

EXHIBIT A – SCOPE OF WORK

RECITALS

1. The California Department of Transportation is hereinafter referred to as Caltrans.
2. The California High-Speed Rail Authority is hereinafter referred to as the Authority.
3. For the purpose of this Agreement the term “Parties” jointly refers to the Authority and Caltrans. The term “Party” refers to any one of those Parties individually.
4. This Agreement will commence on September 1, 2022, or upon approval by Department of General Services (DGS), whichever is later, and no work shall begin before that time. This Agreement is of no effect unless approved by DGS. Caltrans shall not receive payment for work performed prior to approval of this Agreement and before receipt of notice to proceed from the Authority Contract Manager.
5. This Agreement shall terminate on July 30, 2028, or whenever all responsibilities for hazardous waste, including remediation, have been fulfilled by the responsible party as set forth herein, whichever occurs later in time. However, all indemnification, document retention, audit, claims, environmental, legal challenge, Hazardous Material, operation, maintenance, and ownership articles will remain in effect until terminated or modified in writing by mutual agreement. The Parties may amend this Agreement as permitted by law.
6. The Parties entered into a Master Agreement (Caltrans 53-2009; HSR10-35) that defined how the Authority will perform the Project Approval and Environmental Documentation (PA&ED Master) for the HSR System within Caltrans right-of-way (CROW). The Parties later entered into a Post PA&ED Master Agreement (Caltrans 53-2013; HSR14-41) for all phases subsequent to PA&ED, which defined the Authority’s responsibility for performance of project work; submitting it to Caltrans for Independent Quality Assurance (IQA); and Project Development Services (PDS) within or affecting CROW. The Parties have combined both master agreements into an amended and restated Post PA&ED Master Agreement (HSR14-41-1). All references herein to the Post PA&ED Master Agreement are to the amended and restated Post PA&ED Master Agreement (HSR14-41-1). In the event of any inconsistency between the provisions of this Agreement, the Master Joint Use and Maintenance Agreement (Master JUMA), and the Post PA&ED Master Agreement, the provisions of this Agreement shall prevail. The capitalized words not defined herein are defined and/or explained in the Post PA&ED Master Agreement.
7. Notwithstanding the provisions of the Post PA&ED Master, Caltrans is the IMPLEMENTING AGENCY for this PROJECT.
8. The Authority applied for and was awarded a \$24,000,000 (twenty-four million dollar) U.S. Department of Transportation Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant, announced on November 16, 2021.

9. All inquiries during the term of this Agreement will be directed to the project representatives listed below:

Caltrans	Authority
Section/Unit:	Section/Unit: Infrastructure Delivery
Contract Manager:	Project Manager: Gilberto Baca
Address:	Address: California High-Speed Rail Authority Fresno, CA 93721
Bus. Phone Number:	Bus. Phone Number: 559.403.5413
Fax Number:	Fax Number:
Email:	Email: gilberto.baca@hsr.ca.gov

10. The project representatives during the term of this Agreement may be changed by advance written notice without the necessity of an amendment to this Agreement.

SCOPE OF WORK

11. Parties have agreed that Caltrans shall perform Plans, Specifications, and Estimates (PS&E), Right-of-Way, and Construction, together referred to as WORK, for the State Route (SR) 46 widening project, which is defined in the project initiation and approval documents (Supplemental Project Report – Construction Package 4: SR 46 at Wasco Underpass, Bridge 58-08, released in June 2021).
12. SR 46 widening project, hereinafter referred to as PROJECT, includes, but is not limited to, the following elements:
- a. Widening SR 46 from two lanes to four lanes.
 - b. Lowering the profile of SR 46.
 - c. Replacing an existing pump station and corresponding drainage basin just south of SR 46.
 - d. Building a temporary railroad shoofly structure (owned by BNSF) and replacing the existing BNSF structure.
 - e. Enhancing the SR 46/43 and F Street intersection to accommodate traffic movements, constructing ADA curb ramps, and replacing traffic signals.
 - f. Constructing approximately one thousand (1,000) feet of secant pile retaining wall.
13. The following work associated with this PROJECT has been completed or is in progress:
- a. Environmental Impact Report and Environmental Impact Statement (EIR/EIS).
 - b. Mitigation monitoring and enforcement program.

