

**MEMORANDUM OF UNDERSTANDING
REGARDING THE PROPOSED LOS ANGELES COUNTY
METRO EXTENSION ALONG THE WEST SANTA ANA BRANCH LINE**

This Memorandum of Understanding (“MOU”) is made and entered into by and among the Los Angeles County Metropolitan Transportation Authority (hereinafter referred to as “LACMTA” or “Metro”), an agency created under the laws of the State of California to provide planning and transportation services to the Los Angeles County area; Union Pacific Railroad Company (hereinafter referred to as “UPRR”), a corporation, having its headquarters in Omaha, Nebraska and incorporated under the laws of the State of Delaware; the City of Los Angeles, a municipal corporation, acting by and through its Board of Harbor Commissioners (hereinafter referred to as “POLA”); the City of Long Beach, a municipal corporation, acting by and through its Board of Harbor Commissioners (hereinafter referred to as “POLB”); and the Alameda Corridor Transportation Authority, a California Joint Powers Authority, acting by and through its Governing Board (hereinafter referred to as “ACTA”). LACMTA, UPRR, POLA, POLB and ACTA are hereinafter referred to individually as “Party” and collectively as “Parties”.

WHEREAS, LACMTA desires to provide expanded light rail passenger service along the West Santa Ana Branch Transit Corridor (“WSAB”) to connect southeast Los Angeles County to downtown Los Angeles (the “Project”). In January 2022, the LACMTA Board of Directors approved a 14.5-mile Light Rail Transit (“LRT”) line from Slauson/A Line to Pioneer as the Locally Preferred Alternative for the Project (“LPA”). The LPA is anticipated to cross over rail lines and other properties used, owned or under the control of UPRR, POLA and POLB and part of the LPA alignment is anticipated to be located parallel to active freight track(s) in the portions of the UPRR-owned Wilmington Subdivision right-of-way (“ROW”), the UPRR-owned La Habra Subdivision ROW, the POLB and POLA-owned San Pedro Subdivision ROW, and the LACMTA-owned Pacific Electric ROW. The Parties acknowledge that UPRR has operating rights on the San Pedro Subdivision ROW and the Pacific Electric ROW. A map of the area is attached to this MOU as Exhibit A;

WHEREAS, the purpose of this MOU is to memorialize the Parties’ preliminary understanding of the proposed Project and outlines non-binding understandings between and among the Parties, along with their individual and collective roles for reviewing the design and operation of the proposed Project;

WHEREAS, each Party to this MOU is able to provide specific perspective, expertise, and responsibilities that are integral to the planning, implementation, completion and operation of the proposed Project;

WHEREAS, the Parties acknowledge that this MOU is being entered into while the environmental review process is ongoing and the final Environmental Impact Statement/Environmental Impact Report (“EIS/EIR”) is being prepared and entering into this MOU does not prejudice a Party’s right to participate in the environmental review process (including the right to raise concerns or objections to impacts from the Project) nor does it predetermine the outcome of that process;

WHEREAS, current discussions among the Parties' staff indicate that it may be possible to build the proposed Project at-grade and close to the rail operations along portions of the Project impacting the Parties' various ROW;

WHEREAS, each Party agrees to provide resources to facilitate the review of various elements of the proposed Project, which in some cases may be conditioned on LACMTA's reimbursement of costs associated with such review pursuant to separate agreements as between those Parties; and

WHEREAS, in addition to the foregoing, LACMTA desires to enter into this MOU in order to support its efforts to secure Project funding and to advance the environmental review process.

