**EXHIBIT A**

SUPPLEMENT 1 TO MASTER FUNDING AGREEMENT

This Supplement No. 1 to Master Funding Agreement (“Supplement or “Agreement”) is entered into this 1st day of July, 2017, by and between the Metropolitan Transportation Commission (hereafter “MTC”) and the City/County Association of Governments of San Mateo County (hereafter “AGENCY”) and supplements the Master Funding Agreement, dated July 1, 2017, by and between MTC and AGENCY.

Pursuant to this Supplement, MTC agrees to provide an amount not to exceed three million eight hundred twenty two thousand dollars ($3,822,000) in federal Surface Transportation Block Grant Program (STP) funds to AGENCY to fund Planning and Programming Activities (as more fully described in Annex I hereto, the “Supplement Project”). The estimated budget and payment provisions for the Supplement Project scope of work is attached as Annex II hereto.

MTC will reimburse AGENCY for its actual eligible costs incurred for completed Supplement Project milestones, deliverables, or provisions described in Annex II hereto.

The Supplement Project work will commence July 1, 2017, and be completed no later than June 30, 2023.

The clauses selected below and attached as exhibits to the Master Funding Agreement shall apply to AGENCY’s performance of the applicable Supplement Project scope of work hereunder:

X Exhibit B-1, Additional Terms and Conditions (General), Paragraph A

X Exhibit B-1, Additional Terms and Conditions (General), Paragraph B

X Exhibit B-2, Additional Terms and Conditions (Federally Required Clauses)

X Exhibit B-3, Additional Terms and Conditions (State Required Clauses)

* Exhibit B-4, Additional Terms and Conditions (Prevailing Wage Rates, Apprenticeships, and Payroll Records, Non-Federally-Funded Agreements)
* Exhibit B-5, Additional Terms and Conditions (Prevailing Wage Rates, Apprenticeships, and Payroll Records, Federally-Funded Agreements)
* Exhibit B-6, Additional Terms and Conditions (Regional Toll Funds including RM1, RM2, and AB1171)

X Exhibit B-7, Additional Terms and Conditions (Regional Discretionary Federal Funds including STP and CMAQ)

The MTC Project Manager for the Supplement Project is Kenneth Kao, (415) 778-6768, [kkao@mtc.ca.gov](mailto:kkao@mtc.ca.gov). The AGENCY Project Manager for the Supplement Project is Sandy Wong, (650) 599-1409, [slwong@smcgov.org](mailto:slwong@smcgov.org).

This Supplement is supplemental to the Master Funding Agreement; all terms and conditions of the Master Funding Agreement, as may be amended, remain unchanged hereby.

Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Master Funding Agreement.

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| --- | --- | --- |
| **METROPOLITAN TRANSPORTATION COMMISSION** |  | **CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY** |
|  |  |  |
| Steve Heminger, Executive Director |  | Alicia C. Aguirre, Chair |

**ANNEX I: SCOPE OF WORK**

MTC/CMA PLANNING AND PROGRAMMING AGREEMENT

CONGESTION MANAGEMENT AGENCY / SUBSTITUTE AGENCY

PLANNING AND PROGRAMMING

DETAILED SCOPE FOR TASKS AND PRODUCTS

Project Title

|  |
| --- |
| Planning and Programming Activities |

Project Manager(s)

|  |  |
| --- | --- |
| **Name** | **Agency** |
| Sandy Wong | SM C/CAG (AGENCY) |
| Kenneth Kao | MTC |

Overview & Description

The AGENCY shall conduct specific planning and programming activities to assist MTC in meeting the requirements of federal legislation and related State and regional planning and programming policies and guidelines.

Fiscal Management

Pursuant to this Supplement and subject to annual federal appropriations and/or obligation of funding, MTC agrees to pass through an amount not to exceed three million eight hundred twenty two thousand dollars ($3,822,000) in federal Surface Transportation Program (STP) funds in FY 2017-18 through FY 2021-22 to AGENCY to fund the project. The AGENCY shall not incur expenses of federal STP funds until after the effective date of the Notice to Proceed (NTP) by MTC. A NTP will be issued for each fiscal year, issuance of which is subject to MTC’s receipt of federal funding.