- c. Mitigation monitoring and reporting program.
 - d. Seven (7) re-examinations that cover the SR 46 area.
 - e. Environmental disclosure memo prepared for Caltrans.
 - f. Aerially Deposited Lead (ADL) study documented in "Aerially Deposited Lead Site Investigation, California High-Speed Rail and SR 46 Grade Separation, Wasco, CA, by Group Delta," dated August 14, 2020.
 - g. Phase II environmental site assessment documented in "Final Phase II Environmental Site Assessment Report, California SR 46 Environmental Re-examination Phase A, Construction Package 4, Geosyntec Consultants Inc.," dated October 2, 2020.
 - h. Cost estimation for remediation of Hazardous Materials and soil and groundwater remediation during construction documented in "Cost Estimate, For Remediation of Hazardous Materials Identified in SR 46 Phase II ESA, California High-Speed Rail Project Construction Package 4, Caltrans Road Widening Roundabout Project, Geosyntec Consultants Inc.," dated October 29, 2021.
 - i. Project Approval and Environmental Documentation, completed on June 22, 2021.
14. Except as otherwise provided in this Agreement, the Parties will execute a written amendment if there are any changes to the terms of this Agreement.
15. This PROJECT will be implemented as a Design-Bid-Build project.

AUTHORITY ROLES & RESPONSIBILITIES

Sponsorship

16. SPONSOR is responsible for establishing the scope of the PROJECT and securing the financial resources to fund the WORK. SPONSOR is responsible for securing additional funds when necessary or implementing PROJECT changes to ensure the WORK can be completed with the funds obligated in this Agreement.

PROJECT changes, as described in the Caltrans Project Development Procedures Manual, will be approved by Caltrans as the owner/operator of the State Highway System (SHS).

The Authority is the SPONSOR for the WORK in this Agreement.

CALTRANS ROLES & RESPONSIBILITIES

Implementing Agency

17. The IMPLEMENTING AGENCY is the Party responsible for managing the scope, cost, schedule, and quality of the WORK activities and products of a PROJECT component.

- a. Caltrans is the PS&E IMPLEMENTING AGENCY.

PS&E includes the development of the plans, specifications, and estimates; obtaining any resource agency permits; and the advertisement/award of the construction contract.

- b. Caltrans is the RIGHT-OF-WAY IMPLEMENTING AGENCY.

RIGHT-OF-WAY includes coordination with utility owners for the protection, removal, or relocation of utilities, except PG&E; the acquisition of right-of-way interests; and post-construction work such as right-of-way monumentation/recordation, relinquishments/vacations, and excess land transactions. The RIGHT-OF-WAY component budget identifies the cost of the capital costs of right-of-way acquisition (RIGHT-OF-WAY CAPITAL) and the cost of the staff work in support of the acquisition (RIGHT-OF-WAY SUPPORT).

- c. Caltrans is the CONSTRUCTION IMPLEMENTING AGENCY. CONSTRUCTION includes construction contract administration, surveying/staking, inspection, quality assurance, and assuring regulatory compliance. The CONSTRUCTION component budget identifies the capital costs of the construction contract/furnished materials (CONSTRUCTION CAPITAL), and the cost of the staff work in support of the construction contract administration (CONSTRUCTION SUPPORT).

- d. Caltrans is responsible for post construction PROJECT close-out activities.

- e. Caltrans is responsible for billing and reporting commitments required under the RAISE grant agreement. The Authority shall provide all documents and information in the Authority's possession to enable Caltrans to comply with its reporting and billing commitments.

18. Any Party responsible for completing WORK will make its personnel and consultants that prepare WORK available to help resolve WORK related problems and changes for the entire duration of the PROJECT, including PROJECT work that may occur under separate agreements.

CEQA/NEPA LEAD AGENCY

19. The Authority is the California Environmental Quality Act (CEQA) Lead Agency for the PROJECT.

20. Caltrans is the CEQA Responsible Agency for the PROJECT.

21. The Federal Rail Administration (FRA) has assigned the Authority to act on its behalf for National Environmental Policy Act (NEPA) compliance. For purposes of this Agreement, the Authority is the NEPA Lead Agency for the PROJECT.

