

**SUSTAINABLE COMMUNITIES  
GRANTS (STATE)**

**RESTRICTED GRANT  
AGREEMENT**

THIS RESTRICTED GRANT AGREEMENT (RGA), between the State of California acting by and through its Department of Transportation, referred to herein as CALTRANS and the (AGENCY NAME), herein after referred to as AGENCY, will commence on (Start Date), or approval by CALTRANS, whichever occurs later. This RGA is of no effect unless approved by CALTRANS. Agency shall not receive payment for work performed prior to approval of the RGA and before receipt of notice to proceed by the CALTRANS Contract Manager. This RGA shall expire on (end date).

**RECITALS**

1. Under this RGA, CALTRANS intends to convey State grant funds to AGENCY, pursuant to Budget Act Line Item 2660-102-0042T, who will conduct transportation studies and planning within the regional area under the jurisdiction of AGENCY under the terms, covenants and conditions of this RGA.
2. CALTRANS and AGENCY intend that only funds that are authorized as grants will be subject to this RGA, and that no funds that should be the subject of a Joint Powers Agreement, Interagency Agreement, or other non-grant agreement shall be subject to this RGA.

**SECTION I**

**AGENCY AGREES:**

To timely and satisfactorily complete all Project Work described in Attachment II within the project budget and in accordance with the items of this RGA.

**SECTION II**

**CALTRANS AGREES:**

That when conducting an audit of the costs claimed by AGENCY under the provisions of this RGA, to conduct the audit in accordance with applicable laws and regulations.

**SECTION III**

**IT IS MUTUALLY AGREED:**

In consideration of the foregoing and the mutual promises of the parties hereto, AGENCY and CALTRANS agree as follows:

1. Under this RGA, CALTRANS will convey State grant funds to AGENCY, pursuant to Budget Act Line Item 2660-102-0042T, who will conduct transportation studies and planning within the regional area under the jurisdiction of AGENCY. The funds subject to this RGA must be (a) identified as available for a grant in CALTRANS' budget and (b) for the purpose of conducting transportation studies or planning or to a Caltrans organization that is responsible for conducting transportation studies or planning.
2. Under this Restricted Grant, funds may be only used for the purpose set forth in this paragraph and funds may only be used for costs and expenses that are directly related to such purpose.
3. AGENCY shall perform all the duties and obligations described in the (enter project title here), hereinafter the Project, subject to the terms and conditions of this RGA. The Approved Project Grant Application (Scope of Work and Project timeline), which are attached hereto as Attachment II.
4. The resolution authorizing AGENCY to execute this RGA pertaining to the above described Project is attached hereto as Attachment I.
5. All services performed by AGENCY pursuant to this RGA shall be performed in accordance with all applicable State and AGENCY laws, regulations, ordinances, policies and procedures and CALTRANS published manuals, including Grant Application Guide (Attachment III). In case of conflict between State and AGENCY laws, regulations, ordinances, policies or procedures, the order of precedence applicability of these laws shall be established by prevailing California laws and regulations; Caltrans policies and procedures; ordinances; and, Agency policies and procedures. This RGA may not include any federal funds.
6. Project funding is as follows:

<u>FUND TITLE</u>	<u>FUND SOURCE</u>	<u>DOLLAR AMOUNT</u>
SHA	State	\$X,XXX.XX
LOCAL MATCH	Agency Provided	\$XXXXXX
	<b>Total Project Costs</b>	<b>\$XXXXXX</b>

No in-kind contributions may be made unless the amount and type of the contribution is identified above.

7. This RGA is exempt from legal review and approval by the Department of General Services, pursuant to AG Opinions: 58 Ops. AG 586 (1974), 63 Ops. AG 290 (1980), 74 Ops AG 10 (1991), and 88 Ops AG 56.]

