

San Mateo County Express Lanes Joint Powers Authority
(SMCEL-JPA)
Board of Directors Meeting Notice

Meeting No. 27

DATE: Friday, September 10, 2021

TIME: 9:00 A.M.

Join by Zoom:

<https://us02web.zoom.us/j/85381889584?pwd=cWdPcEZmS0h2Q1RUU24zZElxcitLUT09>

Meeting ID: 853 8188 9584

Password: 091021

Join by Phone: (669) 900-6833

Meeting ID: 853 8188 9584

Board of Directors: Diane Papan (Chair), Rico Medina (Vice Chair), Alicia Aguirre, Emily Beach, Maryann Moise Derwin, and Don Horsley

On March 17, 2020, the Governor issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings telephonically or by other electronic means. On June 11, 2021, the Governor issued Executive Order N-08-21 extending the suspension of these provisions to September 30, 2021. Thus, pursuant to Executive Order N-08-21, C/CAG Board meetings will be conducted via remote conferencing. Members of the public may observe or participate in the meeting remotely via one of the options above.

Persons who wish to address the SMCEL-JPA Board on an item to be considered at this meeting, or on items not on this agenda, are asked to submit written comments to mguilles@smcgov.org. Spoken public comments will also be accepted during the meeting through Zoom. Please see instructions for written and spoken public comments at the end of this agenda.

- 1.0 CALL TO ORDER/ ROLL CALL
- 2.0 BRIEF OVERVIEW OF TELECONFERENCE MEETING PROCEDURES
- 3.0 PUBLIC COMMENT

Note: Public comment is limited to two minutes per speaker. Public comment permitted on both items on the agenda and items not on the agenda.

4.0 APPROVAL OF CONSENT AGENDA

This item is to set the final consent and regular agenda, and to approve the items listed on the consent agenda. All items on the consent agenda are approved by one action. There will be no separate discussion on these items unless members of the Board, staff or public request specific items to be removed for separate action.

- 4.1 Approval of the minutes of Board of Directors regular business meeting No. 26 dated August 13, 2021. ACTION p. 1
- 4.2 Accept the Sources and Uses of Funds for the FY22 Period Ending July 31, 2021. ACTION p. 5
- 4.3 Review and approval of Resolution SMCEL 21-12 authorizing the SMCEL-JPA Chair to execute an Agreement with US Bank Global Corporate Trust for fiscal agent services for Fiscal Years 2021/2022 through 2025/2026 for an amount not to exceed \$11,000. ACTION p. 7
- 4.4 Review and approval of Resolution SMCEL 21-13 approving the proposal from Carahsoft for Granicus Video Conversion Services beginning September 2021 through June 2024 for a Total Not to Exceed Amount of \$61,913.42 and authorizing the SMCEL-JPA Executive Council to execute the necessary Purchase Orders. ACTION p. 67

5.0 REGULAR AGENDA

- 5.1 Review and Approval of Resolution SMCEL 21-14 authorizing the Chair to execute Amendment No. 1 to the Agreement with HNTB Corporation for Policy/Program Management Services for an amount not to exceed \$2,884,199 covering the period of November 1, 2021 through October 30, 2023. ACTION p. 88
- 5.2 Receive a presentation on the San Mateo County US 101 Express Lanes Equity Program Implementation Update. INFORMATION p. 99
- 5.3 Receive a presentation providing an update on the agreements with the Bay Area Infrastructure Financing Authority (BAIFA) and the Bay Area Toll Authority (BATA). INFORMATION p. 118
- 5.4 Receive a Presentation on SMCEL-JPA Branding Update and Recommendation. INFORMATION p. 150
- 5.5 Receive a presentation on the San Mateo County US 101 Express Lanes steps to commence tolling from Santa Clara County to Whipple Ave. INFORMATION p. 151

6.0 CLOSED SESSION

6.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Cal. Gov't Code § 54956.8)

Property: No. 1 lanes on US 101 N/S from Santa Clara/San Mateo County Line to I-380 interchange

Agency Negotiator: SMCEL-JPA Executive Council

Negotiating Parties: SMCEL-JPA; California Department of Transportation

Under Negotiation: Price and terms of payment for leasehold interest

6.0 REPORTS

- a) Chairperson Report.
- b) Member Communication.
- c) Executive Council Report - Executive Council Verbal Report.
- d) Policy/Program Manager Report.

7.0 WRITTEN COMMUNICATIONS

None.

8.0 NEXT REGULAR MEETING

October 8, 2021

9.0 ADJOURNMENT

PUBLIC NOTICING: All notices of San Mateo County Express Lanes Joint Powers Authority Regular Board meetings, standing committee meetings, and special meetings will be posted at the San Mateo County Transit District Office, 1250 San Carlos Ave., San Carlos, CA.

PUBLIC RECORDS: Public records that relate to any item on the open session agenda for a regular Board meeting, standing committee meeting, or special meeting are available for public inspection. Those public records that are distributed less than 72 hours prior to a regular Board meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members, of the Board. The Board has designated the location of 555 County Center, 5th Floor, Redwood City, CA 94063, for the purpose of making public records available for inspection. Please note this location is temporarily closed to the public; please contact Mima Guilles at mguilles@smcgov.org to arrange for inspection of public records.

PUBLIC PARTICIPATION: Please refer to the first page of this agenda for instructions on how to participate in the meeting. Persons with disabilities who require auxiliary aids or services in attending and participating in this meeting should contact Mima Guilles at (650) 599-1406, five working days prior to the meeting date.

Written comments should be emailed in advance of the meeting. Please read the following instructions carefully:

1. Your written comment should be emailed to mguilles@smcgov.org.
2. Your email should include the specific agenda item on which you are commenting or note that your comment concerns an item that is not on the agenda.
3. Members of the public are limited to one comment per agenda item.

4. The length of the emailed comment should be commensurate with the two minutes customarily allowed for verbal comments, which is approximately 250-300 words.
5. If your emailed comment is received at least 2 hours prior to the meeting, it will be provided to the SMCEL-JPA Board members and read aloud by SMCEL-JPA staff during the meeting. We cannot guarantee that emails received less than 2 hours before the meeting will be read during the meeting, but such emails will be included in the administrative record of the meeting.

Spoken comments will be accepted during the meeting through Zoom. Please read the following instructions carefully:

1. The SMCEL-JPA Board meeting may be accessed through Zoom at the online location indicated at the top of this agenda.
2. You may download the Zoom client or connect to the meeting using an internet browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.
3. You will be asked to enter an email address and name. We request that you identify yourself by your name as this will be visible online and will be used to notify you that it is your turn to speak.
4. When the SMCEL-JPA Clerk or Chair call for the item on which you wish to speak, click on “raise hand” and if you joined the meeting by phone, dial *9 to raise your hand. The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called on to speak.
5. When called, please limit your remarks to the time allotted.

If you have any questions about this agenda, please contact:

Mima Guilles, Secretary - (650) 599-1406

San Mateo County Express Lanes Joint Powers Authority Board of Directors Meeting Minutes

Meeting No. 26
August 13, 2021

In compliance with Governor’s Executive Order N-29-20, and pursuant to the Shelter-in-Place Order issued by the San Mateo County Health Officer, this meeting was conducted via remote conferencing.

Board of Directors: Diane Papan (Chair), Rico Medina (Vice Chair), Alicia Aguirre, Emily Beach, Maryann Moise Derwin, and Don Horsley

1.0 CALL TO ORDER/ ROLL CALL

Chair Papan called the meeting to order at 9:00 a.m. Roll call was taken.

Members Present:

C/CAG Members:

Diane Papan, Maryann Moise Derwin, Alicia Aguirre

SMCTA Members:

Rico Medina, Emily Beach, Don Horsley

Members Absent:

None.

Staff Present:

Sean Charpentier – Executive Council

Carter Mau – Executive Council

Mima Guilles – Secretary

Tim Fox – Legal Counsel

Van Ocampo – C/CAG staff supporting SMCEL-JPA

April Chan, Derek Hansel, Joe Hurley, Robert Casumbal – SMCTA staff supporting SMCEL-JPA

Lacy Vong – Senior Project Manager for HNTB

Other members of staff and the public were in attendance.

2.0 BRIEF OVERVIEW OF TELECONFERENCE MEETING PROCEDURES

Mima Guilles, Clerk of the Board, provided an overview of the teleconference meeting procedures.

3.0 PUBLIC COMMENT

Note: Public comment is limited to two minutes per speaker. Public comment permitted on both items on the agenda and items not on the agenda.

Mima Guilles, Clerk of the Board stated that there were no public comments.

4.0 APPROVAL OF CONSENT AGENDA

This item is to set the final consent and regular agenda, and to approve the items listed on the consent agenda. All items on the consent agenda are approved by one action. There will be no separate discussion on these items unless members of the Board, staff or public request specific items to be removed for separate action.

- 4.1 Approval of the minutes of Board of Directors regular business meeting No. 25 dated July 9, 2021. APPROVED

- 4.2 Receive information on Statement of Revenues and Expenditures for the Period Ended June 30, 2021. INFORMATION

Director Aguirre MOVED to approve the consent agenda. Director Medina SECONDED. Roll call was taken. **MOTION CARRIED 6-0-0**

5.0 REGULAR AGENDA

- 5.1 Receive a presentation on the US101 Express Lanes Southern Segment Opening Public Education and Marketing Efforts Update INFORMATION

April Chan provided a presentation on the latest staff efforts on the preparation of a public education and marketing campaign for the opening of the US101 Express Lanes southern segment – Whipple to San Mateo/Santa Clara county border – in conjunction with VTA’s opening of their lanes in the December 2021 timeframe.

Director Derwin had a question about the website, thanks for getting the website up and running. Why are the archived meetings on the Express Lanes website both the TA and JPA meetings? And shouldn’t it only have the JPA meetings. At some point in the future, will it be just the JPA meetings?

Robert Casumbal, Director of Marketing, said the launch of the JPA website was a soft launch and there is still some coordination on some backend information, and the work is still in progress. The JPA website will eventually only have the JPA meetings in place.

April Chan mentioned that there will be a contract with Granicus next month and hope to work with Granicus to get the website fixed. We need a separate and dedicated contract with Granicus which will upload and organize with only JPA materials.

Chair Papan noted that it might be confusing for the public if the website archives included all the other meetings.

Chair Papan asked when does the signage start in the corridor.

Robert Casumbal said they are working closely with the construction team in whatever assets that we have out there now we can leverage into the opening messaging. Also working with Caltrans and construction team to make sure there is available on corridor messaging.

Chair Papan asked if we used the signs that were just added or other electronic signs.

Robert Casumbal said they are working with the construction team and Caltrans to come up with a plan within the next couple of weeks.

Chair Papan has asked what factors are going to determine the opening date.

April Chan said it's really the testing of the toll system. We to make sure that the testing equipment is working properly, and also we are coordinating with VTA to make sure the two systems will work well together.

Van Ocampo, added as the toll system equipment within the southern segment are being installed, some discrepancies and punch list items may arise on what the plan is however, we're still hoping to stay on schedule for December.

6.0 CLOSED SESSION

- 6.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Cal. Gov't Code § 54956.8)
Property: No. 1 lanes on US 101 N/S from Santa Clara/San Mateo County Line to I-380 interchange
Agency Negotiation: SMCEL-JPA Executive Council
Negotiating Parties: SMCEL-JPA; California Department of Transportation
Under Negotiation: Price and terms of payment for leasehold interest

Tim Fox, Legal Counsel, stated that there was no reportable action taken during closed session.

7.0 REPORTS

- a) Chairperson Report.
None.
- b) Member Communication.
None.

c) Executive Council Report - Executive Council Verbal Report.

Sean Charpentier noted that this is his first meeting as a member of the Executive Council and looks forward to working with the JPA Board and staff.

Carter Mau had nothing to report.

d) Policy/Program Manager Report.

Lacy Vong reported out on the continuous progress of the equity program implementation. Had productive working sessions with County staff, HSA staff to get input on the implementation program and bringing them up to speed about the work that has been done with the equity study. Have had two additional meetings with the JPA staff and PPM team to do planning. Matt had briefings with the Executive Councils on the status and progress of the plan. Had additional follow up with MTC staff with their status of the means based tolling pilot program that's going to be on the 880 express lanes. A productive meeting with MTC staff relating to the FasTrak transponder. Hope to be back in the fall to present the full plan.

Chair Papan mentioned about that the last time she reported out about the TA having a onetime funding available, but she did not hear any updates.

Carter Mau said he has spoken to Sandy and Sean and looking for a timing and need for the equity program funding and see how that ties into the various options available to us. Still in discussion and will get back to the Board with more information soon.

Lacy Vong noted that the PPM would return to the Board with an update on the Equity Program.

Chair Papan noted that the equity program will be in a prominent position as we come to opening.

8.0 WRITTEN COMMUNICATIONS

None.

9.0 NEXT REGULAR MEETING

September 10, 2021

10.0 ADJOURNMENT – 10:33 a.m.

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 10, 2021

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Accept the Sources and Uses of Funds for the FY22 Period Ending July 31, 2021
(For further information, contact Derek Hansel, CFO, at 650-508-6466)

RECOMMENDATION

That the SMCEL-JPA Board accept and enter into the record the Sources and Uses of Funds for the FY22 Period Ending July 31, 2021.

The statement columns have been designed to provide year to date current actuals for the current fiscal year and the annual budget for the current fiscal year.

BACKGROUND

Year to Date Sources of Funds: As of July year-to-date, the Total Sources of Funds are \$0 because there have not been advances for FY22 under the two operating loan agreements between the SMCEL-JPA, the San Mateo County Transportation Authority, and the City/County Association of Governments.

Year to Date Uses of Funds: As of July year-to-date, the Total Uses of Funds are \$163,041. Major expenses are in Staff Support \$23,180 and Insurance \$137,275.

Budget Amendment:

There are no budget amendments for the month of July 2021.

Other Information:

Loan payables represent loan advance payments received since the formation of the SMCEL-JPA from the San Mateo County Transportation Authority and the City/County Association of Governments. Loan advances will be repaid on a monthly basis and no later than five years after the San Mateo County 101 Express Lanes Project begins operations and receives toll revenues.

ATTACHMENT

1. Sources and Uses of Funds Fiscal Year 2022 (July 2021)

SAN MATEO COUNTY EXPRESS LANE JPA
SOURCES AND USES OF FUNDS
Fiscal Year 2022
July 2021

	ACTUAL		BUDGET	
	As of 7/31/2021		Annual	
SOURCES OF FUNDS:				
1	Advance from the City/County Association of Governments of San Mateo County	\$ -	\$	1,314,045
2	Advance from the San Mateo County Transportation Authority	-		1,407,115
3	TOTAL SOURCES OF FUNDS	-		2,721,160
USES OF FUNDS:				
4	Staff Support	23,180		689,030
5	Administrative Overhead	2,257		53,415
6	Business Travel	-		10,000
7	Audit and Related Service	-		16,160
8	Office Supplies	-		3,000
9	Printing and Information Svcs	-		5,000
10	Legal Services	-		60,000
11	Consultant	-		1,614,707
12	Insurance	137,275		186,648
13	Miscellaneous	329		83,200
14	TOTAL USES OF FUNDS	163,041		2,721,160
15	EXCESS (DEFICIT)	\$ (163,041)	\$	-
Additional Information:				
	Loan payables to the City/County Association of Governments of San Mateo County	\$ 1,393,648		
	Loan payables to the San Mateo County Transportation Authority	\$ 1,774,727		

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 10, 2021

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Review and approval of Resolution SMCEL 21-12 authorizing the SMCEL-JPA Chair to execute an Agreement with US Bank Global Corporate Trust for fiscal agent services for Fiscal Years 2021/2022 through 2025/2026 for an amount not to exceed \$11,000.

(For further information please contact Derek Hansel at hanseld@samtrans.com)

RECOMMENDATION

Review and approve Resolution SMCEL 21-12 authorizing the SMCEL-JPA Chair to execute an Agreement with US Bank Global Corporate Trust for fiscal agent services for Fiscal Years 2021/2022 through 2025/2026 for an amount not to exceed \$11,000.

FISCAL IMPACT

Fiscal Impact is in an amount Not to Exceed \$11,000 for the provision of Fiscal Agent Services for a term of five years beginning October 1, 2021. The \$11,000 includes the annual cost and a contingency for unforeseen required services.

SOURCE OF FUNDS

Funds for the current fiscal year are included in the adopted Fiscal Year 2021-2022 budget.

BACKGROUND

On August 14, 2020, the SMCEL-JPA Board approved Resolution SMCEL 20-11 authorizing the SMCEL-JPA Chair to execute the US-101 Express Lanes Project Loan Agreement (LA) between the San Mateo County Express Lane Joint Powers Authority (SMCEL-JPA) and the San Mateo County Transportation Authority (SMCTA) for up to \$100 million.

Section 8 of the Loan Agreement: Security and Priority; Funds and Accounts; Flows of Funds, requires that all Express Lanes Revenues received by SMCEL-JPA be deposited by the SMCEL-JPA into the funds and accounts as further described sections of LA. Section 8 of the LA also requires that the established of funds or accounts be held and maintained on behalf of the Borrower by a bank, trust company, or other financial institution selected by the SMCEL-JPA, and serving as the SMCEL-JPA's fiscal agent. The fiscal agent agreement is required to be negotiated between the SMCEL-JPA, to be reviewed and approved

by the SMCTA and be entered into within twelve months following the effective date of the LA. See Attachment 2 for a copy of the Loan Agreement.

With input from and in coordination with the TA, C/CAG led the procurement process and released the RFP for fiscal agent services on June 28, 2021 and emailed the RFP documents to contacts at eight banks. Questions on the RFP were received and responses posted on July 16, 2021. One proposal was received by the due date, July 23, 2021. Staff also received three responses from banks who respectfully declined to respond. Staff reached out to these three banks. Reasons for declining included: not offering all the requested services, opportunity did not fit with the financial services offered by the bank, and a bank still adjusting to return to work due to Covid-19.

One bank, US Bank Corporate Trust (US Bank) responded to the RFP. After scoring the US Bank proposal, staff from the TA and C/CAG participated in an interview with US Bank. In addition, C/CAG staff called all the references provided by US Bank. Satisfaction with the proposal, interview, pricing and reference checks resulted in the staff recommendation to award the contract to US Bank.

ATTACHMENTS

1. Resolution SMCEL 21-12
2. Agreement between SMCEL JPA and US Bank Global Corporate Trust for Fiscal Agent Services for Fiscal Year 2021/22 through 2025/26, including copy of Executed Loan Agreement

RESOLUTION SMCEL 21-12

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES
JOINT POWERS AUTHORITY AUTHORIZING THE CHAIR TO EXECUTE AN AGREEMENT BETWEEN
THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY AND US BANK
NATIONAL ASSOCIATION FOR FISCAL AGENT SERVICES IN AN AMOUNT NOT TO EXCEED \$11,000
FROM OCTOBER 1, 2021 THROUGH SEPTEMBER 31, 2026**

RESOLVED, by the Board of Directors of the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) that,

WHEREAS, the bond-funded loan agreement between the San Mateo County Transportation Authority (TA), the Lender, and SMCELJPA, the Borrower, dated September 1, 2020, requires that toll revenues be held in funds or accounts maintained on behalf of and selected by the Borrower by a bank, trust company or other financial institution serving as the Borrower's fiscal agent by agreement within twelve months following the effective date of the loan agreement; and

WHEREAS, staff from C/CAG and the TA followed procurement procedures to select a qualified vender to serve as Borrowers fiscal agent; and

WHEREAS, US Bank National Association, selected through said procurement procedures, provides similar services for multiple local government agencies in California and four of those agencies and the TA are satisfied with the services provided to them by US Bank National Association; and

WHEREAS, the SMCELJPA Board has been presented with the contract documents.

NOW THEREFORE BE IT RESOLVED, that the SMCEL-JPA Board of Directors authorizes the chair to execute an agreement between the San Mateo County Express Lanes Joint Powers Authority and US Bank National Association for Fiscal Agent Services in an amount not to exceed \$11,000 from October 1, 2021 through September 31, 2026.

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER 2021.

Diane Papan, Chair

**AGREEMENT BETWEEN
SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY AND
US BANK NATIONAL ASSOCIATION FOR FISCAL AGENT SERVICES**

This Agreement entered this 10th day of **September** 2021, by and between the San Mateo County Express Lanes Joint Powers Authority hereinafter called “SMCEL-JPA” and U.S. Bank National Association hereinafter called “Consultant”.

WHEREAS, the Joint Exercise of Powers Agreement for the San Mateo County Express Lanes was approved by the City/County Association of Governments (“C/CAG”) Board and the San Mateo County Transportation Authority (“SMCTA”) Board at their board meetings on April 11, 2019 and May 2, 2019, respectively; and

WHEREAS, the First Amended and Restated Joint Exercise of Powers Agreement for the San Mateo County Express Lanes (“JPA Agreement”) was approved by the C/CAG Board and the SMCTA Board at their respective board meetings on June 13, 2019 and July 11, 2019; and

WHEREAS, the JPA Agreement created the SMCEL-JPA to: apply to the California Transportation Commission in order to own, administer, and manage the operations of the San Mateo County Express Lanes; to share in the ownership, administration, and management of any potential future express lanes within San Mateo County; to set forth the terms and conditions governing the management, operation, financing, and expenditure of revenues generated by express lanes in San Mateo County; and to exercise the powers as provided by law (including but not limited to California Streets and Highways Code Section 149.7, as it now exists and may hereafter be amended); and

WHEREAS, an existing bond-funded loan agreement between the San Mateo County Transportation Authority (TA), the Lender, and SMCELJPA, the Borrower, dated September 1, 2020, for which the Lender-issued short-term variable rate tax-exempt bonds in the amount of \$100 million, was secured by other Lender revenue sources and then loaned to the Borrower to fund a portion of the cost to install and equip approximately 22 miles of managed lanes in both directions on US 101 from the San Mateo/Santa Clara County line to Interstate 380 in San Bruno (“Project”); and

WHEREAS, eventual toll revenue from the Project is required by the loan agreement to be placed in funds or accounts established, held, and maintained on behalf of the Borrower by a bank, trust company or other financial institution selected by the Borrower, serving as the Borrower’s fiscal agent by agreement within twelve months following the effective date of the loan agreement; and

WHEREAS, staff to the SMCELJPA have completed a procurement process and identified Consultant as the preferred provider of services; and

WHEREAS, the parties hereto now wish to enter into this Agreement pursuant to which Consultant will render professional fiscal agent services in connection with the Project as hereinafter provided.

NOW, THEREFORE, IT IS HEREBY AGREED by the parties as follows:

- 1. Services.** Consultant shall provide the services as described in Exhibit A (“the Services”), based on the billing rates set forth in Exhibit B, attached hereto and incorporated herein by this reference. The consultant will be reimbursed based on costs and/or rates in Exhibit B. In no case shall the cumulative cost of work identified in the existing Exhibit A and costs in Exhibit B exceed the Agreement’s Not to Exceed Amount of \$1,700.00 initial fee and thereafter, annually of \$1,200.00, for a total of \$6,500. However, additional funds in the amount of \$4,500 are included in this Agreement for unforeseen contingencies for an overall Not to Exceed amount of \$11,000. Use of additional funds requires cost approval by SMCEL-JPA Contract Managers.

If additional work is identified, beyond the existing scope and additional funding for contingencies, the SMCEL-JPA Board, through the Executive Council, will present the Consultant with a proposed amendment and request a cost proposal. The Consultant will provide the SMCEL-JPA with a cost proposal for the additional specific task applying rates set forth in Exhibit B.

The Consultant shall perform the Services with the same degree of care, skill, and diligence as is ordinarily possessed and exercised by a firm of the same profession currently practicing under similar circumstances. The Consultant will not perform or seek to perform Fiscal Agent Services to any other person or agency in relation to the Project without first obtaining the informed written consent of SMCEL-JPA. No other warranty, express or implied, is included in this Agreement or in any deliverable, in any form or media, produced in connection with the services.

Consultant shall have the right to reasonably rely on information, content, materials, or documents provided to the Consultant by the SMCEL-JPA, or any other Project participants, for the Consultant’s performance of the services under this Agreement; provided; however, that the provider thereof shall remain solely responsible for the adequacy, accuracy or completeness of such information provided.

- 2. Compensation and Method of Payments.** Subject to duly executed amendments, the SMCEL-JPA will reimburse Consultant in performing services as described in Exhibit A based on rates and costs estimate in Exhibit B, which include all applicable surcharges such as taxes, insurance, and fringe benefits, indirect costs, overhead, profit, sub-consultants’ costs (including mark-up), travel (not eligible for separate reimbursement pursuant to the terms of this section 2), equipment, materials and supplies, expenses and any fixed fee. At no point should the total compensation for all work performance be more than the Agreement Not to Exceed Amount of \$1,700.00 initial fee and thereafter, annually of \$1,200.00, plus the additional \$4,500 for unforeseen contingencies.

The rates set forth in Exhibit B may not be modified throughout the life of this contract.

Consultant shall submit an initial invoice and then annual invoices to the SMCEL-JPA which shall be reviewed by the SMCEL-JPA contract manager and approved by a member of the Executive Council and which shall identify expenditures and describe services performed in accordance with each task listed in Exhibit A. The SMCEL-JPA shall pay to Consultant all undisputed amounts within thirty (30) days of the SMCEL-JPA’s receipt of any Consultant invoice. If the SMCEL-JPA objects to any Consultant invoice, the SMCEL-JPA shall so advise Consultant in writing giving reasons therefor within seven (7) days of receipt of Consultant’s invoice. The SMCEL-JPA shall have the right to receive, upon request, documentation substantiating charges billed to the SMCEL-JPA.