ENVIRONMENTAL PERMITS, APPROVALS, & AGREEMENTS

22. The Parties will comply with the commitments and conditions set forth in the environmental documentation, including permits, approvals, and applicable agreements as those commitments and conditions apply to each Party’s responsibilities in this Agreement. The Authority is the permittee and signatory for the purposes of the Fresno to Bakersfield Environmental Impact Report /Environmental Impact Statement (F-B EIR/EIS), and applicable federal, state, and local permits. Caltrans will be responsible for implementation and compliance with NEPA/CEQA mitigation measures, permits, and approvals, and the Authority shall remain responsible for oversight of those activities. The Authority will be responsible for performing oversight as NEPA/CEQA Lead to ensure implementation and compliance with NEPA/CEQA mitigation measures, permits, and approvals are completed.
23. Unless otherwise assigned in this Agreement, the IMPLEMENTING AGENCY for a project component is responsible for all project component WORK associated with coordinating, implementing, renewing, and amending the PROJECT permits, agreements, and approvals, whether they are identified in the planned project scope of work or become necessary in the course of completing the PROJECT.
24. It is expected that the PROJECT requires the following environmental permits/approvals:

ENVIRONMENTAL PERMITS/REQUIREMENTS	COORDINATE	PREPARE APPLICATION	OBTAIN	IMPLEMENT	RENEW	AMEND
401, Regional Water Quality Control Board	CALTRANS	CALTRANS	AUTHORITY	CALTRANS	CALTRANS	CALTRANS
National Pollutant Discharge Elimination System (NPDES), State Water Resources Control Board	CALTRANS	CALTRANS	CALTRANS	CALTRANS	CALTRANS	CALTRANS
FESA Section 7 UFSWS	CALTRANS	CALTRANS	AUTHORITY	CALTRANS	CALTRANS	CALTRANS

HAZARDOUS MATERIALS

25. Definitions
- a. HM-1 – Hazardous Material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal and/or state law whether disturbed by PROJECT or not.
 - b. HM-2 – Hazardous Material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal and/or state law only if disturbed by the PROJECT.
 - c. HM Management Activities – Management activities related to either HM-1 or HM-2 including, but without limitation, any necessary manifest requirements and disposal facility designations.

- d. As used herein, the term “Hazardous Materials” includes oil, flammable explosives, asbestos, urea formaldehyde insulation, mold, toxic mold, radioactive materials, hazardous wastes, toxic or contaminated substances or similar materials or contamination, including, without limitation, any substances that are “hazardous substances,” “hazardous wastes,” “hazardous materials,” “toxic substances,” “wastes,” “regulated substances,” “industrial solid wastes,” or “pollutants or contaminants” under the Hazardous Materials Laws, including, but not limited to, those defined below, and/or any other applicable environmental laws, ordinances, regulations, or rules. “Hazardous Materials” shall not include commercially reasonable amounts of such materials used in the ordinary course of operation of property that are used and stored in accordance with all applicable Hazardous Materials Laws, including, but not limited to, those defined below.
 - e. “Hazardous Materials Laws” are all state and federal laws, ordinances, regulations, and rules that relate to Hazardous Materials of any sort, each as now and hereafter amended or supplemented or replaced, and the regulations thereunder, and any other applicable local, state, and/or federal laws or regulations that govern (a) the existence, clean-up, and/or remedy of contamination on real property; (b) the protection of the environment from released, spilled, deposited, or otherwise emplaced contamination; (c) the control of hazardous wastes; or (d) the use, generation, transport, treatment, removal, or recovery of Hazardous Materials, including any and all building materials.
26. The Authority has already completed investigative studies and technical environmental reports, as listed in paragraph 13, for the PROJECT, which Caltrans received prior to execution of this Agreement.
27. If either Party discovers unanticipated cultural, archeological, paleontological, or other protected resources during the WORK, all WORK in that area will stop and that Party will notify all Parties within twenty-four (24) hours of discovery. WORK may only resume after a qualified professional, as determined by the Authority, has evaluated the nature and significance of the discovery and a plan is approved for its removal or protection. The Parties will abide by the Authority’s Mitigation Monitoring and Enforcement Plan and Programmatic Agreement (PA) between the Authority and the Advisory Council on Historic Preservation (ACHP), and the Memorandum of Agreement (MOA) with the State Historic Preservation Officer (SHPO) for work areas addressed by the F-B EIR/EIS, and the Caltrans programmatic agreement of any work areas not addressed by the F-B EIR/EIS.
28. If Hazardous Materials, in addition to those identified in the reports listed in paragraph 13, are found during construction, operation, or maintenance of the PROJECT, Caltrans shall immediately notify the Authority.
29. If HM-1 or HM-2 is found within the PROJECT limits in addition to that identified in the reports listed in paragraph 13, Caltrans, being responsible for the Advertisement, Award, and Administration (“AAA”) of the PROJECT construction contract, will perform the HM Management Activities related to HM-1 and HM-2.