NOW, THEREFORE, the Parties hereby mutually agree as follows:

I. MOU Purpose, Project Scope and Purpose, Benefits, Funding Sources and Technical Specifications

The purpose of this MOU is to coordinate the advancement of design and planning for construction, property interests, operation, and maintenance of the Project with respect to the LPA as it relates to the relocation of the freight track(s) and appurtenances to accommodate the alignment of the Project while maintaining existing freight operations along each Parties' ROW. The Parties agree to work together to evaluate and attempt to resolve issues needed to complete the Project. Any impacts affecting the Parties with respect to the segment from Slauson/A Line to the northern terminus shall be addressed in a separate agreement or agreements. The Parties agree that if subsequent agreements are necessary for the proposed Project, more detailed information and definitive terms and conditions will be set forth in those agreements after satisfactory completion of relevant due diligence and Project planning, along with approval by each Parties governing body as needed. If at any time a Party determines, after completing its own due diligence, the proposed Project would be incompatible with its operational needs within its ROW, then such Party may decline to support the Project through future agreements.

a. Project Scope and Purpose

LACMTA is evaluating the Project as a new LRT line to connect southeast LA County to downtown Los Angeles. The Project would serve the cities and communities of Artesia, Cerritos, Bellflower, Paramount, Downey, South Gate, Cudahy, Bell, Huntington Park, Vernon, the unincorporated Florence-Graham community and Downtown Los Angeles. The Project's overall purpose would be to provide high-quality reliable fixed guideway transit service to meet the future mobility needs of residents, employees, and visitors who travel within and through the corridor. The Project would increase mobility and connectivity for historically underserved and transit-dependent communities, improve travel times on local and regional transportation networks relative to not making this investment, and accommodate substantial future employment and population growth. The study area (as defined in the environmental review) is currently home to 1.4 million residents and 618,500 jobs, which are projected to increase to 1.6 million residents and 746,000 jobs by 2042.

In January 2022, LACMTA's Board of Directors approved Los Angeles Union Station as the northern terminus of the Project, with the Project being deemed complete when there is a one-seat

ride that connects Artesia to Union Station. The Board further approved the 14.5 mile LPA segment, including nine WSAB stations and one new infill C Line station at I-105, and a maintenance and storage yard, as the locally preferred alternative with the objective of delivering the LPA by 2033-35.

b. Benefits

The Project is anticipated to serve commuters in a high travel demand corridor by providing relief to the limited transportation systems currently available to the communities along the corridor. Population and employment densities in areas around the Project are five times higher than the Los Angeles County average. Most of the study area is served by buses that operate primarily along a heavily congested freeway and arterial network. As the population and employment within the study area are predicted to grow substantially over the next 20 years, the congestion of the roadway network is expected to worsen, resulting in the further decreased reliability of transit service for these heavily transit-dependent environmental justice communities. The Project is intended to provide the much-needed access to opportunities and resources for transit riders in a high-travel demand corridor that is populated by a majority minority community. In addition, the new light rail line is intended to provide transfers to the Metro C Line (Green), Metro A Line (Blue) and the Los Angeles County regional transit network. Upon completion to the northern terminus, the new light rail line would also connect passengers to Amtrak and Metrolink services.

c. Funding sources

LACMTA anticipates funding or financing the Project from different sources, including federal, state, and local sources, such as the New Starts program under the federal Capital Investment Grants program, the State Transit and Intercity Rail Capital Program, Measure M sales tax revenues, local agency contributions, and others.

d. Technical specifications

The Parties acknowledge and agree that the preliminary technical specifications for the LPA include the following:

1. The distance between the at-grade LRT track centerlines would be a minimum of 14-feet
2. The distance between the nearest freight track centerline and LRT track centerline would be a minimum of 20-feet for the at-grade alignment
3. Aerial guideway spanning over any UPRR- owned ROW or any ROW on which UPRR has rights to operate freight trains would have a minimum vertical clearance of 24 feet over freight between the bottom of the bridge and the top of the rail
4. The overhead catenary system would electrically power the light rail line through a contact wire suspended approximately 20 feet above the track, supported by poles spaced at an average interval of 150 feet with the poles placed between the two LRT tracks through the LPA

5. Relocation of the freight track(s) and appurtenances to accommodate the alignment and maintain freight operations:
 - Relocation to the north of the Project alignment within the La Habra Subdivision ROW
 - Relocation to the west of the Project alignment within the San Pedro Subdivision ROW
 - Relocation to the north of the Project alignment within the LACMTA-owned Pacific Electric ROW
6. The Project's planned service would operate approximately 22 hours daily, seven days per week with weekday peak headways of 5 minutes and would have 10-minute headways during the off-peak hours

II. Roles and Responsibilities

a. Project Development Committee

A Project Development Committee ("Committee") is hereby created, made up of staff representatives from each Party, to further the goals of this MOU.