## 8. Notification of Parties

- a. AGENCY's Project Manager for PROJECT is (Name & Phone Number).
- b. CALTRANS' Contract Manager is (Name & Phone Number). "Contract Manager" as used herein includes his/her designee.
- c. All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and received by the parties at their respective addresses:

(Agency Name)

Attention: (PROGRAM MANAGER), (Program Manager Title)  
STREET ADDRESS  
CITY, STATE, ZIP

California Department of Transportation

(DISTRICT/DIVISION)

Attention: (CONTRACT MANAGER), (Contract Manager Title)  
STREET ADDRESS  
CITY, STATE, ZIP

## 9. Period of Performance

- a. Reimbursable work under this RGA shall begin no earlier than on (DATE), contingent upon the approval by CALTRANS and receipt of the Notice to Proceed letter of this RGA by the CALTRANS Contract Manager, and will expire on (EXPIRATION DATE).
- b. AGENCY will attend a kickoff meeting with CALTRANS to be scheduled within one (1) week from receipt of Notice to Proceed letter by the CALTRANS' Contract Manager.

## 10. Changes in Terms/Amendments

This RGA may only be amended or modified by mutual written agreement of the parties.

## 11. Cost Limitation

- a. The total amount reimbursable to AGENCY pursuant to this RGA by CALTRANS shall not exceed \$X,XXX.XX.
- b. It is agreed and understood that this RGA fund limit is an estimate and that CALTRANS will only reimburse the cost of services actually rendered as authorized by the CALTRANS Contract Manager at or below that fund limitation established hereinabove.

## **12. Termination**

- a. CALTRANS reserves the right to terminate this RGA upon written notice to AGENCY at least thirty (30) days in advance of the effective date of such termination in the event AGENCY fails to proceed with PROJECT work in accordance with the terms of this RGA.
- b. This RGA may be terminated by either party for any reason by giving written notice to the other party at least thirty (30) days in advance of the effective date of such termination. In the event of termination for convenience, CALTRANS will reimburse AGENCY for all allowable, authorized and non-cancelled costs up to the date of termination.
- c. AGENCY has sixty (60) days after the Termination Date to submit invoices to CALTRANS to make final allowable payments for Project costs in accordance to the terms of this RGA. Failure to submit invoices within this period may result in a waiver by AGENCY of its right to reimbursement of expended costs.

## **13. Budget Contingency Clause**

- a. It is mutually agreed that if the U.S. Congress or the State Legislature fail to appropriate or allocate funds during the current year and/or any subsequent years covered under this RGA does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, CALTRANS shall have no liability to pay any funds whatsoever to AGENCY or to furnish any other considerations under this Agreement and AGENCY shall not be obligated to perform any provisions of this RGA.
- b. If funding for any fiscal year is reduced or deleted by the U.S. Congress or the State Legislature for purposes of this program, CALTRANS shall have the option to either terminate this Agreement with no liability occurring to CALTRANS, or offer a RGA Amendment to AGENCY to reflect the reduced amount.

## **14. Payment and Invoicing**

- a. The method of payment for this RGA will be based on actual allowable costs. CALTRANS will reimburse AGENCY for expended actual allowable direct costs and including, but not limited to labor costs, travel, and contracted consultant services costs incurred by AGENCY in performance of the Project work. Indirect costs are reimbursable only if the AGENCY has an approved Indirect Cost Allocation Plan or an Indirect Cost Rate Proposal as set forth in Section II - Cost Principals, Item 9 d. The total cost shall not exceed the cost reimbursement limitation set forth in Section II - Cost Limitations, Item 4. a. Actual costs shall not exceed the estimated wage rates, labor costs, travel and other estimated costs and fees set forth in Attachment II without an amendment to this RGA, as agreed between CALTRANS and AGENCY.
- b. Reimbursement of AGENCY expenditures will be authorized only for those allowable costs actually incurred by AGENCY in the performance of the Project work. AGENCY must not only have incurred the expenditures on or after the start date and the issuance of the Notice to Proceed letter for this RGA and before the

Expiration Date, but must have also paid for those costs to claim any reimbursement.