30. Caltrans must provide all contractors with the results of the ADL and site assessment studies listed in paragraph 13.
31. Caltrans' acquisition or acceptance of title to any property on which any HM-1 or HM-2 is found will proceed in accordance with Caltrans' policy on such acquisition. Acceptance of such title shall not be unreasonably withheld.
 - a. Caltrans has agreed to acquire the Simplot property (APN-030-020-04) that is on the Cortese List on behalf of Caltrans.
 - b. Caltrans will be responsible for the relocation of overhead and underground utilities and road widening of SR-46. This will require relocation of portions of the existing groundwater monitoring system and work in soil with actionable levels of Hazardous Materials.
 - c. All costs related to BNSF railroad and PG&E, SoCal Gas, AT&T, Brighthouse, and City of Wasco Water utility relocation shall be funded by the Authority.
 - d. Costs associated with the Caltrans road-widening project are the responsibility of the Authority, pursuant to the negotiated settlement agreement between the Authority, Caltrans, and Kern County dated January 17, 2017, that memorialized the understanding of the parties in the matter of County of Kern v. California High-Speed Rail Authority, (Sacramento Superior Court Case No. 34-2014-80001863, filed June 6, 2014).
32. Caltrans and the Authority herein define responsibilities for long-term operation and maintenance of the groundwater monitoring system on the Simplot property (a property included on the Cortese List of known sources of Hazardous Materials) as continuing until the Regional Water Quality Control Board issues a No Further Action Letter.

PLAN, SPECIFICATIONS, & ESTIMATES (PS&E)

33. As the PS&E IMPLEMENTING AGENCY, Caltrans is responsible for all PS&E WORK except those activities and responsibilities that are assigned to another Party in this Agreement and those activities that may be specifically excluded.
34. The Authority has agreed to provide 100% PS&E for the following structures:
 - a. BNSF Underpass
 - b. Pump Station
 - c. Secant Pile Retaining Walls
 - d. BNSF related earthwork
35. Caltrans will prepare Utility Conflict Maps identifying the accommodation, protection, relocation, or removal of any existing utility facilities that conflict with construction of the PROJECT or that violate Caltrans' encroachment policy.

36. The Authority is responsible for all costs to positively identify, locate, accommodate, protect, relocate, or remove any utility facilities whether inside or outside the SHS right-of-way in accordance with federal and California laws and regulations, and Caltrans' policies, procedures, standards, practices, and applicable agreements including, but not limited, to Freeway Master Contracts.
37. Caltrans shall consider the City of Wasco design guidelines during its design and shall conform its aesthetics concepts to the Authority's Construction Package 4 Design Criteria Manual for the portion of the PROJECT located within the existing section of SR 46.
38. Based on the requirements implemented in the National Highway Systems (NHS) Act of 1995, Federal Highway Administration (FHWA) Regulation Title 23 United States Code (USC), Sections 106 and 627, Caltrans and the Authority will work cooperatively to complete a Value Analysis (VA) for the PROJECT. Caltrans and the Authority shall have qualified staff to fully participate in the VA process.
39. Caltrans shall conform the horizontal and vertical alignments of the PROJECT to the alignments established by the Authority.
40. Caltrans shall participate in the Authority's contractor's Interface Coordination and Design Integration Workshops.