Objectives

Funding is conditioned on the AGENCY working cooperatively with MTC and the other regional agencies to implement our respective work programs. Key objectives are:

* To implement the One Bay Area Grant (OBAG) programs 1 and 2 as per MTC Resolution 4035 and 4202 within the county;
* To promote successful program and project delivery and monitoring within the county for all transportation funds;
* To establish a land use and travel forecasting process and set of procedures that is consistent with those of the Association of Bay Area Governments (ABAG) and MTC, or develop appropriate alternative analytical approaches in cooperation with MTC;
* To support other regional planning and programming efforts, including the Community-Based Transportation Planning (CBTP), Lifeline Transportation Program (LTP) and the Regional PDA Planning Program;
* To assist in the development of the Transportation Improvement Program/State Transportation Improvement Program (TIP/STIP) and the Regional Transportation Plan (RTP)/ Sustainable Communities Strategy (SCS) through countywide planning efforts;
* To support the implementation of the Bay Area Coordinated Public Transit-Human Services Plan (Coordinated Plan);
* To develop and update a PDA Investment and Growth Strategy facilitating a transportation project priority setting process for OBAG 2 funding that supports and encourages development in the region’s PDAs as detailed in MTC Resolution 4202 and Attachments; and
* To engage in public participation as detailed in the MTC Public Participation Plan and MTC Resolution 4202, and Attachments.

Previous and Ongoing Work

Project shall be consistent with previous and ongoing work, including:

1. County level Congestion Management Programs (CMPs), Countywide Transportation Plans, and affiliated Capital Improvement Programs (CIPs)
2. Corridor Management Plans, corridor studies and related planning activities
3. Project delivery and monitoring, program implementation
4. Coordinated land use and travel forecasting
5. Completing/updating CBTPs (additional guidelines to be provided by MTC in late 2017), tracking status of CBTP-identified projects and programs; and programming and reporting on the CBTP and LTP
6. Assistance for the Regional Transportation Plan through development of detailed information about project proposals, as needed for regional analysis and requirements, and other data requests related to land use and transportation forecasting.

Key Tasks and Related Ongoing Products

Consistent with the region’s long-term goals and objectives as established in the Regional Transportation Plan (RTP) / Sustainable Community Strategy (SCS) and requirements of SB 375 and AB 32, and policies adopted by MTC to implement that Plan, and based on a public involvement process that includes the cities, transit operators and users, bicycle, pedestrian and community organizations, AGENCY shall conduct the following tasks.

**Task 1. Implement the One Bay Area Grant (OBAG) Program in the county**

Carry out OBAG responsibilities as established in MTC Resolution 4202, and detailed in Appendix A to Attachment A in this agreement.

**Task 2. Project Monitoring and Delivery**

* Implement project monitoring and delivery oversight for the OBAG programs, MTC discretionary programs and other MTC funding programs within the county.
* Work with Caltrans Local Assistance, MTC and local jurisdictions in the monitoring and delivery of all federal-aid local projects within the county using funds administered by the Federal Highway Administration (FHWA). Establish and maintain county-wide processes and procedures ensuring State Transportation Improvement Program (STIP), Active Transportation Program (ATP), Surface Transportation Block Grant Program (STP), Congestion Mitigation and Air Quality Improvement (CMAQ), Highway Safety Improvement Program (HSIP), Local Highway Bridge Program (LHBP) funds and other FHWA-administered funds for all local projects within the county, are used within federal, state, and regional timely use of funds deadlines.
* Assist local project sponsors to deliver effective projects and meet important project delivery deadlines, including FHWA, CTC and MTC deadlines and to program projects in the federal TIP, consistent with MTC Resolution No. 3606, Revised.
* For projects selected by AGENCY for the STP/CMAQ/OBAG programs, monitor and report on project sponsors completion of program requirements including, submittal of Complete Streets checklists, submittal of Highway Performance Monitoring System (HPMS) data, submittal of annual housing reports, and projects/programs identified in CBTPs.
* For local project sponsors with continued challenges in delivering federal-aid projects and meeting established funding deadlines, facilitate agency consultation meetings and prepare and maintain project delivery status reports of the agency’s active projects using FHWA-administered funds, tracking estimated and actual critical delivery milestone dates, including but not limited to the following: TIP approval, Caltrans field review, environmental clearance, Request For Authorization (RFA) for each phase, CTC allocation (as applicable), FHWA obligation/authorization (E-76), advertise, award, project completion (open for use), and project close out.
* Assist in development of the Annual Obligation Plan by submitting projects selected by AGENCY for the STIP/STP/CMAQ/OBAG programs that are ready for delivery, ensuring projects can meet the required deadlines by confirming milestone dates such as completion of field review and environmental clearance status. Prepare regular project monitoring status reports, and provide to MTC and the Partnership Working Group(s) at least quarterly (monthly two months prior and two months following the regional obligation deadline).

