theft;
- (iii) Any strike, labor dispute, work slowdown, work stoppage, secondary boycott, walkout or other similar occurrence;
- (iv) The suspension, termination, interruption, denial, failure to obtain, non-renewal or change in any requirements of any Governmental Approval, except for any such matter falling within the scope of clause (e), (g), (h), or (i) above;
- (v) Any increased costs or delays related to Relocations or failure to obtain or maintain, as applicable, any approval, work or other action from a Utility Owner, except to the extent directly due to any of the matters listed in clauses (a) through (i) above;

- (vi) The presence at, near or on the Site, of any Hazardous Material, including substances disclosed in the Reference Documents as well as any substances contained in any structure required to be demolished in whole or in part or relocated as part of the Work; and
- (vii) Any matters not caused by RCTC or beyond the control of RCTC or any other matter not listed in clauses (a) through (k) above.

Foundation Release for Construction Package has the meaning given in TP Section 3.3.1.5.

General Purpose Lane means all mixed-flow Lanes (including ramps and direct connectors), auxiliary Lanes on State Route 91 or Interstate 15 (as applicable), excluding the Express Lanes.

General TMP means the plan described in TP Section 18.3.1, as updated in accordance with this Contract.

General Warranty means the general warranty set out in Section 13.1.1.

Generally Accepted Accounting Principles or **U.S. GAAP** means the set of accounting rules and accounting standards promulgated by the “Financial Accounting Standards Board” (FASB), as updated from time to time, and adopted by the accounting profession for the form and content of financial statements and recording of financial transactions.

Geometric Approval Drawings means the Geometric Approval Drawings (Sheet 1 (interim), Sheet 2 and Sheet 3), or either as the case may be.

Geotechnical Execution Plan means the plan described in TP Section 13.3.1, as updated in accordance with this Contract.

Geotechnical Information means:

- (a) Preliminary Foundation Information Report E91/N15 Express Lane Connector prepared by Skanska-Ames, a Joint Venture and dated February 15, 2019;
- (b) Preliminary Foundation Information Report Parkridge Avenue Undercrossing Connector prepared by Skanska-Ames, a Joint Venture and dated February 15, 2019;
- (c) Preliminary Foundation Information Report Retaining Walls 1 & 11, 9 & 10, 12 & 13, 2 & 3 prepared by Skanska-Ames, a Joint Venture and dated February 15, 2019;
- (d) Preliminary Foundation Information Report Interstate 15 – State Route 91 Express Lane Connector Project Retaining Walls 4, 5 and 6 prepared by Skanska-Ames, a Joint Venture and dated February 18, 2018;
- (e) Preliminary Foundation Information Report for S15/W91 Express Lane Connector prepared by Skanska-Ames, a Joint Venture and dated February 18, 2019;
- (f) Preliminary Foundation Information Report E91/N15 EL Temescal Wash Overhead prepared by Skanska-Ames, a Joint Venture and dated February 15, 2018;

- (g) Final Foundation Report 91/15 Express Lanes Connector Bridge No. 56-0871E (AWJV Bridge No. 24) SR-91 Corridor Improvement Project (CIP) prepared by URS and dated October 10, 2014;
- (h) Final Foundation Report N15/S15-W91 Connector Overhead Bridge No. 56-0872H (AWJV Bridge No. 25) SR-91 Corridor Improvement Project (CIP) prepared by URS and dated April 4, 2014;
- (i) Final Foundation Report W91 Temescal Wash BR & OH (Widen) Bridge No. 56-0446L (AWJV Bridge No. 26) SR-91 Corridor Improvement Project (CIP) prepared by URS and dated March 30, 2015;
- (j) Final Foundation Report E91/Temescal Wash OH Bridge No. 56-0873R(AWJV Bridge No. 27) SR-91 Corridor Improvement Project (CIP) prepared by URS and dated June 30, 2014;
- (k) Final Foundation Report E91-N15/S15 Connector Oh Bridge No. 56-0874G(AWJV Bridge No. 28) Sr-91 Corridor Improvement Project (CIP) prepared by URS and dated April 24, 2014;
- (l) Final Foundation Report Retaining Wall No. 115D SR-91 Corridor Improvement Project (CIP) prepared by URS and dated May 21, 2014;
- (m) Final Foundation Report Retaining Wall No. 119 SR-91 Corridor Improvement Project (CIP) prepared by URS and dated September 8, 2014;
- (n) Final Foundation Report Retaining Wall No. 126 SR-91 Corridor Improvement Project (CIP) prepared by URS and dated December 17, 2014;
- (o) Final Foundation Report Retaining Wall No. 127 SR-91 Corridor Improvement Project (CIP) prepared by URS and dated September 12, 2014;
- (p) Final Foundation Report Retaining Wall No. 128 SR-91 Corridor Improvement Project (CIP) prepared by URS and dated March 2, 2015;
- (q) Final Foundation Report Retaining Wall No. 129 SR-91 Corridor Improvement Project (CIP) prepared by URS and dated February 10, 2015;
- (r) Final Foundation Report Retaining Wall No. 130 SR-91 Corridor Improvement Project (CIP) prepared by URS and dated September 12, 2014; and
- (s) Final Foundation Report Retaining Wall No. 223 SR-91 Corridor Improvement Project (CIP) prepared by URS and dated December 18, 2014.

Good Industry Practice means

- (a) in the case of all Work (excluding the Design Work), the exercise of the degree of skill, diligence, prudence, and foresight which would reasonably and ordinarily be expected from a skilled and experienced constructor, supplier or other contractor seeking in good faith to comply with its contractual obligations, complying with all applicable Governmental Rules and Governmental Approvals and engaged in the same type of undertaking under circumstances and conditions similar to those within the same geographic area as the Project; and

- (b) in the case of Design Work, the exercise of the degree of skill, diligence, prudence, and foresight which would reasonably and ordinarily be expected from a professional designer or engineer seeking in good faith to comply with its contractual obligations, complying with all applicable Governmental Rules and Governmental Approvals and engaged in the same type of undertaking under circumstances and conditions similar to those within the same geographic area as the Project.

Governmental Approval means any permit, license, consent, concession, grant, franchise, authorization, waiver, certification, exemption, filing, lease, registration or ruling, variance or other approval, guidance, protocol, mitigation agreement, agreement or memoranda of agreement/understanding, and any revision, modification, amendment, supplement, renewal or extension of any of the foregoing, required by or with any Governmental Entity in order to perform the Work or any Relocation work being performed by a Utility Owner, but excluding (a) any such approvals relating to the work to be performed by other contractors as specifically described in this Contract, and (b) any such approvals required by or with a Governmental Entity in its capacity as a Utility Owner. Governmental Approvals include Environmental Approvals, RCTC-Provided Approvals and New Approvals.

Governmental Entity means any federal, state, local or foreign government and any political subdivision or any governmental, quasi-governmental, judicial, public or statutory instrumentality, administrative agency, authority, body or entity other than RCTC.

Governmental Rule means any statute, law, code, regulation, ordinance, rule, judgment, common law, writ, injunction, order, decree, permit, concession, grant, franchise, license, agreement, directive, guideline, policy requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Entity, which is applicable to the Work, the Project, the Site or any Relocation work being performed by a Utility Owner, whether now or hereafter in effect. The term "Governmental Rule" excludes "Governmental Approvals."

GP Lane Closure Charges mean the charges owing from DB Contractor to RCTC for certain Lane Closures of General Purpose Lanes, in Exhibit 19.

grading plane means the basement material surface on which the lowest layer of subbase, base, pavement, surfacing, or other specified layer is placed.

Guaranteed Obligations has the meaning given in the Guaranty.

Guarantor means each Person providing a Guaranty as described in Section 10.3.

Guaranty means each guaranty executed by a Guarantor guaranteeing some or all of the obligations of DB Contractor under this Contract.

Hazardous Materials means any element, chemical, compound, mixture, substance, product, waste or other material, whether solid, liquid or gaseous, which is or becomes defined, listed, classified, regulated, or addressed in any way under any Environmental Laws, or any other substances or conditions (including mold and other mycotoxins, fungi or fecal matter) which may create any unsafe or hazardous condition or pose any threat or harm to the environment or human health and safety. "Hazardous Materials" includes the following:

- (a) Any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any Environmental Law or common law theory

based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court;

- (b) Hazardous Waste, hazardous materials, hazardous substances, hazardous constituents, and toxic substances, ignitable, corrosive and reactive substances or related materials, whether solid, liquid or gas, including substances defined as or included in the definition of "hazardous substance," "hazardous waste," "hazardous material," "extremely hazardous waste," "acutely hazardous waste," "radioactive waste," "radioactive materials," "bio-hazardous waste," "pollutant," "toxic pollutant," "contaminant," "restricted hazardous waste," "infectious waste," "toxic substance," "toxic waste," "toxic material," or any other term or expression intended to define, list or classify substances by reason of properties harmful to health, safety or the indoor or outdoor environment (including harmful properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, "TCLP toxicity" or "EP toxicity" or words of similar import under any applicable Environmental Law);
- (c) Any petroleum or crude oil and any fraction thereof, including any refined petroleum product or any additive thereto or fraction thereof, and any waste oil or waste petroleum byproduct or fraction thereof or additive thereto, but excluding petroleum and petroleum products contained within regularly operated motor vehicles;
- (d) Any solvent, solvent waste, including any refined solvent product, and any waste solvent or waste solvent byproduct, including any additive, byproduct or fraction of any of the foregoing;
- (e) Any drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas or geothermal resources;
- (f) Any flammable substances or explosives, including unexploded ordnance;
- (g) Any radioactive materials;
- (h) Any asbestos or asbestos-containing materials in structures and or other improvements on or in the Site (other than mineral asbestos naturally occurring in the ground);
- (i) Silica;
- (j) Any lead, cadmium, or lead-based paint or any other heavy metal-based paint or material, or any metal listed in or regulated by the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.);
- (k) Any radon or radon gas;
- (l) Any methane gas or similar or regulated gaseous materials;
- (m) Any urea formaldehyde foam insulation;
- (n) Electrical equipment and components which contain any oil or dielectric fluid containing polychlorinated biphenyls;

- (o) Pesticides, herbicides or fungicides;
- (p) Any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any Governmental Entity or which may or could pose a hazard to the health and safety of any Persons in the vicinity of the Project or to the environment; and
- (q) Soil, surface water or groundwater containing any of the Hazardous Materials as defined above.

Hazardous Materials and Waste Management Plan has the meaning given in TP Section 6.4.4, as updated in accordance with this Contract.

Hazardous Materials Management means sampling, characterization, stock-piling, storage, backfilling in place, asphalt batching, recycling, treatment, clean-up, remediation, transportation and/or off-Site disposal of Hazardous Materials, whichever is the most cost-effective approach authorized under applicable Governmental Rules.

Hazardous Substance Removal Certification has the meaning given in Business and Professions Code section 7085.7.

Hazardous Waste means material that is hazardous waste as defined in section 25117 of the California Health and Safety Code pursuant to section 25141 of the California Health and Safety Code.

Health and Safety Plan has the meaning given in TP Section 22.2.3, as updated in accordance with this Contract.

highway means the whole right-of-way or area reserved for use in constructing the roadway and its appurtenances.

HM-1 means Hazardous Material that may require removal and disposal in accordance with Governmental Rules, whether disturbed by the Project or not.

HM-2 means Hazardous Material that may require removal and disposal in accordance with Governmental Rules only if disturbed by the Project.

holiday means any holiday shown in the following table:

Holidays

Holiday	Date observed
Every Sunday	Every Sunday
New Year's Day	January 1st
Birthday of Martin Luther King, Jr.	3rd Monday in January
Lincoln's Birthday	February 12th
Washington's Birthday	3rd Monday in February

Cesar Chavez Day	March 31st
Memorial Day	Last Monday in May
Independence Day	July 4th
Labor Day	1st Monday in September
Columbus Day	2nd Monday in October
Veterans Day	November 11th
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving Day	Day after Thanksgiving Day
Christmas Day	December 25th

If January 1st, February 12th, March 31st, July 4th, November 11th, or December 25th falls on a Sunday, the Monday following is a holiday. If November 11th falls on a Saturday, the preceding Friday is a holiday.

I-15 Corridor means Interstate 15, generally between the I-15/Cajalco Road interchange and the I-15/State Route 60 interchange through the cities of Corona, Norco, Eastvale, Jurupa Valley, and portions of unincorporated Riverside County.

I-15 Express Lane Segments or **I-15 EL Segments** means the segments depicted in TP Attachment 18-3.

I-15 Pavement Rehabilitation Project means the Department project to replace damaged general purpose lane pavement slabs along I-15 between Cajalco Road and SR-60, within the Project ROW described in TP Section 18.4.7.

Improved Landscape Areas has the meaning given in TP Section 20.3.2.1.

Incident Management has the meaning given in TP Section 18.4.1.1.

Incidental Utility Work means all of the following work necessary for construction of the Project, including any necessary coordination with Utility Owners and property owners or holders of real property rights, providing design, performing construction, and obtaining and complying with all required Governmental Approvals:

- (a) Protection in Place of Utilities;
- (b) All work necessary to abandon in place any utility in accordance with proper procedures (e.g., flushing, capping, slurry backfill, etc.);
- (c) Traffic control for Relocation work, to the extent such responsibility is assigned to DB Contractor pursuant to TP Section 7;
- (d) Resurfacing and re-striping of streets; reconstruction of curbs, gutters and sidewalks; reinstallation of signage; and reinstallation or replacement of traffic

signals; to the extent such responsibility is assigned to DB Contractor pursuant to TP Section 7;

- (e) Adjustment of utility appurtenances (e.g., manholes, valve boxes, and vaults) for line and grade upon completion of roadway work;
- (f) Potholing, electronic detection, surveying and any other methods used to determine Utility locations and other material information concerning Utilities;
- (g) Relocation or Protection in Place of Service Lines; and
- (h) Temporary Relocations.

Indemnified Claim has the meaning given in Section 23.1.1.

Indemnified Parties means RCTC, the members of the Commission, the RCTC Representative, Department, City of Corona, County of Riverside, Orange County Transportation Authority and each of their respective officers, directors, board members, employees, consultants, representatives and agents, or each of them as the context requires.

Instructions to Proposers means the RFP Document entitled “Instructions to Proposers” issued by RCTC on July 10, 2019, as amended.

Instrumentation and Monitoring Program Plan has the meaning given in TP Section 13.3.4.1, as updated in accordance with this Contract.

Intellectual Property means all current and future legal and/or equitable rights and interests in know-how, patents (including applications), copyrights (including moral rights), trade marks (registered and unregistered), service marks, trade names, trade dress, trade secrets and trade secret rights, designs (registered and unregistered) and design rights, utility models, circuit layouts, plant varieties, business and domain names, inventions, solutions embodied in technology, and other intellectual activity, and applications of or for any of the foregoing, subsisting in or relating to the Project, Project design data or Project traffic data. Intellectual Property includes toll-setting and traffic management algorithms, and software used in connection with the Project (including software used for management of traffic on the Project), and Source Code. Intellectual Property is distinguished from physical construction and equipment itself and from data, sketches, charts, calculations, drawings, plans, depictions, specifications, layouts, depictions, manuals, electronic files, artwork, correspondence, other Submittals and other documentation that disclose Intellectual Property.

Intermediate Design Package has the meaning given in TP Section 3.3.1.3.

Invoice means an invoice in the form included in Exhibit 9-A including all documents and information required by Section 14.2.2(a).

Invoice Certificate means the certificate to be provided with each Invoice in the form included in Exhibit 9-B.

Job Hazard Analysis has the meaning given in TP Section 22.2.4.

Joint Resolution Team has the meaning given in TP Section 3.2.2.5.

Key Person or **Key Personnel** means positions identified in TP Section 2.6.1 or positions otherwise advised by RCTC to DB Contractor from time to time.

Known or Suspected Hazardous Materials means Hazardous Materials that are known or reasonably suspected to exist as of the Setting Date from information or analysis contained in or referenced in the Reference Documents, or Hazardous Materials that would have become known to DB Contractor by undertaking Reasonable Investigation prior to the Proposal Date. Known or Suspected Hazardous Materials include Hazardous Materials arising in or from any of the sites identified in the NEPA Approval and TP Section 6, including TP Section 6.4.4, as having or potentially having Hazardous Materials.

Labor Compliance Program means a Third Party Labor Compliance Program adopted by RCTC and approved by DIR.

Labor Surcharge and Equipment Rental Rates means the Department publication that lists labor surcharge and equipment rental rates.

landscaping means the practice of a landscaping contractor under 16 CA Code of Regs. § 832.27.

Lane means any traffic lane including main lanes, ramps, direct connectors, frontage roads and cross roads.

Lane Closure means a Permitted Lane Closure or an Unpermitted Lane Closure, or both, as the context requires.

Lane Closure Charges mean GP Lane Closure Charges, 15 EL Closure Charges or 91 EL Closure Charges, as the context requires.

Lane Requirement Chart means TP Attachment 18-1.

Lane Transaction means a uniquely identified record of activity, including transponder reads, license plate images, and other event data created as a result of a vehicle traveling through a Read Point.

Lead Engineering Firm means the single entity or joint venture identified in Exhibit 2 (Contract Particulars) that is primarily responsible for the design and engineering of the Project.

License Agreement means an agreement under which RCTC agrees to provide access to a DB Contractor Available Property to DB Contractor generally in the form set out in the Reference Documents and subject to such other conditions that RCTC may require.

Lien means any pledge, lien, hypothecation, security interest, mortgage, deed of trust or other charge, encumbrance or restriction on title or property interest of any kind, or any other type of preferential arrangement (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, any lease in the nature of a security instrument and the filing of or agreement to file any financing statement under the Uniform Commercial Code of any jurisdiction).

Line of Sight Study has the meaning given in TP Section 19.3.3.

Liquidated Damages has the meaning given in Section 21.7.1.

Liquidated Damages Events means each of the events described in Sections 21.1, 21.3, 21.4, 21.5 and 21.6 or all of them as the context requires.

Listed Subcontractors means each of the Major Subcontractors and the other Subcontractors identified in Exhibit 2 (Contract Particulars).

Local Agencies means the County of Riverside, the city of Corona, Orange County Transportation Authority and any other state or local agency owning property within the Planned ROW Limits or with jurisdiction over any such property, or that otherwise has interfaces with the Project, other than RCTC and Department. For purposes of this definition, the State Water Resources Control Board and California Department of Parks and Recreation shall be considered to be Local Agencies.

Losses includes any loss, damage (including personal injury, property damage and natural resource damages), injury, expense, compensation, debt, obligation, charge, liability, cost, expense (including attorneys' fees, accountants' fees expert witness fees and expenses, deductibles or increased premiums (including those incurred in connection with the enforcement of any provision of this Contract)), fee, charge, demand, investigation, proceeding, action, suit, claim, judgment, penalty, fine or Third Party Claims, actual, prospective or contingent and whether or not currently ascertainable. Losses include injury to or death of persons, damage or loss of property, and harm or damage to natural resources.

Main or **Trunkline Utility** means an underground Utility, which is not a Service Line, and which relative to the particular system of which it is a part, (a) is a larger line serving as a main line to connecting tributary lines and (b) serves a larger area, all as determined by RCTC. In determining whether a facility should be considered a Main or Trunkline Utility, RCTC may refer to definitions in the relevant manual or code, if any, of the Utility Owner.

Maintenance Work has the meaning given in TP Section 21.4.3.

Maintenance Work Plan means the plan to be provided by DB Contractor and approved by RCTC and Department as described in TP Section 21.4.2, as updated in accordance with this Contract.

Major Approval Deadline means the end of the expected time necessary to secure each of the Major Approvals in TP Section 6.3.5.1.

Major Approvals means:

- (a) Amendment to the Streambed Alteration Agreement Fish and Game 1602 Lake and Streambed Alteration Program as described in TP Section 6.3.5.1;
- (b) Amendment to the Water Quality Certification - Section 401 Water Quality Standards Certification as described in TP Section 6.3.5.1;
- (c) Riverside County Flood Control and Water Conservation District (RCFCWCD) Encroachment as described in TP Section 6.3.5.1; and
- (d) The BNSF Construction & Maintenance Agreement as described in TP Section 8.3.2.

Major Approvals Baseline Conditions has the meaning given in TP Section 6.3.5.1.

Major Subcontract means any Subcontract or combination of Subcontracts with a single Subcontractor for design or construction of the Project or for special fabrication and installation of a portion of the Work with a price in excess of \$10 million.

Major Subcontractor means:

- (a) The Lead Engineering Firm (if not the DB Contractor);
- (b) The Structural Design Firm (if not the DB Contractor); and
- (c) Any other Subcontractor that is a party to a Major Subcontract.

Major TMP means the plan described in TP Section 18.3.1, as updated in accordance with this Contract.

material means any product or substance specified for use in the construction of a project.

Materials Report has the meaning given in TP Section 11.3.7.

median means, in the context of road-building, the portion of a divided highway separating the traveled ways including inside shoulders.

milestone means an event activity that has zero duration and is typically used to represent the start or end of a certain stage of the project.

mobilization means the preparatory work that must be performed or costs incurred before starting work on the various items on the job site (Public Contract Code section 10104).

Modified Standard Specifications means the modifications to Sections 1 through 9 of the Standard Specifications published by the Department, and included as Exhibit 3.

modify means to add to or subtract from an appurtenant part.

Monthly Progress Report has the meaning given in TP Section 2.5.3.

Monthly Progress Schedule has the meaning given in TP Section 4.3.4.

narrative report means, in the context of the Project Schedule, a document submitted with each schedule that discusses topics related to project progress and scheduling.

near-Critical Path means, in the context of the Project Schedule, the chain of activities with total float exceeding that of the critical path but having not more than 10 working days of total float.

Necessary Basic Configuration Change means a change in the Basic Configuration which is necessary to meet the requirements of this Contract as the result of an Error in the Project Schematics, Geometric Approval Drawings or Planned ROW Limited (as applicable) (with the understanding that a change shall be deemed “necessary” only if the Error creates a problem in which DB Contractor is unable to meet the requirements of this Contract without a material change in the Basic Configuration).

NEPA/CEQA Approval means the I-15 / SR-91 Express Lanes Connector Project NEPA/CEQA Revalidation of the State Route 91 Corridor Improvement Project Environmental Impact Report/Environmental Impact Statement, approved and signed on June 14, 2019].

Nesting Bird Management Plan has the meaning given in TP Section 6.4.10.3, as updated in accordance with this Contract.

New Approval means any of the following: (a) a new Governmental Approval of the same type as the RCTC-Provided Approvals; and (b) a revision, modification, or amendment to one or more of the RCTC-Provided Approvals.

New Utilities has the meaning given in Section 8.3.1(g).

Nonconformance means any aspect of the Work:

- (a) that does not comply with the requirements of this Contract (including any failure to comply with Proposal Commitments or ATCs); or
- (b) is not consistent, or is incompatible with, its age, function, performance, and use when properly maintained in accordance with Good Industry Practice and the requirements of this Contract,

excluding any aspect of the Work that constitutes a Deviation that has been approved by RCTC in accordance with the Contract.

Non-Dig Alert Mapped Utility(ies) means Utilities that are not documented by or recorded with USA Dig Alert of Southern California.

Non-Standard Special Provision has the meaning given in TP Section 1.4.

Notice has the meaning given in Section 27.11.1.

Notice of Design Change means a Notice issued in accordance with TP Section 3.4.3.

Notice of Termination for Convenience means a Notice issued by RCTC to DB Contractor terminating all or part of the Work of DB Contractor for convenience as described in Section 19.1.1.

Notice to Owner means a Notice issued by RCTC to a Utility Owner, instructing the Utility Owner to commence (a) preliminary planning of a Relocation, (b) final design of a Relocation, or (c) construction of a Relocation. Notices to Owner include FD Notices to Owner and Construction Notices to Owner.

NTP1 means a Notice issued by RCTC to DB Contractor authorizing DB Contractor to proceed with the NTP1 Work.

NTP1 Mobilization Work has the meaning given TP Section 1.1.3.

NTP1 Payment Bond has the meaning given in Section 10.1.2(a).

NTP1 Payment Bond Amount has the meaning given in Section 10.1.2(a).

NTP1 Performance Bond has the meaning given in Section 10.1.1(a).

NTP1 Performance Bond Amount has the meaning given in Section 10.1.1(a).

NTP1 Submittals means the NTP1 Submittals listed in items 1-16 of Table 1-2 of TP Section 1.1.3.

NTP1 Work has the meaning given in TP Section 1.1.3.

NTP2 means a Notice issued by RCTC to DB Contractor authorizing DB Contractor to proceed with the NTP2 Work.

NTP2 Payment Bond means the rider included in Exhibit 8-B effecting an increase in the amount of the NTP1 Payment Bond to the NTP2 Payment Bond Amount or the new payment bond provided by DB Contractor in accordance with Section 10.1.2(b)(ii), as applicable.

NTP2 Payment Bond Amount has the meaning given in Section 10.1.2(b).

NTP2 Performance Bond means the rider included in Exhibit 8-A effecting an increase in the amount of the NTP1 Performance Bond to the NTP2 Performance Bond Amount or the new performance bond provided by DB Contractor in accordance with Section 10.1.1(b)(ii), as applicable.

NTP2 Performance Bond Amount has the meaning given in Section 10.1.1(b).

NTP2 Work means the Project excluding the NTP1 Work.

obliterate means to place an earth cover over or root, plow, pulverize, or scarify.

OCTA Agreement means the reimbursement agreement between RCTC and OCTA identified in Recital D to this Contract.

OCTA-Related Work means Lane Closures of 91 OCTA Express Lanes and associated work.

Open Book Basis means providing RCTC all underlying assumptions, price quotes and data associated with pricing or compensation (whether of DB Contractor or RCTC) or adjustments thereto, including assumptions as to costs of the Work, schedule, composition of equipment spreads, equipment rates, labor rates, productivity, estimating factors, design and productivity allowance, contingency and indirect costs, risk pricing, discount rates, interest rates, and other items reasonably required by RCTC to satisfy itself as to the reasonableness of the amount.

Other RCTC Contractor means any contractor or consultant, except any DB-Related Entity, that RCTC contracts to perform other or additional work on or near the Site or in connection with the Project including TSP, the 91 Express Lanes Operator and the ELP DB Contractor, but excluding BNSF and the Pavement Contractor.

Package means each of Package 1, Package 2 or Package 3 or all of them as the context requires.

Package 1 means toll infrastructure related work exclusive of the Toll Gantries as described in TP Section 19.3.

Package 1 Turnover means the stage in the Work where DB Contractor has completed design, construction, and inspection of the following elements not required for the Toll Gantries:

- (a) Infrastructure for CCTV, including poles, pads, conduit, power, and communication;

- (b) Infrastructure for TTMS, including poles, pads, conduit, power and communication;
- (c) Communications from Package 1 to the ROC;
- (d) Power to all of the infrastructure within Package 1 and other TCS equipment locations applicable to Package 1;
- (e) Successful completion of a load verification and automatic transfer switch test for each emergency generator meeting the requirements as set forth by the manufacturer and in this Contract;
- (f) Successful completion of testing of the lightning protection and grounding systems to certify compliance with requirements in the NFPA-70, National Electric Code: NFPA-780, Lightning Protection Code, and UL-96A, Installation Requirements for Master Labeled Lightning Protection Systems; and
- (g) All other requirements set out in TP Section 3.4.5 for Package 1 Turnover.

Package 1 Turnover Deadline means 120 days prior to the Substantial Completion Deadline, as such deadline may be extended under this Contract.

Package 2 means the work necessary to complete the westbound SR-91 and eastbound SR-91 Toll Gantries and the area needed to test these Toll Gantries as described in TP Section 19.3.

Package 2 Turnover means, the stage in the Work where DB Contractor has completed design, construction, and inspection of the following elements:

- (a) Infrastructure for the eastbound and westbound SR-91 Toll Gantries, including gantry, pads, conduits, cabinets, power and communication to support AVI, LPR, beacons, and all ETC components;
- (b) Infrastructure for CCTV, CMS, and Traffic Monitoring Station, including poles, pads, conduit, power, and communication within the Toll Gantries;
- (c) Communications from Package 2 to the ROC;
- (d) Power to all of the infrastructure within Package 2 and other TCS equipment locations applicable to the Toll Gantries;
- (e) Successful completion of a load verification and automatic transfer switch test for each emergency generator meeting the requirements as set forth by the manufacturer and in this Contract;
- (f) Successful completion of testing of the lightning protection and grounding systems to certify compliance with requirements in the NFPA-70, National Electric Code: NFPA-780, Lightning Protection Code, and UL-96A, Installation Requirements for Master Labeled Lightning Protection Systems;
- (g) DB Contractor has measured MRI separately for each 0.10-mile segment of pavement for 1,500 feet on either side of each toll read point, and provided such MRI measurements and supporting data to RCTC; with respect to new pavement:

- (i) Subject to clause (ii) below, each 0.10-mile segment meets the requirements of TP Section 11.4 and the Department Standard Specification; and
 - (ii) If any 0.10-mile segment fails to meet the requirements of TP Section 11.4 (1) RCTC has applied a Pavement Adjustment, and (2) no 0.10-mile segment exceeds an MRI measurement of 85.0; and
- (h) All other requirements set out in TP Section 3.4.5.

Package 2 Turnover Deadline means 90 days prior to the Substantial Completion Deadline, as such deadline may be extended under this Contract.

Package 3 means the work necessary to complete the north I-15 Toll Gantry and the area needed to test this Toll Gantry as described in TP Section 19.3.

Package 3 Turnover means, the stage in the Work where DB Contractor has completed design, construction, and inspection of the following elements:

- (a) Infrastructure for the north I-15 Toll Gantry, including gantry, pads, conduits, cabinets, power and communication to support AVI, LPR, beacons, and all ETC components;
- (b) Infrastructure for CCTV, CMS, and Traffic Monitoring Station, including poles, pads, conduit, power, and communication within the Toll Gantries;
- (c) Communications from Package 3 to the ROC;
- (d) Power to all of the infrastructure within Package 3 and other TCS equipment locations applicable to the Toll Gantries;
- (e) Successful completion of a load verification and automatic transfer switch test for each emergency generator meeting the requirements as set forth by the manufacturer and in this Contract;
- (f) Successful completion of testing of the lightning protection and grounding systems to certify compliance with requirements in the NFPA-70, National Electric Code: NFPA-780, Lightning Protection Code, and UL-96A, Installation Requirements for Master Labeled Lightning Protection Systems;
- (g) DB Contractor has measured MRI separately for each 0.10-mile segment of pavement for 1,500 feet on either side of each toll read point, and provided such MRI measurements and supporting data to RCTC; with respect to new pavement:
 - (i) Subject to clause (ii) below, each 0.10-mile segment meets the requirements of TP Section 11.4 and the Department Standard Specification; and
 - (ii) If any 0.10-mile segment fails to meet the requirements of TP Section 11.4 (1) RCTC has applied a Pavement Adjustment, and (2) no 0.10-mile segment exceeds an MRI measurement of 85.0; and
- (h) All other requirements set out in TP Section 3.4.5.

Package 3 Turnover Deadline means 60 days prior to the Substantial Completion Deadline, as such deadline may be extended under this Contract.

Package Turnover means each of Package 1 Turnover, Package 2 Turnover and Package 3 Turnover, or all of them, as the context requires.

Package Turnover Deadline means each of the Package 1 Turnover Deadline, Package 2 Turnover Deadline or the Package 3 Turnover Deadline, or both of them, as the context requires.

Paleontological Mitigation Plan means the plan described in TP Section 6.4.3.1, as updated in accordance with this Contract.

participant has the meaning given in Attachment 2 to Exhibit 14.

Party means DB Contractor or RCTC, as the context may require, and “Parties” means DB Contractor and RCTC, collectively.

Pavement means the uppermost layer of material placed on a traveled way or shoulder.

Pavement Adjustment has the meaning given in Section 21.6.2.

Pavement Contractor ROW means that portion of the Existing Department ROW on CADD layer “Pavement Contractor ROW” within TP Attachment 9-2.

Payment Bond means the NTP1 Payment Bond and the NTP2 Payment Bond, or either of them as the context requires.

Performance Bond means the NTP1 Performance Bond and the NTP2 Performance Bond, or either of them as the context requires.

Permit Submittal Package has the meaning given in TP Section 6.3.5.1.

Permitted 15 EL Closure means a Permitted Lane Closure of a 15 Express Lane during the time frames specified for the applicable segment and direction in Exhibit 20 – Chart 20-1 or Exhibit 20 – Chart 20-2, as the context requires.

Permitted 91 OCTA EL Closure means a Permitted Lane Closure of a 91 OCTA Express Lane at the locations and during the time frames specified for the applicable segment and direction in Exhibit 21 – Chart 21-4.

Permitted 91 OCTA EL Closure means a Permitted Lane Closure of a 91 OCTA Express Lane ELC during the time frames specified for the applicable segment and direction in Exhibit 21 – Chart 21-4.

Permitted 91 RCTC Eastbound EL Closure means a Permitted Lane Closure of an eastbound 91 OCTA Express Lane during the time frames specified for the applicable segment and direction in Exhibit 21 – Chart 21-2.

Permitted 91 RCTC EL Closure means a Permitted Lane Closure of a 91 RCTC Westbound Express Lane or 91 RCTC Eastbound Express Lane at the locations and during the time frames specified for the applicable segment and direction in Exhibit 21 – Chart 21-1 and Chart 21-2 (as the context required).

Permitted 91 RCTC Westbound EL Closure means a Permitted Lane Closure of a westbound 91 OCTA Express Lane during the time frames specified for the applicable segment and direction in Exhibit 21 – Chart 21-1.

Permitted ELC Lane Closure means a Permitted Lane Closure of an Express Lane on either connector of the ELC during the time frames specified for the applicable segment and direction in Exhibit 22 – Chart 22-1.

Permitted GP Lane Closure means a Permitted Lane Closure of a General Purpose Lane at the locations and during the time frames specified for the applicable segment and direction in TP Attachment 18-1.

Permitted Lane Closure means such cases where DB Contactor (a) fully or partially closes a General Purpose Lane or Express Lane to facilitate construction of the Project, or (b) fully or partially blocks ingress to or egress from a General Purpose Lane or Express Lane to facilitate construction of the Project, and where, in the case of either clause (a) or (b), (i) RCTC or OCTA (as applicable) approves the closure or blockage in advance and in accordance with TP Sections 18.3.3.1, 18.3.3.2, 18.3.3.3, 18.3.3.4 and 18.3.3.1.2, and (ii) DB Contractor otherwise complies with the provisions of the Contract applicable to Lane Closures.

Person means any individual, corporation, joint venture, company, voluntary association, partnership, trust, unincorporated organization or Governmental Entity.

Planned ROW Limits means (a) Existing Department ROW, (b) permanent easements within BNSF property that RCTC intends to acquire and make available for the Project as shown in TP Attachment 9-2, and (c) any other real property that RCTC acquires in connection with an RCTC-Directed Change or Necessary Basic Configuration Change.

plans means standard plans, Revised Standard Plans, and project plans as follows:

- (a) **standard plans** means drawings standard to Department construction projects.
- (b) **Revised Standard Plans** means new or revised standard plans.
- (c) **project plans** means drawings specific to the project, including authorized shop drawings.

Plant Establishment Period means the three-year period described in TP Section 20.4.5.2.

Plant Establishment Work means the work described in TP Section 20.4.5.

Post Award Baseline Schedule has meaning given in TP Section 4.3.2.

Preliminary Baseline Schedule means the Project Schedule included in Exhibit 4 (Preliminary Baseline Schedule).

Preliminary Utility Matrix means the list of existing Utilities identified within the Planned ROW Limits, which list will be maintained and updated by DB Contractor in DB Contractor's Utility Conflict Matrix pursuant to TP Section 7. The Preliminary Utility Matrix is included in the Reference Documents.

Progress Meeting means the regular meetings described in Section 7.4.5.

Progress Report has the meaning given in TP Section 2.5.3.

Project has the meaning given in the Recitals to this Contract.

Project and Construction Manager or **PCM** means Parsons Transportation Group or such other Person as may be designated by RCTC at any time as its Project and Construction Manager.

Project Completion means the stage of the Work when DB Contractor has satisfied the following requirements:

- (a) All requirements for Substantial Completion have been satisfied;
- (b) All design and construction Work is complete, including correction of all Nonconformances, completion of Punch List items and Department Safety Review Committee review items;
- (c) DB Contractor has provided RCTC an updated certification from DB Contractor's Construction Quality Validation Manager, in form and substance satisfactory to RCTC, certifying conformity of the construction to the Design Documents in accordance with TP Section 19.2.2 and TP Attachment 19-2;
- (d) All conditions to acceptance by Local Agencies, BNSF and Utility Owners have been satisfied;
- (e) All of DB Contractor's and Subcontractors' personnel, supplies, equipment, waste materials, rubbish and temporary facilities has been removed from the Site, DB Contractor has rebuilt, repaired or replaced all damage or injury arising from such removal to the satisfaction of RCTC, and the Site shall be in good working order and condition; and
- (f) All other conditions to Project Completion in this Contract have been satisfied.

Project Completion Date means the date on which Project Completion occurs.

Project Completion Deadline means 90 days after the Substantial Completion Date, as such deadline may be extended under this Contract.

Project Management Plan means the Submittal approved by RCTC, describing Quality Validation and Quality Control activities necessary to manage the development, design and construction of the Project, as updated in accordance with this Contract. The Project Management Plan includes each of the RCTC-approved component parts, plans and documentation described in TP Section 2.1 and TP Attachment 2-1.

Project Manager has the meaning given in TP Section 2.6.1.1.

Project ROW means the property within the Planned ROW Limits, Available Properties and the Additional Properties, excluding (a) any Utility Easements and (b) any portion of the Planned ROW Limits eliminated from the Project by a Change Order. The boundaries of the Project ROW will be as shown in the ROW Requirement Maps.

Project Schedule means the most current version of the Preliminary Baseline Schedule, Post Award Baseline Schedule, or Baseline Schedule approved by RCTC, as applicable under Section

6.2.1, in accordance with this Contract as described in TP Section 4 and applicable to the Work as set out in Sections 6.2.1(a) through 6.2.1(c).

Project Scheduler has the meaning given in TP Section 2.6.2.3.

Project Schematics means the documents entitled “Project Schematics” included in the Reference Documents

Project Standards means those standards discussed in TP Section 1.3 and listed in TP Attachment 1-2, together with any additional standards and specifications applicable to the Work and established by express reference contained in one of the documents listed in TP Attachment 1-2, or this Contract.

Project Standards Setting Date means May 9, 2019.

Proposal means the original written offer of DB Contractor submitted in response to the Request for Proposals, as modified and supplemented with RCTC’s approval prior to the Effective Date.

Proposal Commitments means the commitments in Exhibit 13-A (Proposal Commitments).

Proposal Date means November 20, 2019.

Proposed Disposition means, for each Utility, the determination (which may be preliminary or final, as the context may require) as to whether such facility will require any of the following: (a) removal, (b) abandonment, (c) Protection in Place, (d) Relocation, (e) is a proposed new Utility, or (f) will not be impacted by the Project in any significant way (i.e., “no impact”).

Proposer Questionnaire means Form C to the ITP.

Proprietary Intellectual Property means Intellectual Property created, used, applied or reduced to practice in connection with the Project or the Work that derives commercial value from its protection as a trade secret under applicable Governmental Rules or from its protection under patent law.

Protection in Place or **Protect in Place** means any activity undertaken to avoid damaging a Utility which does not involve removing or relocating that Utility, including staking the location of a Utility, avoidance of a Utility’s location by construction equipment, installing steel plating or concrete slabs, encasement in concrete, temporarily de-energizing power lines, and installing physical barriers. For example, temporarily lifting power lines without cutting them would be considered Protection in Place; whereas temporarily moving power lines to another location after cutting them would be considered a Temporary Relocation. The term Protection in Place includes both temporary measures and permanent installations meeting the foregoing definition.

Public Outreach Plan has the meaning given in TP Section 2.4.3, as updated in accordance with this Contract.

Public Outreach Specialist has the meaning given in TP Section 2.6.2.5.

Public Records Act has the meaning given in Section 26.8.1.

Punch List means the list of Work that remains to be completed (a) as a condition to achieving completion of each Package Turnover, or (b), after achievement of Substantial Completion or as a condition of Project Completion or Final Acceptance, as applicable, and shall be limited to minor

incidental items of Work necessary to correct imperfections which by virtue of not being completed, will not, individually or collectively, have any adverse effect on the safety, use or operability of the Project. Work required to comply with all applicable Governmental Rules or Governmental Approvals is not "Punch List Work."

quality characteristic means a characteristic of a material that is measured to determine conformance with a given requirement.

Quality Control means those functions that provide a means to control and measure characteristics, as related to established system design requirements. It shall also mean the techniques and activities that sustain the quality of an item to satisfy given needs; also the use of such techniques and activities. Quality Control is a production tool.

quality control plan means a contractor's Quality Management Plan.

Quality Management Plan means, collectively, the Design Quality Management Plan and the Construction Quality Management Plan included in the Project Management Plan and more fully described in TP Section 5, as updated in accordance with this Contract.

Quality Manager has the meaning given in TP Section 2.6.1.6.

Quality Program has the meaning given in TP Section 5.

Quality Validation means all those planned and systematic actions necessary to provide adequate confidence that an item of Work is in conformance with established requirements and will satisfy given needs. The activity of providing the evidence needed to establish confidence that quality functions are being performed adequately. Quality Validation is a management tool.

Railroad Coordinator has the meaning given in TP Section 2.6.1.10.

Railroad Flagging Plan has the meaning given in TP Section 8.4.2, as updated in accordance with this Contract.

Railroad Submittal Package has the meaning given in TP Section 8.3.1.

RCTC has the meaning given in the Preamble to this Contract.

RCTC-Caused Delay means each of the following events:

- (a) RCTC-Directed Changes;
- (b) Subject to complying with Section 8.1.2(j), failure or inability of RCTC to make RCTC-Provided Property available as provided in Section 8.1.2;
- (c) Failure or inability of RCTC or Department to provide responses to proposed schedules, plans, Design Documents, Construction Documents, and other Submittals and matters for which affirmative response by RCTC or Departments is required, within the time periods indicated in this Contract; provided, however, that the foregoing shall apply only if the standard under the Contract for RCTC or Department approval is reasonableness;
- (d) Necessary Basic Configuration Changes to the extent permitted by Section 16.11;

- (e) Any order of RCTC to suspend for convenience exceeding 48 hours per order or more than a total of 96 hours for all such orders to suspend for convenience pursuant to Section 18.1.1;
- (f) Work stoppages under Section 16.15(e) following a discovery of Hazardous Materials (i) only to the extent the delay is caused by RCTC not permitting DB Contractor to resume Work in the affected area within three Business Days of the Work stoppage and (ii) such Work stoppage is not attributable to an RCTC-Caused Delay arising under Section 16.15(g); and
- (g) The failure or inability of Department to:
 - (i) Provide design and construction oversight, materials inspection and material and engineering testing services within the time period specified in this Contract;
 - (ii) Conduct investigation and perform Hazardous Materials Management of HM-1 discovered within the Existing Department ROW or delegate such responsibility to RCTC, within the time periods specified in Section 8.9.3; and
 - (iii) Notify RCTC of its intent to delegate the Hazardous Materials Management by the expiration of the investigation period specified in Section 8.9.3(b) where DB Contractor is directed by RCTC to undertake the Hazardous Materials Management within the time periods specified in Section 8.9.3.

RCTC Decision means a written decision issued by RCTC pursuant to Section 24.2.3.

RCTC-Directed Changes means:

- (a) Any Change which RCTC has directed DB Contractor to perform as described in Section 16.1 (including Section 16.14(a));
- (b) Any Change in the Work to be performed by DB Contractor as a result of material modifications contained in the final BNSF Construction & Maintenance Agreement(s) from the requirements of TP Section 8 and TP Attachment 8-1 that (a) have a material adverse impact on DB Contractor's obligations under this Contract, and (b) were not caused by modifications to the Project Schematics that were initiated by DB Contractor or result from the design solutions provided by or construction means, methods and techniques employed by DB Contractor; and
- (c) Subject to Section 8.10.1, any Change in the Work to be performed by DB Contractor as a result of material modifications contained in any final RCTC-Provided Approval not obtained as of the Setting Date which will (a) have a material adverse impact on DB Contractor's obligations under this Contract, and (b) were not caused by modifications to the Project Schematics that were initiated by DB Contractor or result from the design solutions provided by or construction means, methods and techniques employed by DB Contractor; and
- (d) A Direction by RCTC requiring DB Contractor to comply with commitments contained in re-evaluations, re-validations, and modifications of Environmental Approvals submitted after the Setting Date that have a material adverse impact on DB Contractor's obligations under this Contract to the extent such re-evaluations,

re-validations, and modifications are directly due to a Necessary Basic Configuration Change pursuant to Section 16.

RCTC-Initiated VECP has the meaning given in Section 17.1.2.

RCTC Office Space means the RCTC office space within the Co-Located Office as described in TP Section 2.2.

RCTC-Provided Approvals means the following Governmental Approvals: Final Initial Site Assessment Addendum, dated September 5, 2018;

- (a) Scenic Resource Evaluation and Visual Impact Assessment Addendum of State Route 91 Corridor Improvement Project, dated August 31, 2018;
- (b) NEPA/CEQA Approval; and
- (c) Department's approval of the RCTC NEPA/CEQA Re-Validations, which has been obtained as of August 8, 2018.

RCTC-Provided Property means the Planned ROW Limits plus; (a) all TCEs RCTC intends to acquire for the Project as shown on the "Temporary Construction Easement" layer in TP Attachment 9-2.

Read Point means a location where the TCS detects vehicles, reads transponders, and captures images in order to create Lane Transactions.

reasonable accuracy has the meaning given in Section 16.12.2.

Reasonable Investigation means the following activities by appropriate, qualified professionals prior to the Proposal Date:

- (a) Visit and visual, non-intrusive inspection of the Site and adjacent locations including inspection to identify the presence of other facilities, such as barriers, railing, structures, manholes, or identifying markers, except areas to which access rights have not been made available by the Setting Date;
- (b) Review and analysis of all Reference Documents and online map tools;
- (c) Review and analysis of RCTC-Provided Approvals available prior to the Setting Date;
- (d) Reasonable inquiry with Utility Owners, including request for and review of Utility Plans provided by Utility Owners;
- (e) Review and analysis of material Governmental Rules applicable to the Project or the Work as of the Setting Date; and
- (f) Other activities sufficient to familiarize DB Contractor with surface and subsurface conditions, including the presence of Utilities, Hazardous Materials, archeological, biological, paleontological and cultural resources, and threatened or endangered species, affecting the Site or surrounding locations;

except that none of the foregoing activities includes conducting field studies, geotechnical investigations, or original research of private records not contained or referenced in the Reference Documents or Technical Provisions.

Recommendation has the meaning given in Section 24.4.4.

reconstruct means to remove and disassemble and construct again at an existing or new location.

Record of Survey has the meaning given in TP Section 17.4.4.

Recovery Schedule means a schedule that demonstrates DB Contractor's proposed plan to regain lost schedule progress and achieve the Completion Milestone by the applicable Completion Deadline and which complies with the requirements of TP Section 4.3.6.

Reference Documents means the documents and information contained in Volume III of the RFP.

Registered Professional Engineer means a person who is duly licensed and registered by the California Board of Professional Engineers to engage in the practice of engineering in the State.

Regulations has the meaning given in Section 24.6.3.

Release for Construction means, for any element of the Project's design, the designation indicating that the element may be constructed as shown in the corresponding RCTC-approved Release for Construction Package.

Release for Construction Package has the meaning given in TP Section 3.3.1.5.

Release of Hazardous Materials means any spill, leak, emission, release, discharge, injection, escape, leaching, dumping or disposal of Hazardous Materials into the soil, air, water, groundwater or environment, including any exacerbation of an existing release or condition of Hazardous Materials contamination.

Relevant Event has the meaning given in Section 15.1.1.

Relevant Event Notice has the meaning given in Section 15.4.1.

Relocate means action to undertake a Relocation. In its lowercase spelling to "relocate" means to remove and install or place in a new location.

Relocated Utility means a Utility facility for which a Relocation has occurred.

Relocation means each removal, relocation, adjustment, reconstruction, abandonment, Temporary Relocation, and provision of temporary services of any existing Utility facility that is necessary in order to accommodate or permit construction of the Project, including backfilling, pavement restoration and any other work described in TP Section 7.

remove means to remove and dispose of.

Representative has the meaning given in Section 27.5.1.

Request for Change Order means a written request initiated by DB Contractor substantially in the form of Exhibit 18.

Request for Proposals means the Request for Proposals regarding the Project issued by RCTC on July 10, 2019, including all addenda thereto, and all attachments thereto.

Retainage has the meaning given in Section 14.3.1(a).

Revenue Service Commencement Date means the date after or coincident with Substantial Completion upon which the Toll Facilities commence revenue service.

RFP Documents means the documents issued as part of the RFP, including all addenda.

roadbed means the roadway portion extending from the curb line to curb line or the shoulder line to shoulder line. A divided highway has two roadbeds.

roadside an area between the outside shoulder edge and the right-of-way limits.

roadway the portion of a highway within the outside lines of curbs, sidewalks, slopes, ditches, channels, or waterways. A roadway includes the structures and features necessary for safety, protection of facilities, and drainage.

ROD means a record of decision issued by Department with respect to the Project based on, among other things, the RCTC NEPA/CEQA Re-Validation.

ROW Commitment Dates has the meaning given in TP Attachment 9.4.1.

ROW Requirements Maps mean the maps DB Contractor prepares to show the parcels comprising the final Project ROW based on the Project's final design, as further described in TP Section 9.3.1.

Safety Manager has the meaning given in TP Section 22.2.2.

scheduled completion date means the planned work completion date shown on the current schedule.

Security Plan has the meaning given in TP Section 22.2.3.4, as updated in accordance with this Contract.

Senior Project Engineer has the meaning given in TP Section 2.6.2.11.

Service Line (also referred to as a service lateral or lateral) means (a) any Utility line, the function of which is to directly connect the improvements on an individual property (e.g., a single family residence or an industrial warehouse) to another Utility line located off such property, which other Utility line connects more than one such individual line to a larger system, and (b) any cable or Conduit that supplies an active feed from a Utility Owner's facilities to activate or energize a Local Agency's lighting and electrical systems, traffic signal systems, traffic control systems, copper or fiber communication systems or irrigation systems. The term also includes any Utility on public or private property that services structures located on such property.

Segment means the I-15 Express Lanes Segments depicted in TP Attachment 18-3.

Setting Date means the date which is 60 days before the Proposal Date.

shoulder means the Roadway portion contiguous with the traveled way for accommodation of a stopped vehicle, emergency use, and lateral support of base and surface courses.

Site means those areas designated in writing by RCTC for performance of the Work and such additional areas as may, from time to time, be designated in writing by RCTC for DB Contractor's use in performance of the Work. For purposes of insurance (subject to any notification and other requirements imposed by the insurer(s) for approval), indemnification, safety and security requirements, the prevailing wage requirements, and payment for use of equipment, the term "Site" shall also include (a) the field office sites, (b) any property used for bonded storage of material for the Project approved by RCTC under Section 14.3.4, (c) staging areas dedicated to the Project, and (d) areas where activities incidental to the Project are being performed by DB Contractor or Subcontractors covered by the worker's compensation policy included in the insurance described in Section 11 but excluding any permanent locations of DB Contractor or such covered Subcontractors.

Site Specific Instrumentation and Monitoring Plan has the meaning given in TP Section 13.3.4.2, as updated in accordance with this Contract.

small tool means a tool or piece of equipment not listed in Labor Surcharge and Equipment Rental Rates that has a replacement value of \$500 or less.

Sound Wall Design Report has the meaning given in TP Section 6.4.8.2.

Source Code or **Source Code Documentation** means software written in programming languages, such as C and Fortran, including all comments and procedural code, such as job control language statements, in a form intelligible to trained programmers and capable of being translated into object or machine readable code for operation on computer equipment through assembly or compiling, and accompanied by documentation, including flow charts, schematics, statements of principles of operations, architectural standards, and commentary, explanations and instructions for compiling, describing the data flows, data structures, and control logic of the software in sufficient detail to enable a trained programmer through study of such documentation to maintain and/or modify the software without undue experimentation. Source Code and Source Code Documentation also include all modifications, additions, substitutions, updates, upgrades and corrections made to the foregoing items.

South Flyover Connector means, collectively, the existing north to west Express Lanes connector and the existing east to south Express Lanes connector, in each case between I-15 and SR-91.