RIGHT-OF-WAY

41. As the RIGHT-OF-WAY IMPLEMENTING AGENCY, Caltrans is responsible for all RIGHT-OF-WAY WORK except those activities and responsibilities that are assigned to another Party in this Agreement and those activities that may be specifically excluded.
42. The California Transportation Commission (CTC) is responsible for hearing and adopting Resolutions of Necessity.
43. Caltrans will provide Right-of-Way Certification prior to PROJECT advertisement.
44. Caltrans will be responsible for the preparation of Right-of-Way Record Maps.
45. Physical and legal possession of the right-of-way must be completed prior to advertising the construction contract unless the Parties mutually agree to other arrangements in writing.
46. Right-of-way conveyances must be completed prior to WORK completion unless the Parties mutually agree to other arrangements in writing.
47. All real property to be transferred from Caltrans to the Authority shall be made by a Transfer of Jurisdiction (TOJ) that is not subject to liens or encumbrances other than those reasonably acceptable to the Authority. All right-of-way transfers must be completed prior to WORK completion. Caltrans will acquire all necessary right-of-way title vested in the state of California. In accordance with Caltrans' right-of-way policy, Caltrans will sell or dispose of any excess land not necessary for the PROJECT, and the net proceeds will be transferred to the Authority.

UTILITY RELOCATIONS

48. The Authority shall be responsible for the relocation of all PG&E facilities, including:
 - a. The PG&E transmission SR 46 conflict line that will be relocated into the applicable utility corridor area.
 - b. The PG&E distribution line that runs north and south along SR 43 and J Street.
 - c. The PG&E distribution line that will be relocated into the applicable utility corridor area.
49. Caltrans will make all necessary arrangements with utility owners, (except PG&E which shall be relocated by Authority), for the timely accommodation, protection, relocation, or removal of any existing facilities that conflict with construction of PROJECT or that violate the Authority's or Caltrans' encroachment policies, all at the Authority's cost. Utility relocations will be accomplished in accordance with Caltrans' and/or the Authority's policies, as applicable, and all requirements imposed by the Authority and FRA.
50. If a situation arises in the field that necessitates a change order while utility companies are performing relocation WORK, Caltrans will administer and perform the WORK required by the change order at the Authority's expense. All demolition and clearing required for the PROJECT will be the responsibility of Caltrans at the Authority's expense.
51. Location and occupancy rights of utilities that permanently remain in the Authority Right-of-Way will be documented by the Authority in a form consistent with the Authority's policy.

COORDINATION

52. Caltrans shall coordinate all its WORK on the PROJECT with the Authority and the Authority's contractor(s). The Authority and Caltrans shall develop a process for both Parties to provide regular updates on the PROJECT, including, but not limited to, monthly executive meetings.
53. During WORK, representatives of all Parties will cooperate and consult with each other and the Authority's contractor(s) to ensure that all WORK is accomplished in accordance with applicable federal and California laws, regulations, and standards, as well as applicable Authority, FRA, FHWA, and Caltrans standards.
54. Caltrans will make all necessary arrangements with BNSF for timely completion of the temporary railroad shoofly structure and replacement of the existing BNSF structure.
55. Caltrans shall coordinate all tie-ins, including tie-ins regarding third-party facilities and utilities, with the Authority and the Authority's contractor(s).
56. The Authority and Caltrans will develop a public information process for dissemination of PROJECT information to the public. In addition to regular updates, this process will also

include provisions for time sensitive or emergency notifications. Caltrans shall coordinate with the Authority prior to disseminating information regarding the PROJECT, consistent with the process to be developed as a requirement of this section.

57. Caltrans shall coordinate all maintenance of traffic activities with the Authority and its representatives, including the Authority's contractor(s).