All invoices and/or requests for payments shall be submitted to the SMCEL-JPA contract manager:

San Mateo County Express Lanes Joint Powers Authority
555 County Center, 5th Floor
Redwood City, CA 94063
Attention: Sean Charpentier

San Mateo County Express Lanes Joint Powers Authority
1250 San Carlos Ave
San Carlos, CA, 94070
Attention: Treasury Department

3. **Term.** Consultant's services hereunder shall commence on October 1, 2021 through September 31, 2026, with the option of an additional 5-year extension.
4. **Key Personnel.** Removal or substitution of any key personnel named in Exhibit A will require the prior written notice to SMCEL-JPA. Any substitution shall be with a person of commensurate knowledge and experience, unless otherwise approved by the SMCEL-JPA. Consultant shall maintain records documenting compliance with this Article, and such records shall be subject to audit. Consultant agrees that all personnel assigned to this work will be professionally qualified for the assignment to be undertaken.
5. **Amendments.** SMCEL-JPA reserves the right to request changes in the services to be performed by Consultant. All such changes shall be incorporated in written amendments that specify the changes in work to be performed and any adjustments in compensation and schedule. All amendments shall be executed by the Parties and be specifically identified as amendments to this Agreement. The SMCEL-JPA Executive Council, nor any member thereof, is designated as representative of the SMCEL-JPA for purposes of approving an amendment to this Agreement unless expressly so designated by the SMCEL-JPA Board. For the sake of clarity, any separate agreement between SMCEL-JPA and an affiliate of Consultant shall not in any way be deemed an amendment or modification of this Agreement.
6. **Relationship of the Parties.** It is understood that Consultant is an independent contractor and this Agreement is not intended to, and shall not be construed to, create the relationship of servant, employee, partnership, joint venture or association, or any other relationship whatsoever with Consultant, its employees, agents, and permissible subcontractors, other than that of independent contractor. Consultant acknowledges that SMCEL-JPA has no employees, and neither Consultant nor its employees, agents, or permissible subcontractors acquire any of the rights, privileges, powers, or advantages of SMCEL-JPA employees. Consultant has no authority to contract or enter into any agreement on behalf of SMCEL-JPA without the prior approval of the SMCEL-JPA Board. Consultant has, and hereby retains, full control over the employment, direction, compensation and discharge of all persons employed by Consultant who are assisting in the performance of services under this Agreement. Consultant shall be solely responsible for all matters relating to the payment of its employees, including compliance with social security, withholding tax and all other laws and

regulations governing such matters. Consultant shall be responsible for its own acts and those of its agents and employees during the term of this Agreement.

7. **Non-Assignability.** Consultant shall not assign this Agreement or any portion thereof to a third party without the prior written consent of the SMCEL-JPA
8. **Termination.** This Agreement may be terminated by SMCEL-JPA at any time without a requirement of good cause upon thirty (30) days' advance written notice to Consultant. Consultant shall be entitled to receive payment for work/services provided up to the date of termination of the Agreement on a time and materials basis.

SMCEL-JPA may terminate this Agreement for cause. In order to terminate for cause, SMCEL-JPA must first give Consultant notice of the alleged breach. Consultant shall have five business days after receipt of such notice to respond and a total of ten calendar days after receipt of such notice to cure the alleged breach. If Consultant fails to cure the breach within this period, SMCEL-JPA may immediately terminate this Agreement without further action. The option available in this paragraph is separate from the ability to terminate without cause with appropriate notice described above. In the event that SMCEL-JPA provides notice of an alleged breach pursuant to this section, SMCEL-JPA may, in extreme circumstances, immediately suspend performance of services and payment under this Agreement pending the resolution of the process described in this paragraph. SMCEL-JPA has sole discretion to determine what constitutes an extreme circumstance for purposes of this paragraph, and SMCEL-JPA shall use reasonable judgment in making that determination.

9. **Contract Materials.** At the end of this Agreement, or in the event of termination, all finished or unfinished documents, data, statements and transaction documents, studies, maps, photographs, reports, and other written materials (collectively referred to as "contract materials") prepared by Consultant under this Agreement shall become the property of SMCEL-JPA and shall be promptly delivered to SMCEL-JPA. Upon termination, Consultant may make and retain a copy of such contract materials if permitted by law or regulation or if automatically saved electronically as part of Consultant's computer disaster recovery or similar back-up system or internal document retention and business continuity policies and procedures. Any use or reuse of any contract materials by SMCEL-JPA or any third party, whether finished or unfinished, for any purpose other than as specifically intended under this Agreement shall be at the user's sole risk and without liability or legal exposure to Consultant.
10. **Non-discrimination.** The Consultant and any sub-consultants performing the services on behalf of the Consultant shall not discriminate or permit discrimination against any person or group of persons on the basis of race, color, religion, national origin or ancestry, age, sex, sexual orientation, marital status, pregnancy, childbirth or related conditions, medical condition, mental or physical disability or veteran's status, or in any manner prohibited by federal, state or local laws.
11. **Compliance with All Laws.** Consultant shall at all times comply with all applicable laws and regulations, including without limitation those regarding services to disabled persons, including any requirements of Section 504 of the Rehabilitation Act of 1973, state law regarding conflicts of interest, and the SMCEL-JPA Conflict of Interest Code.
12. **Sole Property of the SMCEL-JPA:** Work products of Consultant which are delivered under this Agreement or which are developed, produced and paid for under this Agreement, shall be and become

the sole property of the SMCEL-JPA. Consultant shall not be liable for the SMCEL-JPA's use, modification or re-use of products without Consultant's participation or for purpose other than those specifically intended pursuant to this Agreement.

- 13. Access to Records.** The SMCEL-JPA, or any of their duly authorized representatives, shall have access to any books, documents (including electronic), papers, videos voice recording, and records of Consultant, which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcriptions. The Consultant shall maintain all required records for three years after the SMCEL-JPA makes final payments and all other pending matters are closed.
- 14. Merger Clause.** This Agreement, including all Attachments are hereto added and incorporated herein by reference, constitutes the sole agreement of the parties hereto with regard to the matters covered in this Agreement, and correctly states the rights, duties and obligations of each party as of the document's date. Any prior agreement, promises, negotiations or representations between the parties not expressly stated in this Agreement are not binding. All subsequent modifications shall be in writing and signed by the Parties. In the event of a conflict between the terms, conditions or specifications set forth herein and those in Attachment A attached hereto, the terms, conditions or specifications set forth herein shall prevail.
- 15. Governing Law.** This Agreement shall be governed by the laws of the State of California, without regard to its choice of law rules, and any suit or action initiated by either party shall be brought in the County of San Mateo, California.
- 16. Notices.** All notices hereby required under this agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid and addressed as follows:

For the SMCEL-JPA

San Mateo County Express Lanes Joint Powers Authority
555 County Center, 5th Floor
Redwood City, CA 94063
Attention: Sean Charpentier

San Mateo County Express Lanes Joint Powers Authority
1250 San Carlos Ave
San Carlos, CA, 94070
Attention: Treasury Department

Notices required to be given to the Consultant shall be addressed as follows:

U.S. Bank National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attn: Global Corporate Trust: Mary Wong / Andrew Fung

- 17. Drafting.** This Agreement was drafted with the joint participation of the parties. Any ambiguity contained in this Agreement shall not be construed against any party as the draftsman, but this

Agreement shall be construed in accordance with its fair meaning.

IN WITNESS WHEREOF, the parties hereto have affixed their hands on the day and year first above written.

San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA)

By: _____
Diane Papan – Chair Date _____

Approved as to Form:

By: _____
Timothy Fox – Legal Counsel Date _____

_____ **(Consultant)**

By: _____
Name - Title Date _____

EXHIBIT A – SCOPE OF SERVICES

This Exhibit A (this “Agreement”) details the fiscal agent services to be provided by the Consultant, U.S. Bank National Association (the “Agent”), to the San Mateo County Express Lanes Joint Powers Authority (the “Authority”).

ARTICLE 1

Definitions; Governing Law

Section 1.1. Definitions. Unless the context clearly requires otherwise, the definitions in this section apply throughout this Agreement.

Agent: U.S. Bank National Association, the agent named to perform the fiscal agent responsibilities created by this Agreement.

Authority: the San Mateo County Express Lanes Joint Powers Authority.

Authorized Officer: with respect to the Authority, any officer designated from time to time as an Authorized Officer of the Authority by resolution or by similar approval process.

Business Day: any day other than (i) a Saturday or a Sunday, (ii) a day that is a legal holiday in the State of California, or (iii) a day on which the New York Stock Exchange is closed.

Loan Agreement: the loan agreement between the San Mateo County Transportation Authority, as lender, and the Authority, as borrower, dated September 1, 2020.

Section 1.2. Rules of Interpretation. All references in this instrument to designated “Articles,” “Sections,” and other subdivisions are to the designated Articles, Sections, and other subdivisions of this instrument as originally executed. The words, “herein,” “hereof,” and “hereunder,” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision unless the context clearly indicates otherwise. The terms defined in this Agreement include the plural as well as the singular. “Or” is not intended to be exclusive, but to encompass or contemplate one, more or all of the alternatives conjoined.

ARTICLE 2

The Agent

Section 2.1. Duties under Loan Agreement. The Agent covenants and agrees to hold and administer all of the funds and each of the accounts described in Section 8 of the Loan Agreement (all amounts in such accounts, collectively, the “Funds”).

Section 2.2. Disbursements.

(a) Upon receipt of written instruction from the Authority, the Agent shall make, from funds received by the Authority, the disbursements described in Section 8(b) of the Loan Agreement.

(b) The Agent shall not be obligated to make any disbursements or payments until the Authority has delivered to the Agent, in immediately available funds, the full amount of funds to be distributed and accompanying written payment instructions for such funds.

(c) In the event a disbursement is requested or authorized to be made on a date which is not a Business Day, the Agent shall make such disbursement on the following Business Day.

Section 2.3. Instructions; Reliance. At any time, the Agent may require instructions from an Authorized Officer and may consult counsel with respect to any matter arising in connection with this Agreement and the Agent shall not be liable for any action taken or omitted by it in good faith in accordance with such instructions or upon the advice or opinion of such counsel. The Agent shall be protected in acting upon any paper, document, instruction, certificate, letter, or other written communication believed by it in good faith to be genuine and to have been delivered by any Authorized Officer, and shall not be held to have notice of any change of authority of any Authorized Officer until receipt by it of written notice thereof. The Agent shall not be responsible, for any reason, for any action taken nor omitted to be taken by it in good faith or for anything whatever in connection with this Agreement except for its own gross negligence, willful misconduct, or bad faith in the performance of any duty to be performed by the Agent hereunder.

Section 2.4 Additional Duties and Protections of Agent.

(a) The Agent undertakes to perform only such duties expressly set forth herein and no duties shall be implied. The Agent has no fiduciary or discretionary duties of any kind.

(b) The Agent shall not be liable for any error of judgment made in good faith. The Agent shall not be liable except to the extent that a court of competent jurisdiction determines that the Agent's gross negligence or willful misconduct in connection with its material breach of its obligations hereunder was the sole cause of any loss to the Authority. In no event shall the Agent be liable for incidental, indirect, special, consequential, or punitive damages or penalties (including, but not limited to lost profits), even if the Agent has been advised of the likelihood of such damages or penalty and regardless of the form of action.

(c) No provision of this Agreement shall require the Agent to expend or risk its own funds or otherwise incur any financial liability or to take any legal action or commence any proceeding in connection with this Agreement, or any money held or disbursed by the Agent hereunder, except as provided herein with respect to the Agent's gross negligence or willful misconduct.

(d) The Agent may conclusively rely and be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Agent may consult with counsel,

and the advice or opinion of counsel shall be full authorization and protection with respect to any action taken or omitted by it hereunder in good faith reliance thereon.

(e) The Agent shall not be responsible for delays or failures in performance resulting from acts beyond its control, including without limitation acts of God, strikes, acts of war or terror, epidemics, pandemics, governmental regulations, fire, communication line failures, computer viruses, power failures, or other disasters. The Agent is authorized to comply with orders issued or process entered by any court.

Section 2.5 Indemnification. To the extent permitted under applicable law, the Authority shall indemnify the Agent, its officers, directors, and employees (each, an "Indemnified Party") for, and hold them harmless against any loss, cost, claim, liability, or expense (including the reasonable fees and costs of counsel) ("Losses") arising out of or in connection with the Agent's acceptance or administration of the Agent's duties hereunder, except to the extent a Loss is finally determined by a court of competent jurisdiction to be caused by the Indemnified Party's gross negligence or willful misconduct, including the cost and expense of enforcing its rights to be indemnified and held harmless hereunder.

ARTICLE 3 Investments

Section 3.1 Investment. Based upon the Authority's prior review of investment alternatives, in the absence of further specific written direction to the contrary at any time that an investment decision must be made, the Agent is directed to invest and reinvest the Funds in the investment identified in Schedule 1. The Authority may deliver to the Agent a written direction changing the investment of the Funds, upon which direction the Agent shall conclusively rely without inquiry or investigation; provided, however, that the Authority warrants that no investment or reinvestment direction shall be given except in investments permitted under the Loan Agreement; provided, however, that the Agent will not be directed to invest in investments that the Agent determines are inconsistent with its policies or practices. The Authority recognizes and agrees that the Agent will not provide supervision, recommendations, or advice relating to the investment of Funds and the Agent shall not have any liability for any loss in an investment made pursuant to the terms of this Agreement. The Agent has no responsibility whatsoever to determine the market or other value of any investment and makes no representation or warranty as to the accuracy of any such valuations. To the extent applicable regulations grant rights to receive brokerage confirmations for certain security transactions, the Authority waives receipt of such confirmations.

All investments shall be made in the name of the Agent. The Agent may, without notice to the Authority, sell or liquidate any of the foregoing investments at any time for any disbursement of Funds permitted or required hereunder and shall not be liable for any loss, cost, or penalty resulting from any sale or liquidation of any such investment. All investment earnings shall become part of the Funds and investment losses shall be charged against the Funds. With respect to any Funds or investment instruction received by the Agent after 11:00 a.m., U.S. Central Time, the Agent shall not be required to invest applicable funds until the next Business Day. Receipt of Funds and investment and reinvestment of the Funds shall be confirmed by the

Agent by an account statement, and account statements shall be provided by the Agent to the Authority on a monthly basis.

ARTICLE 4
Tax Reporting

Section 4.1 Tax Reporting. The Agent shall have no responsibility for the tax consequences of this Agreement; the Authority is responsible for preparing and filing any and all tax documentation with the appropriate authorities.

ARTICLE 5
Additional Provisions

Section 5.1 Agent's Resignation. The Agent may resign and be discharged from the performance of its duties hereunder at any time by giving thirty (30) days' prior written notice to the Authority specifying a date when such resignation shall take effect and, after the date of such resignation notice, notwithstanding any other provision of this Agreement, the Agent's sole obligation will be to hold any funds pending appointment of a successor. If the Authority fails to appoint a successor to the Agent prior to the effective date of such resignation, the Agent may petition a court of competent jurisdiction to appoint a successor agent, and all costs and expenses related to such petition shall be paid by the Authority.

Section 5.2 Merger. Any company or national banking association into which the Agent may be merged or converted or with which it may be consolidated or any company or national banking association resulting from any merger, conversion, or consolidation to which it shall be a party or any company or national banking association to which the Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible, shall be the successor to such agent without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 5.3. The Patriot Act. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Agent may require documentation to verify its formation and existence as a legal entity. The Agent may also require financial statements, licenses, identification, and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

Section 5.4 Execution Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.5. Severability. In the event any provision of this Agreement shall be held invalid, illegal, or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, and the remaining provisions shall not in any way be affected or impaired thereby. The invalidity of any one or more phrases,

sentences, clauses, or paragraphs in this Agreement contained shall not affect the remaining portions of the Agreement or part thereof.

Section 5.6. Amendment. This Agreement may be amended from time to time by a writing signed by the Authority and the Agent.

Section 5.7. Headings. The Section headings in this Agreement are for convenience of reference only and shall not affect the interpretation hereof.

[ATTACH SCHEDULE 1 RE: MMDA (OR OTHER) INVESTMENT]

Exhibit B

U.S. Bank National Association fee schedule

San Mateo County Express Lane Joint Powers Authority

One-time acceptance fee, payable at closing: **\$500**

- Administrative review of documents.
- Initial setup of account.
- Other reasonably required services up to and including closing.

Fiscal agent annual administration fee, payable in advance: **\$1,200**

- Covers routine duties of dissemination agent associated with management of account.

Technology Fee (Pivot): **Waived**

Out-of-pocket expenses: **At cost**

- Reimbursement of expenses associated with the performance of our duties, including, but not limited to, publications, legal counsel after the initial close and filing fees.

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Exhibit B

Extraordinary administration services (EAS)

EAS are duties, responsibilities or activities not expected to be provided by the trustee or agent at the outset of the transaction, not routine or customary, and/or not incurred in the ordinary course of business and may require analysis or interpretation. Billing for fees and expenses related to EAS is appropriate in instances where particular inquiries, events or developments are unexpected, even if the possibility of such circumstances could have been identified at the inception of the transaction, or as changes in law, procedures, or the cost of doing business demand. At our option, EAS may be charged on an hourly (time expended multiplied by current hourly rate), flat or special fee basis at such rates or in such amounts in effect at the time of such services, which may be modified by us in our sole and reasonable discretion from time to time. In addition, all fees and expenses incurred by the trustee or agent, in connection with the trustee's or agent's EAS and ordinary administration services and including without limitation the fees and expenses of legal counsel, financial advisors and other professionals, charges for wire transfers, checks, internal transfers and securities transactions, travel expenses, communication costs, postage (including express mail and overnight delivery charges), copying charges and the like will be payable, at cost, to the trustee or agent. EAS fees are due and payable in addition to annual or ordinary administration fees. Failure to pay for EAS owed to U.S. Bank when due may result in interest being charged on amounts owed to U.S. Bank for extraordinary administration services fees and expenses at the prevailing market rate.

General terms and conditions

Your obligation to pay under this fee schedule shall govern the matters described herein and shall not be superseded or modified by the terms of the governing documents and survive any termination of the transaction or governing documents and the resignation or removal of the trustee or agent. This fee schedule shall be construed and interpreted in accordance with the laws of the state identified in the governing documents without giving effect to the conflict of laws principles thereof. You agree to the sole and exclusive jurisdiction of the state and federal courts of the state identified in the governing documents over any proceeding relating to or arising regarding the matters described herein. Payment of fees constitutes acceptance of the terms and conditions described herein.

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event that your transaction is not finalized, any related out-of-pocket expenses will be billed to the client directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested. No accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

Important information about procedures for opening a new account

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a nonindividual person such as a business entity, charity, trust or other legal entity, we ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

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LOAN AGREEMENT

Dated as of September 1, 2020

Between

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

and

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

US-101 Express Lanes Project

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EXHIBIT A – FORM OF NOTE

EXHIBIT B – PRO FORMA BOND LOAN PRINCIPAL SCHEDULE

LOAN AGREEMENT

This **LOAN AGREEMENT** (as amended and supplemented hereafter, this “Agreement”), dated as of September 1, 2020, is between **SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY** (together with its successors and assigns, the “Borrower”), and **SAN MATEO COUNTY TRANSPORTATION AUTHORITY** (together with its successors and assigns, the “Lender”).

RECITALS

WHEREAS, the Borrower is duly organized and existing under the Joint Exercise of Powers Act (California Government Code, section 6500 et seq.) (the “JPA Act”) and a First Amended and Restated Joint Exercise of Powers Agreement dated June 13, 2019 (the “JPA Agreement”), between the Lender and City/County Association of Governments of San Mateo County;

WHEREAS, the Lender is duly organized and existing under California Public Utilities Code section 131240 and Ordinance No. 03135, titled the San Mateo County Transportation Authority Ordinance, which was later approved by majority vote of the electors of the County of San Mateo on June 7, 1988, through a ballot measure known as “Measure A;”

WHEREAS, under the Bay Area County Traffic and Transportation Funding Act (California Public Utilities Code section 131000 et seq.) the Lender is authorized to issue limited tax bonds secured by and payable from the revenues of certain retail transactions and use taxes applicable in the incorporated and unincorporated territory of the County of San Mateo;

WHEREAS, the Lender and the City/County Association of Governments of San Mateo County (the “C/CAG”) created the Borrower under the JPA Act to oversee the operations and administration of the “US-101 Express Lanes Project” (approximately 22 miles of managed lanes in both directions on U.S. Highway 101 between the San Mateo/Santa Clara County line (to the south) and U.S. Interstate 380 (to the north)) (the “101 Project”) and to jointly exercise ownership rights over the 101 Project, which is expected to cost approximately \$581,000,000;

WHEREAS, the Lender and the C/CAG are the project sponsors for the construction of the 101 Project;

WHEREAS, approximately \$485,000,000 of 101 Project construction funding is expected to come from a variety of sources, including state, regional, local and private funds;

WHEREAS, the Lender and C/CAG entered into a cooperative agreement with Caltrans that identified up to \$86,500,000 of the construction capital funds expected to come from toll revenues;

WHEREAS, proceeds of the Lender’s limited tax bonds designated “San Mateo County Transportation Authority Subordinate Sales Tax Revenue Variable Rate Demand Bonds (Limited Tax Bonds), 2020 Series A” and “San Mateo County Transportation Authority Subordinate Sales Tax Revenue Variable Rate Demand Bonds (Limited Tax Bonds), 2020 Series B” will fund a

portion of 101 Project construction designated to be financed from toll revenues and certain other programs;

WHEREAS, the Lender agrees to make a non-revolving advance of funds to fund a portion of 101 Project construction designated to be financed from toll revenues and certain other programs, as well as \$1,000,000 for Equity Programs (as defined herein);

WHEREAS, in consideration of the funding by the Lender, the Borrower, as the agency responsible to oversee the operations of the 101 Project, agrees to apply future toll revenues to repay the Lender in accordance with the terms and provisions hereof; and

WHEREAS, as the entity responsible for receiving future toll revenues from the 101 Project, the Borrower is defined as the borrower under this Agreement to fulfill the duty of applying future toll revenues to repay the Lender as set forth herein.

NOW, THEREFORE, the premises being as stated above, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged to be adequate, and intending to be legally bound hereby, it is hereby mutually agreed by and between the Borrower and the Lender as follows:

SECTION 1. Definitions. Unless the context otherwise requires, capitalized terms used in this Agreement shall have the meanings set forth below in this Section 1 or as otherwise defined in this Agreement. Any term used in this Agreement which is defined by reference to any other agreement shall continue to have the meaning specified in such agreement on the date hereof whether or not such agreement remains in effect.

“Account” means any or each account established hereunder, as the context requires.

“Adjusted Outstanding Lender Bond Principal Amount” means, from time to time, the principal amount of Lender Bonds outstanding under the terms of the Bond Indenture, less the principal amount of Lender Bonds that would have been redeemed or retired from funds deposited to the Bond Loan Retirement Account but for the Lender choosing not to redeem or retire corresponding Lender Bonds from such funds.

“Affiliate” means, with respect to any Person, any Person directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person. A Person shall be deemed to control another Person for the purposes of this definition if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

“Agreement” has the meaning provided in the preamble hereto.

“Base Rate” means the rate of interest borne from time to time by the Lender Bonds calculated as provided in the Lender Bonds.

“Board” means the Board of Directors of the Borrower.

“**Bond Indenture**” means the Indenture, dated as of September 1, 2020, as supplemented by the First Supplemental Indenture, dated as of September 1, 2020, each between the Lender and The Bank of New York Mellon Trust Company, N.A., as trustee, under which the Lender Bonds were issued, as it may be amended from time to time.

“**Bond Loan**” means the non-revolving loan made by the Lender to the Borrower hereunder through deposit of Lender Bond proceeds into the funds and accounts under the Bond Indenture as described in Sections 3 and 4, in order to finance construction of the 101 Project.

“**Bond Loan Balance**” has the meaning set forth in Section 7.

“**Bond Loan Interest and Costs Account**” means the Account by that name created under Section 8(a)(vi).

“**Bond Loan Interest Rate**” has the meaning set forth in Section 6.

“**Bond Loan Prepayment Date**” means, for each funding of a prepayment under Section 10(a) or (b), (1) the day on which the Lender Bonds are redeemed from such amounts in accordance with the Bond Indenture, or (2) if Lender does not deliver to the trustee for the Lender Bonds under the Bond Indenture notice of redemption of corresponding Lender Bonds by the Business Day immediately following the date the Borrower funds the prepayment, the date the Borrower funds the prepayment.

“**Bond Loan Principal Schedule**” means the Pro Forma Bond Loan Principal Schedule attached hereto as Exhibit B.

“**Bond Loan Retirement Account**” means the Account by that name created pursuant to Section 8(a)(xi).

“**Borrower**” has the meaning provided in the Preamble hereto.

“**Borrower’s Authorized Representative**” means any Person designated as such under Section 23.

“**Business Day**” means any day other than a Saturday, a Sunday or other day on which the Lender’s offices are authorized or obligated by law or executive order to be closed in the State of California but includes any “Business Day” as defined in the Bond Indenture.

“**C/CAG**” means the City/County Association of Governments of San Mateo County.

“**Caltrans Agreement**” means the Cooperative Agreement dated November 12, 2019, among the California Department of Transportation, the Lender and C/CAG, and designated Cooperative Agreement 04-2726.

“**Code**” means the Internal Revenue Code of 1986.

“**Collateral**” means all rights, title, interest and privileges of the Borrower in, to and under (i) the Net Revenue, (ii) all amounts in the Bond Loan Interest and Costs Account, the Operating

Reserve Fund, the Revenue Stabilization Reserve Fund, the Repair and Rehabilitation Reserve Fund, the Equipment Replacement Reserve Fund, and the Bond Loan Retirement Account established hereunder, and (iii) all interest or other income from investment of money in the Bond Loan Interest and Costs Account, the Operating Reserve Fund, the Revenue Stabilization Reserve Fund, the Repair and Rehabilitation Reserve Fund, the Equipment Replacement Reserve Fund, and the Bond Loan Retirement Account established hereunder.

“Debt Carry Expenses” means, collectively, (i) the interest on (but not principal of) the Bond Loan and the Operating Loans, (ii) the Enhancement Cost Component, and (iii) the Lender Bonds Cost Component.

“Default Rate” means an interest rate equal to the Bond Loan Interest Rate plus 3.0%.