Special Design has the meaning given in TP Section 1.4.1.

SR-91 Ultimate Exhibit has the meaning given in TP Section 10.2.2

State means the State of California, including its agencies, departments or divisions whose conduct or action is related to the work.

State Arbitration Act has the meaning given in Section 24.6.3.

Statement of Qualifications means the Statement of Qualifications submitted by Proposer in response to RCTC's Request for Qualifications 11-31-031-00.

Stipulated Damages has the meaning given in Exhibit 20 (15 EL Closure Charges), Exhibit 21 (91 EL Closure Charges) or Exhibit 22 (ELC Lane Closure Charges) (as applicable).

Structural Design Firm means the single entity or joint venture identified in Exhibit 2 (Contract Particulars) that is primarily responsible for the structural design of the Project.

Structure Design means the Offices of Structure Design of the Department of Transportation.

Structures Design Manager has the meaning given in TP Section 2.6.1.4.

subbase means the layer of material between a base and the basement material.

Subcontract means an agreement between DB Contractor and one or more third parties providing for such third party to perform any part of the Work or provide any materials, equipment, labor or supplies for any part of the Work, or any such agreement between a Subcontractor and its lower tier Subcontractor or a Supplier and its lower tier Supplier, at any tier.

Subcontractor means any Person with whom DB Contractor has entered into any Subcontract and any other Person with whom any Subcontractor has further subcontracted any part of the Work, at any tier.

subgrade means the roadbed portion on which pavement, surfacing, base, subbase, or a layer of any other material is placed.

Submittal means any document, work product, or other written or electronic end product or item required under this Contract to be prepared by DB Contractor and delivered or submitted or resubmitted to RCTC.

Submittal Schedule has the meaning given in TP Section 3.2.2.6.

Substantial Completion means the stage in the Work when the following requirements have been satisfied by DB Contractor:

- (a) All major safety features are installed and functional, such major safety features to include shoulders, guard rails, striping and delineations, concrete traffic barriers, bridge railings, cable safety systems, metal beam guard fences, safety end treatments, terminal anchor sections, crash attenuators and any other items specified in TP Section 22.2.3;
- (b) All required illumination is installed and functional;
- (c) All required signs and signals are installed and functional;
- (d) The need for temporary traffic controls or for lane closures at any time has ceased (except for any required for routine maintenance, and except for temporary lane closures during hours of low traffic volume in accordance with and as permitted by the Transportation Management Plan solely in order to complete Punch List items);
- (e) All lanes of traffic (including ramps, interchanges, overpasses, underpasses, other crossings and frontage roads) given in the Design Documents are in their final configuration and available for public use;
- (f) The required TMS systems (excluding elements to be installed by TSP) are installed and functional in accordance with TP Section 16.4.2;

- (g) Whether DB Contractor has completed the Work in accordance with this Contract and Design Documents, including the construction of noise/sound walls, such that the Project (excluding elements of the Project that are to be installed by TSP) is in a condition that it can be used for normal and safe vehicular travel in all lanes and at all points of entry and exit, subject only to Punch List items and other items of work that do not affect the ability to safely open the Project for such normal use and operation by the traveling public and for normal tolling operation for the Toll Facilities;
- (h) The Parties shall disregard the status of the vegetative ground cover landscaping and aesthetic features, except noise/sound walls, included in the Released for Construction Documents in determining whether Substantial Completion has occurred, except to the extent that its later completion will affect public safety or satisfaction of the criteria in clause (d) of this definition;
- (i) All Package Turnovers have occurred;
- (j) All noise/sound walls are installed and functional in accordance with TP Section 20.3.5; and
- (k) DB Contractor has completed all Work which this Contract states is a condition precedent to Substantial Completion; provided that, Substantial Completion shall not be deemed to have occurred until (x) the earlier of DB Contractor's completion of its Work for the relevant Package and acceptance of such Work by RCTC and (y) each of the following having occurred:
 - (i) With respect to Package 1, 120 days after RCTC's determination that DB Contractor has achieved Package 1 Turnover;
 - (ii) With respect to Package 2, 90 days after RCTC's determination that DB Contractor has achieved Package 2 Turnover; and
 - (iii) With respect to Package 3, 60 days after RCTC's determination that DB Contractor has achieved Package 2 Turnover.

Substantial Completion Deadline means the date that is 1150 days after the effective date of NTP1 as such date may be extended under this Contract.

substructure means bridge parts below the bridge seats, pier tops, and haunches for rigid-framed bridges or spring lines for arched bridges; "substructure" includes abutment backwalls, abutment parapets, and wingwalls.

superstructure means Bridge parts except the substructure.

Supplier means any Subcontractor that supplies machinery, equipment, materials or systems to DB Contractor or any Subcontractor in connection with the performance of the Work and that does not perform Work at the Site. Persons who merely transport, pick up, deliver or carry materials, personnel, parts or equipment or any other items or persons to or from the Site shall not be deemed to be performing Work at the Site. The term "Supplier" includes fabricators and material dealers.

Surety means each properly licensed surety company, insurance company or other Person approved by the California State Insurance Commissioner to do business in the State and

approved by RCTC, which has issued the Payment Bond or the Performance Bond in accordance with this Contract.

surfacing means the uppermost layer of material placed on a traveled way or shoulders; pavement.

suspended has the meaning given in Attachment 2 to Exhibit 14.

Sustainability Management Plan means the plan described in TP Section 6.4.13, as updated in accordance with this Contract.

Take means, in the context of Environmental Approvals and environmental Governmental Rules, to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct.

TCS Infrastructure has the meaning given in TP Section 19.3.1.

Technical Provisions means the part of the Contract identified as Technical Provisions.

Temporary Construction Easement means those work areas identified as TCE in TP Attachment 9-1 (ROW Availability) and any TCE acquired as Additional Property in accordance with Section 8.1.3.

Temporary Relocation means (a) any interim relocation of a Utility (i.e. the installation, removal and disposal of the interim facility) pending installation of the permanent facility in the same or a new location, and (b) any removal and reinstallation of a Utility in the same location with or without an interim relocation.

Termination Date means the date of termination specified in the Notice for Termination for Convenience or Termination for Default Notice (as applicable).

Termination for Convenience means a termination of the Contract, in whole or in part, pursuant to Section 19.1.

Termination for Convenience Amount has the meaning given in Section 19.5.

Third Party Claims means any and all claims, disputes, disagreements, causes of action, demands, suits, actions, judgments, investigations or proceedings brought by a Person that is not a Party with respect to damages, injuries, liabilities, obligations, losses, costs, penalties, fines or expenses (including attorneys', accountants' and expert witnesses' fees and expenses) sustained or incurred by such Person.

Time and Materials Change Order has the meaning given in Section 16.10.

Time and Materials Work means Work performed pursuant to a Time and Materials Change Order.

TMS Inventory has the meaning given in TP Section 16.2.2.

Toll Facilities means the tolled EL facilities located on the existing State highway system and identified in the Project Schematics.

Toll Gantry(ies) has the meaning given in TP Section 19.3.5.

Toll Services means the design, installation, integration, deployment, testing, management, operation and maintenance of the toll collection system and provision of customer service, back office and traffic management services.

Toll Services Coordinator has the meaning given in TP Section 2.6.1.7.

Toll Services Provider or **TSP** means Kapsch TrafficCom USA, Inc., a Delaware corporation (formerly Kapsch TrafficCom Transportation NA, Inc., a Michigan corporation).

total float means the amount of time that an activity or chain of activities can be delayed before extending the scheduled completion date.

TP Attachments means those documents annexed to the Technical Provisions and identified as "Attachments."

traffic means pedestrians, bicyclists, ridden or herded animals, vehicles, streetcars, and other conveyances either singularly or together while using any highway for purposes of travel.

traffic lane means the portion of traveled way used for the movement of a single line of vehicles.

Traffic Management Center has the meaning given in TP Section 16.1 and shall, as the context requires, refer to the Department Traffic Management Center, City of Corona Traffic Management Center and/or County of Riverside Traffic Management Center.

Transportation Management Plan means the plan developed by DB Contractor for maintenance of traffic during construction in accordance with TP Section 18.3.1, as updated in accordance with this Contract.

Transportation Management System has the meaning given in TP Section 16.

traveled way means the portion of the roadway for the movement of vehicles, exclusive of the shoulders, berms, sidewalks, and parking lanes.

Tree and Vegetation Preservation and Removal Plan has the meaning given in TP Section 20.3.2.2, as updated in accordance with this Contract.

TSP means Kapsch TrafficCom USA, Inc., a Delaware corporation (formerly Kapsch TrafficCom Transportation NA, Inc., a Michigan corporation).

TSP Contract means that certain Toll Services Contract (for the I-15 Express Lanes Project) dated as of January 26, 2017, by and between RCTC and TSP, as amended.

TSP Ready for Construction Certification means a certificate signed by TSP and provided to RCTC and DB Contractor pursuant to the process provided in TP Section 19.2.2, certifying to DB Contractor and RCTC, that (i) TSP has reviewed the elements of the DB Contractor's Design Documents that reflect the design elements for the TCS Infrastructure, (ii) such elements are consistent with TSP's "Infrastructure Design Requirements" (as defined in the TSP Contract) set forth in the "TCS Infrastructure Design Document" (as defined in the TSP Contract), and (iii) if the Work is built in accordance with such Design Documents, it will be suitable for TSP's performance of the Toll Services (as defined in the TSP Contract).

TSP Work has the meaning given in TP Section 19.2.2.

tunnel means “Tunnel” as defined in 8 CA Code of Regs. § 8405 et seq.

Turnover Area has the meaning given in Section 25.1.

unauthorized work means work performed beyond the lines and grades described in this Contract or established by RCTC or extra work performed without RCTC’s authorization.

Uniform Act means the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. Chapter 61, as amended, and all associated regulations and policies. Major app

Unknown Hazardous Materials means Hazardous Materials that meet all of the following criteria:

- (a) The Hazardous Materials are in, on or under the Project ROW, or parcels added to the Project ROW by an RCTC-Directed Change or required due to a Force Majeure Event or Necessary Basic Configuration Change as of the date Department makes available to DB Contractor the affected parcel;
- (b) The Hazardous Materials are not Known or Suspected Hazardous Materials; and
- (c) The Hazardous Materials are not required to be removed and disposed of due to a DB Contractor Release of Hazardous Materials.

For purposes of this definition, “makes available” means (i) the Effective Date for parcels acquired as of the Effective Date or (ii) as to parcels not yet acquired as of the Effective Date, the date DB Contractor first receives access to the parcel in accordance with this Contract. For avoidance of doubt, ADL-contaminated soils that exceed applicable DTSC thresholds requiring off-Site disposal and which are not permitted to be used on-Site are considered Unknown Hazardous Materials so long as subparts (a), (b) and (c) of this definition of Unknown Hazardous Materials apply.

Unpermitted 15 EL Closure means an Unpermitted Lane Closure of a 15 Express Lane at the locations and during the time frames specified for the applicable segment and direction in Exhibit 20 – Charts 20-3 and 20-4 (as the context requires).

Unpermitted 91 OCTA EL Closure means an Unpermitted Lane Closure of a 91 OCTA Express Lane at the locations and during the time frames specified for the applicable segment and direction in Exhibit 21 – Chart 21-5.

Unpermitted 91 RCTC EL Closure means an Unpermitted Lane Closure of a 91 RCTC Express Lane at the locations and during the time frames specified for the applicable segment and direction in Exhibit 21 – Chart 21-3.

Unpermitted ELC Lane Closure means an Unpermitted Lane Closure of an Express Lane on either connector of the ELC at the locations and during the time frames specified for the applicable segment and direction in Exhibit 22 – Chart 22-2.

Unpermitted GP Lane Closure means an Unpermitted Lane Closure of a General Purpose Lane at the locations and during the time frames specified for the applicable segment and direction in Exhibit 19.

Unpermitted Lane Closure means such cases where DB Contractor: (a) fully or partially closes any portion of a General Purpose Lane or Express Lane, for any purpose; or (b) fully or partially blocks ingress to or egress from any portion of a General Purpose Lane or Express Lane, for any purpose, and where, in the case of either clause (a) or (b), the closure or blockage is not a Permitted Lane Closure; or (c) fails to comply with any requirement with respect to any Lane Closure.

unsuitable material means material encountered below the natural ground surface in embankment areas or below the grading plane in excavation areas that the Engineer determines to be in any of the following conditions:

- (a) Of such unstable nature that it cannot be compacted to the specified density using ordinary methods at optimum moisture content;
- (b) Too wet to be properly compacted and cannot be dried before incorporating it into the work. Excessive moisture alone is not sufficient cause for determining that the material is unsuitable; or
- (c) Inappropriate for the planned use.

Utilities Coordinator has the meaning given in TP Section 2.6.2.4.

Utility or **utility** means a privately, publicly, or cooperatively owned line, facility or system (including municipal and/or government lines, facilities and systems) for transmitting or distributing communications, cable television, power, electricity, gas, oil, crude products, water, steam, waste, or any other similar commodity, including any irrigation system and any fire or police signal system as well as streetlights. However, when used in the context of the Relocation of facilities to accommodate the Project, the term “Utility” or “utility” excludes (a) storm water facilities that provide drainage solely for the Project ROW, (b) traffic signals, ramp metering systems, flashing beacon systems, and lighting systems for the Project, (c) all existing Department facilities not included in clause (b) of the definition of Utility, including TMS components, fiber, and all existing RCTC SR-91 CIP and 15 ELP tolling components, and (d) all existing BNSF owned facilities including communications equipment and associated lines, and electrical systems and associated lines. The necessary appurtenances to each Utility facility (including fire hydrants as appurtenances to water lines) shall be considered part of such Utility. Without limitation, any Service Line connecting directly to a Utility shall be considered an appurtenance to that Utility, regardless of the ownership of such Service Line.

Utility Agreement means any agreement, as the same may be amended from time to time, between RCTC and a Utility Owner, providing specific scope, cost and schedule details for the Relocation of one or more particular Utilities. A document is a Utility Agreement if it meets the foregoing definition, without regard to the title or form of the document. Any Notice to Owner referenced in a Utility Agreement shall be deemed to be part of that Utility Agreement for purposes of this Contract, unless the context requires otherwise. For any Utility Owner for which there is no Utility Agreement, the FD Notice to Owner and Construction Notice to Owner shall be treated as the Utility Agreement(s) for such Utility Owner.

Utility Easement means a permanent replacement easement and/or other interest in real property (excluding a franchise) located outside of the Project ROW that is necessary for a Relocation.

Utility Information means, collectively, the Preliminary Utility Matrix and Utility Maps included in the Reference Documents.

Utility Maps means the set of plans included in the Reference Documents that shows the existing locations of Utilities listed in the Preliminary Utility Matrix. The Utility Maps are located in the Utilities Folder of the Reference Documents and consist of the 15 Express Corridor Improvement Project, Utility Map Plan Sheets 1 through 57.

Utility Owner means any private entity or public body (including city, county, state, public corporation, or public district) that owns and/or operates a Utility, including cooperative utilities.

Utility Owner Project means the design and construction by or at the direction of a Utility Owner of a New Utility that is not part of a Relocation. Utility Owner Projects shall be entirely the financial obligation of the Utility Owner.

Utility Plans means the final installation details and construction documents that are prepared by DB Contractor or Utility Owner(s) for Utilities being Relocated to accommodate the Project.

Utility Standards means the standard specifications, standards of practice, and construction methods that a Utility Owner customarily applies to facilities constructed by the Utility Owner (or for the Utility Owner by its contractors) at its own expense and that are comparable to the Utilities being Relocated for the Project. Such Utility Standards may or may not all be incorporated into documents issued by the Utility Owner, and shall include those processes, procedures, policies and practices that are industry-standard in Southern California for each particular type of Utility and those (if any) that are specified for the particular Utility Owner in accordance with TP Section 7. For any Utility Owner that is also a Governmental Entity, its Utility Standards shall include all such requirements that are imposed by Governmental Rules issued by such Utility Owner.

Utility Strip Map has the meaning given in TP Section 7.3.2.

Utility Strip Map Deadline has the meaning given in Section 6.4.3(a), as such deadline may be extended under this Contract.

Value Engineering Change Proposal has the meaning given in Section 17.1.1.

voluntarily excluded has the meaning given in Attachment 2 to Exhibit 14.

Warranty Bond has the meaning given in Section 10.1.3(a).

Warranty Bond Amount has the meaning given in Section 10.1.3(b).

Warranty Period has the meaning given in Section 13.1.2.

Warranty Work means Work required to remedy Nonconformances during the applicable Warranty Period.

Weed Abatement Plan has the meaning given in TP Section 20.3.3, as updated in accordance with this Contract.

Wildfire means an uncontrolled fire in an area of combustible vegetation.

Work or **work** means all of the resources required to be provided by DB Contractor, including administrative, design, support services, procurement, professional, manufacturing, supply, design, installation, integration testing, commissioning, construction, supervision, management, labor, materials, equipment (including Department furnished materials), maintenance, documentation and other duties and services to be provided and provided by DB Contractor under

this Contract, including all efforts necessary or appropriate to achieve the Completion Milestones by the Completion Deadlines, except for those efforts which this Contract expressly specifies will be performed by Persons other than the DB-Related Entities.

work paid by force account means work ordered without an existing agreement on its cost, and performed with the understanding that DB Contractor will bill RCTC according to the cost of labor, materials, and equipment, plus a certain percentage for overhead and profit.

work plan means the detailed formulation of a program of action.

work zone means the area of a highway with construction, maintenance or utility work activities.

[END OF DEFINITIONS]



RIVERSIDE COUNTY TRANSPORTATION COMMISSION

**REQUEST FOR PROPOSALS (RFP No. 19-31-074-00)
TO DESIGN AND BUILD THE**

I-15/SR-91 EXPRESS LANES CONNECTOR (ELC)

THROUGH A

DESIGN-BUILD CONTRACT

VOLUME II: CONTRACT EXHIBITS

DRAFT EXECUTION COPY: February 12, 2020

EXECUTED: [INSERT DATE]



**4080 Lemon Street, 3rd Floor
Riverside, CA 92501
www.rctc.org**

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EXHIBIT 1

ABBREVIATIONS AND DEFINITIONS

[SEE EXHIBIT 1 IMMEDIATELY FOLLOWING CONTRACT]

EXHIBIT 2

CONTRACT PARTICULARS

No.	Clause References	Issue	
1.	Exhibit 1	Contract Price	\$164,840,000.00
2.	3.4.2	Firm for Design Services	T.Y. Lin International
3.	9.1	Major Subcontractors	
4.		Lead Engineering Firm	T.Y. Lin International
5.		Structural Design Firm	T.Y. Lin International
6.		Other Major Subcontractors	RMA Group
7.	9.6	RCTC Representative	Michael Blomquist
8.		Listed Subcontractors	Arellano Associates, LLC RMA Group CNS Engineers, Inc. Converse Consultants Earth Mechanics, Inc. Guida Surveying, Inc. Iteris, Inc. LIN Consulting, Inc. LSA Associates, Inc. Lynn Capouya, Inc. WRECO
9.	9.6	DB Contractor Representative	Stephen S. Rados
10.	9.6	Key Personnel	
		Project Manager	Felipe Olivar
		Construction Manager	Josh Dybala
		Design Manager	Ray Fares
		Structures Design Manager	Stephen Dulor
		Environmental Compliance Manager	Alicia Lemke
		Quality Manager	Jim Rucker

		Toll Services Coordinator	Steven Bradley
		Traffic Manager	John Merrill
		Roadway Design Manager	Rodrigo Gonzalez
		Railroad Coordinator	James Faber
11.	10.1.1(a)	NTP1 Performance Bond Amount	\$9,600,000.00
12.	10.1.2(a)	NTP1 Payment Bond Amount	\$9,600,000.00
13.	10.1.1(b)	NTP2 Performance Bond Amount	\$164,840,000.00
14.	10.1.2(b)	NTP2 Payment Bond Amount	\$164,840,000.00
15.	10.1.3(b)	Warranty Bond Amount	\$16,484,000.00
16.	14.3.5	Mobilization Amount	\$11,300,000.00
17.	14.3.6	Bonds and Insurance Premium Amount NTP1	\$595,000.00
18.	14.3.6	Bonds and Insurance Premium Amount NTP2	[\$9,475,000.00]
19.	24.1.1(b)	Facilitator for partnering meetings	[NTD – To be determined in accordance with Section 24.1.1(b) of the DB Contract]
20.	Exhibit 1	TSP	Kapsch TrafficCom USA, Inc. (formerly Kapsch TrafficCom Transportation NA, Inc.)

EXHIBIT 3

MODIFIED STANDARD SPECIFICATIONS **(Replacing Sections 1 through 9 of Department's Standard Specifications)**

This Exhibit 3 sets forth the Modified Standard Specifications for this Contract. The provisions contained in these Modified Standard Specifications shall replace Sections 1 through 9 of the 2018 Standard Specifications issued by the State of California Department of Transportation (Department), in their entirety and differ materially from the volume issued by Department.

The Modified Standard Specifications may include cross-references to provisions of the Standard Specifications which are not applicable to this Contract because they have been superseded by other provisions of this Contract. Any such cross-references are deemed references to the provisions of this Contract which have superseded the referenced provisions of the Standard Specifications.

Refer to Department Standard Specifications, dated 2018, for Sections 10 through 95 of the Standard Specifications.

General Exceptions:

1. When these Modified Standard Specifications or other provisions in the Department Standard Specifications refer to "Measurement for Payment," "Method of Measurement," or "Payment Quantities," except as otherwise provided in this Contract, such language is disregarded. Terms and conditions of Final Payment are set forth in this Contract.
2. When these Modified Standard Specifications or other provisions in the Department Standard Specifications refer to "basis of payment," "unit prices," or "adjustments of unit prices," such references and language is disregarded, except as otherwise provided in this Contract, including the Technical Provisions.
3. When these Modified Standard Specifications or other provisions in the Department Standard Specifications refer to "extra work," "compensation for," "at the Department's expense," "quantity adjustments," "equivalent quantities," or similar phrases, such references shall be disregarded. It is intended that the payment of the Contract Price will be full compensation for all Work performed pursuant to this Contract unless specific provisions for additional payments are contained in this Contract, including the Technical Provisions.
4. When these Modified Standard Specifications or other provisions in the Department Standard Specifications refer to the term "incidental" such term will mean that the cost is included in the Contract Price.
5. When these Modified Standard Specifications or other provisions in the Department Standard Specifications refer to "Change Orders," "change order work," or "extra work," except as otherwise provided in this Contract, such language shall be disregarded. Terms and conditions of changes, entitlement to additional compensation, and Change Orders are set forth in this Contract.
6. Any references to the State Contract Act or provisions of the State Contract Act contained in the Department documents shall be deemed references to the equivalent provisions contained in statutes applicable to RCTC.

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DIVISION I GENERAL PROVISIONS

1 GENERAL

1-1.01 GENERAL

Section 1 includes specifications related to the interpretation of this Contract.

The specifications are divided into 12 divisions.

Division I includes general specifications applicable to every contract unless specified as applicable only under certain conditions.

Division II includes specifications for general construction applicable to every contract unless specified as applicable only under certain conditions.

Divisions III through X include construction specifications for specific bid items.

Division XI includes specifications for common materials. For a material specified in this division, that material specified in any section must comply with the specifications in division XI.

Division XII includes construction specifications for buildings.

Interpret sentences written in the imperative mood as starting with “the Contractor shall” and interpret “you” as the Contractor and “your” as the “Contractor’s.”

After Contract approval, submit documents and direct questions to RCTC. Orders, authorizations, and requests to the Contractor are by RCTC except as otherwise provided in this Contract.

Except as otherwise provided in this Contract, the following items from Riverside County Transportation Commission (“RCTC”) partnering with Department are in writing:

1. Approvals
2. Authorizations
3. Decisions
4. Notifications
5. Orders
6. Responses

Except as otherwise provided in this Contract, the following items from the Contractor must be in writing:

1. Notifications
2. Proposals
3. Reports
4. Requests, including RFIs, sequentially numbered
5. Subcontracts
6. Test results

Where a location is not specified with the words “shown”, “specified”, or “described”, interpret:

1. “Shown” as “shown on the plans”.
2. “Specified” as “specified in the specifications”.

3. “Described” as “described in this Contract”. “Described” means “shown, specified, or both”.

Headings are included for the purposes of organization and referencing. Inclusion of a heading with no related content, “Not Used”, or “Reserved” does not indicate that no specification exists for that subject; applicable specifications may be covered in a general or referenced specification.

Specifications in a section titled General apply to all subordinate sections within the section.

Specifications in the general section of a division apply to all sections within the division.

Sections are reserved in the Standard Specifications for correlation of special provisions and revised standard specifications with the Standard Specifications and for future expansion of the Standard Specifications.

The specifications are expressed in US customary units except where a referenced document uses the International System of Units as the standard.

Unless an object or activity is specified to be less than the total, the quantity or amount is all of the object or activity.

All items in a list apply unless the items are specified as choices.

1-1.02 STYLE VARIATIONS

The Department is gradually standardizing the style of the specifications. The use of the new style does not change the meaning of a Contract part not using this style. The new style includes:

1. Use of:
 - 1.1. Imperative mood
 - 1.2. Introductory modifiers
 - 1.3. Conditional clauses
 - 1.4. Industry-standard terms
2. Elimination of:
 - 2.1. Language variations
 - 2.2. Definitions for industry-standard terms
 - 2.3. Redundant specifications
 - 2.4. Needless cross-references

1-1.03–1-1.04 RESERVED

1-1.05 REFERENCES

A reference within parentheses to a law or regulation is included in this Contract for convenience only and is not a comprehensive listing of related laws and regulations. Lack of a reference does not indicate no related laws or regulations exist.

Where the version of a referenced document is not expressly specified, use the most recent version in effect on the date of the Request for Proposals.

A reference to a section includes specifications in sections titled General that apply to the section.

Where a section number is referenced without a reference to a document, the reference is to a section of the Standard Specifications as revised by any revised standard specification, special provision, or both. Any reference directly to a revised standard specification is for convenience only. Lack of a direct reference to a revised standard specification section does not indicate a revised standard specification for the section does not exist.

A code not specified as a federal code is a California code.

An agency or a department not specified as a federal or local agency or department is a California agency or department.

1-1.06 ABBREVIATIONS

Refer to Contract Exhibit 1 for the meanings of certain acronyms and abbreviations used in the Contract, including these Modified Standard Specifications.

1-1.07 DEFINITIONS

Refer to Contract Exhibit 1 for the meanings of certain terms used in the Contract, including these Modified Standard Specifications.

1-1.08 NOT USED

1-1.09 FREEZE-THAW AREAS

Freeze-thaw areas are areas of the State where freeze-thaw cycles and heavy salting frequently occur. A project is in a freeze-thaw area if the project is specified in the special provisions to be in a freeze-thaw area.

1-1.10 PAVEMENT CLIMATE REGIONS

To help account for the effects of various climatic conditions on pavement performance, the State has been divided into 9 climate regions. The project's pavement climate region is shown on the project plans.

1-1.11 WEBSITES, ADDRESSES, AND TELEPHONE NUMBERS

Websites, Addresses, and Telephone Numbers

Reference or agency or department unit	Website	Address	Telephone no.
Authorized Facility Audit List	http://www.dot.ca.gov/hq/esc/Translab/OSM/documents/smdocuments/Internet_auditlisting.pdf	--	--
Authorized Material List	http://www.dot.ca.gov/hq/esc/approved_products_list	--	--
Authorized Material Source List	http://www.dot.ca.gov/hq/esc/Translab/authorized_material_source_list/	--	--
Authorized Material Systems List	http://www.dot.ca.gov/hq/esc/Translab/authorized_systems_list/	--	--
Authorized Laboratory List	http://www.dot.ca.gov/hq/esc/Translab/authorized_laboratories_list/	--	--
California MUTCD	http://www.dot.ca.gov	--	--
Department	http://www.dot.ca.gov	--	--
Department of Conservation, Office of Mine Reclamation	http://www.conservaion.ca.gov/omr/	--	--
Department of General Services, Office of Small Business and DVBE Services	http://www.dgs.ca.gov/dgs/ProgramsServices/BusServices.aspx	OFFICE OF SMALL BUSINESS AND DVBE SERVICES DEPARTMENT OF GENERAL SERVICES 707 3rd St West Sacramento CA 95605-2811	(800) 559-5529 (916) 375-4940
Department of Industrial Relations	http://www.dir.ca.gov	455 Golden Gate Ave San Francisco CA 94102	--
Division of Accounting, Office of External Accounts Payable	http://www.dot.ca.gov/hq/asc/oap/payments/contact.htm#conpets1	MAJOR CONSTRUCTION PAYMENT AND INFORMATION UNIT OFFICE OF EXTERNAL ACCOUNTS PAYABLE DIVISION OF ACCOUNTING DEPARTMENT OF TRANSPORTATION P.O. BOX 168043 SACRAMENTO CA 95816-8043	(916) 227-9013

Division of Construction	http://www.dot.ca.gov/hq/construc/	--	--
Geotechnical Services	http://www.dot.ca.gov/hq/esc/geotech	Geotechnical Services DEPARTMENT OF TRANSPORTATION 5900 FOLSOM BLVD Sacramento CA 95819-4612	(916) 227-7000
METS	http://www.dot.ca.gov/hq/esc/Translab/	Materials Engineering and Testing services DEPARTMENT OF TRANSPORTATION 5900 FOLSOM BLVD Sacramento CA 95819-4612	(916) 227-7000
MPQP	http://www.dot.ca.gov/manuals.htm	--	--
Office Engineer	--	MSC 43 OFFICE ENGINEER DEPARTMENT OF TRANSPORTATION 1727 30th St Sacramento CA 95816-7005	(916) 227-6299
Offices of Structure Design, Documents Unit	--	MSC 9-4/4I DOCUMENTS UNIT OFFICES OF STRUCTURE DESIGN DEPARTMENT OF TRANSPORTATION 1801 30th St Sacramento CA 95816-7006	(916) 227-0716
Publication Distribution Unit	--	PUBLICATION UNIT DEPARTMENT OF TRANSPORTATION 1900 Royal Oaks Dr Sacramento CA 95815-3800	--
South Coast Air Quality Management District	www.aqmd.gov	--	--

1-1.12 through 1-1.15 RESERVED

2 RESERVED

3 RESERVED

4 SCOPE OF WORK

4-1.01 GENERAL

Section 4 includes specifications related to the scope of work.

4-1.02 INTENT

This Contract's intent is to provide for work completion using Good Industry Practice.

Nothing in the specifications voids the Contractor's public safety responsibilities.

4-1.03–4-1.12 RESERVED

4-1.13 CLEANUP

Before final inspection, Contractor shall clean the highway, material sites and all ground occupied by Contractor in connection with the Work and leave the job site neat and presentable and dispose of:

1. Rubbish
2. Excess materials
3. Falsework
4. Temporary structures
5. Equipment

Do not remove warning, regulatory, or guide signs until Final Acceptance.

5 CONTROL OF WORK

5-1.01 GENERAL

Section 5 includes specifications related to the Contract parties' relations and Final Acceptance.

5-1.02–5-1.12 RESERVED

5-1.13 SUBCONTRACTING

5-1.13A General

No Subcontract releases you from this Contract or relieves you of your responsibility for a Subcontractor's work.

Do not use a debarred contractor. For a list of debarred contractors, go to the Department of Industrial Relations' website.

If you violate Pub Cont Code § 4100 et seq., RCTC may exercise the remedies provided in Pub Cont Code § 4110. RCTC may refer the violation to the Contractors State License Board as provided under Pub Cont Code § 4111.

Each subcontract must comply with this Contract.

Each Subcontractor must have an active and valid

1. State contractor license with a classification appropriate for the work to be performed (Bus & Prof Code § 7000 et seq.)
2. Public works contractor registration number with the Department of Industrial Relations.

Submit copies of Subcontracts upon request in accordance with the requirements of this Contract.

5-1.13B Disadvantaged Business Enterprises

5-1.13B(1) General

Section 5-1.13B applies to a federal-aid contract.

5-1.14–5-1.16 RESERVED

5-1.17 CHARACTER OF WORKERS

If a worker appears to RCTC to be incompetent or acts disorderly or improperly, discharge the worker immediately upon request. Do not employ that worker again on the work.

5-1.18–5-1.26 RESERVED

5-1.27 RECORDS

5-1.27A General

Reserved

5-1.27B Record Retention

Retain project records from proposal preparation through:

1. Final payment
2. Resolution of claims, if any

For at least 5 years after the later of these, retain cost records, including records of:

1. Proposal preparation
2. Overhead
3. Payrolls
4. Payments to Subcontractors and Suppliers
5. Cost accounting

Maintain the records in an organized way in the original format, electronic and hard copy, conducive to professional review and audit.

5-1.27C Record Inspection, Copying, and Auditing

Make your records available for inspection, copying, and auditing by RCTC and State representatives for the same time frame specified under section 5-1.27B. The records of Subcontractors and Suppliers must be made available for inspection, copying, and auditing by RCTC and State representatives for the same period. Before Final Acceptance, RCTC and State representatives notify the Contractor, Subcontractor, or supplier 5 business days before inspection, copying, or auditing.

If an audit is to start more than 30 days after Final Acceptance, RCTC and the State representatives notify the Contractor, Subcontractor, or supplier of the date when the audit is to start.

5-1.27D Cost Accounting Records

Reserved

5-1.28–5-1.29 RESERVED

5-1.30 NONCOMPLIANT AND UNAUTHORIZED WORK

Correct or remove and replace work that (1) does not comply with this Contract, (2) is unauthorized, or (3) both. RCTC does not pay for any of the following:

1. Corrective, removal, or replacement work
2. Unauthorized work

If ordered, submit a work plan for the corrective, removal, or replacement work.

If you fail to comply promptly with an order under section 5-1.30, RCTC may correct, remove, or replace noncompliant or unauthorized work. RCTC deducts the cost of this work.

5-1.31 JOB SITE APPEARANCE

Keep the job site neat. In areas visible to the public:

1. If practicable, dispose of debris removed during clearing and grubbing concurrently with its removal. If stockpiling is necessary, dispose of debris weekly.
2. Furnish trash bins for construction debris. Place the debris in trash bins daily.
3. For falsework to be reused, stack the forms neatly and concurrently with their removal.

5-1.32 NOT USED

5-1.33 EQUIPMENT

Legibly stencil or stamp at a clearly visible location on each piece of equipment except hand tools an identifying number and:

1. On compacting equipment, its make, model number, and empty gross weight that is either the manufacturer's rated weight or the scale weight
2. On meters and on the load-receiving element and indicators of each scale, the make, model, serial number, and manufacturer's rated capacity

Submit a list describing each piece of equipment and its identifying number.

Upon request, submit the manufacturer's information that designates portable vehicle scale capacities.

For proportioning materials, use measuring devices, material plant controllers, and undersupports complying with section 9-1.02B.

Measuring devices must be tested and approved under California Test 109 in the Department's presence by any of the following:

1. County Sealer of Weights and Measures
2. Scale Service Agency
3. Official of the Division of Measurement Standards

The indicator over-travel must be at least 1/3 of the loading travel. The indicators must be enclosed against moisture and dust.

Group the measuring system dials such that the smallest increment for each indicator can be read from the location at which proportioning is controlled.

5-1.34–5-1.35 RESERVED

5-1.36 PROPERTY AND FACILITY PRESERVATION

5-1.36A General

Preserve and protect:

1. Highway improvements and facilities
2. Adjacent property
3. Waterways
4. ESAs
5. Lands administered by other agencies
6. Railroads and railroad equipment
7. Nonhighway facilities, including utilities

8. Survey monuments
9. Department's instrumentation
10. Temporary work
11. Roadside vegetation not to be removed

Comply with Govt Code § 4216 et seq. Notify RCTC at least 3 Business Days before you contact the regional notification center. Failure to contact the notification center prohibits excavation.

Immediately report damage to RCTC.

If you cause damage, you are responsible.

The Department may make a temporary repair to restore service to a damaged facility.

Install suitable safeguards to preserve and protect facilities from damage.

Install temporary facilities such as sheet piling, cribbing, bulkheads, shores, or other supports necessary to support existing facilities or to support material carrying the facilities.

Excavate and backfill as necessary to remove temporary facilities. Backfill with materials of equal or better quality and to a comparable density of surrounding materials and grade surface to match the existing grade and cross slope.

5-1.36B RESERVED

5-1.36C Nonhighway Facilities

5-1.36C(1) Reserved

5-1.36C(2) Nonhighway Facility Protection

Reserved

5-1.36C(3) Nonhighway Facility Rearrangement

RCTC may rearrange a nonhighway facility during this Contract. Rearrangement of a nonhighway facility includes installation, relocation, alteration, or removal of the facility.

RCTC may authorize facility owners and their agents to enter the highway to perform rearrangement work for their facilities or to make connections or repairs to their property. Coordinate activities to avoid delays.

5-1.36D Survey Monuments

Protect survey monuments on and off the highway. Upon discovery of a survey monument not identified and located by RCTC, immediately:

1. Stop work near the monument
2. Notify RCTC

Do not resume work near the monument until authorized.

5-1.36E Landscape

If you damage plants not to be removed:

1. Dispose of them unless RCTC authorizes you to reduce them to chips and spread the chips within the highway at locations designated by RCTC.
2. Replace trees as required in TP Section 20.3.2.2 of the Technical Provisions.

Removed shrubs shall be replaced with no. 15-container shrubs.

Replace ground cover plants with plants from flats. All replacement shrub and groundcover species shall match the existing removed species, unless these species conflict with the requirements to limit the use of plants considered invasive on the California Invasive Species list (those considered moderate or higher). If the existing species can no longer be planted, choose species that have similar characteristics and/or achieve the same quality of cover and hardiness. Plant ground cover plants 1 foot on center.

If a plant establishment or permanent erosion control establishment period is specified, replace plants before the start of the plant establishment or permanent erosion control establishment period; otherwise, replace plants at least 30 days before Final Acceptance.

Water each plant immediately after planting. Saturate the backfill soil around and below the roots or the ball of earth around the roots of each plant. Water as necessary to maintain plants in a healthy condition until Final Acceptance.

5-1.36F Irrigation Facilities

Keep existing irrigation facilities in place that are described to be removed, relocated, or modified until RCTC determines they are no longer needed.

Maintain the existing water supply. If the existing water supply is interrupted for more than 3 consecutive days, provide an alternative water supply. Water the existing plants in the area irrigated from that water supply, including those maintained by RCTC, as necessary to maintain healthy plant growth.

If you and RCTC irrigate existing plants from the same water supply, furnish enough water to RCTC for watering plantings on and off the highway as necessary to maintain a healthy condition through Final Acceptance.

If you damage irrigation facilities not to be removed:

1. Remove and dispose of them.
2. Repair and replace damaged facilities within 10 days.
3. Use similar commercial-quality components from the same manufacturer or components that are compatible with the existing irrigation system if authorized. Any changes from the existing equipment must be reviewed and approved prior to installation.
4. After completing the repair or replacement of the facilities, perform an operational test in the presence of RCTC. If you repair or replace the remote control valves, conduct the test with the irrigation controller in the automatic mode.

Notify RCTC:

1. At least 4 Business Days before shutting off the water supply to any portion of the existing irrigation system

2. Immediately after restoring the water supply to any portion of the existing irrigation system

5-1.37 MAINTENANCE AND PROTECTION

5-1.37A General

Maintain and protect work until RCTC has granted relief from maintenance or Final Acceptance has occurred.

Do not remove any padlock used to secure a portion of the work until RCTC is present to replace it. Notify RCTC at least 3 business days before removing the lock.

Prevent construction equipment that exceeds the maximum weight limits in Veh Code Div 15 from operating on completed or existing treated base, pavement, or structures.

5-1.37B Load Limits

5-1.37B(1) General

For areas within the project limits and subject to the Contractor providing protective measures and repairing related damage, construction equipment exceeding the size or weight limits in Veh Code Div 15 may move over:

1. Public roads within the highway
2. Treated base or pavement under construction or completed
3. Culverts and pipes
4. Structures not open to traffic that are designed for AASHTO HS20-44 live loading, except culverts and pipes. Before crossing one of these structures, submit the dimensions and maximum axle loadings of the equipment; and unless a material hauling equipment lane on a bridge is shown on the drawings, comply with the following specifications:
 - 4.1. The maximum loading on a bridge due to pneumatic-tired truck and trailer combinations must not exceed:
 - 4.1.1. 28,000 lb. for single axles
 - 4.1.2. 48,000 lb. for tandem axles
 - 4.1.3. 60,000 lb. total gross load for single vehicles
 - 4.1.4. 110,000 lb. total gross load for truck and trailer or semi-trailer combinations
 - 4.2. The loading on a bridge due to 2- and 3-axle pneumatic-tired earthmovers must not exceed that shown in the following table:

Allowable Construction Loading on Bridges for 2- and 3-Axle Earthmovers

Bridge girder center-to-center spacing (feet)	Maximum axle loading (pounds)
4	28,000
5	29,000
6	30,000
7	32,000
8	34,000
9	37,000
10 and over	40,000

Bridge girder center-to-center spacing (feet)	Maximum axle loading (pounds)
--	----------------------------------

NOTE: Minimum axle spacing:

For 2-axle earthmovers:

Axles 1 to 2 = 20 feet

For 3-axle earthmovers:

Axles 1 to 2 = 8 feet

Axles 2 to 3 = 20 feet

5. Completed or existing base, pavement, and structures under the Department's Transportation Permits Manual, whether open to the public or not

Loads imposed on existing, new, or partially completed structures must not exceed the load-carrying capacity of the structure or any portion of the structure as determined by AASHTO LRFD with interims and California Amendments, Design Strength Limit State II. The f'_c to be used in computing the load-carrying capacity must be the smaller of the following:

1. Actual compressive strength at the time of loading
2. Value of f'_c shown on the plans for that portion of the structure or 2.5 times the value of f'_c shown on the plans for portions of the structure where no f'_c is shown

5-1.37B(2) RESERVED

5-1.37B(3) Material Hauling Equipment Lane on Bridges

Section 5-1.37B(3) applies to a bridge constructed with a material hauling equipment lane.

You may cross the bridge with pneumatic-tired material hauling equipment that exceeds the size and weight limits specified but that does not exceed the load limits shown on the material-hauling-equipment loading diagram on the plans.

For each bridge with a material hauling equipment lane:

1. Construct a minimum 150-foot approach at each bridge end to a grade that provides a smooth transition to the bridge roadway grade. Maintain these approaches in a smooth and uniform condition during the operation of the equipment.
2. Operate equipment such that jolting and bouncing of the equipment while crossing the bridge is prevented.
3. Confine equipment to the material hauling lane using temporary barriers unless the plans show that the entire bridge may be used for hauling equipment and the permanent barriers are completed.
4. Allow at most 1 piece of equipment on the bridge at one time.

If ordered, verify the weight of loaded material hauling equipment by weighing. The Department furnishes individual wheel or axle type scales. The Department weighs the equipment within the project limits and within the highway at a location accessible to the equipment. You determine the exact weighing location. Install and maintain the scales.

5-1.38 RESERVED

5-1.39 DAMAGE REPAIR AND RESTORATION

5-1.39A General

Before Final Acceptance, restore damaged work to the same state of completion as before the damage. Restoration of damaged work includes restoration of erected falsework and formwork.

RCTC does not adjust payment for repair or restoration that RCTC determines was caused by your failure to construct the work under the Contract or protect the work.

5-1.39B NOT USED

5-1.39C Landscape Damage

5-1.39C(1) General

Repair slopes or other existing facilities that were damaged after starting job site activities and before starting plant establishment or permanent erosion control establishment.

As ordered, replace plants that have been damaged from either or both of the following conditions:

1. Ambient air temperature falling below 32 degrees F during the plant establishment period
2. Contractor or its Supplier restricting or stopping water delivery during the plant establishment period

This plant replacement work is included in the Contract Price.

5-1.39C(2)–5-1.50 RESERVED

6 QUALITY CONTROL AND ASSURANCE

6-1 GENERAL

6-1.01 GENERAL

Section 6 includes specifications related to quality control and validation.

Store materials and samples in a way that preserves the quality and facilitates prompt inspection.

Material incorporated into the work must be new, except as provided elsewhere in this Contract.

Before the preconstruction conference, submit material source information on a Notice of Materials to be Used form.

6-1.02 DEPARTMENT-FURNISHED MATERIALS

Submit a request to RCTC for Department-furnished materials (TP Attachment 1-3, Department-Furnished Materials) at least 180 days before their scheduled installation. RCTC will notify you when Department-furnished material is available.

If the Department furnishes the material:

1. At the job site, inspect the material, unload and store the material
2. At a location other than the job site, inspect the material, deliver the material to the job site and store it

Department-furnished material will be available for pick-up at:

Department District 8
SHOP 8
175 W. Cluster Street
San Bernardino, CA 92408

You are liable, and you are responsible to pay RCTC for all Department-furnished materials, without right to claim an extension of time, additional compensation, other relief from performance of your obligations or otherwise make a Claim under the Contract for the value of any such Department-furnished materials, other than as included in the Contract Price.

You shall pay RCTC, as and when directed, and on such terms as required, by RCTC in connection with your procurement of Department-furnished materials.

You are responsible for the cost of replacing lost or damaged Department-furnished material. RCTC deducts replacement costs. Department-furnished material not used in the work remains the property of RCTC.

6-1.03 LOCAL MATERIALS

Local material must be rock, sand, gravel, earth, or mineral material other than local borrow or selected material obtained or produced from a source in the work vicinity specifically for use on the project. Local borrow must not be a material from an established commercial source.

Upon your request, the Department tests material from an untested local source. If satisfactory material from that source is used in the work, RCTC does not charge you for the tests; otherwise, RCTC deducts the test costs.

6-1.04 BUY AMERICA

6-1.04A General

Reserved

6-1.04B Crumb Rubber (Pub Res Code § 42703(d))

Furnish crumb rubber with a certificate of compliance. Crumb rubber must be:

1. Produced in the United States
2. Derived from waste tires taken from vehicles owned and operated in the United States

6-1.04C Steel and Iron Materials

Steel and iron materials must be melted and manufactured in the United States except:

1. Foreign pig iron and processed, pelletized, and reduced iron ore may be used in the domestic production of the steel and iron materials
2. If the total combined cost of the materials does not exceed the greater of 0.1 percent of the Contract Price or \$2,500, materials produced outside the United States may be used if authorized

Furnish steel and iron materials to be incorporated into the work with certificates of compliance and certified mill test reports. Mill test reports must indicate where the steel and iron were melted and manufactured.

All melting and manufacturing processes for these materials, including an application of a coating, must occur in the United States. Coating includes all processes that protect or enhance the value of the material to which the coating is applied.

6-1.05 SPECIFIC BRAND OR TRADE NAME AND SUBSTITUTION

A reference to a specific brand or trade name establishes a quality standard and is not intended to limit competition. You may use a product that is equal to or better than the specified brand or trade name if authorized by RCTC.

Submit a substitution request with a time period that:

1. Follows Contract award
2. Allows 30 days for review
3. Causes no delay

Include substantiating data with the substitution request that proves that substitution:

1. Causes no delay
2. Is of equal or better quality and suitability

6-2 QUALITY PROGRAM

6-2.01 GENERAL

6-2.01A General

Section 6-2 includes provisions related to quality.

Work is subject to the Project's quality program in accordance with this Contract. The Quality Program does not relieve you of your responsibility to provide QC.

For a material specified to comply with a requirement for a quality characteristic shown in the following table, the quality characteristic is tested under the corresponding California Test:

California Tests	
Quality characteristic	California Test
Relative compaction	216 or 231
Sand equivalent	217
Resistance (R-value)	301
Gradation (sieve analysis)	202
Durability index	229

6-2.01B Authorized Facility Audit Lists

Section 6-2.01B applies where a facility is specified to be on an Authorized Facility Audit List.

An audit authorized by the Department not more than 3 years before completion of the fabrication process is acceptable if the Department determines the audit was for the same type of work to be performed.

For procedures to be included on an Authorized Facility Audit List, go to the Authorized Facility Audit List website.

6-2.01C Authorized Material Lists

Section 6-2.01C applies where a material is specified to be on an Authorized Material List.

The material must be on an Authorized Material List before it is incorporated into the work.

For procedures to be included on an Authorized Material List, go to the Authorized Material List website.

6-2.01D Authorized Material Source Lists

Section 6-2.01D applies where a material is specified to be on an Authorized Material Source List.

The material source must be on an Authorized Material Source List before the item from the source is incorporated into the work.

For procedures to be included on an Authorized Material Source List, go to the Authorized Material Source List website.

6-2.01E Material Source Inspection and Testing

Section 6-2.01E applies if a material is to be inspected or tested at the source.

Submit an inspection request form:

1. At least 3 Business Days before the requested inspection date for a material source within California.
2. At least 5 Business Days before the requested inspection date for a material source outside California but within the United States.
3. 50 days before the planned production start for a material source outside the United States. Notify RCTC and Department at least 20 days before the actual start.

For the inspection request form and the procedure for its submittal, go to the METS website. Notify RCTC of each submittal.

For each item shown in the following table, RCTC deducts the corresponding amount shown:

Source Inspection Expense Deductions		
Item	Distance ^a	Deduction
Steel pipe piling	> 300	\$5,000
Prestressing system		
Tier 1 and tier 2 precast concrete members	> 3,000	\$8,000
Epoxy-coated reinforcement		
Structural steel for sign structures		
Miscellaneous metal		
Extinguishable message signs		
Variable message signs		
Changeable message signs		
Service equipment enclosures	> 300	\$2,000
Telephone demarcation cabinets		
Closed circuit television cabinets		
Weigh-in-motion cabinets		
Highway advisory radio cabinets		
Poles for electrical systems	> 300	\$1,000 for ≤ 10 poles and \$1,000 for every multiple of 10 poles thereafter
Structural steel	> 300	The greater of: 1. \$5,000 2. \$0.02/lb.
	> 3,000	The greater of: 1. \$8,000 2. \$0.036/lb.
Structural steel paint	> 300	The greater of: 1. \$2,000 2. \$0.01/sq. ft.
	> 3,000	The greater of: 1. \$5,000 2. \$0.015/sq. ft.
Check samples	> 300	\$2,000
High mast poles	> 300	\$2,500
	> 3,000	\$5,000
PTFE bearings, ≤ 2 lots	> 300	\$5,000
	> 3,000	\$15,000

PTFE bearings, > 2 lots	> 300	\$10,000
	> 3,000	\$20,000

^aDistance is air-line miles from both Sacramento and Los Angeles to the inspection source.

6-2.01F Test Samples

Section 6-2.01F applies where a test sample is specified in this Contract if a test sample is requested.

Notify RCTC 10 days before taking a sample.

Submit material to be tested with a Sample Identification Card. For the card, go to the METS website.

Restore work immediately after sampling.

If requested, obtain RCTC's authorization for the material before incorporating the material represented by the test sample into the work.

6-2.01G–6-2.01K Reserved

6-2.02 QUALITY CONTROL

6-2.02A General

Material production and testing equipment must measure accurately and precisely.

6-2.02B Quality Control Plan

Develop, implement, and maintain a QC program.

Prepare and maintain QC records, including:

1. Names and qualifications of:
 - 1.1. Samplers
 - 1.2. Testers
 - 1.3. Inspectors
2. Testing laboratories' identification and certifications
3. Testing equipment calibrations and certifications
4. Inspection reports
5. Sampling and testing records organized by date and type of material
6. Test results with comparison of quality characteristic requirements
7. Test results in relation to action and any suspension limits
8. Records of corrective actions and suspensions

Within 24 hours, notify RCTC of any noncompliance identified by your QC program.

Allow RCTC access to all QC records.

Submit QC test data and QC test results within 2 business days of test completion.

6-2.02C RESERVED

6-2.02D RESERVED

6-2.03 RCTC ACCEPTANCE

6-2.03A General

RCTC and/or Department may use multiple quality verification methods for a material.

RCTC and/or Department may inspect, sample, and test materials for compliance with this Contract at any time.

Allow RCTC and/or Department to record, including photograph and video, to ensure a material is produced to comply with this Contract.

You may examine the records and reports of tests RCTC and/or Department performs.

Schedule work to allow time for RCTC and/or Department's inspection, sampling, and testing.

RCTC deducts testing costs for work that does not comply with this Contract.

RCTC and/or Department may retest material previously tested and authorized for use. If RCTC notifies you of a retest, furnish resources for retesting.

6-2.03B Job Site Inspection and Testing

Section 6-2.03B applies if a material is to be inspected or tested at the job site.

The material must be authorized for use before it is incorporated into the work.