**Task 3. Travel Forecast Model Requirements**

Establish a land use and travel forecasting process and set of procedures that are consistent with that of ABAG / MTC. Complete the CMP Modeling Consistency Checklist in cooperation with MTC and in a timely manner, pursuant to the CMP Guidance and MTC staff direction. Monitor or estimate agreement funds spent in the previous fiscal year on activities directly supporting analytical planning activities, including travel/land use model staff and consultant fees, travel/land use model development (including data collection efforts intended to support model development), and travel/land use model application (including hardware and software costs).

* If AGENCY does not engage in land use and travel forecasting/modeling, confer with MTC modeling staff to develop an appropriate process for evaluating plans and projects.
* If AGENCY does engage in land use and travel forecasting/modeling, AGENCY shall share travel model inputs with MTC staff on a biennial basis. Travel model inputs include highway and transit network attributes.

**Task 4. Support Other Regional Planning and Programming Efforts**

* Serve as lead agency, oversee project management and provide planning support for the Lifeline Transportation Program and Community-Based Transportation Planning (CBTP) within the county. Ensure that the assessment of mobility and access needs of low-income residents, proposed solutions and list of projects/programs are updated as part of the Countywide Transportation Plan update process. Track the implementation status of projects and programs in the Countywide Transportation Plans.
* Support the implementation of regional customer service projects, including Clipper®, 511® Traveler Information and the Regional Rideshare Program, and assist in coordinating these projects and programs within the county. In the absence of a county mobility manager, coordinate with transit operators to ensure that paratransit and other mobility services for seniors, people with disabilities and low-income populations are integrated into the 511 system.
* Support the implementation of mobility management in the county, a key priority identified by the Coordinated Plan.
* Engage in other planning such as corridor studies or local PDA planning efforts funded through the Regional PDA Planning Program, as needed, consistent with the region’s long-term goals and objectives.

**Task 5. Develop Short and Long-Range Countywide Transportation Priorities to Support Regional Planning and Programming Efforts**

1. Update Countywide Plan, CMP and/or CIP with a list of fiscally-constrained transportation projects to assist regional agencies with development of the TIP/RTIP/STIP and the RTP/SCS and other long-range regional transportation planning processes.
2. For county priorities, provide and update project information such as project limits, capacity impacts, cost, funding, and schedule at least every 24 months and in advance of the RTP/SCS.
3. Participate in the regional technical assistance committees as needed for development of air quality improvement and emissions reduction strategies and analysis.

**Task 6. General Tasks**

* Serve as a facilitator and liaison for county, city, and transit interests, and as a conduit for MTC and ABAG for work with local jurisdictions, addressing federal and State requirements, assisting in corridor studies, disseminate information to local agencies on funding sources and requirements, regional programs, collecting data for MTC purposes, etc.
* Participate in the Bay Area Partnership Board, committees, and working groups.
* Assist MTC in evaluating, implementing and disseminating technical planning tools.

**Task 7. Public Involvement and Outreach**

* Lead a public outreach process for the administration of OBAG, as detailed in MTC Resolution 4202, Attachment A, Appendix A-7: One Bay Area Grant County Program Outreach to select OBAG projects for funding, as attached herein as Appendix A to Attachment A.
* Develop and implement appropriate public outreach processes for other planning and programming activities to satisfy Federal and State requirements, as necessary.
* Ensure the public involvement process provides underserved communities access to the planning and project submittal process, in compliance with Title VI of the Civil Rights Act of 1964.