- c. Travel expenses and per diem rates are not to exceed the rate specified by the State of California Department of Human Resources for similar employees (i.e. non-represented employees) unless written verification is supplied that government hotel rates were not then commercially available to AGENCY, its sub-recipients, contractors, and/or subcontractors, at the time and location required as specified in the California Department of Transportation's Travel Guide Exception Process at the following link: [http://www.dot.ca.gov/hq/asc/travel/ap\\_b/bu1.htm](http://www.dot.ca.gov/hq/asc/travel/ap_b/bu1.htm)  
Also see website for summary of travel reimbursement rules.
- d. AGENCY shall submit invoices to CALTRANS at least quarterly but no more frequently than monthly in arrears for completion of milestones in accordance with the Project Timeline in Attachment II to the satisfaction of the CALTRANS' Contract Manager. Invoices shall reference this RGA Number and shall be signed and submitted to the CALTRANS' Contract Manager at the following address, as stated in Section III - Notification of Parties, Item 1.c.
- e. Invoices shall include the following information:
  - 1) Names of the AGENCY personnel performing work
  - 2) Dates and times of project work
  - 3) Locations of project work
  - 4) Itemized costs as set forth in Attachment II, including identification of each employee or subcontractor staff that provided services during the period of the invoice, the number of hours and hourly rates for each employee or subcontractor staff member, authorized travel expenses with receipts, receipts for authorized materials or supplies, and subcontractor invoices.
  - 5) AGENCY shall submit written progress reports with each set of invoices to allow the CALTRANS' Contract Manager to determine if AGENCY is performing to expectations, is on schedule, is within funding cost limitations, to communicate interim findings, and to afford occasions for airing difficulties respecting special problems encountered so that remedies can be developed.
- f. Incomplete or inaccurate invoices shall be returned to the AGENCY unapproved for correction. Failure to submit invoices on a timely basis may be grounds for termination of this RGA for material breach per Section II - Termination, Item 5.
- g. CALTRANS will reimburse AGENCY for all allowable Project costs at least quarterly but no more frequently than monthly in arrears as promptly as CALTRANS fiscal procedures permit upon receipt of an itemized signed invoice.
- h. The RGA Expiration Date refers to the last date for AGENCY to incur valid Project costs or credits and is the date the RGA expires. AGENCY has sixty (60) days after that Expiration Date to make final allowable payments to Project contractors or vendors, submit the Project's Final Product(s) as defined in Attachment II and final invoice to CALTRANS for reimbursement for allowable Project costs. Any

unexpended Project funds not invoiced by the sixtieth (60th) day will be reverted and will no longer be accessible to reimburse late Project invoices.

### **15. Local Match Funds**

- a. AGENCY shall contribute not less than a proportional cash amount toward the services described herein on a monthly or quarterly basis. The frequency of the payments shall be agreed upon by the parties in a document signed by both parties. Notwithstanding the foregoing, to the extent that in-kind contributions are permitted under this Agreement, the contributions may be counted as cash when they are actually received by Caltrans. Except where expressly allowed in writing herein, reimbursement of credits for local matching funds will be made or allowed only for work performed on and after the date of issuance of the Notice to Proceed and prior to the Expiration Date of this RGA.
- b. Local cash and in-kind match requirements can be found in Attachment III, Grants Application Guide. AGENCY agrees to contribute the statutorily required local contribution of matching funds if any is specified within this RGA or in any Attachment hereto, toward the actual cost of the services described in Attachment II. AGENCY shall contribute not less than its required match amount toward the services described herein.