6-2.03C Certificates of Compliance

Section 6-2.03C applies (1) where a certificate of compliance is specified and (2) if any material is produced outside the United States.

Submit a certificate of compliance:

1. Before the material is incorporated into the work
2. For each lot of the material. Identify the lot on the certificate
3. Signed by the producer of the material and stating that the material complies with this Contract

7 LEGAL RELATIONS AND RESPONSIBILITY TO THE PUBLIC

7-1.01 GENERAL

Section 7 includes specifications related to your:

1. Compliance with laws
2. Responsibilities for public safety and convenience
3. Responsibilities for indemnification, insurance, and liability

7-1.02 LAWS

7-1.02A General

Comply with all Governmental Rules applicable to the Project and work. Immediately report to RCTC any discrepancy or inconsistency between this Contract and Governmental Rule.

Immediately notify RCTC if a Governmental Entity requests access to the job site or to records. Submit a list of documents provided to the Governmental Entity and issued enforcement actions.

7-1.02B US Fair Labor Standards Act

Comply with 29 USC § 201 et seq.

7-1.02C Emissions Reduction

Submit to the Department the following certification before performing the work:

I am aware of the emissions reduction regulations being mandated by the California Air Resources Board. I will comply with such regulations before commencing the performance of the work and maintain compliance throughout the duration of this Contract.

Contract signing constitutes submittal of this certification.

7-1.02D–7-1.02H Reserved

7-1.02I Government Code

7-1.02I(1) RESERVED

7-1.02I(2) Nondiscrimination

Under 2 CA Code of Regs § 11105:

1. During the performance of this contract, the recipient, contractor, and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the

- evaluation and treatment of employees and applicants for employment are free of such discrimination.
2. Contractor shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code, § 12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, § 11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code, §§ 11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article.
 3. Contractor or recipient shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause.
 4. Recipient, contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
 5. The contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the contract.

Under 2 CA Code of Regs § 11122:

**STANDARD CALIFORNIA NONDISCRIMINATION CONSTRUCTION CONTRACT
SPECIFICATIONS (GOV. CODE SECTION 12990)**

These specifications are applicable to all state contractors and subcontractors having a construction contract or subcontract of \$5,000 or more.

1. As used in the specifications:
 - a. "Act" means the Fair Employment and Housing Act.
 - b. "Administrator" means Administrator, Office of Compliance Programs, California Department of Fair Employment and Housing, or any person to whom the Administrator delegates authority;
2. Whenever the contractor or any subcontractor subcontracts a portion of the work, it shall include in each subcontract of \$5,000 or more the nondiscrimination clause in this contract directly or through incorporation by reference. Any subcontract for work involving a construction trade shall also include the Standard California Construction Contract Specifications, either directly or through incorporation by reference.
3. The contractor shall implement the specific nondiscrimination standards provided in paragraphs 6(a) through (e) of these specifications.
4. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the contractor has a collective bargaining agreement, to refer members of any group protected by the Act shall excuse the contractor's obligations under these specifications, Government Code section 12990, or the regulations promulgated pursuant thereto.
5. In order for the nonworking training hours of apprentices and trainees to be counted, such apprentices and trainees must be employed by the contractor during the training period, and the contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor or the California Department of Industrial Relations.
6. The contractor shall take specific actions to implement its nondiscrimination program. The evaluation of the contractor's compliance with these specifications shall be based

upon its effort to achieve maximum results from its actions. The contractor must be able to demonstrate fully its efforts under steps a. through e. below:

- a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and at all facilities at which the contractor's employees are assigned to work. The contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the contractor's obligations to maintain such a working environment.
 - b. Provide written notification within seven days to the director of the DFEH when the referral process of the union or unions with which the contractor has a collective bargaining agreement has impeded the contractor's efforts to meet its obligations.
 - c. Disseminate the contractor's equal employment opportunity policy by providing notice of the policy to unions and training, recruitment and outreach programs and requesting their cooperation in assisting the contractor to meet its obligations; and by posting the company policy on bulletin boards accessible to all employees at each location where construction work is performed.
 - d. Ensure all personnel making management and employment decisions regarding hiring, assignment, layoff, termination, conditions of work, training, rates of pay or other employment decisions, including all supervisory personnel, superintendents, general foremen, on-site foremen, etc., are aware of the contractor's equal employment opportunity policy and obligations, and discharge their responsibilities accordingly.
 - e. Ensure that seniority practices, job classifications, work assignments, and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the equal employment opportunity policy and the contractor's obligations under these specifications are being carried out.
7. Contractors are encouraged to participate in voluntary associations that assist in fulfilling their equal employment opportunity obligations. The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under these specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on equal employment opportunity in the industry, ensures that the concrete benefits of the program are reflected in the contractor's workforce participation, and can provide access to documentation that demonstrates the effectiveness of actions taken on behalf of the contractor. The obligation to comply, however, is the contractor's.
 8. The contractor is required to provide equal employment opportunity for all persons. Consequently, the contractor may be in violation of the Fair Employment and Housing Act (Government Code section 12990 et seq.) if a particular group is employed in a substantially disparate manner.
 9. The contractor shall not use the nondiscrimination standards to discriminate against any person because race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status.
 10. The contractor shall not enter into any subcontract with any person or firm decertified from state contracts pursuant to Government Code section 12990.
 11. The contractor shall carry out such sanctions and penalties for violation of these specifications and the nondiscrimination clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Government Code section 12990 and its implementing regulations by the awarding

agency. Any contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Government Code section 12990.

12. The contractor shall designate a responsible official to monitor all employment related activity to ensure that the company equal employment opportunity policy is being carried out, to submit reports relating to the provisions hereof as may be required by OCP and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, status, (e.g., mechanic, apprentice trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in any easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

7-1.02J Reserved

7-1.02K Labor Code

7-1.02K(1) General

Work on the job site must comply with Labor Code §1720 et seq. and 8 CA Code of Regs § 16000 et seq. Work includes roadside production and processing of materials, and hauling and delivery of ready-mixed concrete.

Payroll records include time cards, canceled checks, cash receipts, trust fund forms, books, documents, schedules, forms, reports, receipts or other information which reflect job assignments, work schedules by days and hours, and the disbursement of payment to workers (8 CA Code of Regs § 16000).

7-1.02K(2) Wages

RCTC obtains the general prevailing rate of wages applicable to the work to be done. The rate includes:

1. Basic hourly rate
2. Employer payments for health and welfare, pension, vacation, apprenticeship training fees, travel time, and subsistence pay as provided for in Labor Code § 1773.1
3. Similar purposes

The general prevailing wage rates and any applicable changes to these wage rates are available:

1. At the RCTC's Labor Compliance Office.
2. From the Department of Industrial Relations' website

Post the general prevailing wage rates at a prominent place at the job site (Labor Code § 1773.2).

The wage determinations refer to expiration dates. The determinations with a single asterisk after the expiration date, and in effect on the date of advertisement for bids, are good for the life of this Contract. The determinations with double asterisks after the expiration date indicate the wage rate to be paid for work performed after this date has been determined. If work is to extend past this date, pay the new rate and incorporate it into this Contract. Changes in general prevailing wage determinations apply to this Contract when the Director of Industrial Relations has issued them at least 10 days before advertisement. (Labor Code § 1773.6 and 8 CA Code of Regs 16204)

RCTC does not recognize any claim for additional payment because of a payment by the Contractor of any wage rate in excess of the prevailing wage rate specified in this Contract.

The Contractor and any Subcontract must forfeit to the RCTC not more than \$200 per day or part of a day for each worker paid less than the prevailing wage rate and pay the worker the difference between the prevailing wage rate and the rate paid (Labor Code § 1775). The Labor Commissioner determines the amount of this penalty and bases the amount on:

1. Whether the failure to pay the correct prevailing wage rate was a good-faith mistake that the Contractor or Subcontract promptly and voluntarily corrected upon notice
2. Prior record of the Contractor or Subcontract in meeting its prevailing wage obligations
3. Contractor or Subcontract's willful failure to pay the correct rate of prevailing wages

If a worker employed by a Subcontract on a public works project is not paid the general prevailing per diem wages by the Subcontract, the Contractor is not liable for the penalties described in section 7-1.02K(2) unless the Contractor had knowledge of the failure to pay the correct general prevailing per diem wages or unless the Contractor fails to comply with the following requirements (Labor Code § 1775):

1. The contract executed between the Contractor and the Subcontract for the performance of work on the public works project must include a copy of the requirements in Labor Code §§ 1771, 1775, 1776, 1777.5, 1813, and 1815.
2. The Contractor must monitor the payment of the specified general prevailing rate of per diem wages by periodic review of the certified payroll records of the Subcontract.
3. Upon becoming aware of the Subcontract's failure to pay the specified prevailing rate of wages to the Subcontract's workers, the Contractor must diligently take corrective action to stop or rectify the failure, including withholding sufficient funds due the Subcontract for work performed on the public works project.
4. Before making final payment to the Subcontract for work performed on the public works project, the Contractor must obtain an affidavit signed under penalty of perjury from the Subcontract that the Subcontract has paid the specified general prevailing rate of per diem wages to its employees on the public works project and any amounts due under Labor Code § 1813.

Under Labor Code § 1775, RCTC must notify the contractor on a public works project within 15 days of receipt by RCTC of a complaint of the failure of a Subcontract on that public works project to pay workers the general prevailing rate of per diem wages.

7-1.02K(3) Certified Payroll Records (Labor Code § 1776)

Keep accurate payroll records.

Submit a copy of your certified payroll records, weekly, including those of Subcontracts. Include:

1. Each employee's:
 - 1.1. Full name
 - 1.2. Address
 - 1.3. Social security number
 - 1.4. Work classification
 - 1.5. Straight time and overtime hours worked each day and week
 - 1.6. Actual wages paid for each day to each:
 - 1.6.1. Journeyman

- 1.6.2. Apprentice
- 1.6.3. Worker
- 1.6.4. Other employee you employ for the work
- 1.7. Pay rate
- 1.8. Itemized deductions made
- 1.9. Check number issued
- 2. Apprentices and the apprentice-to-journeyman ratio

Each certified payroll record must include a Statement of Compliance form signed under penalty of perjury that declares:

- 1. Information contained in the payroll record is true, correct, and complete
- 2. Employer has complied with the requirements of sections 1771, 1811, and 1815 for any work performed by his or her employees on the public works project
- 3. Wage rates paid are at least those required by this Contract

RCTC allows the use of a form with identical wording as the Statement of Compliance form provided by the Department.

Submitted certified payrolls for hauling and delivering ready-mixed concrete must be accompanied by a written time record. The time record must include:

- 1. Truck driver's full name and address
- 2. Name and address of the factory or batching plant
- 3. Time the concrete was loaded at the factory or batching plant
- 4. Time the truck returned to the factory or batching plant
- 5. Truck driver's signature certifying under penalty of perjury that the information contained in this written time record is true and correct.

Make certified payroll records available for inspection at all reasonable hours at your main office on the following basis:

- 1. Upon the employee's request or upon request of the employee's authorized representative, make available for inspection a certified copy of the employee's payroll record.
- 2. Refer the public's requests for certified payroll records to the Department. Upon the public's request, the Department makes available for inspection or furnishes copies of your certified payroll records. Do not give the public access to the records at your main office.

Make all payroll records available for inspection and copying or furnish a copy upon request of a representative of the:

- 1. RCTC
- 2. Division of Labor Standards Enforcement of the Department of Industrial Relations
- 3. Division of Apprenticeship Standards of the Department of Industrial Relations

Furnish RCTC the location of the records. Include the street address, city, and county. Furnish RCTC a notification of a location and address change within 5 business days of the change.

Comply with a request for the records within 10 days after you receive a written request. If you do not comply within this period, RCTC withholds from progress payments a \$100 penalty for each

day or part of a day for each worker until you comply. You are not assessed this penalty for a Subcontract's failure to comply with Labor Code § 1776.

RCTC withholds from progress payments for delinquent or inadequate records (Labor Code § 1771.5). If you have not submitted an adequate record by the month's 15th day for the period ending on or before the 1st of that month, RCTC withholds up to 10 percent of the monthly progress estimate, exclusive of mobilization. RCTC does not withhold more than \$10,000 or less than \$1,000.

7-1.02K(4) Apprentices

Comply with the apprentice to journeyman ratio requirements (Labor Code § 1777.5(g)).

Comply with the training contribution requirements (Labor Code § 1777.5(m)(1)).

For answers to questions, contact the Division of Apprenticeship Standards before starting work.

RCTC deducts from progress payments civil penalties assessed by the Chief of the Division of Apprenticeship Standards for violating Labor Code § 1777.5 (Labor Code § 1777.7).

7-1.02K(5) Working Hours

Eight hours is a legal day's work (Labor Code § 1810).

The time of service of any worker employed on public work is limited and restricted to 8 hours in 1 day and 40 hours in 1 calendar week, except as provided by Labor Code § 1815 (Labor Code § 1811).

A Contractor's employee may work more than 8 hours per day and 40 hours per week if the Contractor pays the employee 1-1/2 times the basic pay rate for the hours worked in excess of 8 hours per day and 40 hours per week (Labor Code § 1815).

For each worker employed in the work for each day the worker works more than 8 hours in 1 day and 40 hours in 1 calendar week without overtime pay, RCTC deducts \$25 as a penalty for violating Labor Code § 1815 (Labor Code § 1813).

7-1.02K(6) Occupational Safety and Health Standards

7-1.02K(6)(a) General

Comply with applicable occupational safety and health standards, rules, regulations, and orders. The Occupational Safety and Health Standards Board is the only agency authorized in the State to adopt and enforce occupational safety and health standards (Labor Code § 142 et seq.).

You are the controlling employer and must ensure hazardous conditions are corrected (Labor Code § 6400).

RCTC may notify Cal/OSHA if you fail to establish or maintain a safe and healthful workplace.

Submit copies of your Injury and Illness Prevention Program and permits required by Cal/OSHA. The program must address the use of personal and company-issued electronic devices during work. Do not allow the use of entertainment and personal communication devices in the work zone. Workers may use a communication device for business purposes in the work area, at a

location where their safety and the safety of other workers and the traveling public is not compromised.

RCTC is not responsible for the health and safety of:

1. Contractor's personnel
2. Subcontractor's personnel
3. Supplier's personnel
4. Any other persons present at the job site at the request of you or your subcontractors.

7-1.02K(6)(b) Excavation Safety

Comply with Labor Code § 6705 while excavating. For an excavation 5 feet or more in depth, submit shop drawings for a protective system.

The drawings must show the design and details for providing worker protection from caving ground during excavation.

Shop drawings of protective systems for which the Construction Safety Orders require design by a registered professional engineer must be sealed and signed by an engineer who is registered as a civil engineer in the State.

The submittal must allow review time and include the contents shown in the following table except the review time is 65 days for an excavation on or affecting railroad property.

Drawing Review Time and Contents

Topic	Plan not requiring a signature	Plan requiring a signature
Review time	5 business days before excavating	20 days before excavating
Contents	Drawings Calculations Material information Proprietary system information	Drawings Calculations Material information Proprietary system information Soil classification Soil properties Soil design calculations

7-1.02K(6)(c) Tunnel Safety

Cal/OSHA classifies tunnels into one of the following classifications:

1. Nongassy
2. Potentially gassy
3. Gassy
4. Extrahazardous

If a tunnel location is described in this Contract, the classification is included in the Information Handout and you must:

1. Designate an on-site Safety Representative under 8 CA Code of Regs § 8406
2. Submit the name of your on-site Safety Representative at least 7 days before starting work at each tunnel

3. Prominently post a notice at the job site of:
 - 3.1. Tunnel classifications
 - 3.2. Any special orders, rules, special conditions, or regulations related to tunnel work
4. Ensure your workers are informed of these classifications

Notify RCTC at least 20 days before a worker enters a tunnel not described in this Contract. RCTC obtains the classification of the tunnel. RCTC may suspend the work because of a change directly resulting from the Contractor's planned activities that causes activities to fall under the Tunnel Safety Orders of 8 CA Code of Regs § 8422.

7-1.02K(6)(d) Confined Space Safety

Comply with 8 CA Code of Regs § 5158 while working in a confined space.

7-1.02K(6)(e)–(j)(i) RESERVED

7-1.02K(6)(j)(ii) Lead Compliance Plan

Section 7-1.02K(6)(j)(ii) applies for the lead compliance plan.

Regulations containing specific Cal/OSHA requirements when working with lead include 8 CA Code of Regs § 1532.1.

Submit a plan:

1. That documents your compliance program to prevent or minimize worker exposure to lead
2. Including the items listed in 8 CA Code of Regs § 1532.1(e)(2)(B)
3. Sealed and signed by a CIH with knowledge of and experience complying with 8 CA Code of Regs

Allow 7 days for RCTC's review. Obtain authorization for the plan before starting any activity that presents the potential for lead exposure.

Before starting any activity that presents the potential for lead exposure to employees who have no prior training, including State employees, provide a safety training program to these employees that complies with 8 CA Code of Regs § 1532.1 and your lead compliance plan.

Submit copies of air monitoring or job site inspection reports made by or under the direction of the CIH under 8 CA Code of Regs § 1532.1 within 10 days after the date of monitoring or inspection.

Supply personal protective equipment, training, and washing facilities required by your lead compliance plan for 5 State employees.

7-1.02K(6)(j)(iii)–7-1.02L(1) RESERVED

7-1.02L(2) Antitrust Claims

In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the contractor or Subcontract offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2

(commencing with § 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the contractor, without further acknowledgment by the parties. [Pub Cont Code § 7103.5 (b)]

7-1.02M(1)–(2) RESERVED

7-1.02M(3) Surface Mining and Reclamation Act

Imported borrow or aggregate material must come from a surface mine permitted under the Surface Mining and Reclamation Act of 1975, Pub Res Code § 2710 et seq., or from a source not subject to this act.

For the list of permitted sites, go to the Department of Conservation, Office of Mine Reclamation website.

If you import borrow or aggregate material from a surface mine not on this list, submit proof that the source is not subject to this act.

7-1.02M(4)–7-1.02M(7) RESERVED

7-1.02N RESERVED

7-1.02O Vehicle Code

Under Veh Code § 591, RCTC determines areas within the project limits are open to public traffic. For those areas, comply with the requirements set forth in Divisions 11, 12, 13, 14 and 15 of the Veh Code.

Veh Code § 591 does not relieve you or any other person from the duty of exercising due care.

7-1.02P–7-1.02Z RESERVED

7-1.03 PUBLIC CONVENIENCE

Compliance with section 7-1.03 does not relieve you of your responsibility for public safety.

Construction activities must not inconvenience the public or abutting property owners. Coordinate construction activities affecting property owners with 14 days prior to any impact to the property owners, and provide property owner the time and duration of impact, potential alternative access routes, and other information appropriate for the impact. Schedule and conduct work to avoid unnecessary inconvenience to the public and abutting property owners. Avoid undue delay in construction activities to reduce the public's exposure to construction.

Where possible, route traffic on new or existing paved surfaces.

Maintain convenient access to driveways, houses, and buildings. When an abutting property owner's access across the right-of-way line is to be eliminated or replaced under this Contract, the existing access must not be closed until the replacement access facility is usable. Construct temporary approaches to a crossing and an intersecting highway.

Provide a reasonably smooth and even surface for use by traffic at all time during the excavation of a roadway and construction of an embankment. Before other grading activities, place fill at culverts and bridges to allow traffic to cross. If ordered by RCTC, excavate a roadway cut in layers and construct an embankment in partial widths at a time alternating construction from one side to the other and routing traffic over the side opposite the one under construction. Install or construct culverts on only 1/2 the width of the traveled way at a time; keep the traveled way portion being used by traffic open and unobstructed until the opposite side of the traveled way is ready for use by traffic.

Upon completion of rough grading or placing any subsequent layer, bring the surface of the roadbed to a smooth and even condition, free of humps and depressions, and satisfactory for the use of the public.

After subgrade preparation for a specified layer of material has been completed, repair any damage to the roadbed or completed subgrade, including damage caused by public use.

While subgrade and paving activities are underway, allow the public to use the shoulders. If half-width paving methods are used, allow the public to use the side of the roadbed opposite the one under construction. If enough width is available, keep open a passageway wide enough to accommodate at least 2 lanes of traffic at locations where subgrade and paving activities are underway. Shape shoulders or reshape subgrade as necessary to accommodate traffic during subgrade preparation and paving activities.

Apply a dust palliative for the prevention or alleviation of dust nuisance.

If a height differential of more than 0.04 foot is created by construction activities at a joint transverse to the direction of traffic on the traveled way or a shoulder subject to public traffic, construct a temporary taper at the joint with a slope complying with the requirements shown in the following table:

Temporary Tapers

Height differential (foot)	Slope (horizontal:vertical)	
	Taper use of 14 days or less	Taper use of more than 14 days
Greater than 0.08	100:1 or flatter	200:1 or flatter
0.04–0.08	70:1 or flatter	70:1 or flatter

For a taper on existing asphalt concrete or concrete pavement, construct the taper with minor HMA under section 39-2.07.

Grind existing surfaces to accommodate a minimum taper thickness of 0.10 foot under either of the following conditions:

1. HMA material such as rubberized HMA, polymer-modified bonded wearing course, or open-graded friction course is unsuitable for raking to a maximum 0.02 foot thickness at the edge
2. Taper will be in place for more than 14 days

For a taper on a bridge deck or approach slab, construct the taper with polyester concrete under section 60-3.04B.

The completed surface of the taper must be uniform and must not vary more than 0.02 foot from the lower edge of a 12-foot straightedge when placed on its surface parallel and perpendicular to traffic.

If authorized, you may use alternative materials or methods to construct the required taper.

Install signs, lights, flares, Type K temporary railing, barricades and other facilities to direct traffic. Provide flaggers whenever necessary to direct the movement of the public through or around the work.

7-1.04 PUBLIC SAFETY

You are responsible to provide for public safety.

Do not construct a temporary facility that interferes with the safe passage of traffic.

Control dust resulting from the work, inside and outside the right-of-way.

Move workers, equipment, and materials without endangering traffic.

Whenever your activities create a condition hazardous to the public, furnish, erect and maintain those fences, temporary railing, barricades, lights, signs, and other devices and take any other necessary protective measures to prevent damage or injury to the public.

Any fences, temporary railing, barricades, lights, signs, or other devices furnished, erected and maintained by you are in addition to those for which payment is provided elsewhere in the specifications.

Provide flaggers whenever necessary to ensure that the public is given safe guidance through the work zone. At locations where traffic is being routed through construction under one-way controls, move your equipment in compliance with the one-way controls unless otherwise ordered.

Use of signs, lights, flags, or other protective devices must comply with the California MUTCD and any directions of RCTC. Signs, lights, flags or other protective devices must not obscure the visibility of, nor conflict in intent, meaning, and function of either existing signs, lights and traffic control devices, or any construction area signs.

Keep existing traffic signals and highway lighting in operation. Other forces within the Department will perform routine maintenance of these facilities during the work.

Cover signs that direct traffic to a closed area. Except for work specified in section 12, maintaining, and removing the covers on construction area signs is change order work.

Install temporary illumination such that the illumination and the illumination equipment do not interfere with public safety. The installation of general roadway illumination does not relieve you from furnishing and maintaining any protective devices.

Equipment must enter and leave the highway via existing ramps and crossovers and must move in the direction of traffic. All movements of workmen and construction equipment on or across lanes open to traffic must be performed in a manner that do not endanger the public. Your vehicles or other mobile equipment leaving an open traffic lane to enter the construction area must slow down gradually in advance of the location of the turnoff to give the traffic following an opportunity

to slow down. When leaving a work area and entering a roadway carrying traffic, your vehicles and equipment must yield to traffic.

Immediately remove hauling spillage from a roadway lane or shoulder open to traffic. When hauling on roadways, trim loads and remove material from shelf areas to minimize spillage.

Notify RCTC not less than 25 days and not more than 125 days before the anticipated start of an activity that will change the vertical or horizontal clearance available to traffic, including shoulders.

If vertical clearance is temporarily reduced to 15.5 feet or less, place low clearance warning signs in compliance with the California MUTCD and any directions of RCTC. Signs must comply with the dimensions, color, and legend requirements of the California MUTCD and section 12-3.11 except that the signs must have black letters and numbers on an orange retroreflective background. W12-2P signs must be illuminated so that the signs are clearly visible.

Pave or provide full width continuous and cleared wood walks for pedestrian openings through falsework. Protect pedestrians from falling objects and concrete-curing water. Extend overhead protection for pedestrians at least 4 feet beyond the edge of the bridge deck. Illuminate all pedestrian openings through falsework. Temporary pedestrian facilities must comply with the California MUTCD, Part 6, Chapter 6D, "Pedestrian and Worker Safety."

Do not store vehicles, material, or equipment in a way that:

1. Creates a hazard to the public
2. Obstructs traffic control devices

Do not install or place temporary facilities used to perform the work which interfere with the free and safe passage of traffic.

Temporary facilities that could be a hazard to public safety if improperly designed must comply with design requirements described in the Contract for those facilities or, if none are described, with standard design criteria or codes appropriate for the facility involved. Submit shop drawings and design calculations for the temporary facilities and show the standard design criteria or codes used. Shop drawings and supplemental calculations must be sealed and signed by an engineer who is registered as a civil engineer in the State. If you appear to be neglectful or negligent in furnishing warning devices and taking protective measures, RCTC may direct your attention to the existence of a hazard. You must furnish and install the necessary warning devices. If RCTC points out the inadequacy of warning devices and protective measures, that action on the part of RCTC does not relieve you from your responsibility for public safety or abrogate your obligation to furnish and pay for these devices and measures.

Install Type K temporary railing or other authorized protective systems under any of the following conditions:

1. Excavations: Where the near edge of the excavation is within 15 feet from the edge of an open traffic lane
2. Temporarily unprotected permanent obstacles: When the work includes the installation of a fixed obstacle together with a protective system, such as a sign structure together with protective railing, and you elect to install the obstacle before installing the protective system; or you, for your convenience and as authorized, remove a portion of an existing protective railing at an obstacle and do not replace such railing completely the same day

3. Storage areas: When material or equipment is stored within 15 feet of the edge of an open traffic lane and the storage is not otherwise prohibited by this Contract
4. Height differentials: When construction operations create a height differential greater than 0.15 feet within 15 feet of the edge of traffic lane

Installation of Type K temporary railing is not required if an excavation within 15 feet from the edge of an open traffic lane is protected by any of the following:

1. Steel plate or concrete covers of adequate thickness to prevent accidental entry by traffic or the public
2. Side slope where the downhill slope is 4:1 (horizontal:vertical) or less unless a naturally occurring condition
3. Barrier or railing

Offset the approach end of Type K temporary railing a minimum of 15 feet from the edge of an open traffic lane. Install the temporary railing on a skew toward the edge of the traffic lane of not more than 1 foot transversely to 10 feet longitudinally with respect to the edge of the traffic lane. If the 15-foot minimum offset cannot be achieved, the temporary railing must be installed on the 10 to 1 skew to obtain the maximum available offset between the approach end of the railing and the edge of the traffic lane, and an array of temporary crash cushion modules must be installed at the approach end of the temporary railing.

Secure Type K temporary railing in place before starting work for which the temporary railing is required.

If a traffic lane is closed with channelizers for excavation work, move the devices to the adjacent edge of the traveled way when not excavating. Space the devices as specified for the closure.

Do not move or temporarily suspend anything over a traffic lane open to the public unless the public is protected.

7-1.05– 7-1.07A RESERVED

7-1.07B Seal Coat Claims

Pay for claims for personal property damage caused by screening and bituminous binder. Seal coat claims are limited to:

1. 0.1 percent of the Contract Price
2. Damage occurring between the 1st day of screening spreading and 4 days after the last day of screening spreading for each seal coat location

Within 30 days of the last screening spreading, do the following:

1. Process and resolve all claims reported or submitted to you by the public as follows:
 - 1.1. Within 3 business days of receipt of a claim, submit to the Department a copy of the claim, a written analysis of the claim, and a statement indicating whether or not you will pay the claim. If you reject a claim, provide the reasons for rejection in writing.
 - 1.2. If the claimant becomes dissatisfied with your handling of the claim, immediately refer the claimant to the local district claims office for assistance in resolving the claim.

2. Submit to RCTC evidence of your paid claims.

All claims presented to RCTC, any district claims office, or the State Board of Control (Govt Code § 900 et seq.) are processed and resolved by RCTC as follows:

1. The claims are processed as formal government claims subject to all laws and policies and are resolved as RCTC determines including referring the claim to you for handling.
2. RCTC or the State Board of Control approves settlement of a claim or is ordered to pay pursuant to a court order, the claim is paid from funds withheld from you.
3. Within 3 business days of RCTC's determination that you are responsible for resolving the claim, RCTC sends a copy of the claim to you for resolution or notifies you of RCTC's decision to resolve the claim.

RCTC withholds an amount not to exceed 0.1 percent of the Contract Price to resolve all claims. The amount is held no longer than 60 days following the last spreading of screenings so that RCTC has ample time to resolve any pending claims. After 60 days, any remaining amount withheld is returned to you.

If no withheld funds remain or have been returned, RCTC may pay any claims and seek reimbursement from you through an offset or any other legal means. Any reimbursement or offset to be recovered from you, including all other paid claims, is limited to 10 percent of the Contract Price.

Section 7-1.07B does not limit your obligation to defend and indemnify the Department and RCTC.

7-1.08–7-1.11 RESERVED

8 PROSECUTION AND PROGRESS

8-1.01 GENERAL

Section 8 includes specifications related to prosecuting this Contract and work progress.

8-1.02 RESERVED

8-1.03 PRECONSTRUCTION CONFERENCE

Attend a preconstruction conference with key personnel, including your assigned representative, at a time and location determined by RCTC. Submit documents as required before the preconstruction conference. You may start work before the preconstruction conference.

Be prepared to discuss the topics and documents shown in the following table:

Topic	Document
Potential claim and dispute resolution	<i>[See Notices in Articles 16 and 23 of the Contract]</i>
Contractor's representation	Assignment of Contractor's representative
Equipment	Equipment list
Labor compliance and equal employment opportunity	Job site posters and benefit and payroll reports
Material inspection	Notice of Materials to be Used
Materials on hand	Request for Payment for Materials on Hand
Measurements	--
Partnering	--
Quality control	QC plans
Safety	Injury and Illness Prevention Program and job site posters
Schedule	Baseline schedule and Weekly Statement of Working Days form
Subcontracting	Subcontracting Request
Surveying	Survey Request
Traffic control	Traffic contingency plan and traffic control plans
Utility work	--
Weight limitations	--
Water pollution control	SWPPP or WPCP
Work restrictions	PLACs
Action submittals	--

8-1.04–8-1.16 RESERVED

9 PAYMENT

9-1.01 GENERAL

Section 9 includes specifications related to work that is to be paid for based on unit prices.

9-1.02 MEASUREMENT

9-1.02A General

RCTC determines unit priced quantities under US customary units.

9-1.02B Weighing Equipment and Procedures

9-1.02B(1) General

Measure material quantities for payment with devices that comply with:

1. 4 CA Code of Regs § 4000 et seq.
2. Bus & Prof Code § 12001 et seq.

To determine the material payment quantities, use measuring devices that have been sealed by the Department of Food and Agriculture's Division of Measurement Standards or its designated representative.

If a device is not type approved by the Division of Measurement Standards, type approve it under California Test 109.

Notify RCTC at least 1 Business Day before equipment testing.

Use material plant controllers having elements affecting the data accuracy and delivery that have been sealed in accordance with the CQMP. Make these elements available to RCTC and the CQVM for inspection. If the elements are adequate for use, the CQVM seals them. If manipulation of the security seal occurs, stop material production. Do not resume production until RCTC and CQVM reinspect the device and the CQVM reseals it.

Measure material paid for by weight on sealed scales regularly inspected by the Department of Food and Agriculture's Division of Measurement Standards or its designated representative.

Obtain authorization of portable vehicle scale installations before sealing.

9-1.02B(2) Equipment

Each scale must be long enough to fit an entire vehicle or a combination vehicle on the scale deck. RCTC allows you to weigh a combination vehicle separately if you disconnect the vehicles.

Construct scale undersupports:

1. Using portland cement concrete containing at least 470 pounds of cementitious material per cubic yard produced from commercial quality materials
2. Such that footing heights are at least 20 inches thick
3. With a bearing surface at least 30 inches wide and bearing pressure on the footing not over 4,000 lb./sq. ft.

In constructing a scale:

1. Provide drainage to prevent water from saturating the ground under the scale
2. Use bulkheads that prevent displacement
3. If shimming is necessary:
 - 3.1. Use securely attached metal shims or grout
 - 3.2. Do not use wedges to shim the supports
 - 3.3. Do not use shim material in excess of 3 inches
4. Install mechanical indicating elements level, plumb, and rigidly mounted on the concrete undersupports
5. For a hopper scale, rigidly attach the lever systems and mechanical indicating elements such that no weight is lost from bending or support distortion

Each scale used to determine material payment quantities must be operated by a licensed weighmaster (Bus & Prof Code § 12700 et seq.).

Submit a public weighmaster's certificate or certified daily summary weigh sheets for each weighed material quantity. RCTC may witness material weighing and check and compile the daily scale-weight record.

Each vehicle operator must obtain weight or load slips from the weighmaster. Submit these records at the delivery point.

9-1.02B(3) Procedures

Each day weigh empty vehicles used to haul material paid for by weight. Each vehicle must have a legible identification mark. RCTC may verify a material weight by having an empty and loaded vehicle weighed on any scale RCTC designates.

If imported topsoil, soil amendment, or mulch is measured by volume:

1. Each vehicle must allow for an accurate determination of its contents
2. Unless vehicles are of uniform capacity, each vehicle must have a legible identification mark showing its volumetric capacity
3. Load vehicles to at least the volumetric capacity
4. Level vehicle loads on arrival at the delivery point

If determining a quantity paid on a volume basis is impractical or if you request and request is authorized, weigh the material and RCTC converts the result to a volume measurement. RCTC determines the conversion factors and, if you agree, adopts this method of measurement.

9-1.02C RESERVED

9-1.02D Quantities of Aggregate and Other Roadway Materials

RCTC determines the weights of aggregate and other roadway material that are being paid for by weight as shown in the following table and does not include the deducted weight of water in their payment quantities:

Determination of Quantities of Aggregate and Other Roadway Materials	
Material	Quantity determination

Aggregate or other roadway material except as otherwise shown in this table	By deducting the weight of water in the material ^a in excess of 3 percent of the dry weight of the material from the weight of the material
Imported borrow, imported topsoil, AB	By deducting the weight of water in the material ^a in excess of 6 percent of the dry weight of the material from the weight of the material
Straw	By deducting the weight of water in the material ^a in excess of 15 percent of the dry weight of the material from the weight of the material
Fiber ^b	RCTC does not deduct the weight of water
AB and aggregate for CTBs	As specified in section 26 and section 27

NOTE: Percentage of water is determined by California Test 226.

^aAt the time of weighing

^bWeight of water in the fiber^a must not exceed 15 percent of the dry weight of the fiber.

9-1.03 RESERVED

9-1.04 FORCE ACCOUNT

9-1.04A General

For work paid by force account, RCTC compares RCTC's records to your daily force-account work report. When you and RCTC agree on the contents of the daily force-account work reports, RCTC accepts the report and RCTC pays for the work. If the records differ, RCTC pays for the work based only on the information shown on the RCTC's records.

If a Subcontract performs work at force account, accept an additional five(5) percent markup to the total cost of that work paid at force account, including markups specified in section 9-1.04, as reimbursement for additional administrative costs.

The markups specified for labor, materials, and equipment include compensation for all delay costs, overhead costs, and profit which are compensable under the contract.

If an item's unit price is adjusted for work-character changes, RCTC excludes your cost of determining the adjustment.

Payment for owner-operated labor and equipment is made at the market-priced invoice submitted.

For design work, the cost of labor for non-construction-related work (including design, surveying, utility coordination, permits, professional environmental services and similar aspects of the Work), whether provided by Contractor or a Subcontractor, will equal the sum of (1) actual wages (i.e., the base wage paid to the employee exclusive of fringe benefits), plus (2) a labor surcharge of 150% on such amount, which shall constitute full compensation for all state and federal payroll, unemployment and other taxes, workers' compensation, fringe benefits (including health insurance, retirement plans, vacation, sick leave and bonuses) and all other payments made to, or on behalf of, the workers, in excess of actual wages, as well as for overhead.

For construction work, the markups set forth below, together with any additional field office and jobsite overhead costs allowable under Contract Section 13.5.2 constitutes full compensation for all overhead costs for Work performed on a force account basis as well as for profit thereon. These overhead costs are deemed to include all items of expense not specifically designated

herein. The total payment made as provided herein is deemed to be the actual cost of the Work performed on a force account basis, and constitutes full compensation therefor.

9-1.04B Labor (Construction Work)

Labor payment is full compensation for the cost of labor used in the direct performance of the work plus a 35 percent markup. Force-account labor payment consists of:

1. Employer payment to the worker for:
 - 1.1. Basic hourly wage
 - 1.2. Health and welfare
 - 1.3. Pension
 - 1.4. Vacation
 - 1.5. Training
 - 1.6. Other State- and federal-recognized fringe benefit payments
2. Labor surcharge percentage in Labor Surcharge and Equipment Rental Rates current during the work paid at force account for:
 - 2.1. Workers' compensation insurance
 - 2.2. Social security
 - 2.3. Medicare
 - 2.4. Federal unemployment insurance
 - 2.5. State unemployment insurance
 - 2.6. State training taxes
3. Subsistence and travel allowances paid to the workers
4. Employer payment to supervisors if authorized

The 35 percent markup consists of payment for all overhead costs related to labor but not designated as costs of the labor used in the direct performance of the work, including:

1. Home office overhead
2. Field office overhead (including superintendent/general foreman)
3. Bond and insurance costs
4. Profit
5. Labor liability insurance
6. Other fixed or administrative costs that are not costs of the labor used in the direct performance of the work

9-1.04C Materials

Material payment is full compensation for materials you furnish and use in the work. RCTC determines the cost based on the material purchase price, including delivery charges, except:

1. 15 percent markup is added
2. Supplier discounts are subtracted whether you took them or not
3. If RCTC believes the material purchase prices are excessive, RCTC pays the lowest current wholesale price for a similar material quantity
4. If you procured the materials from a source you wholly or partially own, the determined cost is based on the lower of the:
 - 4.1. Price paid by the purchaser for similar materials from that source on Contract items
 - 4.2. Current wholesale price for those materials

5. If you do not submit a material cost record within 30 days of billing, the determined cost is based on the lowest wholesale price:
 - 5.1. During that period
 - 5.2. In the quantities used

9-1.04D Equipment Rental

9-1.04D(1) General

Equipment rental payment is full compensation for:

1. Rental equipment costs, including moving the equipment to and from the change order work site using its own power.
2. Transport equipment costs for rental equipment that cannot be transported economically using its own power. No payment is made during transport for the transported equipment.
3. 15 percent markup.

If you want to return the equipment to a location other than its original location, the payment to move the equipment must not exceed the cost of returning the equipment to its original location. If you use the equipment for work other than work paid by force account, the transportation cost is included in the other work.

Before moving or loading the equipment, obtain authorization for the equipment rental's original location.

RCTC determines rental costs:

1. Using the rates in Labor Surcharge and Equipment Rental Rates:
 - 1.1. By classifying equipment using manufacturer's ratings and manufacturer-approved changes.
 - 1.2. Current during the work paid by force account.
 - 1.3. Regardless of equipment ownership; but RCTC uses the rental document rates or minimum rental cost terms if:
 - 1.3.1. Rented from an equipment business you do not own.
 - 1.3.2. Hourly rate in Labor Surcharge and Equipment Rental Rates is \$10.00 per hour or less.
2. Using the rates established by RCTC for equipment not listed in Labor Surcharge and Equipment Rental Rates. You may submit cost information that helps RCTC establish the rental rate; but RCTC uses the rental document rates or minimum rental cost terms if:
 - 2.1. Rented from an equipment business you do not own.
 - 2.2. RCTC establishes a rate of \$10.00 per hour or less.
3. Using rates for transport equipment not exceeding the hourly rates charged by established haulers.

Equipment rental rates include the cost of:

- | | |
|----------------|----------------------------|
| 1. Fuel | 7. Repairs and maintenance |
| 2. Oil | 8. Depreciation |
| 3. Lubrication | 9. Storage |

- | | |
|---|-----------------|
| 4. Supplies | 10. Insurance |
| 5. Small tools that are not consumed by use | 11. Incidentals |
| 6. Necessary attachments | |

RCTC pays for small tools consumed by use. RCTC determines the payment for small tools consumed by use based on Contractor-submitted invoices.

RCTC may authorize rates in excess of those in the Labor Surcharge and Equipment Rental Rates if:

1. You submit a request to use rented equipment
2. Equipment is not available from your normal sources or from one of your Subcontracts
3. Rented equipment is from an independent rental company
4. Proposed equipment rental rate is reasonable
5. RCTC authorizes the equipment source and the rental rate before you use the equipment

RCTC pays for fuel consumed during the operation of rented equipment not included in the invoiced rental rates.

9-1.04D(2) Equipment On the Job Site

For equipment on the job site at the time required to perform work paid by force account, the time paid is the time:

1. To move the equipment to the location of work paid by force account plus an equal amount of time to move the equipment to another location on the job site when the work paid by force account is completed
2. To load and unload equipment
3. Equipment is operated to perform work paid by force account and:
 - 3.1. Hourly rates are paid in 1/2-hour increments
 - 3.2. Daily rates are paid in 1/2-day increments

9-1.04D(3) Equipment Not On the Job Site and Not Required for Original-Contract Work

For equipment not on the job site at the time required to perform work paid by force account and not required for the original Contract work, the time paid is the time the equipment is operated to perform work paid by force account and the time to return the equipment to its source when the work paid by force account is completed.

The minimum total time paid is:

1. 1 day if daily rates are paid
2. 8 hours if hourly rates are paid

If daily rates are recorded, equipment:

1. Idled is paid as 1/2 day
2. Operated less than 4 hours is paid as 1/2 day
3. Operated 4 hours or more is paid as 1 day

If the minimum total time exceeds 8 hours and if hourly rates are listed, RCTC rounds up hours operated to the nearest 1/2-hour increment and pays based on the hours shown the following

table. The table does not apply when equipment is not operated due to breakdowns, in which case rental hours are the hours the equipment was operated.

Equipment Rental Hours	
Hours operated	Hours paid
0.0	4.00
0.5	4.25
1.0	4.50
1.5	4.75
2.0	5.00
2.5	5.25
3.0	5.50
3.5	5.75
4.0	6.00
4.5	6.25
5.0	6.50
5.5	6.75
6.0	7.00
6.5	7.25
7.0	7.50
7.5	7.75
≥ 8.0	hours used

9-1.04D(4) Equipment Not On the Job Site and Required for Original-Contract Work

For equipment not on the job site at the time required to perform work paid by force account and required for the original Contract work, the time paid is the time:

1. To move the equipment to the location of work paid by force account plus an equal amount of time to move the equipment to a location on the job site or its source when the work paid by force account is completed
2. Equipment is operated to perform work paid by force account

9-1.04D(5) Non-Owner-Operated Dump Truck Rental

Submit the rental rate for a non-owner-operated dump truck. RCTC determines the payment rate. Payment for the rental of a non-owner-operated dump truck is for the cost of renting a dump truck, including its driver. For the purpose of markup payment only, the non-owner-operated dump truck is rental equipment and the owner is a Subcontract.

9-1.04D(6) Records

Maintain records in such a manner as to provide a clear distinction between the direct costs of extra Work paid for on a force account basis and the costs of other operations. Records must provide all other information required under this Contract.

From the above records, furnish RCTC completed daily extra work reports, either on forms furnished by RCTC or on computerized facsimiles of the RCTC's forms acceptable to the RCTC, for each day's extra Work to be paid for on a force account basis. Itemize the materials used on the daily extra work reports, and covering the direct cost of labor and the charges for equipment rental, whether furnished by Contractor, Subcontractor or other forces, except for charges described in Section 9-1.05, "Extra Work Performed by Specialists." Provide names or identifications and classifications of workers, the hourly rate of pay and hours worked, and also

the size, type and identification number of equipment, and hours operated in the daily extra work reports.

Substantiate material charges by valid copies of vendor's invoices. Submit the invoices with the daily extra work reports, or if not available, submit the invoices with subsequent daily extra work reports. Should the vendor's invoices not be submitted within 60 days after the date of delivery of the material or within 15 days after the acceptance of the contract, whichever occurs first, RCTC reserves the right to establish the cost of the materials at the lowest current wholesale prices at which those materials were available in the quantities concerned delivered to the location of Work less any discounts as provided in Section 9-1.04C.

Daily extra work reports must be signed by Contractor or the Contractor's authorized representative.

RCTC will compare the RCTC's records with the completed daily extra work reports furnished by the Contractor and make any necessary adjustments. When these daily extra work reports are agreed upon and signed by both parties, the reports will become the basis of payment for the Work performed, but do not preclude subsequent adjustment based on a later audit by the RCTC or Department.

The Contractor's cost records pertaining to Work paid for on a force account basis is open to inspection or audit by representatives of the RCTC or Department, during the life of the Contract and for a period of not less than 5 years after the date of acceptance thereof, and the Contractor must retain those records for that period. Where payment for materials or labor is based on the cost thereof to forces other than the Contractor, the Contractor must make every reasonable effort to ensure that the cost records of those other forces are open to inspection and audit by representatives of the RCTC or Department on the same terms and conditions as the cost records of the Contractor. If an audit is to be commenced more than 60 days after the final acceptance date of the contract, the Contractor will be given a reasonable notice of the time when the audit is to begin.

9-1.05 EXTRA WORK PERFORMED BY SPECIALISTS

If RCTC determines that you or your Subcontracts are not capable of performing specialty extra work, a specialist may be used. Itemize the labor, material, and equipment rental costs unless it is not the special service industry's established practice to provide itemization, in which case, RCTC accepts current market-priced invoices for the work.

RCTC may accept an invoice as a specialist billing for work performed at an off-job site manufacturing plant or machine shop.

RCTC determines the cost based on the specialist invoice price minus any available or offered discounts plus a 10 percent markup.

9-1.06–9-1.08 RESERVED

9-1.11 TIME-RELATED OVERHEAD

9-1.11A General

Section 9-1.11 applies only to those occurrences and events for which Contractor would be entitled to delay and disruption damages in accordance with Contract Section 16.6.2.

9-1.11B RESERVED

9-1.11C Payment Inclusions

Time-related overhead includes payment for time-related field- and home-office overhead for the time required to complete the work. It does not include non-time-related costs such as mobilization, licenses, permits, and other charges incurred once during this Contract. Costs for home-office overhead are not allowed as part of time-related overhead.

Time-related overhead applies only to Contractor and not to other DB-Related Entities.

The field office overhead includes time-related expenses associated with the normal and recurring construction activities not directly attributed to the Work under this Contract, including:

1. Salaries, benefits, and equipment costs of:
 - 1.1. Project managers
 - 1.2. General superintendents
 - 1.3. Field office managers
 - 1.4. Field office staff assigned to the project
2. Rent
3. Utilities
4. Maintenance
5. Security
6. Supplies
7. Office equipment costs for the project's field office

The home-office overhead includes the fixed general and administrative expenses for operating your business, including:

General administration

Insurance

Personnel and Subcontract administration

Purchasing

Accounting

Project engineering and estimating

Time-related overhead does not include the following costs:

Home-office overhead expenses specifically related to:

Your other contracts or other businesses

Equipment coordination

Material deliveries

Consultant and legal fees

Non-time-related costs and expenses such as mobilization, licenses, permits, and other charges incurred once during this Contract.