**Products/Deliverables/Tasks Delivery Date(s) \***

|  |  |
| --- | --- |
| Submit PDA Investment & Growth Strategy | June 2016 – May 2017;  June 2020 – May 2021 |
| Monitor Implementation of local Complete Streets Policies and Strategies | Ongoing |
| Facilitate, monitor, and track the submittal of HPMS data and HCP annual reporting by jurisdiction | April 1, 2017, Ongoing |
| Submit OBAG 2 county projects and any subsequent program | July 31, 2017 |
| Develop PDA Investment & Growth Strategy | Summer/Fall 2017; 2021 |
| Ensure the public involvement process provides underserved communities access to the project submittal process | Annually |
| Amended PDA Investment & Growth Strategy to incorporate follow-up to local housing production and policies | May 2018, May 2022 |
| Annual progress report on PDA Investment & Growth Strategy, including status of jurisdictions’ progress on development/adoption of housing elements and complete streets policies | May 2018, Ongoing |
| CMP Modeling Consistency Checklist, pursuant to the CMP Guidance and MTC staff direction | Ongoing |
| Submit status reports on implementation status of projects and programs identified through the CBTP program. List information on fund sources, lead agency and timeline for implementation. | Every Other Year |
| For the CBTP program, update the assessment of needs, solutions and list of projects/programs for low-income residents in the county, including in COCs identified in 2016. | Ongoing |
| Oversight/assistance for program/project delivery | Ongoing |
| Biennial data share of travel model inputs. | Ongoing |
| Detailed information about projects and programs as specified by MTC for the regional planning process | Ongoing |
| Support for regional programs and customer service projects | Ongoing |
| Develop countywide transportation priorities consistent with regional long range vision and requirements | As needed |
| Submit FHWA federal-aid local projects selected by AGENCY for inclusion in annual obligation plan | Annually |
| Prepare and submit regular project delivery/monitoring status reports for FHWA federal-aid local projects within county. | Monthly/Quarterly |
| Additional support for planning, programming, and monitoring activities | Ongoing as needed |
| Development and reporting of Lifeline program | Ongoing as needed |

\* Dates may be changed by mutual agreement of MTC and the CMA/substitute agency

Reporting Requirements

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| --- |
| AGENCY must provide summary of work accomplished with each invoice submitted, and how activities achieve the tasks outlined in this Annex. Additional invoicing requirements are listed in Annex II. |

Additional Terms and Conditions

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| This agreement is only for activities as described above and in support of the RTP and regional programming. Any non-planning work related to the implementation of a specific project leading to construction is not reimbursable under this agreement.  Refer to MTC Resolution No. 3606, Revised, for the most current Regional Project Delivery Policies and Procedures.  Refer to MTC Resolution No. 4202, Revised, for the most current programming approvals for these funds. Refer to Caltrans documentation regarding eligible reimbursable activities and guidelines, including the Local Assistance Procedures Manual (<http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm>) and Local Assistance Program Guidelines (<http://www.dot.ca.gov/hq/LocalPrograms/lam/lapg.htm>). |

**APPENDIX A TO ATTACHMENT A**

**One Bay Area Grant County Program Outreach as per MTC Resolution 4202 Appendix A-7**

The Metropolitan Transportation Commission (MTC) delegates authority for the county program project selection to the nine Bay Area Congestion Management Agencies (CMAs). The existing relationships the CMAs have with local jurisdictions, elected officials, transit agencies, community organizations and stakeholders, and members of the public within their respective counties make them best suited for this role. As one of the requirements for distributing federal transportation funding, MTC expects the CMAs to plan and execute an effective public outreach and local engagement process during development of the PDA Investment and Growth Strategy and the solicitation and project selection for the OBAG 2 program. CMAs also serve as the main point of contact for local sponsoring agencies and members of the public submitting projects for consideration for inclusion in the Transportation Improvement Program (TIP).

