

**SEVEN-PARTY SUPPLEMENT TO
2012 MEMORANDUM OF UNDERSTANDING (MOU)**

**FINANCIAL COMMITMENTS TO ADDRESS FUNDING GAP FOR
THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT**

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY (SMCTA)
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)
CITY AND COUNTY OF SAN FRANCISCO (CCSF)
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)
METROPOLITAN TRANSPORTATION COMMISSION (MTC)
PENINSULA CORRIDOR JOINT POWERS BOARD (PCJPB)
CALIFORNIA HIGH SPEED RAIL AUTHORITY (CHSRA)**

RECITALS

WHEREAS, during the spring of 2012, the California High Speed Rail Authority (CHSRA) and the Peninsula Corridor Joint Powers Board (PCJPB), together with the Metropolitan Transportation Commission (MTC), the San Francisco County Transportation Authority (SFCTA), the Santa Clara Valley Transportation Authority (VTA), the City of San Jose, the City and County of San Francisco (CCSF), the San Mateo County Transportation Authority (SMCTA), and the Transbay Joint Powers Authority entered into a Memorandum of Understanding that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor (the "2012 Nine-Party MOU"), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) the Peninsula Corridor Electrification Project, including associated rolling stock acquisition (the PCEP), and (2) construction of an advanced signal system, commonly known as the PCJPB's "CBOSS" project, which will incorporate federally mandated Positive Train Control (collectively, the "Early Investment Projects"); and

WHEREAS, the Parties to the 2012 Nine-Party MOU agreed to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Early Investment Projects and to coordinate efforts to obtain funding using a mutually agreed-upon strategy, and in the event that funding for the program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the Parties agreed to take steps to notify each other as needed in a timely manner; and

WHEREAS, \$125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan included in the 2012 Nine-Party MOU is needed by the PCJPB to advance critical state of good repair improvements necessary to maintain existing Caltrain operations, and the PCJPB has requested to remove these funds from the early investment funding strategy, which would create a \$125 million funding gap; and

WHEREAS, a note to the 2012 early investment strategy funding plan included in the 2012 Nine-Party MOU indicated that other potential future funding sources could be substituted if secured; and

WHEREAS, the PCJPB conducted a cost estimate study for the PCEP in 2014 to update the 2008 cost estimate on which the 2012 Nine-Party MOU funding strategy for the PCEP was based, and the PCJPB has since included additional program contingency to the PCEP, such that the total anticipated budget for the PCEP is up to \$1.980 billion, which includes costs covering the contracts, program management, and contingency costs; and

WHEREAS, the Parties to this Seven-Party Supplement (Supplement) have met and discussed with all parties to the 2012 Nine-Party MOU additional funding needed for the PCEP to support contract award and have agreed to the funding commitments specified herein;

NOW, THEREFORE, it is mutually understood and agreed to by the PARTIES as follows:

To fully fund the PCEP, the parties to this Supplement commit to make the funding available to support the PCEP as set forth below. This funding is in addition to funding commitments

previously made by these parties in the 2012 Nine-Party MOU.

- a. The SMCTA will contribute an additional \$20 million;
- b. The VTA will contribute an additional \$20 million;
- c. The SFCTA and/or the CCSF will contribute an additional \$20 million;

(For SMCTA, VTA, and SFCTA and/or CCSF, each agency's contribution is contingent on the commitment of \$20 million each from the other two PCJPB partners, with the exact manner and timing of the contributions to be worked out with the PCJPB. The commitment of CCSF is subject to the Special Provisions in Exhibit C, attached to and incorporated in this MOU. These Special Provisions only apply to the funds to be provided by CCSF, and not any other parties to this Supplement.)