Additional overhead involved in incentive/disincentive provisions to satisfy and internal milestone or multiple calendar requirements

Additional overhead involved in performing additional work that is not controlling activity

Overhead costs incurred by your Subcontractors of any tier or Suppliers

9-1.11D RESERVED

9-1.11E RESERVED

9-1.12–9-1.22 RESERVED

EXHIBIT 4

PRELIMINARY BASELINE SCHEDULE

[Note: To be inserted subject to review and approval with RCTC]

EXHIBIT 5
RESERVED

EXHIBIT 6**LISTED SUBCONTRACTORS**

Entity Name/Contact	Address of Head Office	California Contractor License and License Limit (if applicable)	Public Works Contractor Registration Number	Scope of Work	Is the Firm a Major Subcontractor (Y/N)	Is the Firm a Certified DBE
T.Y. Lin International 3633 E. Inland Empire Blvd., Ste 900 Ontario, CA 91764 Clark Fernon P: 619-692-1920 F: 619-692-0634 clark.fernon@tylin.com	345 California Street, Suite 2300 San Francisco, CA 94104	N/A	10000166691	Design Management, Structures Lead, Highway Design, Drainage Design, Traffic Design, Railroad Coordination, Environmental	Y	N
RMA Group 12130 Santa Margarita Court Rancho Cucamonga, CA 91730 Slawek Dymerski P: 909-989-7151 F: 909-989-4287 elyon@rmacompanies.com	12310 Santa Margarita Court Rancho Cucamonga, CA 91730	N/A	DIR 1000006493	Quality Validation, Testing, and Inspection	Y	N
Arellano Associates, LLC 5851 Pine Avenue, Suite A Chino Hills, CA 91709 Genoveva L. Arellano, Principal P: 909-627-2974 F: 909-628-5804 garellano@arellanoassociates.com	5851 Pine Avenue, Suite A Chino Hills, CA 91709	N/A	PW-LR- 1000446549	Public Outreach, Communications, Stakeholder Engagement	N	N

Entity Name/Contact	Address of Head Office	California Contractor License and License Limit (if applicable)	Public Works Contractor Registration Number	Scope of Work	Is the Firm a Major Subcontractor (Y/N)	Is the Firm a Certified DBE
CNS Engineers, Inc. 11870 Pierce Street, Suite 265 Riverside, CA 92505 James Lu, CEO/President P: 951-587-1005 F: N/A james.lu@cnsenginc.com	11870 Pierce Street, Suite 265 Riverside, CA 92505	N/A	1000061180	Structural Design	N	N
Converse Consultants 717 S. Myrtle Avenue Monrovia, CA 91016 Norman Eke, Senior Vice President P: 626-930-1260 F: 626-930-1212 neke@converseconsultants.com	717 S. Myrtle Avenue Monrovia, CA 91016	N/A	1000001465	Environmental (Hazardous Materials)	N	N
Earth Mechanics, Inc. 17800 Newhope Street, Suite B Fountain Valley, CA 92708 Hubert Law, PhD, PE, Principal P: 714-751-3826 F: 714-751-3928 h.law@earthmech.com	17800 Newhope Street, Suite B Fountain Valley, CA 92708	N/A	1000018020	Geotechnical and Earthquake Engineering	N	Y
Guida Surveying, Inc. 9241 Irvine Blvd., Suite 100 Irvine, CA 92618 Bernie McNally, PLS, Executive Vice President P: 949-777-2000 F: 949-777-2050 bmcnally@guidainc.com	9241 Irvine Blvd., Suite 100 Irvine, CA 92618	N/A	1000006862	Land Surveying and Mapping	N	N

Entity Name/Contact	Address of Head Office	California Contractor License and License Limit (if applicable)	Public Works Contractor Registration Number	Scope of Work	Is the Firm a Major Subcontractor (Y/N)	Is the Firm a Certified DBE
Iteris, Inc. 1700 Carnegie Ave., Suite 100 Santa Ana, CA 92705 Ramin Massoumi P: 949-270-9647 F: N/A sdb@iteris.com	1700 Carnegie Ave., Suite 100 Santa Ana, CA 92705	N/A	1000014053	Tolling Coordination and Communication Design	N	N
LIN Consulting, Inc. 21660 Copley Drive, Suite 270 Diamond Bar, CA 91765 William Sun P: 909-396-6850 F: 909-396-8150 shou@linconsulting.com	21660 Copley Drive, Suite 270 Diamond Bar, CA 91765	N/A	DIR 1000042783	Traffic Engineering and Electrical and Lighting	N	N
LSA Associates, Inc. 20 Executive Park, Suite 200 Irvine, CA 92614 Mike Trotta, CEO P: 949-553-0666 F: N/A Mike.trotta@lsa.net	20 Executive Park, Suite 200 Irvine, CA 92614	N/A	N/A	CEQA/NEPA Environmental Revalidations, regulatory permits, environmental compliance for air quality, noise, biological resources, and cultural resources	N	N
Lynn Capouya, Inc. 17992 Mitchell South, Suite 110 Irvine, CA 92614 Lynn Capouya, President P: 949-756-0150 F: 949-756-1635	17992 Mitchell South, Suite 110 Irvine, CA 92614	N/A	1000030336	Landscape Architectural Design	N	N

Entity Name/Contact	Address of Head Office	California Contractor License and License Limit (if applicable)	Public Works Contractor Registration Number	Scope of Work	Is the Firm a Major Subcontractor (Y/N)	Is the Firm a Certified DBE
lynn@lcapouya.com						
WRECO 1243 Alpine Road, Suite 108 Walnut Creek, CA 94596 Han-Bin Liang, Ph.D., P.E. President P: 925-941-0017 F: 925-941-0018 info@wreco.com	1243 Alpine Road, Suite 108 Walnut Creek, CA 94596	N/A	N/A	Hydrology/Hydraulics, Drainage Design	N	Y

EXHIBIT 7

SUBCONTRACTOR IDENTIFICATION FORM

Subcontractor Name, Address, Telephone No., License Number	Description of Subcontract Work	Dollar Amount of Subcontract	Est. Time of Performance
T.Y. Lin International 345 California Street, Suite 2300 San Francisco, CA 94104 (619) 692-1920	Design Management, Structures Lead, Highway Design, Drainage Design, Traffic Design, Railroad Coordination, Environmental	\$8,056,393	40 months
RMA Group 12130 Santa Margarita Court Rancho Cucamonga, CA 91730 (909) 989-7151	Quality Validation, Testing, and Inspection	\$6,172,649	26 months
Arellano Associates, LLC 5851 Pine Avenue, Suite A Chino Hills, CA 91709 (909) 627-2974	Public Outreach, Communications, Stakeholder Engagement	\$115,000	36 months
CNS Engineers, Inc. 11870 Pierce Street, Suite 265 Riverside, CA 92505 (951) 587-1005	Structural Design	317,161	24 months
Converse Consultants 717 S. Myrtle Avenue Monrovia, CA 91016 (626) 930-1260	Environmental (Hazardous Materials)	\$59,849	3 months
Earth Mechanics, Inc. 17800 Newhope Street, Suite B Fountain Valley, CA 92708 (714) 751-3826	Geotechnical and Earthquake Engineering	\$1,438,541	24 months
Guida Surveying, Inc. 9241 Irvine Blvd., Suite 100 Irvine, CA 92618 Vice President (949) 777-2000	Land Surveying and Mapping	\$231,065	3 months

Iteris, Inc. 1700 Carnegie Ave., Suite 100 Santa Ana, CA 92705 (949) 270-9647	Tolling Coordination and Communication Design	\$563,375	36 months
LIN Consulting, Inc. 21660 Copley Drive, Suite 270 Diamond Bar, CA 91765 (909) 396-6850	Traffic Engineering and Electrical & Lighting	\$1,254,226	36 months
LSA Associates, Inc. 20 Executive Park, Suite 200 Irvine, CA 92614 (949) 553-0666	CEQA/NEPA Environmental Revalidations, regulatory permits, environmental compliance for air quality, noise, biological resources, and cultural resources	\$564,932	36 months
Lynn Capouya, Inc. 17992 Mitchell South, Suite 110 Irvine, CA 92614 (949) 756-0150	Landscape Architectural Design	\$131,749	36 months
WRECO 1243 Alpine Road, Suite 108 Walnut Creek, CA 94596 (925) 941-0017	Hydrology/Hydraulics, Drainage Design	\$144,446	3 months

DB Contractor: Myers-Rados, a Joint Venture

Date: _____

EXHIBIT 8

BONDS

8-A Form of Performance Bond

8-B Form of Payment Bond

8-C Form of Warranty Bond

EXHIBIT 8-A

FORM OF PERFORMANCE BOND

**[NOTE TO PROPOSER: EXECUTED COPY OF PERFORMANCE BOND TO BE ATTACHED
TO EXECUTED CONTRACT AS EXHIBIT 8-A]**

Contract No.: 19-31-074-00

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS,

THAT WHEREAS, the Riverside County Transportation Commission, a public entity of the State of California ("RCTC" as the primary Obligee) has awarded to Myers-Rados, A Joint Venture ("Principal"), a Design-Build Contract (as amended from time to time, the "Contract"), which Contract is specifically incorporated by reference in this bond, for the design and construction of the 15/91 Express Lanes Connector Project (the "Project") through a design-build method of procurement, as authorized under Section 6820 et. seq. of the Public Contract Code;

AND WHEREAS, it is one of the conditions of the Contract that these presents shall be executed;

NOW THEREFORE, We the undersigned Principal and Travelers Casualty and Surety Company of America (the "Surety" or "Co-Sureties"), an admitted surety insurer in the State of California, are held and firmly bound unto RCTC, in the sum of Nine Million and Six Hundred Thousand Dollars (\$9,600,000.00), subject to: (a) increase in accordance with the NTP2 Rider (form attached, to be executed as a condition to issuance of NTP2) as (the "Bonded Sum"), or (b) the replacement of this Bond in accordance with Section 10.1.1(b)(ii) of the Contract, to be paid to RCTC for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

1. The Contract is incorporated by reference in this Bond. Unless the context otherwise requires, capitalized terms used but not separately defined in this Bond have the meaning given to them in the Contract.
2. If the Principal, or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by and well and truly keep and perform all covenants, conditions, agreements, obligations and work under the Contract, including any and all amendments, supplements, and alterations made to the Contract as therein provided, on Principal's part to be kept and performed at the time and in the manner therein specified, and shall indemnify, defend and save harmless RCTC and all other Indemnified Parties, as therein stipulated, then this obligation shall become and be null and void; otherwise, it shall be and remain in full force and effect.
3. This Bond shall cover the cost to perform all the obligations of the Principal pursuant to the Contract.

4. The obligations covered by this Bond specifically include the performance of each and every obligation of Principal under the Contract including its liability for Liquidated Damages and warranties as specified in the Contract, but not to exceed the Bonded Sum.

5. The Surety (or Co-Sureties) agree(s) that no change, extension of time, alterations, additions, omissions or other modifications of the terms of any of the Contract, or in the work to be performed with respect to the Project, or in the specifications or plans, or any change or modification of any terms of payment or extension of time for any payment pertaining or relating to any of the Contract, or any rescission or attempted rescission of this Bond, solely due to acts of Principal, or any fraud practiced by any other person other than RCTC seeking to recover from this Bond, shall in any way affect its obligations on this Bond, and it hereby waives notice of such changes, extension of time, alterations, additions, omissions or other modifications.

6. The Surety (or Co-Sureties) agree(s) that payments made to contractors and suppliers to satisfy claims on the payment bond do not reduce the Surety's legal obligations under this Bond. Payments made to contractors or suppliers under any agreement where the Surety has arranged for completion of the work to satisfy this Bond will not be considered payment bond claims.

7. Whenever Principal is in default under the Contract, provided that RCTC is not then in material default under the Contract, the Surety (or Co-Sureties) shall promptly:

(a) remedy such default, or

(b) complete the work and perform the obligations covered by this Bond in accordance with the terms and conditions of the Contract then in effect, or

(c) select a contractor or contractors to complete all work and perform all obligations covered by this Bond for which a notice to proceed has been issued in accordance with the terms and conditions of the Contract, using a contractor or contractors approved by RCTC (provided, however, that the Surety may not select Principal or any affiliate of Principal to complete the work and perform the obligations for and on behalf of the Surety without RCTC's express written consent, in its sole discretion), arrange for a contract that contains substantially the same terms and conditions of the Contract between such contractor or contractors and RCTC, and make available as work progresses (even though there should be a default or a succession of defaults under such contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the unpaid balance of the Contract Price; but not exceeding, including other costs and damages for which the Surety (or Co-Sureties) is (are) liable hereunder, the Bonded Sum.

8. If Surety does not proceed as provided in Paragraph 7 of this Bond with reasonable promptness, Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from RCTC to Surety demanding that Surety perform its obligations under this Bond, and RCTC shall be entitled to enforce any remedy available to RCTC.

9. The guarantees contained herein shall survive Final Acceptance of the Work called for in the Contract with respect to those obligations of Principal which survive such Final Acceptance.

10. **[Use in case of multiple or co-sureties]** The Co-Sureties agree to empower a single representative with authority to act on behalf of all of the Co-Sureties with respect to this Bond, so that RCTC will have no obligation to deal with multiple sureties under this Bond. All correspondence from RCTC to the Co-Sureties and all claims under this Bond shall be sent to such designated representative. The designated representative may be changed only by delivery

of written notice (by personal delivery or by certified mail, return receipt requested) to RCTC designating a single new representative, signed by all of the Co-Sureties. The initial representative shall be _____.

IN WITNESS WHEREOF, We have hereunto set our hands and seals on this ____ day of _____, 20____.

Correspondence or claims relating to this Bond should be sent to the Surety (or Sureties at the following address:

[Note: If more than one surety, then add appropriate number of lines to signature block.]

(Principal's name, title, and signature)

Surety

By: _____

Attorney-in-Fact

NOTE: Signatures of those executing for the Surety (or Co-Sureties) must be properly acknowledged, and a Power of Attorney attached.

STATE OF CALIFORNIA)
) ss.
COUNTY OF)

56800652.v31

FORM OF MULTIPLE OBLIGEE RIDER

(Performance Bond)

MULTIPLE OBLIGEE RIDER

This Rider is executed concurrently with and shall be attached to and form a part of Performance Bond No. _____.

WHEREAS, on or about the _____ day of _____, 20____, _____, (hereinafter called "Principal"), entered into a Design-Build Contract bearing the date of _____, 20____ (as amended from time to time, hereinafter called the "Contract") with Riverside County Transportation Commission, a public entity of the State of California (hereinafter called "RCTC" as the primary Obligee) for the design and construction of the 15/91 Express Lanes Connector Project; and

WHEREAS, initially capitalized terms not otherwise defined herein shall have the meanings set forth in the Contract; and

WHEREAS, RCTC requires that Principal provide a performance bond and that the California Department of Transportation (the "Department"), _____ and _____ be named as additional obligees under the performance bond; and

WHEREAS, Principal and _____ (the "Surety" or Co-Sureties") have agreed to execute and deliver this Rider concurrently with the execution of the Performance Bond No. _____ (hereinafter referred to as the "Performance Bond") upon the conditions herein stated.

NOW, THEREFORE, the undersigned hereby agree and stipulate as follows:

The Department is hereby added to the Performance Bond as named obligee (hereinafter referred to as "Additional Obligees").

The Surety shall not be liable under the Performance Bond to RCTC, the Additional Obligees, or any of them, unless RCTC, the Additional Obligees, or any of them shall make payments to Principal (or in the case the Surety arranges for completion of the Contract, to the Surety) in accordance with the terms of the Contract as to payments and shall perform all other obligations to be performed under the Contract in all material respects at the time and in the manner therein set forth such that no material default by RCTC shall have occurred and be continuing under the Contract.

The aggregate liability of the Surety under the Performance Bond, to any or all of the obligees, as their interests may appear, is limited to the penal sum of the Performance Bond. The Additional Obligees' rights under this Bond are subject to the same defenses Principal and/or the Surety have against RCTC. The total liability of the Surety shall in no event exceed the amount recoverable from Principal by RCTC under the Contract.

The Surety may, at its option, make any payments under the Performance Bond by check issued jointly to all of the obligees.

It is further understood and agreed that nothing contained in this Rider shall be held to change, alter or vary the terms of the attached Performance Bond except as set forth hereinabove.

In the event of a conflict between the Performance Bond and this Rider, this Rider shall govern and control. All references to the Performance Bond, either in the Performance Bond or in this Rider, shall include and refer to the Performance Bond as supplemented and amended by this Rider. Except as herein modified, the Performance Bond shall be and remains in full force and effect.

The Rider may be executed in two or more counterparts, each of which shall be deemed to be an original, but which together shall constitute one and same instrument.

Signed, sealed and dated this _____ day of _____, 20____.

(Principal) (Seal)

By: _____

(Title)

(Surety) (Seal)

By: _____

Attorney-in-fact

FORM OF NTP2 RIDER (OPTIONAL)
(Performance Bond)

To be attached to and form a part of

Bond No.: _____

Type of
Bond: _____
Performance Bond

dated
effective _____
(Month – Day – Year)

[Principal]

and by _____, as Surety,

in favor of **Riverside County Transportation Commission**
(RCTC – PRIMARY OBLIGEE)

and **California Department of Transportation**
(ADDITIONAL OBLIGEE)

In consideration of the mutual agreements herein contained Principal and the Surety hereby consent to the following:

The Bonded Sum is hereby increased to the amount of \$164,840,000.00.

Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.

This rider is _____
effective (Month – Day – Year)

Signed and _____
Sealed (Month – Day – Year)

By: _____
(Principal)

(Surety)

By: _____
Attorney-in- Fact

EXHIBIT 8-B

FORM OF PAYMENT BOND

**[NOTE TO PROPOSER: EXECUTED COPY OF PAYMENT BOND TO BE ATTACHED TO
EXECUTED CONTRACT AS EXHIBIT 8-B]**

Contract No.: 19-31-074-00

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS,

THAT WHEREAS, the Riverside County Transportation Commission, a public entity of the State of California ("RCTC" as the primary obligee) has awarded to Myers-Rados, A Joint Venture ("Principal"), a Design-Build Contract (as amended from time to time, the "Contract") for the design and construction of the 15/91 Express Lanes Connector Project (the "Project") through a design-build method of procurement, as authorized under Section 6820 et. seq. of the Public Contract Code;

AND WHEREAS, it is one of the conditions of the Contract that these presents shall be executed;

NOW THEREFORE, We the undersigned Principal and Travelers Casualty and Surety Company of America (the "Surety" or "Co-Sureties"), an admitted surety insurer in the State of California, are held and firmly bound unto RCTC, in the sum of Nine Million and Six Hundred Thousand Dollars (\$9,600,000.00), subject to: (a) increase in accordance with the NTP2 Rider (form attached hereto, to be executed as a condition to issuance of NTP2) (the "Bonded Sum"), or (b) the replacement of this Bond in accordance with Section 10.1.2(b)(ii) of the Contract, for the payment whereof, well and truly to be paid to RCTC, we bind ourselves, our heirs, successors, executors, administrators, and assigns, jointly and severally firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

1. The Contract is incorporated by reference in this Bond. Unless the context otherwise requires, capitalized terms used but not separately defined in this Bond have the meaning given to them in the Contract. If said Principal, or its subcontractors, or their respective heirs, executors, administrators, successors or assigns, shall fail to pay:

(a) any of the persons named in California Civil Code section 9100 involved in prosecution of the Work, including the design and engineering services or construction services, as provided for in the Contract, or

(b) any amounts due under the Unemployment Insurance Code, with respect to work or labor performed by such claimant under the Contract or subcontracts, or

(c) any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board from the wages of employees of the Principal and its subcontractors pursuant to Revenue and Taxation Code Section 18662 et seq. with respect to such work and labor, or

(d) anyone required to be paid by law,

then the Surety (or Co-Sureties) herein shall pay for the same, in an aggregate amount not exceeding the sum specified in this Bond, otherwise the above obligation shall be null and void. In case suit is brought upon this Bond, the Surety (or Co-Sureties) will pay reasonable attorney's fee to be fixed by the court.

2. This Bond shall inure to the benefit of any of the persons named in Civil Code section 9100 or anyone required to be paid by law under the Contract so as to give a right of action to such persons or their assigns in any suit brought upon this Bond.

3. The Surety (or Co-Sureties) agree(s) that no change, extension of time, alterations, additions, omissions or other modifications of the terms of the Contract, or in the work to be performed with respect to the Project, or in the specifications or plans, or any change or modification of any terms of payment or extension of time for any payment pertaining or relating to the Contract, or any rescission or attempted rescission of this Bond, solely due to acts of Principal, or any fraud practiced by any other person other than the claimant seeking to recover from this Bond, shall in any way affect its obligations on this Bond, and it hereby waives notice of such changes, extension of time, alterations, additions, omissions or other modifications.

4. This Bond shall cover all payment obligations under the Contract.

5. **[Use in case of multiple or co-sureties]** The Co-Sureties agree to empower a single representative with authority to act on behalf of all of the Co-Sureties with respect to this Bond, so that RCTC and claimants will have no obligation to deal with multiple sureties under this Bond. All correspondence from RCTC or claimants to the Co-Sureties and all claims under this Bond shall be sent to such designated representative. The designated representative may be changed only by delivery of written notice (by personal delivery or by certified mail, return receipt requested) to RCTC designating a single new representative, signed by all of the Co-Sureties. The initial representative shall be _____.

IN WITNESS WHEREOF, We have hereunto set our hands and seals on this _____ day of _____, 20____.

Correspondence or claims relating to this Bond should be sent to the Surety (or Sureties) at the following address:

[Note: If more than one surety, then add appropriate number of lines to signature block.]

(Principal's name, title, and signature)

Surety

By: _____

Attorney-in-Fact

NOTE: Signatures of those executing for the Surety (or Co-Sureties) must be properly acknowledged, and a Power of Attorney attached.

STATE OF CALIFORNIA)
) ss.
COUNTY OF)

56800652.v31

FORM OF NTP2 RIDER (OPTIONAL)

(Payment Bond)

To be attached to and form part of

Bond No.: _____

Type of
Bond: _____
Payment Bond

dated
effective _____
(Month – Day – Year)

[Principal]

and by _____, as Surety,

in favor of **Riverside County Transportation Commission**
(RCTC – PRIMARY OBLIGEE)

and **California Department of Transportation**
(ADDITIONAL OBLIGEE)

In consideration of the mutual agreements herein contained Principal and the Surety hereby consent to the following:

The Bonded Sum is hereby increased to the amount of \$164,840,000.00.

Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.

This rider is _____
effective (Month – Day – Year)

Signed and _____
Sealed (Month – Day – Year)

By: _____
(Principal)

(Surety)

By: _____
Attorney-in- Fact

EXHIBIT 8-C

FORM OF WARRANTY BOND

Contract No. 19-31-074-00
Bond No. _____

KNOW ALL MEN BY THESE PRESENTS,

THAT WHEREAS, the Riverside County Transportation Commission, a California public entity (the "Obligee") has awarded to Myers-Rados, A Joint Venture (the "Principal"), a Design-Build Contract (as amended from time to time, the "Contract"), which Contract is specifically incorporated by reference in this Bond, for the design and construction of the 15/91 Express Lanes Connector Project (the "Project") through a design-build method of procurement, as authorized under Section 6820 et. seq. of the Public Contract Code;

AND WHEREAS, initially capitalized terms not otherwise defined in this Bond have the meaning given in the Contract;

AND WHEREAS, as a condition to Final Acceptance and release of the Performance Bond and Payment Bond, Principal is required to furnish a bond (this "Bond") guaranteeing the faithful performance of its obligations under the Contract after Final Acceptance, including payments owing to persons named in California Civil Code Section 9100;

NOW THEREFORE, We the undersigned Principal and _____ (the "Surety" or "Co-Sureties"), an admitted surety insurer in the State of California, are held and firmly bound unto the Obligee, in the sum of Sixteen Million Four Hundred and Eighty Four Thousand Dollars (\$16,484,000.00) (the "Bonded Sum"), for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally firmly by these presents.

THE CONDITION OF THIS BOND IS SUCH THAT, if Principal shall promptly and faithfully perform all of its obligations under the Contract, as they may be amended or supplemented, including without limitation the performance of all Plant Establishment Work, Warranty Work, enforcement of Subcontractor warranties, and payment of claims as described in paragraph 5 below, then the obligations under this Bond shall be null and void; otherwise this Bond shall remain in full force and effect, it being expressly understood and agreed that the liability of Surety for any and all claims hereunder shall in no event exceed the Bonded Sum.

The following terms and conditions shall apply with respect to this Bond:

1. The Contract is incorporated by reference into this Bond.
2. If the above bound Principal, or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by and well and truly keep and perform

the covenants, conditions, obligations and agreements in the Contract, including any and all amendments, supplements, and alterations made to the Contract as therein provided, on the Principal's part to be kept and performed at the time and in the manner therein specified, and shall indemnify, defend and save harmless the Obligees and all other Indemnified Parties, as therein stipulated, then this obligation shall become and be null and void; otherwise, it shall be and remain in full force and virtue.

3. This Bond shall cover the cost to perform all the obligations of the Principal pursuant to the Contract, including warranty Work. The obligations covered by this Bond specifically include all payment obligations, liability for damages and warranties as specified in the Contract, but not to exceed the Bonded Sum.

4. Whenever the Principal shall be, and is declared by the Obligees to be, in default under the Contract, the Surety (or Co-Sureties) shall promptly:

(a) remedy such default, or

(b) complete the work and perform the obligations covered by this Bond in accordance with the terms and conditions of the Contract then in effect, or

(c) select a contractor or contractors to complete the work and perform the obligations covered by this Bond in accordance with the terms and conditions of the Contract then in effect, using a contractor or contractors approved by the Obligees in its sole discretion, arrange for a contract that contains substantially the same terms and conditions of the Contract between such contractor or contractors and the Obligees, and make available as work progresses (even though there should be a default or a succession of defaults under such contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the unpaid balance of the Contract Price; but not exceeding, including other costs and damages for which the Surety (or Co-Sureties) is (are) liable hereunder, the Bonded Sum.

5. This Bond shall inure to the benefit of the persons named in Civil Code Section 9100 or anyone required to be paid by law under the Contract so as to give a right of action to such persons or their assigns in any suit brought upon this Bond. The obligations covered by this Bond specifically include:

(a) payments owing to any of the persons named in California Civil Code Section 9100 involved in prosecution of the Work, including the design and engineering services or construction services, as provided for in the Contract, or

(b) any amounts due under the Unemployment Insurance Code, with respect to work or labor performed by such claimant under the Contract or subcontracts, or

(c) any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board from the wages of employees of the Principal and its subcontractors pursuant to Revenue and Taxation Code Section 18662 et seq. with respect to such work and labor, and

(d) any other payments owing to anyone required to be paid by law.

In case suit is brought to enforce the provisions of this paragraph 5, the Surety (or Co-Sureties) will pay a reasonable attorney's fee, to be fixed by the court.

6. The Surety (or Co-Sureties) agree(s) that no change, extension of time, alterations, additions, omissions or other modifications of the terms of the Contract, or in the work to be performed with respect to the Project, or in the specifications or plans, or any change or modification of any terms of payment or extension of time for any payment pertaining or relating to the Contract, or any rescission of this Bond, solely due to acts of Principal, or any fraud practiced by any other person other than the claimant seeking to recover this Bond, shall in any way affect its obligations on this Bond, and it does hereby waive notice of such changes, extension of time, alterations, additions, omissions or other modifications.

7. **[Use in case of multiple or co-sureties]** The Co-Sureties agree to empower a single representative with authority to act on behalf of all of the Co-Sureties with respect to this Bond, so that the Obligee and claimants will have no obligation to deal with multiple sureties hereunder. All correspondence from the Obligee or claimants to the Co-Sureties and all claims under this Bond shall be sent to such designated representative. The designated representative may be changed only by delivery of written notice (by personal delivery or by certified mail, return receipt requested) to the Obligee designating a single new representative, signed by all of the Co-Sureties. The initial representative shall be _____."

In witness whereof, we have hereunto set our hands and seals on this
_____ day of _____.

NOTE: Signatures of those executing for the Surety (or Co-Sureties) must be properly acknowledged, and a Power of Attorney attached.

CALIFORNIA ALL PURPOSE ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On _____ before me, _____, a
notary public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose
name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of
which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.
(AFFIX NOTARIAL SEAL)

NOTARY PUBLIC

FORM OF MULTIPLE OBLIGEE RIDER

(Warranty Bond)

MULTIPLE OBLIGEE RIDER

This Rider is executed concurrently with and shall be attached to and form a part of Warranty Bond No. _____.

WHEREAS, on or about the _____ day of _____, 20____, _____, (hereinafter called the "Principal"), entered into a Design-Build Contract bearing the date of _____, 20____ (as amended from time to time, hereinafter called the "Contract") with Riverside County Transportation Authority, a California public entity (hereinafter called the "Primary Obligee") for the design and construction of the 15/91 Express Lanes Connector Project (the "Project") through a design-build method of procurement, as authorized under Section 6820 et. seq. of the Public Contract Code; and

WHEREAS, initially capitalized terms not otherwise defined herein shall have the meanings set forth in the Contract; and

WHEREAS, the Primary Obligee requires that the Principal provide a performance bond and that the California Department of Transportation (the "Department") be named as additional obligee under the performance bond; and

WHEREAS, the Principal and _____ (the "Surety" or Co-Sureties") have agreed to execute and deliver this Rider concurrently with the execution of the Warranty Bond No. _____ (hereinafter referred to as the "Warranty Bond") upon the conditions herein stated.

NOW, THEREFORE, the undersigned hereby agree and stipulate as follows:

1. The Department is hereby added to the Warranty Bond as named obligee (hereinafter referred to as "Additional Obligee").
2. The Surety shall not be liable under the Warranty Bond to the Primary Obligee, the Additional Obligee, or any of them, unless the Primary Obligee, the Additional Obligee, or any of them shall make payments to the Principal (or in the case the Surety arranges for completion of the Contract, to the Surety) in accordance with the terms of the Contract as to payments and shall perform all other obligations to be performed under the Contract in all material respects at the time and in the manner therein set forth such that no material default by the Primary Obligee shall have occurred and be continuing under the Contract.
3. The aggregate liability of the Surety under the Warranty Bond, to any or all of the obligees, as their interests may appear, is limited to the penal sum of the Warranty Bond. The Additional Obligees' rights hereunder are subject to the same defenses the Principal and/or the Surety have against the Primary Obligee.

The total liability of the Surety shall in no event exceed the amount recoverable from the Principal by the Primary Obligee under the Contract.

4. The Surety may, at its option, make any payments under the Warranty Bond by check issued jointly to all of the obligees.
5. It is further understood and agreed that nothing contained in this Rider shall be held to change, alter or vary the terms of the attached Warranty Bond except as set forth hereinabove. In the event of a conflict between the Warranty Bond and this Rider, this Rider shall govern and control. All references to the Warranty Bond, either in the Warranty Bond or in this Rider, shall include and refer to the Warranty Bond as supplemented and amended by this Rider. Except as herein modified, the Warranty Bond shall be and remains in full force and effect.
6. The Rider may be executed in two or more counterparts, each of which shall be deemed to be an original, but which together shall constitute one and same instrument.

Signed, sealed and dated this _____ day of _____, 20__.

(Principal)

(Seal)

By: _____

(Title)

(Surety)
(Seal)

By: _____

, Attorney-in-Fact

EXHIBIT 9

INVOICE AND INVOICE CERTIFICATE

9-A Invoice

9-B Invoice Certificate

EXHIBIT 9-A

INVOICE

DB CONTRACTOR

1234 XXXXX Rd, Suite 123 - City, California ZIP CODE - (999) 999-9999 - Fax: (999) 999-9999 -
www.DesignBuilder.com

DATE: MM/DD/YYYY

Michael Blomquist
Toll Program Director
Riverside County Transportation Commission
4080 Lemon Street, Third Floor
Riverside, California 92502

Attention: Accounts Payable

Reference:

**Project Design and Construction (DB)
Activities for the 15/91 Express Lanes Connector Project (ELC)**

Contract No. 19-31-074-00

Invoice # 001; February 20xx

DB Invoice

No:

1

Month

YYYY

Agency's Project No:

XX-XX-XXX-

XX

DB Job No:

123456

For professional, technical, and construction services rendered in connection with Design-Build Contract for 15/91 Express Lanes Connector Project. Contract No. 19-31-074-00 (Notice to Proceed # 1 and 2)

Invoice period covered is: January 26, 20xx through February 25, 20xx

ORIGINAL CONTRACT PRICE: \$
-

AUTHORIZED CHANGES: \$
-

TOTAL CONTRACT PRICE: \$
-

TOTAL INVOICE TO DATE: \$
-

TOTAL PREVIOUSLY BILLED: \$
-

ADJUSTMENT TO PREVIOUS PERIOD \$
INVOICE: -

ADJUSTED TOTAL PREVIOUSLY BILLED: \$
-

BALANCE REMAINING: \$
-

AMOUNT DUE INVOICE # XXX \$
-

I certify that the hours and salary rates charged in this invoice are the actual hours worked and rates paid to the employee(s) listed.

Very truly yours,

DB CONTRACTOR

Project Manager

cc: RCTC, Project Coordinator
cc: PCM, Project Controls Manager

EXHIBIT 9-B

INVOICE CERTIFICATE

To Owner: RIVERSIDE COUNTY TRANSPORTATION COMMISSION 4080 Lemon Street Riverside, CA 92502 Contract No. 19-31-074-00 Attention: Accounts Payable Attn: TBD					DB CONTRACTOR			Period covered: MM/26/YYYY to: MM/25/YYYY Contract Date: mm/dd/yyyy Current Date: mm/dd/yyyy			
From: DB Contractor 0000 XXXX Road, Ste. 000 City, CA, ZIP CODE Project Manager XXXX								DB Contractor Application for Payment			
Agency's Project No: XX-XX-XXX-XX					Contract For: DB Contractor XYZ CORPORATION			Total Original Contract: \$ -			
Remit To: DB Contractor Operating Account Bank Address Address					Address Contract No. 19-31-074-00			Total Authorized Changes: \$ -			
					Agency's Project No: XX-XX-XXX-XX DB Contractor Job No: 12345			Total Adjusted Contract: \$ -			
					Application No.: MM/26/YYYY Y to: MM/25/YYYY			Billed Previously: \$ -			
								Billed This Period: \$ -			
NOTICES TO PROCEED					CHANGE ORDER SUMMARY			Additions		Deductions	
NTP1		NTP2		TOTAL CONTRACT							
Contract: \$		Contract: \$ -		\$ -		Total Change Orders Submitted: \$ -		\$ -		Total Billed To date: \$ -	
Previously Billed: \$ -		Previously Billed: \$ -		\$ -		Total Change Orders Pending: \$ -		\$ -		Retention: XX% \$ -	
Billed this Period: \$ -		Billed this Period: \$ -		\$ -		Total Change Orders Approved: \$ -		\$ -		Total Billed Less Retention: \$ -	
										Total Previously Billed Less Retention: \$ -	
										"Net Paid Last Pay Periods"	
Contract to Complete \$		Contract to Complete \$ -		\$ -		TOTAL ADJUSTED CHANGE \$ -		\$ -		Current Payment Due This Period: \$ -	
Design and Construction Quality Validation Certificate for Payment In accordance with the Contract, based on on-site observations and the data comprising the above application the Design and Construction Quality Validation certifies to Owner that to the best of the DB Contractor's knowledge, information and belief the work has progressed as indicated, the quality of the Work is in accordance with the Contract, and the DB Contractor is entitled to payment of the Amount Certified.											
Design Quality Validation:								Construction Quality Validation:			
By: _____ Date: _____								By: _____ Date: _____			
This certification is not negotiable. The Amount Certified is payable only to the DB Contractor named herein. Issuance of payment, and acceptance of payment are without prejudice to any rights of the Owner or the DB Contractor under this Contract.											
The undersigned DB Contractor certifies that to the best of the DB Contractor's knowledge, information, and belief the work covered by this application for Payment has been completed in accordance with the Contract, that all amounts have been paid by the DB Contractor for work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due. All current Subcontractors and vendors invoices are included in this payment request.											
DB Contractor:											

EXHIBIT 10

NTP1 AND NTP2 PAYMENT SCHEDULES

10-A NTP1 Payment Schedule

10-B NTP2 Payment Schedule

EXHIBIT 10-A**NTP1 PAYMENT SCHEDULE**

Project: 15/91 Express Lanes Connector Project (ELC)						
DB Contractor Summary of Tasks						
NTP1 Payment Schedule						
Reference: Project Design and Construction (DB) Activities for the 15/91 Express Lanes Connector Project (ELC)			DB Invoice No: 1		Month: MM/YY	
Contract No. 19-31-074-00			Agency's Project No: XX-XX-XXX-XX			
Invoice # 001; February 20xx			DB Job No: 123456			
Task	Description	CONTRACT (NTP1)	NTP1 This Period	NTP1 To Date	NTP1 Balance	Percent Expended
		Total NTP1	Total This Period	Total To Date	Total Balance	
A	NTP1 WORK					
1	Project Management Plan	\$ 280,000.00	\$ -	\$ -	\$ 280,000.00	0%
2	Site Documentation	\$ 150,000.00	\$ -	\$ -	\$ 150,000.00	0%
3	Segment Limits Map and Submittal Schedule	\$ 30,000.00	\$ -	\$ -	\$ 30,000.00	0%
4	Utility Strip Map	\$ 200,000.00	\$ -	\$ -	\$ 200,000.00	0%
5	Transportation Management Plan (TMP)	\$ 250,000.00	\$ -	\$ -	\$ 250,000.00	0%
6	Maintenance Work Plan	\$ 200,000.00	\$ -	\$ -	\$ 200,000.00	0%
7	Crisis Communication Plan	\$ 30,000.00	\$ -	\$ -	\$ 30,000.00	0%
8	Railroad Flagging Plan	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00	0%
9	TMS Inventory	\$ 50,000.00	\$ -	\$ -	\$ 50,000.00	0%
10	Drainage Inventory Assessment Report	\$ 50,000.00	\$ -	\$ -	\$ 50,000.00	0%
11	Bat Mitigation Plan	\$ 40,000.00	\$ -	\$ -	\$ 40,000.00	0%
12	Nesting Bird Management Plan	\$ 30,000.00	\$ -	\$ -	\$ 30,000.00	0%
13	Preliminary DB Contractor's Utility Conflict Matrix	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00	0%
14	Draft Geotechnical Execution Plan	\$ 50,000.00	\$ -	\$ -	\$ 50,000.00	0%
15	NTP 1 Design and Geotechnical Work	\$ 3,500,000.00	\$ -	\$ -	\$ 3,500,000.00	0%
16	NTP1 Mobilization Work	\$ 4,700,000.00	\$ -	\$ -	\$ 4,700,000.00	0%
TOTAL NTP # 1		\$ 9,600,000.00	\$ -	\$ -	\$ 9,600,000.00	0%
		Contract (NTP1)	Invoice This Period	NTP1 To Date	Balance	0%
		\$ -	\$ -	\$ -	\$ -	

EXHIBIT 10-B

NTP2 PAYMENT SCHEDULE

**Project: 15/91 Express Lanes Connector Project (ELC)
DB Contractor Summary of Tasks**

[NTD: To be completed based on Proposal Form J-1]

NTP2 Payment Schedule

(SAMPLE ONLY – DB Contractor to Develop Project Payment Schedule)

Reference: Project Design and Construction (DB)
Activities for the 15/91 Express Lanes Connector Project (ELC)
Contract No. 19-31-074-00
Invoice # 001; February 20xx

DB Invoice No: 1
Month: MM/YY
Agency's Project No: XX-XX-XXX-XX
DB Job No: 123456

Task Description		CONTRACT (NTP # 2)	NTP#2 This Period	NTP#2 To Date	NTP#2 Balance	
		Total NTP#2	Total This Period	Total To Date	Total Balance	Percent Expended
B INDIRECT COSTS						
1	Project Management Staff Costs	\$ [_____]	\$ -	\$ -	\$ -	
2	Documentation	\$ [_____]	\$ -	\$ -	\$ -	
3	Construction Site Facilities	\$ [_____]	\$ -	\$ -	\$ -	
4	Project Office	\$ [_____]	\$ -	\$ -	\$ -	
5	Partnering and Dispute Resolution Board	\$ [_____]	\$ -	\$ -	\$ -	
6	Bond Premiums					
6a	Bond Premium for NTP1 Work Effort	\$ [_____]	\$ -	\$ -	\$ -	
6b	Bond Premium for NTP2 Work Effort	\$ [_____]	\$ -	\$ -	\$ -	
7	Insurance Premiums					
7a	Insurance Premium NTP1 Work Effort	\$ [_____]	\$ -	\$ -	\$ -	
7b	Insurance Premium NTP2 Work Effort	\$ [_____]	\$ -	\$ -	\$ -	
8	NTP 2 Mobilization					

8a	NTP2 Mobilization (following 5% of Contract Price being earned on items other than mobilization)	\$ []	\$ -	\$ -	\$ -	
8b	NTP2 Mobilization (following 7.5% of Contract Price being earned on items other than mobilization)	\$ []	\$ -	\$ -	\$ -	
8c	NTP2 Mobilization (following 10% of Contract Price being earned on items other than mobilization)	\$ []	\$ -	\$ -	\$ -	
9	Subtotal Indirect Costs (Sum Lines B1 – B8c)	\$ []	\$ -	\$ -	\$ -	
C		DESIGN SERVICES				
1	Design Management	\$ []	\$ -	\$ -	\$ -	
2	Surveying	\$ []	\$ -	\$ -	\$ -	
3	Geotechnical Engineering	\$ []	\$ -	\$ -	\$ -	
4	Design	\$ []	\$ -	\$ -	\$ -	
5	Subtotal Design Services (Sum Lines C1 – C4)	\$ []	\$ -	\$ -	\$ -	
D		CONSTRUCTION				
1	Water Pollution Control	\$ []	\$ -	\$ -	\$ -	
2	Maintenance of Traffic	\$ []	\$ -	\$ -	\$ -	
3	Earthwork	\$ []	\$ -	\$ -	\$ -	
4	Roadway Structural Section	\$ []	\$ -	\$ -	\$ -	
5	Pavements	\$ []	\$ -	\$ -	\$ -	
6	Structures					
6a	Bridges	\$ []	\$ -	\$ -	\$ -	
6b	Retaining Walls	\$ []	\$ -	\$ -	\$ -	
6c	Soundwalls	\$ []	\$ -	\$ -	\$ -	
7	Drainage	\$ []	\$ -	\$ -	\$ -	
8	TMS/Lighting/Electrical	\$ []	\$ -	\$ -	\$ -	
9	Signing and Striping	\$ []	\$ -	\$ -	\$ -	
10	Environmental Compliance	\$ []	\$ -	\$ -	\$ -	
11	Utility Coordination, Protection, Adjustment and Relocations	\$ []	\$ -	\$ -	\$ -	
12	TCS Infrastructure	\$ []	\$ -	\$ -	\$ -	
13	Express Lane Closures	\$ []	\$ -	\$ -	\$ -	

14	Plant Establishment	\$ []	\$ -	\$ -	\$ -	
15	Aesthetics and Replacement Plantings	\$ []	\$ -	\$ -	\$ -	
16	Subtotal Construction (Sum Lines D1 through D15)	\$ []	\$ -	\$ -	\$ -	
TOTAL NTP # 2 (Line B9 + Line C4 + Line D16)		\$ []	\$ -	\$ -	\$ -	
		Contract (NTP#2)	Invoice This Period	NTP#2 To Date	Balance	
		\$ []	\$ -	\$ -	\$ -	

EXHIBIT 11

DISPUTES REVIEW BOARD AGREEMENT

THIS DISPUTES REVIEW BOARD AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20__, among the Riverside County Transportation Commission ("RCTC"), Myers-Rados, A Joint Venture ("DB Contractor"), and _____ (collectively, the "Board Members"), with reference to the following facts:

A. RCTC and DB Contractor have entered into that certain Design-Build Contract No. 19-31-074-00 dated as of _____ (as amended from time to time, the "Contract"). Pursuant to the Contract, DB Contractor has agreed to furnish the design for and to construct a new south to west/east to north express lanes connector between 15 Express Lanes and 91 Express Lanes, including collateral work along the 15 Express Lanes and 91 Express Lanes, otherwise known as the 15/91 Express Lanes Connector Project (the "Project").

B. The Contract provides for the establishment and operation of a Disputes Review Board ("Board") to assist in resolving Disputes among RCTC, DB Contractor, and others in respect to the Project.

C. Capitalized terms used but not defined in this Agreement shall have the meanings set forth in Exhibit 1 to the Contract.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and agreements contained herein, the parties to the Agreement agree as follows:

SECTION 1. ESTABLISHMENT OF BOARD

1.1 The Board shall begin operation upon execution of this Agreement by RCTC, DB Contractor, and the first two Board Members, and shall terminate upon completion of all work required to be performed by the Board under this Agreement unless sooner terminated in accordance with this Agreement or applicable law. The Board shall initially consist of two members, one selected by RCTC and one selected by the DB Contractor. The first duty of the Board shall be to select its third member as provided in Section 24 of the Contract. A copy of Section 24 of the Contract is attached hereto as Exhibit A (and shall be applicable with respect to Disputes under the Contract).

1.2 Each member of the Board represents, warrants and covenants on his/her behalf that he/she:

(a) Does not have an ownership interest in any DB-Related Entity, any Affiliate, the Project and Construction Manager ("PCM"), or the Contract, except for payment for serving on the Board;

(b) Has not been employed, and his/her employer has not been employed, by RCTC, the California Department of Transportation ("Department"), any DB-Related Entity, any Affiliate, or PCM, within two years prior to award of the Contract, except for fee-based consulting services on other projects which are disclosed to all parties and not objected to by any party;

(c) Has not had substantial prior involvement in the Project, and has not had any involvement in the Project or with RCTC, Department, any DB-Related Entity, any Affiliate, or PCM of a nature that could affect his/her ability to impartially resolve Disputes;

(d) Shall not accept employment by RCTC, Department, any DB-Related Entity, any Affiliate, or PCM during the term of the Contract and for as long thereafter as any Dispute submitted to the Board remains outstanding under the Contract, except as a member of other disputes boards; and

(e) Shall not discuss employment, nor make any agreement regarding employment with RCTC, Department, any DB-Related Entity, any Affiliate, or PCM during the term of the Contract and for as long thereafter as any Dispute submitted to the Board remains outstanding under the Contract, except as a member of other disputes boards.

1.3 Prior to hearing the first Dispute, and thereafter upon request of RCTC or DB Contractor from time to time, each Board Member shall provide RCTC and DB Contractor a declaration under penalty of perjury affirming that such member meets the qualifications set forth in Section 1.2 of this Agreement, and agrees to be bound by the terms of the Contract and this Agreement. Each Board Member shall promptly notify RCTC and DB Contractor if any circumstances are likely to prevent a prompt hearing and decision or if the member fails to meet such qualifications. Any Board Member failing at any time to meet such qualifications shall be removed from the Board.

SECTION 2. BOARD ORGANIZATION AND RESPONSIBILITIES

2.1 The Board is organized in accordance with Section 24 of the Contract, for the purposes described under the Contract. The Board shall fairly and impartially consider Disputes that arise under the Contract and shall provide written decisions for resolution of such Disputes ("Recommendations" or "final decisions," as applicable), in accordance with Section 24 of the Contract. The Board Members shall perform the services necessary to participate in the Board's actions in accordance with this Agreement.

2.2 The Board Members may visit the Site periodically to keep abreast of construction activities and to develop a familiarity with the work in progress, or as may be deemed desirable or necessary in the consideration of any Dispute. All reasonable efforts shall be made to allow the parties to the Agreement to raise issues at such regularly scheduled site visits, except where a special visit is warranted due to special circumstances such as the need to observe site conditions before they are disturbed. In such a case, a special site visit shall be scheduled at the request of RCTC, DB Contractor, or any Board Member. Representatives of RCTC and DB Contractor shall have the right to accompany the Board on any such visit.

2.3 All Board Members are to act independently in the consideration of facts and conditions surrounding any Dispute. Seeking the Board Members' advice or consultation, ex parte, is expressly prohibited; except that either party may seek such advice or consultation from the entire Board, at a Board meeting, after first giving Notice to all interested parties. A Disputes Board member who has ex parte contact with a party or party representative shall be subject to removal from the Disputes Board for cause.

2.4 Board Members may withdraw from the Board upon delivery of Notice of withdrawal to RCTC, DB Contractor and the other Board Members, which Notice shall specify a withdrawal date at least 30 days following the date of delivery of the Notice. In addition, a member may be terminated by RCTC or DB Contractor if at any time that member fails to meet the qualifications set forth in Section 24.3.1 of the Contract. Should the need arise to appoint a replacement Board Member, the replacement member shall be appointed in the same manner as provided by the Contract for appointment of the original member. The selection of a replacement Board Member shall begin promptly upon notification of the necessity for a replacement and shall

be completed within 30 days thereafter. The change in Board membership shall be evidenced by the new member's signature on this Agreement.

2.5 The Board Members acknowledge that RCTC and DB Contractor each have the right to require appointment of a new disputes review board to resolve future Disputes, which right may be exercised at any time by delivery of Notice to such effect to the other party and to the Board Members. In such event a new agreement in the same form as this Agreement will be executed establishing the new board, and except as otherwise mutually agreed by RCTC and DB Contractor, the work to be performed by the Board established under this Agreement shall be limited to Disputes submitted to the Board before delivery of the Notice requiring appointment of a new Board. Nothing shall prohibit a party from reappointing its current member.

2.6 The personal services of the Board Member are a condition to receiving payment under this Agreement. No Board Member shall assign any of his or her work pursuant to this Agreement without the prior written consent of both RCTC and DB Contractor.

2.7 Each Board Member, in the performance of his or her duties on the Board, is acting as an independent contractor and not as an employee of either RCTC or DB Contractor. No Board Member will be entitled to any employee benefits.

SECTION 3. HEARINGS AND DECISIONS

3.1 Each Dispute under the Contract shall be heard by the Board as provided in Section 24 of the Contract.

3.2 In general, the Board shall have the right to establish its own procedures and time limits, including the right to establish or to waive evidentiary rules and procedures. Each party shall retain the right to discovery as provided in the Contract and to present its witnesses and evidence in its own discretion, within the parameters established by the Board.

3.3 Upon receipt by the Board of a "complaint" pursuant to Section 24.4.3 of the Contract, either from DB Contractor or RCTC, the Board shall convene a hearing to review and consider the matter as quickly as possible, taking into consideration the particular circumstances and the time required to prepare detailed documentation. Both RCTC and DB Contractor are encouraged to provide exhibits, calculations, and any other pertinent material to the Board for review prior to the hearing. All such material shall concurrently be given to the other party.

3.4 The Board shall convene to consider questions presented to it and shall at the conclusion of each hearing either provide the Recommendation or final decision, as applicable, or advise the parties when the Recommendation or final decision will be forthcoming.

SECTION 4. PROVISION OF DOCUMENTS TO BOARD

4.1 RCTC shall furnish each Board Member one copy of the Contract and other documents RCTC has that are pertinent to the Board's work.

4.2 DB Contractor shall furnish to each Board Member one copy of all documents it might have, other than those furnished by RCTC, that are pertinent to the Board's work.

SECTION 5. EXPENSES

5.1 Payment for services rendered by each Board Member and for their direct, non-salary expenses shall be calculated in accordance with the payment schedule for such Board

Member agreed to among RCTC, DB Contractor, and the Board Member, and RCTC and DB Contractor shall each pay its share of such payments in accordance with Section 24.8 of the Contract.

5.2 Invoices for payment for work completed shall be submitted no more often than once per month. Such invoices shall be in a format approved by RCTC and accompanied by a general description of activities performed during this period. The value of work accomplished for payment shall be established from the billing rate and hours expended by the Board Member together with direct, non-salary expenses. Billings for expenses shall include an itemized listing supported by copies of the original bills, invoices, expense accounts and miscellaneous supporting data.

5.3 Each Board Member shall keep available for inspection, for a period of five years after final payment, the cost records and accounts pertaining to this Agreement.

SECTION 6. DISPUTES INVOLVING OTHER PARTIES

6.1 The parties to this Agreement acknowledge that certain third parties (including utility owners, Toll Services Provider, Other RCTC Contractors, public agencies, etc. with which RCTC is in contract ("Third Parties")) may subject themselves to the jurisdiction of the Disputes Board for certain disputes that affect such Third Parties.

6.2 In general, such disputes shall be heard by the then existing, three Board Members, appointed as described above and in accordance with the terms of the Contract, this Agreement, and the applicable contract between RCTC and the Third Party. Accordingly, the Third Party shall be deemed to have selected this option:

(a) Unless the Third Party delivers Notice to the Board that it intends to select a qualified consultant/Board Member with respect to such dispute, which Notice is delivered to the Board within seven days after delivery of Notice to Third Party describing the dispute and stating that Third Party is a necessary party to the dispute resolution procedure; or

(b) If Third Party fails to select a qualified consultant/Board Member, as described below, within seven days after delivery of Notice of intent to select such person.

6.3 If, however, the Third Party elects not to use the existing Board, then the parties to this Agreement shall modify the membership of the Board with respect to the dispute(s) involving the Third Party, as follows (but only if and to the extent the following rights are provided to the Third Party under its contract with RCTC):

(a) Third Party may select an advisor who shall act as a non-voting consultant to the Board with respect to the dispute; or

(b) Third Party may select a fourth Board Member who shall have the right to participate in the decision-making process under this Agreement with respect to such dispute; or

(c) With respect to disputes which do not involve DB Contractor, the Third Party shall have the right to appoint a Board Member who shall replace the Member appointed by the DB Contractor.

6.4 In selecting a non-voting consultant/Board Member, the Third Party shall be encouraged to appoint the same individual for all disputes, so that such individual will have the opportunity to develop expertise and familiarity regarding the Project.

6.5 Any non-voting consultant or Board Member selected by Third Party shall be required to meet the qualifications for Board Members set forth in this Agreement and the Contract and shall execute and agree to be bound by the terms of this Agreement as to disputes involving the Third Party. In the event the Third Party selects the option under clause (b) of Section 6.3, the fifth Board Member shall be selected by RCTC. Disputes regarding appointment of such Members shall be subject to the dispute resolution procedures set forth in Section 24.4 of the Contract.

6.6 Expenses of the Board payable by Third Party shall be as follows:

(a) If Section 6.2 applies, Third Party shall share equally the costs and expenses for the Board in accordance with Section 24.8 of the Contract; or

(b) If clauses (a), (b), or (c) of Section 6.3 apply, Third Party shall be responsible for paying the costs and expenses for the consultant or for the Board Member that it appointed, as well as a proportionate share of the costs and expenses of the third and fifth members (subject to the right to be reimbursed for such costs and expenses as the prevailing party, as may be awarded in accordance with Section 24.8 of the Contract, together with a proportionate share of any common costs allocable to the parties to a dispute under the Contract. In determining the amount of any such payment or reimbursement of costs and expenses, the Board Members are specifically directed to consider the benefit accruing to Third Party resulting from the Board's expertise and familiarity with the Project and the expenditures previously incurred by RCTC and DB Contractor to develop such expertise and familiarity.

6.7 The provisions set forth in this Section 6 shall supersede any provisions to the contrary contained in Section 19 of the Contract.

SECTION 7. TERM

This Agreement shall commence upon execution hereof by the DB Contractor, RCTC, and the first two members of the Board. The parties to this Agreement anticipate that the Board shall continue to operate on a regular basis through the Contract's Warranty Period. The foregoing is subject to the right of RCTC and DB Contractor to terminate the services of Board Members as specified in this Agreement.

SECTION 8. MISCELLANEOUS

8.1 The parties intend for Section 24 of the Contract and the other terms of this Agreement to be complementary. Except as otherwise specifically provided in this Agreement, in the event of any conflict between this Agreement and said Section 24, Section 24 shall control.

8.2 Notices under this Agreement shall be sent as provided in Section 27.11 of the Contract. The addresses for the Board Members are set forth on the signature pages of this Agreement.

8.3 This Agreement shall be governed by and construed in accordance with the law of the State of California.

DB CONTRACTOR:

Myers-Rados, A Joint Venture

By: _____

Name: _____

Title: _____

RCTC

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

ATTEST

By: _____

Name: _____

Title: _____

Name:

Title:

APPROVED AS TO FORM:

By: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BOARD MEMBERS

Address:

Address:

Address:

EXHIBIT 12

INSURANCE POLICY REQUIREMENTS

All insurance required under this Contract shall be procured from insurance companies authorized to do business in California, with an A.M. Best and Company rating level of A-: VI or better, or as otherwise approved by RCTC. All limits of liability set forth in this Exhibit 12 are in U.S. dollars.

1. Primary Commercial General Liability Insurance

(a) During the period beginning with the issuance of NTP1 and ending upon Final Acceptance, or for such longer period as otherwise specifically provided for in Section 11 of the Contract or this Exhibit 12, DB Contractor shall obtain and maintain a policy or policies of commercial general liability insurance for bodily injury, property damage, personal injury, and advertising injury. Coverage shall be written on an occurrence form that shall provide coverage at least as broad as the coverage provided by ISO form CG 00 01. The Indemnified Parties shall be additional insureds using ISO form CG 20 10 10 01 and ISO form CG 20 37 10 01 for completed operations. DB Contractor may use alternative forms, provided such form provides equivalent coverage, as approved by RCTC in its sole discretion. The policy or policies shall be endorsed to remove exclusions pertaining to railroads. There shall be no coverage-limiting endorsements unless reviewed and approved by the Indemnified Parties or their representatives. There shall be no endorsement or modification of the commercial general liability policy limiting the scope of coverage for liability assumed under an insured contract.