### **16. Cost Principles**

- a. AGENCY agrees to comply with Title 2, Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- b. AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree, that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual Project cost items and (b) all parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Every sub-recipient receiving Project funds as a sub-recipient, contractor, or subcontractor under this RGA shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards to the extent applicable.
- c. Any Project costs for which AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, and/or Part 48, Chapter 1, Part 31, are subject to repayment by AGENCY to CALTRANS. Should AGENCY fail to reimburse moneys due CALTRANS within thirty (30) days of discovery or demand, or within such other period as may be agreed in writing between the parties hereto, CALTRANS is authorized to intercept and withhold future payments due AGENCY from CALTRANS or any third-party source, including, but not limited to, the State Treasurer, the State Controller or any other fund source.
- d. Prior to AGENCY seeking reimbursement of indirect costs, AGENCY must

prepare and submit annually to CALTRANS for review and approval an indirect cost rate proposal and a central service cost allocation plan (if any) in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Chapter 5 of the Local Assistance Procedures Manual which may be accessed at:

<http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm>.

- e. AGENCY agrees and shall require that all of its agreements with consultants and subrecipients contain provisions requiring adherence to this section in its entirety (except section c).

### **17. Americans with Disabilities Act**

By signing this RGA, AGENCY assures CALTRANS that in the course of performing Project work, it will fully comply with the applicable provisions of the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

### **18. Iran Contracting Act**

The proposed Contractor must complete and submit to Caltrans the Iran Contracting Act Certification certifying that it is not on the most current Department of General Services (DGS) list to Entities Prohibited from Contracting with Public Entities in California per the Iran Contracting Act, 2010 (<http://www.documents.dgs.ca.gov/pd/poliproc/Iran%20Contracting%20Act%20List.pdf>), before the contract has been executed, unless the Contractor is exempted from the certification requirement by Public Contract Code Section 2205 (c) or (d). If claiming an exemption, the proposed Contractor shall provide written evidence that supports an exemption under Public Contract Code Section 2203 (c) or (d) before execution of the contract.

### **19. Indemnification**

Neither CALTRANS nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by AGENCY, its officers, employees, agents or its subcontractors under or in connection with any work, authority or jurisdiction conferred upon AGENCY under this RGA. It is understood and agreed that AGENCY, its officers, employees, agents, or subcontractors shall fully defend, indemnify and save harmless CALTRANS and all its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by AGENCY, its officers, employees, agents or subcontractors under this RGA.

### **20. Non-Discrimination**

- a. During the performance of this RGA, AGENCY and all of its sub-recipients and its sub-contractors, if any, shall not unlawfully discriminate, harass or allow

harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family and medical care leave, and denial of pregnancy disability leave. AGENCY, its subcontractors, and sub-recipients shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. AGENCY, its subcontractors and sub-recipients shall comply with the provisions of the Fair Employment and Housing Act (Government Code [GC] Section 12900 et seq.) and the applicable regulations promulgated hereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing GC Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this RGA by this reference and are made a part hereof as if set forth in full. AGENCY, its subcontractors, and sub-recipients shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other collective bargaining agreements in place.

- b. AGENCY shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this RGA.

## **21. Retention of Records/Audits**

- a. AGENCY, its contractors, subcontractors and sub-recipients shall establish and maintain an accounting system and records that properly accumulate and segregate incurred Project costs and matching funds by line. The accounting system of AGENCY, its contractors, all subcontractors, and sub-recipients shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All accounting records and other supporting papers of AGENCY, its contractors, subcontractors and sub-recipients connected with Project performance under this RGA shall be maintained for a minimum of three (3) years from the date of final payment to AGENCY and shall be held open to inspection, copying, and audit by representatives of CALTRANS, the California State Auditor, and auditors representing the federal government. Copies thereof will be furnished by AGENCY, its contractors, its subcontractors and sub-recipients upon receipt of any request made by CALTRANS or its agents. In conducting an audit of the costs and match credits claimed under this RGA, CALTRANS will rely to the maximum extent possible on any prior audit of AGENCY pursuant to the provisions of State and Agency law. In the absence of such an audit, any acceptable audit work performed by AGENCY's external and internal auditors may be relied upon and used by CALTRANS when planning and conducting additional audits.
- b. For the purpose of determining compliance with applicable State and Agency law in connection with the performance of AGENCY's contracts with third parties pursuant to GC Section 8546.7, AGENCY, AGENCY's sub-recipients, contractors, subcontractors, and CALTRANS shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence

pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire Project period and for three (3) years from the date of final payment to AGENCY under this RGA. CALTRANS, the California State Auditor, or any duly authorized representative of CALTRANS or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent to a Project for audits, examinations, excerpts, and transactions, and AGENCY shall furnish copies thereof if requested.

- c. AGENCY, its sub-recipients, contractors, and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other AGENCY of the State of California designated by CALTRANS, for the purpose of any investigation to ascertain compliance with this RGA.
- d. Additionally, all grants may be subject to a pre-award audit prior to execution of the RGA to ensure AGENCY has an adequate financial management system in place to accumulate and segregate reasonable, allowable and allocable costs.
- e. Any contract with a consultant or subrecipient entered into as a result of this Agreement shall contain all the provisions of this article.

## **22. Disputes**

- a. Any dispute concerning a question of fact arising under this RGA that is not disposed of by agreement shall be decided by the CALTRANS Contract Officer, who may consider any written or verbal evidence submitted by AGENCY. The decision of the CALTRANS Contract Officer shall be the CALTRANS's final decision regarding the dispute.
- b. Neither the pendency of a dispute nor its consideration by the CALTRANS Contract Officer will excuse AGENCY from full and timely performance in accordance with the terms of the RGA.

## **23. Third-Party Contracts**

- a. AGENCY shall perform the work contemplated with resources available within its own organization and no portion of the work shall be subcontracted without prior written authorization by CALTRANS Contract Manager unless expressly included (sub-recipient identified) in Attachment II as part of the identified Project work.
- b. All State-government-funded procurements must be conducted using a fair and competitive procurement process. AGENCY may use its own procurement procedures as long as the procedures comply with the local AGENCY's laws, rules, and ordinances governing procurement and all applicable provisions of state law, including without limitation the requirement that the AGENCY obtain at least three (3) competitive bids for solicitation of goods, services and consulting

services (see Part 2, Chapter 2, Articles 3 and 4 of the Public Contract Code); a qualifications-based solicitation process, for which statements of qualifications are obtained from at least three (3) qualified firms for architecture and engineering services (see Title 1, Division 5, Chapter 10 of the Government Code); and, the provisions of the Local Assistance Procedures Manual (LAPM), Chapter 10, which are not inconsistent with this section 15, Third Party Contracts. The LAPM can be found and the following link:  
<http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm#LAPMop1>.

- c. Any subcontract entered into as a result of this RGA shall contain all the provisions stipulated in this RGA to be applicable to AGENCY's sub-recipients, contractors, and subcontractors. Copies of all agreements with sub-recipients, contractors, and subcontractors must be submitted to the CALTRANS Contract Manager.
- d. CALTRANS does not have a contractual relationship with the AGENCY's sub-recipients, contractors, or subcontractors and the AGENCY shall be fully responsible for all work performed by its sub-recipients, contractors, or subcontractors.
- e. Prior authorization in writing by the CALTRANS Contract Manager shall be required before AGENCY enters into any non-budgeted purchase order or sub-agreement for supplies, or consultant services. AGENCY shall provide an evaluation of the necessity or desirability of incurring such costs. Agency shall retain all receipts for such purchases or services and shall submit them with invoices per Section III, Item 14e.4, above.
- f. Any subcontract entered into by AGENCY as a result of this RGA shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as Project costs only after those costs are incurred and paid for by the subcontractors. Travel expenses and per diem rates for subcontractors shall be reimbursed pursuant to Section III, Item 14c, above.