“Defeasance Obligations” means cash or “government securities,” as such term is used in Treasury Regulations 1.1001-3(e)(5)(ii)(B)(I).

“Effective Date” means September 10, 2020.

“Enhancement Adjustment” has the meaning set forth in Section 7(b).

“Enhancement Cost Component” means an amount accruing on and after the second anniversary of the Lender Bonds issuance date based on the Adjusted Outstanding Lender Bond Principal Amount at a rate equal to the Enhancement Rate.

“Enhancement Rate” means, for any period, 0.40% per annum, calculated based on a year of 365/366 days and actual days elapsed.

“Environmental Laws” means any and all federal, state and local statutes, Laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or to the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

“Equipment Replacement Reserve Fund” means the Fund by that name created pursuant to Section 8(a)(x).

“Equipment Replacement Reserve Fund Requirement” means 100% of budgeted equipment replacement expenditures for the Express Lanes for the then-current Fiscal Year, as set forth in the Operating Budget for the Fiscal Year.

“Equity Programs” means programs implemented by the Borrower under section 2.2(g) of the JPA Agreement.

“Equity Programs Fund” means the Fund by that name created pursuant to Section 8(a)(iii).

“Event of Default” has the meaning set forth in Section 17.

“Express Lanes” means the tolled express lanes developed as part of the 101 Project and any extensions and improvements thereto as determined by the Borrower.

“Express Lanes Operator” means Bay Area Infrastructure Financing Authority, or any successor thereto, responsible for the collection of tolls with respect to the Express Lanes.

“Express Lanes Revenue Fund” means the Fund by that name created pursuant to Section 8(a)(i).

“Express Lanes Revenues” means (a) toll revenues, user fees, fines, rents or other similar charges payable for use of the Express Lanes, 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 Borrower with respect to the Express Lanes (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 actually applied or reserved for application to the repair, restoration or replacement of the Express Lanes, (c) proceeds of any condemnation awards with respect to the Express Lanes, except to the extent actually applied or reserved for application to the replacement of the Express Lanes, (d) liquidated damages, if applicable, for delayed completion of the 101 Project payable to or on behalf of the Borrower under any construction contract relating to the 101 Project or a portion thereof, (e) amounts transferred from the Revenue Stabilization Reserve Fund to the Express Lanes Revenue Fund under Section 8(b) and (f) any other incidental or related fees or charges, but excluding therefrom cash advances representing deposits against future toll payments from users or potential users of the Express Lanes.

“Final Maturity Date” means June 1, 2049.

“Fiscal Year” means the period of twelve months terminating on June 30 of each year or any such other annual period selected and designated by the Borrower as its Fiscal Year in accordance with applicable law.

“Fund” means each fund established in accordance with the terms hereof.

“GAAP” means generally accepted accounting principles for state and local governments, which are the minimum standards of and guidelines for financial accounting and reporting.

“Governmental Approval” means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any Governmental Authority.

“Governmental Authority” means any federal, state, provincial, county, city, town, village, municipal or other government or governmental department, commission, council, court, board, bureau, agency, authority or instrumentality (whether executive, legislative, judicial, administrative or regulatory), of or within the United States of America or its territories or possessions, including, without limitation, the State and its counties and municipalities, and their respective courts, agencies, instrumentalities and regulatory bodies, or any entity that acts “on behalf of” any of the foregoing, whether as an agency or authority of such body.

“Insurance and Condemnation Proceeds Account” means the Account by that name created pursuant to Section 8(a)(xii).

“Interest Payment Date” means the first day of each calendar month, or, if such day is not a Business Day, the immediately following Business Day, and the Final Maturity Date.

“JPA Agreement” has the meaning given such term in the Recitals.

“Lender” means the San Mateo County Transportation Authority, and its successors and assigns.

“Lender Bonds” means the San Mateo County Transportation Authority Subordinate Sales Tax Revenue Variable Rate Demand Bonds (Limited Tax Bonds), 2020 Series A and the San Mateo County Transportation Authority Subordinate Sales Tax Revenue Variable Rate Demand Bonds (Limited Tax Bonds), 2020 Series B.

“Lender Bonds Cost Component” means letter of credit facility fees, letter of credit draw fees, remarketing agent fees, trustee fees, rating surveillance costs and all other direct administrative fees and charges accrued or incurred in any period by the Lender in connection with the Loan Documents and the Lender Bonds.

“Lender’s Authorized Representative” means any Person who shall be designated as such by the Lender pursuant to Section 24.

“Lien” means any mortgage, pledge, hypothecation, assignment, mandatory deposit arrangement, encumbrance, lien (statutory or other), or preference, priority or other security agreement of any kind or nature whatsoever, including, without limitation, any sale-leaseback arrangement, any conditional sale or other title retention agreement, any financing lease having substantially the same effect as any of the foregoing, and the filing of any financing statement or similar instrument under applicable law.

“Loan Documents” means this Agreement and the Note.

“Material Adverse Effect” means a material adverse change in (a) the ability of the Borrower to perform or comply with any of its material obligations under any Loan Document, (b) the validity or priority of the Lien on the Collateral in favor of the Lender or (c) the Lender’s rights or benefits available under this Agreement.

“Monthly Funding Date” means the first day of each calendar month or, if such day is not a Business Day, the immediately following Business Day.

“Nationally Recognized Rating Agency” means S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, Moody’s Investors Services, Inc., Fitch Ratings or another nationally recognized statistical rating organization, identified by the U.S. Securities and Exchange Commission.

“Net Revenue” 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 Borrower for Fiscal Years for which audited financial statements are available, or (b) to the extent that audited financial statements are not available, the unaudited financial statements of the Borrower for Fiscal Years for which unaudited financial statements are available.

“**Note**” means the Note evidencing the Bond Loan in substantially the form attached hereto as Exhibit A, and any amendments thereto.

“**Obligations**” means the Borrower’s obligation hereunder and under the Note to pay principal and interest on the Bond Loan and the Borrower’s obligation to pay principal and interest under the Operating Loan Agreement (Lender).

“**Operating Budget**” means the fiscal year operating budget for the Express Lanes, adopted by the Board.

“**Operating Loans**” means the Operating Loan (Lender) and the Operating Loan (C/CAG).

“**Operating Loan (C/CAG)**” means the loan to the Borrower from C/CAG under the Operating Loan Agreement (C/CAG).

“**Operating Loan (C/CAG) Interest Account**” means the Account by that name created pursuant to Section 8(a)(v).

“**Operating Loan (C/CAG) Principal Schedule**” means the loan principal schedule under Section 2.F. of the Operating Loan Agreement (C/CAG), as modified from time to time under its terms.

“**Operating Loan (C/CAG) Retirement Account**” means the Account by that name created pursuant to Section 8(a)(xi).

“**Operating Loan (Lender)**” means the loan to the Borrower from the Lender under the Operating Loan Agreement (Lender).

“**Operating Loan (Lender) Interest Account**” means the Account by that name created pursuant to Section 8(a)(v).

“**Operating Loan (Lender) Principal Schedule**” means the loan principal schedule under Section 2.F. of the Operating Loan Agreement (Lender), as modified from time to time under its terms.

“**Operating Loan (Lender) Retirement Account**” means the Account by that name created pursuant to Section 8(a)(xi).

“**Operating Loan Agreement (C/CAG)**” means the Cooperative Funding Agreement dated November 14, 2019, as amended by the First Amendment to Cooperative Funding

Agreement dated September 10, 2020, each between C/CAG and the Borrower, and as further amended from time to time.

“Operating Loan Agreement (Lender)” means the Cooperative Funding Agreement dated December 18, 2019, as amended by the First Amendment to Cooperative Funding Agreement dated September 10, 2020, each between the Lender and the Borrower, and as further amended from time to time.

“Operating Loan Interest Fund” means the Fund by that name created pursuant to Section 8(a)(v).

“Operating Loan Prepayment Date” means, for each deposit to the Operating Loan (C/CAG) Retirement Account or the Operating Loan (Lender) Retirement Account, the Business Day immediately following the date of such deposit and written notice of such deposit to the Lender.

“Operating Reserve Fund” means the Fund by that name created pursuant to Section 8(a)(vii).

“Operating Reserve Fund Requirement” means one sixth (1/6) of the budgeted Operation and Maintenance Expenses for the then-current Operating Budget.

“Operation and Maintenance Expenses” means all reasonable current expenses incurred and paid or payable by the Borrower for the administration of the Borrower and for the operation and maintenance of the Express Lanes payable from Revenue, determined in accordance with GAAP, including, without limitation, all amounts paid or payable under an operating agreement, a police services agreement and similar agreements, costs for operation, maintenance and repair, consumables, payments under any lease or rental payments properly considered to be operating expenses, payments pursuant to agreements for the management of the Express Lanes, taxes, premiums paid or payable on any insurance, payments for oversight services, all administrative, engineering and policing costs, costs for any security, toll collection and enforcement expenses, fees and expenses of a traffic consultant, any fiscal agent, paying agent, rating agency, credit, liquidity or remarketing fees relating to Obligations (for the avoidance of doubt, such fees, administrative costs and expenses do not include any commitment fees, termination fees, fines or other penalties or any payments to be made to swap providers), any insurance consultant, legal and accounting expenses, and any other reasonable and necessary expense paid or payable for the operation and maintenance of the Express Lanes, but excluding expenses paid or scheduled to be paid from proceeds of Obligations, capital expenditures, expenditures for rehabilitation and operational improvement projects on the Express Lanes, depreciation or obsolescence charges or reserves therefore, debt service for Obligations and any non-cash charges, such as depreciation, amortization of intangibles and other bookkeeping entries of a similar nature.

“Operation and Maintenance Fund” means the Fund by that name created pursuant to Section 8(a)(ii).

“Outstanding” means all Obligations, except such Obligations: (i) canceled or delivered for cancellation; (ii) deemed to be paid; and (iii) Obligations held by or for the account of the Borrower.

“Outstanding Bond Loan Balance” means the Bond Loan Balance as of a given time.

“Payment Date” means each Interest Payment Date and the Final Maturity Date.

“Payment Default” has the meaning set forth in Section 17(a)(i).

“Permitted Debt” means the Bond Loan and the Operating Loans.

“Permitted Investments” means with respect to the investment of amounts on deposit in Funds and Accounts and subaccounts referred to in Section 8 of this Agreement:

(a) Defeasance Obligations; or Direct obligations of any agency or instrumentality of the United States of America;

(b) certificates of deposit where the certificates are collaterally secured by securities of the type described in clause (a) of this definition and held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest, but this collateral is not required to the extent the certificates of deposit are insured by an agency of the Government;

(c) money market accounts held by the Lender or its Affiliates; or made with any bank (including a third party as fiscal agent or custodian);

(d) repurchase agreements when collateralized by securities of the type described in clause (a) of this definition and held by a third party as escrow agent or custodian, of a market value not less than the amount of the repurchase agreement so collateralized, including interest;

(e) money market funds that invest solely in obligations of the United States of America, its agencies and instrumentalities, and having a rating by a Nationally Recognized Rating Agency at least equivalent to, or higher than, the rating of the Government; and

(f) collateralized investment agreements or other contractual agreements with corporations, financial institutions or national associations within the United States of America, provided that the senior long-term debt of such corporations, institutions or associations is rated “AA” or its equivalent by a Nationally Recognized Rating Agency.

(g) commercial paper (having maturities of not more than 270 days) rated A-1 or better by S& P and P-1 by Moody’s.

(h) any investment approved by the Board.

“Permitted Liens” on the Project means:

(a) Liens imposed by law for taxes that are not yet due or are being contested;

(b) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance, and other social security laws or regulations;

(c) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(d) judgment liens in respect of judgments that do not constitute an Event of Default;

(e) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Borrower;

(f) any Lien on any property or asset of the Borrower existing on the Effective Date hereof; provided that (i) such Lien shall not apply to any other property or asset of the Borrower and (ii) such Lien shall secure only those obligations that it secures on the Effective Date hereof and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof;

(g) any Lien existing on any property or asset prior to the acquisition thereof by the Borrower; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition, (ii) such Lien shall not apply to any other property or assets of the Borrower and (iii) such Lien shall secure only those obligations that it secures on the date of such acquisition, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof; and

(h) purchase money security interests in equipment acquired on or after the Effective Date hereof by the Borrower, provided that (i) such security interests secure indebtedness for borrowed money permitted by Section 15(a), (ii) such security interests are incurred, and the indebtedness secured thereby is created, within ninety (90) days after such acquisition, (iii) the indebtedness secured thereby does not exceed the fair market value of such real property, improvements or equipment at the time of such acquisition and (iv) such security interests do not apply to any other property or assets (other than accessions to such equipment) of the Borrower.

“Person” means any natural person, firm, partnership, association, corporation, or public body.

“Rating Category” means one of the generic rating categories of a Nationally Recognized Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier or otherwise.

“Rebate Fund” means the Fund by that name created pursuant to Section 8(a)(iv).

“Repair and Rehabilitation Reserve Fund” means the Fund by that name created pursuant to Section 8(a)(ix).

“Repair and Rehabilitation Reserve Fund Requirement” means the ending balance in the Repair and Rehabilitation Reserve Fund for the prior Fiscal Year, plus 100% of budgeted capital expenditures for the Express Lanes for the current Fiscal Year, as set forth in the Operating Budget for the current Fiscal Year.

“Revenue” means: (a) Express Lanes Revenues, (b) all interest or other income from investment of money in the Funds and Accounts established hereunder (excluding the Operation and Maintenance Fund, the Equity Programs Fund, and the Rebate Fund).

“Revenue Sharing Fund” means the Fund by that name created pursuant to Section 8(a)(xi).

“Revenue Stabilization Reserve Fund” means the Fund by that name created pursuant to Section 8(a)(viii).

“Revenue Stabilization Reserve Fund Cap” means, as of any date, the sum of (i) the total Operation and Maintenance Expenses budgeted in the Borrower’s annual budget for the then-current Fiscal Year; (ii) the total Debt Carry Expenses budgeted in the Borrower’s annual budget for the then-current Fiscal Year; and (iii) \$600,000.

“Revenue Stabilization Reserve Fund Requirement” means, as of any date, 25% of the budgeted Express Lanes Revenues in the Operating Budget for the then-current Fiscal Year.

“Servicer” means such entity or entities as the Lender shall designate under Section 25 from time-to-time to perform, or assist the Lender in performing, certain duties hereunder.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate dated the date of issuance of the Lender Bonds, executed by the Lender and the Borrower.

“101 Project” has the meaning given such term in the Recitals.

SECTION 2. Interpretation. Unless the context shall otherwise require, the words “hereto,” “herein,” “hereof” and other words of similar import refer to this Agreement as a whole. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and vice versa. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise require. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” Unless the context shall otherwise require, references to any Person shall be deemed to include such Person’s successors and permitted assigns. Unless the context shall otherwise require, references to sections, subsections, and provisions are to the applicable sections, subsections and provisions of this Agreement. The headings or titles of this Agreement and its sections, schedules or exhibits, as well as any table of contents, are for convenience of reference only and shall not define or limit its provisions. Unless the context shall otherwise require, all references to any resolution, contract, agreement, lease or other document shall be deemed to include any amendments or supplements to, or modifications or restatements or replacements of, such documents that are approved from time-to-time in accordance with the terms thereof and hereof.

Every request, order, demand, application, appointment, notice, statement, certificate, consent or similar communication or action hereunder by any party shall, unless otherwise specifically provided, be delivered in writing in accordance with Section 19 and signed by a duly authorized representative of such party.

SECTION 3. Bond Loan; Initial Bond Loan Balance; Note.

(a) The Lender hereby loans to the Borrower, and the Borrower hereby borrows from the Lender, the Bond Loan, by causing the net proceeds (after underwriter's discount) from the sale of the Lender Bonds to be deposited as provided under the Bond Indenture to the funds and accounts thereunder. The Borrower will not receive the proceeds except by requisition from the funds and accounts under the Bond Indenture of \$1,000,000 for Equity Programs. The initial Bond Loan Balance shall be \$100,000,000 (calculated as the amount of Lender Bond proceeds deposited to the funds and accounts under the Bond Indenture plus the underwriters' discount upon initial sale of the Lender Bonds to the underwriters thereof). Thereafter, the principal amount of the Bond Loan at any time shall be the Bond Loan Balance as determined in Section 7.

(b) On or before the Effective Date, the Borrower shall execute and deliver the Note. The Note shall evidence the Borrower's obligation to repay to the Lender the Bond Loan with interest as herein provided. The Note shall not be rated by a credit rating agency, shall not have a CUSIP number and shall not be issued or sold pursuant to an offering document. The Note shall be registered in the name of the Lender, and shall be in substantially the form set forth in Exhibit A hereto.

SECTION 4. Disbursement of Bond Loan. The Lender shall cause such Lender Bond proceeds to be disbursed on the Effective Date and from time to time thereafter in accordance with the Bond Indenture and the Tax Certificate, including without limitation to pay directly, or to reimburse prior payments of, costs in connection with the 101 Project, it being understood and acknowledged that the Borrower shall also be a signatory on requisitions of Lender Bond proceeds required under the Bond Indenture and that a requisition on the date of issuance of the Lender Bonds shall include \$1,000,000 to the Borrower for Equity Programs.

SECTION 5. Term. The term of the Bond Loan and the Note shall extend from the Effective Date to the Final Maturity Date or to such earlier or later date as all amounts due or to become due to the Lender hereunder have been paid.

SECTION 6. Bond Loan Interest Rate; Enhancement Cost Component; Lender Bonds Cost Component.

(a) Interest shall accrue on the Bond Loan at a rate (the "Bond Loan Interest Rate") equal to the Base Rate. Interest shall accrue only on the Outstanding Bond Loan Balance. Upon the occurrence and during the continuance of an Event of Default, the Bond Loan Interest Rate shall be the Default Rate and the Outstanding Bond Loan Balance shall continue to bear interest at such rate until such Event of Default is cured or the Bond Loan has been paid in full. Interest on Lender Bonds paid from Lender Bond proceeds or investment earnings on deposit in the Interest Fund under the Bond Indenture shall be deemed to pay an equivalent amount of interest accrued on the Bond Loan.

(b) On each Payment Date, the Borrower shall pay to the Lender an amount equal to the then incurred or accrued and unpaid Enhancement Cost Component, except the Enhancement Cost Component or portion thereof added to the Bond Loan Balance under Section 7.

(c) On each Payment Date, the Borrower shall pay to the Lender an amount equal to the then incurred or accrued and unpaid Lender Bonds Cost Component, except the Lender Bonds Cost Component or portion thereof added to the Bond Loan Balance under Section 7. The amount of Lender Bonds Cost Component paid from Lender Bond proceeds or investment earnings on deposit in the Interest Fund under the Bond Indenture shall be deemed to pay an equivalent amount of Lender Bonds Cost Component payable hereunder.

SECTION 7. Outstanding Bond Loan Balance and Revisions Thereof.

(a) As of any date, the “Bond Loan Balance” shall be the initial Bond Loan Balance under Section 3:

(i) plus accrued interest on the Outstanding Bond Loan Balance as of each Monthly Funding Date that is not deemed paid under Section 6(a) nor funded by a corresponding deposit to the Bond Loan Interest and Costs Account or the Bond Loan Retirement Account;

(ii) plus the Enhancement Cost Component accrued on and after the second anniversary of the Lender Bonds issuance date as of each Monthly Funding Date that is not funded by a corresponding deposit to the Bond Loan Interest and Costs Account;

(iii) plus the accrued Lender Bonds Cost Component as of each Monthly Funding Date that is not deemed paid under Section 6(c) nor funded by a corresponding deposit to the Bond Loan Interest and Costs Account;

(iv) less repayments of Bond Loan principal from amounts deposited to the Bond Loan Retirement Account; and

(v) less the amount of any Enhancement Adjustment required under subsection (b) of this Section.

(b) In each Fiscal Year in which \$5,000,000 or more of Net Revenue is deposited to the Bond Loan Retirement Account under clause Tenth of Section 8(b), the Lender shall reduce (effective the next June 1) the Bond Loan Balance by an amount equal to the Adjusted Outstanding Lender Bond Principal Amount as of the first day of the then-current Fiscal Year times 0.15% (each an “Enhancement Adjustment”).

(c) The Lender shall make applicable revisions to the Bond Loan Balance upon any optional or mandatory prepayment of the Bond Loan, which shall reflect, to the extent reasonably practicable, proportionate adjustments, if necessary. Upon any such revision the Lender shall provide the Borrower with the revised Bond Loan Balance. No failure to provide or delay in providing the Borrower with such schedule shall affect any of the obligations of the Borrower under this Agreement or the other Loan Documents. The Bond Loan Balance shall be calculated

without considering whether Lender Bonds are or are not redeemed from amounts paid to the Lender under this Agreement or otherwise. The Borrower shall bear no responsibility for the Lender's choice not to redeem Lender Bonds from amounts paid to the Lender under this Agreement.

SECTION 8. Security and Priority; Funds and Accounts; Flow of Funds. As security for repayment of the Bond Loan, the Operating Loan (Lender), the Operating Loan (C/CAG) and its respective other obligations thereunder, the Borrower hereby pledges, assigns and grants a security interest in and lien on the Collateral. All Express Lanes Revenues received and receivable by the Borrower are to be deposited by the Borrower in the Funds and Accounts described herein and held for the purposes set forth herein, and except as otherwise provided herein, shall not be subject to any lien, levy, garnishment or attachment by any creditor of the Borrower nor shall they be subject to any assignment or hypothecation by the Borrower. Subject only to the provisions hereof permitting the application thereof for or to the purposes and on the terms and conditions set forth herein, the Borrower shall receive all of the Express Lanes Revenues. Moneys on deposit in the Funds and Accounts described in this Section 8 shall be held by the Borrower pending application in accordance with the provisions of this Section 8. Collateral shall be invested only in Permitted Investments. Notwithstanding the foregoing, all investment earnings on amounts on deposit in any of the funds and accounts hereunder (other than the Rebate Fund) shall be transferred to the Revenue Sharing Fund.

(a) The following Funds and Accounts are hereby established and created hereunder and shall at all times be held and maintained by the Borrower:

- (i) the Express Lanes Revenue Fund;
- (ii) the Operation and Maintenance Fund;
- (iii) the Equity Program Fund;
- (iv) the Rebate Fund;
- (v) the Operating Loan Interest Fund, and within the Operating Loan Interest Fund, the Operating Loan (Lender) Interest Account, and the Operating Loan (C/CAG) Interest Account;
- (vi) the Bond Loan Interest and Costs Account;
- (vii) the Operating Reserve Fund;
- (viii) the Revenue Stabilization Reserve Fund;
- (ix) the Repair and Rehabilitation Reserve Fund;
- (x) the Equipment Replacement Reserve Fund;

(xi) the Revenue Sharing Fund, and within the Revenue Sharing Fund, the Operating Loan (C/CAG) Retirement Account, the Operating Loan (Lender) Retirement Account, and the Bond Loan Retirement Account; and

(xii) the Insurance and Condemnation Proceeds Account.

The Borrower may establish and maintain additional temporary Funds or Accounts or sub-accounts for the purposes specified herein or for the convenience of the Borrower.

The funds or accounts established hereunder to be held and maintained by the Borrower shall be held and maintained on behalf of the Borrower by a bank, trust company or other financial institution selected by the Borrower serving as the Borrower's fiscal agent under a fiscal agent agreement to be negotiated between the Borrower and such fiscal agent and entered into within twelve months following the Effective Date. Such fiscal agent agreement shall obligate the fiscal agent to hold all of the funds and accounts contemplated by this Agreement and to administer amounts described in this Agreement consistent with the restrictions and requirements set forth herein. Before entering into any such fiscal agent agreement or amendment thereof, the Borrower shall submit the final form thereof to the Lender for its review and approval.

(b) So long as any obligations under the Loan Documents or under the Operating Loan Agreement (C/CAG) or under the Operating Loan Agreement (Lender) remain unpaid, the Borrower shall deposit all Revenue following receipt in the Express Lanes Revenue Fund. On each Monthly Funding Date, before the deposits required by the remainder of this subsection (b), the Borrower or the Fiscal Agent, as applicable, shall calculate the Revenue Stabilization Reserve Cap. If the amount then on deposit in the Revenue Stabilization Reserve Fund exceeds the Revenue Stabilization Reserve Cap, the difference shall be transferred from the Revenue Stabilization Reserve Fund (to the extent of amounts therein) to the Express Lanes Revenue Fund. After any such transfer, amounts on deposit in the Express Lanes Revenue Fund shall be set aside and shall be applied in the following order of priority, at the times and in the amounts set forth below to the extent that Revenue is available to make such deposits.