To comply with federal regulations, the CMAs must conduct a transparent process for the Call for Projects, and include the following activities:

1. **Public Involvement and Outreach**

***Conduct countywide outreach to stakeholders and the public to solicit project ideas.*** CMAs are expected to implement their public outreach efforts in a manner consistent with MTC’s Public Participation Plan (MTC Resolution No. 4174), which can be found at <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan> . CMAs are expected at a minimum to:

* + Execute effective and meaningful local engagement efforts during the call for projects by working closely with local jurisdictions, elected officials, transit agencies, community-based organizations, and the public through the project solicitation process;
  + Explain the local call for projects process, informing stakeholders and the public about the opportunities for public comments on project ideas and when decisions are to be made on the list of projects to be submitted to MTC;
  + Hold public meetings and/or workshops at times that are conducive to public participation to solicit public input on project ideas to submit;
  + Post notices of public meetings and hearing(s) on their agency website; include information on how to request language translation for individuals with limited English proficiency. If agency protocol has not been established, please refer to MTC’s Plan for Assisting Limited English Proficient Populations at <http://mtc.ca.gov/about-mtc/public-participation/get-language-assistance>;
  + Offer language translations and accommodations for people with disabilities, if requested at least three days in advance of the meeting; and
  + Hold public meetings in central locations that are accessible for people with disabilities and by public transit.

***Document the outreach effort undertaken for the local call for projects.*** CMAs are to provide MTC with a:

* Description of how the public was involved in the process for nominating and/or commenting on projects selected for OBAG 2 funding.

1. **Agency Coordination**

* ***Work closely with local jurisdictions, transit agencies, MTC, Caltrans, federally recognized tribal governments, and stakeholders to identify projects for consideration in the OBAG 2 Program.*** CMAs will assist with agency coordination by:
* Communicating this call for projects guidance to local jurisdictions, transit agencies, federally recognized tribal governments, and other stakeholders.
* Documenting the steps taken to engage the above-listed organizations.

1. **Title VI Responsibilities**

* ***Ensure the public involvement process provides underserved communities access to the project submittal process in compliance with Title VI of the Civil Rights Act of 1964.***
  + Assist community-based organizations, communities of concern, and any other underserved community interested in having projects submitted for funding.
  + Remove barriers for persons with limited-English proficiency to have access to the project submittal process.
  + Document the steps taken to engage underserved communities.
  + For Title VI outreach strategies, please refer to MTC’s Public Participation Plan found at: <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>.
  + Additional resources are available at:
    1. <http://www.fhwa.dot.gov/civilrights/programs/tvi.htm>
    2. <http://www.dot.ca.gov/hq/LocalPrograms/DBE_CRLC.html#TitleVI>
    3. <http://www.mtc.ca.gov/get_involved/rights/index.htm>

**Appendix B to Attachment A: PDA Investment & Growth Strategy - One Bay Area Grant PDA Investment and Growth Strategy as per MTC Resolution 4202 Appendix A-8**

The purpose of a PDA Investment & Growth Strategy is to ensure that CMAs have a transportation project priority-setting process for OBAG 2 funding that supports and encourages development in the region’s PDAs, recognizing that the diversity of PDAs will require a range of different strategies. Some of the planning activities noted below may be appropriate for CMAs to consider for jurisdictions or areas not currently designated as PDAs if those areas are still considering future housing and job growth. Regional agencies will provide support, as needed, for the PDA Investment & Growth Strategies. From time to time, MTC shall consult with the CMAs to evaluate progress on the PDA Investment and Growth Strategy. This consultation may result in specific work elements shifting among MTC, ABAG and the CMAs. Significant modifications to the scope of activities may be formalized through future revisions to this resolution. The following are activities CMAs need to undertake in order to develop a project priority-setting process:

**(1) Engaging Regional/Local Agencies**

* Develop or continue a process to regularly engage local planners and public works staff. Understand the needs of both groups and share information with MTC and ABAG.
* Encourage community participation throughout the development of the Investment and Growth Strategy, consistent with the OBAG 2 Call for Projects Guidance (Appendix A-7).
* The CMA governing boards must adopt the final Investment & Growth Strategy.
* Participate as a TAC member in local jurisdiction planning processes funded through the regional PDA Planning Program or as requested by jurisdictions. Partner with MTC and ABAG staff to ensure that regional policies are addressed in PDA plans. Look for opportunities to support planning processes with technical or financial assistance.