#### **24. Drug-Free Workplace Certification**

By signing this RGA, AGENCY hereby certifies under penalty of perjury under the laws of California that AGENCY will comply with the requirements of the Drug-Free Workplace Act of 1990 (GC Section 8350 et seq.) and will provide a Drug-Free workplace by doing all of the following:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by GC Section 8355(a).
- b. Establish a Drug-Free Awareness Program as required by GC Section 8355(b) to inform employees about all of the following:
  - 1) The dangers of drug abuse in the workplace.
  - 2) The person's or organization's policy of maintaining a Drug-Free workplace;

- 3) Any available counseling, rehabilitation, and employee assistance programs.
  - 4) Penalties that may be imposed upon employees for drug abuse violations.
- c. Provide, as required by GC Section 8355(c), that every employee who works on the proposed contract or grant:
- 1) Will receive a copy of the company's Drug-Free policy statement.
  - 2) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant.
- d. Failure to comply with these requirements may result in suspension of payments under this RGA or termination of this RGA or both, and AGENCY may be ineligible for the award of any future state contracts if CALTRANS determines that any of the following has occurred: (1) AGENCY has made a false certification or, (2) agency violates the certification by failing to carry out the requirements as noted above.

## **25. Relationship of Parties**

It is expressly understood that this RGA is an agreement executed by and between two independent governmental entities and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship whatsoever other than that of an independent party.

## **26. State-Owned Data**

- a. AGENCY agrees to comply with the following requirements to ensure the preservation, security, and integrity of State-owned data on portable computing devices and portable electronic storage media:
- 1) Encrypt all State-owned data stored on portable computing devices and portable electronic storage media using government-certified Advanced Encryption Standard (AES) cipher algorithm with a 256-bit or 128-bit encryption key to protect CALTRANS data stored on every sector of a hard drive, including temp files, cached data, hibernation files, and even unused disk space.
  - 2) Data encryption shall use cryptographic technology that has been tested and approved against exacting standards, such as FIPS 140-2 Security Requirements for Cryptographic Modules.
  - 3) Encrypt, as described above, all State-owned data transmitted from one computing device or storage medium to another.
  - 4) Maintain confidentiality of all State-owned data by limiting data sharing to those individuals contracted to provide services on behalf of the State, and limit use of State information assets for State purposes only.
  - 5) Install and maintain current anti-virus software, security patches, and

- upgrades on all computing devices used during the course of the Agreement.
- 6) Notify the CALTRANS Contract Manager immediately of any actual or attempted violations of security of State-owned data, including lost or stolen computing devices, files, or portable electronic storage media containing State-owned data.
  - 7) Advise the owner of the State-owned data, the agency Information Security Officer, and the agency Chief Information Officer of vulnerabilities that may present a threat to the security of State-owned data and of specific means of protecting that State-owned data.
- b. AGENCY agrees to use the State-owned data only for State purposes under this RGA.
  - c. AGENCY agrees to not transfer State-owned data to any computing system, mobile device, or desktop computer without first establishing the specifications for information integrity and security as established for the original data file(s). (State Administrative Manual (SAM) Section 5335.1)

## **27. Project Close Out/Final Product**

- a. AGENCY will provide two (2) copies and two (2) electronic versions of the Final Product(s) to the CALTRANS Contract Manager.
- b. CALTRANS reserves the right to withhold final payment to AGENCY pending receipt of Final Product(s) to the CALTRANS Contract Manager.