- d. The MTC will program \$28.4 million from Regional Measures 1 and 2;
 - e. The PCJPB will contribute \$9 million from funding provided by formula to Caltrain through the State of California's Low Carbon Transit Operations Program; and
 - f. The CHSRA will contribute an additional \$113 million.
2. The Parties to this Supplement also support the PCJPB's efforts to obtain \$647 million from FTA's Core Capacity Grant Program for the PCEP as a regional priority. The \$647 million would help provide funding needed for the PCEP, as well as funding to support a larger contingency set-aside for the PCEP program.
 3. The Parties to this Supplement understand PCJPB has requested \$225 million from the California State Transportation Agency's Transit & Intercity Rail Capital Program (Cap & Trade TIRCP) to support the PCEP, as contemplated in the 2012 Nine-Party MOU. ~~These funds will be prioritized for PCEP and will be used to backfill any shortfall in requested FTA Core Capacity funds.~~ If available, funding not needed for PCEP will be used to replace the remaining Caltrain diesel vehicles with Electric Multiple Units (EMUs). The exact remaining number of vehicles to be replaced will be contingent on the final Cap & Trade TIRCP grant award. TCF for JM
CHSRA
 4. The Parties to this Supplement also agree that, with the additional funding sources, \$125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan will no longer be needed for the PCEP, and will instead be programmed by the MTC to the PCJPB to advance critical Caltrain state of good repair improvements through MTC's established regional Transit Capital Priorities process.
 5. The total anticipated amount of funding to be secured for the PCEP will be \$1.980 billion, which includes the funding sources outlined above in paragraphs 1, 2, and 3, along with the original funding sources in the 2012 Nine-Party MOU except the \$125 million noted in paragraph 4 above. The revised funding plan for the PCEP reflecting the changes described herein is attached as Exhibit B.
 6. The parties to this supplement agree to continue, through regular meetings, to provide opportunity for all nine parties to the 2012 Nine-Party MOU to discuss, review, and/or comment on relevant project matters and collectively provide advisory oversight to help advance the PCEP.

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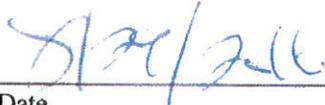
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7. If overall program costs reflect a financial commitment that is below the funding plan of \$1.980 billion, funding commitments from the parties to this Supplement will be reduced proportionally according to their respective additional shares as stated in this Supplement.
8. In the event overall program costs reflect a financial commitment that is above the funding plan of \$1.980 billion, or if the FTA Core Capacity funds are awarded at less than \$647 million, the parties to this Supplement will discuss with all parties to the 2012 Nine-Party MOU how to secure additional funding beyond what is presently identified, and/or discuss project scope adjustments to match to funding availability.
9. The parties to the 2012 Nine-Party MOU will also discuss and agree in writing on program oversight roles for the funding partners prior to the award of the PCEP contracts.

IN WITNESS WHEREOF, this MOU has been executed by the PARTIES hereto as of the day and year indicated next to each signature, with the final signature date constituting the effective date.



Jim Hartnett, Executive Director
Peninsula Corridor Joint Powers Board and
San Mateo County Transportation Authority



Date

Nuria Fernandez, General Manager/CEO
Santa Clara Valley Transportation Authority

Date

Edwin M. Lee, Mayor
City and County of San Francisco

Date

Board of Supervisors
Resolution No. _____
Dated: _____

Attest:

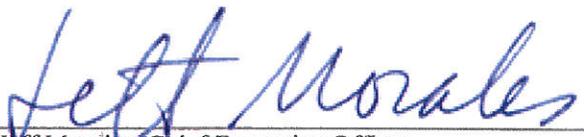
Clerk of the Board

Tilly Chang, Executive Director
San Francisco County Transportation Authority

Date

Steve Heminger, Executive Director
Metropolitan Transportation Commission

Date



Jeff Morales, Chief Executive Officer
California High Speed Rail Authority

8/30/2016

Date

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Jim Hartnett, Executive Director Peninsula Corridor Joint Powers Board and San Mateo County Transportation Authority	Date
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 Nuria Fernandez, General Manager/CEO Santa Clara Valley Transportation Authority	8/9/16 Date
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Edwin M. Lee, Mayor City and County of San Francisco Board of Supervisors Resolution No. _____ Dated: _____ Attest: _____ Clerk of the Board	Date
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Tilly Chang, Executive Director San Francisco County Transportation Authority	Date
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Steve Heminger, Executive Director Metropolitan Transportation Commission	Date
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City and County of San Francisco