CONSTRUCTION

58. As the CONSTRUCTION IMPLEMENTING AGENCY, Caltrans is responsible for all CONSTRUCTION WORK except those activities and responsibilities that are assigned to another Party in this Agreement and those activities that may be specifically excluded.
59. Caltrans will advertise, open bids, award, and approve the construction contract in accordance with the California Public Contract Code and the California Labor Code. By accepting responsibility to advertise and award the construction contract, Caltrans also accepts responsibility to administer the construction contract.
60. Caltrans need not advertise the construction contract until the Authority verifies full funding of CONSTRUCTION SUPPORT and CONSTRUCTION CAPITAL.
61. If the construction contract bid is greater than the funding commitment to CONSTRUCTION CAPITAL limited by the PROJECT description in this Agreement, all Parties must be involved in determining how to proceed. If the Parties do not agree upon a course of action in writing within fifteen (15) working days of bid opening, then Caltrans shall not award the construction contract.
62. As CONSTRUCTION IMPLEMENTING AGENCY, Caltrans is responsible for maintenance within PROJECT limits as part of the construction contract until the completion, inspection, and acceptance of WORK.
63. The Parties will execute a separate Supplemental JUMA to define the maintenance responsibilities for any joint-use facilities and appurtenances located in either Party's rights-of-way. Said agreement will cover any joint-use facilities within PROJECT limits but may also cover joint-use facilities along the Authority alignment. (An example of a joint-use facility is a Caltrans bridge over the Authority alignment where one Party may be responsible for the superstructure and another the deck and related appurtenances.)

SCHEDULE

64. The Parties will manage the WORK schedule to ensure the timely use of obligated funds and to ensure compliance with any environmental permits, right-of-way agreements, construction contracts, and any other commitments. The Parties will communicate schedule risks or changes as soon as they are identified and will actively manage and mitigate schedule risks.
65. The IMPLEMENTING AGENCY for each PROJECT component will furnish the Parties with a final report of the WORK completed.

ADDITIONAL PROVISIONS

Standards

66. The Parties will perform all WORK in accordance with federal and California laws, regulations, and standards; FHWA standards; Caltrans standards; and the Authority's standards. Caltrans standards include, but are not limited to, the guidance provided in the following:
- a. CADD User's Manual
 - b. Caltrans policies and directives
 - c. Plans Preparation Manual
 - d. Project Development Procedures Manual (PDPM)
 - e. Workplan Standards Guide
 - f. Standard Environmental Reference
 - g. Highway Design Manual
 - h. Right-of-Way Manual
 - i. Construction Manual
 - j. Bridge Construction Manual and Procedures Manual, Vol 1, Vol II.
 - k. Office of Special Funded Projects (OSFP) Information & Procedure Guide
 - l. Seismic Design Criteria
 - m. Seismic Spec for Steel Bridges
 - n. Geotechnical Manual

Qualifications

67. Each Party will ensure that personnel participating in WORK are appropriately qualified or licensed to perform the tasks assigned to them.
68. The Authority will issue any encroachment permits that are necessary for WORK within its jurisdiction and outside the SHS right-of-way. The Authority will provide appropriate permits to Caltrans, its contractors, consultants, and agents, at no cost.
69. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will coordinate, prepare, obtain, implement, renew, and amend any such permits needed to complete the WORK.

Interruption of Work

70. If WORK stops for any reason, IMPLEMENTING AGENCY will place the PROJECT right-of-way in a safe and operable condition.
71. If WORK stops for any reason, each Party will continue with environmental commitments included in the environmental documentation, permits, agreements, or approvals that are in effect at the time that WORK stops, and will keep the PROJECT in environmental compliance until WORK resumes.

Penalties, Judgments, and Settlements

72. The cost of awards, judgments, fines, interest, penalties, attorney fees, or settlements generated by the WORK are WORK costs to be paid from the funds obligated in this Agreement.
73. The cost of legal challenges to the environmental process or documentation are WORK costs to be paid from the funds obligated in this Agreement.
74. Any Party whose action or lack of action causes the levy of fines, interest, or penalties will indemnify and hold all other Parties harmless per the terms of this Agreement.

Remediation Costs

75. Notwithstanding any other provision of this agreement concerning Hazardous Materials, including but not limited to paragraphs 25 through 32, inclusive, Caltrans shall recover its costs for remediation and other cleanup of those Hazardous Materials as provided in either (a) or (b) below:
 - (a) To the extent Caltrans is able to quantify the contamination caused by the Authority, the Authority shall reimburse Caltrans for Caltrans' costs to remediate or otherwise clean up the Hazardous Materials contamination in an amount equal to the additional costs to remediate the CROW caused by contamination resulting from the Authority's action or inaction; or,
 - (b) Where Caltrans is not able to quantify the Hazardous Materials contaminating CROW due to the Authority's action or inaction, the Authority shall reimburse Caltrans for 70% of Caltrans' costs to remediate or otherwise clean up the Hazardous Materials contamination that exists at the time remediation and cleanup costs are determined.