1. Purpose

The purpose of the Committee will be to provide a regular forum for staff representatives of each Party to meet and discuss Project issues and elements. The main goal of the Committee will be to make recommendations to the Parties on various aspects of the Project that may require future agreement of the Parties. The Committee is created solely for the limited purpose of providing guidance, recommendations and advice to the Parties and their governing bodies. The Committee and its members shall have no decision-making authority and any work performed by members of the Committee, whether done individually or as a group, shall have no binding authority on any Party.

For the proposed freight relocations and the Project alignment that is anticipated to be located parallel to active freight track(s) in the portions of the UPRR-owned Wilmington Subdivision ROW, the UPRR-owned La Habra Subdivision ROW, the POLB and POLA-owned San Pedro Subdivision ROW, and the LACMTA-owned Pacific Electric ROW, the Committee will provide recommendations on specific terms and conditions to the Parties on the following topics, including, but not limited to:

- i. Project Alignment (April 2023 Advanced Conceptual Engineering Plans);
- ii. Necessary Capital Improvements for the Project;
- iii. Project Budget;
- iv. Financial Contributions, if any, of the Parties;
- v. Compliance with State and Federal Laws and Regulations;
- vi. Project Schedule;
- vii. Project Design and Design Standards;
- viii. Construction;

- ix. Operations;
- x. Maintenance and Access; and
- xi. Property Transfers, including Trackage rights.

2. Membership

Each Party shall nominate, at its sole discretion, at least one person to serve on the Committee. The individuals serving on the Committee should have certain background experience and qualifications in at least one area regarding railroad project development, engineering, environmental compliance, or ROW/real estate. Additional staff may attend Committee meetings at the discretion of each Party for the purpose of providing required expertise and advice as needed during the term of this MOU.

3. Meetings and Communication

The Committee will establish a regular schedule of meeting as needed, but at a minimum meet at least once a month either via online video conference, in person, or a combination of the two based on the preference of the majority of the Committee members. LACMTA will designate one of its members to prepare minutes of each meeting and circulate them to the other Committee members within seven (7) days after each meeting, unless a more expedited schedule is required on a case-by-case basis.

b. Confidential Information

The Parties agree that any information and documents shared between the Parties may be treated as confidential upon the request of the providing Party and to the extent allowed under federal and state laws, with the understanding that any Party to this MOU which is a public agency shall treat documents created or shared pursuant to this MOU as public records in accordance with the California Public Records Act. Each Party may determine, in its sole discretion, what information, if any, such Party elects to share with other Parties and distribution of confidential information or documents shall be limited accordingly. Parties seeking to share confidential information or documents among themselves may choose, at their sole discretion, to enter into a separate agreement to limit the release of such confidential information and documents.

c. Duration of the Committee

The Committee will exist until the earlier of either the termination or expiration of this MOU or such time as the Parties determine that the Committee is no longer necessary to achieve the goals of this MOU.

d. Lead Party for Design

LACMTA will be the lead agency for Project design and engineering and will apply applicable design standards and recommendations agreed upon by the Parties.

III. Deliverables

- a. The Parties agree to work together to produce certain deliverables, including, but not limited to, the following:
 - i. A draft Statement of Work for the freight line relocations required for the Project, including a draft budget and schedule.
 - ii. A Term Sheet memorializing the major terms and conditions of any Project agreements between the Parties.
 - iii. Consideration of the type of property ownership interests being conveyed.
 - iv. Terms and conditions for Project construction of the freight line relocation and adjacent LRT construction.
 - v. Terms and conditions for Project operations and maintenance of the relocated freight line and adjacent LRT.
 - vi. Terms and Conditions for Access.
 - vii. Consideration, Compensation, and Financial Responsibilities for each Party.
 - viii. Allocation of Liability, Insurance, and Indemnification.
 - ix. Trackage rights agreements.
 - x. Capital improvements and project scope.
- b. Additionally, the Committee will assist LACMTA with technical advice and document review if LACMTA decides to seek funding for the Project as described in Section I.c herein.