(b) The commercial general liability insurance coverage shall have limits of not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, and \$4,000,000 products/completed operations aggregate. The general aggregate limit shall, by endorsement or otherwise, provide a designated aggregate limit solely for the Project using ISO form CG 25 03 05 09 or equivalent form, unless a project-specific insurance policy is purchased.

(c) Completed operations coverage shall extend for as long as there is any exposure to liability under a statute of repose or any other applicable statute, either through continuous maintenance of completed operations coverage in DB Contractor's corporate insurance program or by purchase of extended completed operations for a project-specific policy. If coverage is maintained by continuous renewal for corporate policies, each subsequent general liability insurance policy issued through the statute of repose period, commencing with Final Acceptance, shall be endorsed with ISO form CG 20 37 10 01, or the equivalent, with the Indemnified Parties scheduled as additional insureds.

(d) No self-insured retentions for general liability insurance policies shall be allowed unless disclosed to, and approved by, RCTC. All general liability insurance policies shall allow, but not require, additional insureds, as applicable, to pay self-insured retentions if the named insured fails to do so; except that for each insurance policy that has an approved self-insured retention provision, DB Contractor shall be responsible for paying any applicable self-insured retentions for its insurance policy(ies) and shall be liable to RCTC for said payments in the same manner as those interests would have been protected had the policies not contained a self-insured retention provision. Any deductible or self-insured retention amount shall be shown on any evidence of insurance provided to RCTC.

2. Workers' Compensation/Employer's Liability Insurance

During all phases of the Project, or for such longer period as otherwise specifically provided for in Section 11 of the Contract or this Exhibit 12, DB Contractor shall obtain and maintain and shall require all Subcontractors of all tiers to obtain and maintain, a policy or policies of insurance providing workers' compensation statutory benefits and employer's liability in conformance with the laws of the State. Employer's liability limits shall be no less than \$1 million by accident, \$1 million by disease, and \$1 million policy limit by disease. DB Contractor, and any Subcontractors performing Plant Establishment Work, shall maintain such insurance through the expiration of the Plant Establishment Period. DB Contractor and/or Subcontractor, whichever is the applicable employer, shall be the named insured on these policies. The workers' compensation policies shall provide the following:

- (a) A provision extending coverage to all states operations on an "if any" basis;
- (b) Coverage for liability under the United States Longshore and Harbor Workers' Compensation Act, by adding a Longshore and Harbor Workers' Compensation Act coverage endorsement (WC 00 01 06 A) on an "if any" basis; and
- (c) Coverage for liability under Title 46 of the United States Code § 688 ("Jones Act") on an "if any" basis, if appropriate.

3. Automobile Liability Insurance

(a) DB Contractor shall obtain and maintain, and shall require all Subcontractors of all tiers to obtain and maintain, a business auto liability policy or policies using ISO form CA 00 01 or other form providing coverage at least as broad. Each policy shall cover accidental death, bodily injury, and property damage liability arising from the ownership, maintenance, or use of all owned, non-owned, and hired vehicles connected with performance of the Work, including loading and unloading. DB Contractor's auto liability policies shall cover "any auto" ("symbol 1"). For DB Contractor or any Subcontractor of any tier, who will be involved in any way with the transportation of Hazardous Materials using its own vehicles, pollution liability coverage at least as broad as that provided under the ISO pollution liability-broadened coverage for covered autos endorsement (CA 99 48) shall be endorsed on the policy.

(b) DB Contractor's automobile liability coverage shall have a combined single limit per policy period of not less than \$10,000,000 per accident or shall be scheduled under the excess or umbrella liability policies. Excess or umbrella policies also shall cover "any auto" ("symbol 1"). Subcontractors' policies shall have a combined single limit of no less than \$2,000,000 per accident. Such limit may be achieved through any combination of primary and following form excess insurance. At its discretion, DB Contractor may reduce the required combined single limit to \$1,000,000 for a Subcontractor who is unable to obtain the \$2,000,000 limit. DB Contractor's determination regarding any such reductions shall not be interpreted as relieving DB Contractor or its insurers of any liability otherwise imposed on DB Contractor or its insurers under this Contract.

(c) DB Contractor and Subcontractors of all tiers shall maintain such insurance through Final Acceptance; except that such coverage shall be maintained for vehicles used in the performance of Warranty and any Plant Establishment Work until the expiration of the Warranty period and Plant Establishment Period, respectively. The required limits can be satisfied by a combination of a primary policy and an excess policy or policies.

4. Contractor's Pollution Liability Insurance

(a) During the period beginning with the issuance of NTP1 and continuing until issuance of NTP2, DB Contractor shall procure and maintain contractor's pollution liability insurance as specified below. Pollution liability insurance limits for the period prior to issuance of NTP2 shall be no less than \$5,000,000 per claim and aggregate. Each of the Indemnified Parties shall be an additional insured under such a policy.

(b) During the period beginning with the issuance of NTP2 and ending upon Final Acceptance or for such longer period as otherwise specifically provided in Section 11 of the Contract or this Exhibit 12, DB Contractor shall obtain and maintain contractor's pollution liability (CPL) insurance with a total limit of liability of no less than \$10,000,000 per loss and \$10,000,000 in the aggregate per policy period.

(c) The CPL policy shall include coverage for cleanup costs, third-party bodily injury and property damage, provided that the third-party property damage liability coverage includes loss of use of damaged property or of property that has not been physically injured or destroyed, resulting from pollution conditions caused by contracting operations. Coverage as required in this paragraph shall apply to sudden and non-sudden pollution conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, gases, waste materials, or other irritants, contaminants, or pollutants. The CPL shall also provide coverage for transportation and off-Site disposal of materials and environmental or "natural resource" damage.

(d) Each of the Indemnified Parties shall be an additional insured under such a policy. The policy shall not contain any provision or exclusion (including any so-called "insured versus insured" exclusion or "cross-liability" exclusion) the effect of which would be to prevent, bar, or otherwise preclude any additional insured under the policy from making a claim which would otherwise be covered by such policy.

(e) If the CPL policy is written on a claims made basis, the policy shall be continuously renewed for ten years after the expiration of the Warranty Period, with a retroactive date on or before the first date of any Work performed under this Contract, or shall have an extended reporting period of no less than 10 years from the expiration of the Warranty Period.

(f) DB Contractor shall require that any Subcontractor that performs environmental remediation work provide pollution and environmental impairment liability insurance with limits and scope of coverage appropriate to the exposure.

5. Umbrella or Excess Liability Insurance

(a) During the period beginning with the issuance of NTP1 and continuing until issuance of NTP2, DB Contractor may use its corporate program of insurance or project-specific insurance to meet the requirements for umbrella or excess liability insurance as specified below. Total liability insurance limits, including limits provided by umbrella or excess liability insurance in place prior to issuance of NTP2, shall be no less than \$10,000,000. Each of the Indemnified Parties shall be an additional insured under such a policy.

(b) During the period beginning with issuance of NTP2 and ending upon Final Acceptance or for such longer period as otherwise specifically provided for in this Exhibit 12 or Section 11 of the Contract, DB Contractor shall obtain and maintain an umbrella or excess liability insurance policy with limits of not less than \$200,000,000 that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth

above, including commercial general liability and employer's liability in excess of the amounts set forth in Sections 1 and 2 of this Exhibit 12. DB Contractor may use its corporate insurance program or a combination of corporate insurance and stand-alone policies to meet this requirement provided that the limits available for this Project are not subject to erosion by losses on other projects not related to this Project.

(c) Such policy or policies shall include the following terms and conditions:

- i. drop down feature requiring the policy to respond in the event that any primary insurance limits are exhausted or for occurrences covered by an umbrella policy but not covered in the underlying insurance;
- ii. pay on behalf of wording as opposed to reimbursement;
- iii. concurrency of effective dates with primary policies;
- iv. the policies shall "follow form" to the underlying primary policies, including the provision of completed operations coverage to the additional insured Indemnified Parties as required under Section 1 of this Exhibit 12; and
- v. there shall be no "contractors' limitation" endorsements, as described in Section 1, that have not been reviewed and approved by the Indemnified Parties or their authorized representatives.

6. Professional Liability Insurance

(a) During all phases of the Project, DB Contractor shall obtain and maintain contractor's professional liability insurance with limits not less than \$10,000,000 per claim and in the aggregate. If DB Contractor joint ventures with or subcontracts with design professionals or other professional service providers, the design and other professional service providers shall obtain and maintain professional liability insurance specific to their profession with limits not less than \$5,000,000 per claim and in the aggregate. DB Contractor may, at its discretion, require lower limits of professional liability insurance from lower-tier design Subcontractors (e.g., smaller design firms). No self-insured retention for DB Contractor shall exceed \$500,000 without prior written approval from RCTC, in its good faith discretion.

(b) Coverage shall apply specifically to all professional activities performed under this Contract. The policy(ies) shall have a retroactive date consistent with the inception of design and/or project/construction management activities, and no later than the date on which the RFP was issued. DB Contractor agrees to maintain this required coverage for a period of no less than five years after Substantial Completion or to purchase an extended reporting period for no less than five years after Substantial Completion. DB Contractor shall require the design professional Subcontractors to agree to maintain this coverage for a period of no less than five years after Substantial Completion or to purchase an extended reporting period for no less than five years after Substantial Completion. If DB Contractor arranges a project-specific policy to meet this requirement, that policy shall provide for a total period of no less than ten (10) years, including policy period and extended reporting period.

7. Builder's Risk

Upon commencement of construction and with approval of RCTC, DB Contractor shall obtain and maintain a policy of builder's risk insurance for the Project as specified below. The policy may be

a DB Contractor corporate master builders risk insurance program or a stand-alone policy as long as the requirements of this Section 7 of Exhibit 12 are met. The named insureds shall be DB Contractor, all Subcontractors (excluding those solely responsible for design Work) of any tier, Suppliers, RCTC, and the Indemnified Parties. The status of the insureds under this requirement shall not be limited by the phrase “as their interests may appear” or similar language. DB Contractor is not required to maintain property insurance for any portion of the Project following acceptance thereof by RCTC, Department or a Local Agency.

(a) Minimum Scope

A builder’s risk insurance policy on an “all risk” basis, including earthquake, flood, and wind storm for those portions of the Project comprising high value assets subject to loss from a single occurrence. Examples of such assets include materials, temporary buildings, falsework, bridges, connectors, off ramps, foundations, and other structures or items. DB Contractor may elect to cover all property at a lower blended rate if such a strategy would result in lower premium or result in broader coverage at a lower or equivalent premium. Coverage for each asset should be applicable only for the period of construction of the specific asset and should end when the asset is put to its intended use or as otherwise approved and accepted by RCTC, which end of coverage must be approved by RCTC prior to termination thereof.

Policy must include: (i) coverage for any ensuing loss from faulty workmanship, nonconforming work, omission or deficiency in design or specifications using a form that is no more restrictive than LEG 3/06; (ii) full collapse; (iii) coverage for removal of debris, subject to a sub-limit of no less than 25% of the loss, and insuring the buildings, structures, machinery, equipment, materials, facilities, fixtures and all other properties constituting a part of the Project; (iv) transit coverage, including ocean marine coverage (unless insured by the Supplier or through a separate marine cargo policy), with sub-limits sufficient to insure the full replacement value of any key equipment item; and (v) coverage with sub-limits sufficient to insure the full replacement value of any property or equipment stored either on or off the Site. Such insurance shall be on a form reasonably acceptable to RCTC to ensure adequacy of terms and sublimits.

There shall be no coinsurance penalty provision in any such policy. Deductibles or self-insured retentions shall be no greater than 5% of the total value insured at the time of loss, subject to a maximum deductible of \$2 million. All deductibles or self-insured retentions shall be the responsibility of DB Contractor.

(b) Minimum Limits

Coverage shall be for the replacement value thereof for “all risks” of direct physical loss or damage, including earth movement and flood coverage, with a minimum limit of \$50,000,000.

8. Railroad Protective Liability

DB Contractor shall provide any coverage as may be required by any railroad as a condition of the railroad’s consent for entry into railroad facilities or property. Such policy shall be effective during the period any Work is being performed within 50 feet of any railroad right of way. DB Contractor should obtain quotes for a master RPL policy and choose the most practical and cost-effective alternative between such a policy versus typical RPL policies, provided that the chosen policy meets all requirements of the railroad.

9. Aircraft Liability

DB Contractor shall provide, or cause to be provided, aircraft liability insurance, with a limit of not less than \$5,000,000 per occurrence or higher limits as may be required by RCTC, in all cases where any aircraft is used on the Project that is owned, leased or chartered by any DB-Related Entity, protecting against claims for damages resulting from such use. Any aircraft intended for use in performance of the Work, the aircraft crew, flight path and altitude, including landing of any aircraft on the Site or on any property owned by RCTC shall be subject to review and written acceptance by RCTC prior to occurrence of any such usage. If any aircraft are leased or chartered with crew and/or pilot, evidence of non-owned aircraft liability insurance will be acceptable but must be provided prior to use of the aircraft. For use of unmanned aircraft vehicles (UAV), DB Contractor or applicable subcontractor, may provide insurance either through an aircraft liability insurance policy, or by endorsement to the DB Contractor's commercial general liability insurance policy and excess liability policies. Use of unmanned aircraft must comply with all state and federal rules and regulations, including FAA requirements.

EXHIBIT 13

PROPOSAL COMMITMENTS AND ATCS

Exhibit 13-A: Proposal Commitments

Exhibit 13-B: ATCs

EXHIBIT 13-A

DB CONTRACTOR'S PROPOSAL COMMITMENTS

The following pages summarize certain commitments made by DB Contractor in its Proposal submitted for the Project. The commitments in this Exhibit are included in the Work. This summary is an overview of certain DB Contractor commitments. Nothing contained in this Exhibit 13-A shall limit, modify, discharge, eliminate or reduce the requirements of this Contract or transfer any obligations or risk to RCTC.

#	Proposal Location	Proposal Commitment
1.	Volume 2, Section 1, Page 1	DB Contractor shall maintain operations at Parkridge Avenue on I-15 by providing alternative access points from the median.
2.	Volume 2, Section 1, Page 1	DB Contractor shall provide a dedicated Public Information Officer, as approved by RCTC, to the Project throughout construction until Substantial Completion as needed.
3.	Volume 2, Section 1, Page 2 and Exhibits 1.1-1.2	DB Contractor shall use good faith efforts in accordance with Good Industry Practice, as design development warrants to construct the Project in two major stages, minimizing impacts to the traveling public by maintaining longer durations of driver expectations with fewer traffic shifts, as shown in <u>Appendix 1</u> .
4.	Volume 2, Section 1, Page 3	DB Contractor shall use good faith efforts in accordance with Good Industry Practice to construct falsework over westbound SR-91 and southbound I-15 during the 55-Hour Weekend Closures.
5.	Volume 2, Section 1, Pages 3 and 7	DB Contractor shall use crossover lanes to maintain I-15 EL toll revenue collection and to minimize closures to the SB I-15 EL. The SB I-15 EL crossover will allow EL to remain open during construction of falsework over the I-15 mainline and at Parkridge Avenue.
6.	Volume 2, Section 1, Page 7	DB Contractor will not close the EB-91 On-ramp at Main Street during use of any 55-Hour Weekend Closures.
7.	Volume 2, Section 1 Page 7	DB Contractor will research traffic counts and perform delay calculations at each location of potential Permitted EL Lane Closures to determine the lowest revenue generating potential windows to conduct Permitted EL Lane Closures.
8.	Volume 2, Section 1 Page 8	DB Contractor shall prepare and deliver to RCTC, for RCTC review and comment, a scoping memorandum of proposed staging, potential detour routes and major General TMP elements prior to developing and submitting the General TMP in accordance with the Contract.
9.	Volume 2 Section 1, Page 8 Volume 2, Section 2, Page 7 Volume 2, Section 2, Page 20	DB Contractor shall hold weekly Traffic Technical Working Group (TWG) meetings with RCTC, as required. DB Contractor shall include all relevant DB Contractor staff, Subcontractors and TSP in each TWG meeting. DB Contractor Traffic Manager will attend all other relevant TWG meetings.
10.	Volume 2 Section 1, Page 8	DB Contractor shall hold a weekly Toll Coordination TWG meeting with RCTC, TSP and the ELP DB Contractor, as required.

11.	Volume 2 Section 1, Page 8	DB Contractor shall hold Over the Shoulder (OTS) meetings with third party agencies at the Co-located Office if the third party agencies are willing.
12.	Volume 2, Section 1, Page 12	DB Contractor shall design and construct the westbound SR-91 to include space for the ultimate extension of the SR-91 EL (as depicted in the SR-91 Ultimate Exhibit) along with a standard 10-foot left shoulder from approximate station 383+00 to 390+00. The columns of the two connector structures (SW and EN) will be placed such that a 10' shoulder can be constructed in the ultimate condition, including consideration for a safety shape in front of the columns.
13.	Volume 2, Section 1, Page 12	Subject to approval by BNSF, DB Contractor will provide pier protection walls adjacent to BNSF right of way by extending the existing pier protection walls in front of the new columns.
14.	Volume 2, Section 1, Page 12	DB Contractor shall use reasonable efforts to design Bent 5 at the maintenance road to eliminate the need for an overhang over the Flood Control Channel.
15.	Volume 2, Section 1, Page 13 and 14	DB Contractor acknowledges that corrosive soils exist on Site that will affect structural design and will design and construct the Project in light of such soils.
16.	Volume 2, Section 1, Page 14	DB Contractor acknowledges that the Reference Documents disclosed potential conflicts between the westbound SR-91 Temescal Wash overhead bridge foundations and old foundations that were left in place. DB Contractor will design and construct the Project in light of such old foundations.
17.	Volume 2, Section 1, Page 15	Subject to agreement from RCTC, Caltrans, and PCM, the DB Contractor's Project Manager will chair bi-weekly Project Development Team meetings with RCTC, Caltrans, and PCM, as required.
18.	Volume 2, Section 1, Page 15	Subject to agreement from regulatory agencies, DB Contractor shall conduct pre-permit application meetings with required regulatory agencies, as applicable.
19.	Volume 2, Section 1, Page 16	DB Contractor shall, if ATC #1 is implemented, maintain (i) the existing I-15 and SR-91 shoulders and (ii) the lane configuration for emergency vehicles during construction until Substantial Completion.
20.	Volume 2, Section 1, Page 16	DB Contractor shall implement detours for the southbound I-15 to eastbound SR-91 connector loop ramp and the northbound I-15 to eastbound SR-91 connector to maintain traffic flow during construction. The detours reduce the construction duration and avoid the use of rapid set concrete.
21.	Volume 2, Section 1, Page 19	DB Contractor recognizes the importance of vigilant quality control measures to minimize cracking in concrete structures.

22.	Volume 2, Section 1, Page 21	DB Contractor shall use good faith efforts to design drainage inlets at easy to maintain locations. DB Contractor shall, to the extent practicable, avoid maintenance intensive BMPs.
23.	Volume 2, Section 2, Page 1	DB Contractor shall provide updates of the Project's "Issues Log" and action plans to RCTC and the Project team during Progress Meetings.
24.	Volume 2, Section 2, Page 2 Volume 2, Section 2, Page 4	DB Contractor shall, in accordance with Good Industry Practice, use dynamic monitoring analysis during steel pile installation as per agreement with the RCTC's and DB Contractor's geotechnical engineers.
25.	Volume 2, Section 2, Page 3	DB Contractor shall implement a Communications and Logistics Management (CALM) TWG process led by a Person approved by RCTC, as required. The purpose of the CALM TWG shall be to coordinate and disseminate information and to work directly with RCTC, oversight agencies and stakeholders.
26.	Volume 2, Section 2, Page 4	DB Contractor shall hold bi-weekly MOT coordination meetings with RCTC, local cities, and emergency responders to gather and incorporate valuable feedback, as required.
27.	Volume 2, Section 2, Page 4	DB Contractor shall use ground penetrating radar surveys, as required, in addition to potholing to enhance evaluation of potential Utility conflicts.
28.	Volume 2, Section 2, Page 4	DB Contractor shall hold weekly Utility coordination meetings, as required.
29.	Volume 2, Section 2, Page 4	DB Contractor shall prepare an access and alteration plan for activities in the Arlington Channel and Temescal Wash Channel.
30.	Volume 2, Section 2, Page 5	DB Contractor and RCTC shall implement quarterly formal partnering sessions, as well as informal partnering through Final Acceptance.
31.	Volume 2, Section 2, Page 7	DB Contractor shall include relevant Subcontractors in TWG meetings and will require Subcontractors to complete safety, environmental, and quality trainings prior to beginning work.
32.	Volume 2, Section 2, Page 10	DB Contractor shall hold weekly quality meetings, as required.
33.	Volume 2, Section 2, Page 17	DB Contractor shall maintain a well-organized work site that discourages unauthorized entry and work disruptions.
34.	Volume 2, Section 2, Page 18	DB Contractor shall prepare and obtain necessary approvals for additional environmental technical studies, including a Supplemental Noise Study Report, Supplemental Noise Abatement Decision Report, and Supplemental Visual Impact Memorandum as required for ATC approval.

35.	Volume 2, Section 2, page 19	DB Contractor's Environmental Compliance Manager shall have the ability to issue a stop work order should an issue result in potential violation from a Governmental Entity within the area of the potential violation.
36.	Volume 2, Section 2, Page 19	DB Contractor shall, in coordination with RCTC, develop a permitting checklist to aid in streamlining the Governmental Approval process.
37.	Volume 2, Section 2, Page 19	DB Contractor shall, in coordination with RCTC, develop a permitting strategy that outlines the steps, schedules and desired outcome in order to procure Governmental Approvals effectively.
38.	Volume 2, Section 2, Page 19	DB Contractor shall use Department's PS&E Review Tool during the environmental review to identify ECR commitments and to confirm that commitments have been incorporated into each design package.
39.	Volume 2, Section 2, Page 20	DB Contractor shall invite TSP to the Project initial scope clarification meeting, design reviews, Turnover planning, and preparation for the construction phase.
40.	Volume 2, Section 2, Page 20	DB Contractor shall coordinate, meet with and include the TSP so as to better foster communication, coordination and cooperation with TSP. DB Contractor shall; i) work with the TSP to identify any critical items or long lead times with design requirements; ii) grant TSP early access to the Site for inspections during construction; and iii) will work with TSP to identify points in the schedule where TSP can have early access to preform investigation, preliminary work and early start date for major TSP work.
41.	Volume 2, Section 2, Page 22	DB Contractor will present the construction critical path during the design phase to DB Contractor and RCTC team members.

APPENDIX 1

Exhibit 1.1 of the Proposal

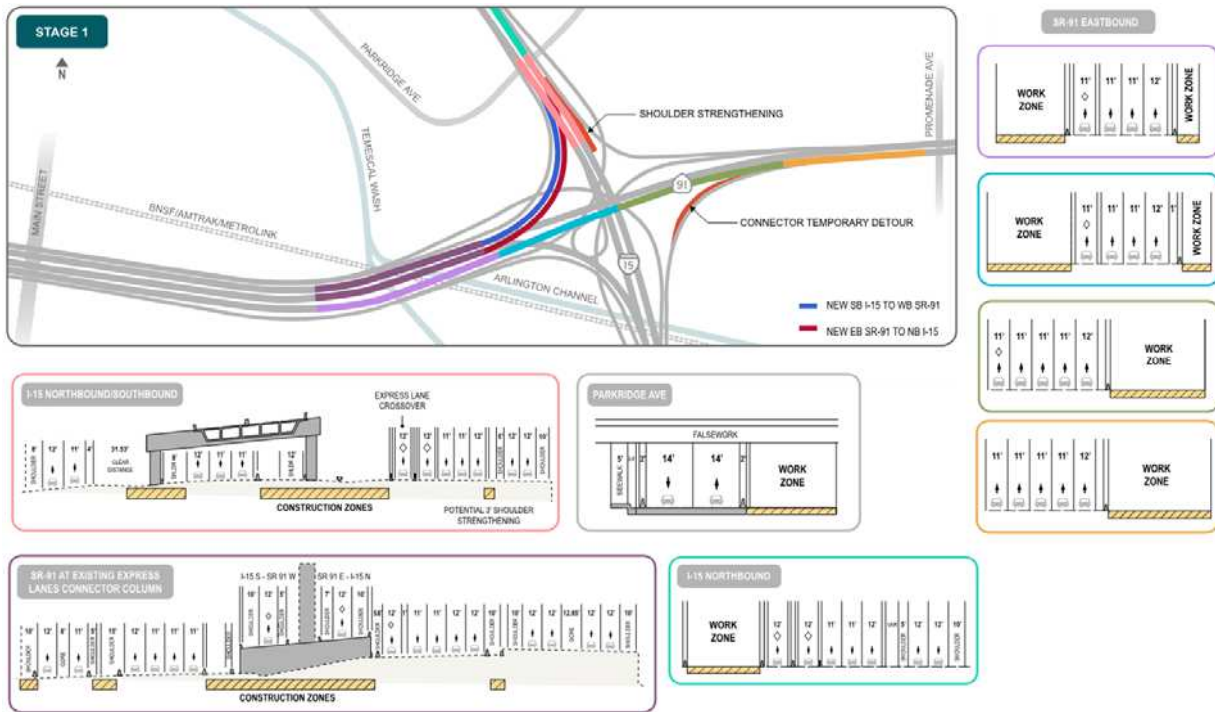


Exhibit 1.2 of the Proposal

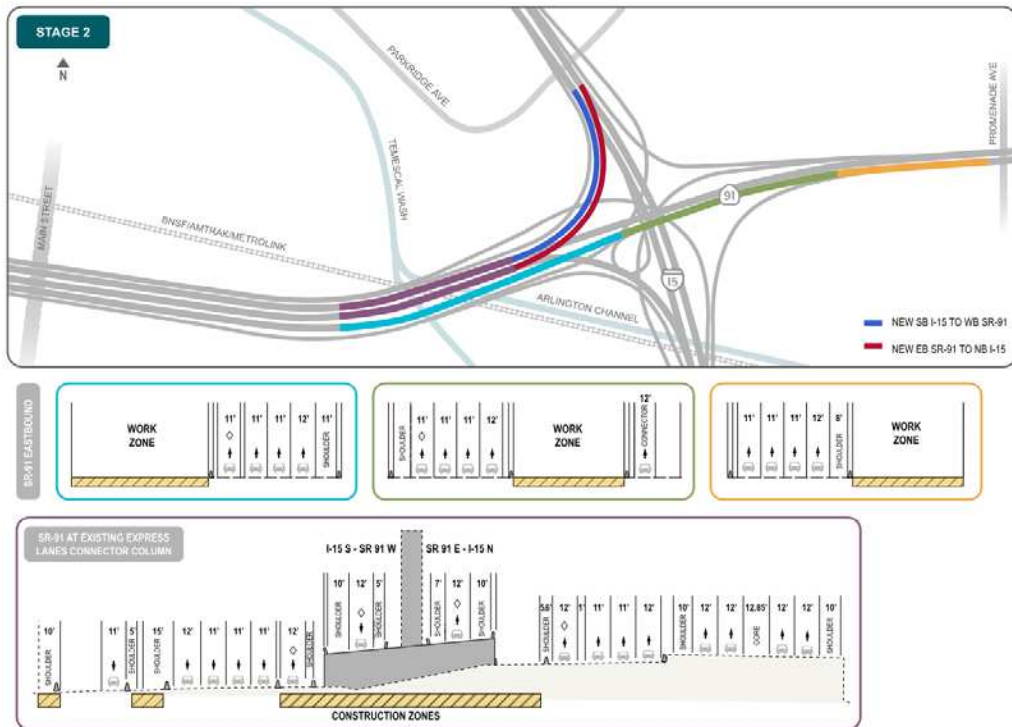


EXHIBIT 13-B

ATCS

The following table lists DB Contractor's Alternative Technical Concepts (ATCs), which are described in further detail in the ATC submittals attached as Appendix 1, that DB Contractor may incorporate into the Project. The Deviations set forth in the ATC submittals are approved by RCTC subject to satisfaction of any conditions set forth in the letters from RCTC to DB Contractor. Such Deviations, subject to satisfaction of any listed "conditions," expressly supersede any conflicting provisions in the Technical Provisions, as provided in Section 1.2 of the Contract. The ATCs, to the extent utilized by the DB Contractor, shall otherwise meet all requirements of the Contract.

ATC	No. 01	Lower Profile of SB-WB Connector
ATC	No. 04	Use of EPS Blocks as Lightweight Fill

ATC 01 - Lower the profile of the SW Connector to tie-into SR-91 and widen Bridge 26

DB Contractor shall implement ATC 01.

DB Contractor represents, warrants and covenants that:

- a) Any design exceptions arising out of ATC 01 shall be the sole responsibility and risk of DB Contractor. DB Contractor shall prepare for and obtain approvals from RCTC, Department and FHWA of all design exceptions;
- b) DB Contractor shall complete a new Toll System CCTV camera line-of-sight study (TP Section 19.3.3) to determine if the location and height of CCTV cameras identified in the Tolling Concept Plan will need to change. In such an event of a need for such changes, all changes will be subject to approval of RCTC and at DB Contractor's risk and expense;
- c) DB Contractor shall provide all the necessary information to amend the existing Governmental Approvals, including Environmental Approvals, such as a CEQA/NEPA revalidation, and shall bear the risk of such amendments, revalidations and approvals as set out in Section 1.9 of the Contract. The revalidation will also need to include a new Noise Study Report and a new Noise Abatement Decision Report;
- d) The proposed widening of the existing W91 Temescal Wash Bridge and Overhead (Bridge 26) requires additional footing easements within BNSF property. RCTC acquisition of these additional footing easements will be at DB Contractor's cost and risk and will be subject to the provisions of Section 8.1.3 of the Contract "Additional Properties and Access to BNSF Property." DB Contractor shall bear all risk of schedule and cost impact associated with the acquisition of any Additional Properties arising out of ATC 01, including Additional Properties relating to implementation of the ATC 01 or mitigation thereof. The foregoing does not modify or diminish rights to review and approve any Additional Property acquisition;
- e) DB Contractor shall prepare and obtain approval from RCTC and Department for a geometric approval drawing and corresponding Design Standard Decision Document which shall otherwise be consistent with the Geometric Approval Drawing and SR-91 Ultimate Exhibit;
- f) DB Contractor bears all risks of schedule and cost impact, responsibilities, obligations and liabilities in connection with ATC 01, including, any impacts associated with obtaining any Governmental Approvals in connection with the ATC 01 and any submittal of any additional environmental review, revalidation, supplement or approval in connection with ATC 01 (including the risk of not successfully obtaining any of the foregoing); and
- g) Except to the extent expressly provided in the Contract, DB Contractor is not entitled to make any Claim or otherwise seek compensation, time extension, a Change Order or other rights, remedies or relief against RCTC under the Contract or otherwise at Law or in equity in connection with ATC 01, including the use and implementation thereof.

ATC 04 – Use Expanded Polystyrene blocks as lightweight fill.

DB Contractor shall implement ATC 04.

DB Contractor represents, warrants and covenants that:

- a) Design of the Expanded Polystyrene (EPS) block fill shall conform to the requirements determined by the Department;
- b) No design exceptions resulting from this ATC will be considered or permitted unless approved by RCTC and Department;
- c) EPS shall not be used within a mechanically stabilized earth system;
- d) EPS shall not be used within a location that is prone to flooding, as determined by RCTC;
- e) EPS shall not be used within an area that is prone to fires, as determined by RCTC, without additional mitigation measures acceptable to RCTC;
- f) EPS shall comply with, at a minimum, Caltrans Non-Standard Special Provision for Lightweight Fill (EPS GEOFOAM) “19-04G”;
- g) DB Contractor bears all risks, responsibilities, obligations and liabilities in connection with the ATC, including, but not limited, to any impacts associated with obtaining any Governmental Approvals in connection with ATC 04 and any submittal of any additional environmental review, revalidation, supplement or approval in connection with ATC 04 (including the risk of not successfully obtaining any of the foregoing); and
- h) Except to the extent expressly provided in the Contract, DB Contractor is not entitled to make any Claim or otherwise seek compensation, time extension, a Change Order or other rights, remedies or relief against RCTC under the Contract or otherwise at Law or in equity in connection with ATC 04, including the use and implementation thereof.

Appendix 1

ATCs 01 and 04 identified in Section 1.1 of the Proposal are incorporated into this Contract by reference.

EXHIBIT 14
FEDERAL REQUIREMENTS

<u>Exhibit Description</u>	<u>No. of Pages</u>
Attachment 1 – Reserved	1
Attachment 2 – Reserved	
Attachment 3 – Reserved	
Attachment 4 – Reserved	
Attachment 5 – Reserved	
Attachment 6 – Reserved	
Attachment 7 – Compliance with Buy America Requirements	2
Attachment 8 – Reserved	

ATTACHMENT 1 TO EXHIBIT 14

FEDERAL REQUIREMENTS FOR CONSTRUCTION PROJECT ON FEDERAL-AID HIGHWAY

GENERAL. — The Work herein is subject to the statutes, rules, regulations and required Contract provisions promulgated by the Federal Government included in this Exhibit 14. Whenever in said required contract provisions references are made to:

(a) “contracting officer” or “authorized representative” such references shall be construed to mean RCTC or its Authorized Representative;

(b) “contractor”, “prime contractor”, “bidder”, “proposer”, “Federal-aid construction contractor,” “prospective first tier participant,” or “First Tier Participant,” such references shall be construed to mean DB Contractor or its Authorized Representative;

(c) “contract,” “prime contract,” “Federal-aid construction contract,” or “design-build contract,” such references shall be construed to mean the Contract between DB Contractor and RCTC for the Project;

(d) “subcontractor”, “supplier”, “vendor”, “prospective lower tier participant,” “lower tier prospective participant,” “Lower tier participant,” or “lower tier subcontractor,” such references shall be construed to mean any Subcontractor or Supplier; and

(e) “department”, “agency,” “department or agency with which this transaction originated,” “department or agency entering into this transaction,” or “contracting agency,” such references shall be construed to mean RCTC, except where a different department or agency is specified.

BUY AMERICA REQUIREMENTS – This Contract is subject to 23 CFR § 635.410, Buy America requirements. The provisions of 23 CFR § 635.410 are incorporated herein by reference.

ATTACHMENT 2 TO EXHIBIT 14

RESERVED

ATTACHMENT 3 TO EXHIBIT 14

RESERVED

ATTACHMENT 4 TO EXHIBIT 14

RESERVED

ATTACHMENT 5 TO EXHIBIT 14

RESERVED

ATTACHMENT 6 TO EXHIBIT 14

RESERVED

ATTACHMENT 7 TO EXHIBIT 14

COMPLIANCE WITH BUY AMERICA REQUIREMENTS

DB Contractor shall comply with the Federal Highway Administration (FHWA) Buy America Requirement in 23 CFR 635.410, which permits FHWA participation in the Contract only if domestic steel and iron will be used on the Project. To be considered domestic, all steel and iron used and all products manufactured from steel and iron must be produced in the United States and all manufacturing processes for these materials must occur in the United States, with the exception that pig iron and processed, pelletized and reduced iron ore manufactured outside of the United States may be used in the domestic manufacturing process for such steel and iron materials. The application of coatings, such as epoxy coating, galvanizing, painting and other coating that protects or enhances the value of steel or iron materials shall be considered a manufacturing process subject to Buy America requirements. This requirement does not preclude a minimal use of foreign steel and iron materials, provided the cost of such materials does not exceed 0.1% of the contract price under the Contract.

A Certificate of Compliance shall be furnished for steel and iron materials. The certificates, in addition to certifying that the materials comply with the specifications, shall specifically certify that all manufacturing processes for the materials occurred in the United States, except as for the above exception.

BUY AMERICA CERTIFICATE

Certificate of Compliance

DB Contractor hereby certifies that it will comply with the requirements of 23 U.S.C. 313, and the applicable regulations in 23 CFR 635.410.

Date: _____

Signature: _____

DB Contractor's Name: Myers-Rados, A Joint Venture

Title: _____

ATTACHMENT 8 TO EXHIBIT 14

RESERVED

EXHIBIT 15

FORM OF GUARANTY

[EXECUTED COPIES OF GUARANTEES TO REPLACE THIS FORM PRIOR TO EXECUTION OF THE CONTRACT]

GUARANTY

This Guaranty (the "Guaranty") is made by The Rados Companies, a closely held private corporation ("Guarantor"), in favor of the Riverside County Transportation Commission, a public entity of the State of California ("RCTC").

WHEREAS, Myers-Rados, A Joint Venture, as DB Contractor ("DB Contractor"), and RCTC are parties to that certain DB Contract (the "Contract") pursuant to which the DB Contractor has agreed to develop, design, and construct the Project. Unless the context otherwise requires, capitalized terms used but not separately defined in this Guaranty will have the meaning given to them in the Contract.

To induce RCTC to (i) enter into the Contract; and (ii) consummate the transactions contemplated thereby, Guarantor has agreed to enter into this Guaranty.

DB Contractor is a joint venture, comprised of Myers & Sons Construction, LLC and Steven P. Rados, Inc. The Guarantor is a corporation. The execution of the Contract by RCTC and the consummation of the transactions contemplated by the Contract will materially benefit Guarantor. Without this Guaranty, RCTC would not have entered into the Contract with DB Contractor. In consideration of RCTC's execution of the Contract and consummation of the transactions contemplated by the Contract, Guarantor has agreed to execute this Guaranty.

NOW, THEREFORE, in consideration of the foregoing Recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor agrees as follows:

1. Guaranty.

a. Guarantor guarantees to RCTC and its successors and assigns the full and prompt payment and performance when due of all of the obligations of the DB Contractor arising out of, in connection with, under or related to the Contract (including, without limitation, the DB Contractor's obligation to make payment to RCTC for Liquidated Damages and indemnity). The obligations guaranteed pursuant to this Guaranty are collectively referred to in this Guaranty as the "Guaranteed Obligations."

b. Guarantor covenants to RCTC that if at any time the DB Contractor should default in the performance when due of, observance when due of, or should commit a breach of, any of the Guaranteed Obligations, Guarantor shall promptly, upon written notice by RCTC, perform or pay the Guaranteed Obligations or cause the performance or payment of the Guaranteed Obligations.

c. Guarantor agrees that, to the extent Guarantor's obligations under this Guaranty relate to obligations of the DB Contractor which require performance other than the payment of money, RCTC may proceed against Guarantor to effect specific performance of such obligations

(to the extent that such relief is available). Guarantor agrees to assume or to procure the assumption of the Contract, and to perform or to procure the performance of all of the terms and conditions under the Contract should the Contract be disaffirmed or rejected by a trustee or court in a bankruptcy proceeding involving the DB Contractor, or, at the option of RCTC, Guarantor shall, in the event of the DB Contractor's bankruptcy, make and enter into or have made and entered into, by one or more entities reasonably satisfactory to RCTC, new contract documents for the balance of the term of the Contract, which new contract documents shall be in form and substance identical to the replaced Contract.

2. Unconditional Obligations. This Guaranty is a guaranty of payment and performance and not of collection. Except as provided in Section 20, this Guaranty is an absolute, unconditional and irrevocable guarantee of the full and prompt payment and performance when due of all of the Guaranteed Obligations, whether or not from time to time reduced or extinguished or hereafter increased or incurred, and whether or not enforceable against the DB Contractor. If any payment made by the DB Contractor or any other Person and applied to the Guaranteed Obligations is at any time annulled, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be repaid or refunded, then, to the extent of such payment or repayment, the liability of Guarantor will be and remain in full force and effect as fully as if such payment had never been made. Guarantor covenants that this Guaranty will not be fulfilled or discharged, except by the complete payment and performance of the Guaranteed Obligations, whether by the primary obligor or Guarantor under this Guaranty. Without limiting the generality of the foregoing, Guarantor's obligations under this Guaranty will not be released, discharged or otherwise affected by:

a. except as to applicable statutes of limitation, failure, omission, delay, waiver or refusal by DB Contractor to exercise, in whole or in part, any right or remedy held by DB Contractor with respect to the Contract or any transaction under the Contract;

b. any change in the Contract or the obligations under the Contract, any change in the existence, structure or ownership of Guarantor or the DB Contractor, or any dissolution, winding up, liquidation, insolvency, bankruptcy, reorganization or similar proceeding affecting the DB Contractor, Guarantor or their respective assets or any defense that may arise in connection with or as a result of such dissolution, winding up, liquidation, insolvency, bankruptcy, reorganization or other proceeding;

c. the existence of any Claim or set-off which the DB Contractor has or Guarantor may have against RCTC, whether in connection with this Guaranty or any unrelated transaction, provided that nothing in this Guaranty will be deemed a waiver by Guarantor of any Claim or prevent the assertion of any Claim by separate suit;

d. any release of DB Contractor from any liability with respect to the Contract;

e. any failure of consideration or lack of authority of the DB Contractor, any lack of validity or enforceability, illegality or defect or deficiency, or any other defense to formation of the Contract (or any term, condition or covenant thereof);

f. any change in the time, manner, terms, place of payment of, or any other term of all or any of the Guaranteed Obligations, or any other amendment, waiver of, or any consent to departure from any Contract executed in connection therewith;

g. the incapacity or lack of power or authority of, or dissolution or change in, the members or shareholders of the DB Contractor;

h. any release or subordination of any collateral then held by RCTC as security for the performance by DB Contractor of the Guaranteed Obligations; or

i. any other circumstance that might otherwise constitute a defense available to, or a discharge of, Guarantor with respect to the Guaranteed Obligations, other than performance or payment in full of the Guaranteed Obligations.

This Guaranty will in all respects be a continuing, absolute, and unconditional guaranty irrespective of the genuineness, validity, regularity or enforceability of the Contract, Guaranteed Obligations or any part thereof or any instrument or agreement evidencing any of the Guaranteed Obligations or relating thereto, or the existence, validity, enforceability, perfection, or extent of any collateral therefor or any other circumstances relating to the Guaranteed Obligations, except as provided in Section 20.

3. Independent Obligations. Guarantor agrees that the Guaranteed Obligations are independent of the obligations of the DB Contractor and if any default occurs under this Guaranty, a separate action or actions may be brought and prosecuted against Guarantor whether or not the DB Contractor is joined therein. RCTC may maintain successive actions for other defaults of Guarantor. RCTC's rights under this Guaranty will not be exhausted by the exercise of any of its rights or remedies or by any such action or by any number of successive actions until and unless all Guaranteed Obligations have been indefeasibly paid and fully performed.

a. Guarantor agrees that RCTC may enforce this Guaranty, at any time and from time to time, without the necessity of resorting to or exhausting any security or collateral and without the necessity of proceeding against the DB Contractor. Guarantor waives the right to require RCTC to proceed against the DB Contractor, to exercise any right or remedy under any of the Contract or to pursue any other remedy or to enforce any other right.

b. Guarantor will continue to be subject to this Guaranty notwithstanding: (i) any modification, agreement or stipulation between the DB Contractor and RCTC or their respective successors and assigns, with respect to any of the Contract or the Guaranteed Obligations; (ii) any waiver of or failure to enforce the Guaranteed Obligations or any of the terms, covenants or conditions contained in any of the Contract or any modification thereof; (iii) any release of the DB Contractor from any liability with respect to any of the Contract; or (iv) any release or subordination of any collateral then held by RCTC as security for the performance by the DB Contractor of the Guaranteed Obligations.

c. The Guaranteed Obligations are not conditional or contingent upon the genuineness, validity, regularity or enforceability of any of the Contract or the pursuit by RCTC of any remedies which RCTC either now has or may hereafter have with respect thereto under any of the Contract.

d. DB Contractor and Guarantor acknowledge and agree that Guarantor's obligations and undertakings under this Guaranty are derivative of, and not in excess of, the Guaranteed Obligations and Guarantor shall be entitled to all rights and defenses of DB Contractor except as previously waived or disclaimed in this Guaranty. Notwithstanding any other term or provision of this Guaranty, in the event that the DB Contractor's obligations have been changed by any modification, agreement or stipulation between DB Contractor and RCTC or their respective successors or assigns, the term "Guaranteed Obligations" as used in this Guaranty shall mean the Guaranteed Obligations as so changed, except that the Guaranteed Obligations shall be determined without regard to the effect of any such modification, agreement or stipulation in the

context of a bankruptcy or insolvency proceeding in which DB Contractor is the debtor, unless otherwise specified in the modification, agreement or stipulation.

4. Liability of Guarantor.

a. RCTC may enforce this Guaranty upon the occurrence of a breach by the DB Contractor of any of the Guaranteed Obligations, notwithstanding the existence of any dispute between RCTC and the DB Contractor with respect to the existence of such a breach.

b. Guarantor's performance of some, but not all, of the Guaranteed Obligations will in no way limit, affect, modify or abridge Guarantor's liability for those Guaranteed Obligations that have not been performed.

c. RCTC, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability of this Guaranty or giving rise to any reduction, limitation, impairment, discharge or termination of Guarantor's liability under this Guaranty, from time to time may (i) with respect to the financial obligations of the DB Contractor, if and as permitted by the Contract, renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of financial obligations that are Guaranteed Obligations, and/or subordinate the payment of the same to the payment of any other obligations, (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto, (iii) request and accept other guarantees of the Guaranteed Obligations and take and hold security for the payment and performance of this Guaranty or the Guaranteed Obligations, (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for performance of the Guaranteed Obligations, any other guarantees of the Guaranteed Obligations, or any other obligation of any Person with respect to the Guaranteed Obligations, (v) enforce and apply any security hereafter held by or for the benefit of RCTC in respect of this Guaranty or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that RCTC may have against any such security, as RCTC in its discretion may determine, and (vi) exercise any other rights available to it under the Contract.

d. This Guaranty and the obligations of Guarantor under this Guaranty will be valid and enforceable and will not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than indefeasible performance in full of the Guaranteed Obligations), including without limitation the occurrence of any of the following, whether or not Guarantor will have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce an agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any Claim or demand or any right, power or remedy (whether arising under the Contract, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement or instrument relating thereto; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including without limitation provisions relating to events of default) of the Contract or any agreement or instrument executed pursuant thereto; (iii) RCTC's knowledge of or consent to the change, reorganization or termination of the corporate structure or existence of the DB Contractor; (iv) any defenses, set-offs or counterclaims that the DB Contractor may allege or assert against RCTC in respect of the Guaranteed Obligations, except as provided in Section 20.

5. Waivers. To the fullest extent permitted by law, Guarantor hereby waives and agrees not to assert or take advantage of:

a. any right to require RCTC to proceed against the DB Contractor or any other Person or to proceed against or exhaust any security held by RCTC at any time or to pursue any right or remedy under any of the Contract or any other remedy in RCTC's power before proceeding against Guarantor;

b. any defense that may arise by reason of the incapacity, lack of authority, death or disability of, or revocation hereby by Guarantor, the DB Contractor or any other Person or the failure of RCTC to file or enforce a claim against the estate (either in administration, bankruptcy or any other proceeding) of any such Person;

c. any defense that may arise by reason of any presentment, demand for payment or performance or otherwise, protest or notice of any other kind or lack thereof;

d. any right or defense arising out of an election of remedies by RCTC even though the election of remedies, such as non-judicial foreclosure with respect to any security for the Guaranteed Obligations, has destroyed the Guarantor's rights of subrogation and reimbursement against the DB Contractor by the operation of Section 580d of the California Code of Civil Procedure or otherwise;

e. all notices to Guarantor or to any other Person, including, but not limited to, notices of the acceptance of this Guaranty or the creation, renewal, extension, modification, accrual of any of the obligations of the DB Contractor under any of the Contract, or of default in the payment or performance of any such obligations, enforcement of any right or remedy with respect thereto or notice of any other matters relating thereto;

f. any defense based upon any act or omission of RCTC which directly or indirectly results in or aids the discharge or release of the DB Contractor, Guarantor or any security given or held by RCTC in connection with the Guaranteed Obligations;

g. any duty on the part of RCTC to disclose to Guarantor any facts RCTC may now or hereafter know about the DB Contractor, regardless of whether RCTC has reason to believe that any such facts materially increase the risk beyond that which Guarantor intends to assume, has reason to believe that such facts are unknown to Guarantor, or has a reasonable opportunity to communicate such facts to Guarantor. Guarantor acknowledges that it is fully responsible for being and keeping informed of the financial condition of the DB Contractor and of all circumstances bearing on the risk of non-payment of any Guaranteed Obligations;

h. [the fact that Guarantor may at any time in the future dispose of all or part of its direct or indirect ownership or economic interests in the DB Contractor]; and

i. any and all suretyship defenses under applicable law.

6. Waiver of Subrogation and Rights of Reimbursement. Until the Guaranteed Obligations have been indefeasibly paid in full, Guarantor waives any claim, right or remedy which it may now have or may hereafter acquire against the DB Contractor that arises from the performance of Guarantor under this Guaranty, including, without limitation, any claim, right or remedy of subrogation, reimbursement, exoneration, contribution, or indemnification, or participation in any claim, right or remedy of RCTC against the DB Contractor, or any other security or collateral that RCTC now has or hereafter acquires, whether or not such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise. All existing or future indebtedness of the DB Contractor or any shareholders, partners, members, joint venturers of the DB Contractor to Guarantor is subordinated to all of the Guaranteed Obligations

until such time as all Guaranteed Obligations shall have been indefeasibly paid in full. Whenever and for so long as the DB Contractor shall be in default in the performance of a Guaranteed Obligation, no payments with respect to any such indebtedness shall be made by the DB Contractor or any shareholders, partners, members, joint venturers of the DB Contractor to Guarantor without the prior written consent of RCTC. Any payment by the DB Contractor or any shareholders, partners, members, joint venturers of the DB Contractor to Guarantor in violation of this provision shall be deemed to have been received by Guarantor as trustee for RCTC.

7. **Cumulative Rights.** All rights, powers and remedies of RCTC under this Guaranty will be in addition to and not in lieu of all other rights, powers and remedies given to RCTC, whether at law, in equity or otherwise.

8. **Notices.** All demands, notices and other communications provided for under this Guaranty shall, unless otherwise specifically provided herein, comply with Section 27.11.1 of the Contract.

9. **No Waiver.** Any forbearance or failure to exercise, and any delay by RCTC in exercising, any right, power or remedy under this Guaranty will not impair any such right, power or remedy or be construed to be a waiver thereof, nor will it preclude the further exercise of any such right, power or remedy.

10. **Assignability.** This Guaranty is binding upon and inures to the benefit of the successors and assigns of Guarantor and RCTC, but is not assignable by Guarantor without the prior written consent of RCTC, which consent may be granted or withheld in RCTC's sole discretion. Any assignment by Guarantor effected in accordance with this Section 10 will not relieve Guarantor of its obligations and liabilities under this Guaranty.

11. **Amendments.** No amendment of this Guaranty shall be effective unless in writing and signed by Guarantor and RCTC. No waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless such waiver shall be in writing and signed by RCTC. Any such waiver shall be effective only in the specific instance and for the specific purpose for which it was given.

12. **Captions.** The captions in this Guaranty are for convenience only and shall not be deemed part of this Guaranty or considered in construing this Guaranty.

13. **Construction of Agreement.** Ambiguities or uncertainties in the wording of this Guaranty will not be construed for or against any party, but will be construed in the manner that most accurately reflects the parties' intent as of the date hereof.