**(2) Planning Objectives –** to Inform Project Priorities

* Keep apprised of ongoing transportation and land-use planning efforts throughout the county
* Encourage local agencies to quantify transportation infrastructure needs and costs as part of their planning processes
* Encourage and support local jurisdictions in meeting their housing objectives established through their adopted Housing Elements and RHNA.

The second round of PDA Investment & Growth Strategies will assess local jurisdiction success approving sufficient housing at all income levels. They will also, where appropriate, assist local jurisdictions in implementing local policy changes to facilitate achieving these goals[[1]](#footnote-1). The locally crafted policies should be targeted to the specific circumstances of each PDA. For example, if the PDA currently has few moderate- or low-income households, any recommend policy changes should be aimed at promoting affordable housing. If the PDA currently is mostly low-income housing, any needed policy changes should be aimed at community stabilization.

MTC and ABAG staff will distribute a technical memo to guide this task by October 1, 2016, including data to identify jurisdictions’ challenges (e.g. RHNA performance and current affordability) and a listing of the Bay Area’s best housing policies that are intended to address a range of housing challenges. This section should identify planning costs needed to address policy changes and other barriers to creating or maintaining affordability.

**(3) Establishing Local Funding Priorities**

Develop funding guidelines for evaluating OBAG projects that support multi-modal transportation priorities based on connections to housing, services, jobs and commercial activity. Emphasis should be placed on the following factors when developing project evaluation criteria:

* **Projects located in high impact project areas**. Favorably consider projects in high impact areas, defined as:

1. PDAs taking on significant housing growth in the SCS (total number of units), including RHNA allocations, as well as housing production, especially those PDAs that are delivering large numbers of very low, low and moderate income housing units,
2. Dense job centers in proximity to transit and housing (both current levels and those included in the SCS) especially those which are supported by reduced parking requirements and TDM programs,
3. Improved transportation choices for all income levels (reduces VMT), proximity to quality transit access, with an emphasis on connectivity (including safety, lighting, etc.)

* **Projects located in Communities of Concern (COC)** – favorably consider projects located in a COC as defined by MTC or as defined by CMAs or Community Based Transportation Plans.
* **PDAs with affordable housing preservation, creation strategies** and community stabilization policies – favorably consider projects in jurisdictions with affordable housing preservation, creation strategies and community stabilization policies.
* **Projects that protect public health during construction and operation** – Favorably consider projects that implement the Best Practices in the Air District’s Planning Healthy Places, or projects located in jurisdictions that have demonstrated a commitment to adopt, as policies and/or enforceable ordinances, best practices to reduce emissions of and exposure to local air pollution.[[2]](#footnote-2)
* **PDAs that overlap or are co-located with: 1) populations exposed to outdoor toxic air contaminants as identified in the Air District’s Community Air Risk Evaluation (CARE) Program and/or 2) freight transport infrastructure** – Favorably consider projects in these areas where local jurisdictions employ best management practices to mitigate PM and toxic air contaminants exposure.

**Process/Timeline**

CMAs will develop a new PDA Investment & Growth Strategy every four years, consistent with the update of the Regional Transportation Plan/Sustainable Communities Strategy. The Investment & Growth Strategy must be adopted by the CMA Board (new for OBAG 2). CMAs will provide a status report update every two years.

**ANNEX II:**

BUDGET

Estimated Cost by Funding Source:



AGENCY shall not incur expenses of federal STP funds until after the effective date of the Notice to Proceed (NTP) by MTC. A NTP will be issued for each fiscal year, issuance of which is subject to MTC’s receipt of federal funding.

AGENCY agrees to invoice MTC every quarter for eligible reimbursable expenditures.

AGENCY shall furnish any necessary supporting documentation to justify the invoice as requested by MTC.

1. Such as inclusionary housing requirements, city-sponsored land-banking for affordable housing production, “just cause eviction” policies, policies or investments that preserve existing deed-restricted or “naturally” affordable housing, condo conversion ordinances that support stability and preserve affordable housing, etc. [↑](#footnote-ref-1)
2. Guidance and maps have been developed in partnership with BAAQMD, CMAs, ABAG, and city staff, please see: <http://www.baaqmd.gov/plans-and-climate/planning-healthy-places>. [↑](#footnote-ref-2)