IV. Miscellaneous

- a. This MOU shall not be assigned by any Party without the prior written consent of the other Parties.
- b. Any provision of this MOU may be amended, modified, extended or waived by written mutual agreement of all of the Parties.
- c. This MOU may be executed in counterparts, all of which taken together will be deemed one and the same instrument.
- d. This MOU may be terminated by any Party at any time upon written notice to the other Parties.
- e. This MOU confers no contractual obligations by any Party to any other Party with respect to the matters set forth herein. This MOU shall have no legal binding authority on any Party and has no enforcement rights through mediation, arbitration or in a court of law. UPRR, POLA, POLB and ACTA make no representations or warranties regarding the underlying property rights and any matters concerning such property rights shall be addressed in separate future agreements.

- f. This MOU shall be effective for a period of three years commencing on the date of last execution by all Parties. The term of the MOU may be extended by written amendment to this MOU.

V. LACMTA acknowledgment of ROW commitments

LACMTA acknowledges that the proposed Project LPA will impact some portions of the Parties' ROW which are governed by certain agreements as they exist now, and as they may be amended from time to time, namely 1) an Amended and Restated Use and Operating Agreement between ACTA, POLA, POLB, UPRR and BNSF, 2) a Use Permit between POLA, POLB and ACTA, and 3) a Master Trust Indenture between ACTA and US Bank Trust National Association (collectively "ROW Agreements"). LACMTA further acknowledges that in the event a party to any of the ROW Agreements determines that the proposed Project within a ROW materially conflicts with obligations of the ROW Agreements, then compliance with the ROW Agreement(s) at issue shall take precedence over any Party to this MOU agreeing to the proposed Project and entering into future Project-related agreements.

[Signatures on Next Page]

THE LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION
AUTHORITY

Dated: December 5, 2023

By: Mathew Antonelli
(Name), (Title)

Attest: NOT APPLICABLE
(Name), (Title)

APPROVED AS TO FORM
December 5, 2023, 2023

DAWYN R. HARRISON, County Counsel

By: Teddy Low
~~(Name), (Title)~~

Teddy Low, Senior Deputy County Counsel

[Signatures Continue on Next Page]

THE CITY OF LONG BEACH, a municipal corporation, acting by and through its Board of Harbor Commissioners

Dated: _____, 2023

By: _____
MARIO CORDERO
Chief Executive Officer
Long Beach Harbor Department

APPROVED AS TO FORM

_____, 2023
DAWN MCINTOSH, Long Beach City
Attorney

By _____
Thomas Y. Oh, Deputy

[Signatures Continue on Next Page]

THE CITY OF LOS ANGELES, by its Board
of Harbor Commissioners

Dated: _____, 2023

By: _____
EUGENE D. SEROKA
Executive Director

Attest: _____
AMBER M. KLESGES
Board Secretary

APPROVED AS TO FORM
November 30, 2023
HYDEE FELDSTEIN SOTO, Los Angeles
City Attorney

By  _____
Helen J. Sok, Deputy

[Signatures Continue on Next Page]

ALAMEDA CORRIDOR
TRANSPORTATION AUTHORITY

Dated: November 16, _____, 2023

By: Michael Leue
Michael C. Leue, P.E.
Chief Executive Officer

Attest: Maria M. Melendez
Secretary

APPROVED AS TO FORM
Nov 17, 2023, 2023
HYDEE FELDSTEIN SOTO, Los Angeles
City Attorney

By: Heather M. McCloskey
Heather McCloskey (Nov 17, 2023 08:48 PST)
Heather M. McCloskey, Deputy
ACTA Co-General Counsel