14. **Representations and Warranties.** In addition to the representations and warranties with respect to solvency set forth in Section 16, Guarantor represents and warrants that:

a. it is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware and qualified to do business and is in good standing under the laws of the State of California;

b. it has full power, right and authority to execute, deliver and perform this Guaranty;

c. the execution, delivery, and performance by Guarantor of this Guaranty have been duly authorized by all necessary corporate action on the part of Guarantor and proof of such authorization will be provided with the execution of this Guaranty;

d. this Guaranty has been duly executed and delivered and constitutes the legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms;

e. neither the execution nor delivery of this Guaranty nor compliance with or fulfillment of the terms, conditions, and provisions hereof, will conflict with, result in a material breach or violation of the terms, conditions, or provisions of, or constitute a material default, an event of default, or an event creating rights of acceleration, termination, or cancellation, or a loss of rights under: (1) the certificate of incorporation or by-laws of Guarantor, (2) any judgment, decree, order, contract, agreement, indenture, instrument, note, mortgage, lease, governmental permit, or other authorization, right, restriction, or obligation to which Guarantor is a party or any of its property is subject or by which Guarantor is bound, or (3) any federal, state, or local law, statute, ordinance, rule or regulation applicable to Guarantor;

f. it now has and will continue to have full and complete access to any and all information concerning the transactions contemplated by the Contract or referred to therein, the financial status of the DB Contractor and the ability of the DB Contractor to pay and perform the Guaranteed Obligations;

g. it has reviewed and approved copies of the Contract and is fully informed of the remedies RCTC may pursue, with or without notice to the DB Contractor or any other Person, in the event of default of any of the Guaranteed Obligations;

h. it has made and so long as the Guaranteed Obligations (or any portion thereof) remain unsatisfied, it will make its own credit analysis of the DB Contractor and will keep itself fully informed as to all aspects of the financial condition of the DB Contractor, the performance of the Guaranteed Obligations and of all circumstances bearing upon the risk of nonpayment or nonperformance of the Guaranteed Obligations. Guarantor hereby waives and relinquishes any duty on the part of RCTC to disclose any matter, fact or thing relating to the business, operations or conditions of the DB Contractor now known or hereafter known by RCTC;

i. no consent, authorization, approval, order, license, certificate, or permit or act of or from, or declaration or filing with, any governmental authority or any party to any contract, agreement, instrument, lease, or license to which Guarantor is a party or by which Guarantor is bound, is required for the execution, delivery, or compliance with the terms hereof by Guarantor, except as have been obtained prior to the date of this Guaranty;

j. there is no pending or, to the best of its knowledge, threatened action, suit, proceeding, arbitration, litigation, or investigation of or before any Governmental Entity which challenges the validity or enforceability of this Guaranty;

k. it is not subject to any outstanding judgment, rule, writ, injunction or decree of any Governmental Entity that adversely affects its ability to perform its obligations under this Guaranty; and

l. it derives a substantial direct or indirect economic benefit from the Contract.

15. Limitation by Law. All rights, remedies and powers provided in this Guaranty may be exercised only to the extent that such exercise does not violate any applicable provision of law, and all the provisions of this Guaranty are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they will not render this Guaranty invalid, unenforceable, in whole or in part, or not entitled to be recorded, registered or filed under the provisions of any applicable law.

16. Bankruptcy; Post-Petition Interest; Reinstatement of Guaranty; Solvency.

a. The obligations of Guarantor under this Guaranty will not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of the DB Contractor or by any defense which the DB Contractor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding. RCTC is not obligated to file any claim relating to the Guaranteed Obligations if the DB Contractor becomes subject to a bankruptcy, reorganization, or similar proceeding, and the failure of RCTC so to file will not affect Guarantor's obligations under this Guaranty.

b. Guarantor acknowledges and agrees that any interest on any portion of the Guaranteed Obligations which accrues after the commencement of any proceeding referred to in clause (a) above (or, if interest on any portion of the Guaranteed Obligations ceases to accrue by operation of law by reason of the commencement of said proceeding, such interest as would have accrued on such portion of the Guaranteed Obligations if said proceedings had not been commenced) will be included in the Guaranteed Obligations because it is the intention of Guarantor and RCTC that the Guaranteed Obligations should be determined without regard to any rule of law or order which may relieve the DB Contractor of any portion of such Guaranteed Obligations. Guarantor will permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or any similar person to pay RCTC, or allow the claim of RCTC in respect of, any such interest accruing after the date on which such proceeding is commenced.

17. Governing Law. This Guaranty shall be governed by and construed in accordance with the law of the State of California, without regard to conflict of law principles. The venue of any court, judicial or referee proceeding under this Contract shall be in Riverside County, California, unless changed by the judicial officer.

18. Attorneys' Fees. Guarantor agrees to pay to RCTC without demand reasonable attorneys' fees and all costs and other expenses (whether by lawsuit or otherwise, and including such fees and costs of litigation, arbitration and bankruptcy, and including appeals) incurred by RCTC in enforcing, collecting or compromising any Guaranteed Obligation or enforcing or collecting this Guaranty against Guarantor or in attempting to do any or all of the foregoing.

19. Joint and Several Liability. If the Guarantor is comprised of more than one individual and/or entity, such individuals and/or entities, as applicable, shall be jointly and severally liable for the Guaranteed Obligations. If more than one guaranty is executed with respect to the DB Contractor and the Project, each guarantor under such a guaranty shall be jointly and severally liable with the other guarantors with respect to the obligations guaranteed under such guaranties.

20. Defenses. Notwithstanding any other provision to the contrary, Guarantor shall be entitled to the benefit of all defenses available to the DB Contractor under the Contract except (a) those expressly waived in this Guaranty, (b) failure of consideration, lack of authority of the DB Contractor and any other defense to formation of the Contract, and (c) defenses available to the DB Contractor under any federal or state law respecting bankruptcy, arrangement, reorganization or similar relief of debtors. Action against Guarantor under this Guaranty shall be subject to no prior notice or demand.

21. Entire Agreement. This Guaranty contains the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements, understandings,

statements, representations and negotiations between the parties with respect to their subject matter.

22. Severability. If any clause, provision, section or part of this Guaranty is ruled invalid by a court having proper jurisdiction, it will be adjusted rather than voided, to achieve the intent of the parties. The invalidity or unenforceability of any such clause, provision, section or part shall not affect the validity or enforceability of the balance of this Guaranty, which shall be construed and enforced as if this Guaranty did not contain such invalid or unenforceable clause, provision, section or part.

23. Additional Guarantor Waivers and Acknowledgements.

a. Guarantor hereby waives any and all defenses it might have that liquidated damages or stipulated damages constitute a penalty or that they do not bear a reasonable relation to the actual damages.

b. GUARANTOR ACKNOWLEDGES HAVING READ ALL OF THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON EXECUTION OF THIS GUARANTY. NO FORMAL ACCEPTANCE BY RCTC IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE. THIS GUARANTY IS EFFECTIVE AS OF THE DATE HEREOF.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be duly executed and delivered by its duly authorized officer effective as of this [] day of [] 2020.

The Rados Companies

By: _____

Name: _____

Title: _____

FORM OF GUARANTY

[EXECUTED COPIES OF GUARANTEES TO REPLACE THIS FORM PRIOR TO EXECUTION OF THE CONTRACT]

GUARANTY

This Guaranty (the "Guaranty") is made by Myers & Sons Construction, LP ("Guarantor"), in favor of the Riverside County Transportation Commission, a public entity of the State of California ("RCTC").

WHEREAS, Meyers-Rados, A Joint Venture, as DB Contractor ("DB Contractor"), and RCTC are parties to that certain DB Contract (the "Contract") pursuant to which the DB Contractor has agreed to develop, design, and construct the Project. Unless the context otherwise requires, capitalized terms used but not separately defined in this Guaranty will have the meaning given to them in the Contract.

To induce RCTC to (i) enter into the Contract; and (ii) consummate the transactions contemplated thereby, Guarantor has agreed to enter into this Guaranty.

DB Contractor is a joint venture. The Guarantor is a limited partnership. The execution of the Contract by RCTC and the consummation of the transactions contemplated by the Contract will materially benefit Guarantor. Without this Guaranty, RCTC would not have entered into the Contract with DB Contractor. In consideration of RCTC's execution of the Contract and consummation of the transactions contemplated by the Contract, Guarantor has agreed to execute this Guaranty.

NOW, THEREFORE, in consideration of the foregoing Recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor agrees as follows:

24. Guaranty.

a. Guarantor guarantees to RCTC and its successors and assigns the full and prompt payment and performance when due of all of the obligations of the DB Contractor arising out of, in connection with, under or related to the Contract (including, without limitation, the DB Contractor's obligation to make payment to RCTC for Liquidated Damages and indemnity). The obligations guaranteed pursuant to this Guaranty are collectively referred to in this Guaranty as the "Guaranteed Obligations."

b. Guarantor covenants to RCTC that if at any time the DB Contractor should default in the performance when due of, observance when due of, or should commit a breach of, any of the Guaranteed Obligations, Guarantor shall promptly, upon written notice by RCTC, perform or pay the Guaranteed Obligations or cause the performance or payment of the Guaranteed Obligations.

c. Guarantor agrees that, to the extent Guarantor's obligations under this Guaranty relate to obligations of the DB Contractor which require performance other than the payment of money, RCTC may proceed against Guarantor to effect specific performance of such obligations (to the extent that such relief is available). Guarantor agrees to assume or to procure the

assumption of the Contract, and to perform or to procure the performance of all of the terms and conditions under the Contract should the Contract be disaffirmed or rejected by a trustee or court in a bankruptcy proceeding involving the DB Contractor, or, at the option of RCTC, Guarantor shall, in the event of the DB Contractor's bankruptcy, make and enter into or have made and entered into, by one or more entities reasonably satisfactory to RCTC, new contract documents for the balance of the term of the Contract, which new contract documents shall be in form and substance identical to the replaced Contract.

25. Unconditional Obligations. This Guaranty is a guaranty of payment and performance and not of collection. Except as provided in Section 20, this Guaranty is an absolute, unconditional and irrevocable guarantee of the full and prompt payment and performance when due of all of the Guaranteed Obligations, whether or not from time to time reduced or extinguished or hereafter increased or incurred, and whether or not enforceable against the DB Contractor. If any payment made by the DB Contractor or any other Person and applied to the Guaranteed Obligations is at any time annulled, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be repaid or refunded, then, to the extent of such payment or repayment, the liability of Guarantor will be and remain in full force and effect as fully as if such payment had never been made. Guarantor covenants that this Guaranty will not be fulfilled or discharged, except by the complete payment and performance of the Guaranteed Obligations, whether by the primary obligor or Guarantor under this Guaranty. Without limiting the generality of the foregoing, Guarantor's obligations under this Guaranty will not be released, discharged or otherwise affected by:

a. except as to applicable statutes of limitation, failure, omission, delay, waiver or refusal by DB Contractor to exercise, in whole or in part, any right or remedy held by DB Contractor with respect to the Contract or any transaction under the Contract;

b. any change in the Contract or the obligations under the Contract, any change in the existence, structure or ownership of Guarantor or the DB Contractor, or any dissolution, winding up, liquidation, insolvency, bankruptcy, reorganization or similar proceeding affecting the DB Contractor, Guarantor or their respective assets or any defense that may arise in connection with or as a result of such dissolution, winding up, liquidation, insolvency, bankruptcy, reorganization or other proceeding;

c. the existence of any Claim or set-off which the DB Contractor has or Guarantor may have against RCTC, whether in connection with this Guaranty or any unrelated transaction, provided that nothing in this Guaranty will be deemed a waiver by Guarantor of any Claim or prevent the assertion of any Claim by separate suit;

d. any release of DB Contractor from any liability with respect to the Contract;

e. any failure of consideration or lack of authority of the DB Contractor, any lack of validity or enforceability, illegality or defect or deficiency, or any other defense to formation of the Contract (or any term, condition or covenant thereof);

f. any change in the time, manner, terms, place of payment of, or any other term of all or any of the Guaranteed Obligations, or any other amendment, waiver of, or any consent to departure from any Contract executed in connection therewith;

g. the incapacity or lack of power or authority of, or dissolution or change in, the members or shareholders of the DB Contractor;

h. any release or subordination of any collateral then held by RCTC as security for the performance by DB Contractor of the Guaranteed Obligations; or

i. any other circumstance that might otherwise constitute a defense available to, or a discharge of, Guarantor with respect to the Guaranteed Obligations, other than performance or payment in full of the Guaranteed Obligations.

This Guaranty will in all respects be a continuing, absolute, and unconditional guaranty irrespective of the genuineness, validity, regularity or enforceability of the Contract, Guaranteed Obligations or any part thereof or any instrument or agreement evidencing any of the Guaranteed Obligations or relating thereto, or the existence, validity, enforceability, perfection, or extent of any collateral therefor or any other circumstances relating to the Guaranteed Obligations, except as provided in Section 20.

26. Independent Obligations. Guarantor agrees that the Guaranteed Obligations are independent of the obligations of the DB Contractor and if any default occurs under this Guaranty, a separate action or actions may be brought and prosecuted against Guarantor whether or not the DB Contractor is joined therein. RCTC may maintain successive actions for other defaults of Guarantor. RCTC's rights under this Guaranty will not be exhausted by the exercise of any of its rights or remedies or by any such action or by any number of successive actions until and unless all Guaranteed Obligations have been indefeasibly paid and fully performed.

a. Guarantor agrees that RCTC may enforce this Guaranty, at any time and from time to time, without the necessity of resorting to or exhausting any security or collateral and without the necessity of proceeding against the DB Contractor. Guarantor waives the right to require RCTC to proceed against the DB Contractor, to exercise any right or remedy under any of the Contract or to pursue any other remedy or to enforce any other right.

b. Guarantor will continue to be subject to this Guaranty notwithstanding: (i) any modification, agreement or stipulation between the DB Contractor and RCTC or their respective successors and assigns, with respect to any of the Contract or the Guaranteed Obligations; (ii) any waiver of or failure to enforce the Guaranteed Obligations or any of the terms, covenants or conditions contained in any of the Contract or any modification thereof; (iii) any release of the DB Contractor from any liability with respect to any of the Contract; or (iv) any release or subordination of any collateral then held by RCTC as security for the performance by the DB Contractor of the Guaranteed Obligations.

c. The Guaranteed Obligations are not conditional or contingent upon the genuineness, validity, regularity or enforceability of any of the Contract or the pursuit by RCTC of any remedies which RCTC either now has or may hereafter have with respect thereto under any of the Contract.

d. DB Contractor and Guarantor acknowledge and agree that Guarantor's obligations and undertakings under this Guaranty are derivative of, and not in excess of, the Guaranteed Obligations and Guarantor shall be entitled to all rights and defenses of DB Contractor except as previously waived or disclaimed in this Guaranty. Notwithstanding any other term or provision of this Guaranty, in the event that the DB Contractor's obligations have been changed by any modification, agreement or stipulation between DB Contractor and RCTC or their respective successors or assigns, the term "Guaranteed Obligations" as used in this Guaranty shall mean the Guaranteed Obligations as so changed, except that the Guaranteed Obligations shall be determined without regard to the effect of any such modification, agreement or stipulation in the

context of a bankruptcy or insolvency proceeding in which DB Contractor is the debtor, unless otherwise specified in the modification, agreement or stipulation.

27. Liability of Guarantor.

a. RCTC may enforce this Guaranty upon the occurrence of a breach by the DB Contractor of any of the Guaranteed Obligations, notwithstanding the existence of any dispute between RCTC and the DB Contractor with respect to the existence of such a breach.

b. Guarantor's performance of some, but not all, of the Guaranteed Obligations will in no way limit, affect, modify or abridge Guarantor's liability for those Guaranteed Obligations that have not been performed.

c. RCTC, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability of this Guaranty or giving rise to any reduction, limitation, impairment, discharge or termination of Guarantor's liability under this Guaranty, from time to time may (i) with respect to the financial obligations of the DB Contractor, if and as permitted by the Contract, renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of financial obligations that are Guaranteed Obligations, and/or subordinate the payment of the same to the payment of any other obligations, (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto, (iii) request and accept other guarantees of the Guaranteed Obligations and take and hold security for the payment and performance of this Guaranty or the Guaranteed Obligations, (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for performance of the Guaranteed Obligations, any other guarantees of the Guaranteed Obligations, or any other obligation of any Person with respect to the Guaranteed Obligations, (v) enforce and apply any security hereafter held by or for the benefit of RCTC in respect of this Guaranty or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that RCTC may have against any such security, as RCTC in its discretion may determine, and (vi) exercise any other rights available to it under the Contract.

d. This Guaranty and the obligations of Guarantor under this Guaranty will be valid and enforceable and will not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than indefeasible performance in full of the Guaranteed Obligations), including without limitation the occurrence of any of the following, whether or not Guarantor will have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce an agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any Claim or demand or any right, power or remedy (whether arising under the Contract, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement or instrument relating thereto; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including without limitation provisions relating to events of default) of the Contract or any agreement or instrument executed pursuant thereto; (iii) RCTC's knowledge of or consent to the change, reorganization or termination of the corporate structure or existence of the DB Contractor; (iv) any defenses, set-offs or counterclaims that the DB Contractor may allege or assert against RCTC in respect of the Guaranteed Obligations, except as provided in Section 20.

28. Waivers. To the fullest extent permitted by law, Guarantor hereby waives and agrees not to assert or take advantage of:

a. any right to require RCTC to proceed against the DB Contractor or any other Person or to proceed against or exhaust any security held by RCTC at any time or to pursue any right or remedy under any of the Contract or any other remedy in RCTC's power before proceeding against Guarantor;

b. any defense that may arise by reason of the incapacity, lack of authority, death or disability of, or revocation hereby by Guarantor, the DB Contractor or any other Person or the failure of RCTC to file or enforce a claim against the estate (either in administration, bankruptcy or any other proceeding) of any such Person;

c. any defense that may arise by reason of any presentment, demand for payment or performance or otherwise, protest or notice of any other kind or lack thereof;

d. any right or defense arising out of an election of remedies by RCTC even though the election of remedies, such as non-judicial foreclosure with respect to any security for the Guaranteed Obligations, has destroyed the Guarantor's rights of subrogation and reimbursement against the DB Contractor by the operation of Section 580d of the California Code of Civil Procedure or otherwise;

e. all notices to Guarantor or to any other Person, including, but not limited to, notices of the acceptance of this Guaranty or the creation, renewal, extension, modification, accrual of any of the obligations of the DB Contractor under any of the Contract, or of default in the payment or performance of any such obligations, enforcement of any right or remedy with respect thereto or notice of any other matters relating thereto;

f. any defense based upon any act or omission of RCTC which directly or indirectly results in or aids the discharge or release of the DB Contractor, Guarantor or any security given or held by RCTC in connection with the Guaranteed Obligations;

g. any duty on the part of RCTC to disclose to Guarantor any facts RCTC may now or hereafter know about the DB Contractor, regardless of whether RCTC has reason to believe that any such facts materially increase the risk beyond that which Guarantor intends to assume, has reason to believe that such facts are unknown to Guarantor, or has a reasonable opportunity to communicate such facts to Guarantor. Guarantor acknowledges that it is fully responsible for being and keeping informed of the financial condition of the DB Contractor and of all circumstances bearing on the risk of non-payment of any Guaranteed Obligations;

h. [the fact that Guarantor may at any time in the future dispose of all or part of its direct or indirect ownership or economic interests in the DB Contractor]; and

i. any and all suretyship defenses under applicable law.

29. Waiver of Subrogation and Rights of Reimbursement. Until the Guaranteed Obligations have been indefeasibly paid in full, Guarantor waives any claim, right or remedy which it may now have or may hereafter acquire against the DB Contractor that arises from the performance of Guarantor under this Guaranty, including, without limitation, any claim, right or remedy of subrogation, reimbursement, exoneration, contribution, or indemnification, or participation in any claim, right or remedy of RCTC against the DB Contractor, or any other security or collateral that RCTC now has or hereafter acquires, whether or not such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise. All existing or future indebtedness of the DB Contractor or any shareholders, partners, members, joint venturers of the DB Contractor to Guarantor is subordinated to all of the Guaranteed Obligations

until such time as all Guaranteed Obligations shall have been indefeasibly paid in full. Whenever and for so long as the DB Contractor shall be in default in the performance of a Guaranteed Obligation, no payments with respect to any such indebtedness shall be made by the DB Contractor or any shareholders, partners, members, joint venturers of the DB Contractor to Guarantor without the prior written consent of RCTC. Any payment by the DB Contractor or any shareholders, partners, members, joint venturers of the DB Contractor to Guarantor in violation of this provision shall be deemed to have been received by Guarantor as trustee for RCTC.

30. Cumulative Rights. All rights, powers and remedies of RCTC under this Guaranty will be in addition to and not in lieu of all other rights, powers and remedies given to RCTC, whether at law, in equity or otherwise.

31. Notices. All demands, notices and other communications provided for under this Guaranty shall, unless otherwise specifically provided herein, comply with Section 27.11.1 of the Contract.

32. No Waiver. Any forbearance or failure to exercise, and any delay by RCTC in exercising, any right, power or remedy under this Guaranty will not impair any such right, power or remedy or be construed to be a waiver thereof, nor will it preclude the further exercise of any such right, power or remedy.

33. Assignability. This Guaranty is binding upon and inures to the benefit of the successors and assigns of Guarantor and RCTC, but is not assignable by Guarantor without the prior written consent of RCTC, which consent may be granted or withheld in RCTC's sole discretion. Any assignment by Guarantor effected in accordance with this Section 10 will not relieve Guarantor of its obligations and liabilities under this Guaranty.

34. Amendments. No amendment of this Guaranty shall be effective unless in writing and signed by Guarantor and RCTC. No waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless such waiver shall be in writing and signed by RCTC. Any such waiver shall be effective only in the specific instance and for the specific purpose for which it was given.

35. Captions. The captions in this Guaranty are for convenience only and shall not be deemed part of this Guaranty or considered in construing this Guaranty.

36. Construction of Agreement. Ambiguities or uncertainties in the wording of this Guaranty will not be construed for or against any party, but will be construed in the manner that most accurately reflects the parties' intent as of the date hereof.

37. Representations and Warranties. In addition to the representations and warranties with respect to solvency set forth in Section 16, Guarantor represents and warrants that:

a. it is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware and qualified to do business and is in good standing under the laws of the State of California;

b. it has full power, right and authority to execute, deliver and perform this Guaranty;

c. the execution, delivery, and performance by Guarantor of this Guaranty have been duly authorized by all necessary corporate action on the part of Guarantor and proof of such authorization will be provided with the execution of this Guaranty;

d. this Guaranty has been duly executed and delivered and constitutes the legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms;

e. neither the execution nor delivery of this Guaranty nor compliance with or fulfillment of the terms, conditions, and provisions hereof, will conflict with, result in a material breach or violation of the terms, conditions, or provisions of, or constitute a material default, an event of default, or an event creating rights of acceleration, termination, or cancellation, or a loss of rights under: (1) the certificate of incorporation or by-laws of Guarantor, (2) any judgment, decree, order, contract, agreement, indenture, instrument, note, mortgage, lease, governmental permit, or other authorization, right, restriction, or obligation to which Guarantor is a party or any of its property is subject or by which Guarantor is bound, or (3) any federal, state, or local law, statute, ordinance, rule or regulation applicable to Guarantor;

f. it now has and will continue to have full and complete access to any and all information concerning the transactions contemplated by the Contract or referred to therein, the financial status of the DB Contractor and the ability of the DB Contractor to pay and perform the Guaranteed Obligations;

g. it has reviewed and approved copies of the Contract and is fully informed of the remedies RCTC may pursue, with or without notice to the DB Contractor or any other Person, in the event of default of any of the Guaranteed Obligations;

h. it has made and so long as the Guaranteed Obligations (or any portion thereof) remain unsatisfied, it will make its own credit analysis of the DB Contractor and will keep itself fully informed as to all aspects of the financial condition of the DB Contractor, the performance of the Guaranteed Obligations and of all circumstances bearing upon the risk of nonpayment or nonperformance of the Guaranteed Obligations. Guarantor hereby waives and relinquishes any duty on the part of RCTC to disclose any matter, fact or thing relating to the business, operations or conditions of the DB Contractor now known or hereafter known by RCTC;

i. no consent, authorization, approval, order, license, certificate, or permit or act of or from, or declaration or filing with, any governmental authority or any party to any contract, agreement, instrument, lease, or license to which Guarantor is a party or by which Guarantor is bound, is required for the execution, delivery, or compliance with the terms hereof by Guarantor, except as have been obtained prior to the date of this Guaranty;

j. there is no pending or, to the best of its knowledge, threatened action, suit, proceeding, arbitration, litigation, or investigation of or before any Governmental Entity which challenges the validity or enforceability of this Guaranty;

k. it is not subject to any outstanding judgment, rule, writ, injunction or decree of any Governmental Entity that adversely affects its ability to perform its obligations under this Guaranty; and

l. it derives a substantial direct or indirect economic benefit from the Contract.

38. Limitation by Law. All rights, remedies and powers provided in this Guaranty may be exercised only to the extent that such exercise does not violate any applicable provision of law, and all the provisions of this Guaranty are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they will not render this Guaranty invalid, unenforceable, in whole or in part, or not entitled to be recorded, registered or filed under the provisions of any applicable law.

39. Bankruptcy; Post-Petition Interest; Reinstatement of Guaranty; Solvency.

a. The obligations of Guarantor under this Guaranty will not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of the DB Contractor or by any defense which the DB Contractor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding. RCTC is not obligated to file any claim relating to the Guaranteed Obligations if the DB Contractor becomes subject to a bankruptcy, reorganization, or similar proceeding, and the failure of RCTC so to file will not affect Guarantor's obligations under this Guaranty.

b. Guarantor acknowledges and agrees that any interest on any portion of the Guaranteed Obligations which accrues after the commencement of any proceeding referred to in clause (a) above (or, if interest on any portion of the Guaranteed Obligations ceases to accrue by operation of law by reason of the commencement of said proceeding, such interest as would have accrued on such portion of the Guaranteed Obligations if said proceedings had not been commenced) will be included in the Guaranteed Obligations because it is the intention of Guarantor and RCTC that the Guaranteed Obligations should be determined without regard to any rule of law or order which may relieve the DB Contractor of any portion of such Guaranteed Obligations. Guarantor will permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or any similar person to pay RCTC, or allow the claim of RCTC in respect of, any such interest accruing after the date on which such proceeding is commenced.

40. Governing Law. This Guaranty shall be governed by and construed in accordance with the law of the State of California, without regard to conflict of law principles. The venue of any court, judicial or referee proceeding under this Contract shall be in Riverside County, California, unless changed by the judicial officer.

41. Attorneys' Fees. Guarantor agrees to pay to RCTC without demand reasonable attorneys' fees and all costs and other expenses (whether by lawsuit or otherwise, and including such fees and costs of litigation, arbitration and bankruptcy, and including appeals) incurred by RCTC in enforcing, collecting or compromising any Guaranteed Obligation or enforcing or collecting this Guaranty against Guarantor or in attempting to do any or all of the foregoing.

42. Joint and Several Liability. If the Guarantor is comprised of more than one individual and/or entity, such individuals and/or entities, as applicable, shall be jointly and severally liable for the Guaranteed Obligations. If more than one guaranty is executed with respect to the DB Contractor and the Project, each guarantor under such a guaranty shall be jointly and severally liable with the other guarantors with respect to the obligations guaranteed under such guaranties.

43. Defenses. Notwithstanding any other provision to the contrary, Guarantor shall be entitled to the benefit of all defenses available to the DB Contractor under the Contract except (a) those expressly waived in this Guaranty, (b) failure of consideration, lack of authority of the DB Contractor and any other defense to formation of the Contract, and (c) defenses available to the DB Contractor under any federal or state law respecting bankruptcy, arrangement, reorganization or similar relief of debtors. Action against Guarantor under this Guaranty shall be subject to no prior notice or demand.

44. Entire Agreement. This Guaranty contains the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements, understandings,

statements, representations and negotiations between the parties with respect to their subject matter.

45. Severability. If any clause, provision, section or part of this Guaranty is ruled invalid by a court having proper jurisdiction, it will be adjusted rather than voided, to achieve the intent of the parties. The invalidity or unenforceability of any such clause, provision, section or part shall not affect the validity or enforceability of the balance of this Guaranty, which shall be construed and enforced as if this Guaranty did not contain such invalid or unenforceable clause, provision, section or part.

46. Additional Guarantor Waivers and Acknowledgements.

a. Guarantor hereby waives any and all defenses it might have that liquidated damages or stipulated damages constitute a penalty or that they do not bear a reasonable relation to the actual damages.

b. GUARANTOR ACKNOWLEDGES HAVING READ ALL OF THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON EXECUTION OF THIS GUARANTY. NO FORMAL ACCEPTANCE BY RCTC IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE. THIS GUARANTY IS EFFECTIVE AS OF THE DATE HEREOF.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be duly executed and delivered by its duly authorized officer effective as of this [] day of [] 2020.

Myers & Sons Construction, LP

By: _____

Name: _____

Title: _____

EXHIBIT 16

LABOR CODE REQUIREMENTS

A. Worker's Compensation

DB Contractor shall comply with the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code.

B. Prevailing Wages

Pursuant to the provisions of Section 1773 of the State Labor Code, RCTC has obtained the general prevailing rate of wages (which rate includes employer payments for health and welfare, pension, vacation, travel time and subsistence pay as provided for in Section 1773.1 of said Code, apprenticeship or other training programs authorized by Section 3093 of said Code, worker protection and assistance programs or committees established under the Federal Labor Management Cooperation Act of 1978, industry advancement and collective bargaining agreements administrative fees, provided that these payments are required under a collective bargaining agreement pertaining to the particular craft, classification, or type of work within the locality or the nearest labor market area at issue and other similar purposes applicable to the Work to be done, for straight time, overtime, Saturday, Sunday, and holiday work. The holiday wage rate listed shall be applicable to all holidays recognized in the collective bargaining agreement of the particular craft, classification or type of worker concerned; provided that if the prevailing wage rate is not based on a collectively bargained rate, the holidays upon which the prevailing rate shall be paid shall be as provided in Section 6700 of the California Government Code. Copies of the prevailing rates of wages are on file at RCTC's offices, and will be furnished to DB Contractor and other interested parties on request. For crafts or classifications not shown on the prevailing wage determinations, DB Contractor may be required to pay the wage rate of the most closely related craft or classification shown in such determinations for design-build work. The State prevailing wages to apply to this Contract shall be the DIR wage rates applicable upon July 10, 2019 or such other date upon which the final RFP is issued.

If the Division of Labor Standards Enforcement determines that employees of any Subcontractor were not paid the general prevailing rate of per diem wages, DB Contractor shall withhold an amount of moneys due to the Subcontractor sufficient to pay those employees the general prevailing wage rate of per diem wages if requested by the Division of Labor Standards Enforcement. DB Contractor shall pay any money retained from and owed such Subcontractor upon receipt of notification by the Division of Labor Standards Enforcement that the wage complaint has been resolved. Pursuant to Section 1773.2 of the Labor Code, DB Contractor shall post prevailing wage rates at a prominent place at the Site.

C. Hours of Work

Eight hours labor constitutes a legal day's work.

D. Apprenticeship

DB Contractor shall comply with the provisions of Labor Code Sections 1777.5 and 1777.6, and Title 8, Code of Regulations, Sections 200 et. seq., relating to apprentice employment and training. DB Contractor shall assume full responsibility for compliance with said sections with respect to all apprenticeable occupations on the Project. To ensure compliance and complete

understanding of the law regarding apprentices, and specifically the required ratio thereunder, DB Contractor should, where some question exists, contact the Division of Apprenticeship Standards, Los Angeles Office, 320 West 4th Street, Suite 830, Los Angeles, CA 90013, prior to commencement of the Work.

E. Specific Labor Code Provisions

DB Contractor's attention is directed to the following requirements of the Labor Code. A copy of each such Code section (except 1810, 1811 and 1812) shall be included in each Subcontract hereunder:

Labor Code Section 1725.5

1725.5. A contractor shall be registered pursuant to this section to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract that is subject to the requirements of this chapter. For the purposes of this section, "contractor" includes a subcontractor as defined by Section 1722.1.

(a) To qualify for registration under this section, a contractor shall do all of the following:

(1) (A) Register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial nonrefundable application fee of four hundred dollars (\$400) to qualify for registration under this section and an annual renewal fee on or before July 1 of each year thereafter. The annual renewal fee shall be in a uniform amount set by the Director of Industrial Relations, and the initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.

(B) Beginning June 1, 2019, a contractor may register or renew according to this subdivision in annual increments up to three years from the date of registration. Contractors who wish to do so will be required to prepay the applicable nonrefundable application or renewal fees to qualify for the number of years for which they wish to preregister.

(2) Provide evidence, disclosures, or releases as are necessary to establish all of the following:

(A) Workers' compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker whom the contractor employs to perform work that is subject to prevailing wage requirements other than a contractor who is separately registered under this section. Coverage may be evidenced by a current and valid certificate of workers' compensation insurance or certification of self-insurance required under Section 7125 of the Business and Professions Code.

(B) If applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.

(C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for purposes of this paragraph, the contractor shall not be disqualified for any judgment, order, or determination that is under appeal,

provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.

(D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.

(E) The contractor has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with this section, within the preceding 12 months or since the effective date of the requirements set forth in subdivision (e), whichever is earlier. If a contractor is found to be in violation of the requirements of this paragraph, the period of disqualification shall be waived if both of the following are true:

(i) The contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months.

(ii) The contractor pays an additional nonrefundable penalty registration fee of two thousand dollars (\$2,000).

(b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(c) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be prohibited from bidding on or engaging in the performance of any contract for public work until once again registered pursuant to this section. If the failure to pay the renewal fee was inadvertent, the contractor may renew its registration retroactively by paying an additional nonrefundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the due date of the renewal fee.

(d) If, after a body awarding a contract accepts the contractor's bid or awards the contract, the work covered by the bid or contract is determined to be a public work to which Section 1771 applies, either as the result of a determination by the director pursuant to Section 1773.5 or a court decision, the requirements of this section shall not apply, subject to the following requirements:

(1) The body that awarded the contract failed, in the bid specification or in the contract documents, to identify as a public work that portion of the work that the determination or decision subsequently classifies as a public work.

(2) Within 20 days following service of notice on the awarding body of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or a decision by a court that the contract was for public work as defined in this chapter, the contractor and any subcontractors are registered under this section or are replaced by a contractor or subcontractors who are registered under this section.

(3) The requirements of this section shall apply prospectively only to any subsequent bid, bid proposal, contract, or work performed after the awarding body is served with notice of the determination or decision referred to in paragraph (2).

(e) The requirements of this section shall apply to any bid proposal submitted on or after March 1, 2015, to any contract for public work, as defined in this chapter, executed on or after April 1, 2015, and to any work performed under a contract for public work on or after January 1, 2018, regardless of when the contract for public work was executed.

(f) This section does not apply to work performed on a public works project of twenty-five thousand dollars (\$25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars (\$15,000) or less when the project is for maintenance work.

Labor Code Section 1771

1771. Except for public works projects of one thousand dollars (\$1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.

This section is applicable to contracts let for maintenance work.

Labor Code Section 1775

1775. (a) (1) The contractor and any subcontractor under the contractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates as determined by the director for the work or craft in which the worker is employed for any public work done under the contract by the contractor or, except as provided in subdivision (b), by any subcontractor under the contractor.

(2) (A) The amount of the penalty shall be determined by the Labor Commissioner based on consideration of both of the following:

(i) Whether the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) Whether the contractor or subcontractor has a prior record of failing to meet its prevailing wage obligations.

(B) (i) The penalty may not be less than forty dollars (\$40) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, unless the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) The penalty may not be less than eighty dollars (\$80) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the contractor or subcontractor has been assessed penalties within the previous three years for failing to meet its prevailing wage obligations on a separate contract, unless those penalties were subsequently withdrawn or overturned.

(iii) The penalty may not be less than one hundred twenty dollars (\$120) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the Labor Commissioner determines that the violation was willful, as defined in subdivision (c) of Section 1777.1.

(C) If the amount due under this section is collected from the contractor or subcontractor, any outstanding wage claim under Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 against that contractor or subcontractor shall be satisfied before applying that amount to the penalty imposed on that contractor or subcontractor pursuant to this section.

(D) The determination of the Labor Commissioner as to the amount of the penalty shall be reviewable only for abuse of discretion.

(E) The difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the contractor or subcontractor, and the body awarding the contract shall cause to be inserted in the contract a stipulation that this section will be complied with.

(b) If a worker employed by a subcontractor on a public works project is not paid the general prevailing rate of per diem wages by the subcontractor, the prime contractor of the project is not liable for any penalties under subdivision (a) unless the prime contractor had knowledge of that failure of the subcontractor to pay the specified prevailing rate of wages to those workers or unless the prime contractor fails to comply with all of the following requirements:

(1) The contract executed between the contractor and the subcontractor for the performance of work on the public works project shall include a copy of the provisions of this section and Sections 1771, 1775, 1776, 1777.5, 1813, and 1815.

(2) The contractor shall monitor the payment of the specified general prevailing rate of per diem wages by the subcontractor to the employees, by periodic review of the certified payroll records of the subcontractor.

(3) Upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages, the contractor shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for work performed on the public works project.

(4) Prior to making final payment to the subcontractor for work performed on the public works project, the contractor shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of per diem wages to his or her employees on the public works project and any amounts due pursuant to Section 1813.

(c) The Division of Labor Standards Enforcement shall notify the contractor on a public works project within 15 days of the receipt by the Division of Labor Standards Enforcement of a complaint of the failure of a subcontractor on that public works project to pay workers the general prevailing rate of per diem wages.

Labor Code Section 1776

1776. (a) Each contractor and subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

(1) The information contained in the payroll record is true and correct.

(2) The employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by his or her employees on the public works project.

(b) The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours at the principal office of the contractor on the following basis:

(1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or his or her authorized representative on request.

(2) A certified copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to a representative of the body awarding the contract, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the Department of Industrial Relations.

(3) A certified copy of all payroll records enumerated in subdivision (a) shall be made available upon request by the public for inspection or for copies thereof. However, a request by the public shall be made through either the body awarding the contract, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to paragraph (2), the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the contractor, subcontractors, and the entity through which the request was made. The public may not be given access to the records at the principal office of the contractor.

(c) Unless required to be furnished directly to the Labor Commissioner in accordance with paragraph (3) of subdivision (a) of Section 1771.4, the certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division. The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain the same information as the forms provided by the division and the printouts are verified in the manner specified in subdivision (a).

(d) A contractor or subcontractor shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested the records within 10 days after receipt of a written request.

(e) Except as provided in subdivision (f), any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the awarding body or the Division of Labor Standards Enforcement shall be marked or obliterated to prevent disclosure of an individual's name, address, and social security number. The name and address of the contractor awarded the contract or the subcontractor performing the contract shall not be marked

or obliterated. Any copy of records made available for inspection by, or furnished to, a multiemployer Taft-Hartley trust fund (29 U.S.C. Sec. 186(c)(5)) that requests the records for the purposes of allocating contributions to participants shall be marked or obliterated only to prevent disclosure of an individual's full social security number, but shall provide the last four digits of the social security number. Any copy of records made available for inspection by, or furnished to, a joint labor-management committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall be marked or obliterated only to prevent disclosure of an individual's social security number.

(f)(1) Notwithstanding any other provision of law, agencies that are included in the Joint Enforcement Strike Force on the Underground Economy established pursuant to Section 329 of the Unemployment Insurance Code and other law enforcement agencies investigating violations of law shall, upon request, be provided nonredacted copies of certified payroll records. Any copies of records or certified payroll made available for inspection and furnished upon request to the public by an agency included in the Joint Enforcement Strike Force on the Underground Economy or to a law enforcement agency investigating a violation of law shall be marked or redacted to prevent disclosure of an individual's name, address, and social security number.

(2) An employer shall not be liable for damages in a civil action for any reasonable act or omission taken in good faith in compliance with this subdivision.

(g) The contractor shall inform the body awarding the contract of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.

(h) The contractor or subcontractor has 10 days in which to comply subsequent to receipt of a written notice requesting the records enumerated in subdivision (a). In the event that the contractor or subcontractor fails to comply within the 10-day period, he or she shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. A contractor is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.

(i) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section.

(j) The director shall adopt rules consistent with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code) governing the release of these records, including the establishment of reasonable fees to be charged for reproducing copies of records required by this section.

Regulations implementing Labor Code Section 1776 are located in Sections 16000, 16400, 16401, 16402, 16403, and 16500 of Title 8, California Code of Regulations.

Labor Code Section 1777.5

1777.5. (a) This chapter does not prevent the employment of properly registered apprentices upon public works.

(b) (1) Every apprentice employed upon public works shall be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and shall be employed only at the work of the craft or trade to which he or she is registered.

(2) Unless otherwise provided by a collective bargaining agreement, when a contractor requests the dispatch of an apprentice pursuant to this section to perform work on a public works project and requires the apprentice to fill out an application or undergo testing, training, an examination, or other preemployment process as a condition of employment, the apprentice shall be paid for the time spent on the required preemployment activity, including travel time to and from the required activity, if any, at the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered. Unless otherwise provided by a collective bargaining agreement, a contractor is not required to compensate an apprentice for the time spent on preemployment activities if the apprentice is required to take a preemployment drug or alcohol test and he or she fails to pass that test.

(c) Only apprentices, as defined in Section 3077, who are in training under apprenticeship standards that have been approved by the Chief of the Division of Apprenticeship Standards and who are parties to written apprentice agreements under Chapter 4 (commencing with Section 3070) of Division 3 are eligible to be employed at the apprentice wage rate on public works. The employment and training of each apprentice shall be in accordance with either of the following:

(1) The apprenticeship standards and apprentice agreements under which he or she is training.

(2) The rules and regulations of the California Apprenticeship Council.

(d) If the contractor to whom the contract is awarded by the state or any political subdivision, in performing any of the work under the contract, employs workers in any apprenticeable craft or trade, the contractor shall employ apprentices in at least the ratio set forth in this section and may apply to any apprenticeship program in the craft or trade that can provide apprentices to the site of the public work for a certificate approving the contractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, the decision of the apprenticeship program to approve or deny a certificate shall be subject to review by the Administrator of Apprenticeship. The apprenticeship program or programs, upon approving the contractor, shall arrange for the dispatch of apprentices to the contractor. A contractor covered by an apprenticeship program's standards shall not be required to submit any additional application in order to include additional public works contracts under that program.

"Apprenticeable craft or trade," as used in this section, means a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the California Apprenticeship Council. As used in this section, "contractor" includes any subcontractor under a contractor who performs any public works not excluded by subdivision (o).

(e) Before commencing work on a contract for public works, every contractor shall submit contract award information to an applicable apprenticeship program that can supply apprentices to the site of the public work. The information submitted shall include an estimate of journeyman hours to be performed under the contract, the number of apprentices proposed to be employed, and the approximate dates the apprentices would be employed. A copy of this information shall also be submitted to the awarding body if requested by the awarding body.

Within 60 days after concluding work on the contract, each contractor and subcontractor shall submit to the awarding body, if requested, and to the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the contract. The information under this subdivision shall be public. The apprenticeship programs shall retain this information for 12 months.

(f) The apprenticeship program supplying apprentices to the area of the site of the public work shall ensure equal employment and affirmative action in apprenticeship for women and minorities.

(g) The ratio of work performed by apprentices to journeymen employed in a particular craft or trade on the public work may be no higher than the ratio stipulated in the apprenticeship standards under which the apprenticeship program operates if the contractor agrees to be bound by those standards. However, except as otherwise provided in this section, in no case shall the ratio be less than one hour of apprentice work for every five hours of journeyman work.

(h) This ratio of apprentice work to journeyman work shall apply during any day or portion of a day when any journeyman is employed at the jobsite and shall be computed on the basis of the hours worked during the day by journeymen so employed. Any work performed by a journeyman in excess of eight hours per day or 40 hours per week shall not be used to calculate the ratio. The contractor shall employ apprentices for the number of hours computed as above before the end of the contract or, in the case of a subcontractor, before the end of the subcontract. However, the contractor shall endeavor, to the greatest extent possible, to employ apprentices during the same time period that the journeymen in the same craft or trade are employed at the jobsite. When an hourly apprenticeship ratio is not feasible for a particular craft or trade, the Administrator of Apprenticeship, upon application of an apprenticeship program, may order a minimum ratio of not less than one apprentice for each five journeymen in a craft or trade classification.

(i) A contractor covered by this section who has agreed to be covered by an apprenticeship program's standards upon the issuance of the approval certificate, or that has been previously approved for an apprenticeship program in the craft or trade, shall employ the number of apprentices or the ratio of apprentices to journeymen stipulated in the applicable apprenticeship standards, but in no event less than the 1-to-5 ratio required by subdivision (g).

(j) Upon proper showing by a contractor that he or she employs apprentices in a particular craft or trade in the state on all of his or her contracts on an annual average of not less than one hour of apprentice work for every five hours of labor performed by journeymen, the Administrator of Apprenticeship may grant a certificate exempting the contractor from the 1-to-5 hourly ratio, as set forth in this section for that craft or trade.

(k) An apprenticeship program has the discretion to grant to a participating contractor or contractor association a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the contractor from the 1-to-5 ratio set forth in this Section when it finds that any one of the following conditions is met:

(1) Unemployment for the previous three-month period in the area exceeds an average of 15 percent.

(2) The number of apprentices in training in the area exceeds a ratio of 1 to 5.

(3) There is a showing that the apprenticeable craft or trade is replacing at least one-thirtieth of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis.

(4) Assignment of an apprentice to any work performed under a public works contract would create a condition that would jeopardize his or her life or the life, safety, or property of fellow employees or the public at large, or the specific task to which the apprentice is to be assigned is of a nature that training cannot be provided by a journeyman.

(l) If an exemption is granted pursuant to subdivision (k) to an organization that represents contractors in a specific trade from the 1-to-5 ratio on a local or statewide basis, the member contractors shall not be required to submit individual applications for approval to local joint apprenticeship committees, if they are already covered by the local apprenticeship standards.

(m) (1) A contractor to whom a contract is awarded, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade shall contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site. A contractor may take as a credit for payments to the council any amounts paid by the contractor to an approved apprenticeship program that can supply apprentices to the site of the public works project. The contractor may add the amount of the contributions in computing his or her bid for the contract.

(2) (A) At the conclusion of the 2002-03 fiscal year and each fiscal year thereafter, the California Apprenticeship Council shall distribute training contributions received by the council under this subdivision, less the expenses of the Department of Industrial Relations for administering this subdivision, by making grants to approved apprenticeship programs for the purpose of training apprentices. The grant funds shall be distributed as follows:

(i) If there is an approved multiemployer apprenticeship program serving the same craft or trade and geographic area for which the training contributions were made to the council, a grant to that program shall be made.

(ii) If there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and county for which the training contributions were made to the council, the grant shall be divided among those programs based on the number of apprentices from that county registered in each program.

(iii) All training contributions not distributed under clauses (i) and (ii) shall be used to defray the future expenses of the Department of Industrial Relations for the administration and enforcement of apprenticeship standards and requirements under this code.

(B) An apprenticeship program shall only be eligible to receive grant funds pursuant to this subdivision if the apprenticeship program agrees, prior to the receipt of any grant funds, to keep adequate records that document the expenditure of grant funds and to make all records available to the Department of Industrial Relations so that the Department of Industrial Relations is able to verify that grant funds were used solely for training apprentices. For purposes of this subparagraph, adequate records include, but are not limited to, invoices, receipts, and canceled checks that account for the expenditure of grant funds. This subparagraph shall not be deemed to require an apprenticeship program to provide the Department of Industrial Relations with more documentation than is necessary to verify the appropriate expenditure of grant funds made pursuant to this subdivision.

(C) The Department of Industrial Relations shall verify that grants made pursuant to this subdivision are used solely to fund training apprentices. If an apprenticeship program is unable to demonstrate how grant funds are expended or if an apprenticeship program is found to be using grant funds for purposes other than training apprentices, then the apprenticeship program shall not be eligible to receive any future grant pursuant to this subdivision and the Department of Industrial Relations may initiate the process to rescind the registration of the apprenticeship program.

(3) All training contributions received pursuant to this subdivision shall be deposited in the Apprenticeship Training Contribution Fund, which is hereby created in the State Treasury. Upon appropriation by the Legislature, all moneys in the Apprenticeship Training Contribution Fund shall be used for the purpose of carrying out this subdivision and to pay the expenses of the Department of Industrial Relations.

(n) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section. The stipulations shall fix the responsibility of compliance with this section for all apprenticeable occupations with the prime contractor.

(o) This section does not apply to contracts of general contractors or to contracts of specialty contractors not bidding for work through a general or prime contractor when the contracts of general contractors or those specialty contractors involve less than thirty thousand dollars (\$30,000).

(p) An awarding body that implements an approved labor compliance program in accordance with subdivision (b) of Section 1771.5 may, with the approval of the director, assist in the enforcement of this section under the terms and conditions prescribed by the director.

All decisions of an apprenticeship program under this Section are subject to Section 3081.

Labor Code Section 1810

1810. Eight hours labor constitutes a legal day's work in all cases where the same is performed under the authority of any law of this State, or under the direction, or control, or by the authority of any officer of this State acting in his official capacity, or under the direction, or control or by the authority of any municipal corporation, or of any officer thereof. A stipulation to that effect shall be made a part of all contracts to which the State or any municipal corporation therein is a party.

Labor Code Section 1811

1811. The time of service of any workman employed upon public work is limited and restricted to 8 hours during any one calendar day, and 40 hours during any one calendar week, except as hereinafter provided for under Section 1815.

Labor Code Section 1812

1812. Every contractor and subcontractor shall keep an accurate record showing the name of and actual hours worked each calendar day and each calendar week by each worker employed by him or her in connection with the public work. The record shall be kept open at all reasonable hours to the inspection of the awarding body and to the Division of Labor Standards Enforcement.

Labor Code Section 1813

1813. The contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit twenty-five dollars (\$25) for each worker employed in the execution of the contract by the respective contractor or subcontractor for each calendar day during which the worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of this article. In awarding any contract for public work, the awarding body shall cause to be inserted in the contract a stipulation to this effect. The awarding body shall take cognizance of all violations of this article committed in the course of the execution of the contract, and shall report them to the Division of Labor Standards Enforcement.

Labor Code Section 1815

1815. Notwithstanding the provisions of Sections 1810 to 1814, inclusive, of this code, and notwithstanding any stipulation inserted in any contract pursuant to the requirements of said sections, work performed by employees of contractors in excess of 8 hours per day, and 40 hours during any one week, shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 1/2 times the basic rate of pay.

F. Labor Nondiscrimination

DB Contractor's attention is directed to Section 1735 of the Labor Code, which reads as follows:

"A contractor shall not discriminate in the employment of persons upon public works on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code. Every contractor for public works who violates this section is subject to all the penalties imposed for a violation of this chapter."

DB Contractor's attention is directed to the following "Nondiscrimination Clause" that is required by Chapter 5 of Division 4 of Title 2, California Code of Regulations.

Nondiscrimination Clause

1. During the performance of this contract, contractor and its subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age (over 40) or sex. Contractors and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. Contractors and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Admin. Code, Tit. 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Administrative Code are incorporated into this contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

2. This Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the contract.

EXHIBIT 17

OCTA-RELATED WORK

In addition to DB Contractor's obligations with respect to the Work generally, DB Contractor shall perform, and shall ensure that its Subcontractors perform, all OCTA-Related Work in accordance with the following:

(a) RCTC and its contractors shall take all reasonable steps to minimize any impacts to OCTA's operations, including conducting all OCTA-Related Work on the 91 OCTA Express Lanes only between the permitted hours on the dates Exhibit 21, Chart 21-5.

(b) DB Contractor shall acquire all applicable Governmental Approvals required under all applicable Governmental Rules prior to conducting the OCTA-Related Work. All OCTA-Related Work shall be conducted in accordance with all (i) applicable Governmental Rules, (ii) all industry standards, and (iii) all additional standards as reasonably required by OCTA.

(d) The OCTA-Related Work shall be conducted only under the supervision of Persons licensed and certified to perform the OCTA-Related Work.

(e) DB Contractor shall, at its sole cost and expense, repair all damage to the 91 OCTA Express Lanes caused by the OCTA-Related Work, it being the intent of the Parties and OCTA that upon completion of the OCTA-Related Work, business activities on the 91 OCTA Express Lanes may promptly resume without hindrance, obstruction or delay, and the 91 OCTA Express Lanes shall be in the same condition as existing prior to the OCTA-Related Work.

(f) Neither OCTA nor RCTC shall have any obligation to advise or inform DB Contractor regarding the location(s) of any underground utilities, structures, equipment at or beneath the 91 OCTA Express Lanes. The responsibility for determining and confirming the location(s) of any underground utilities, structures and equipment shall be solely of DB Contractor. In the event any underground utilities, structures or equipment are damaged by the OCTA-Related Work, it shall be DB Contractor's responsibility to promptly repair, at its sole cost and expense, the same, regardless of the reason(s) why such utilities, structures or equipment were damaged, it being the intent of the Parties that the risk of the same shall be borne solely by DB Contractor.

(g) DB Contractor shall be responsible for providing all safety measures during the OCTA-Related Work.

(h) If the performance of the OCTA-Related Work causes damage to the 91 OCTA Express Lanes or any adjacent structures, facilities, underground utilities or equipment that results in the 91 OCTA Express Lanes not being fully available for use during the repair, the Lane Closure Charges set forth in Exhibit 21, Chart 21-5 or 21-6, as applicable, shall apply for the entirety of time it takes to effectuate the repair.