## **28. OWNERSHIP OF PROPRIETARY PROPERTY**

- a. **Defintions**
  - 1) **Work:** The work to be directly or indirectly produced by AGENCY under this RGA.
  - 2) **Work Product:** All deliverables created or produced from Work under this Agreement including but not limited to, all Work and Deliverables conceived or made, or made hereafter conceived or made, either solely or jointly with others during the term of this Agreement and during a period of six (6) months after the termination thereof, which relates to the Work commissioned or performed under this Agreement. "Work Product" includes all deliverables, inventions, innovations, improvements, or other works of authorship Contractor may conceive of or develop in the course of this Agreement, whether or not they are eligible for patent, copyright, trademark, trade secret, or other legal protection.
  - 3) **Inventions:** Any idea, methodologies, design, concept, technique, invention, discovery, improvement or development regardless of patentability made solely by the Contractor or jointly with the Contractor's Subcontractor and/or the Contractor's Subcontractor's employee's with one or more employees of the Department of Transportation (herein after referred to as "the Department"), during the term of this Agreement and in performance of any Work under this Agreement, provided that either the conception or reduction to practice thereof

occurs during the term of this Agreement and in performance of Work issued under this Agreement.

b. **OWNERSHIP OF WORK PRODUCT AND RIGHTS**

- 1) **Ownership of work product:** Except in regard to Pre-existing Works, all Work Product derived by the Work performed by the Contractor, its employees or by any of the Contractor's Subcontractor's employees under this Agreement, shall be owned by the Department and shall be considered to be works made for hire by the Contractor's Subcontractor for the Department. The Department shall own all United States and international copyrights in the Work Product.

As such, all Work Product shall contain, in a conspicuous place, a copyright designation consisting of a "c" in a circle followed by the four-digit year in which the Work Product was produced, followed by the words "California Department of Transportation." For example, a Work Product created in the year 2012 would contain the copyright designation © 2012 California Department of Transportation.

- 2) **Vesting of copyright rights:** Contractor, its employees or any of Contractor's Subcontractor's employees agrees to perpetually assign, and upon creation of each Work Product automatically assigns, to the Department, its successors and assigns, ownership of all United States and international copyrights in each and every Work Product, insofar as any such Work Product, by operation of law, may not be considered work made for hire by the Contractor's Subcontractor from the Department. From time to time upon the Department's request, the Contractor's Subcontractor and/or its employees, shall confirm such assignments by execution and delivery of such assignments, confirmations or assignment, or other written instruments as the Department may request. The Department, its successors and assigns, shall have the right to obtain and hold in its or their own name(s) all copyright registrations and other evidence of rights that may be available for Work Product. Contractor hereby agrees to waive all moral rights relating to identification of authorship restriction or limitation on use, or subsequent modifications of the Work.

c. **INVENTIONS**

- 1) **Vesting of patent rights:** The Contractor, its employees and any Contractor's Subcontractor hereby agrees to assign to the Department, its successors, and assigns, all Inventions, together with the right to seek protection by obtaining patent rights therefore and to claim all rights or priority there under, and the same shall become and remain the Department's property regardless of whether such protection is sought. The Contractor, its employees and Contractor's Subcontractor shall promptly make a complete written disclosure to the Department of each Invention not otherwise clearly disclosed to the Department in the pertinent Work Product, specifically pointing out features or concepts that the Contractor, its employees and Contractor's Subcontractor believes to be new or different. The Contractor, its employees and Contractor's Subcontractor shall, upon the Department's request and at the Department's expense, cause patent applications to be filed thereon, through solicitors designated by the Department, and shall sign all such applications over to the

Department, its successors, and assigns. The Contractor, its employees and Contractor's Subcontractor shall give the Department and its solicitors all reasonable assistance in connection with the preparation and prosecution of any such patent applications and shall cause to be executed all such assignments or other instruments or documents as the Department may consider necessary or appropriate to carry out the intent on this Agreement.