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 and not previously paid;

Second, on each Monthly Funding Date, to the Rebate Fund, the amount required to satisfy any applicable rebate requirement payable and not previously paid to the United States Treasury in respect of the Lender Bonds, in such amount as is indicated in writing to the Borrower by the Lender, which shall be conclusive in the absence of manifest error;

Third, on each Monthly Funding Date, to the Equity Programs Fund, the amount of \$50,000, plus the amount of any unsatisfied deficiency on any prior Monthly Funding Date during the current Fiscal Year;

Fourth, on each Interest Payment Date and on the maturity date of the Operating Loan (C/CAG) and the maturity date of the Operating Loan (Lender), to the Operating Loan Interest Fund, an amount estimated to equal the sum of (1) Operating Loan (C/CAG) interest accrued or to accrue on the Operating Loan (C/CAG) to that Interest Payment Date or its maturity

date, as applicable (calculated as set forth in the Operating Loan Agreement (C/CAG)), as evidenced in a written notice by C/CAG to the Borrower (which notice shall be conclusive absent manifest error and provided at least three days before the funding date)) plus (2) Operating Loan (Lender) interest accrued or to accrue on the Operating Loan (Lender) to that Interest Payment Date or its maturity date, as applicable (calculated as set forth in the Operating Loan Agreement (Lender)), as evidenced in a written notice by the Lender to the Borrower (which notice shall be conclusive absent manifest error and provided at least three days before the funding date);

Fifth, on each Interest Payment Date and on the Final Maturity Date, to the Bond Loan Interest and Costs Account, an amount estimated to equal Bond Loan unpaid interest accrued or to accrue to the Interest Payment Date or the Final Maturity Date, as applicable, plus the unpaid Enhancement Cost Component accrued or to accrue to the Interest Payment Date, plus the unpaid Lender Bonds Cost Component accrued or to accrue to the Interest Payment Date (calculated by the Lender, with any period for which the Bond Loan Interest Rate has not yet been established assumed to be at the maximum and after adjusting correspondingly for any portion of a prior Monthly Funding Date that did not reflect the actual Bond Loan Interest Rate), as evidenced in a written notice by the Lender to the Borrower (which notice shall be conclusive absent manifest error and provided at least three days before the funding date);

Sixth, on each May 1 (or if such day is not a Business Day, the next Business Day), to the Operating Reserve Fund, such amount as will result in the total amount on deposit in the Operating Reserve Fund equating to the Operating Reserve Fund Requirement;

Seventh, on each May 1 (or if such day is not a Business Day, the next Business Day), to the Revenue Stabilization Reserve Fund, such amount as will result in the total amount on deposit in the Revenue Stabilization Reserve Fund equating to the Revenue Stabilization Reserve Fund Requirement but no more than would result in the amount then on deposit in the Revenue Stabilization Reserve Fund equaling the Revenue Stabilization Reserve Cap, but if any amount is required to be transferred on such date from the Revenue Stabilization Reserve Fund to the Express Lanes Revenue Fund under this subsection (b) or if the amount then on deposit in the Revenue Stabilization Reserve Fund equals the Revenue Stabilization Reserve Cap, then no deposit shall be made on such date to the Revenue Stabilization Reserve Fund;

Eighth, on each May 1 (or if such day is not a Business Day, the next Business Day), to the Repair and Rehabilitation Reserve Fund, such amount as will result in the total amount on deposit in the Repair and Rehabilitation Reserve Fund equating to the Repair and Rehabilitation Reserve Fund Requirement;

Ninth, on each May 1 (or if such day is not a Business Day, the next Business Day), to the Equipment Replacement Reserve Fund, such amount as will result in the total amount on deposit in the Equipment Replacement Reserve Fund equating to the Equipment Replacement Reserve Fund Requirement;

Tenth, on each May 1 (or if such day is not a Business Day, the next Business Day), (i) to the Revenue Sharing Fund 85% of amounts remaining after all other deposits required under this section (rounded to the nearest cent) and (ii) to the Borrower the remainder of amounts in the Express Lanes Revenue Fund for any lawful purpose, including without limitation for Equity

Programs. But if the amount calculated in the preceding clause (i) is greater than the amount required to fully discharge payment of all principal and interest on the Bond Loan on the next Bond Loan Prepayment Date or the Final Maturity Date (whichever occurs next) plus the amount required to fully discharge all principal and interest on the Operating Loans on the next Operating Loan Prepayment Date or the maturity date of the Operating Loans, then the transfer under the preceding clause (i) shall be in such amounts instead.

(c) Reserved.

(d) Equity Programs Fund. The Borrower shall pay only costs of the Equity Program from amounts deposited to the Equity Programs Fund. The Borrower shall keep and maintain accurate records of all expenditures from such account within the Equity Programs Fund and shall provide such records to the Lender upon reasonable request in writing and shall make available the appropriate officers of the Borrower to answer questions regarding such expenditures upon reasonable notice.

The Lender and Borrower acknowledge that the deposits to the Equity Program Fund required under clause Third of subsection (b) of this Section provide for the direct funding of the Equity Programs. The Lender and Borrower agree that Equity Programs that are not directly funded, but are instead implemented through measures that reduce Express Lanes Revenue (e.g., Equity Programs that implement means-based toll rate discounts), will require amendments to this Agreement before implementation by the Borrower. The Lender and Borrower agree to meet, confer, and negotiate such amendments in good faith upon presentation by the Borrower to the Lender of such a proposed Equity Program, including such programs that are required by a third governmental entity (either as a binding mandate or as a condition to funding). Notwithstanding the prior sentence, the Borrower shall have the right to implement an Equity Program that provides a means-based toll rate discount without the prior approval of the Lender, if the Borrower first certifies (including supporting calculations) in writing to the Lender that: (1) in the most recent prior Fiscal Year, the Borrower made payments from Revenue that reduced the Outstanding Bond Loan Balance by \$5 million or more, (2) implementation of the means-based toll rate discount is not projected to reduce Express Lanes Revenue by more than 10% in any Fiscal Year compared to Express Lanes Revenue projected for the corresponding Fiscal Year absent the discount, and (3) implementation of the means-based toll rate discount will not reduce below \$5 million in any year the projected reduction of the Outstanding Bond Loan Balance from Revenue as provided under clause Tenth of subsection (b) of this Section and subsection (m) of this Section.

(e) Operation and Maintenance Fund. The Borrower shall apply the funds in the Operation and Maintenance Fund to pay Operation and Maintenance Expenses due and payable and not previously paid.

(f) Rebate Fund. Money at any time deposited in the Rebate Fund shall be transferred by the Borrower to the trustee under the Bond Indenture as the Lender shall instruct. Amounts in the Rebate Fund shall be held uninvested.

(g) Operating Loan Interest Fund. Money at any time deposited in the Operating Loan Interest Fund shall be transferred by the Borrower on the date of such deposit to the Operating Loan (Lender) Interest Account and the Operating Loan (C/CAG) Interest Account

in the respective amounts set forth in subclauses (1) and (2) of clause Fourth of subsection (b) of this Section, and if insufficient to make such transfers in full, then in proportion to the amounts described in subclauses (1) and (2). Money at any time deposited in the Operating Loan (C/CAG) Interest Account shall be transferred by the Borrower on the date of such deposit as C/CAG shall instruct to discharge the obligation to pay interest due on the Operating Loan (C/CAG). Money at any time deposited in the Operating Loan (Lender) Interest Account shall be transferred by the Borrower on the date of such deposit as the Lender shall instruct to discharge the obligation to pay interest due on the Operating Loan (Lender).

(h) Bond Loan Interest and Costs Account. Money at any time deposited in the Bond Loan Interest and Costs Account shall be transferred by the Borrower on the date of such deposit as the Lender shall instruct to discharge the obligation to pay interest due on the Bond Loan and to pay the Enhancement Costs Component and the Lender Bonds Cost Component.

(i) Revenue Stabilization Reserve Fund. The Revenue Stabilization Reserve Fund shall be funded from amounts transferred pursuant to clause Seventh of subsection (b) of this Section and may be funded by the Borrower from any other legally available source of funds. Amounts in the Revenue Stabilization Reserve Fund may be withdrawn by the Borrower and transferred to the Operation and Maintenance Fund to the extent the amounts in the Operation and Maintenance Fund are insufficient to pay Operation and Maintenance Expenses due and payable and not previously paid.

(j) Operating Reserve Fund. The Operating Reserve Fund shall be funded from amounts transferred pursuant to clause Sixth of subsection (b) of this Section and may be funded by the Borrower from any other legally available source of funds. Amounts in the Operating Reserve Fund may be withdrawn by the Borrower and transferred to the Operation and Maintenance Fund to the extent the amounts in the Operation and Maintenance Fund and amounts available for transfer from the Revenue Stabilization Reserve Fund under subsection (i) of this Section are, together, insufficient to pay Operation and Maintenance Expenses due and payable and not previously paid.

(k) Repair and Rehabilitation Reserve Fund. The Repair and Rehabilitation Reserve Fund shall be funded from any lawful source of funds of the Borrower and amounts transferred pursuant to clause Eighth of subsection (b) of this Section. On any date on which capital expenditures required under the Caltrans Agreement are due and payable or reasonably expected to become due and payable, monies on deposit in the Repair and Rehabilitation Reserve Fund shall be applied by the Borrower to pay such expenditures.

(l) Equipment Replacement Reserve Fund. The Equipment Replacement Reserve Fund shall be funded from any lawful source of funds of the Borrower and amounts transferred pursuant to clause Ninth of subsection (b) of this Section. On any date on which expenditures for equipment replacement are due and payable or reasonably expected to become due and payable, monies on deposit in the Equipment Replacement Reserve Fund shall be applied by the Borrower to pay such expenditures.

(m) Revenue Sharing Fund. The Revenue Sharing Fund shall be funded from amounts transferred pursuant to clause Tenth of subsection (b) and subsection (n) of this Section

and from investment earnings transferred under the first paragraph of this Section. Upon each deposit to the Revenue Sharing Fund pursuant to clause Tenth of subsection (b) and subsection (n) of this Section, the Borrower will allocate and deposit moneys so transferred to the Revenue Sharing Fund plus investment earnings transferred into the Revenue Sharing Fund to the Operating Loan (C/CAG) Retirement Account, the Operating Loan (C/CAG) Retirement Account and the Bond Loan Retirement Account in proportions reflecting the applicable assumed principal amounts of (i) the Operating Loan (C/CAG) appearing on the Operating Loan (C/CAG) Principal Schedule, (ii) the Operating Loan (Lender) appearing on the Operating Loan (Lender) Principal Schedule and (iii) the Bond Loan appearing on the Bond Loan Principal Schedule. The Borrower shall transfer to C/CAG all amounts deposited to the Operating Loan (C/CAG) Retirement Account to prepay on the applicable Operating Loan Prepayment Date principal of the Operating Loan (C/CAG) and the corresponding interest accrued or to accrue to the Operating Loan Prepayment Date so as to exhaust the deposit. The Borrower shall transfer to the Lender all amounts deposited to the Operating Loan (Lender) Retirement Account to prepay on the applicable Operating Loan Prepayment Date principal of the Operating Loan (Lender) and the corresponding interest accrued or to accrue to the Operating Loan Prepayment Date so as to exhaust the deposit. The Borrower shall transfer to, or as instructed by, the Lender all amounts deposited to the Bond Loan Retirement Account to prepay on the next Bond Loan Prepayment Date principal of the Bond Loan and the corresponding interest accrued or to accrue to the Bond Loan Prepayment Date so as to exhaust the deposit. The Operating Loan (C/CAG) Retirement Account, Operating Loan (Lender) Retirement Account and the Bond Loan Retirement Account shall be held uninvested.

(n) Insurance and Condemnation Proceeds Account. Proceeds of fire and other casualty insurance payable to or received by the Borrower with respect to the 101 Project or the Express Lanes (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 Borrower with respect to the Express Lanes shall be transferred by the Borrower to and deposited in the Insurance and Condemnation Proceeds Account. Amounts on deposit in the Insurance and Condemnation Proceeds Account may be used by the Borrower to pay the costs of restoration, repair or rehabilitation of the Express Lanes or portion thereof to which such insurance or condemnation proceeds relate; provided, however, that any portion of such amounts that the Borrower elects not to use for such restoration, repair or rehabilitation of the Express Lanes or that are in excess of the amount needed for such restoration, repair or rehabilitation of the Express Lanes shall be deposited in the Revenue Sharing Fund.

SECTION 9. Payment of Principal and Interest.

(a) The Borrower agrees to pay the interest on the Bond Loan by making payments for accrued interest on each Interest Payment Date and on such other dates as payment thereof is required to be made hereunder, from Net Revenue and such other amounts as provided herein. Any interest that is deemed paid under Section 6(a) or increases the Bond Loan Balance due to lack of sufficient funding from Net Revenue as contemplated by Section 7(a)(i) shall not be deemed a required payment of interest under this Agreement or a breach of this Agreement. The Borrower agrees to pay the principal of the Bond Loan by paying the Bond Loan Balance in full on the Final Maturity Date and on such other dates as payment thereof is required to be made hereunder, from Net Revenue and such other amounts as provided herein.

(b) Payments to the Lender under this Agreement shall be made by wire transfer on or before each Interest Payment Date or Final Maturity Date, as the case may be, in immediately available funds in accordance with payment instructions provided by a Lender's Authorized Representative pursuant to Section 24, as modified in writing from time to time by a Lender's Authorized Representative.

SECTION 10. Prepayment.

(a) Optional Prepayment. The Borrower may optionally prepay the Bond Loan in whole or in part on any Bond Loan Prepayment Date on or after the Effective Date, without penalty or premium, by depositing in advance as instructed by the Lender such principal amount of the Bond Loan to be prepaid, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment so as to exhaust the deposit and providing written notice of such deposit to the Lender.

Each optional prepayment of the Bond Loan shall be deemed made on the related Bond Loan Prepayment Date, and the Lender shall notify the Borrower of the amount of the Bond Loan Balance that was reduced due to such prepayment.

(b) Mandatory Prepayment. The Borrower shall prepay the Bond Loan on the Bond Loan Prepayment Date next following each deposit into the Bond Loan Retirement Account, by paying a principal amount of the Bond Loan, together with the unpaid interest accrued on the amount of principal to be prepaid to the date of such prepayment so as to exhaust the deposit made to the Bond Loan Retirement Account. The Borrower shall provide the Lender written notice of each mandatory prepayment made pursuant to this Section 10(b) on the date of the corresponding deposit to the Bond Loan Retirement Account. Each mandatory prepayment of the Bond Loan shall be deemed made on the related Bond Loan Prepayment Date, and the Lender shall notify the Borrower of the amount of the Bond Loan Balance that was reduced due to such prepayment.

SECTION 11. Compliance with Laws. The Borrower covenants to require its contractors and subcontractors to abide by all applicable federal and State laws.

SECTION 12. Conditions Precedent. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not become effective until each of the following conditions precedent shall have been satisfied:

(a) The Borrower shall have duly executed and delivered to the Lender this Agreement and the Note, in each case in form and substance satisfactory to the Lender.

(b) Counsel to the Borrower shall have rendered to the Lender a legal opinion letter(s) in form and substance satisfactory to the Lender.

(c) The Borrower shall have delivered to the Lender a certificate designating the Borrower's Authorized Representative and such person's position and incumbency.

(d) The Borrower shall certify in writing that as of the Effective Date: (i) no Event of Default currently exists (or with the passage of time, will exist) of the Agreement; and

(ii) the representations and warranties of the Borrower set forth in the Agreement are true and correct in all material respects on such date, as if made on such date.

(e) The Borrower shall have delivered copies of the Operating Loan Agreement (C/CAG) and Operating Loan Agreement (Lender), certified to be true and correct copies by a Borrower officer.

(f) The Borrower shall also have delivered such other agreements, documents, instruments, opinions and other items required by the Lender, all in form and substance satisfactory to the Lender.

SECTION 13. Representations and Warranties of Borrower. The Borrower hereby represents and warrants as of the Effective Date as follows:

(a) The Borrower is a joint powers authority existing under the laws of the State, duly organized, validly existing and in good standing under the laws of the State, has full legal right, power and authority to enter into the Loan Documents and to carry out and consummate all transactions contemplated by hereby and thereby and has duly authorized the execution, delivery and performance of such Loan Documents.

(b) As of the Effective Date, the officers of the Borrower executing the Loan Documents currently in existence to which the Borrower is a party, are duly and properly in office and fully authorized to execute the same.

(c) Each of the Loan Documents has been duly authorized, executed and delivered by the Borrower and constitutes the legal, valid and binding agreement of the Borrower enforceable in accordance with its terms, except as such enforceability (A) may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and (B) is subject to general principles of equity (regardless of whether enforceability is considered in equity or at law), judicial discretion and limitations on remedies against transportation commissions in the State.

(d) The execution and delivery of the Loan Documents, the consummation of the transactions contemplated in the Loan Documents and the fulfillment of or compliance with the terms and conditions of the Loan Documents will not, in any material respect, conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) by the Borrower of any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the Borrower is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited Lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower.

(e) No consent or approval of any holder of any indebtedness of the Borrower or any other Person, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority required as of the date hereof is necessary in connection with the execution and delivery by the Borrower of the Loan Documents, the consummation of any transaction contemplated by the Loan Documents, or the fulfillment of or

compliance with the Borrower of the terms and conditions of the Loan Documents, except as have been obtained or made and as are in full force and effect.

(f) There is no action, suit, proceeding, inquiry or investigation before or by any court or other Governmental Authority, pending, or to the knowledge of the Borrower after reasonable inquiry and investigation, threatened against or affecting the Borrower or the assets, properties or operations of the Borrower that is likely to have a Material Adverse Effect. The Borrower is not in default (and no event has occurred and is continuing that with the giving of notice or the passage of time or both could constitute a default) with respect to any order or decree of any court or any order, regulation or demand of any other Governmental Authority, which default would be reasonably likely to have a Material Adverse Effect.

(g) The Lien is in full force and effect and is not subordinate or junior to any other Liens in respect of the Collateral, and the Borrower is not in breach of any covenants set forth in Section 15(b) of this Agreement with respect thereto. This Agreement creates a valid pledge in favor of the Lender of the Net Revenue and, as of the Effective Date, all necessary actions on the part of the Borrower and the Lender have been taken as required to pledge the Net Revenue in favor of the Lender. As of the Effective Date, the Borrower has not pledged or granted a lien, security interest or other encumbrance of any kind on the Net Revenue on a parity with the Note.

(h) The representations, warranties and certifications of the Borrower set forth in this Agreement are true and accurate.

(i) Upon execution and delivery of this Agreement, the Borrower is not in default in any material respect under the terms hereof or thereof and no event has occurred or condition exists that, with due notice or lapse of time or both, would constitute an Event of Default.

(j) The Borrower has adopted local debt policies described under California Government Code section 8855, subdivision (i), paragraph (1), subparagraphs (C), (D), and (E).

(k) As of the Effective Date, the Borrower has no knowledge that it has made any material investment, or entered into any agreement for the purpose of effecting any such investment, that is not permitted to be made pursuant to applicable law or this Agreement.

(l) No representation, warranty or other statement made by the Borrower with respect to the Net Revenue in or pursuant to this Agreement or any Loan Document or any other document or financial statement with respect to the Express Lanes Revenues provided by the Borrower to the Lender in connection with this Agreement or any other Loan Document, except as disclosed to the Lender in writing, contains any untrue statement of a material fact. All information, reports and other papers and data with respect to the Net Revenue furnished to the Lender were, at the time the same were so furnished, accurate in all material respects or were replaced with accurate information. Any financial statements and cash flows furnished to the Lender with respect to the Net Revenue were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of the delivery of such financial statements and cash flows. No fact is known to the Borrower that in the future may (so far as it can reasonably foresee) materially and adversely affect the

security for the Note, or the Borrower's ability to repay when due its obligations under this Agreement or the Note.

(m) The Borrower is not entitled to immunity from legal proceedings to enforce this Agreement or any other Loan Document (including, without limitation, immunity from service of process or immunity from jurisdiction of any court otherwise having jurisdiction) and is subject to claims and suits for damages in connection with its obligations under the Agreement pursuant to and in accordance with the laws of the State applicable to public entities such as the Borrower.

(n) To the best knowledge of the Borrower, there is no amendment, or proposed amendment certified for placement on a statewide ballot, to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any State law, or any legislation that has passed either house of the State legislature, the effect of which (a) would be materially adversely affect the ability of the Borrower to perform its obligations under this Agreement or any of the other Loan Documents or (b) would invalidate, eliminate or reduce the Express Lanes Revenues.

SECTION 14. Representations, Warranties, and Covenants of Lender. The Lender represents and warrants that:

(a) The Lender has all requisite power and authority to make the Bond Loan and to perform all transactions contemplated by the Loan Documents to which it is a party.

(b) The Loan Documents to which the Lender is a party have been duly authorized, executed and delivered by Lender, and are legally valid and binding agreements of the Lender, enforceable in accordance with their terms.

(c) The officers of the Lender executing each of the Loan Documents to which the Lender is a party is duly and properly in office and fully authorized to execute the same on behalf of the Lender.

SECTION 15. Borrower Covenants. The Borrower hereby covenants and agrees that:

(a) Permitted Indebtedness. Except for Permitted Debt, the Borrower shall not issue or incur indebtedness of any kind payable from the Collateral, unless upon such issuance or incurrence the obligations of the Borrower under the Bond Loan and the Operating Loan (Lender) are discharged in full.

(b) Securing the Lien. The Borrower shall at any and all times, so far as it may be authorized by law, adopt, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning, securing and confirming the Lien on the Collateral granted for the benefit of the Lender under this Agreement. The Borrower shall at all times, to the extent permitted by law, defend, preserve and protect the Lien granted pursuant to this Agreement to the Lender against all claims and demands of all Persons whomsoever.

(c) Copies of Documents. The Borrower shall furnish to the Lender a copy of any offering document and cash flow projections prepared in connection with the incurrence of any Permitted Debt, as well as copies of any continuing disclosure documents pertaining to obligations, prepared or filed in connection with the applicable rules of the U.S. Securities and Exchange Commission, in each case promptly following the preparation or filing thereof.

(d) Other Sources Permitted. Notwithstanding any provision to the contrary in this Agreement, the Borrower may, in accordance with applicable laws, construct, reconstruct, rehabilitate, improve, acquire, lease, operate, or maintain, or any combination of these, both tolled and non-tolled facilities, structures, onramps, connector roads, bridges, and roadways that are on, necessary for, or related to the construction or operation of the 101 Project and the Express Lanes using any funds legally available therefore, including, without limitation and as applicable, proceeds of federal, State and local grants, loans and matching funds. Notwithstanding any other provision of this Agreement, the United States of America, the State or any of their respective agencies, departments or political subdivisions may construct, reconstruct, rehabilitate, improve, acquire, lease, operate, maintain, or any combination of these, both tolled and non-tolled facilities, structures, onramps, connector roads, bridges, and roadways related to or competing with the Express Lanes or to pay for all or any part of the cost thereof. The Borrower has no power or authority to grant, permit, prohibit, prevent or interfere with any such actions.

(e) Reserved.

(f) Operations and Maintenance. Borrower shall operate and maintain the Express Lanes in a reasonable and prudent manner and shall maintain the Express Lanes in good repair, working order and condition and shall from time-to-time make or cause to be made all necessary and proper replacements, repairs, renewals and improvements so that the Express Lanes shall not be materially impaired. The Borrower shall at all times do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the rights, licenses, permits, franchises and authorizations material to the conduct of its business, and comply in all material respects with all applicable laws, rules, regulations, orders, decrees, judgments or administrative decisions, whether now in effect or hereafter enacted, of any Governmental Authority having jurisdiction over the Borrower or its assets or operations and all other federal, state and local laws, rules, regulations, orders, decrees, judgments and administrative decisions relating to the environment, the preservation or reclamation of natural resources, the management, release or threatened release of any hazardous material or to health and safety matters).

(g) Insurance. Following the commencement of toll collection on the Express Lanes, the Borrower shall at all times maintain, or cause to be maintained, insurance, which may include self-insurance, with respect to the Express Lanes, against accident to, loss of or damage to the Express Lanes, with responsible insurance and/or reinsurance companies authorized and qualified to do business in the State and to assume the risks thereof, with the Lender listed as an additional insured, as applicable.

(h) Notice. The Borrower shall, within five (5) Business Days after the Borrower learns of the occurrence of an Event of Default or any event that, given notice or the passage of time or both, would constitute an Event of Default, give the Lender written notice of such event.

(i) Remedied Action. Within thirty (30) calendar days after the Borrower learns of the occurrence of an Event of Default or any event that, given notice or the passage of time or both, would constitute an Event of Default, the Borrower's Authorized Representative shall provide a statement setting forth the actions the Borrower proposes to take with respect thereto.

(j) No Lien Extinguishment or Adverse Amendments. Borrower shall not, without the prior written consent of the Lender, extinguish the lien on the Collateral.

(k) Maintenance of Existence and Powers. To the fullest extent permitted by law, the Borrower shall maintain its legal existence. The Borrower covenants that it will at all times use its best efforts to maintain the powers, rights, functions, duties and obligations now reposed on it pursuant to all laws and will not at any time voluntarily do, suffer or permit any act or thing the effect of which would be to hinder, delay or imperil either the payment of the Obligations or the performance or observance of any of the covenants contained in this Agreement.

(l) Express Lanes Operator. The Borrower shall at all times use its best efforts to maintain an Express Lanes Operator. The Borrower shall provide timely written notice of any successor Express Lanes Operator to the Lender.

(m) Annual Operating Budget. The Borrower hereby covenants to provide to the Lender, on or prior to June 30 of each year, an annual operating budget for the Express Lanes for the coming Fiscal Year, specifying budgeted operating revenues, operation and maintenance expenses, renewals and replacements and other capital expenses and extraordinary expenses for such Fiscal Year.

(n) No Prohibited Sale or Assignment. The Borrower shall not sell or assign all or substantially all of its rights in and to the Express Lanes without the written consent of the Lender and shall not sell or assign its rights and obligations under this Agreement unless such sale or assignment is not expected to result in a Material Adverse Effect and is upon terms and conditions approved in writing by the Lender in its sole discretion.

(o) Material Obligations. The Borrower will pay its material obligations promptly and in accordance with their terms and pay and discharge promptly all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or in respect of its property, before the same shall become delinquent or in default, as well as all lawful and material claims for labor, materials and supplies or other claims that, if unpaid, might give rise to a Lien upon such properties or any part thereof, except Permitted Liens; provided, however, that such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy or claim so long as the validity or amount thereof shall be contested by the Borrower in good faith by appropriate proceedings and so long as the Borrower shall, to the extent required GAAP on a consistent basis, set aside on its books adequate reserves with respect thereto.

(p) Fiscal Year. The Borrower will not at any time adopt any Fiscal Year other than the Fiscal Year, except upon written notice to the Lender.

(q) No Prohibited Business. The Borrower will not at any time engage in any business or activity other than as is authorized or not prohibited by the laws of the State.

(r) No Swaps. The Borrower shall not enter into any interest rate swap agreements that are to be paid from Revenue without the prior written consent of the Lender.

(s) Reserved.