GENERAL CONDITIONS

Venue

76. The Parties understand that this Agreement is in accordance with and governed by the Constitution and laws of the state of California. This Agreement will be enforceable in the state of California. Any legal action initiated by the Authority arising from this Agreement will be filed and maintained in the Superior Court of Fresno County. Any legal or equitable action brought against the Authority shall be brought in a court of competent jurisdiction in the County of Sacramento, pursuant to Public Utilities Code section 185038.

Budget Contingencies

77. All Caltrans' obligations under this Agreement are subject to the appropriation of resources by the legislature, the State Budget Act authority, programming, and allocation of funds by the CTC.

78. All the Authority's obligations under this Agreement are subject to the appropriation of resources by the legislature and the State Budget Act authority.

Ambiguity and Performance

79. Neither Party will interpret any ambiguity contained in this Agreement against the other Party. The Parties waive the provisions of California Civil Code, section 1654. A waiver of a Party's performance under this Agreement will not constitute a continuous waiver of any other provision.

80. A delay or omission to exercise a right or power due to a default does not negate the use of that right or power in the future when deemed necessary.

Defaults

81. If any Party defaults in its performance of the WORK, a non-defaulting Party will request in writing that the default be remedied within thirty (30) calendar days. If the defaulting Party fails to do so, the non-defaulting Party may initiate dispute resolution pursuant to the procedures set forth in the Post PA&ED Master Agreement.

EXHIBIT B - BUDGET DETAIL AND PAYMENT PROVISIONS

Budget Detail and Payment Provisions

1. Invoicing

- A. For services satisfactorily rendered by Caltrans and approved by the Authority's Contract Manager and upon receipt and approval of the invoices, the Authority agrees to reimburse Caltrans for actual allowable costs incurred as specified in the **Rates** section of this **EXHIBIT B**. Incomplete or disputed invoices shall be returned to Caltrans, unpaid, for correction.
- B. Invoices shall include the Agreement Number and shall be submitted in triplicate, not more frequently than monthly in arrears, to:

Financial Office
California High-Speed Rail Authority
770 L Street, Suite 620 MS 3
Sacramento, CA 95814
accountspayable@hsr.ca.gov

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, it is mutually agreed that if funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this PROJECT, the Authority shall have the option to either: 1) cancel this Agreement, or 2) offer a contract amendment to Caltrans to reflect the reduced amount.
- B. In the event that the circumstances outlined in paragraph A, above, occur, the Authority shall have no liability to pay any funds whatsoever to Caltrans or to furnish any other considerations under this Agreement and Caltrans shall not be obligated to perform any provisions of this Agreement.
- C. All Caltrans' obligations under this Agreement are subject to the appropriation of resources by the Legislature and the State Budget Act authority.

3. Payment

- A. Costs for this Agreement shall be computed in accordance with State Administrative Manual (SAM), sections 8752 and 8752.1.
- B. Nothing herein contained shall preclude advance payments pursuant to Article 1, Chapter 3, Division 3, Title 2 of the California Government Code.

- C. Caltrans will be reimbursed for direct costs. Such costs may include, but are not limited to, experts, consultants, surveyors, and accountants. To be eligible for reimbursement, direct costs must be authorized in writing by the Authority's Contract Manager prior to being incurred.
- D. Caltrans shall obtain all travel-related approvals for in-state and out-of-state travel and reimburse the employees for all authorized travel expenses in accordance with travel regulations issued by the California Department of Human Resources.

4. Rates

- A. Notwithstanding the provisions that mandate an amendment when contract terms and hourly rates are revised, rates are subject to revision during the course of this Agreement and will be based on changes to pay scales and actual benefits in compliance with the state's full cost recovery policy as noted in SAM section 8752, without amendment to this Agreement.