EXHIBIT 18

FORM OF DB CONTRACTOR REQUEST FOR CHANGE ORDER

CHANGE ORDER REQUEST NO. _____

CONTRACT NO. 19-31-074-00

SECTION I:

Name: _____

Date: _____

Title: _____

Company Name: _____

Description:

Additions/Deletions/Modifications to Contract requirements:

Contract Requirement:

Addition/Deletion/Modification:

Scope:

Reason for Request for Change Order:

Is this Request for Change Order for a RCTC-Directed Change?

☐ Yes ☐ No

Please Explain:

Project Manager

Date:

SECTION II: COST ESTIMATE

The total cost estimate of this Change Order is \$ _____. Documentation supporting this Request for Change Order is attached as Exhibits _____ through _____.

Payment Schedule Items Added/Deducted:

Activity No.:	Description:	Amount:
_____	_____	_____

This Request for Change Order is for (check the applicable categories below):

_____ A lump sum, negotiated price Change Order (provide information in Section II.A below)

_____ A unit price/quantities Change Order (provide information in Section II.B below)

_____ A Time and Materials Change Order (provide information in Section II.C below)

SECTION II.A:

Lump sum price is \$ _____

Section II.B:

UNIT PRICE ITEM	UNIT PRICE	QUANTITY	PRICE (Unit Price x Quantity)

Total of all items in above Table: \$ _____

SECTION II.C: (REFERENCE CONTRACT EXHIBIT 3, MODIFIED STANDARD SPECIFICATIONS, 9-1.04 FOR GUIDANCE)

Summary of Request for Change Order by Categories: [Additives/(Credits)]

[Complete the applicable cells of the table below]

	Work (\$)
A. DB Contractor Labor (construction)	
1.Wages	
2.Labor benefits (% of A.1)	
3.Subsistence and travel for craft labor	
4.Employer payment to supervisors	
B. DB Contractor and Subcontractor Labor (professional services)	
1.Wages (Raw)	
2. Labor benefits (150% of B.1, which includes overhead and profit)	
3. Off-duty peace officers and patrol cruisers	
C. Materials (with taxes, freight and discounts)	
D. Equipment ¹	
E. Subcontracts (Time and Materials cost)	
F. Utility Direct Costs	
G. Overhead and Profit	
1.Labor (35% of A)	
2.Traffic Control (5% of B.3)	
3.Materials (15% of C)	
4.Subcontracts (5% of E)	
5.Utility Direct Costs (5% of F)	
H. Subtotal	
I. Grand Total (sum of H)	

Subcontractor quotes are attached as Exhibits _____ through _____ in accordance with Section 16.4.3 of the Contract. ***[To be provided to the extent work is to be performed by Subcontractors.]***

SECTION III: DELAY ANALYSIS

[Complete the applicable cells of the table below]

The status of Substantial Completion is as follows:

- Ø Unaffected by this Request for Change Order
- Ø Affected by (increasing) (decreasing) the date of Substantial Completion by _____ calendar days.
- Ø Affected by (increasing) (decreasing) the _____ Float by _____ calendar days.

¹ Enter full compensation amount including markup for type of equipment per Contract Exhibit 2, Section 9-1.04D(2) through 9-1.04D(5)

The status of Project Completion is as follows:

- ☐ Unaffected by this Request for Change Order
- ☐ Affected by (increasing) (decreasing) the date of Project Completion by _____ calendar days.
- ☐ Affected by (increasing) (decreasing) the _____ Float by _____ calendar days.

The status of Final Acceptance is as follows:

- ☐ Unaffected by this Request for Change Order
- ☐ Affected by (increasing) (decreasing) the date of Final Acceptance by _____ calendar days.
- ☐ Affected by (increasing) (decreasing) the _____ Float by _____ calendar days.

Accordingly, the summary of the dates of Substantial Completion, Project Completion and Final Acceptance and Float are as follows:

1. Substantial Completion: _____
(+ or - _____ days from base of _____ calendar days after NTP2)
2. Project Completion: _____
(+ or - _____ days from base of _____ calendar days after NTP2)
3. Final Acceptance: _____
(+ or - _____ days from base of _____ calendar days after NTP2)
4. Number of days of Project Float _____

A Delay Analysis Report is attached as Exhibit _____ in accordance with Sections 16.4.3(a)(v) and 16.5.1(b)(iii) of the Contract. ***[To be provided to the extent that DB Contractor is claiming an event, situation or change affects a Critical Path.]***

SECTION IV: JUSTIFICATION

Justification for this Request for Change Order with reference to the Contract and in accordance with Section 16.4.3(a)(i) of the Contract:

SECTION V: CERTIFICATION

Each Request for Change Order shall contain the following certification:

I, _____, the Authorized Representative of DB Contractor, hereby certify under penalty of perjury that the above four sections represent a true, accurate and complete summary of all aspects of this Request for Change Order, and that (a) the amount of time and/or compensation requested is justified as to entitlement and amount, (b) the amount of time and/or compensation requested includes all known and anticipated impacts or amounts, direct, indirect and consequential, which have been or may be incurred as a result of the event, occurrence or

matter giving rise to the proposed change (and includes all Subcontractor and Supplier amounts), and (c) the cost and pricing data forming the basis for this Request for Change Order is complete, accurate and current.

If the foregoing Request for Change Order includes claims of Subcontractors or Suppliers, the undersigned certifies that I have reviewed such claims and have determined in good faith that the claims are justified as to both entitlement and amount, and that any Subcontractor pricing data required to be provided has been provided in accordance with Section 26.5 of the Contract.

DB Contractor Authorized Representative
Date:

Any pricing data provided by a Subcontractor in connection with a Request for Change Order shall include the certification required to be provided by Subcontractor under Section 26.5 of the Contract.

SECTION VI: REVIEWED BY _____

Comments:

EXHIBIT 19

GP LANE CLOSURE CHARGES

In accordance with Contract Section 21.2.2(a), Permitted GP Lane Closures at the locations and during the periods identified in TP Attachment 18-1 shall be at no charge to DB Contractor, provided the Lane Closure complies with the requirements for Lane Closures set forth in the Contract.

For Unpermitted GP Lane Closures, the applicable GP Lane Closure Charges shall consist of liquidated damages determined as follows:

Type of facility	Route	Direction or segment	Period	GP Lane Closure Charges prior to the ELP Revenue Service Commencement Date	GP Lane Closure Charges From the ELP Revenue Service Commencement Date through the remainder of the Warranty Period
Mainline	15	NB 34.70-41.97	1st half hour 2nd half hour 2nd hour and beyond	\$3650/10 minutes \$4975/10 minutes \$5300/10 minutes	\$2650/10 minutes \$3975/10 minutes \$5300/10 minutes
Mainline	15	NB 41.97-43.62	1st half hour 2nd half hour 2nd hour and beyond	\$2400/10 minutes \$3100/10 minutes \$2800/10 minutes	\$1400/10 minutes \$2100/10 minutes \$2800/10 minutes
Mainline	15	NB 43.62-51.36	1st half hour 2nd half hour 2nd hour and beyond	\$3150/10 minutes \$4225/10 minutes \$4300/10 minutes	\$2150/10 minutes \$3225/10 minutes \$4300/10 minutes
Mainline	15	NB 51.36-SBd 1.30	1st half hour 2nd half hour 2nd hour and beyond	\$3500/10 minutes \$4750/10 minutes \$5000/10 minutes	\$2500/10 minutes \$3750/10 minutes \$5000/10 minutes
Mainline	15	SB 34.70-38.06	1st half hour 2nd half hour 2nd hour and beyond	\$2000/10 minutes \$2000/10 minutes \$1000/10 minutes	\$1000/10 minutes \$1000/10 minutes \$1000/10 minutes
Mainline	15	SB 38.06-41.25	1st half hour 2nd half hour 2nd hour and beyond	\$2000/10 minutes \$2000/10 minutes \$1000/10 minutes	\$1000/10 minutes \$1000/10 minutes \$1000/10 minutes
Mainline	15	SB 41.25-41.85	1st half hour 2nd half hour 2nd hour and beyond	\$2000/10 minutes \$2000/10 minutes \$1000/10 minutes	\$1000/10 minutes \$1000/10 minutes \$1000/10 minutes
Mainline	15	SB 41.85-43.50	1st half hour 2nd half hour 2nd hour and beyond	\$2000/10 minutes \$2000/10 minutes \$1000/10 minutes	\$1000/10 minutes \$1000/10 minutes \$1000/10 minutes
Mainline	15	SB 43.50-51.77	1st half hour 2nd half hour 2nd hour and beyond	\$1950/10 minutes \$2425/10 minutes \$1900/10 minutes	\$950/10 minutes \$1425/10 minutes \$1900/10 minutes
Mainline	15	SB 51.77-SBd 1.30	1st half hour 2nd half hour 2nd hour and beyond	\$2850/10 minutes \$3775/10 minutes \$3700/10 minutes	\$1850/10 minutes \$2775/10 minutes \$3700/10 minutes

Type of facility	Route	Direction or segment	Period	GP Lane Closure Charges from NTP1 and for the remainder of the Warranty Period	
Mainline	91	EB 6.34-9.18	1st half hour 2nd half hour 2nd hour and beyond	\$2750/10 minutes \$3625/10 minutes \$3500/10 minutes	
Mainline	91	WB 6.34-9.18	1st half hour 2nd half hour 2nd hour and beyond	\$3500/10 minutes \$4750/10 minutes \$5000/10 minutes	
Type of facility	Route	Direction or segment	Period	GP Lane Closure Charges prior to Revenue Service Commencement Date	GP Lane Closure Charges From Revenue Service Commencement Date through the remainder of the Warranty Period
Connector	15/91	All existing I-15 / SR-91 GP	1st half hour 2nd half hour 2nd hour and beyond	\$2000/10 minutes \$2000/10 minutes \$1500/10 minutes	\$1000/10 minutes \$1000 /10 minutes \$1000/10 minutes

The 10-minute increments listed in the table above are for partial or full increments, meaning that, for example, an 11 minute period would be considered two increments.

EXHIBIT 20

15 EL CLOSURE CHARGES

CHART 20-1

15 EL Closure Charges for Permitted 15 EL Closures

**Segment 1 NB, Segment 2 NB, Segment 1 SB, Segment 2 SB From ELP Revenue Service
Commencement Date through the remainder of the Warranty Period**

Time Frame	Segment 1 NB (Southern beginning to Ontario Ingress/Egress)	Segment 2 NB (Ontario Ingress Egress to Second Street Ingress/Egress)	Segment 1 SB (SR-60 to Sixth Street Ingress/Egress)	Segment 2 SB (Sixth Street Ingress/Egress to Second Street Ingress/Egress)
Sunday 8:00 p.m. to Monday 4:00 a.m. (Except for certain Sundays identified in section 18.3.3.3.1 of the Technical Provisions)	\$1,000/night	\$2,000/night	\$1,500/night	\$1,000/night
Monday 8:00 p.m. to Tuesday 4:00 a.m.	\$1,000/night	\$2,000/night	\$1,500/night	\$1,000/night
Tuesday 8:00 p.m. to Wednesday 4:00 a.m.	\$1,000/night	\$2,000/night	\$1,500/night	\$1,000/night
Wednesday 8:00 p.m. to Thursday 4:00 a.m.	\$1,000/night	\$2,000/night	\$1,500/night	\$1,000/night
Thursday 8:00 p.m. to Friday 4:00 a.m.	\$1,000/night	\$2,000/night	\$1,500/night	\$1,000/night
Friday 10:00 p.m. to Saturday 6:00 a.m.	\$1,000/night	\$2,000/night	\$1,500/night	\$1,000/night
Saturday 10:00 p.m. to Sunday 6:00 a.m.	\$1,000/night	\$2,000/night	\$1,500/night	\$1,000/night

The applicable 15 EL Closure Charge listed in this Chart 20-1 will be assessed on a per night basis, irrespective of the actual length of the Permitted 15 EL Closure. I-15 EL Segments are shown in TP Attachment 18-3.

CHART 20-2
15 EL Closure Charges for Permitted 15 EL Closures
Segment 3 NB, Segment 4 NB, Segment 3 SB, Segment 4 SB From ELP Revenue Service
Commencement Date through the remainder of the Warranty Period

Time Frame	Segment 3 NB (Second Street Ingress/Egress to Sixth Street Ingress/Egress)	Segment 4 NB (Sixth Street Ingress/Egress to SR-60)	Segment 3 SB (Second Street Ingress/Egress to Ontario Ingress/Egress)	Segment 4 SB (Ontario Ingress/Egress to Southern end)
Sunday 9:00 p.m. to Monday 5:00 a.m. (Except for certain Sundays identified in section 18.3.3.3.1 of the Technical Provisions)	\$1,000/night	\$1,500/night	\$2,000/night	\$1,000/night
Monday 9:00 p.m. to Tuesday 5:00 a.m.	\$1,000/night	\$1,500/night	\$2,000/night	\$1,000/night
Tuesday 9:00 p.m. to Wednesday 5:00 a.m.	\$1,000/night	\$1,500/night	\$2,000/night	\$1,000/night
Wednesday 9:00 p.m. to Thursday 5:00 a.m.	\$1,000/night	\$1,500/night	\$2,000/night	\$1,000/night
Thursday 9:00 p.m. to Friday 5:00 a.m.	\$1,000/night	\$1,500/night	\$2,000/night	\$1,000/night
Friday 10:00 p.m. to Saturday 6:00 a.m.	\$1,000/night	\$1,500/night	\$2,000/night	\$1,000/night
Saturday 10:00 p.m. to Sunday 6:00 a.m.	\$1,000/night	\$1,500/night	\$2,000/night	\$1,000/night

The applicable 15 EL Closure Charge listed in this Chart 20-2 will be assessed on a per night basis, irrespective of the actual length of the Permitted 15 EL Closure. I-15 EL Segments are shown in TP Attachment 18-3.

Chart 20-3
15 EL Closure Charges for
Unpermitted 15 EL Closures
Segment 1 NB, Segment 2 NB, Segment 1 SB, Segment 2 SB

Segment	Time Frame	15 EL Closure Charge* prior to the ELP Revenue Service Commencement Date	15 EL Closure Charge* from the ELP Revenue Service Commencement Date through the remainder of the Warranty Period
Segment 1 NB, Segment 2 NB, Segment 1 SB, Segment 2 SB	Weekday Period: <ul style="list-style-type: none"> Monday 4:00 a.m. to 8:00 p.m. Tuesday 4:00 a.m. to 8:00 p.m. Wednesday 4:00 a.m. to 8:00 p.m. Thursday 4:00 a.m. to 8:00 p.m. Friday 4:00 a.m. to 8:00 p.m. 	No charge	The sum of (i) Stipulated Damages** for the affected Segment plus (ii) \$3,000.00 per affected Segment for every partial or full 10 minute increment
	Weekend Period: <ul style="list-style-type: none"> Saturday 6:00 a.m. to 10:00 p.m. Sunday 6:00 a.m. to 10:00 p.m. 		The sum of (i) Stipulated Damages** for the affected Segment plus (ii) \$3,000.00 per affected Segment for every partial or full 10 minute increment

I-15 EL Segments depicted in TP Attachment 18-3. The 10 minute increments listed in the tables above are for partial or full increments, meaning that, for example, an 11 minute period would be considered two increments.

*Lane Closures will be measured on the basis of direction and Segment. The 15 EL Closure Charge shall be assessed for any closure of any portion of a lane within a Segment in any direction. A closure that affects more than one Segment shall result in a charge for each affected Segment. For instance, a closure of a portion of one lane in two Northbound Segments and one Southbound Segment shall result in a charge of Stipulated Damages for the three affected Segments plus \$2,700 for every partial or full 10 minute increment.

The 10 minute increments listed in the charts above are for partial or full increments, meaning that, for example, an 11 minute period would be considered two increments.

** Stipulated damages shall be determined by using a comparison of the number of transactions identified by the Collection System during the period of the partial or complete 15 EL Closure and the number of transactions identified by the Collection System during a comparable prior period determined by RCTC. Determination of a comparable period shall be made by RCTC, acting reasonably, and shall consider the day, month, time of day, location, season, whether the day is a weekday, weekend or holiday, and such other factors as RCTC shall reasonably determine. During the first six (6) months following the ELP Revenue Service Commencement Date for Interstate 15, stipulated damages shall be determined by reference to the traffic and

revenue study estimates for the Interstate 15 during the period of time in question and may also consider available live traffic data from the Collection System. For example, if, during the period of the 15 EL Closure, the Collection System identifies 100 transactions, and during a comparable prior period where there is no 15 EL Closure, the Collection System identifies 1000 transactions, the stipulated damages for the duration of the 15 EL Closure would be the value of the difference in the number of transactions (i.e., an amount equal to 900) multiplied by the toll rate(s) applicable to such transactions. The calculation of stipulated damages can never be a negative number or result in DB Contractor being entitled to additional payment from RCTC.

Chart 20-4
15 EL Closure Charges for
Unpermitted 15 EL Closures
Segment 3 NB, Segment 4 NB, Segment 3 SB, Segment 4 SB

Direction	Time Frame	15 EL Closure Charge* prior to the ELP Revenue Service Commencement Date	15 EL Closure Charge* from the ELP Revenue Service Commencement Date through the remainder of the Warranty Period
Segment 3 NB, Segment 4 NB, Segment 3 SB Segment 4 SB	Weekday Period: <ul style="list-style-type: none"> Monday 5:00 a.m. to 9:00 p.m. Tuesday 5:00 a.m. to 9:00 p.m. Wednesday 5:00 a.m. to 9:00 p.m. Thursday 5:00 a.m. to 9:00 p.m. Friday 5:00 a.m. to 9:00 p.m. 	No charge	The sum of (i) Stipulated Damages** for the affected Segment plus (ii) \$3,000.00 per affected Segment for every partial or full 10 minute increment
	Weekend Period: <ul style="list-style-type: none"> Saturday 6:00 a.m. to 10:00 p.m. Sunday 6:00 a.m. to 10:00 p.m. 	No charge	The sum of (i) Stipulated Damages** for the affected Segment plus (ii) \$3,000.00 per affected Segment for every partial or full 10 minute increment

I-15 EL are Segments depicted in TP Attachment 18-3. The 10 minute increments listed in the tables above are for partial or full increments, meaning that, for example, an 11 minute period would be considered two increments.

*Lane Closures will be measured on the basis of direction and Segment. The 15 EL Closure Charge shall be assessed for any closure of any portion of a lane within a Segment in any direction. A closure that affects more than one Segment shall result in a charge for each affected Segment. For instance, a closure of a portion of one lane in two Northbound Segments and one Southbound Segment shall result in a charge of Stipulated Damages for the three affected Segments plus \$2,700 for every partial or full 10 minute increment.

The 10 minute increments listed in the charts above are for partial or full increments, meaning that, for example, an 11 minute period would be considered two increments.

** Stipulated damages shall be determined by using a comparison of the number of transactions identified by the Collection System during the period of the partial or complete 15 EL Closure and the number of transactions identified by the Collection System during a comparable prior period determined by RCTC. Determination of a comparable period shall be made by RCTC, acting reasonably, and shall consider the day, month, time of day, location, season, whether the day is a weekday, weekend or holiday, and such other factors as RCTC shall reasonably

determine. During the first six (6) months following the ELP Revenue Service Commencement Date for Interstate 15, stipulated damages shall be determined by reference to the traffic and revenue study estimates for the Interstate 15 during the period of time in question and may also consider available live traffic data from the Collection System. For example, if, during the period of the 15 EL Closure, the Collection System identifies 100 transactions, and during a comparable prior period where there is no 15 EL Closure, the Collection System identifies 1000 transactions, the stipulated damages for the duration of the 15 EL Closure would be the value of the difference in the number of transactions (i.e., an amount equal to 900) multiplied by the toll rate(s) applicable to such transactions. The calculation of stipulated damages can never be a negative number or result in DB Contractor being entitled to additional payment from RCTC.

EXHIBIT 21

91 EL CLOSURE CHARGES

CHART 21-1

**91 EL Closure Charges for Permitted 91 RCTC Westbound EL Closures From NTP1
and for the remainder of the Warranty Period**

Time Frame	91 Westbound EL Full Closure to Countyline	91 Westbound EL Closure of Mckinley entrance	I-15 Northbound to 91 Westbound Connector Closure
Sunday 9:00 p.m. to Monday 4:00 a.m. (Except for certain Sundays identified in section 18.3.3.3.1 of the Technical Provisions)	\$2,000/night	\$1,000/night per Segment	\$1,000/night per Segment
Monday 8:00 p.m. to Tuesday 4:00 a.m.	\$2,000/night	\$1,000/night	\$1,000/night
Tuesday 8:00 p.m. to Wednesday 4:00 a.m.	\$2,000/night	\$1,000/night	\$1,000/night
Wednesday 8:00 p.m. to Thursday 4:00 a.m.	\$2,000/night	\$1,000/night	\$1,000/night
Thursday 8:00 p.m. to Friday 4:00 a.m.	\$2,000/night	\$1,000/night	\$1,000/night
Friday 10:00 p.m. to Saturday 7:00 a.m.	\$2,500/night	\$1,500/night	\$1,000/night
Saturday 10:00 p.m. to Sunday 7:00 a.m.	\$2,500/night	\$1,500/night	\$1,000/night

The applicable 91 RCTC EL Closure Charge listed in this Chart 21-1 will be assessed on a per night basis, irrespective of the actual length of the Permitted 91 RCTC EL Closure.

CHART 21-2
**91 EL Closure Charges for Permitted 91 RCTC Eastbound EL Closures from NTP1 and
for the remainder of the Warranty Period**

Time Frame	91 Eastbound EL Full Closure	91 Eastbound EL Closure of Mckinley exit to SR-91	91 Eastbound to I-15 Southbound EL Connector Closure
Sunday 10:00 p.m. to Monday 6:00 a.m. (Except for certain Sundays identified in section 18.3.3.3.1 of the Technical Provisions)	\$2,000/night	\$1,000/night per Segment	\$1,000/night per Segment
Monday 10:00 p.m. to Tuesday 6:00 a.m.	\$2,000/night	\$1,000/night	\$1,000/night
Tuesday 10:00 p.m. to Wednesday 4:00 a.m.	\$2,000/night	\$1,000/night	\$1,000/night
Wednesday 10:00 p.m. to Thursday 4:00 a.m.	\$2,000/night	\$1,000/night	\$1,000/night
Thursday 10:00 p.m. to Friday 6:00 a.m.	\$2,000/night	\$1,000/night	\$1,000/night
Friday 11:00 p.m. to Saturday 7:00 a.m.	\$2,500/night	\$1,500/night	\$1,000/night
Saturday 11:00 p.m. to Sunday 7:00 a.m.	\$2,500/night	\$1,500/night	\$1,000/night

The applicable 91 RCTC EL Closure Charge listed in this Chart 21-2 will be assessed on a per night basis, irrespective of the actual length of the Permitted 91 RCTC EL Closure.

CHART 21-3
91 EL Closure Charges for Unpermitted 91 RCTC EL Closures
(including South Flyover Connector)

		From NTP1 and for the remainder of the Warranty Period	
Travel Direction	Time Frame	91 RCTC EL Closure Charge (excluding South Flyover Connector)	91 RCTC EL to 15 South Flyover Connector Lane Closure Charge
Westbound including Northbound to Westbound or Northbound to Westbound	Weekday Period: <ul style="list-style-type: none"> Monday 4:00 a.m.to 8:00 p.m. Tuesday 4:00 a.m. to 8:00 p.m. Wednesday 4:00 a.m. to 8:00 p.m. Thursday 4:00 a.m. to 8:00 p.m. Friday 4:00 a.m. to 10:00 p.m. 	The sum of (i) Stipulated Damages* plus (ii) \$10,000 for every partial or full 10 minute increment	The sum of (i) Stipulated Damages* plus (ii) \$10,000 for every partial or full 10 minute increment
	Weekend Period: <ul style="list-style-type: none"> Saturday 6:00 a.m. through 10:00 p.m. Sunday 6:00 a.m. through 9:00 p.m. 	The sum of (i) Stipulated Damages* plus (ii) \$10,000 for every partial or full 10 minute increment	The sum of (i) Stipulated Damages* plus (ii) \$10,000 for every partial or full 10 minute increment
Eastbound including Eastbound to Southbound	Weekday Period: <ul style="list-style-type: none"> Monday 6:00 a.m. to 10:00 p.m. Tuesday 6:00 a.m. to 10:00 p.m. Wednesday 6:00 a.m. to 10:00 p.m. Thursday 6:00 a.m. to 10:00 p.m. Friday 5:00 a.m.to 9:00 p.m. 	The sum of (i) Stipulated Damages* plus (ii) \$10,000 for every partial or full 10 minute increment	The sum of (i) Stipulated Damages* plus (ii) \$10,000 for every partial or full 10 minute increment
	Weekend Period: <ul style="list-style-type: none"> Saturday 6:00 a.m. to 10:00 p.m. Sunday 6:00 a.m. to 10:00 p.m. 	The sum of (i) Stipulated Damages* plus (ii) \$10,000 for every partial or full 10 minute increment	The sum of (i) Stipulated Damages* plus (ii) \$10,000 for every partial or full 10 minute increment

The 10 minute increments listed in the tables above are for partial or full increments, meaning that, for example, an 11 minute period would be considered two increments.

* Stipulated damages shall be determined by using a comparison of the number of transactions identified by the toll collection system for the SR-91 during the period of the partial or complete 15-91 EL Closure and the number of transactions identified by the toll collection system for the SR-91 during a comparable prior period determined by RCTC. Determination of a comparable period shall be made by RCTC, acting reasonably, and shall consider the day, month, time of

day, location, season, whether the day is a weekday, weekend or holiday, and such other factors as RCTC shall reasonably determine. The calculation of stipulated damages can never be a negative number or result in DB Contractor being entitled to additional payment from RCTC.

CHART 21-4
91 EL Closure Charges for Permitted 91 OCTA EL Closures

Travel Direction	Time Frame	91 EL Closure Charge from NTP1 and for the remainder of the Warranty Period
Westbound	Weekday Period:	\$3,000/night
	• Sunday 8:00 p.m. to Monday 4:00 a.m.	
	• Monday 8:00 p.m. to Tuesday 4:00 a.m.	
	• Tuesday 8:00 p.m. to Wednesday 4:00 a.m.	
	• Wednesday 8:00 p.m. to Thursday 4:00 a.m.	
	• Thursday 8:00 p.m. to Friday 4:00 a.m.	
	Weekend Period:	\$1,400/night
Eastbound	• Friday 9:00 p.m. to Saturday 5:00 a.m.	
	• Saturday 9:00 p.m. to Sunday 5:00 a.m.	
	Weekday Period:	\$3,000/night
	• Sunday 9:00 p.m. to Monday 5:00 a.m.	
	• Monday 9:00 p.m. to Tuesday 5:00 a.m.	
	• Tuesday 9:00 p.m. to Wednesday 5:00 a.m.	
	• Wednesday 9:00 p.m. to Thursday 5:00 a.m.	
	• Thursday 9:00 p.m. to Friday 5:00 a.m.	
	Weekend Period:	\$5,200/night
	• Friday 9:00 p.m. to Saturday 5:00 a.m.	
	• Saturday 9:00 p.m. to Sunday 5:00 a.m.	

The applicable 91 OCTA EL Closure Charge listed in this Chart 21-4 will be assessed on a per night basis, irrespective of the actual length of the Permitted 91 OCTA EL Closure.

CHART 21-5

91 EL Closure Charges for Unpermitted 91 OCTA EL Closures

Travel Direction	Time Frame	91 EL Closure Charge from NTP1 and for the remainder of the Warranty Period
Westbound	Weekday Period:	\$22,600 for every partial or full 10 minute increment
	• Monday 4:00 a.m. to 8:00 p.m.	
	• Tuesday 4:00 a.m. to 8:00 p.m.	
	• Wednesday 4:00 a.m. to 8:00 p.m.	
	• Thursday 4:00 a.m. to 8:00 p.m.	
	• Friday 4:00 a.m. to 9:00 p.m.	
	Weekend Period:	\$22,600 for every partial or full 10 minute increment
	• Saturday 5:00 a.m. to 9:00 p.m.	
	• Sunday 5:00 a.m. to 8:00 p.m.	
Eastbound	Weekday Period:	\$22,600 for every partial or full 10 minute increment
	• Monday 5:00 a.m. to 9:00 p.m.	
	• Tuesday 5:00 a.m. to 9:00 p.m.	
	• Wednesday 5:00 a.m. to 9:00 p.m.	
	• Thursday 5:00 a.m. to 9:00 p.m.	
	• Friday 5:00 a.m. to 9:00 p.m.	
	Weekend Period:	\$22,600 for every partial or full 10 minute increment
	• Saturday 5:00 a.m. to 9:00 p.m.	
	• Sunday 5:00 a.m. to 9:00 p.m.	

The 10 minute increments listed in the charts above (except Chart 21-5) are for partial or full increments, meaning that, for example, an 11 minute period would be considered two increments.

* Stipulated damages shall be determined by using a comparison of the number of transactions identified by the toll collection system for the SR-91 during the period of the partial or complete 91 EL Closure and the number of transactions identified by the toll collection system for the SR-91 during a comparable prior period determined by RCTC. Determination of a comparable period shall be made by RCTC, acting reasonably, and shall consider the day, month, time of day, location, season, whether the day is a weekday, weekend or holiday, and such other factors as RCTC shall reasonably determine. The calculation of stipulated damages can never be a negative number or result in DB Contractor being entitled to additional payment from RCTC.

EXHIBIT 22

ELC LANE CLOSURE CHARGES

Chart 22-1

ELC Lane Closure Charges for Permitted ELC Lane Closures

Travel Direction	Time Frame	ELC Lane Closure Charge* prior to the Revenue Service Commencement Date	ELC Lane Closure Charge* from the Revenue Service Commencement Date and for the remainder of the Warranty Period
Southbound to Westbound	Weekday Period: <ul style="list-style-type: none">• Sunday 9:00 p.m. to Monday 5:00 a.m.• Monday 9:00 p.m. to Tuesday 5:00 a.m.• Tuesday 9:00 p.m. to Wednesday 5:00 a.m.• Wednesday 9:00 p.m. to Thursday 5:00 a.m.• Thursday 9:00 p.m. to Friday 5:00 a.m.	No charge	\$1,000 per night
	Weekend Period: <ul style="list-style-type: none">• Friday 9:00 p.m. to Saturday 5:00 a.m.• Saturday 9:00 p.m. to Sunday 5:00 a.m.	No charge	\$1,000 per night
Eastbound to Northbound	Weekday Period: <ul style="list-style-type: none">• Sunday 9:00 p.m. to Monday 5:00 a.m.• Monday 9:00 p.m. to Tuesday 5:00 a.m.• Tuesday 9:00 p.m. to Wednesday 5:00 a.m.• Wednesday 9:00 p.m. to Thursday 5:00 a.m.• Thursday 9:00 p.m. to Friday 5:00 a.m.	No charge	\$1,000 per night
	Weekend Period: <ul style="list-style-type: none">• Friday 9:00 p.m. to Saturday 5:00 a.m.• Saturday 9:00 p.m. to Sunday 5:00 a.m.	No charge	\$1,000 per night

Chart 22-2
ELC Lane Closure Charges for Unpermitted ELC Lane Closures

Travel Direction	Time Frame	ELC Lane Closure Charge* prior to the Revenue Service Commencement Date**	ELC Lane Closure Charge* from the Revenue Service Commencement Date through the remainder of the Warranty Period**
Southbound to Westbound	Weekday Period: <ul style="list-style-type: none"> Sunday 9:00 p.m. to Monday 5:00 a.m. Monday 9:00 p.m. to Tuesday 5:00 a.m. Tuesday 9:00 p.m. to Wednesday 5:00 a.m. Wednesday 9:00 p.m. to Thursday 5:00 a.m. Thursday 9:00 p.m. to Friday 5:00 a.m. 	No charge	\$5,000 for every partial or full 10 minute increment
	Weekend Period: <ul style="list-style-type: none"> Friday 9:00 p.m. to Saturday 5:00 a.m. Saturday 9:00 p.m. to Sunday 5:00 a.m. 	No charge	\$5,000 for every partial or full 10 minute increment
Eastbound to Northbound	Weekday Period: <ul style="list-style-type: none"> Sunday 9:00 p.m. to Monday 5:00 a.m. Monday 9:00 p.m. to Tuesday 5:00 a.m. Tuesday 9:00 p.m. to Wednesday 5:00 a.m. Wednesday 9:00 p.m. to Thursday 5:00 a.m. Thursday 9:00 p.m. to Friday 5:00 a.m. 	No charge	\$5,000 for every partial or full 10 minute increment
	Weekend Period: <ul style="list-style-type: none"> Friday 9:00 p.m. to Saturday 5:00 a.m. Saturday 9:00 p.m. to Sunday 5:00 a.m. 	No charge	\$5,000 for every partial or full 10 minute increment

The 10 minute increments listed in the tables above are for partial or full increments, meaning that, for example, an 11 minute period would be considered two increments.

EXHIBIT 23

PUBLIC CONTRACT CODE SECTION 9204

Public Contract Code - PCC

9204.

(a) The Legislature finds and declares that it is in the best interests of the state and its citizens to ensure that all construction business performed on a public works project in the state that is complete and not in dispute is paid in full and in a timely manner.

(b) Notwithstanding any other law, including, but not limited to, Article 7.1 (commencing with Section 10240) of Chapter 1 of Part 2, Chapter 10 (commencing with Section 19100) of Part 2, and Article 1.5 (commencing with Section 20104) of Chapter 1 of Part 3, this section shall apply to any claim by a contractor in connection with a public works project.

(c) For purposes of this section:

(1) "Claim" means a separate demand by a contractor sent by registered mail or certified mail with return receipt requested, for one or more of the following:

(A) A time extension, including, without limitation, for relief from damages or penalties for delay assessed by a public entity under a contract for a public works project.

(B) Payment by the public entity of money or damages arising from work done by, or on behalf of, the contractor pursuant to the contract for a public works project and payment for which is not otherwise expressly provided or to which the claimant is not otherwise entitled.

(C) Payment of an amount that is disputed by the public entity.

(2) "Contractor" means any type of contractor within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who has entered into a direct contract with a public entity for a public works project.

(3) (A) "Public entity" means, without limitation, except as provided in subparagraph (B), a state agency, department, office, division, bureau, board, or commission, the California State University, the University of California, a city, including a charter city, county, including a charter county, city and county, including a charter city and county, district, special district, public authority, political subdivision, public corporation, or nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.

(B) "Public entity" shall not include the following:

(i) The Department of Water Resources as to any project under the jurisdiction of that department.

(ii) The Department of Transportation as to any project under the jurisdiction of that department.

(iii) The Department of Parks and Recreation as to any project under the jurisdiction of that department.

(iv) The Department of Corrections and Rehabilitation with respect to any project under its jurisdiction pursuant to Chapter 11 (commencing with Section 7000) of Title 7 of Part 3 of the Penal Code.

(v) The Military Department as to any project under the jurisdiction of that department.

(vi) The Department of General Services as to all other projects.

(vii) The High-Speed Rail Authority.

(4) "Public works project" means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.

(5) "Subcontractor" means any type of contractor within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who either is in direct contract with a contractor or is a lower tier subcontractor.

(d) (1) (A) Upon receipt of a claim pursuant to this section, the public entity to which the claim applies shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the claimant a written statement identifying what portion of the claim is disputed and what portion is undisputed. Upon receipt of a claim, a public entity and a contractor may, by mutual agreement, extend the time period provided in this subdivision.

(B) The claimant shall furnish reasonable documentation to support the claim.

(C) If the public entity needs approval from its governing body to provide the claimant a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, the public entity shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the claimant a written statement identifying the disputed portion and the undisputed portion.

(D) Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the public entity issues its written statement. If the public entity fails to issue a written statement, paragraph (3) shall apply.

(2) (A) If the claimant disputes the public entity's written response, or if the public entity fails to respond to a claim issued pursuant to this section within the time prescribed, the claimant may demand in writing an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand in writing sent by registered mail or certified mail, return receipt requested, the public entity shall schedule a meet and confer conference within 30 days for settlement of the dispute.

(B) Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, the public entity shall provide the claimant a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the public entity issues its written statement. Any disputed portion of the claim, as identified by the contractor in writing, shall be submitted to nonbinding mediation, with the public entity and the claimant sharing the associated costs equally. The public entity and claimant shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing. If the parties cannot agree upon a mediator, each party

shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. If mediation is unsuccessful, the parts of the claim remaining in dispute shall be subject to applicable procedures outside this section.

(C) For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

(D) Unless otherwise agreed to by the public entity and the contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

(E) This section does not preclude a public entity from requiring arbitration of disputes under private arbitration or the Public Works Contract Arbitration Program, if mediation under this section does not resolve the parties' dispute.

(3) Failure by the public entity to respond to a claim from a contractor within the time periods described in this subdivision or to otherwise meet the time requirements of this section shall result in the claim being deemed rejected in its entirety. A claim that is denied by reason of the public entity's failure to have responded to a claim, or its failure to otherwise meet the time requirements of this section, shall not constitute an adverse finding with regard to the merits of the claim or the responsibility or qualifications of the claimant.

(4) Amounts not paid in a timely manner as required by this section shall bear interest at 7 percent per annum.

(5) If a subcontractor or a lower tier subcontractor lacks legal standing to assert a claim against a public entity because privity of contract does not exist, the contractor may present to the public entity a claim on behalf of a subcontractor or lower tier subcontractor. A subcontractor may request in writing, either on his or her own behalf or on behalf of a lower tier subcontractor, that the contractor present a claim for work which was performed by the subcontractor or by a lower tier subcontractor on behalf of the subcontractor. The subcontractor requesting that the claim be presented to the public entity shall furnish reasonable documentation to support the claim. Within 45 days of receipt of this written request, the contractor shall notify the subcontractor in writing as to whether the contractor presented the claim to the public entity and, if the original contractor did not present the claim, provide the subcontractor with a statement of the reasons for not having done so.

(e) The text of this section or a summary of it shall be set forth in the plans or specifications for any public works project that may give rise to a claim under this section.

(f) A waiver of the rights granted by this section is void and contrary to public policy, provided, however, that (1) upon receipt of a claim, the parties may mutually agree to waive, in writing, mediation and proceed directly to the commencement of a civil action or binding arbitration, as applicable; and (2) a public entity may prescribe reasonable change order, claim, and dispute resolution procedures and requirements in addition to the provisions of this section, so long as the contractual provisions do not conflict with or otherwise impair the timeframes and procedures set forth in this section.

(g) This section applies to contracts entered into on or after January 1, 2017.

(h) Nothing in this section shall impose liability upon a public entity that makes loans or grants available through a competitive application process, for the failure of an awardee to meet its contractual obligations.

(i) This section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.

(Added by Stats. 2016, Ch. 810, Sec. 1. Effective January 1, 2017. Repealed as of January 1, 2020, by its own provisions.)

Agreement No. 15-31-001-07

**AMENDMENT NO. 7
TO PROFESSIONAL SERVICES AGREEMENT FOR PROJECT AND
CONSTRUCTION MANAGEMENT SERVICES FOR THE
I-15 CORRIDOR IMPROVEMENT PROJECT**

1. PARTIES AND DATE

This Amendment No. 7 to the Agreement for project and construction management services is made and entered into as of this _____ day of _____, 2020, by and between the RIVERSIDE COUNTY TRANSPORTATION COMMISSION ("Commission") and PARSONS TRANSPORTATION GROUP INC., an Illinois corporation ("Consultant").

2. RECITALS

- 2.1 The Commission and the Consultant entered into an agreement, dated April 8, 2015, for the purpose of providing project and construction management services for the Interstate 15 Corridor Improvement Project (the "Master Agreement") for a maximum not to exceed ("NTE") amount of \$50,625,807.
- 2.2 Senate Bill 132 was enacted on April 28, 2017 and provides, among other things, \$180 million for new tolled express lanes connectors from the 91 Express Lanes to the northern portion of the I-15 (15/91 ELC). Funds under SB132 are available for encumbrance and liquidation only until June 30, 2023.
- 2.3 AB 115 was enacted on June 27, 2017 and provides additional project delivery authority to Commission to ensure cost-effective and timely delivery of the 15/91 ELC. Additional project delivery authority includes, but is not limited to, amendments to any existing I-15 Express Lanes Project or 91 Express Lanes Project contract. This amendment is authorized pursuant to AB 115.
- 2.4 The Commission and the Consultant entered into Agreement No. 15-31-001-02-A, an amendment to the Master Agreement, dated November 1, 2017 in order to provide additional engineering and environmental services to complete the Caltrans supplemental Project Report and Environmental Document revalidation for the 15/91 ELC.
- 2.5 The Commission and the Consultant entered into Amendment No. 3 to the Master Agreement, dated March 28, 2018, ("Amendment No. 3") in order to extend the term, to provide project and construction management services for the 15/91 ELC, to update the indemnification provision pursuant to SB 496, and to include certain additional standard federal provisions.

- 2.6 The Commission and the Consultant entered into Amendment No. 4 to the Master Agreement, dated January 29, 2019, to provide design refinement, including geometrical and structural changes, and additional soundwall studies and revisions mandated by Caltrans District 8 Noise Group to obtain environmental approval of the 15/91 ELC, and to provide additional funding therefor.
- 2.7 The Commission and the Consultant entered into Amendment No. 5 to the Master Agreement, dated June 26, 2019, to provide additional services required to obtain environmental approval of the 15/91 ELC, primarily related to unanticipated additional noise study work, and to provide additional funding for such services.
- 2.8 The Commission and the Consultant now desire to amend the Master Agreement in order to provide additional project and construction management services required for the 15/91 ELC, and to provide additional funding for such services.

3. TERMS

- 3.1 The term of the Master Agreement, as set forth in Section 3.3 of the Master Agreement, is hereby extended through June 30, 2024.
- 3.2 The Services, as that term is defined in the Master Agreement, shall be amended to include additional project and construction management services required to complete the 15/91 ELC, as further detailed in Exhibit A, attached to this Amendment No. 7 and incorporated herein by reference.
- 3.3 Compensation for Services under this Amendment No. 7 shall be in accordance with the provisions governing fees and payment set forth in Section 3.5 of Amendment No. 3, and in an amount not to exceed the values shown in the cost proposal for this Amendment No. 7, as summarized in Exhibit B, attached hereto and incorporated herein by reference.
 - 3.3.1 In addition to the allowable incurred costs, Commission shall pay Consultant a fixed fee of _____ ("Fixed Fee") for Services under this Amendment No 7. The Fixed Fee is nonadjustable, except in the event of a significant change in the Scope of Work, and such adjustment is made by written amendment.
 - 3.3.2 The total amount payable by Commission, including the Fixed Fee, for all

Services completed under this Amendment No. 7 shall not exceed _____ Dollars (\$_____).

- 3.4 Services under this Amendment No. 7 shall be compensated in accordance with the cost proposal attached hereto as Exhibit "B" and incorporated herein by reference.
- 3.5 Except as previously amended and as amended by this Amendment No. 7, all provisions of the Master Agreement, including without limitation the indemnity and insurance provisions, shall remain in full force and effect and shall govern the actions of the parties under this Amendment No. 7.
- 3.6 This Amendment No. 7 shall be governed by the laws of the State of California. Venue shall be in Riverside County.
- 3.7 This Amendment No. 7 may be signed in counterparts, each of which shall constitute an original.
- 3.8 A manually signed copy of this Amendment No. 7 which is transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Amendment No. 7 for all purposes.

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[Signatures on following page]

**SIGNATURE PAGE
TO
AGREEMENT NO. 15-31-001-07**

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date first herein above written.

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

**PARSONS TRANSPORTATION
GROUP INC.**

By: _____
Anne Mayer, Executive Director

Signature

Name

Title

APPROVED AS TO FORM:

By: - _____
Best Best & Krieger LLP
General Counsel

EXHIBIT “A”
SCOPE OF WORK

[Attached behind this page]

EXHIBIT "A"
SCOPE OF WORK

**I-15/SR 91 Express Lanes Connector
PCM Amendment Scope
Amendment #7**

EXHIBIT A

SCOPE OF WORK

This scope of work (SOW) assumes that future work related to the design, construction, installation, testing, operation, and maintenance of the I-15/SR-91 Express Lanes Connector (ELC) will be accomplished through a combination of a separate and new Design-Build (DB) procurement, and either amendments and/or change orders to the existing I-15 Express Lane DB and Toll Services Provider (TSP) contracts.

The Offeror shall assist the Riverside County Transportation Commission ("Commission") in the planning, implementation and general oversight of the ELC. Offeror will provide the Commission with the agreed upon staff, resources, and expertise to manage the ELC. The Scope of Work includes program management, preliminary design, development of procurement documents, and change order negotiation with the ELC Design-Builder and Tolling Service Provider, risk assessment and management, toll system planning and development of the operational rules, overseeing the design-build construction, overseeing the toll system installation and startup, utility coordination services, railroad coordination services, environmental and permit support, third party coordination and agreements, ELC controls, quality management services, public outreach support, design review oversight, construction management oversight, and contract administration services.

The SOW was written with the intent to describe most if not all services to be provided by the Offeror. However, Commission may require the Offeror to provide additional services not specifically identified in this SOW. The Offeror will be required to provide assistance to the Commission and to provide these additional services to assure the successful completion of the ELC.

A. ELC Management - TASK 100

Under the Commission's direction, provide overall management of ELC activities and/or support for agency agreements, ELC financing, procurements and negotiations, contract awards and contract management, ELC controls, toll system planning and installation, ROW engineering and acquisition, utility relocation, final design, construction, environmental permitting, railroad coordination, safety, quality, public outreach, and other ELC activities. These ELC management responsibilities include overseeing the activities of the ELC Design-Builder and Toll System Provider, environmental mitigation, and other contracts further defined in this SOW:

A.1 ELC Management

Under the Commission's direction,

- Represent Commission and be the contact for coordination and communication between the Commission and the ELC Design-Builder and the Toll System Provider. Offeror will be the primary point of contact with Commission on all ELC and contract-related

matters;

- Plan and conduct meetings, cooperate and coordinate with stakeholder agencies including the California Department of Transportation (Caltrans), Federal Highway Administration (FHWA), regional agencies, and municipalities;
- Coordinate and oversee ELC activities and deliverables performed by the ELC Design-BUILDER, Toll System Provider, and other contractors associated with the ELC;
- Cooperate and coordinate with other Commission consultants, financial advisors, legal advisors, and contractors to achieve completion of ELC development activities; and
- Develop, monitor compliance, and maintain a commitment register and log based on the commitments and obligations with Federal, State, and Local agency requirements contained in applicable agreements.

A.2 ELC Administration

Provide administrative personnel and perform general office management and administration for the duration of the ELC. Administrative responsibilities include:

- Schedule meetings; prepare meeting agendas, minutes, and action items; provide ELC standards and templates for ELC communications; institute specific ELC initiatives;
- Provide document control services throughout the ELC duration; and
- Provide general office support at the co-located office for the PCM, Commission, Caltrans, FHWA, and others as necessary.

A.3 Policies, Plans and Manuals

Offeror shall obtain and review relevant ELC information and prepare various plans.

- **ELC Information**
Obtain and review all available ELC information including preliminary engineering, ELC reports/briefs, presentations, plans, cost estimates, environmental documents, environmental technical studies, advance planning studies, cooperative agreements and other ELC information provided by Commission, Caltrans, and others.

- ELC Close-Out Plan

Identify the requirements to effectively close-out the design-build and system integration contracts including submittals of all record drawings, progress required to obtain substantial and final completion, necessary documentation, applications, data, submittals, and completion of all reports.

- Other Plans

Prepare other plans identified elsewhere in this SOW. Identify and prepare other plans as necessary to comply with local, state, or federal requirements or as directed by the Commission.

A.4 ELC Safety

Offeror shall provide a Safety Engineer/Manager who will be responsible for overseeing ELC safety including ensuring ELC team and contractor compliance with ELC safety requirements relevant to future co-located ELC and toll operations offices and construction sites. Safety activities include but are not limited to:

- Integrate the ELC into the existing I-15 Express Lanes Project (ELP) project-wide safety program. Provide and implement an ELC oversight site safety plan and provide safety training for all owner oversight personnel on the ELC. Provide hard hats and safety vests for all owner oversight personnel who will be working on the ELC site;
- As necessary, revise the safety requirements that are included in the ELC Design-Builder and Toll Services Provider contracts, including safety manual and training program requirements for all ELC personnel.
- Ensure compliance of the safety program with all federal, state and local laws including those of California Occupational Safety and Health Administration (Cal-OSHA), Caltrans, Commission and the local agencies and jurisdictions;
- Review various ELC activities and work processes and perform periodic audits to assess general office safety and compliance with current best practices;
- Work with Caltrans to merge its budgeted safety responsibilities with Commission and Offeror, and build one effective safety oversight program for the ELC. Establish roles and responsibilities, necessary oversight, and reporting requirements;
- Perform safety oversight of the I-ELC ELC Design-Builder and Toll Services Provider;

- Verify implementation of the safety training by the Design-Builder and Toll Services Provider for all ELC staff, and provide training to office staff as required;
- Track ELC Design-Builder and Toll Services Provider proper investigation and reporting of accidents;
- Monitor the provision of proper safety personnel protective equipment to all ELC Design-Builder and Toll Services Provider personnel, and other ELC personnel as required; and
- Regularly document or require documents by ELC Design-Builder and Toll Services Provider of safety meetings with set agendas as conducted by ELC Design-Builder and Toll Services Provider to document safety understanding and compliance.
- Oversee the investigation of accidents, report to the Commission, and recommend corrective actions to reduce risks and reoccurrence.

A.5 Quality Assurance (QA)

Offeror shall provide a Quality Engineer/Manager who will be responsible for overseeing ELC quality including ensuring ELC team, ELC Design-Builder and Toll System Provider compliance with ELC quality requirements relevant to all deliverables and construction. Quality activities include but are not limited to:

- Integrate the ELC into the existing I-15-ELP QA program based on the ELC scope, assumed construction contracts, stakeholder requirements, and delivery approach of the ELC. The QA program shall include the clear delineation of roles and responsibilities between all identified parties related to all design, procurement, installation, and construction activities and the development and maintenance of a quality manual;
- Review and revise, as necessary, the quality requirements that will be included into the ELC Design-Builder and Toll Services Provider change order documents;
- Work with Caltrans to merge its budgeted quality responsibilities with Commission and Offeror, and build one effective quality oversight program for the ELC. Establish roles and responsibilities, necessary oversight, and reporting requirements; and
- Perform independent quality assurance (IQA) during final design, installation, and construction of ELC improvements of Design- Build and Toll Services Provider including overseeing compliance with quality control (QC) and QA requirements, over-the-shoulder reviews, audits of contractor's QC and QA activities, resolution of audit

findings, coordinating with contractor's quality personnel, and providing periodic quality reporting.

A.6 ELC Support and Other Services

- Participate in the review of third-party insurance claims involving incidents as it affects Commission and provide analyses, identify means to mitigate or resolve, and make recommendations for action by Commission;
- Identify, define, and implement key ELC initiatives that will benefit Commission and the ELC by improving work processes and reducing ELC costs and resource requirements; and
- Schedule, coordinate, and/or attend meetings, as required, and provide all necessary meeting materials (i.e., agendas, minutes, action items, reports and documents) necessary to support the ELC management activities.

A.7 Risk Management

- Perform ongoing Project risk identification and management activities by working with the various Project work groups, including the Design-Builder and Systems Integrator;
- Provide all necessary reports and actions requested by Commission to support requests of Caltrans, FHWA, lenders, or others in documenting adherence to risk management requirements and practices.

A.8 Agency Agreements and Stakeholder Coordination

- Work with the Commission to amend, create, develop, negotiate, and execute agency agreements required to incorporate the ELC . . . , including but not limited to the following:
 - Construction Zone Enhanced Enforcement Program (Caltrans);
 - California Tolling Agency Interoperable Agreements (various statewide tolling agencies);
 - Toll Violation Enforcement Agreement (California Highway Patrol (CHP));
 - Roadway Maintenance Agreement; and
- Other agency agreements as necessary.

- Offeror shall identify, define, schedule, facilitate and coordinate with stakeholder agencies in support of ELC policies, procedures, practices and schedules. Additionally, Offeror shall work through barriers and enhance opportunity for innovation in the timely delivery of the ELC, particularly with those commitments and obligations associated with any cooperative agreements between Commission and the respective agency. The respective agencies include but are not limited to the cities of Corona, Riverside County, Riverside County Flood Control and Water Conservation District (RCFCWCD), Caltrans, and FHWA.