Date

8/15/2016

Board of Supervisors
Resolution No. 366-16
Dated: 8-8-2016

Attest:


Clerk of the Board

Tilly Chang, Executive Director
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Date

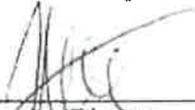
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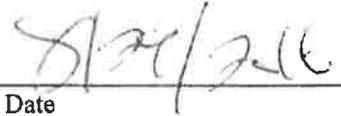
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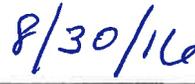
Board of Supervisors
Resolution No. _____
Dated: _____

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8-11-16

Date

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California High Speed Rail Authority

Date

APPROVED AS TO FORM BY:


Attorney for Peninsula Corridor Joint Powers Board and
San Mateo County Transportation Authority

8/29/16
Date

Attorney for Santa Clara Valley Transportation Authority

Date

Dennis J. Herrera, City Attorney

By:
Robin M. Reitzes, Deputy City Attorney
Attorney for City and County of San Francisco

Date

Attorney for San Francisco County Transportation Authority

Date

Attorney for Metropolitan Transportation Commission

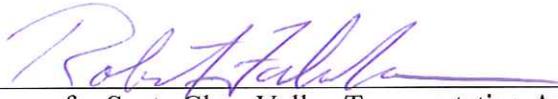
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8/10/16

Attorney for Santa Clara Valley Transportation Authority	Date
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Dennis J. Herrera, City Attorney

By:

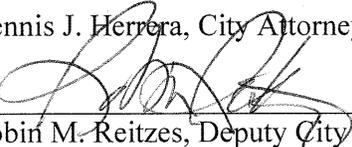
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Attorney for Santa Clara Valley Transportation Authority	Date
Dennis J. Herrera, City Attorney By: 	8/30/16
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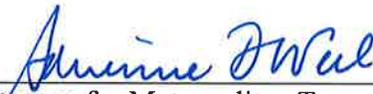
By:

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Attorney for Metropolitan Transportation Commission

8/11/16
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Attorney for California High Speed Rail Authority

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EXHIBIT A

MEMORANDUM OF UNDERSTANDING (MOU)

**HIGH SPEED RAIL EARLY INVESTMENT STRATEGY FOR
A BLENDED SYSTEM IN THE SAN FRANCISCO TO SAN
JOSE SEGMENT KNOWN AS THE PENINSULA CORRIDOR
OF THE STATEWIDE HIGH-SPEED RAIL SYSTEM**

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

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PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)
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SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)
CITY OF SAN JOSE
CITY AND COUNTY OF SAN FRANCISCO
TRANSBAY JOINT POWERS AUTHORITY (TJPA)**

Recitals

Whereas, the California High-Speed Rail AUTHORITY (AUTHORITY) is responsible for planning, building and maintaining an 800-mile statewide high-speed rail system and improved mobility through the development of safe, clean, reliable rail technology; and

Whereas, the AUTHORITY, in partnership with the Federal Railroad Administration is advancing a California High-Speed Train (HST) network that links the major metropolitan areas of the State of California utilizing corridors into and through Southern, Central and Northern California; and

Whereas, the AUTHORITY has responsibility for planning, construction and operation of high-speed passenger train service in California and is exclusively charged with accepting grants, fees and allocations from the state, from political subdivisions of the state and from the federal government, foreign governments, and private sources; and

Whereas, the AUTHORITY's 2012 Business Plan proposes to incrementally develop the HST system utilizing a blended system approach that will coordinate the development and operations of HST with existing passenger rail systems that improves, enhances and expands the integration of high-speed and regional/local passenger rail systems; and

Whereas, this blended approach requires a series of incremental investments in the Peninsula corridor to prepare for integrated service and operations and the AUTHORITY recognizes the need for a collaborative effort with regional and local agencies to identify early investment projects along existing rail corridors that improves service, improves safety and efficiency, and creates linkages between HST and local passenger rail service; and