5. Cost

- A. Except as otherwise specifically set forth herein, all WORK costs shall be borne by the Authority as the sole funding Party. The designation of any cost as a WORK cost in this Section 5 shall be subject to any other provision of this Agreement that assigns responsibility of such costs to Caltrans.
- B. All WORK necessary for completion of this PROJECT is a WORK cost.
- C. The cost of any awards, judgments, or settlements generated by WORK is a WORK cost.
- D. In the interest of the PROJECT schedule, the Authority may elect to pay for HM Management Activities related to HM-1 found within the PROJECT limits and within the SHS right-of-way.
- E. Caltrans, independent of the PROJECT, will pay or cause to be paid, all costs for HM-1 Management Activities related to HM-1 found within the SHS right-of-way.
- F. HM Management Activities related to HM-2 are WORK costs.
- G. The cost to comply with and implement the commitments and mitigation set forth in the environmental documentation is a WORK cost.
- H. The cost to ensure that the PROJECT remains in environmental compliance during the WORK is a WORK cost.
- I. The cost of any legal challenges to CEQA or NEPA environmental process or documentation is a WORK cost.
- J. The cost to place PROJECT right-of-way in a safe and operable condition and meet all environmental commitments prior to WORK completion is a WORK cost.

- K. Caltrans will invoice the Authority an initial deposit that represents two (2) months' estimated PS&E support costs in the amount of two hundred fifty thousand dollars (\$250,000) upon execution of this Agreement.
- L. Caltrans will invoice the Authority an initial deposit that represents one (1) month's estimated right-of-way and utility capital costs in the amount of five hundred thousand dollars (\$500,000) upon execution of this Agreement.
- M. Caltrans will invoice the Authority an initial deposit that represents two (2) months' estimated RIGHT-OF-WAY SUPPORT costs in the amount of two hundred fifty thousand dollars (\$250,000) upon execution of this Agreement.
- N. Caltrans will invoice the Authority an initial deposit that represents approximately one (1) month's estimated CONSTRUCTION CAPITAL costs in the amount of four hundred thousand dollars (\$400,000) forty-five (45) days in advance of Advertisement.
- O. Caltrans will invoice the Authority an initial deposit that represents approximately two (2) months' estimated CONSTRUCTION SUPPORT costs in the amount of eight hundred thousand dollars (\$800,000) forty-five (45) days in advance of Advertisement.
- P. Construction claims are WORK costs.
- Q. The costs of all department-furnished materials (DFM) for the PROJECT are CONSTRUCTION CAPITAL costs. Caltrans will invoice the Authority for the actual cost of any SFM as a CONSTRUCTION CAPITAL cost.
- R. After the Parties agree that all WORK is complete, Caltrans will submit a final accounting for all the Authority's costs. Based on the final accounting, the Parties will refund or invoice as necessary in order to satisfy the financial commitments of this Agreement.

6. Cost Limitation

- A. The total amount of this Agreement shall not exceed \$77,000,000 (seventy-seven million dollars) as detailed in Attachment A -Budget Details.
- B. It is understood and agreed that this total is an estimate and that the Authority will pay for only those services actually rendered as authorized by the Authority.
- C. If Caltrans anticipates the funding stated in Section 6.A of this Exhibit B will be insufficient to complete its services agreed under this Agreement, Caltrans will promptly notify the Authority in writing. Services provided and costs incurred by Caltrans in excess of the Agreement amount shall not be reimbursed.

7. Cost Principles

- A. Caltrans agrees that the Contract Cost Principles and procedures in 48 CFR, Part 31, and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, in 2 CFR, Part 200, shall be used to determine the allowable individual items of cost.

- B. Any costs for which payment has been made to Caltrans that are determined by subsequent audit to be unallowable under 48 CFR, Part 31, or 2 CFR, Part 200, are subject to repayment by Caltrans.
- C. Any subcontract entered into as a result of this Agreement shall contain all of the provisions of this clause.

8. Electronic Fund Transfer

The Authority will seek Electronic Funds Transfer (EFT) certification from Caltrans. If approved, the Authority will use EFT mechanisms and follow EFT procedures to pay all invoices issued by Caltrans.