(t) Compliance With Law. The Borrower shall comply with all laws, rules and regulations (including all Environmental Laws), and with all final orders, writs, judgments, injunctions, decrees or awards to which it may be subject; provided, however, that the Borrower may contest the validity or application thereof and appeal or otherwise seek relief therefrom, and exercise any and all of the rights and remedies which it may have with regard thereto, so long as such acts do not affect the Borrower's power and authority to execute and deliver this Agreement or any other Loan Documents to which it is a party, to perform its obligations and to pay all amounts payable by it hereunder, under the Note and under the other Loan Documents.

(u) Accounting Method. The Borrower shall not materially change its method of accounting relating to Revenue, or the times of commencement or termination of Fiscal Years or other accounting periods relating to Revenue without first disclosing in writing such change to the Lender.

(v) Tax Covenants. The Borrower shall comply with all of its obligations under the Tax Certificate.

(w) Reporting Requirements. The Borrower shall provide the Lender:

(1) Within nine (9) months after the Borrower's Fiscal Year (1) a copy of the Borrower's audited financial statements, (2) an update of the Revenue and Net Revenue for the immediately prior Fiscal Year, and (3) an updated forecast of Revenue and Net Revenue for next succeeding Fiscal Year.

(2) Within fifteen (15) days after each calendar quarter, the unaudited operating results for the Express Lanes for the immediately preceding calendar quarter.

(3) The Borrower shall submit (A) no later than fifteen (15) calendar days prior to the commencement of each biennial period for which an Operating Budget will be adopted, an operating plan and a proposed budget and (B) as soon as possible, the adopted Operating Budget and any amendments thereto.

(4) Such additional information as the Lender may from time to time reasonably request.

SECTION 16. Indemnification. To the extent authorized by law, the Borrower shall indemnify the Lender and any official, employee, agent or representative of the Lender (each such Person being herein referred to as an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities, fines, penalties, costs and expenses (including, without limitation, the fees, charges and disbursements of any counsel for any Indemnitee and the costs of environmental remediation), whether known, unknown, contingent or otherwise, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution, delivery and performance of this Agreement or any of the Loan

Documents, (ii) the Bond Loan or the use of the proceeds thereof, or (iii) the violation of any law, rule, regulation, order, decree, judgment or administrative decision relating to the environment, the preservation or reclamation of natural resources, the management, release or threatened release of any hazardous material or to health and safety matters; in each case arising out of or in direct relation to the 101 Project or any other project funded with Lender Bond proceeds or Express Lanes Revenues; provided that such indemnity shall not, as to any Indemnatee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnatee. In case any action or proceeding is brought against an Indemnatee by reason of any claim with respect to which such Indemnatee is entitled to indemnification hereunder, the Borrower upon notice from such Indemnatee shall defend the same and such Indemnatee shall cooperate with the Borrower at the expense of the Borrower in connection therewith. Nothing herein shall be construed as a waiver of any legal immunity that may be available to any Indemnatee. All amounts due to any Indemnatee under this Section shall be payable promptly upon demand therefor. The obligations of the Borrower under this Section shall survive the payment or prepayment in full or transfer of the Bond Loan, the enforcement of any provision of the Loan Documents, any amendments, waivers (other than amendments or waivers in writing with respect to this Section) or consents in respect hereof or thereof, any Event of Default, and any workout, restructuring or similar arrangement of the obligations of the Borrower hereunder.

SECTION 17. Events of Default and Remedies.

(a) An Event of Default shall exist under this Agreement if:

(i) Payment Default. The Borrower shall fail to pay when due (A) upon mandatory prepayment (from available funds contemplated hereby) or at maturity, any principal of the Bond Loan; (B) any required payment of interest on the Bond Loan (subject to Section 9(a)); (C) any required payment of the Enhancement Cost Component (subject to Section 6(b)); (D) any required payment of the Lender Bonds Cost Component (subject to Section 6(c)); (E) principal of or interest on either Operating Loan when due thereunder and subject to the terms thereof (each such failure a "Payment Default");

(ii) Covenant Default. The Borrower shall fail to observe or perform any covenant, agreement or obligation of the Borrower under this Agreement (other than a Payment Default), and such failure shall not be cured sixty (60) days after receipt by the Borrower from the Lender of written notice thereof; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such 60-day period, then no Event of Default shall be deemed to have occurred or be continuing under this clause (ii) if and so long as within such 60-day period the Borrower shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions; provided, however, that no such extension shall be for a period in excess of 90 days;

(iii) Bankruptcy. The Borrower files a petition in voluntary bankruptcy for the composition of its affairs or for its reorganization under any State or federal bankruptcy or insolvency law, or makes an assignment for the benefit of creditors, or admits in writing to its

insolvency or inability to pay debts as they mature, or consents in writing to the appointment of a trustee or receiver for itself;

(iv) Insolvency. If a court of competent jurisdiction shall enter an order, judgment or decree declaring the Borrower insolvent, or adjudging it bankrupt, or appointing a trustee or receiver of the Borrower, or approving a petition filed against the Borrower seeking reorganization of the Borrower under any applicable law or statute of the United States of America or any state thereof, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of the entry thereof;

(v) Involuntary Control. If, under the provisions of any law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Borrower or of the Revenue, and such custody or control shall not be terminated within sixty (60) days from the date of assumption of such custody or control;

(vi) Judgments. One or more final, unappealable judgment(s) against the Borrower for the payment of money, which judgment(s) is payable from or enforceable pursuant to a lien upon, or an attachment against, any or all of the Revenue, the operation or result of which judgment(s), individually or in the aggregate, equal or exceed \$1,000,000 and which judgment(s) shall remain unpaid, undischarged, unbonded or undismissed for a period of sixty (60) days;

(vii) (A) The Borrower, pursuant to official action on the part of its governing body, contests in an administrative or judicial proceeding, repudiates or otherwise denies (including, without limitation, authorizing the filing of a claim to such effect in an administrative or judicial proceeding) that it has any further liability or obligation under or with respect to any provision of this Agreement or the Note relating to (1) the ability or the obligation of the Borrower to pay, when due, the principal of or interest on the Note or (2) the Revenue securing the Note; or (B) the Borrower, pursuant to official action on the part of its governing body, contests in an administrative or judicial proceeding, repudiates or otherwise denies (including, without limitation, authorizing the filing of a claim to such effect in an administrative or judicial proceeding) the legality, validity or enforceability of any provision of this Agreement, the Note relating to (1) the ability or the obligation of the Borrower to pay, when due, the principal of or interest on the Note or (2) the Revenue securing the Note; or (C) any provision of this Agreement, or the Note relating to (1) the ability or the obligation of the Borrower to pay, when due, the principal of or interest due hereunder or (2) the Revenue securing the Note shall, at any time, and for any reason, cease to be valid and binding on the Borrower, or shall be declared to be null and void, invalid or unenforceable, in each case, as the result of a final nonappealable judgment by any federal or state court or as a result of any legislative or administrative action by any Governmental Authority having jurisdiction over the Borrower; or (D) a debt moratorium or comparable extraordinary restriction by any Governmental Authority having jurisdiction over the Borrower on repayment of principal or interest on any debt shall have been declared or imposed (whether or not in writing) with respect to the Note;

(b) Subject to subsection (c) of this Section, whenever any Event of Default hereunder shall have occurred and be continuing, the Lender shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid hereunder, and may prosecute any such judgment or final decree against the Borrower

including confession of judgment by the Borrower against the Borrower and collect in the manner provided by law the moneys adjudged or decreed to be payable from the Collateral, and the Lender may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts payable by Borrower under this Agreement then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under this Agreement or the other Loan Documents. No action taken pursuant to this Section shall relieve Borrower from its obligations pursuant to this Agreement or the other Loan Documents, all of which shall survive any such action.

If an Event of Default shall occur and be continuing under this Agreement, the Bond Loan Interest Rate shall be the Default Rate. Upon the occurrence of any Event of Default, the Lender may declare all amounts payable to it under the Loan Documents to be immediately due and payable, and the Lender shall have all remedies provided at law or equity, including, without limitation, specific performance, and the Collateral shall be applied as follows and in the following order:

(1) first, to the payment of all fees, costs and other expenses, (including the reasonable fees, costs and expenses of counsel and actual fees, costs and expenses due and payable by the Borrower), and then to the pro rata payment of all costs and other expenses (including the reasonable fees, costs and expenses of counsel) owed to the Lender under this Agreement, to the Lender under the Operating Loan Agreement (Lender), and to C/CAG under the Operating Loan Agreement (C/CAG) (in each case to the extent not previously satisfied);

(2) second, to the payment of Operation and Maintenance Expenses;

(3) third, to the payment pro rata of (1) all accrued and unpaid interest and principal under the Operating Loan Agreement (C/CAG), in the order of the accrual thereof, and (2) all accrued and unpaid interest and principal under the Operating Loan Agreement (Lender), in the order of the accrual thereof; and

(4) fourth, to payment of all accrued and unpaid interest and principal under the Loan Documents, in the order of the accrual thereof.

(c) Amounts in the Operating Reserve Fund, the Revenue Stabilization Reserve Fund, the Repair and Rehabilitation Reserve Fund and the Equipment Replacement Reserve Fund shall remain available to the Borrower for the respective uses permitted under Section 8 and shall not be available to the Lender unless toll collection on the Express Lanes ceases with no reasonably foreseeable resumption of normal toll collection.

SECTION 18. Remedies Not Exclusive. No remedy conferred herein or reserved to the Lender is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 19. Delay or Omission Not Waiver. No delay or omission of the Lender to exercise any right or remedy provided hereunder upon a default of the Borrower (except a delay or omission pursuant to a written waiver) shall impair any such right or remedy or constitute a waiver of any such default or acquiescence therein. Every right and remedy given by this

Agreement or by law to the Lender may be exercised from time-to-time, and as often as may be deemed expedient by the Lender.

SECTION 20. Defeasance. The Borrower may cause the defeasance of the Bond Loan at any time; provided, there is delivered to the Lender (i) an escrow deposit agreement or instructions in connection with the deposit of sufficient Defeasance Obligations for such defeasance and (ii) an opinion of nationally recognized bond counsel to the effect that the Bond Loan will no longer be Outstanding under the terms of this Agreement.

SECTION 21. No Personal Recourse. No official, employee or agent of the Lender or the Borrower or any Person executing this Agreement or any of the other Loan Documents shall be personally liable on this Agreement or such other Loan Documents by reason of the issuance, delivery or execution hereof or thereof, provided that nothing in this Section shall be construed to relieve the Borrower from any liability it may incur under this Agreement or any of the other Loan Document.

SECTION 22. No Third Party Rights. The parties hereby agree that this Agreement creates no third party rights against the Lender, solely by virtue of the Bond Loan, and that no third party creditor or creditors of the Borrower shall have any right against the Lender with respect to the Bond Loan made pursuant to this Agreement.

SECTION 23. Borrower's Authorized Representative. The Borrower shall at all times have appointed a Borrower's Authorized Representative by designating such Person or Persons from time-to-time to act on the Borrower's behalf pursuant to a written certificate furnished to the Lender.

SECTION 24. Lender's Authorized Representative. The Lender shall at all times have appointed a Lender's Authorized Representative by designating such Person or Persons from time-to-time to act on the Lender's behalf pursuant to a written certificate furnished to the Borrower, containing the specimen signature or signatures of such Person or Persons and signed by the Lender.

SECTION 25. Servicer. The Lender may from time-to-time designate an entity or entities to perform, or assist the Lender in performing, specified duties of the Lender under this Agreement. The Lender shall give the Borrower written notice of the appointment of any Servicer and shall enumerate the duties or any change in duties to be performed by any Servicer. Any references in this Agreement to the Lender shall be deemed to be a reference to the Servicer with respect to any duties which the Lender shall have delegated to such Servicer. The Lender may at any time assume the duties of any Servicer under this Agreement.

SECTION 26. Fees and Expenses.

(a) The Lender and Borrower acknowledge that certain expenses related to this Agreement shall be paid by requisitions from the 2020 Project Fund under the Bond Indenture.

(b) The Borrower agrees, whether or not the transactions hereby contemplated shall be consummated, to reimburse the Lender on demand from time-to-time on and after the date hereof for any and all fees, costs, charges and expenses incurred by it (including the reasonable fees, costs and expenses of counsel and other advisors) in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the other Loan

Documents and the transactions hereby and thereby contemplated, including without limitation, reasonable attorneys', engineers', and planning fees and professional costs, including all such fees, costs and expenses incurred as a result of or in connection with:

(i) the enforcement of or attempt to enforce any provision of this Agreement or any of the other Loan Documents;

(ii) any amendment or requested amendment of, or waiver or consent or requested waiver or consent under or with respect to, this Agreement or any of the other Loan Documents, or advice in connection with the administration of this Agreement or any of the other Loan Documents or the rights of the Lender thereunder; and

(iii) any work-out, restructuring or similar arrangement of the obligations of the Borrower under this Agreement or the other Loan Documents during the pendency of one or more Events of Default.

(c) The obligations of the Borrower under this Section shall survive the payment or prepayment in full or transfer of the Bond Loan, the enforcement of any provision of this Agreement or the other Loan Documents, any such amendments, waivers or consents, any Event of Default, and any such workout, restructuring or similar arrangement.

SECTION 27. Amendments and Waivers. No amendment, modification, termination or waiver of any provision of this Agreement shall in any event be effective without the written consent of each of the parties hereto.

SECTION 28. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 29. Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

SECTION 30. Successors and Assigns; Third-Party Beneficiary. This Agreement shall be binding upon the parties hereto and their respective permitted successors and assigns and shall inure to the benefit of the parties hereto and their permitted successors and assigns, except that C/CAG shall be a third party beneficiary of Section 8 and Section 17(b) hereof. Neither the Borrower's rights or obligations hereunder nor any interest therein may be assigned or delegated by the Borrower without the prior written consent of the Lender.

SECTION 31. Lender Pledges and Assignments. The Lender may at any time pledge or grant a security interest in all or any portion of its rights or interests hereunder and under the, this Agreement and/or the Loan Documents to secure obligations of the Lender or an Affiliate of the Lender; provided that no such pledge or assignment shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for the Lender as a party hereto.

SECTION 32. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts

and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document.

SECTION 33. Notices; Payment Instructions. Notices hereunder shall be effective upon receipt and shall be given by certified mail, return receipt requested, or by other delivery service providing evidence of receipt to:

If to the Lender: San Mateo County Transportation Authority
1250 San Carlos Avenue
San Carlos, California 94070-1306
Attention: Derek Hansel
Telephone: (650) 508-6466
E-mail: hanseld@samtrans.com

For Payment –

Currency: USD
Receiving Bank: JP Morgan Chase Bank
ABA #: 322271627
Acct. Name: San Mateo County Transportation Authority
Acct. #: 522885935
Beneficiary Info: SMCTA
Attention: Treasury

If to the Borrower: San Mateo County Express Lanes Joint Powers Authority
County Office Building
555 County Center
Fifth Floor
Redwood City, California 94063
Attention: Sean Charpentier or April Chan
Telephone: (650) 599-1462 (Sean Charpentier) or (650) 508-6228
(April Chan)
E-mail: scharpentier@smcgov.org or chana@samtrans.com

Notices required to be provided herein shall be provided to such different addresses or to such further parties as may be designated from time-to-time by a Borrower's Authorized Representative with respect to notices to the Borrower or by a Lender's Authorized Representative with respect to notices to the Lender or the Servicer. The Borrower shall make any payments hereunder in accordance with the payment instructions hereafter provided by a Lender's Authorized Representative, as modified from time-to-time by a Lender's Authorized Representative.

SECTION 34. Effectiveness. This Agreement shall be effective on the Effective Date.

SECTION 35. Termination. This Agreement shall terminate upon payment in full by the Borrower of the Bond Loan, except such provisions that expressly provide for survival of termination.

SECTION 36. Survival of Representations and Warranties. All representations and warranties made hereunder and in any other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Lender, regardless of any investigation made by the Lender or on its behalf and notwithstanding that the Lender may have had notice or knowledge of any Event of Default at the time of entering into this Agreement, and shall continue in full force and effect as long as any obligation hereunder shall remain unpaid or unsatisfied.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

By: Don Horsley
Name: Don Horsley
Title: Chair

Approved as to form:

By: _____
Name: Timothy Fox
Attorney for San Mateo County
Express Lanes Joint Powers Authority

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

By: _____
Name: Jim Hartnett
Title: Executive Director

Approved as to form:

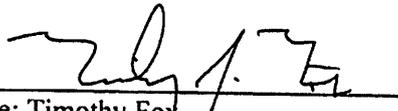
By: _____
Name: Shayna M. van Hoften
Attorney for San Mateo County
Transportation Authority

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SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

By: _____
Name: Don Horsley
Title: Chair

Approved as to form:

By: 
Name: Timothy Fox
Attorney for San Mateo County
Express Lanes Joint Powers Authority

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

By: _____
Name: Jim Hartnett
Title: Executive Director

Approved as to form:

By: _____
Name: Shayna M. van Hoften
Attorney for San Mateo County
Transportation Authority

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Name: Don Horsley
Title: Chair

Approved as to form:

By: _____
Name: Timothy Fox
Attorney for San Mateo County
Express Lanes Joint Powers Authority

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

By:  _____
Name: Jim Hartnett
Title: Executive Director

Approved as to form:

By: _____
Name: Shayna M. van Hoften
Attorney for San Mateo County
Transportation Authority

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By: _____
Name: Don Horsley
Title: Chair

Approved as to form:

By: _____
Name: Timothy Fox
Attorney for San Mateo County
Express Lanes Joint Powers Authority

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

By: _____
Name: Jim Hartnett
Title: Executive Director

Approved as to form:

By:  _____
Name: Shayna M. van Hoften
Attorney for San Mateo County
Transportation Authority

EXHIBIT A
FORM OF NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATE OR JURISDICTION.

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY
NONREVOLVING NOTE

DATED DATE: September 10, 2020

For value received, the SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY (with its successors, the “*Borrower*”) hereby promises to pay to the order of San Mateo County Transportation Authority, and its successors and assigns, as their respective interests may appear (the “*Lender*”) located at 1250 San Carlos Avenue, San Carlos, California 94070-1306, the aggregate unpaid principal amount of the Bond Loan made by the Lender pursuant to the Loan Agreement, dated as of September 1, 2020 (together with any amendments or supplements thereto, the “*Agreement*”), by and between the Borrower and the Lender, plus interest thereon, on the dates, in the amounts and in the manner provided for in the Agreement.

The unpaid principal amount of the Bond Loan from time to time outstanding shall bear interest at the rate or rates and be payable as provided in and calculated in the manner set forth in the Agreement.

Payments of both principal and interest are to be made in lawful money of the United States of America.

This Note evidences indebtedness and is subject to the terms and provisions of, the Agreement to which reference is hereby made for a statement of said terms and provisions, including those under which this Note may be paid or become due prior to its due date. This Note is the Note referred to in the Agreement and is entitled to the benefits thereof and of the Loan Documents referred to therein. This Note is subject to prepayment, in whole or in part, in accordance with the terms of the Agreement. Reference is hereby made to the Agreement for a description of the terms on which this Note is issued, all of which are hereby incorporated herein and constitute a contract between the Borrower and the holder of this Note, and by acceptance hereof the holder of this Note assents to said terms and conditions.

This Note is secured by the Collateral as set forth in the Agreement. No other revenues or property of the Borrower, except as specified in the Agreement, is pledged as security or available to pay principal of or interest on this Note.

Neither the full faith and credit nor the taxing power of the State of California or any political subdivision thereof is pledged to the payment of principal of, or the interest on, this Note.

This Note is made under the laws of the State of California, and for all purposes shall be governed by and construed in accordance with the laws of said State, without regard to principles of conflicts of law. Capitalized terms not otherwise defined herein have the meaning set forth in this Agreement.

It is hereby certified that all conditions, acts and things required to exist, happen and be performed under the Agreement precedent to and in the issuance of this Note, exist, have happened and have been performed.

The Borrower hereby waives presentment for payment, demand, protest, notice of protest, notice of dishonor and all other notices and demands whatsoever.

IN WITNESS WHEREOF, the SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY has caused this Note to be signed by its duly authorized officer as of the Dated Date specified above.

**SAN MATEO COUNTY EXPRESS LANES JOINT
POWERS AUTHORITY**

By: _____
Name: Don Horsley
Title: Chair

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Please insert Social Security or
Taxpayer Identification Number of Transferee

/_____/

(Please print or typewrite name and address, including zip code, of Transferee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to register the transfer of the within Note on the books kept for registration thereof, with
full power of substitution in the premises.

Dated:_____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed
by a member or participant of a signature
guarantee program

NOTICE: The signature above must
correspond with the name of the Owner as
it appears upon the front of this Note in
every particular, without alteration or
enlargement or change

EXHIBIT B

PRO FORMA BOND LOAN PRINCIPAL SCHEDULE

	<u>Principal Amount</u>
Effective Date through April 30, 2024	\$ 0
May 1, 2024 and thereafter	5,000,000

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 10, 2021

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Review and approval of Resolution SMCEL 21-13 approving the proposal from Carahsoft for Granicus Video Conversion Services beginning September 2021 through June 2024 for a Total Not to Exceed Amount of \$61,913.42 and authorizing the SMCEL-JPA Executive Council to execute the necessary Purchase Orders.

(For further information please contact Van Dominic Ocampo at vocampo@smcgov.org)

RECOMMENDATION

Review and approve Resolution SMCEL 21-13 approving the proposal from Carahsoft for Granicus Video Conversion Service beginning September 2021 through June 2024 for a Total Not to Exceed Amount of \$61,913.42 and authorizing the SMCEL-JPA Executive Council to execute the necessary Purchase Orders.

FISCAL IMPACT

The approximately 3-year contract is for a Total Not to Exceed Amount of \$61,913.42. The fiscal impact for Year 1 of Granicus Video Conversion Services through Carahsoft is in an amount Not to Exceed \$20,024.12. This amount includes the one-time purchase and installation of hardware to upgrade/interface with the video equipment at the SamTrans auditorium. Succeeding years' Purchase Orders will be reviewed and executed by the Executive Council at the time of Fiscal Year's Budget adoption.

SOURCE OF FUNDS

Funds to cover the Purchase Order with Carahsoft for Year 1 are included in the adopted Fiscal Year 2021-2022 budget. The funds for the succeeding years shall be included in the corresponding Fiscal Year's budget.

BACKGROUND

The San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) is in need of video conversion services that will convert video recordings of SMCEL-JPA board meetings to live streams in order to enhance public outreach and communication. Granicus is one of the leading software in video conversion and its administrative support staff are considered "experts" in their field. Granicus is currently

used by various San Mateo County government agencies including, the County Board of Supervisors, the San Mateo County Transit District, the Peninsula Corridor Joint Powers Boards and the San Mateo County Transportation Authority (SMCTA).

SMCTA, the agency charged with the public information and communications functions for the SMCEL-JPA, recently solicited a proposal and executed a Purchase Order with Carahsoft (authorized supplier of Granicus) to supply the Granicus software for its own agency's need. Using the same procurement process, SMCTA staff solicited the attached proposal from Carahsoft for the SMCEL-JPA's use of the Granicus software as well as the purchase and installation of the necessary hardware to upgrade/interface with the existing video set-up at the SMCTA auditorium.

California Government Code Section 53060 allows for this type of procurement process, in light of the specially trained and experienced administrative support that the Granicus product line offers. In addition, Carahsoft is an Authorized Federal Supply Service Contractor with the General Services Administration.

Carahsoft's proposal to SMCEL-JPA is for a period of approximately three years (September 2021 through June 2024) for the Total Not to Exceed Amount of \$61,913.42. The attached proposal from Carahsoft (Attachment B) provides a breakdown of the description of services and the cost per year. Also attached is the Purchase Order (Attachment A) to cover Year 1 in the amount of \$20,024.12. Year 1 has been prorated in order to coincide with the current Fiscal Year. The cost for Year 1 includes the one-time purchase and installation of hardware to upgrade/interface with the current equipment set-up inside the SamTrans auditorium. Purchase Orders for the succeeding year's services will be executed by the Executive Council at the same time as the adoption of the corresponding Fiscal Year's budget.

ATTACHMENTS

1. Resolution SMCEL 21-13
2. Attachment A Purchase Order for Year 1
3. Attachment B - Proposal from Carahsoft

RESOLUTION SMCEL 21-13

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY (SMCEL-JPA) APPROVING THE PROPOSAL SUBMITTED BY CARAHSOFT FOR GRANICUS VIDEO CONVERSION SERVICES FOR A TOTAL NOT TO EXCEED AMOUNT OF \$61,913.42 COVERING THE PERIOD BEGINNING SEPTEMBER 2021 THROUGH JUNE 2024 AND AUTHORIZING THE EXECUTIVE COUNCIL TO EXECUTE THE NECESSARY PURCHASE ORDERS

RESOLVED, by the Board of Directors of San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) that,

WHEREAS, The San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) is in need of video conversion services that will convert video recordings of SMCEL-JPA board meetings to live streams in order to enhance public outreach and communication; and

WHEREAS, Granicus is one of the leading software in video conversion and its administrative support staff are considered “experts” in their field; and

WHEREAS, the San Mateo County Transportation Authority (SMCTA) is the agency charged with the public information and communications functions for the SMCEL-JPA, and recently solicited a proposal and executed a Purchase order with Carahsoft to supply the Granicus software for the SMCTA; and

WHEREAS, SMCTA staff also solicited a proposal from Carahsoft for the cost of providing Granicus Video Conversion Services to the SMCEL-JPA as well as the purchase and installation of hardware to upgrade/interface with the existing video set-up at the SMCTA auditorium; and

WHEREAS, California Government Code Section 53060 allows for this type of procurement process, in light of the specially trained and experienced administrative support that the Granicus product line offers; and

WHEREAS, Carahsoft is a distributor of Granicus Video Conversion Services; and

WHEREAS, SMCTA staff solicited proposal from Carahsoft and Carahsoft submitted a proposal to SMCEL-JPA for Granicus Video Conversion Services for the Total Not to Exceed Amount of \$61,913.42 covering the period of September 2021 through June 2024; and

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the SMCEL-JPA approve the proposal submitted by Carahsoft for Granicus Video Conversion Services for the Total Not to Exceed Amount of \$61,913.42 covering the period beginning September 2021 through June 2024 and authorizes the Executive Council to execute the necessary Purchase Orders.