Whereas, a blended system will remain substantially within the existing Caltrain right-of-way and will accommodate future high-speed rail and modernized Caltrain service along the Peninsula corridor by primarily utilizing the existing track configuration on the Peninsula; and

Whereas, this MOU is specific to project investments that upgrade existing rail service and prepare for a future high-speed train project that is limited to infrastructure necessary to support a blended system, which will primarily be a two-track system shared by both Caltrain and high-speed rail and will be designed to continue to support existing passenger and freight rail tenants; and

Whereas, local transportation improvement projects are required to be included in a Regional Transportation Plan (Plan), and the Metropolitan Transportation Commission, working closely with local agencies is charged with developing the Plan every four years to provide guidance for transportation investments within the Bay Area and with development of regional transportation strategies to address the needs of the San Francisco Bay Area; and

Whereas, on December 19, 2001, MTC adopted the Regional Transit Expansion Program of Projects (Resolution 3434) which includes the Transbay Transit Center Phase 2 Downtown Extension and Caltrain Electrification projects as regional priorities for transit expansion; and

Whereas, the Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg, Statutes of 2008) requires the Plan to include a Sustainable Communities Strategy (SCS), showing evidence of integrated planning, goals that establish and strengthen the crucial linkages between the economy, land use development and the regional transportation system to improve access to jobs, education, healthcare, and other amenities in ways that improve the overall quality of life in the Bay Area and the blended system on the Peninsula corridor in the California High-Speed Rail program are consistent with achieving SB 375 goals to reduce greenhouse gas emissions; and

Whereas, all Parties are involved in the planning, funding, construction and/or operation of heavy and light rail transit, buses, and/or commuter train services in the Peninsula corridor and are considering intermodal service integration, including linkages to the proposed HST service; and

Whereas, it is the intent and purpose of this MOU to strengthen the working relationship between the PARTIES to facilitate the development and implementation of passenger rail improvements that will improve local passenger rail service and operations while preparing designated HST corridors for eventual HST operation to achieve region wide systems integration of rail service in Northern California; and

Whereas, local transportation improvement projects are required to be environmentally evaluated according to CEQA and NEPA regulations and where necessary, existing environmental approval covering incremental improvements to the Peninsula corridor will be updated to reflect evolving local and regional conditions and concerns; and

Whereas, incremental improvements and the blended system project will be planned, designed and constructed in a way that supports local land use and Transit Oriented Development policies along the Peninsula corridor; and

Now, **THEREFORE**, it is mutually understood and agreed to by the **PARTIES** as follows:

To jointly support and pursue the implementation of a statewide high speed rail system that utilizes a blended system and operational model on the Peninsula corridor and that has its northern terminus at the Transbay Transit Center in San Francisco as specified in law, and its southern limit at Mile Post 51.4 at the Tamien Station in San Jose. The blended system will support and benefit operation of both Caltrain and future high speed train service.

To jointly recognize a defined set of Inter-related Program of Projects that are consistent with the AUTHORITY's phased implementation plan, are consistent with a blended system operation of the corridor and achieve objectives that include but are not limited to system capacity and connectivity for Caltrain, HST and freight, public safety, operational efficiency, effectiveness and connectivity.

To generally describe, identify and work to fully fund an Inter-related Program of Projects known as the Corridor Electrification Infrastructure Project, Advanced Signal System (also known as Positive Train Control), the Downtown Extension to the Transbay Transit Center, which is the Proposition 1A designated northern terminus of high-speed rail, new high-speed stations at San Jose Diridon Station and a Millbrae BART/Caltrain Station with a connection to San Francisco International Airport, and a Core Capacity project of needed upgrades to stations, tunnels, bridges, potential passing tracks and other track modifications and rail crossing improvements including improvements and selected grade separations required to accommodate the mixed traffic capacity requirements of high-speed rail service and commuter services.

