

**MEMORANDUM OF UNDERSTANDING  
TO ALLOCATE PROPOSITION C 40% DISCRETIONARY FUNDS  
FOR THE LOS ANGELES COUNTY REGIONAL ZERO EMISSION TRANSIT  
CAPITAL PROGRAM (ZETCP)**

This Memorandum of Understanding (“MOU”) is entered into as of October 1, 2024, by and between the Los Angeles County Metropolitan Transportation Authority (“LACMTA”) and City of Norwalk (“GRANTEE”).

WHEREAS, on September 26, 2024, the LACMTA Board adopted the Los Angeles County Regional Zero Emission Bus Procurement Policy; and

WHEREAS, the Board approved the Los Angeles County Regional Zero Emission Transit Capital Program (ZETCP)-Equivalent Fund Allocation Framework (“Framework”); and

WHEREAS, Senate Bill (SB) 125 Zero Emission Transit Capital Program will allocate \$320.6 million to Metro, as the county’s regional transportation planning agency, over four years beginning in 2024; and

WHEREAS, the Board approved the advancement of the total four-year allocation of \$49.84 million in Proposition C 40% Discretionary funds for Included and Eligible Transit Operators pursuant to the Framework as presented in Exhibit A; and

WHEREAS, SB 125 ZETCP provides the flexibility to use the approved funds to fund transit operating and capital improvements; and

WHEREAS, all SB 125 ZETCP eligible projects must demonstrate that they will achieve a reduction in greenhouse gas emissions; and

WHEREAS, there are specific qualification requirement for use of ZETCP equivalent funds; and

WHEREAS, the GRANTEE is an Eligible or Included Operator and desires to receive the funds from LACMTA for the Los Angeles County Regional ZETCP; and

WHEREAS, LACMTA and GRANTEE desire to agree to the terms and conditions of the grant of funds.

NOW THEREFORE, in consideration of the mutual term and conditions contained herein, LACMTA and GRANTEE hereby agree as follows:

**ARTICLE 1 - TERM**

- 1.1. This MOU will be in effect from October 1, 2024, through June 30, 2028, unless terminated earlier as provided herein.

- 1.2 During the term of this MOU, LACMTA and Grantee shall not pursue legislation, legal or other actions to alter the LACMTA Board approved funding sources currently subject to formula allocations.

## ARTICLE 2 - ALLOCATION OF PROPOSITION C 40% DISCRETIONARY FUNDS AND INVOICE PROCEDURE

- 2.1 Attached as Exhibit A is the board approved ZETCP-EQUIVALENT FUND ALLOCATIONS. GRANTEE shall receive one million two hundred and nine thousand four hundred seventy-four dollars (\$1,209,474) in FY25 only. GRANTEE agrees that the advanced allocation of funds allows for immediate use. LACMTA shall not be obligated to forward the funds for the ZETCP to GRANTEE until it receives an invoice, and the ZETCP Service Improvement Plan described in Article 3.1 below.
- 2.2 GRANTEE shall send LACMTA invoice(s) for the ZETCP funds in an amount consistent with the amount shown on the ZETCP-Equivalent Fund Allocation. LACMTA shall disburse funds for operating purposes monthly in equal portions. LACMTA shall disburse funds for capital purposes on a reimbursement basis.

## ARTICLE 3 - USE OF FUNDS

- 3.1 Included in Exhibit B are the required elements of the ZETCP-Equivalent Funds Service Improvement Plan. GRANTEE shall submit a service improvement plan along with their request for funds. Funds can be used for capital and/or operating expenses. If GRANTEE intends to use for both purposes, then the plan must show the assignment of funds between operating and capital. The plan should explain how these services will achieve a reduction in greenhouse gas emissions. The service improvement plan may be amended by Grantee in coordination with the LACMTA.
- 3.2 GRANTEE shall use the funds as described in the service improvement plan.

## ARTICLE 4 - AUDIT AND REPORTING REQUIREMENTS

- 4.1 GRANTEE agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with conditions defined by this MOU. GRANTEE shall maintain all documents and records related to the ZETCP and the use of the funds for three (3) years after the end of the fiscal year in which funds were expended. LACMTA may audit as provided herein up to three years after the end of the fiscal year within which the funds were expended.
- 4.2 By January 31, 2026, the GRANTEE shall submit to the LACMTA a completed TPM form including the use of the funds for operating transit service.

ARTICLE 5 – MISCELLANEOUS

- 5.1 This grant shall be a one-time grant subject to the terms and conditions agreed to herein. Except as otherwise provided in this MOU, the grant does not imply nor obligate any future funding commitment on the part of the LACMTA.
- 5.2 GRANTEE understands and agrees that in programming the funds and entering into this MOU, LACMTA is acting pursuant to its statutory authority and shall have no liability in connection with the use of these funds for public transit purposes or the projects or services described in the service improvement plan. GRANTEE shall fully indemnify, defend and hold the LACMTA, its directors, officers, employees and agents harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, legal fees and any claims for damages of any nature whatsoever arising out of (i) breach of GRANTEE's obligations under this MOU; (ii) misuse of the funds by GRANTEE or its officers, agents, employees or subcontractors; (iii) any act or omission of the GRANTEE or its officers, agents, employees or subcontractors in the performance and/or provision of the services provided under this MOU, the service improvement plan and/or the ZETCP-Equivalent Funds.
- 5.3 GRANTEE agrees to comply with all applicable local, state and federal laws and regulations in the provision of public transit services and any services rendered for the ZETCP.
- 5.4 LACMTA reserves the right to terminate this MOU and withhold the funds if the LACMTA Board terminates the ZETCP or if it is determined that the GRANTEE has not complied with all the terms and conditions contained herein until GRANTEE is determined to be in compliance.
- 5.5 No amendment or modification to this MOU shall be binding upon either party unless such amendment or modification is in writing duly executed by both parties. This MOU shall not be amended or modified by any acts or conduct of the parties.
- 5.6 GRANTEE is not a contractor, agent or employee of the LACMTA. GRANTEE shall not represent itself as a contractor, agent or employee of the LACMTA and shall have no power to bind the LACMTA in contract or otherwise.
- 5.7 This MOU and the Exhibits constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements and understandings.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be duly executed as of the dates below with all the formalities required by law.

CITY OF NORWALK

LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION  
AUTHORITY

By: \_\_\_\_\_  
Jesus M. Gomez  
City Manager

By: \_\_\_\_\_  
Stephanie N. Wiggins  
Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman  
City Attorney

DAWYN R. HARRISON  
County Counsel

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: 

11/22/2024
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ATTEST:

Theresa Devoy  
City Clerk

By: \_\_\_\_\_

Date: \_\_\_\_\_