- 2) **Agency:** In the event that the Department is unable for any reason whatsoever to secure the Contractor's, its employees' and/or Contractor's Subcontractor's signature to any lawful or necessary document required or desirable to apply for or prosecute any United States application (including renewals or divisions thereof), Contractor, its employees and Contractor's Subcontractor hereby irrevocably designates and appoints the Department and its duly authorized officers and agents, as its agent and attorney-in-fact, to act for and on Contractor, its employees and Contractor's Subcontractor's behalf and stead, to execute and file such applications and to do all other lawfully permitted acts to further the prosecution and issuance of any copyrights, trademarks or patents thereon with the same legal force and effect as if executed by Contractor, its employees and/or Contractor's Subcontractor. The Department shall have no obligations to file any copyright, trademark or patent applications.

d. **ADDITIONAL PROVISIONS**

- 1) **Avoidance of infringement:** In performing services under this Agreement, Contractor and its employees agree to avoid designing or developing any items that infringe one or more patents or other intellectual property rights of any third party. If Contractor or its employees becomes aware of any such possible infringement in the course of performing any Work under this Agreement, Contractor or its employees shall immediately notify the Department in writing.
- 2) **Pre-existing works and license:** Contractor acknowledges that all Work Product shall be the sole and exclusive property of the Department, except that any pre-existing works created by Contractor and third parties outside of the Agreement but utilized in connection with the Agreement (the "Pre-existing Works") shall continue to be owned by Contractor or such parties. Contractor agrees to notify the Department in writing of any Pre-existing Works used in connection with any Work Product produced under this Agreement and hereby grants to the Department a non-exclusive, perpetual, royalty-free license to utilize the Pre-existing Works in connection with the Work Product.
- 3) **Subcontractors:** Contractor shall affirmatively bind by contract any of its subcontractors or service vendors (hereinafter "Contractor's Subcontractor") providing services under this Agreement to conform to the provisions of this Exhibit. Contractor's Subcontractor shall then provide the signed contract to the Contractor, who shall provide it to the Department's Contract Manager prior to the commencement of any work. In performing services under this Agreement, Contractor's Subcontractor agrees to avoid designing or developing any items that infringe one or more patents or other intellectual property rights of any third party. If Contractor's Subcontractor becomes aware of any such possible

infringement in the course of performing any Work under this Agreement, Contractor's Subcontractor shall immediately notify the Contractor in writing, Contractor will then immediately notify the Department in writing.

e. **OWNERSHIP OF DATA**

- 1) Upon completion of all work under this Agreement, all intellectual property rights, ownership and title to all reports, documents, plans, specifications, and estimates, produced as part of this Agreement will automatically be vested in Caltrans and no further agreement will be necessary to transfer ownership to Caltrans. The Consultant shall furnish Caltrans all necessary copies of data needed to complete the review and approval process.
- 2) It is understood and agreed that all calculations, drawings, and specifications, whether in hard copy or machine readable form, are intended for one-time use in the construction of the project for which this Agreement has been entered into.
- 3) The Consultant is not liable for claims, liabilities or losses arising out of, or connected with, the modification or misuse by Caltrans of the machine readable information and data provided by the Consultant under this Agreement; further, the Consultant is not liable for claims, liabilities or losses arising out of, or connected with, any use by Caltrans of the project documentation on other projects, for additions to this project, or for the completion of this project by others, excepting only such use as may be authorized, in writing, by the Consultant.
- 4) Any sub-agreement in excess of \$25,000.00, entered into as a result of this Agreement, shall contain all of the provisions of this clause.

**SECTION IV**

**ATTACHMENTS:**

The following attachments are incorporated into and are made a part of this RGA by this reference and attachment.

- I. AGENCY Resolution
- II. Scope of Work and Project Timeline
- III. Grant Application Guide

IN WITNESS WHEREOF, the parties hereto have executed this RGA on the day and year first herein above written:

**STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION**

**AGENCY NAME**

By: \_\_\_\_\_  
\_\_\_\_\_  
(Print Name)

By: \_\_\_\_\_  
\_\_\_\_\_  
(Print Name)

Title: \_\_\_\_\_

Title: \_\_\_\_\_

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

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

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

Title: \_\_\_\_\_

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

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

Title: \_\_\_\_\_

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