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER, 2021.

Diane Papan, Chair

ATTACHMENT A

SAN MATEO COUNTY JOINT POWERS AUTHORITY

Purchase Order

San Mateo County Joint Powers Authority

555 County Center, 5th Floor
Redwood City, CA 94063
USA

Vendor's Contact Name: Peter Ko

Phone: 571 6623011

Email: Peter.Ko@carahsoft.com

Dispatch via Email		
Purchase Order SAMCELJPA-001	Contract # Not Specified	Payment Terms Net 30
Freight Terms Destination	PO Date 09/10/2021	Due Date 09/10/2021
Buyer Shirley Wong	E-mail Address wongsh@samtrans.com	Phone (650) 508-6200

Vendor: 000001
CARAHSOFT
TECHNOLOGY CORP
11493 SUNSET HILLS
ROAD, SUITE 100
RESTON VA 20190

Ship To: P.O. Box 3006
1250 San Carlos Ave.
San Carlos CA 94070-
1306
USA

Requestor: Wong, Shirley
Department: Assistant
District Secretary
Phone: 650 508 6200
E-mail Address:
wongsh@samtrans.com

Bill To:
accountspayable@samtrans.com

Line	Item ID	Description	Quantity	UOM	Unit Price	Extended Amount	
1		Granicus Video Conversion Services and hardware for SMCEL-JPA Board Video Conversion and Uploading Year 1 (September 2021 through June 2022) (See attached Proposal)	1.00	LOT	\$20,024.12	\$20,024.12	
						PO Amount Sub Total :	\$20,024.12
						PO Misc Amount Total :	0.00
						PO Sales Tax Total:	0.00
						Total Tax	0.00

Dated: 08/20/2020
Quote No.: 28016789
Quote Date: 04/07/2021
Contact Authorized Representative: Shirley Wong
Wong Phone: 650-508-6200
Email address: wongsh@samtrans.com

Invoices or billing inquiries must be submitted to San Mateo County Express Lanes Joint Powers Authority Accounts Payable at AccountsPayable@samtrans.com.
The Purchase Order Number should appear on all related correspondence, shipping papers, and invoices.

Vendor shall provide products or perform services in their entirety in accordance with the submitted quote or proposal

Total PO Amount 20,024.12

By submitting an invoice in connection with purchases under this purchase order, the vendor certifies that such invoice reflect the vendor's lowest applicable hourly billing rates, catalog pricing and/or other charges as applicable, equivalent or lower than that of pricing to their best commercial customer. All shipments, shipping papers, invoices and correspondence must be identified with the Purchase Order Number. Over shipments will not be accepted unless authorized by Buyer prior to shipment. Seller is advised to read and comply with all terms and conditions governing this purchase order attached herein as Exhibit 1.

Authorized Signature

Executive Council

PO ID: SMCELJPA - 001 Vendor : 000001

Terms and Conditions

1. **ACKNOWLEDGEMENT OF ORDER.** If this Purchase Order ("Order") is not returned within 7 working days of VENDOR'S receipt of it, AGENCY will deem the Order to have been accepted by VENDOR and a CONTRACT entered by both parties.
2. **OWNERSHIP OF WORK/RECORDS.** All materials to which VENDOR has access or prepares under this Order will be the property of AGENCY; must be held in confidence by VENDOR; may not be released without permission of AGENCY; and must be returned to AGENCY upon termination of Order. VENDOR will maintain all data and records relating to its performance of this Order for three years after AGENCY makes final payment under this Order and will permit AGENCY to inspect, audit and copy these records.
3. **INSPECTION AND ACCEPTANCE.** All items and work are subject to final inspection and acceptance by AGENCY, notwithstanding prior payment to obtain cash discount. VENDOR is to pay transportation/shipping charges to remove rejected materials or products.
4. **CHANGES.** AGENCY may suspend this Order or make changes in any terms and conditions governing this Order at any time. If any change causes a change in the price or in the time required for its performance, VENDOR will promptly submit its claim for adjustment in writing to AGENCY. All changes will be by confirmed written amendment issued by AGENCY. Nothing in this clause excuses VENDOR from proceeding immediately with this Order as changed.
5. **TERMINATION.** AGENCY reserves the right to terminate this Order at any time and for any reason upon written notice to the VENDOR. If VENDOR fails to cure default upon reasonable notice by AGENCY and the Order is terminated for default, AGENCY will have such additional remedies as may be available under California law. For services, AGENCY will only pay for those services performed satisfactorily up to the date of termination.
6. **WARRANTY.** VENDOR warrants that all items furnished will meet all requirements of the AGENCY'S Order and manufacturer's warranty, if any, and will be fit for the purposes intended, are free from defects in design, material, and workmanship. VENDOR agrees that by acceptance of this warranty and acceptance of the items provided by VENDOR the AGENCY does not waive any warranty either expressed or implied in Sections 2312-2317 of the Commercial Code of the State of California.
7. **DELIVERY.** If prices quoted on this Order include an additional charge for delivery from point of origin, VENDOR will invoice such delivery charge separately and such charge will not be subject to California State Sales/Use Tax. No C.O.D. shipments will be accepted. No additional charge for transportation, containers, packing, etc. will be allowed unless so specified in this Order. Unless otherwise provided in this Order, VENDOR must have title to and will bear the risk of any loss of damage to the goods ordered until they are delivered in conformity with this Order at the specified F.O.B. point. Upon such delivery, title will pass from VENDOR to AGENCY and VENDOR's responsibility for loss or damage will cease, except for loss or damage occurring prior to or upon delivery, or loss or damage resulting from VENDOR's negligence. Passing of title upon such delivery will not constitute acceptance of the goods and services by AGENCY.
8. **PAYMENT.** Payment will be made within 30 days of AGENCY'S acceptance of the invoice or the goods/services, whichever is later. All invoices and packing slips/bills must contain AGENCY'S Purchase Order (PO) number. To facilitate payment, each line of VENDOR's invoice must match each line of the PO. If invoice lines and PO lines do not match, AGENCY reserves the right to withhold payment until VENDOR resubmits a corrected invoice. For services, AGENCY must be invoiced monthly. For goods, each order and shipment must be invoiced separately.
9. **VENDOR'S STATUS.** VENDOR is an independent contractor. Neither VENDOR nor any party contracting with VENDOR or employed by VENDOR shall be deemed an agent or employee of AGENCY.
10. **ASSIGNMENTS AND SUBCONTRACTING.** Neither this Order nor any interest nor claim hereunder may be assigned or subcontracted by VENDOR either voluntarily or by operation of law, without the prior consent of AGENCY. Consent will not be deemed to relieve VENDOR of its obligations to comply fully with the requirements thereof.
11. **INDEMNIFICATION.** VENDOR will indemnify, defend and keep harmless AGENCY and its directors, officers, employees and agents against all suits, proceedings or claims that may be based on (1) any injury to or death of any person or any damage to property; or (2) an infringement of any patent of the United States; that may occur or be alleged to have occurred, arising from the performance of this Order by the VENDOR, whether or not it shall be claimed that the claim or injury was caused through a negligent act or omission of the VENDOR or its employees or agents. VENDOR will, at its own expense, pay all charges of attorneys and all costs and other expenses arising or incurred in connection with such suits, claims or losses. If any judgment is rendered against AGENCY in connection with any such suit, claim or loss, VENDOR will at its own expense satisfy and discharge it.
12. **INSURANCE.** VENDOR must maintain worker's compensation insurance in accordance with state requirements. VENDOR must also maintain commercial general liability insurance, including automobile liability insurance, in the amount of at least \$1,000,000 per claim for Orders from the District and \$2,000,000 for Orders from the JPB and TA. AGENCY reserves the right to require submittal of a certificate of insurance naming the AGENCY as additional insured. In addition, VENDOR must maintain professional liability insurance if applicable for \$1,000,000 per occurrence at a minimum. In the event a claim is made, the AGENCY reserves the right to request certified duplicate copies of all insurance policies required under this Section. Policy(ies) must be issued by an insurance company authorized to do business in the State of California with a minimum "Best's" rating of A-10, or better, or as otherwise approved by AGENCY. Policy(ies) must be kept in full force and effect during the performance of any work to be performed.
13. **ENVIRONMENTAL COMPLIANCE.** VENDOR will bear full and exclusive responsibility for any release of hazardous or nonhazardous substances, transportation or disposal of hazardous substances during the course of performance of this Order. The VENDOR will be solely responsible for all claims and expenses associated with the transport or disposal of hazardous substances or with the removal or remediation of any release, including without limitation, payment of any fines or penalties levied against AGENCY by any governmental authority as a result of such release. VENDOR will hold harmless, indemnify, protect and defend AGENCY from any claims, suits or actions arising from any disposal or release. VENDOR must immediately notify the AGENCY of any accidental incident related to the handling, transportation or disposal of hazardous or non-hazardous substances. The AGENCY reserves the right to gain access to and inspect vendor vehicles and/or facilities that handle, transport, or dispose of hazardous or non-hazardous substances.
14. **DISADVANTAGED BUSINESS ENTERPRISES/NONDISCRIMINATION.** VENDOR will cooperate with AGENCY in meeting its commitments and goals with regard to the maximum utilization of Disadvantaged Business Enterprises ("DBEs") and VENDOR will use its best efforts to insure that DBEs have an equitable opportunity to compete for subcontract work, if any, under this Order. VENDOR must not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin or disability. Such actions include, but are not limited to the following: employment, upgrading, demotion or transfer, recruitment advertising, layoff or termination, rates or pay or any other forms of compensation and selection for training, including apprenticeship. Furthermore, in providing services under this Order, VENDOR must not discriminate against any person on the basis of race, religion, color, sex, national origin or disability.
15. **GOVERNING LAW.** VENDOR'S acceptance of this Order certifies that it will comply with all applicable federal, state and local laws, rules, ordinances and regulations, including all applicable environmental statutes, regulations and guidelines. This Order and work performed under it will be governed by these terms and conditions and by California laws.
16. **TAXES.** AGENCY is exempt from Federal Taxes or Federal Transportation Taxes.
17. **PRECEDENCE OF DOCUMENTS.** In the event of conflict between these Terms and Conditions and the terms contained in any other agreements relating to this Order, these Terms and Conditions will govern.
18. **TIME OF ESSENCE/BINDING ON SUCCESSORS.** Time is of the essence of each and all provisions of this Order.
19. **NO WAIVER.** Failure of AGENCY to insist upon strict performance of any of the terms and conditions hereof, or failure or delay to exercise any rights or remedies or to properly notify VENDOR in the event of breach, or the acceptance of or payment for any goods hereunder, will not release VENDOR of any of the warranties or obligations of this Order and will not be deemed a waiver of any right of AGENCY to insist upon strict performance hereof.
20. **COMPLIANCE WITH LAWS.** VENDOR's acceptance of this Order certifies that goods and services sold and furnished to AGENCY by VENDOR are produced and sold in conformity with all applicable federal, state and local laws, rules, ordinances and regulations.

AGENCY is defined as: San Mateo County Express Lanes Joint Powers Authority

Revised 09-2019
15768428.1

GOVERNMENT- PRICE QUOTATION



Granicus at Carahsoft



11493 SUNSET HILLS ROAD | SUITE 100 | RESTON, VIRGINIA 20190
 PHONE (703) 871-8500 | FAX (703) 871-8505 | TOLL FREE (888) 66CARAH
 WWW.CARAHSOFT.COM | SALES@CARAHSOFT.COM

TO: Shirley Wong
 San Mateo County Transit District
 1250 San Carlos Avenue
 San Carlos, CA 94070 USA

FROM: Peter Ko
 Granicus Government at Carahsoft
 11493 Sunset Hills Road
 Suite 100
 Reston, Virginia 20190

EMAIL: wongsh@samtrans.com

EMAIL: Peter.Ko@carahsoft.com

PHONE: (650) 508-6200

PHONE: (571) 662-3011

FAX: (703) 871-8505

TERMS: GSA Schedule No: GS-35F-0119Y
 Term: December 20, 2011 - December 19, 2021
 FTIN: 52-2189693
 Shipping Point: FOB Destination
 Credit Cards: VISA/MasterCard/AMEX
 Remit To: Same as Above
 Payment Terms: Net 30 (On Approved Credit)
 Cage Code: 1P3C5
 DUNS No: 088365767
 Business Size: Other than Small
 Sales Tax May Apply

QUOTE NO: 28016789
QUOTE DATE: 04/07/2021
QUOTE EXPIRES: 09/30/2021
RFQ NO:
SHIPPING: GROUND
TOTAL PRICE: \$20,024.12

TOTAL QUOTE: \$20,024.12

SUGGESTED OPTIONS

11493 SUNSET HILLS ROAD | SUITE 100 | RESTON, VIRGINIA 20190
 PHONE (703) 871-8500 | FAX (703) 871-8505 | TOLL FREE (888) 66CARAH
 WWW.CARAHSOFT.COM | SALES@CARAHSOFT.COM

LINE NO.	PART NO.	DESCRIPTION	-	QUOTE PRICE	QTY	EXTENDED PRICE
LINE NO.	PART NO.	DESCRIPTION	-	QUOTE PRICE	QTY	EXTENDED PRICE
YEAR 2						
7	607-SDI-GR-246SP	SDI 720p Streaming Upgrade Package Annual Subscription Granicus - SDI-GR-246SP		\$2,675.00 GSA	1	\$2,675.00
8	607-GTS-GR-246AP	Government Transparency Accelerator Package Annual Subscription Granicus - GTS-GR-246AP		\$12,880.13 GSA	1	\$12,880.13
9	607-GEA-GR-246EAS	Encoding Appliance Software Annual Subscription Granicus - GEA-GR-246EAS		\$1,337.50 GSA	1	\$1,337.50
10	607-WEB-GA-248-120	eComment Annual Subscription. Requires Setup and Configuration and Online Training SKUs Granicus - WEB-GA-248		\$3,343.75 GSA	1	\$3,343.75
YEAR 2 SUBTOTAL:						\$20,236.38
YEAR 3						
11	607-SDI-GR-246SP	SDI 720p Streaming Upgrade Package Annual Subscription Granicus - SDI-GR-246SP		\$2,862.25 GSA	1	\$2,862.25
12	607-GTS-GR-246AP	Government Transparency Accelerator Package Annual Subscription Granicus - GTS-GR-246AP		\$13,781.73 GSA	1	\$13,781.73
13	607-GEA-GR-246EAS	Encoding Appliance Software Annual Subscription Granicus - GEA-GR-246EAS		\$1,431.13 GSA	1	\$1,431.13
14	607-WEB-GA-248-120	eComment Annual Subscription. Requires Setup and Configuration and Online Training SKUs Granicus - WEB-GA-248		\$3,577.81 GSA	1	\$3,577.81
YEAR 3 SUBTOTAL:						\$21,652.92
SUGGESTED SUBTOTAL:						\$41,889.30

Payment Terms: Net 30 (Payments for subscriptions are due at the beginning of the period of performance.)

Period of Performance: The initial term of the Agreement will commence on 09-01-2021 and continue through 06-30-2022. Thereafter, the Agreement will continue for 2 periods of 12 months each.

Please add the Contracts # on the PO

GSA Schedule No: GS-35F-0119Y



408 Saint Peter Street, Suite 600
Saint Paul, MN 55102
United States

THIS IS NOT AN INVOICE

Order Form
Prepared for
San Mateo County Express Lane JPA

Reseller: Carahsoft
In Support of: San Mateo County Express Lane JPA

ORDER DETAILS

Prepared By: Drew Baker
Phone: +1 3234229710
Email: drew.baker@granicus.com
Order #: Q-138005
Prepared On: 08/27/2021
Expires On: 06/06/2021

ORDER TERMS

Currency: USD
Payment Terms: Net 30 (Payments for subscriptions are due at the beginning of the period of performance.)
Period of Performance: The initial term of the Agreement will commence on 09-01-2021 and continue through 06-30-2022. Thereafter, the Agreement will continue for 2 periods of 12 months each.

PRICING SUMMARY

The pricing and terms within this Proposal are specific to the products and volumes contained within this Proposal.

One-Time Fees			
Solution	Billing Frequency	Quantity/Unit	One-Time Fee
Granicus Encoding Appliance Hardware - Setup & Config	Upon Delivery	1 Each	\$0.00
Government Transparency - Setup & Configuration	Up Front	1 Each	\$0.00
Granicus Encoding Appliance Hardware - SDI (AMAX) (GT)	Upon Delivery	1 Each	\$3,352.24
Granicus Video - Online Training	Upon Delivery	6 Hours	\$0.00
Granicus Encoding Appliance Hardware - Setup & Config	Upon Delivery	1 Each	\$911.46
US Shipping Charge C - Large Item	Upon Delivery	1 Each	\$130.21
eComment - Online Training	Upon Delivery	1 Hours	\$0.00
eComment - Setup and Configuration	Up Front	1 Each	\$0.00
SUBTOTAL:			\$4,393.91

New Subscription Fees					
Solution	Period of Performance	Billing Frequency	Quantity/Unit	Annual Fee	Prorated Fee
Upgrade to SDI 720p Streaming	9/1/2021 to 6/30/2022	Annual	1 Each	\$2,500.00	\$2,083.33
Government Transparency Suite	9/1/2021 to 6/30/2022	Annual	1 Each	\$12,037.50	\$10,031.25
Open Platform Suite	9/1/2021 to 6/30/2022	Annual	1 Each	\$0.00	\$0.00
Granicus Encoding Appliance Software (GT)	9/1/2021 to 6/30/2022	Annual	1 Each	\$1,250.00	\$1,041.67
eComment	9/1/2021 to 6/30/2022	Annual	1 Each	\$3,125.00	\$2,604.17
SUBTOTAL:				\$18,912.50	\$15,760.42

FUTURE YEAR PRICING

Solution(s)	Period of Performance	
	Year 2	Year 3
Upgrade to SDI 720p Streaming	\$2,675.00	\$2,862.25
Government Transparency Suite	\$12,880.13	\$13,781.73
Open Platform Suite	\$0.00	\$0.00
Granicus Encoding Appliance Software (GT)	\$1,337.50	\$1,431.13
eComment	\$3,343.75	\$3,577.81
SUBTOTAL:	\$20,236.38	\$21,652.92

PRODUCT DESCRIPTIONS

Solution	Description
Upgrade to SDI 720p Streaming	Upgrade to SDI 720p Streaming (requires Digital encoder and HD feed)
Government Transparency Suite	Government Transparency are the live in-meeting functions. Streaming of an event, pushing of documents, and indexing of events.
Granicus Encoding Appliance Hardware - Setup & Config	Remote configuration and deployment of an encoding appliance.
Open Platform Suite	Open Platform is access to MediaManager, upload of archives, ability to post agendas/documents, and index of archives. These are able to be published and accessible through a searchable viewpage.
Government Transparency - Setup & Configuration	Setup and Configuration for Government Transparency Suite includes implementation of: <ul style="list-style-type: none"> • Up to one (1) View Page and Player template • Up to one (1) Live Manager configuration
Granicus Encoding Appliance Hardware - SDI (AMAX) (GT)	AMAX Encoder with Osprey SDI Card. Used to pass commands and data from LiveManager that include Start/Stop of webcast, indexing, and document display. Also serves to distribute video and captions to be distributed to the CDN or Performance Accelerator.
Granicus Video - Online Training	Granicus Video - Online Training
Granicus Encoding Appliance Software (GT)	Granicus Encoding Appliance Software (GT) This includes the LiveManager Software solution where webcasts are started/stopped, agendas amended and indexed, votes and attendance recorded, and minutes created.
Granicus Encoding Appliance Hardware - Setup & Config	Remote configuration and deployment of an encoding appliance.
US Shipping Charge C - Large Item	US shipping of a large item
eComment	eComment reduces staff time by providing the ability to effortlessly collect and manage citizen input on agenda items. Citizens are allowed to either/or submit comments in regards to items or sign up to speak before a scheduled meeting.
eComment - Online Training	Virtual training session with a Granicus professional services trainer.

TERMS & CONDITIONS

- The attached End User Licensing Agreement must be signed and returned with all necessary order documents.
- This quote is exclusive of applicable state, local, and federal taxes, which, if any, will be included in the invoice. It is the responsibility of San Mateo County Express Lane JPA to provide applicable exemption certificate(s).
- Any lapse in payment may result in suspension of service and will require the payment of a setup fee to reinstate the subscription.
- Notwithstanding anything to the contrary, Granicus reserves the right to adjust pricing at any renewal in which the volume has changed from the prior term without regard to the prior term's per-unit pricing.
- Granicus will provide a three (3) year warranty with respect to required hardware. Within the three (3) year warranty period, Granicus shall repair or replace any required hardware provided directly from Granicus that fails to function properly due to normal wear and tear, defective workmanship, or defective materials.

End User License Agreement

This End User License Agreement (“**Agreement**”) is made and entered into as of the latter date of the signatures below (the “Effective Date”) by and between San Mateo County Express Lane JPA (“**Client**”) and Granicus, LLC, a Minnesota Limited Liability Company d/b/a Granicus (“**Granicus**”). Client and Granicus may each be referred to herein as “Party” or collectively as “Parties”.

Whereas Client has entered into an agreement with a third party to purchase Granicus Products and Services (“**Reseller**”), by accessing the Granicus Products and Services, Client accepts this Agreement. Due to the rapidly changing nature of digital communications, this Agreement may be updated from time to time at Granicus’ sole discretion. Notification to Client will be via email or posting to the Granicus website.

- 1. Definitions.** In addition to terms defined elsewhere in this Agreement, the following terms shall have the meaning specified:

“**Granicus Products and Services**” means the products and services made available to Client pursuant to this Agreement, which may include Granicus products and services accessible for use by Client on a subscription basis (“Software-as-a-Service” or “SaaS”), Granicus professional services, content from any professional services or other required equipment components or other required hardware, as specified in each Order.

“**Order**” means a written order, proposal, or purchase document in which Granicus agrees to provide and Client agrees to purchase specific Granicus Products and Services via Reseller.

“**Order Term**” means the then-current duration of performance identified on each Order, for which Granicus has committed to provide, and Client has committed to pay for via Reseller, Granicus Products and Services.

- 2. Use of Granicus Products and Services and Proprietary Rights**

- 2.1. Granicus Products and Services.** The Granicus Products and Services are purchased by Client, via a Reseller, as subscriptions during an Order Term specified in each Order.

- 2.2. Permitted Use.** Subject to the terms and conditions of this Agreement, Granicus hereby grants during each Order Term, and Client hereby accepts, solely for its internal use, a worldwide, revocable, non-exclusive, non-transferrable right to use the Granicus Products and Services to the extent allowed in the relevant Order (collectively the “Permitted Use”). The Permitted Use shall also include the right, subject to the conditions and restrictions set forth herein, to use the Granicus Products and Services up to the levels limited in the applicable Order.

- 2.2.1. Data Sources.** Data uploaded into Granicus Products and Services must be brought in from Client sources (interactions with end users and opt-in contact lists). Client cannot upload purchased contact information into Granicus Products and Services without Granicus’ written permission and professional services support for list cleansing.

- 2.2.2. Passwords.** Passwords are not transferable to any third party. Client is responsible for keeping all passwords secure and all use of the Granicus Products and Services accessed through Client’s passwords.

- 2.2.3. Content.** Client can only use Granicus Products and Services to share content that is created by and owned by Client and/or content for related organizations provided that it is in support of other organizations but not as a primary communication vehicle for other organizations that do not have a Granicus subscription. Any content deemed inappropriate for a public audience or in

support of programs or topics that are unrelated to Client, can be removed or limited by Granicus.

2.2.3.1. Disclaimers. Any text, data, graphics, or any other material displayed or published on Client's website must be free from violation of or infringement of copyright, trademark, service mark, patent, trade secret, statutory, common law or proprietary or intellectual property rights of others. Granicus is not responsible for content migrated by Client or any third party.

2.2.4. Advertising. Granicus Products and Services shall not be used to promote products or services available for sale through Client or any third party unless approved in writing, in advance, by Granicus. Granicus reserves the right to request and review the details of any agreement between Client and a third party that compensates Client for the right to have information included in Content distributed or made available through Granicus Products and Services prior to approving the presence of Advertising within Granicus Products and Services.

2.2.5. Granicus Subscriber Information for Communications Cloud Suite only

2.2.5.1. Data Provided by Client. Data provided by Client and contact information gathered through Client's own web properties or activities will remain the property of Client ("Direct Subscriber"), including any and all personally identifiable information (PII). Granicus will not release the data without the express written permission of Client, unless required by law.

2.2.5.2. Granicus shall not disclose the client's data except to any third parties as necessary to operate the Granicus Products and Services (provided that the client hereby grants to Granicus a perpetual, noncancelable, worldwide, non-exclusive license to utilize any data, on an anonymous or aggregate basis only, that arises from the use of the Granicus Products and Services by the client, whether disclosed on, subsequent to, or prior to the Effective Date, to improve the functionality of the Granicus Products and Services and any other legitimate business purpose including the right to sublicense such data to third parties, subject to all legal restrictions regarding the use and disclosure of such information).

2.2.5.3. Data Obtained through the Granicus Advanced Network

2.2.5.3.1. Granicus offers a SaaS product, known as the Communications Cloud, that offers Direct Subscribers recommendations to subscribe to other Granicus Client's digital communication (the "Advanced Network"). When a Direct Subscriber signs up through one of the recommendations of the Advanced Network, that subscriber is a "Network Subscriber" to the agency it subscribed to through the Advanced Network.

2.2.5.3.2. Access to the Advanced Network is a benefit of the GovDelivery Communications Cloud subscription with Granicus. Network Subscribers are available for use only on the GovDelivery Communications Cloud while Client is under an active GovDelivery Communications Cloud subscription. Network Subscribers will not transfer to Client upon termination of any Granicus Order, SOW or Exhibit. Client shall not use or transfer any of the Network Subscribers after termination of its Order, SOW or Exhibit placed under this Agreement. All information related to Network Subscribers must be destroyed by Client within 15 calendar days of the Order, SOW or Exhibit placed under this Agreement terminating.