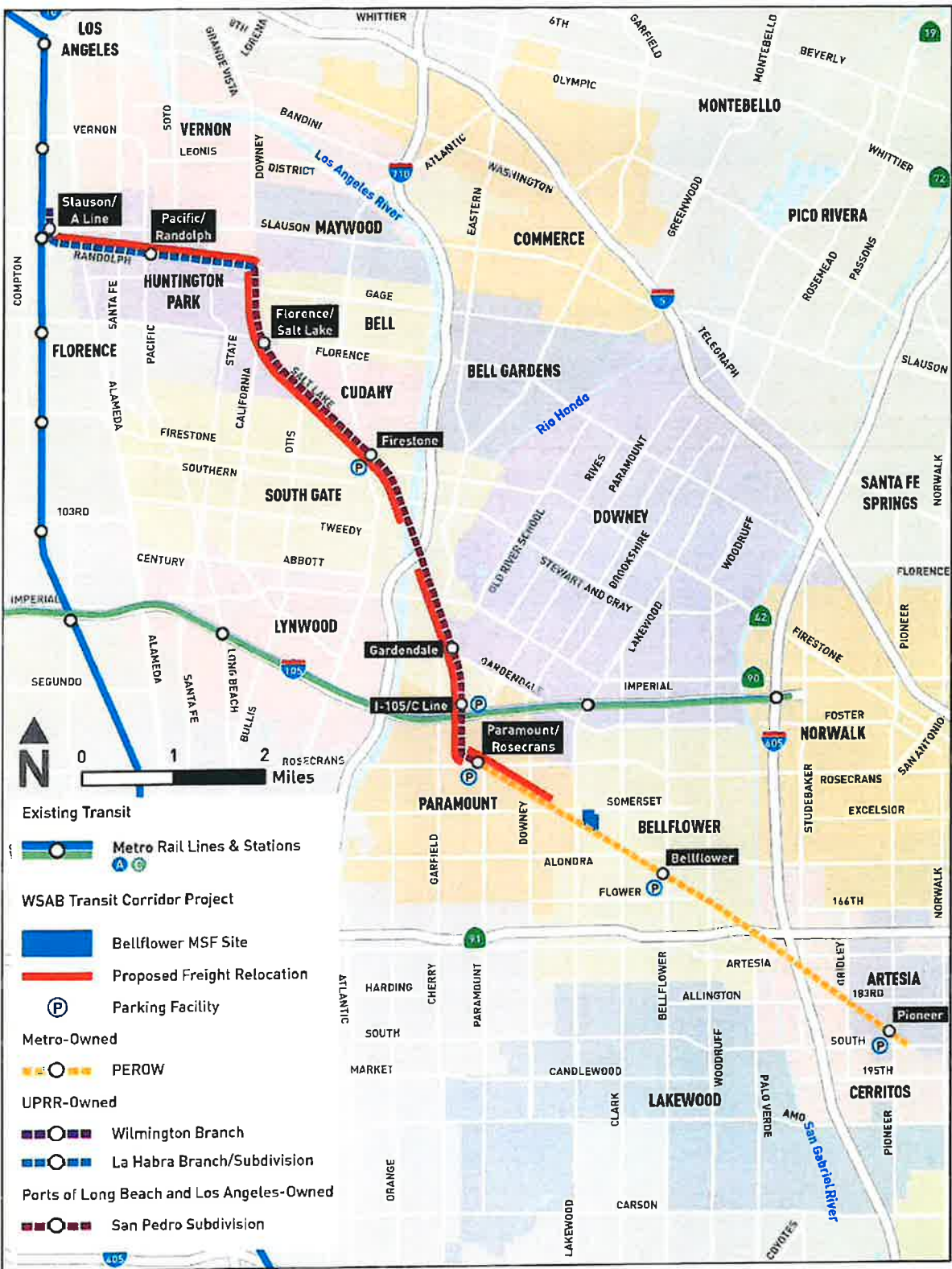
[Signatures Continue on Next Page]

UNION PACIFIC RAILROAD COMPANY

Dated: _____, 2023

By: _____
(Name), (Title)

TRANSMITTAL 1











WSAB - MOU between LACMTA UPRR POLA POLB and ACTA - Execution Version Metro11.13.23

Final Audit Report

2023-11-17

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