A.9 Public Outreach

Offeror shall provide support in the development and implementation of public and government relations communication plans for the ELC. The community and government relations communication plans shall provide:

- Public information and response to public and media questions about the ELC;
- Ongoing communications with staff and boards of public agencies, ELC partners, and elected officials;
- Attendance at public meetings, hearings, industry presentations, and community group presentations, including the preparation of presentation materials;
- Prepare and distribute, as directed by Commission, ELC brochures, fact sheets, branding items, messaging, and other necessary communication and collateral materials to support Commission's communications obligation and requirements with the agencies and communities;
- Lead and/or participate in regularly scheduled meetings including certain technical work groups, preconstruction, and construction related meetings with Commission, Design- Builder, and Toll Services Provider personnel. Prepare for meetings, as required, to properly organize or support each meeting event;
- Oversee, monitor, and cooperate in business support meetings by the ELC Design-Builder, and organize and prepare for such meetings, as requested by Commission, to support the ELC's efforts to mitigate issues and disruptions to local businesses due to construction activities;
- Prepare and organize media events and governmental relations activities, including news organizations and media and elected officials;

- Prepare collateral materials and other support documents for special events such as “ribbon cuttings” and “ground-breaking” ceremonies;
- Provide reports, meeting organization materials, tables, data, and other forms of communications to present or document activities on the public outreach efforts; and
- Maintain a database record of all public outreach contacts and responses.

B. Design Management – TASK 200

Offeror shall provide day-to-day management of all planning, design review, and oversight activities for the ELC including coordinating with stakeholders and affected agencies on technical issues relating to utilities, ROW acquisition, railroad coordination, and environmental mitigation. Coordinate ELC Design-BUILDER design activities with those of the Toll Services Provider as described in Section C, Tolling Services.

B.1 Design Management

- Review ELC Design-BUILDER and Toll Services Provider design submittals for conformance with the contract documents and all applicable Federal, State, and Local agency requirements. Provide staff planning and resources requirements to meet schedule commitments, including highway, structural, drainage, utilities, traffic, landscape, aesthetics, acoustic, and geotechnical engineers and support staff required to perform the Integrated Quality Assurance review and approvals.

B.2 Design Support

- The Offeror shall organize and consolidate the design concept drawings to be provided as part of the RFP documents. The basis for the design concept drawings shall be the drawings developed as part of the PA/ED effort;
- Review of all available ELC data and information, including ELC reports, plans, estimates, technical and planning studies, cooperative agreements, environmental documentation and other ELC information as provided by Commission, Caltrans, and other stakeholder agencies;
- Review and understand the Geometric Approval Drawings (GAD's), exceptions to Mandatory and Advisory Design Standards, and other documents developed previously by the Commission's various subcontractors. Prepare a Supplemental GAD for the ELC; and
- Provide engineering support for further definition and refinement of ROW lines to develop ROW requirements for negotiated and eminent domain acquisition of ELC ROW

- Review ELC Design-Builder Computer-Aided Design and Drafting (CADD) protocol and document ELC Design-Builder compliance to contract documents and Caltrans standards and requirements;
- Monitor compliance and take corrective actions to submittal procedures, cycles, and review time frames for the processing, review, and approval of all submittals by Commission, Caltrans, and stakeholder agencies in compliance with the Design-Build contract;
- Represent Commission with Caltrans and the ELC Design-Builder on all engineering issues and facilitate Commission's approval. Facilitate other agency reviews/approvals of ELC submittals;
- Provide CADD support, as necessary, for any technical analyses, graphical presentations, reference materials, ROW acquisition, regulatory permits, and ELC documents;
- Regularly coordinate and communicate with Commission on status and progress on design reviews and oversight of ELC Design-Builder's submittals. Identify any technical issues with proposed solutions and make recommendations to resolve to Commission, including necessary actions to implement proposed solution(s);
- Coordinate Commission, Caltrans, and other stakeholder agency involvement and participation in ELC Design-Builder technical meetings, process ELC Design-Builder meeting minutes, and coordinate Commission and stakeholder action items resulting from technical meetings, along with necessary agency approvals;
- Schedule, coordinate, and attend meetings, as necessary, in cooperation with the agencies and contracted parties (Design- Builder and Toll Services Provider), including the preparation of agendas, meeting minutes, and action items; and
- Participate with the construction management utility oversight personnel in providing Notices to Owners and in overseeing and coordinating the design and engineering work of the utility agencies and those of the ELC Design-Builder, as appropriate.

B.3 Structures IQA

Offeror shall:

- Review all available ELC data and information, including ELC reports, plans, estimates, technical and planning studies for incorporation into the appropriate amendment;
- Provide preliminary long lead time ELC elements necessary to support the design-build delivery schedule as requested by the Commission;

- Provide preliminary design development at the Temescal Wash Crossings as needed to support the regulatory and construction environmental permitting;
- Provide design management services to review ELC Design-Builder submittals, including design plans, investigations, studies, and reports required by the contract, for acceptability and conformance to contract requirements, Caltrans standards, and stakeholder agency standards; and
- Review and respond to structures-related issues and activities after issuance of Release for Construction (RFC) packages.

B.4 Roadway & Drainage IQA

Offeror shall:

- Review all available ELC data and information, including ELC reports, plans, estimates, technical and planning studies for incorporation into the amendment and preliminary RFP documents;
- Identify areas for risk reduction;
- Provide design management services to review ELC Design-Builder submittals, including design plans, investigations, studies, and reports required by the contract, for acceptability and conformance to contract requirements, Caltrans standards, and stakeholder agency standards; and
- Review and respond to roadway & drainage related issues and activities after issuance of RFC packages.
- Field investigate drainage systems and perform condition assessment prior to construction amendment development.

B.5 Maintenance of Traffic IQA

Offeror shall:

- Provide design management services to review ELC Design-Builder submittals, including design plans, investigations, studies, and reports, required by the contract, for acceptability and conformance to contract requirements, Caltrans standards, and stakeholder agency standards; and
- Review and respond to maintenance of traffic related issues and activities after issuance of RFC packages.

B.6 Traffic Management System (TMS) IQA

Offeror shall:

- Review draft Traffic Management Plan (TMP) provided by others and make recommendations on possible enhancements;
- Provide design management services to review ELC Design-Builder submittals, including design plans, investigations, studies, and reports required by the contract, for acceptability and conformance to contract requirements, Caltrans standards, and stakeholder agency standards; and
- Review and respond to TMS related issues and activities after issuance of RFC packages.

B.7 Electrical & Lighting IQA

Offeror shall:

- Coordinate with Commission, Caltrans, and identify system needs;
- Provide design management services to review ELC Design-Builder submittals, including design plans, investigations, studies, and reports required by the contract, for acceptability and conformance to contract requirements, Caltrans standards, and stakeholder agency standards; and
- Review and respond to electrical & lighting related issues and activities after issuance of RFC packages.

B.8 Landscape & Aesthetics IQA

Offeror shall:

- Provide design management services to review ELC Design-Builder submittals, including design plans, investigations, studies, and reports required by the contract, for acceptability and conformance to contract requirements, Caltrans standards, and stakeholder agency standards; and
- Review and respond to landscape & aesthetics related issues and activities after issuance of RFC packages.

B.9 Environmental & Permits

Offeror shall provide environmental oversight, compliance, and coordination of ELC Design-Builder's environmental obligations and commitments under the contract, including Commission's obligations and requirements with resource agencies.

This includes:

- Incorporation of environmental requirements and approved mitigation commitments and plans into the DB contract amendment and preliminary RFP, preparation of necessary environmental permits, preparation of necessary environmental mitigation or in-lieu fee agreements for execution by the Commission;
- The following permits shall be updated to the level of completion needed to support the delivery schedule:
 - United States Army Corps of Engineers (USACE) 404 and 408 permits, and Out Grant Agreement;
 - Regional Water Quality Control Board (RWQCB) 401 Certification; and
 - California Department of Fish and Wildlife (CDFW) 1602 Streambed Alteration permit.
- Oversee ELC Design-Builder's requirements in meeting the obligations and commitments in its preparation of materials and documents to secure the final USACE 404 and 408 permits, and Out Grant Agreement; RWQCB 401 certification; CDFW 1602 permit; and RCFCWCD encroachment permit;
- Coordinate approval of the permits and agreements with each resource agency, address any changes required of the ELC Design-Builder by the agencies, and further the approval of the permits and agreements;
- Analyze and assess environmental re-validation and re-evaluations required due to Commission directed changes and implement accordingly;
- Coordinate with Caltrans for review and comment on all environmental activities, including agreements, permits, and exercises of re-validation and re-evaluation;
- Oversee ELC Design-Builder's acquiring of all necessary environmental permits affecting their construction activities, including storm water permits;
- Schedule and coordinate meetings necessary to accomplish the environmental requirements of Commission, including providing

agenda and meeting minutes and action items; and

- Oversee implementation of the approved mitigation monitoring plan for compliance with Caltrans and regulatory agencies permit requirements and the mitigation documented in the environmental document.

B.10 Utility Coordination & Oversight

Offeror shall provide a ROW/Utility Team Leader who will be responsible for coordinating the utilities affected by the ELC. To accommodate and facilitate the design-build schedule, Offeror may be requested to undertake certain relocation work if needed. Utility coordination activities include, but are not limited, to the following:

- Identify utilities that may be impacted by the ELC;
- Meet with utility companies and other entities to determine their requirements for relocation, protection, and abandonment of utilities required to accommodate ELC and to establish any potential ROW impacts for utility relocations;
- Coordinate all final utility agreements with private utility owners. Monitor utility relocation work and meet regularly with Design- Builder, utility agencies, Caltrans, Commission, and other stakeholder agencies to coordinate utility relocation work;
- Coordinate all interaction and correspondences with utility owners including but not limited to preparation of proper notices (i.e., Notice to Owners), ELC Design-Builder submittals, notice to utility owners required to commence their (utility owner) design, procurement, and relocation activities, as necessary;
- Prepare Report of Investigation (ROI) as outlined in Section 13-05 of Caltrans ROW Manual Chapter 13;
- Review and comment, as appropriate, on utility owner designs for inclusion into ELC Design-Builder final design documents, and review ELC Design-Builder's RFC documents for proper inclusion of the utility owner designs;
- Confirm that the utility agency and ELC Design-Builder have all necessary permits and ROW clearances to allow relocation work to proceed;
- Oversee coordination between the ELC Design-Builder and utility agencies' construction and relocation work, address any issues and confirm identification, protection, adjustment, removal, or relocation of the subject utility in compliance with State and Federal laws and regulations, standards, and agreements; and

- Oversee and coordinate the final documentation and completion of the utility owner relocation work, and review and recommend final payments and closeout.

B.11 Railroad Coordination

Offeror shall:

- Coordinate with the applicable railroad entity to facilitate execution of the necessary railroad agreements;
- Oversee and support Commission's requirements with technical review and processing for approval of Burlington Northern Santa Fe (BNSF) Construction and Maintenance Agreements based on ELC schedule requirements;
- Coordinate ELC Design-Builder and BNSF design reviews. Facilitate receipt of BNSF approvals of ELC Design-Builder designs;
- Oversee compliance with the plans and specifications by the ELC Design-Builder with BNSF guidelines;
- Oversee and coordinate with BNSF regarding all ELC work affecting BNSF operations and the activities of the ELC Design-Builder, including compliance with BNSF requirements for work around their track and operations;
- Prepare and submit the California Public Utilities Commission (CPUC) formal and short form applications. Monitor the CPUC approval process; and
- Work with the ELC ROW personnel to receive all construction right-of-entry documents, including temporary construction and permanent easements.

B.12 Geotechnical IQA

Offeror shall:

- Review and evaluate ELC Design-Builder submitted documents and provide technical selection recommendations;
- Provide design management services to review ELC Design-Builder submittals, including design plans, investigations, studies, and reports required by the contract, for acceptability and conformance to contract requirements, Caltrans standards, and stakeholder agency standards; and

- Review and respond to geotechnical related issues and activities after issuance of RFC packages.

B.13 Survey & ROW Engineering

Offeror shall provide surveying and mapping services such as requirements, acquisitions, and ROW engineering services as needed in support of design development and Quality Assurance of the Design–Builder’s construction survey and to complete post-construction Record of Survey tasks including but not limited to:

- ROW Engineering – Offeror shall provide appraisal maps (ROW Maps) in conformance with Caltrans District 8 guidelines and drafting standards to facilitate ROW acquisition; and
- Field and office survey support on an as-needed basis to provide survey QA checks.

B.14 ROW Services

Offeror shall provide a ROW/Utility Team Leader who will be responsible for the technical and administrative functions required to deliver the required ROW for the ELC. ROW services include but are not limited to associated with impacts of structures in BNSF right of way, Riverside Flood Control District, and soundwall 2198:

- Overall coordination and management with the Commission, Caltrans, FHWA and the ELC Design-Builder and assist with the development and implementation of the ROW program as needed;
- Prepare ROW cost estimates;
- Provide acquisition and negotiations services required for Commission to acquire property for the ELC in a timely, efficient manner and at a reasonable cost including appraisal and review of appraisals, and necessary environmental investigations and remediation;
- Obtain title reports and escrow, utility relocation coordination, and
- ROW certification;
- Assess any proposed modifications or changes to the ROW proposed by the ELC Design-Builder and provide investigations and analyses, propose solutions, and make recommendations to Commission for consideration and implementation as directed;

- Provide ROW acquisition and relocation services under compliance with Federal, State, and Local laws and regulations, and in support of the ELC's schedule as needed;
- Perform all necessary ELC close-out activities, including ROW transfer from Commission to the various agencies, and working with Commission to determine the excess land disposition process;
- Continue to provide the appropriate progress/status reports, and schedule and attend meetings, as necessary, to support the acquisition, relocation, and close-out processes, and coordination with the ELC Design-Builder, and
- Work shall be performed in accordance with Caltrans and Commission's ROW policies and procedures and applicable federal, state, and local regulations.

C. Tolling Services – TASK 300

C1. Tolling System General Planning and Oversight

Offeror shall:

- Provide management and oversight of the ELC tolling services including identifying and allocating of staff to oversee work performed by the Design- Builder, Toll Services Provider, planning and scheduling of toll system activities, and organizing and/or participating in meetings;
- Provide and support contract administration activities associated with the tolling services, including safety and quality compliance, review of progress and invoice applications, submittals, and monthly reports;
- Provide coordination between ELC Design-Builder, and Toll Services Provider, activities to ensure proper coordination and integration with the procurement, design, installation, roadside construction, testing, and startup of the toll systems;
- Coordinate toll system and operations planning activities with stakeholder agencies and coordinate with other ELC functional groups on toll system design, installation, and integration matters, including toll system testing and acceptance; and
- Coordinate the review of design, submittals, design plans, and shop drawings between the ELC Design-Builder and, Toll Services Provider.

Toll System Planning

Support the Commission by analyzing, developing, and recommending strategies, policies, procedures, business rules, customer account rules, management rules, technical requirements, and toll facility concepts.

Provide analysis, evaluation of alternatives, make recommendations, and document Commission decisions via white papers, procurement documents, reports, or similar methods for the following issues and other issues identified by the Commission:

- o Use of variable pricing or dynamic pricing as the Commission's congestion pricing strategy linking the SR-91 and I-15 Facilities;
 - o Use of switchable transponders, self-declaration lanes, or other alternatives to enforce carpool occupancy requirements;
 - o General approach to provide the necessary customer services and the physical location of the customer service center;
 - o General approach to provide the necessary back office services and integration with either the SR-91 or I-15;
 - o Procurement of the toll services as an amendment to the any existing contract, as a standalone contract, or other alternatives; and
 - o Tolling and pricing approach to allow integration of the dissimilar SR-91 and I-15 ELCs, as well minimaxing the need to modify the system to accommodate future expansion of the express lane network within Riverside County.
- Toll Policy, Violation Enforcement, and Business Rules
 - o Support the Commission and its Traffic and Revenue consultant in creating, reviewing, and recommending a toll policy and the associated procedures to change toll rates during operations to maintain the desired level of service in the express lanes while generating sufficient revenue to meet debt repayment, operation and maintenance cost responsibilities, and other goals;
 - o Offeror to evaluate toll violation and collection procedures; and
 - o Offeror to evaluate, prepare, and recommend for approval operating business rules, prepare account reconciliation policies and procedures

among stakeholder agencies, and assist Commission to develop necessary general ledger requirements and entries.

- Toll System Design
 - o Develop and recommend design concepts, specifications, toll system testing guidelines and procedures, and/or requirements to implement electronic toll collection, CHP enforcement and customer service patrol staging locations, back office, toll operations center, customer service center, communications network, and enforcement systems; and
 - o Incorporate approved design concepts, specifications, and/or requirements into appropriate amendments to the existing DB and TSP contract deliverables.

C3. Toll Operations and Maintenance Planning

- Performance Metrics
 - o Offeror shall evaluate and recommend any changes the Commission's existing toll operations performance metrics. for incorporation into any TSP Contract changes.
- Customer Service
 - o Offeror shall utilize the Commission's existing customer service strategy by incorporating its ELC requirements and recommendations into any TSP Contract changes.
- Fee Revenue Estimates and Cost Estimates
 - o Offeror shall prepare customer account fee revenue estimates based on assumed toll policies, business rules, account types, and marketing strategy. See the ELC Funding and Financing section;
 - o Offeror shall prepare a toll system replacement schedule and cost estimates for the life of the facility (i.e. toll system life-cycle cost estimate) to support the Commission's financial model and ELC financing efforts. See the ELC Finding and Financing section; and
 - o Offeror shall prepare an Express Lane pavement and structure rehabilitation strategy, schedule, and cost estimate for the life of the facility to support the Commission's financial model and ELC financing efforts.

- Toll System and Roadway Maintenance
 - o Offeror shall review and update existing TSP performance requirements for the routine maintenance of the toll system (e.g. cameras, transponder readers, Changeable Message Signs (CMS), etc.) and roadway maintenance (regular pavement maintenance, trash removal, delineator replacement, etc.). Offeror to incorporate requirements in to the any TSP Contract changes.
- Incident Management and Disaster Recovery
 - o Review and update existing TSP performance requirements to address routine roadside incident management and disaster recovery. Offeror to incorporate these performance requirements into any TSP Contract changes.
- Other Performance Requirements for the Future Toll Operator
 - o Develop other Toll Operator performance requirements in the areas of procurement, contract management, cost controls, toll rate/policy changes, facility safety, training of Toll Operator and Commission personnel, and other areas identified mutually with Commission. Offeror to incorporate these performance requirements into any TSP Contract changes.

C4. Oversight, Coordination, and IQAs

- General Management and Coordination Among Contractors

Offeror shall:

 - o Provide management and oversight of the ELC's tolling services including identifying and allocating of staff to oversee work performed by the ELC Design-Builder, TSP, planning and scheduling of toll system activities, and organizing and/or participating in meetings;
 - o Provide and support contract administration activities associated with the tolling services, including safety and quality compliance, review of progress and invoice applications, submittals, and monthly reports;
 - o Provide coordination between ELC Design-Builder and TSP activities to ensure proper coordination and integration with the

procurement, design, installation, roadside construction, testing, and startup of the toll systems;

- o Coordinate toll system and operations planning activities with stakeholder agencies and coordinate with other ELC functional groups on toll system design, installation, and integration matters, including toll system testing and acceptance; and
- o Coordinate the review of designs, submittals, design plans, and shop drawings between the ELC Design-Builder, Systems Integrator, and Toll Operator.

- ELC Design-Builder's Toll System Infrastructure

Offeror shall:

- o Review and provide comments to ELC Design-Builder's design, design plans, submittals, and shop drawings of the toll system infrastructure work, including communications and power conduit duct banks, vaults and roadside equipment cabinet installations, gantries, CMS and camera pole installation, toll utility buildings, emergency backup generators, and integration of the ELC Design-Builder requirements with the requirements of TSP;
- o Review ELC Design-Builder's toll facility-related deliverables and provide technical selection recommendations as necessary; and
- o Provide construction oversight of the Design-Builder's toll infrastructure work, including power and communications conduit duct banks, gantries, CMS and camera pole installation, toll utility buildings, and emergency backup generators; document compliance with the contract requirements; and obtain signoff and acceptance by Commission and TSP.

- Toll System Provider

Offeror shall:

- o Manage and oversee adherence to the contract requirements, including compliance with the safety plan and the TSP design of roadside toll equipment, communications equipment, power equipment, cameras, CMS signage, and toll operations and customer service center facility layout plans;
- o Review and provide comments to the TSP's design, design plans, submittals, and shop drawings of the toll system;

- Oversee the installation of the tolling equipment, including roadside tolling equipment, communications and power, express lane cameras, CMS signage, traffic operations, and data center build out, document compliance with the contract requirements, and obtain signoff and acceptance by Commission and other stakeholder agencies, as required;
- Review testing and startup plans, provide oversight of the systems testing and startup in compliance with the contract, and obtain testing and acceptance signoffs by Commission and other stakeholder agencies;
- Review deliverables and provide technical recommendations as necessary;
- Obtain manufacturer warranties, as-built drawings, training materials, and other manuals required under the contract;
- Oversee early toll operation activities to support the training and startup of the ELC, including operational and start-up manual reviews;
- Coordinate toll activities and start-up toll facility operations with the remaining construction activities of the ELC Design-Builder;
- Review training manuals, coordinate training session participation, and review attendance and training completed by the training participants; and
- Perform contract management and administration including identifying potential SOW changes, development of Independent Cost Estimates for any scope changes, review of submitted contract change orders (CCO), performing required analyses, coordinating potential and implemented changes, as necessary, with other contracts, and maintain full documentation of all potential and actual changes.

C5. State Route 91 Express Lanes - Roadside Equipment Upgrade

Offeror shall:

- Develop contract amendments to the existing TSP contract to upgrade the existing the roadside equipment on the State Route 91 Express Lanes including the development of a Scope of Work and Independent Cost Estimate for the contract amendment;

- Oversee relocation of two SR-91 Toll Points;
- Oversee the TSP through design, installation and testing until Revenue Commencement. This task will include management of all activities specified in Technical Provisions and the SOW including: review of the design and installation drawings, installation oversight, and oversight of the site commission and operations tests; and
- Oversee the Final System Acceptance Test and the first annual Renewal Test; review of system operations, coordination with the TSP maintenance supervisor and technicians to make sure that identified problems are resolved and monitor any roadway maintenance activities that may impact the system, and review monthly K PI.

D. ELC Funding and Financing – TASK 400

Offeror shall assist and support the Commission and its consultants in reviewing and updating the existing I-15 and SR-91 ELC financing. These services include:

- In coordination with the Commission, traffic and revenue consultants, other engineering consultants, financial advisors, and legal advisors, participate in finalizing the impact to the existing ELC financial structure;
- Prepare updates of the ELC program capital cost and operating cost estimates. Prepare updates of the toll customer account fee revenue estimate and “non-toll transaction” revenue estimate based on assumed toll policies and business rules. Prepare toll system replacement schedule cost estimates. These estimates of costs and revenues support the Commission’s financial model; and
- Prepare or assist in the preparation of various technical supporting documents or reports related to ELC funding and financing, that are required by the TIFIA office, FHWA, Caltrans, investors, and others. Such reports may include the FP and construction progress reports.

E. Contract Management and Procurement Services – TASK 500

Provide contract management to monitor performance by the ELC Design-Builder and Toll Services Provider, to the requirements of their respective contracts. This includes Disadvantage Business Enterprise (DBE) subcontracting performance, labor compliance, administration of change management processes, and claims support on

behalf of Commission. Define, prepare, and administer all contract changes including change orders, directive letters for the ELC Design-Builder and the Toll Services Provider contracts.

Contract management and procurement services include:

E.1 Contract Management

- Incorporate ELC changes into the existing ELP contract documents. This includes identification and allocation of staffing resources to accomplish specific contract administration tasks; integration and coordination with the functional groups on contract matters; and attendance at meetings to coordinate contract management-related activities and deliverables with the Design-Builder and Toll Services Provider, and stakeholder entities associated with the ELC. Identify contract compliance issues for the ELC Design-Builder and Toll Services Provider contracts, provide analyses, and make recommendations to resolve issues for Commission approval;
- Coordinate and manage additional Commission contracts in connection with environmental mitigation and other contracts related to the ELC development and operations and maintenance;
- Coordinate and manage contract compliance between Commission and Offeror, providing communications and correspondence in addressing clarifications and amendments. Monitor compliance with Federal, State, and Local agency requirements including:
 - Provide regular updates to audited overhead rates as requested by Commission, including those of Offeror and Offeror's Subconsultants; and
 - Demonstrate compliance with Offeror's contract commercial requirements, including invoicing content and format, allowable compensation, schedule adherence, insurance coverage requirements, etc. through submitted documentation.
- Schedule, coordinate, and attend meetings to support ELC- related contract administration activities, including, where appropriate, providing agenda, meeting minutes, and action item listings.

E.2 Contract Administration

- Process ELC Design-Builder and Toll Services Provider, correspondence under the ELC requirements in a timely manner to support Commission and stakeholder agency approvals;
- Review ELC Design-Builder and Toll Services Provider, payment applications, for compliance to contract commercial requirements. Identify areas of concern and resolve with Design- Builder, Toll Services Provider, and Commission;
- Identify the amount of the final payment due to ELC Design-Builder and the Toll Services Provider, and assist Commission with processing any final contract changes and the resolution of any claims. Obtain evidence of certification of all lien releases, transfer of title to appropriate agencies, and certification of delivery of final record drawings to Caltrans where appropriate. Secure and transmit to Commission all required turn-over items, including, but not limited to, guarantees, affidavits, releases, bonds, waivers, keys, manuals, and maintenance stock;
- Prepare the final documentation to release all liens and recommend final payment and release of bonds and retention;
- Provide the systems and tools to provide documentation and tracking of ELC Design-Builder and the Toll Services Provider, and Offeror's contract compliance;
- Prepare and issue Commission-directed CCOs in compliance with the ELC Design-Builder and Toll Services Provider respective contract requirements. Negotiate final contract amendment terms with the ELC Design-Builder and, Toll Services Provider, and assist the Commission in obtaining any necessary external approvals;
- Review and analyze contractor-initiated CCOs by ELC Design-Builder and Toll Services Provider. Negotiate amendment terms and conditions for approval by Commission and other stakeholder agencies, including Caltrans and FHWA;
- Perform regular review and documentation of ELC Design-Builder and Toll Services Provider, communications for changes and claims, and report to Commission with recommendations and actions; and
- Provide reporting tools and CCO logs to properly track and monitor change notices, CCOs, and claims to identify trends and measure cost and schedule impacts; and
- Any other contract related functions necessary for contract administration.

E.3 Procurement Services

- General

Under Commission direction, provide broad procurement support for the Design-Builder, Systems Integrator, Toll Operator, environmental mitigation work, and other contracts necessary to develop, design, build, operate, and maintain the Project. Offeror shall participate in the development of procurement strategy, assist in the development of solicitations by preparing SOWs and technical documents, review and provide input on procurement documents to the Commission and Commission's legal counsel, and coordinate with the Commission's Project Team, consisting of the Commission, Commission's legal counsel, legal advisors, financial advisors, insurance advisors, other consultants, and Caltrans.

- Offeror shall review and understand Commission policies, procedures, and legal requirements related to its procurements;
- Offeror shall coordinate with the Commission's ELC Team to:
 - Support, through either direct input or review and comment on documents as appropriate, the preparation by Commission's legal counsel of procurement documents including Requests for Qualifications (RFQs), RFPs, contracts, evaluation criteria, evaluation manuals, and certain procurement correspondence;
 - Maintain adequate practices and procedures to ensure strict adherence to confidentiality agreements by all members of the procurement team, including measures to ensure the security of all procurement-related documents;
 - Develop a detailed work plan for the Project Team's timely development, review of and collaboration on procurement documents;
 - Plan and organize weekly Project Team calls during the development of design-build procurement documents and procurement period;
 - Maintain a complete and accurate official procurement file, including electronic and hard copies;
 - Track, review, and coordinate with the Project Team in the development of responses to questions received from proposers. Assist in the development of addenda to procurement documents;

- Assist Commission with the evaluation of Statements of Qualifications (SOQ), Proposals (including technical proposals and concepts, price/cost proposals, and schedules), potential conflicts of interest, conformance with procurement submittal requirements (including insurance, proposal and payment and performance security, and business structure), and other deliverables, including preparation of technical analysis and reports;
 - Assist in contract negotiations and the award process following selection; and
 - Participate and help conduct advance industry review meetings and processes (if applicable) and post-shortlisting and selection debriefing meetings; and assist Commission with any protests.
- Offeror, under Commission's direction, shall be directly responsible to:
 - Work with the ELC Team to present/Identify alternatives, analyze, and make recommendations to the Commission to best accomplish the necessary planning, development, design, procurement, construction, installation, testing, operation, and maintenance of the ELC;
 - Review and Prepare revisions to the existing Design-Build and Toll Services Provider contract documents to facilitate the execution of a contract amendment. This work would include, but not limited to, insurance provisions, performance security, contract interface provisions, and the technical provisions;
 - Incorporate lessons learned from recent Commission procurements and ELCs and other relevant ELCs involving design-build, system integration, and operations and maintenance;
 - Incorporate strategies, action plans, performance criteria, and other requirements from the Commission's current toll program organization effort in the areas of risk management, performance metrics, asset management, customer service, communication, and marketing;
 - Prepare necessary technical documents including plans, exhibits, maps, cost estimates, etc. for these same procurements;

- Plan and prepare various procurement schedules to meet overall ELC development and operations and maintenance schedule goals;
- Plan and coordinate any necessary review of contract amendment documents with Caltrans, FHWA and local agencies;
- Help identify, accumulate, review, index and catalogue relevant reference documents for the contract amendments; and
- Prepare certain correspondence, documentation, and presentations for Commission approval related to contract amendments; and

E.4 Labor Compliance and Disadvantaged Business Enterprise (DBE)

This effort may change due to project funding source.

Offeror shall support the preparation of the ELC contract specifications containing appropriate and current language concerning State prevailing wage requirements, Federal Davis-Bacon Act requirements and apprentice requirements, and provisions to be included in the ELC Design-Builder and Toll Services Provider, and other contracts, as applicable. Services include responding to contractor comments and providing technical assistance on all labor compliance requirements, as necessary. Labor compliance shall include:

- Development of a “Federal On-the-Job Training (OJT) Participation” goal, as necessary, and ensure that all required OJT provisions, labor compliance forms, and applicable Federal prevailing wage determinations are included in the applicable contracts;
- Develop processes and procedures for labor compliance functions in accordance with State and Federal requirements and the Caltrans LAPM;
- Develop planned labor compliance activities as part of the PMP, including roles and responsibilities;
- Determine and update the Federal general wage determinations, as necessary, based on wage rate amendments and the Federal “10- Day rule” found under 29 CFR Section 1.6(c) (3);
- Determine applicable State prevailing wage rate determinations applicable to the ELC based on the ELC’s bid advertise date;
- Prepare a pre-bid meeting checklist designed to facilitate review of all labor compliance requirements including applicable prevailing wage requirements and potential proposers;

- Support the Commission in its compliance with California's Department of Industrial Relations (DIR) requirements for labor compliance, including:
 - Provide technical guidance and coordinate with Commission to establish the appropriate reporting requirements and information necessary for the DIR to perform labor compliance on the ELC;
 - Provide periodic audits of ELC Design-Builder and Toll Services Provider, and other contractor's compliance to DIR requirements and information needed for labor compliance monitoring;
 - Support Commission with coordinating with DIR, as necessary, on its performance of ELC review audits and site interviews; and
 - Periodically review with Commission its compliance to State and Federal requirements for labor compliance.
- Observe and monitor ELC Design-Builder and, Toll Services Provider, and other contractors labor relations with labor organizations on behalf of Commission, periodically review labor practices on the ELC, and discuss labor issues with the ELC Design-Builder and Toll Services Provider, and other contractors, as appropriate, to mitigate potential for delays to ELC completion. Make recommendations, as appropriate, on resolution of labor issues to Commission;
- Monitor ELC Design-Builder and Toll Services Provider, and other contractors for compliance to labor code requirements and provisions for labor harmony on the ELC;

Disadvantaged Business Enterprise (DBE) Services:

- Assist Commission in the development of the DBE Goal as required under 49 CFR Part 26. Work with Caltrans to garner approval of the DBE contract goals.
- Review and update the DBE Contractor Performance Plan requirement for inclusion in the applicable contract amendments;
- Review contract-specific DBE goals for applicable change amendments in accordance with Caltrans race-conscious directives;
- Participate in workgroup meetings relative to the development and finalization of all applicable DBE solicitations and contractual provisions;

- Confirm contractor-claimed DBE participation crediting in conformance with 49 CFR Part 26 and Caltrans directives, including Commercially Useful Function (CUF) provisions;
- Conduct Good Faith Efforts reviews of proposers for compliance with all DBE contract-specific goal requirements, as necessary, to determine responsiveness to applicable requirements;
- Review ELC Design-Builder and, Toll Services Provider, and other applicable contractors' DBE reports for accuracy and coordinate with contractors to reconcile discrepancies; and
- Provide oversight of DBE and labor compliance activities of the ELC Design-Builder and Toll Services Provider and other applicable contractors and general support to the Commission, including compliance by the contractor with their DBE Performance Plan, and Federal, State, and Local requirements for prevailing wages and Davis-Bacon Act requirements.

F. ELC Controls – TASK 600

Provide management, administration, and oversight services related to the cost, scheduling, estimating, and document management requirements for Offeror's contract, and the contract between the Commission and the ELC Design-Builder and, Toll Services Provider, including the necessary plans, procedures, tools, processes, and tasks for ongoing planning, budgeting, and control of the ELC. The specific ELC controls activities planned include the following:

F.1 ELC Controls Management

- Provide review and management of the budget, cost engineering, scheduling, estimating, and document controls processes and procedures. Review the monthly invoices for the ELC Design-Builder and, Toll Services Provider
- Develop and maintain an Work Breakdown Structure (WBS) cost structure to segregate all costs associated with the ELC and ELP ELCs;
- Provide monthly trend registers, cost, and schedule reports on ELC performance, both separate and in conjunction with, the ELC Design-Builder and, Toll Services Provider, reporting requirements. Reporting will be provided in an agreed upon format on activities with stakeholder and third-party agencies. Provide any other necessary documentation deemed required to support ELC performance monitoring;
- Update and document changes in the ELC processes and procedures as provided for in the PMP and submit, as necessary, for reviews and approvals by Commission, Caltrans, and FHWA;

- Perform periodic reviews and analyses of the ELC Design-Builder, and Toll Services Provider, cost performance, as appropriate, to determine trends that may result in potential claim situations, and document such analyses and monitor trends; and
- Monitor and report, as necessary, Commission program costs that are external to PCM contract. This will include costs associated with the ELC that are incurred through other agreements, in accordance with State, Federal, or Local requirements, or as otherwise defined under the PCM contract.

F.2 Cost Controls

- Prepare monthly invoices for with adequate budget allocation for actual costs incurred; check for compliance to contract compensation requirements; monitor charges to established WBS codes to support cost control and reporting; verify appropriateness of charges; and respond to Commission questions or comments on invoicing. Develop an invoice structure to be approved by the Commission that fully segregates all the costs between the ELC and ELP ELCs;
- Develop budgeting for work tasks for Offeror activities; assign tasks against the WBS; monitor labor charges and expenses for validity and proper coding; and provide progress and reporting support for internal management and client needs;
- Review monthly invoices/progress payments submitted by the ELC Design-Builder and, Toll Services Provider, as to compliance with contract requirements and progress achieved on the ELC; and
- Coordinate development of reports related to Commission program costs that are external and internal to the PCM contract. Coordinate with ELC Design-Builder and Toll Services Provider, to develop additional reports, as necessary.

F.3 Scheduling

- Incorporate the ELC into the existing overall ELC schedule and coordinate with ELC disciplines, including ROW, to schedule updates and provide monthly reporting to Commission. Include identification and analysis of resource constraints and requirements, as appropriate, and any constraints to costs and cash flow;
- Provide schedule analyses, as required, to address schedule issues and concerns resulting from ELC activities, either of Caltrans, Commission, and/or Offeror, or of the ELC Design-Builder, and Toll Services Provider. In addressing issues, determine and recommend recovery actions, including resource and cash flow requirements;
- Review the ELC Design-Builder and Toll Services Provider, design

and construction schedule to monitor compliance with their contracts, and incorporate their schedules into the master program schedule. Provide analysis and document all schedule changes and their impacts to the baseline schedule, and request and analyze recommendations of ELC Design-Builder and Toll Services Provider, recovery plans;

- Participate in weekly ELC Design-Builder and Toll Services Provider, scheduling meetings to coordinate respective schedules, identify areas of schedule concern, monitor schedule performance, and track schedule alignment of weekly schedules to ELC schedules;
- Schedule, coordinate, and attend meetings, as necessary, to support ELC schedule activities, including preparation of agendas, meeting minutes, and action items; and
- Provide monthly schedule reports on ELC performance, both separate and in conjunction with, ELC Design-Builder, Toll Services Provider, reporting requirements. Provide any other necessary supports deemed required to support ELC performance monitoring.

F.4 Cost Estimating

- Offeror shall develop ELC cost estimates and provide contract amendment negotiations with the ELC Design-Builder and Toll Systems Provider
- Provide review and analyses of potential CCOs submitted by the ELC Design-Builder and, Toll Services Provider, including presentation of cost and schedule impacts, solutions to mitigate impacts and recommendations to Commission and other stakeholder agencies for approval; and
- Provide estimating support, as necessary, to review and analyze ELC Design-Builder, Toll Services Provider, changes and value engineering proposals. Provide recommendations to Commission.

F.5 Document Controls Management

- Provide and maintain a Commission-Offeror document collaboration portal for all ELC communications;
- Hard copies will be maintained and turned over to RCTC at the close of the project;
- Provide document management and control of all ELC Design-Builder and, Toll Services Provider, and other contractor submittals and correspondence. Integrate the ELC Design-Builder and Commission document management procedures and tools in

support of transmittal, submittal processing, and approval requirements. This activity will include all ELC documentation for design reviews, Requests for Information (RFIs), and all other submittals. Maintain the tools, filing, storage, and retention of ELC documentation.

- Prepare final ELC accounting and closeout reports of all reporting and document control systems. Organize all pertinent data, purge all files, and send to document control;

G. Construction Management – TASK 700

Provide Construction Management services for construction quality oversight and compliance to contract requirements by the ELC Design-Builder and Toll Services Provider, in accordance with AB 401, and in coordination with Caltrans IQA and construction inspection services. These services include:

G.1 Construction Management

- Organize, schedule and conduct a pre-construction conference that includes all agencies, utilities, ELC Design-Builder and Toll Services Provider that will be participating in the ELC and other impacted ELCs within the limits of the ELC. Provide all meeting support services such as meeting notice and meeting minutes;
- Provide and implement a construction management staffing plan that integrates with Caltrans' role, responsibilities, and staffing for the ELC and provides the necessary resources and capabilities to oversee and monitor the quality of construction by the Design-Builder and Toll Services Provider;
- Monitor the ELC Design-Builder and Toll Services Provider overall planning of construction activities to identify critical milestones and priorities, and to determine budget estimates and staffing requirements for the defined scope and schedule;
- Support preparation of the monthly report of construction activity and progress that relates to ELC Design-Builder and Toll Services Provider progress and compliance to contract requirements;
- Field monitor ELC Design-Builder and Toll Services Provider construction activities and compliance to their safety plan. Note concerns or deficiencies immediately to ELC Design-Builder or Toll Services Provider for their implementation of corrective measures;
- Develop/implement a field issue resolution program, including issue identification and resolution by the ELC Design-Builder, Toll

Services Provider, or appropriate agencies;

- Observe and identify all potential changes in SOW based on ELC Design-Builder and Toll Services Provider activities, review all CCOs submitted, and perform required analyses and recommendations to Commission for disposition;
- Review work status and recommend to Commission when the ELC is substantially complete. Prepare a summary of the status of the work of ELC Design-Builder and Toll Services Provider and a "punch list" of any incomplete work or work that does not conform to the contract documents. Coordinate and assist Caltrans in conducting final inspections and oversee completion of all work. Recommend relief of maintenance to ELC Design-Builder and Toll Services Provider for all or portions of the ELC; and
- Certify the amount of the final payment due to ELC Design-Builder and Toll Services Provider and assist Commission with the processing of any final contract changes and the resolution of any claims. Obtain evidence of certification of all lien releases, transfer of title to appropriate agencies, and certification of delivery of final record drawings to Caltrans. Secure and transmit to Commission all required turn-over items, including, but not limited to, guarantees, warranties, affidavits, releases, bonds, waivers, keys, manuals, and maintenance stock.

G.2 Construction Services & Administration

- Support the Construction Management and Resident Engineer ELC Design-Builder and Toll Services Provider Oversight teams with administrative support services. Complete a variety of routine and non-routine tasks and ELCs in accordance with the ELC procedures, or as directed. Manage document control for the Construction Management team;
- Support the Construction Management and Resident Engineer ELC Design-Builder and Toll Services Provider Oversight teams as the primary liaison between other ELC departments and construction management, ensuring timely and accurate distribution of information and materials;
- Support the Construction Management and Resident Engineer ELC Design-Builder and Toll Services Provider Systems Integrator Oversight teams in researching and compiling statistical information and related data and produce special or recurring reports and complete special ELCs as assigned. May maintain and monitor the operating budget as directed;
- Establish and maintain document archiving and retrieval systems,

prioritizing the flow of ELC reports/correspondence, and ensuring timeliness in the handling, processing, and resolution of requests, requirements, or problems;

- Establish and maintain follow-up files and confidential files for Construction Management team;
- Make recommendations for additions or revisions to existing ELC practices and policies. Serve as focal point for gathering newly published policies and the dissemination of materials;
- Maintain the Construction Management team meetings calendar. Assist Construction Management team in coordinating ELC meetings; and
- Manage ELC vehicle fleet, maintaining monthly inspection, maintenance and fueling records.

G.3 Roadway Construction Oversight

- Monitor the overall planning of construction activities to identify critical milestones and priorities. Determine budget estimates and staffing requirements for the roadway work scope and schedule;
- Coordinate and conduct pre-construction and pre-activity meetings with the ELC Design-Builder and Toll Services Provider;
- Provide engineering assessment of plans for adequacy of design, particularly with respect to suitability to actual field conditions;
- Ensure compliance with the plans and specifications by the Design-Builder and Toll Services Provider; recommend, modify, interpret, and edit special provisions and prepare modification estimates; and keep necessary records pertaining to construction progress, budget performance, and work order balances for the segment;
- Monitor the ELC Design-Builder and Toll Services Provider construction QC programs, including the adequacy of capability of QC resources. Oversee and provide, as necessary, notification to the Design-Builder and Toll Services Provider of rejected work when it is the opinion that the work or materials do not conform to the requirements of the Design-Build contract documents;
- Monitor compliance of ELC Design-Builder and Toll Services Provider safety plans and note concerns or deficiencies immediately to ELC Design-Builder or Toll Services Provider for their implementation of corrective measures;
- Oversee Caltrans performance of periodic construction inspection and QA independent oversight activities and their recording of daily progress of the ELC with accurate and complete daily inspection

reports, including weather conditions, work performed, number of workers, problems encountered, and other relevant data. Maintain an independent photographic log of the construction progress indexed for easy retrieval;

- Review all detour, lane closures, temporary access, signing, delineation, and traffic management and control plans for compliance with contract TMP requirements and all safety laws and regulations. Notify any deficiencies to ELC Design-Builder or Toll Services Provider for their immediate correction and compliance. Communicate any special notices to the public outreach team;
- Observe and identify all potential changes in SOW based on Design-Builder and Toll Services Provider activities, and review all CCOs submitted, perform required analyses, and present recommendations to Commission for disposition. Maintain separate log and files to document all potential and actual changes;
- Perform oversight and review of laboratory, shop, and mill test reports of materials and equipment, and coordination;
- Offeror shall establish and maintain ELC records. ELC record keeping shall include, but are not limited to, correspondence, memoranda, contract documents, RFIs, CCOs, claims, Commission and engineer directives, meeting minutes, shop drawings, supplementary drawings, review and approval of submittals, and quantity calculations, measurements and daily Extra Work Reports that support progress payments. Offeror shall maintain a record of the names, addresses, and telephone and fax numbers of the Contractors, subcontractors, and principal material suppliers;
- Monitor ELC Design-Builder and Toll Services Provider compliance to inspection and surveys of properties adjacent to the ELC to monitor possible ground movement or structural damage to properties that may be caused by the works; and
- Monitor test and inspection records and noncompliance reports for satisfactory resolution of noncomplying work.

G.4 Structures Construction Oversight

- Monitor the overall planning of construction activities to identify critical milestones and priorities. Determine budget estimates and staffing requirements for the structures work scope and schedule;
- Coordinate and conduct pre-construction and pre-activity meetings with the ELC Design-Builder and Toll Services Provider;
- Provide engineering assessment of plans for adequacy of design,

particularly with respect to suitability to actual field conditions;

- Ensure compliance with the plans and specifications by the Design-Builder and Toll Services Provider; recommend, modify, interpret, and edit special provisions and prepare modification estimates; and keep necessary records pertaining to construction progress, budget performance, and work order balances;
- Monitor the ELC Design-Builder and Toll Services Provider construction QC programs, including the adequacy of capability of QC resources. Oversee and provide, as necessary, notification to the Design-Builder and Toll Services Provider of rejected work when it is the opinion that the work or materials do not conform to the requirements of the Design-Build contract documents;
- Monitor compliance of ELC Design-Builder and Systems Integrator safety plans and note concerns or deficiencies immediately to ELC Design-Builder or Toll Services Provider for their implementation of corrective measures;
- Oversee Caltrans performance of periodic construction inspection and QA independent oversight activities and their recording of daily progress of the ELC with accurate and complete daily inspection reports, including weather conditions, work performed, number of workers, problems encountered, and other relevant data. Maintain an independent photographic log of the construction progress indexed for easy retrieval;
- Perform oversight and review of laboratory, shop, and mill test reports of materials and equipment, and coordination;
- Monitor ELC Design-Builder and Toll Systems Provider compliance to inspection and surveys of properties adjacent to the ELC to monitor possible ground movement or structural damage to properties that may be caused by the works; and
- Ensure that ELC Design-Builder's test and inspection records and noncomps are resolved in accordance with the Design Builder's contract.

G.5 Office Engineering

- Coordinate with ELC Design-Builder and Toll Systems Provider for completion and submittal of final record drawings or as-built drawings. The record drawings and documents shall be prepared and submitted in conformance with the contract requirements;
- Monitor that the ELC Design-Builder and Toll Services Provider maintain a detailed photographic history of the ELC in compliance with the work, which includes labels with location, direction of view, date, time, and any information of interest. Photographs shall be maintained in an indexed album or Commission approved software. Photographs shall include, but not be limited to, conditions prior to construction, changes to detours, barricade placement, disputed work, rejected work, and completed work;
- Coordinate between the Design Review and Construction Oversight teams to receive and distribute ELC plans and documents throughout the ELC term;
- Perform general construction office duties relating to administration of construction contracts, such as processing extra work invoices, preparing progress estimates, and filing documents;
- Confer with ELC Design-Builder and Tolling System Provider regarding compliance with plans and quality of work and construction activity;
- Selection and/or use of computer-based processes to compile engineering data, horizontal and vertical alignments, and curve computations; and preparation of as-built plans;
- For schedule/work activities where the need is identified, prepare quantity calculations and quantity sheets for payment purposes and review calculations prepared by Roadway and Structures Resident Engineering teams;
- Assist in timely resolution/close out of RFIs and CCOs;
- Coordinate between field personnel in tracking and logging all field documents, including reports and daily Progress Reports;
- Track and document all safety procedures and reports.
- Track and document all environmental and stormwater pollution prevention related reports and inspections and coordinate with the environmental personnel on the ELC;
- Track, monitor, and document all roadway closures and document all

10-97, 10-98, and 10-22 calls on Caltrans Traffic Management Center (TMC);

- Together, with administration and the ELC document control, develop, maintain, and update ELC's contact matrix and assure posting and distribution to the ELC's team;
- Provide the tracking and maintenance of ELC work schedules, analyses, technical and production reports, and other documentation as required;
- Organize, prepare, and conduct field site investigations and visitations from Caltrans, Commission, and FHWA personnel to confirm ELC progress, conduct studies, or any other purpose; and
- Schedule, coordinate, and attend meetings, as necessary, to support ELC oversight and construction activities, including the preparation of meeting materials, agendas, minutes, and action item lists.

EXHIBIT “B”

COMPENSATION

[Attached behind this page]

Executive Summary

15/91 ELC PCM Amendment Scope and Fee Estimate February 12, 2020

The Project and Construction Management (PCM) consultant shall continue to assist the Commission in the planning, implementation and general oversight of the I-15/SR 91 Express Lanes Connector (15/91 Project (ELC Project)). In March 2018 PCM Contract 15-31-001-00 was amended to include PCM services for the 15/91 Express Lanes Connector project. The planned course of action for the PCM services was to negotiate with the I-15 Express Lanes Project (ELP) Design Build (DB) Contractor (SAJV) to add the ELC Project to the ELP contract. After negotiating with SAJV through October 2018 the Commission did not come to acceptable terms with SAJV and elected to proceed with a procurement for a new DB Contractor to design and construct the 15/91 ELC project. This amendment brings the PCM Consultant contract current to account for the various changes associated with a new DB Procurement and the current schedule.

Key elements of the PCM services include program management services, preliminary design services, development of DB procurement documents, change order negotiation with the Design-Builder and Tolling Services Providers, risk assessment and management, toll system planning and development of the operational rules, overseeing the design-build construction, overseeing the toll system installation and startup, utility coordination services, railroad coordination services, environmental and permit support, third party coordination and agreements, project controls, quality management services, public outreach support, design review oversight, construction management oversight, and contract administration services.

Fee Estimate Basis and Assumptions

Scope and Price Basis:

The basis for the work is Exhibit “A” Scope of Work from the PCM Contract 15-31-001-00, approved by RCTC Commission on April 6, 2015 and amended to include the 15/91 ELC Project. The pricing approach follows the previous format and aligns with the existing Project Work Breakdown Structure (WBS) covering seven major functional tasks.

Project Implementation Approach

The Commission proceeded with a competitive selection process for a new DB Contractor. The project will be delivered under two Notice to Proceed (NTP). NTP 1 will occur in March 2020 and will continue until August 2020. Under NTP 1 the DB Contractor and the PCM will operate in separate facilities and complete the NTP 1 deliverables such as project management plans, procurement of co-located office space, and preliminary engineering. NTP 2 will occur immediately thereafter and the project should reach substantial completion in May of 2023.





Major Scope Elements

This project will design and construct a new eastbound SR-91 to Northbound I-15 express lane connector, southbound I-15 to westbound SR-91 express lane connector, eastbound SR-91 widening from the Main street onramp to just east of the Promenade Avenue overcrossing bridge. Work will include 3 new toll gantries and associated toll improvements.

Project Schedule:

Attached is a milestone schedule for delivery of the project. The following are the key milestones as they are currently anticipated:

Milestone	Approximate Date
DB Contract Award, NTP #1	March 2020
DB Contract, NTP 2 (Design and Construction)	August 2020
Design Complete / Begin Construction	May 2021
15/91 ELC open to traffic	Summer 2023
15/91 ELC project complete	Winter 2023

Activity		2019	2020	2021	2022	2023
1	Procurement / Preliminary Design					
2	Final Design					
3	Construction					
4	15/91 ELC Open to Traffic					

Cost Estimate:

1. The Total Cost amendment estimate is \$14,824,122 including escalation and fixed fee.
2. Cost Estimate Notes:
 - a. Current hourly rates were used for known staff. For others, a general labor classification rate was used.
 - b. Current audited overhead rates (field and home) were used. An escalation factor of 3.0 percent was applied to the labor rates to estimate the total project budget;
 - c. A field overhead rate was used for all staff who average more than 50% of their time assigned to the project field office. A home office overhead rate was used for all other staff;

Fee Summary:

Task	Total
TASK 100 - Project Management	\$2,358,559
TASK 200 - Design Management	\$2,768,100
TASK 300 - Tolling and Operations	\$0
TASK 400 - Project Funding and Financing	\$0
TASK 500 - Contracts Management & Procurement	\$2,156,148
TASK 600 - Project Controls	\$2,055,876
TASK 700 - Construction Management	\$2,821,491
TASK 800 - Other Direct Costs (ODC's)	\$540,905
Sub Total	\$12,701,079
Escalation	\$684,613
Fee	\$1,438,430
TOTAL	\$14,824,122