2.2.5.3.3. Opt-In. During the last 10 calendar days of Client's Order Term for the terminating Order, SOW or Exhibit placed under this Agreement, Client may send an opt-in email to Network Subscribers that shall include an explanation of Client's relationship with Granicus terminating and that the Network Subscribers may visit Client's website to subscribe to further updates from Client in the future. Any Network Subscriber that does not opt-in will not be transferred with the subscriber list provided to Client upon termination.

2.3. Restrictions. Client shall not:

- 2.3.1.** Misuse any Granicus resources or cause any disruption, including but not limited to, the display of pornography or linking to pornographic material, advertisements, solicitations, or mass mailings to individuals who have not agreed to be contacted;
- 2.3.2.** Use any process, program, or tool for gaining unauthorized access to the systems, networks, or accounts of other parties, including but not limited to, other Granicus Clients;
- 2.3.3.** Client must not use the Granicus Products and Services in a manner in which system or network resources are unreasonably denied to other Granicus clients;
- 2.3.4.** Client must not use the Services as a door or signpost to another server.
- 2.3.5.** Access or use any portion of Granicus Products and Services, except as expressly allowed by this Agreement or each Order placed hereunder;
- 2.3.6.** Disassemble, decompile, or otherwise reverse engineer all or any portion of the Granicus Products and Services;
- 2.3.7.** Use the Granicus Products and Services for any unlawful purposes;
- 2.3.8.** Export or allow access to the Granicus Products and Services in violation of U.S. laws or regulations;
- 2.3.9.** Except as expressly permitted in this Agreement, subcontract, disclose, rent, or lease the Granicus Products and Services, or any portion thereof, for third party use; or
- 2.3.10.** Modify, adapt, or use the Granicus Products and Services to develop any software application intended for resale which uses the Granicus Products and Services in whole or in part.

2.4. Client Feedback. Client assigns to Granicus any suggestion, enhancement, request, recommendation, correction or other feedback provided by Client relating to the use of the Granicus Products and Services. Granicus may use such submissions as it deems appropriate in its sole discretion.

2.5. Reservation of Rights. Subject to the limited rights expressly granted hereunder, Granicus and/or its licensors reserve all right, title and interest in the Granicus Products and Services, the documentation and resulting product including all related intellectual property rights. Further, no implied licenses are granted to Client. The Granicus name, the Granicus logo, and the product names associated with the services are trademarks of Granicus or its suppliers, and no right or license is granted to use them.

3. Representations, Warranties and Disclaimers

3.1. Representations. Each Party represents that it has validly entered into this Agreement and has the legal power to do so.

3.2. Warranties. Granicus warrants that it takes all precautions that are standard in the industry to increase the likelihood of a successful performance for the Granicus Products and Services; however, the Granicus Products and Services are provided "AS IS" and as available.

3.3. Disclaimers. EXCEPT AS PROVIDED IN SECTIONS 3.2 ABOVE, EACH PARTY HEREBY DISCLAIMS ANY AND ALL OTHER WARRANTIES OF ANY NATURE WHATSOEVER WHETHER

ORAL AND WRITTEN, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE. GRANICUS DOES NOT WARRANT THAT GRANICUS PRODUCTS AND SERVICES WILL MEET CLIENT'S REQUIREMENTS OR THAT THE OPERATION THEREOF WILL BE UNINTERRUPTED OR ERROR FREE.

4. Confidential Information

4.1. Confidential Information. It is expected that one Party (Disclosing Party) may disclose to the other Party (Receiving Party) certain information which may be considered confidential and/or trade secret information ("Confidential Information"). Confidential Information shall include: (i) Granicus' Products and Services, (ii) non-public information if it is clearly and conspicuously marked as "confidential" or with a similar designation at the time of disclosure; (iii) non-public information of the Disclosing Party if it is identified as confidential and/or proprietary before, during, or promptly after presentation or communication and (iv) any information that should be reasonably understood to be confidential or proprietary to the Receiving Party, given the nature of the information and the context in which disclosed.

Each Receiving Party agrees to receive and hold any Confidential Information in strict confidence. Without limiting the scope of the foregoing, each Receiving Party also agrees: (a) to protect and safeguard the Confidential Information against unauthorized use, publication or disclosure; (b) not to reveal, report, publish, disclose, transfer, copy or otherwise use any Confidential Information except as specifically authorized by the Disclosing Party; (c) not to use any Confidential Information for any purpose other than as stated above; (d) to restrict access to Confidential Information to those of its advisors, officers, directors, employees, agents, consultants, contractors and lobbyists who have a need to know, who have been advised of the confidential nature thereof, and who are under express written obligations of confidentiality or under obligations of confidentiality imposed by law or rule; and (e) to exercise at least the same standard of care and security to protect the confidentiality of the Confidential Information received by it as it protects its own confidential information.

If a Receiving Party is requested or required in a judicial, administrative, or governmental proceeding to disclose any Confidential Information, it will notify the Disclosing Party as promptly as practicable so that the Disclosing Party may seek an appropriate protective order or waiver for that instance.

4.2. Exceptions. Confidential Information shall not include information which: (i) is or becomes public knowledge through no fault of the Receiving Party; (ii) was in the Receiving Party's possession before receipt from the Disclosing Party; (iii) is rightfully received by the Receiving party from a third party without any duty of confidentiality; (iv) is disclosed by the Disclosing Party without any duty of confidentiality on the third party; (v) is independently developed by the Receiving Party without use or reference to the Disclosing Party's Confidential Information; or (vi) is disclosed with the prior written approval of the Disclosing Party.

4.3. Storage and Sending. In the event that Granicus Products and Services will be used to store and/or send Confidential Information, Granicus must be notified in writing, in advance of the storage or sending. Should Client provide such notice, Client must ensure that Confidential Information or sensitive information is stored behind a secure interface and that Granicus Products and Services be used only to notify people of updates to the information that can be accessed after authentication against a secure interface managed by Client. Client is ultimately accountable for the security and privacy of data held by Granicus on its behalf.

4.4. Return of Confidential Information. Each Receiving Party shall return or destroy the Confidential Information immediately upon written request by the Disclosing Party; provided, however, that each Receiving Party may retain one copy of the Confidential Information in order to comply with applicable laws and the terms of this Agreement. Client understands and agrees that it may not always be possible to completely remove or delete all personal data from Granicus' databases without some residual data because of backups and for other reasons.

5. Term and Termination

5.1. Agreement Term. The Agreement Term shall begin on the Effective Date of the Agreement and continue for twelve (12) months. Unless a Party has given written notice to the other Party at least ninety (90) days prior to the end of the then-current annual term, the Granicus Products and Services will automatically renew at the end of each annual term for one (1) year.

5.2. Effect of Termination. If the Parties agree to terminate this Agreement and an Order is still in effect at the time of termination, then the terms and conditions contained in this Agreement shall continue to govern the outstanding Order until termination or expiration thereof. If the Agreement is terminated for breach, then unless otherwise agreed to in writing, all outstanding Orders shall immediately terminate as of the Agreement termination date.

5.3. Termination for Cause. The non-breaching Party may terminate this Agreement upon written notice if the other Party is in material breach of this Agreement and fails to cure such breach within thirty (30) days after the non-breaching Party provides written notice of the breach. A Party may also terminate this Agreement immediately upon notice if the other Party: (a) is liquidated, dissolved, or adjudged to be in a state of bankruptcy or receivership; (b) is insolvent, unable to pay its debts as they become due, makes an assignment for the benefit of creditors or takes advantage or any law for the benefit of debtors; or (c) ceases to conduct business for any reason on an ongoing basis leaving no successor in interest.

5.4. Survival. All rights granted hereunder shall terminate upon the latter of the termination or expiration date of this Agreement, or each Order. The provisions of this Agreement with respect to warranties, liability, choice of law and jurisdiction, and confidentiality shall survive termination of this Agreement and continue in full force and effect.

6. Limitation of Liability

6.1. EXCLUSION OF CONSEQUENTIAL AND RELATED DAMAGES. UNDER NO CIRCUMSTANCES SHALL GRANICUS BE LIABLE FOR ANY SPECIAL, INDIRECT, PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, WHETHER AN ACTION IS IN CONTRACT OR TORT AND REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, GRANICUS SHALL NOT BE LIABLE FOR: (A) ERROR OR INTERRUPTION OF USE OR FOR LOSS OR INACCURACY OR CORRUPTION OF CLIENT DATA; (B) COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY; (C) LOSS OF BUSINESS; (D) DAMAGES ARISING OUT OF ACCESS TO OR INABILITY TO ACCESS THE SERVICES, SOFTWARE, CONTENT, OR RELATED TECHNICAL SUPPORT; OR (E) FOR ANY MATTER BEYOND GRANICUS' REASONABLE CONTROL, EVEN IF GRANICUS HAS BEEN ADVISED OF THE POSSIBILITY OF ANY OF THE FOREGOING LOSSES OR DAMAGES.

6.2. LIMITATION OF LIABILITY. EXCEPT FOR CLIENT'S BREACH OF SECTION 2.3, IN NO INSTANCE SHALL EITHER PARTY'S LIABILITY TO THE OTHER PARTY FOR DIRECT DAMAGES UNDER THIS AGREEMENT (WHETHER IN CONTRACT OR TORT OR OTHERWISE) EXCEED THE FEES PAID BY CLIENT FOR THE GRANICUS PRODUCTS AND SERVICES DURING THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE DATE THE DAMAGED PARTY NOTIFIES THE OTHER PARTY IN WRITING OF THE CLAIM FOR DIRECT DAMAGES. GRANICUS SHALL NOT BE RESPONSIBLE FOR

ANY LOST PROFITS OR OTHER DAMAGES, INCLUDING DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR ANY OTHER DAMAGES, HOWEVER CAUSED. NEITHER PARTY MAY INSTITUTE AN ACTION IN ANY FORM ARISING OUT OF NOR IN CONNECTION WITH THIS AGREEMENT MORE THAN TWO (2) YEARS AFTER THE CAUSE OF ACTION HAS ARISEN.

7. General

- 7.1. Relationship of the Parties.** Granicus and Client acknowledge that they operate independent of each other. Nothing in this Agreement shall be deemed or construed to create a joint venture, partnership, agency, or employee/employer relationship between the Parties for any purpose, including, but not limited to, taxes or employee benefits. Each Party will be solely responsible for the payment of all taxes and insurance for its employees and business operations.
- 7.2. Headings.** The various section headings of this Agreement are inserted only for convenience of reference and are not intended, nor shall they be construed to modify, define, limit, or expand the intent of the Parties.
- 7.3. Severability.** To the extent permitted by applicable law, the Parties hereby waive any provision of law that would render any clause of this Agreement invalid or otherwise unenforceable in any respect. In the event that a provision of this Agreement is held to be invalid or otherwise unenforceable, such provision will be interpreted to fulfill its intended purpose to the maximum extent permitted by applicable law, and the remaining provisions of this Agreement will continue in full force and effect.
- 7.4. Assignment.** Neither Party may assign, delegate, or otherwise transfer this Agreement or any of its rights or obligations hereunder, either voluntarily or by operation of law, without the prior written consent of the other Party (such consent not to be unreasonably withheld); provided, however, that either Party may assign this Agreement without the other Party's consent in the event of any successor or assign that has acquired all, or substantially all, of the assigning Party's business by means of merger, stock purchase, asset purchase, or otherwise. Any assignment or attempted assignment in violation of this Agreement shall be null and void.
- 7.5. Force Majeure.** Any delay in the performance by either Party hereto of its obligations hereunder shall be excused when such delay in performance is due to any cause or event of any nature whatsoever beyond the reasonable control of such Party, including, without limitation, any act of God; any fire, flood, or weather condition; any computer virus, worm, denial of service attack; any earthquake; any act of a public enemy, war, insurrection, riot, explosion or strike; provided, that written notice thereof must be given by such Party to the other Party within twenty (20) days after occurrence of such cause or event.
- 7.6. Choice of Law and Jurisdiction.** This Agreement shall be governed by and interpreted under the laws of the state in which the Client is located, without reference to the State's principles of conflicts of law. The Parties expressly consent and submit to the exclusive jurisdiction of the state and federal courts of the state in which the Client is located.
- 7.7. Entire Agreement.** This Agreement, together with all Orders referenced herein, sets forth the entire understanding of the Parties with respect to the subject matter of this Agreement, and supersedes any and all prior oral and written understandings, quotations, communications, and agreements. Granicus and Client agree that any and all Orders are incorporated herein by this reference. In the event of possible conflict or inconsistency between such documents, the conflict or inconsistency shall be resolved by giving precedence in the following order: (1) the terms of this Agreement; (2) Orders; (3) all other SOWs or other purchase documents; (4) Granicus response to Client's request for RFI, RFP, RFQ; and (5) Client's RFI, RFP, RFQ. If Client issues a purchase order, Granicus hereby rejects any additional or conflicting terms appearing on the purchase order or any other ordering materials submitted by Client.

- 7.8. Reference.** Notwithstanding any other terms to the contrary contained herein, Client grants Granicus the right to use Client's name and logo in Client lists and marketing materials.
- 7.9. Injunctive Relief.** Granicus is entitled to obtain injunctive relief if Client's use of Granicus Products and Services is in violation of any restrictions set forth in this Agreement.

Granicus

By: _____
(Authorized Signature)

Name: _____
(Print or Type Name of Signatory)

Title: _____

Date: _____
(Execution Date)

San Mateo County Express Lane JPA

By: _____
(Authorized Signature)

Name: _____
(Print or Type Name of Signatory)

Title: _____

Date: _____
(Execution Date)

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 10, 2021

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Review and Approval of Resolution SMCEL 21-14 authorizing the Chair to execute Amendment No. 1 to the Agreement with HNTB Corporation for Policy/Program Management Services for an amount not to exceed \$2,884,199 covering the period of November 1, 2021 through October 30, 2023.

(For further information, contact Sean Charpentier at scharpentier@smcgov.org)

RECOMMENDATION

That the SMCEL-JPA Board of Directors review and approve Resolution SMCEL 21-14 authorizing the Chair to execute Amendment No. 1 to the Agreement with HNTB Corporation for Policy/Program Management Services for an amount not to exceed \$2,884,199 covering the period of November 1, 2021 through October 30, 2023.

FISCAL IMPACT

The total Not To Exceed amount for Amendment No. 1 covering the period of November 1, 2021 through October 31, 2023 (two years) is \$2,884,199.

SOURCE OF FUNDS

The adopted Fiscal Year 2021/2022 Budget includes funding for the proposed Amendment #1. However, since the SMCEL-JPA adopts budget on an annual basis, expenditures beyond the current budget year will be subjected to future budget approval.

BACKGROUND

The C/CAG Board and SMCTA Board, both approved the Joint Exercise of Powers Agreement (JEPA) that became effective on June 13, 2019. The JEPA created SMCEL-JPA, pursuant to the California Joint Exercise of Powers Act to oversee the operations and administration of the San Mateo 101 Express Lanes Project, and to jointly exercise ownership rights over the express lanes.

Per the JEPA, SMCEL-JPA will retain an independent, high-level Policy/Program Manager (PPM), via contract, whose primary task is to develop and oversee the implementation of the policies and programs of SMCEL-JPA. The PPM shall report directly to the SMCEL-JPA Board and will work in collaboration with the Executive Council of SMCEL-JPA as well as other staff.

On October 11, 2019, SMCEL-JPA Board approved Resolution SMCEL 19-05 authorizing the Chair to execute the initial two-year agreement for an amount not to exceed \$1,381,716 beginning November 1, 2019 to October 30, 2021, with HNTB Corporation for Policy/Program Management Services. During this period HNTB successfully provided the following services to SMCEL-JPA: Board support; policy recommendations; oversaw the Equity Study as well as the formulation of an implementable Equity Program; facilitated the on-going negotiation with BAIFA on the Toll System Operation and Maintenance Agreement; assisted in the formulation and adoption of the Toll Ordinance; and provided support to the Communications and Outreach efforts of SMCEL-JPA.

For the next two years, HNTB will not only continue with its Policy and Program Management functions as well as assist in the negotiations of various SMCEL-JPA contracts necessary prior to the opening of the Express Lanes, but will also be heavily involved on the implementation of the Equity Program; working on policy issues such as the CAV discount process, and providing Tolling, Operations and Technical Analysis support as well as Finance and Communications Office Supports and Program Management Administration. HNTB's tasks are more described in Attachment A Scope of Work.

The total Not to Exceed amount of HNTB's contract, for the two-year renewal period from November 1, 2021 through October 30, 2023, is \$2,884,199. The staff hourly billing rates and cost estimate per task, per year are shown in Attachment B.

ATTACHMENTS:

- 1) Resolution SMCEL 21-14.
- 2) Amendment No. 1 to the Agreement with HNTB Corporation for Policy/Program Management Services for the period of November 1, 2021 to October 30, 2023
- 3) Attachment A - Scope of Work & Attachment B - Hourly billing rates for HNTB staff and Cost Estimate

RESOLUTION SMCEL 21-14

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY (SMCEL-JPA) AUTHORIZING THE CHAIR TO EXECUTE AMENDMENT NO. 1 TO THE AGREEMENT WITH HNTB CORPORATION FOR POLICY/PROGRAM MANAGEMENT SERVICES FOR A TWO-YEAR TERM IN A TOTAL AMOUNT NOT TO EXCEED \$2,884,199.

RESOLVED, by the Board of Directors of San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) that,

WHEREAS, the Joint Exercise of Powers Agreement for the San Mateo County Express Lanes was approved by the City/County Association of Governments (“C/CAG”) Board and the San Mateo County Transportation Authority (“SMCTA”) Board at their board meetings on April 11, 2019 and May 2, 2019, respectively; and

WHEREAS, the First Amended and Restated Joint Exercise of Powers Agreement for the San Mateo County Express Lanes (JEPA) was approved by the C/CAG Board and the SMCTA Board at their respective board meetings on June 13, 2019 and July 11, 2019; and

WHEREAS, the JEPA created the SMCEL-JPA to: apply to the California Transportation Commission in order to own, administer, and manage the operations of the San Mateo County Express Lanes (“Project”); to share in the ownership, administration, and management of any potential future express lanes within San Mateo County; to set forth the terms and conditions governing the management, operation, financing, and expenditure of revenues generated by express lanes in San Mateo County; and to exercise the powers as provided by law (including but not limited to California Streets and Highways Code Section 149.7, as it now exists and may hereafter be amended); and

WHEREAS, the JEPA defines the individual roles and responsibilities of the partnering agencies and certain staff, including the Executive Council, County Counsel, SMCTA and C/CAG staff, and the Policy/Program Manager (PPM) to the SMCEL-JPA; and

WHEREAS, through a Request for Qualification/Proposal process, HNTB Corporation was selected to provide said Policy/Program Management services; and

WHEREAS, on October 11, 2019 the SMCEL-JPA Board authorized the Chair to sign the initial two-year agreement with HNTB for Policy/Program Management services, for an amount not to exceed \$1,281,716 covering period of November 1, 2019 to October 30, 2021; and

WHEREAS, the SMCEL-JPA Board desires to retain HNTB to provide Policy/Program Management services for an additional period of two years; and

WHEREAS, Amendment No. 1 will extend the term of the Agreement for another two years, commencing on November 1st, 2021, with a Not to Exceed Amount of \$2,884,199, subject to SMCEL-JPA annual budget approval beyond June 30, 2021; and

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the SMCEL-JPA that the Chair is authorized to execute Amendment No. 1 to the Agreement with HNTB Corporation for Policy/Program Management Services in a total amount not to exceed \$2,884,199 for a two-year term; and further authorize the Executive Council to negotiate the final agreement prior to execution by the Chair, subject to approval by SMCEL-JPA Legal Counsel.

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER, 2021.

Diane Papan, Chair

**AMENDMENT No. 1 to the AGREEMENT
BETWEEN
THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY
AND
HNTB CORPORATION
FOR THE POLICY/PROGRAM MANAGEMENT SERVICES
BEGINNING NOVEMBER 1, 2021 TO OCTOBER 30, 2023**

THIS AMENDMENT No. 1 to the AGREEMENT is entered into this 10th day of September 2021, by and between the San Mateo County Express Lanes Joint Powers Authority, hereinafter referred to as "SMCEL-JPA" and HNTB Corporation, hereinafter referred to as "HNTB", and

WITNESSETH:

WHEREAS, through a Request for Qualification/Proposal process, HNTB Corporation was selected to provide said Policy/Program Management services to SMCEL-JPA.

WHEREAS, on October 11, 2019 the SMCEL-JPA Board authorized the Chair to sign the initial two-year agreement with HNTB for Policy/Program Management services, covering period of November 1, 2019 to October 30, 2021; and

WHEREAS, the SMCEL-JPA Board desires to retain HNTB to provide Policy/Program Management services for an additional period of two years; and

WHEREAS, Amendment No. 1 will extend the term of the Agreement for another two years, commencing on November 1st, 2021, with a Not to Exceed Amount of \$2,884,199, subject to SMCEL-JPA annual budget approval beyond June 30, 2021; and

WHEREAS, HNTB Corporation is ready and able to provide Policy/Program Management services to SMCEL-JPA, and SMCEL-JPA wishes to retain HNTB Corporation to provide such services for an additional period of two years,

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions as hereinafter set forth, the parties hereto do hereby agree as follows:

1. HNTB will continue to provide Policy and Program Management services to the SMCEL-JPA as well as the other work listed in Attachment A (Scope of Work)
2. The term of Amendment No.1 to the Agreement with HNTB will be for a period of two years beginning November 1, 2021 to October 31, 2023.
3. The total Not to Exceed amount for Amendment No. 1 to the Agreement with is \$2,884,199.
4. The staff hourly billing rates and cost estimate per task for HNTB, per year are shown in Attachment B.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the 10th day of September, 2021.

HNTB Corporation:

By: Jeff Watson, Vice President

Date:

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY:

By: Diane Papan, Chair

Date

ATTACHMENT A

SCOPE OF WORK

Amendment to the Agreement Between the San Mateo County Express Lanes Joint Powers Authority and HNTB Corporation for the Policy/Program Manager Services

Pursuant to the original agreement executed between the SMCELJPA and HNTB, this amendment serves to extend the term of the original agreement by two years. This amendment will be effective on 11/1/2021 and expire on 10/31/2023 unless otherwise duly extended. In alignment with the original agreement, the scope of work, key personnel hourly rates and total two-year budget not to exceed for the contract amendment can be found below.

SCOPE OF WORK

Policy & Program Management – Budget line items #1, 2, 3, & 8

FTE: 0.96 (Includes Equity Program Management)

Key Functions

- **Strategic Advisory Services** – Provide the JPA Board of Directors and Executive Council strategic advice to achieve program goals and objectives. Continue to report directly to the JPA Board on policies and operation of the express lanes.
- **Toll Ordinance and Business Rules** – Develop and manage policy changes through the toll ordinance and business rules. This includes working with staff on amendments to the toll ordinance for adoption by the Board, developing business rules, and any other policy documents.
- **Equity Program** – Manage the equity program including assessing the pilot program, monitoring MTC/BAIFA’s Means-based Toll Discount pilot program, and developing a strategy to meet the changing needs of the historically underserved communities served by the Express Lanes as the project or related policies change. Assist in the implementation and management of the pilot Equity Program. Develop an approach to monitor the pilot Equity Program, provide analysis of its performance in meeting its objectives, and recommend changes for subsequent phases as the JPA prepares for the full opening of the Express Lanes with the northern segment
- **Expenditure Plan** – Monitor and update the net toll revenue expenditure draft plan in collaboration with the Executive Council and staff
- **Future Projects** – Identify and plan future projects, such as expansion, upgrades, or enhancements to the operations, systems, or vendors that support the Express Lanes.
- **Regional and Statewide Coordination** – Represent the agency on regional Boards and Committees for regional consistency, as requested by Executive Council, and on the California Toll Operators Committee (CTOC). Monitor and manage changes to federal, state, and regional toll legislation. Coordinate with regional peers and partners for opportunities and issues related to express lanes and congestion pricing.

- **Program Management Administration and Controls** - Provide the same level of program management administration support under the existing contract terms.

Communications & Outreach Support – Budget line item #4

FTEs: 0.25

Key Functions

- **Project Communications** – Create and disseminate communications about the Express Lanes to customers through various online and traditional channels. This includes supporting the following efforts with content and design services: maintaining the Express Lanes website, applicable social media accounts, and a speaker’s bureau kit.
- **Marketing & Advertising** – Support the development of advertising campaigns focused on customer education and outreach as well as reaching new customers for the lane opening and equity program.
- **Media & Public Relations** – Support JPA Communications staff on messaging and branding for the Express Lanes; and strategic media efforts
- **Public Information** – Support JPA Communications staff to respond to general public questions regarding the program as well as public information requests. Manage program and operational data released to the public, media, etc. and provide narratives disclaimers, etc. as necessary.
- **Government Affairs** – Support the JPA in fostering and maintaining relationships with local elected officials as well as stakeholders, as requested

Tolling, Technology, Technical Analysis – Budget line item #5

FTE: 0.34

Key Functions

- **Contract Management** - Assist in the management and oversight of contracts: BAIFA O&M, BATA FasTrak® Regional Customer Service Center (RCSC) O&M, CHP, and Caltrans
 - Analyze contract performance and recommend changes
 - Monitor and report on KPIs for each contract
 - Track CHP enforcement statistics, review invoices, and prepare contract performance reports
 - Perform change management activities
 - Liaise and attend meetings with BAIFA, BATA, CHP, and Caltrans staff on contract terms and services

- Participate in meetings and provide input to BATA on its Customer Service Center contract
 - Participate in meetings and provide input to BAIFA on its toll system integrator contract, as needed
 - Perform other contract administration activities
 - As requested, serve on or support PMT and OMT meetings and activities
- **Tolling Operations Oversight and Reporting** - Monitor and create reports on Express Lanes performance (traffic statistics, carpool usage, etc.)
 - Produce routine and custom reports for the JPA Board of Directors and Executive Council
 - Provide technical analysis to support policy recommendations, such as CAV discounts, equity program changes, and new toll technology
 - Respond to special information requests

Operations – Budget line item #6

FTE: 1.0

Key Functions

- **Administrative Support**
 - Create, manage, and follow business requirements and standard operating procedures such as FasTrak RCSC oversight and escalations and toll operations (holidays, incidents, etc...)
 - Provide general customer service support for operations.
 - In year 2, develop training and transition plan for the JPA to self-perform select or all functional roles, as requested, and provide the training
- **Customer Service Operations Support**
 - Handle direct customer complaints
 - Maintain a system for responding to customer inquiries and for handling escalation of customer issues in regard to the Express Lanes.
 - Respond to FasTrak RCSC customer issue escalation requests and/or other disputes related to the Express Lanes, including those involving toll violation notices.
 - Be responsible for any decision to dismiss a toll charge on the Express Lanes.

Finance & Budget

FTEs: 0.25

Key Functions

Support JPA Finance staff with education and strategic advice on the following key functions:

- **Revenue Assurance**
 - Creating reports
 - Performing research
 - Troubleshooting issues and identifying solutions, document findings, corrective actions, and tracking progress
- **Accounting** - Assist in reviewing invoices, revenue reconciliation reports, and other financial reports
 - Revenue Recognition
 - Accounts Payable

- **Audits of Toll System and Back Office** - Coordinate with JPA Finance on understanding risks in preparation for conducting audits of the toll system and back office
 - Contractual Services
 - Budget Management

- **Financial Reporting** - TBD

ATTACHMENT B

(KEY PERSONNEL HOURLY RATES)

Hourly billing rates for HNTB Corporation (Consultant) AND Cost Estimate per Task, are included on the following pages:

2021 HNTB Corporation Hourly Rates

Matt Click	\$437.01
Lacy Vong	\$261.32
Samantha Soules	\$340.48
Jennifer Frankl	\$301.86
Mydria Clark	\$163.99
Todd Pendleton	\$216.91
Project Analyst	\$150.00

Cost per Task by Term Year (November-October)		First Year ⁺		Second Year ⁺	
		Hours	Cost*	Hours	Cost*
1	General Policy Program Management	720	\$ 255,215	720	\$ 264,150
2	Equity Program Implementation and Oversight	480	\$ 124,524	480	\$ 128,884
3	Intragency and Stakeholder Collaboration and Coordination	528	\$ 191,644	528	\$ 198,354
4	Communications and Outreach Support	480	\$ 115,815	480	\$ 119,869
5	Tolling, Technology, Technical Analysis	648	\$ 163,665	648	\$ 169,395
6	Operations	1920	\$ 426,397	1920	\$ 441,324
7	Finance Office Support	480	\$ 117,122	480	\$ 121,222
8	Program Management Administration	120	\$ 22,909	120	\$ 23,711
Totals		5376	\$ 1,417,291	5376	\$ 1,466,908

Two-year total, Not-to-exceed amount:

\$2,884,199

*Costs calculated using 2021 HNTB Staff Rate Table, with second year including a 3.5% increase for all staff rates.

+First covers the time period of 11/01/2021-10/31/2022, while the second year cover the time period of 11/01/2022-10/31/2023.

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 10, 2021

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Matthew Click, Policy and Program Manager (PPM)

Subject: Receive a presentation on the San Mateo County US 101 Express Lanes Equity Program Implementation Update.

(For further information, please contact Matthew Click at mclick@hntb.com)

RECOMMENDATION

That the SMCEL-JPA Board receive an update on the San Mateo County US 101 Express Lanes Equity Program implementation plan.

FISCAL IMPACT

This is an informational item. There is no fiscal impact related to receiving this information.

SOURCE OF FUNDS

NA

BACKGROUND

The SMCEL-JPA seeks to ensure an equitable implementation of the US 101 Express Lanes. To that end, an Equity Study for the US 101 Express Lanes was conducted and overseen by the PPM. During the last year the study included the definition of an equity problem statement and outlined program objectives, it included two phases of robust public engagement, national and local research, technical analysis, and an evaluation of program alternatives. The study's findings and recommendations were presented during the May 14, 2021 Board meeting. The Board approved the recommendations at that meeting and directed the PPM to develop an implementation plan.

This is an informational item to update the Board on the progress of the San Mateo County US 101 Express Lanes Equity Program implementation plan.

ATTACHMENT

1. PowerPoint presentation on the San Mateo County US 101 Express Lanes Equity Program status



SMCEL-JPA Board Meeting

Equity Program Implementation Update

September 10, 2021

Agenda

1. Recap Equity Study Recommendation
2. Implementation Program Development & Progress
3. Timeline
4. Next Steps

Recap Equity Study Recommendation

Recommended Equity Program

Four components:

1. \$50 Pre-Loaded Toll Tags
2. \$50 Cash on Clipper
3. Enroll qualified individuals in Clipper START and MTC/BAIFA's Means-based Toll Pilot
4. Fund local organizations to do education and enrollment



Implementation Considerations

- Define Eligibility
- Determine Administrative Costs
 - Funding for organizations to do to education and enrollment
 - Toll tag purchases and deposits
 - Payments to MTC for administrative costs
 - Internal administrative services
 - Ongoing policy work and program management
- Develop Program Evaluation

Implementation Task

- SMCEL-JPA Board approved the recommendation in May 2021
- SMCEL-JPA Board directed the PPM to develop an approach to deliver an equity program by the opening of the Express Lanes

Implementation Program Development & Progress

Key Actions Taken

- Formed a working group
- Conducted 15 workshops and working sessions with staff and key regional and local partners
- Working sessions with San Mateo County Chief Equity Officer and Human Services Staff
- Meetings with Core Service Agencies
- Coordination with regional partners:
 - MTC/BATA Regional Customer Service Center/FasTrak®
 - Clipper
 - Clipper START
 - MTC/BAIFA Means-based toll discount pilot
- Focused on Equity Study recommendations and considerations
 - Eligibility requirements
 - Finalizing benefits
 - Channels for distributing benefits
 - Administrative costs of distributing benefits

Eligibility - Study Recommendation

- Same eligibility requirements as MTC's Clipper START program
 - Households whose income is less than 200% of the Federal Poverty Level
 - Approximately \$55,000 for a family of four
- Eligibility should be limited to San Mateo County residents
- Eligible participants receive any combination of Equity Program benefits that meets their needs (eg toll tag + Cash on Clipper + Clipper START enrollment)

Proposed Eligibility for Implementation

- Expand eligibility to increase the program reach
 - Individuals will be eligible with no limit per household
 - Eligible at or below 60% of County AMI ~ \$76,740
 - Adults ages 18 and over

New Pre-Loaded Toll Tag Program

- Become retail partner with MTC/BATA
- Provide eligible residents with up to **\$100** pre-loaded toll tag
- One-time benefit
- **Available early 2022**



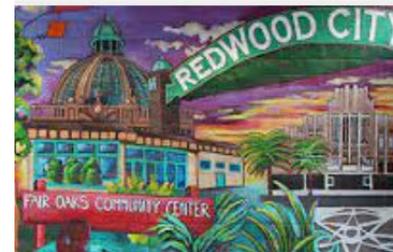
Clipper Card Benefit & Promoting Discounts

- Provide eligible residents with pre-loaded Clipper cards - **\$100**
- Annual benefit
- Promote Clipper discount programs for youth, seniors, and Clipper START
- ***Available early 2022***



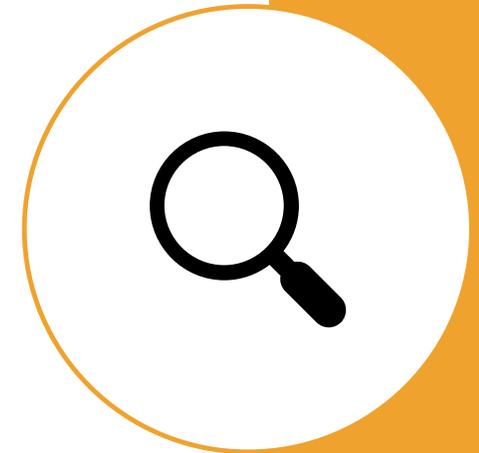
Getting Benefits to the Community

- Partner with Core Service Agencies
 - Outreach to eligible residents on Equity Program benefits
 - Eligibility screening
 - Provide pre-loaded Clipper cards & toll tags to eligible residents
 - Promote and encourage enrollment in Clipper discount programs
 - Report on program participation
 - Support audit & evaluation



Program Evaluation

- Finalize evaluation metrics
- Develop an assessment tool
- Obtain feedback from partners and community
- Report on evaluation assessment and make recommendations, as needed



Implementation Program Timeline

Timeline



Next Steps

- Finalize logistics for Clipper card & toll tag benefits
- Market and promote Equity Program
- Continue to work with Core Service Agencies
- Finalize administrative cost estimate
- Finalize program evaluation plan
- Seek Board Approval in Late 2021

Questions

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 10, 2021

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Matthew Click, Policy and Program Manager (PPM)

Subject: Receive a presentation providing an update on the agreements with the Bay Area Infrastructure Financing Authority (BAIFA) and the Bay Area Toll Authority (BATA).

(For further information, please contact Matthew Click at mclick@hntb.com)

RECOMMENDATION

That the SMCEL-JPA Board receive an update on the agreements with the Bay Area Infrastructure Financing Authority (BAIFA) and the Bay Area Toll Authority (BATA).

FISCAL IMPACT

This is an informational item. There is no fiscal impact related to receiving this information.

SOURCE OF FUNDS

NA

BACKGROUND

In preparation for the opening of the first Phase of the San Mateo County Highway 101 Express Lanes project (Santa Clara County line to Whipple Ave.), the Board has received presentations and considered multiple documents and/or program information related to the operation of the express lanes, including the following: 1. Toll Ordinance 2. Bay Area Infrastructure Financing Authority (BAIFA) Operations and Maintenance (O&M) Agreement 3. Bay Area Toll Authority (BATA) Agreement 4. Caltrans Maintenance Agreement 5. California Highway Patrol (CHP) Agreement and 6. SMECEL-JPA Equity Program.

This is an information item to update the Board on the agreements with BAIFA and BATA.

ATTACHMENT

NA- Staff will make the presentation at the Board meeting.



SMCEL-JPA Branding Recommendation

Background

Situation/Goal

Conduct a brand environment analysis and create logos based on findings and staff feedback.

- Scope of Work:
 - Analyze brand environment and make related recommendations
 - Create and present draft logos based on above recommendations
 - Deliver finalized digital logo file(s) based on staff feedback

Background

Process Milestones

- Research, Interviews
- Learnings, Recommendations
- Work Sessions: Stylescapes, messages, slogans
- Design: Presentation, Refinement, Review
- Finalize Brand Guidelines
- Implementation: Website, social (Twitter, Facebook) , PowerPoint template, etc.

Brand Landscape

MTC Bay Area Express Lanes

The screenshot displays the MTC Bay Area website interface. On the left is a dark navigation sidebar with the 511 SF Bay logo at the top. The sidebar menu includes: Carpool, Vanpool, Driving, Bay Area Express Lanes (expanded to show sub-items: Find Your Lane, For Carpools, For Solo Drivers, Get FasTrak, For Clean Air Vehicles), Bridges, 511 Freeway Assist, Biking, Getting Around, For Employers, and About 511. The main content area features a green header with the text 'Getting you around the Bay Area' and a notification banner for 'Caltrain Service Changes Start Monday, August, 30th'. Below this is a breadcrumb trail: Home / Driving / Bay Area Express Lanes. The main heading is 'Bay Area Express Lanes', followed by a large graphic with the text 'BAY AREA EXPRESS LANES'. Below the graphic are images of FasTrak transponders, a toll sign for Fallon Rd and San Ramon Rd, a map of the Bay Area, and another toll sign. A text block explains that users should 'Get FasTrak' to use the lanes, allowing for toll payment, discounts, or toll-free travel. A green banner at the bottom states: 'Tolling began August 20, 2021 on I-680 southbound from Martinez to Walnut Creek.'

511 SF Bay

Getting you around the Bay Area

Caltrain Service Changes Start Monday, August, 30th. 54 minutes ago

Home / Driving / Bay Area Express Lanes

Bay Area Express Lanes

BAY AREA EXPRESS LANES

Get FasTrak to use the Bay Area Express Lanes! Bay Area Express Lanes allow vehicles to pay tolls, pay discounted tolls, or travel toll-free for a faster, more reliable trip. Today, there are about 130 miles of [open Bay Area Lanes](#) and there are plans for over 600 miles of express lanes by 2035.

122 Tolling began August 20, 2021 on I-680 southbound from Martinez to Walnut Creek.

Brand Landscape

I-880

Express Lanes

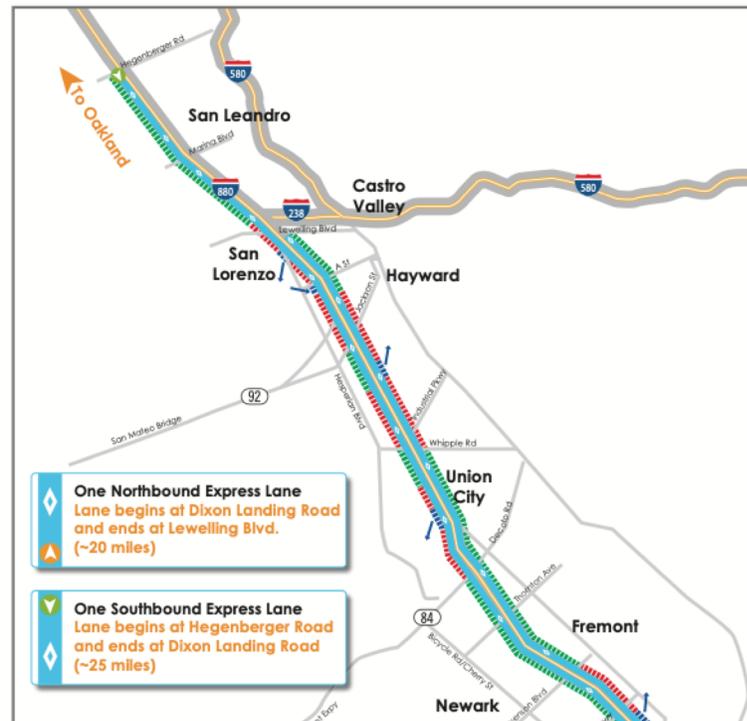


I-880 EXPRESS LANES HOV LANE CONVERSION

FALL 2019



I-880 PROJECT DETAIL MAP



Brand Landscape

680 Express Lanes



CONSTRUCTION +

OVERVIEW +

STAY INFORMED +

QUICKLINKS +

NEW SB I-680
LANE TO OPEN
AUG. 24



Brand Landscape

VTA

Express Lanes



[FAQ](#) [GO](#) [PROJECTS](#) [ABOUT](#)



VTA COVID-19 Information Center

vta.org/covid-19

Effective July 5: There are no social distancing requirements for passengers while riding bus and light rail but masks continue to be required on VTA vehicles and bus stops. Please continue to remain 6 feet from operators.

[Home](#) | [Projects](#) | [US 101 and State Route 85 Express Lanes Project \(Ph...](#)

US 101 and State Route 85 Express Lanes Project (Phase 3)

VTA, as part of its [Silicon Valley Express Lanes Program](#), has combined the SR 85 and US 101 Express Lanes projects into Phases 3 and 4. Phases 3 and 4 will implement the first express lanes through the two US 101/SR 85 interchanges in Mountain View and south San Jose.

The Phase 3 project on US 101 and SR 85 will:

- Convert the existing single carpool lanes to express lanes in the following locations:
 - US 101 from near SR 237 to SR 85 in Mountain View.
 - SR 85 from SR 237/Grant Road to the US 101/SR 85 interchange in Mountain View including the existing US 101/SR 85 carpool lane-to-carpool...

[Read More](#)

Notices

Express Lanes
Phase 3 - US
101/SR 85 Lane
Closures through
Fall 2021

[VIEW ALL NOTICES](#)



Five Paths

JPA BRANDING

Messaging

Summary

These are our findings from interviewing the board members and working with the core staff.

Goals

Messages as a hierarchy of importance.

Defined by board interviews and staff meetings.

1. **Benefit:** Mode Change / Multi Occupancy
2. **Benefit:** The new lanes benefit everybody no matter if you are on the Express Lanes or not = inclusive
3. **Benefit:** Equity program - we give back, we are inclusive for Express Lanes (preloaded FasTrak) and transit (Clipper)
4. **How:** How to sign up for Express Lanes? **As Easy as 1, 2, 3**
5. **Timing:** When do the Express Lanes open?
6. **Rules:** Who can use the Express Lanes?
7. **Learn:** Where to get more information?

Guidelines for Message Enhancement

Craft cohesive communications & **update** existing marketing channels.

1. Update

- a. Website: Refresh with updated messaging & visual.
- b. Social media: Refresh with updated messaging & visual.
- c. Outreach: Get the word out to the Equity Priority Community and the public in general.

2. Craft

- a. Name: What is SMCEL JPA going to be called? Focus on Express Lanes, 101, Equity, Environment, San Mateo not so important.
- b. Logo: What is the iconic depiction of the Express Lanes that is inclusive and promotes mode change?
- c. Slogan: What is the slogan / tagline for the Express Lanes that is inclusive and promotes mode change and efficiency?

Brand Attributes

And Target Audience

3 Keywords

These three words describe what the Express Lanes in San Mateo stand for.

- **Efficiency**
- **Environment**
- **Equity**

The community who will use the **101 Express Lanes**

Anybody working, studying, or caretaking - from an electrician to a busy parent - is our target audience.



Messaging

In the following we give you the main messages to focus on in any of your communications.

Get to where you want to be!

Not focusing on driving faster on the highway. Instead focusing on getting you there.

Travel Together

3 Free / 2 Half / 1 Pays Full

Express Buses - Your Train to where you want to be

*Encourage multi-occupancy in a personal vehicle and express buses.
Good for environment and helps community.*

Savings available

*Find out if you qualify

*Promote **upcoming** equity program that enables us to give qualifying users a preloaded clipper card or a FasTrak transponder.*

As Easy as 1 / 2 / 3

1. Sign Up
2. Get FasTrak
3. Switch FasTrak to 1, 2 or 3 Passengers

Focused on successful usage of the Express Lanes.

Needs to be crystal clear how easy it is if you have the right FasTrak transponder.

Summary

3 Key Words: Efficiency / Environment / Equity

- **Get to where you want to be**
- **Travel Together:** 3 For Free / 2 Half Price / 1 Pay in Full
Express Buses - Your Train to where you want to be
- **As Easy as 1/2/3:** 1. Sign Up 2. Get FasTrak 3. Adjust FasTrak to 1, 2 or 3
- **Savings available:** Find out if you will qualify - for the future equity program

Logo Iterations

What defines a great logo?

- 1. Simplicity*
- 2. Memorability*
- 3. Timelessness*
- 4. Versatility (works in any dimension)*
- 5. Appropriate for your service and communicates your purpose*

Logo Draft 1



1. **Not** Simple (wordy) 2. Memorable 3. Timeless 4. **Not** Versatile since it's horizontal (challenging size for social media) 5. **Not** Appropriate (doesn't include multi occupancy or community)

Logo Draft 2



-
1. Simple
 2. Memorable
 3. Timeless
 4. Versatile (Social media / Billboards)
 5. Appropriate (Includes multi-occupancy + community)

Possible Logo Variations



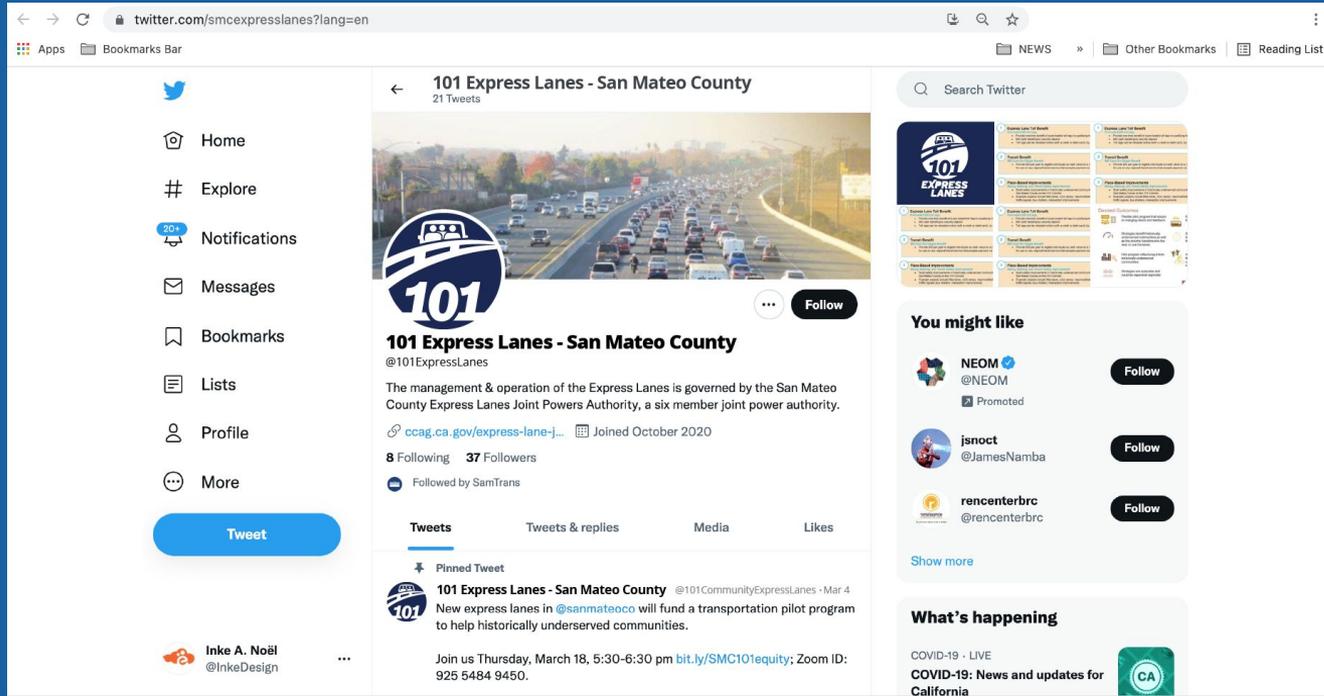
Vertical

Horizontal

Logo Applications

*Testing the logo in real
world situations.*

Social Media Twitter



Mock up of Twitter with new logo and titles. Very compact and consistent look.

Powerpoint Graphics Draft



Header Image



Title Page

Logo Applications

Stylescapes

A stylescape is a visual design approach to show how the messages can land in the public.

101 Express Lanes Stylescape

Stylescape with new logo

101 EXPRESS LANES

**EFFICIENCY
ENVIRONMENT
EQUITY**

LET'S GO!
This typeface is easy to read,
with a touch of playfulness.

AS EASY AS

- 1 Sign Up
- 2 Get FasTrak
- 3 Switch to the correct setting and GO!

**GET FASTRAK
TO USE 101**

**GET TO WHERE
YOU WANT TO BE**

Took the Express bus
home in time for dinner!

Made it to work on time

Carpooled to
the museum

Website Recommendations



Stylescapes serve as the blueprint for website design improvements

Final Logo Recommendation



Questions & Comments?

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 10, 2021

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Receive a Presentation on SMCEL-JPA Branding Update and Recommendation

(For further information, please contact April Chan, Chief Officer, Planning, Grants & TA, San Mateo County Transportation Authority Program at chana@samtrans.com)

RECOMMENDATION

That the SMCEL-JPA Board receive an update on the brand environment analysis, message development and logo recommendation.

FISCAL IMPACT

This is an informational item. There is no fiscal impact related to receiving this information.

SOURCE OF FUNDS

NA

BACKGROUND

The SMCEL-JPA recognizes branding and/or logo designs work is needed to help distinguish itself from other express lanes operators in the San Francisco Bay Area express lanes landscape.

At the September 10, 2021 SMCEL-JPA Board Meeting, staff and consultants will provide an update on this branding effort including a brand environment analysis, details on message development and logo recommendation. Supporting staff and consultants include: Robert Casumbal, Director, Marketing and Market Research (SMCTD), Jens-Peter Jungclaussen, Brand and Market Research (InkëDesign), Inke Noël, Brand Platform, Design, Creative (InkëDesign), and Eric Leland, Project Manager, Prime Contractor (FivePaths).

ATTACHMENT

1. PDF presentation

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 10, 2021

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Receive a presentation on the San Mateo County US 101 Express Lanes steps to commence tolling from Santa Clara County to Whipple Ave.

(For further information, contact Sean Charpentier at scharpentier@smcgov.org)

RECOMMENDATION

That the SMCEL-JPA Board receive presentation on the San Mateo County US 101 Express Lanes steps that will be taken to begin tolling the southern segment of the corridor, from the Santa Clara County line to Whipple Avenue.

FISCAL IMPACT

This is an informational item. There is no fiscal impact related to receiving this information.

SOURCE OF FUNDS

NA

BACKGROUND

The SMCEL-JPA has directed the integrated project team (Team) to begin tolling on the southern segment of the corridor while the northern segment work is completed. The team is making good progress toward a simultaneous opening of the San Mateo 101 Express Lanes concurrently with VTA's opening of their lanes immediately south of the county line. Because the southern segment is converting existing high-occupancy vehicle (HOV) lanes into the Express Lanes, there is a specific set of steps that must be taken to do so successfully. There are risks to successful opening on a specific dates due to the sequential nature of the steps and an amount of uncertainty within them.

This is an informational item will inform the Board of the steps that must be taken to commence tolling so that the potential risks associated with determining a specific commencement date will be understood. The presentation will be provided by Leo Scott, of Gray-Bown-Scott.

ATTACHMENT

1. The presentation will be available prior to the Board meeting at: <https://smcexpresslanes.org/about-4/bod/>