To recognize that of the set of Inter-related Program of Projects, the most substantial and tangible early-investment benefits will be realized when two essential projects are identified for an Initial Investment Strategy to secure, at the earliest possible date, the benefits of the blended system for the traveling public and an Initial Investment Strategy is needed to provide the groundwork upon which future construction can more readily progress.

To recognize that the two Inter-related projects for Initial Investment Strategy are the Corridor Electrification Infrastructure Project that includes the needed rolling stock to operate revenue service; and the Advanced Signal System project and to adopt as part of this MOU, the funding plans needed to move as expeditiously as possible toward construction of these two essential projects.

To work toward the implementation of the Initial Investment Strategy to the maximum extent feasible and that the PARTIES shall endeavor to incorporate the Electrification Infrastructure and Advanced Signal System projects into their respective plans and that the AUTHORITY shall reflect this MOU in its Business Plan by December 31, 2012.

That the aforementioned projects will need to be environmentally analyzed and cleared according to CEQA and NEPA guidelines as appropriate, including updating and recirculation of the Caltrain Electrification EA/FEIR completed in 2009.

That the AUTHORITY will endeavor in good faith to secure approval and release of \$600 million of Proposition 1A funds and \$106 million of Proposition 1A "connectivity" funds consistent with the funding plans contained in this MOU as required to complete at the earliest possible date, the Corridor Electrification Infrastructure and Advanced Signal System projects.

That the AUTHORITY will endeavor in good faith to secure approval of Proposition 1A "connectivity" funds for Bay Area project sponsors consistent with and in accordance with the schedule and project expenditure plan approved and as amended by the California Transportation Commission.

That the AUTHORITY will work with funding partners to assist in seeking and releasing the funds necessary to implement the Electrification Infrastructure Project and Advanced Signal System project. Local agencies may provide local funds, real property, or in-kind resources as matching funds where matching funds are required to qualify for grant funds. PARTIES agree to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Electrification Infrastructure Project and the Advanced Signal System Project.

That the AUTHORITY and appropriate PARTIES will coordinate to obtain funding using a mutually agreed-upon strategy. In the event that funding for the program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the AUTHORITY and the PARTIES shall take steps to notify each other as needed in a timely manner.

FUNDING PLAN

Program Costs and Proposed Funding for Peninsula Corridor Projects: Electrification and Advance Signal System

Program Costs <i>(in \$ millions, year of expenditure)</i>	
Advance Signal System / Positive Train Control (PTC)	\$231
Electrification and Electric Multiple Units (EMUs)	\$1,225
Total	\$1,456

Program Funding <i>(in \$ millions)</i>	
Source	Amount
JPB Contributions	\$180
JPB Local - Currently Available	\$11
Caltrain PTC	\$4
Subtotal Local	\$195
Prop 1A Connectivity	\$106
Prop 1A High Speed Rail Authority	\$600
Prop 1B Caltrain	\$24
Subtotal State	\$730
Federal RR Admin. for PTC	\$17
Federal Transit Admin prior/current obligations	\$43
Federal Transit Admin future obligations	\$440
Subtotal Federal	\$500
MTC Bridge Tolls	\$11
BAAQMD Carl Moyer	\$20
Subtotal Regional	\$31
Total	\$1,456

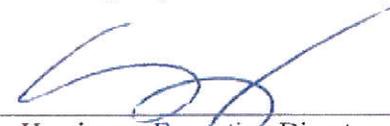
Funding Plan Notes:

1. Caltrain Joint Powers Board (JPB) Local Contribution is \$60 million from San Mateo sales tax, \$60 million from VTA sales tax, and \$60 million from San Francisco (\$23 million from sales tax, \$37 million from Regional Transportation Improvement Program (RTIP)/local/other). Each agency's contribution, including Proposition 1A Connectivity funds as outlined in Note 2, is contingent upon the \$60 million each from the other two JPB partners.
2. Prop 1A Connectivity is \$42 million from Caltrain, \$26 million from VTA, and \$38 million from BART (2nd priority for BART after receipt of \$150 million for railcars).
3. Prop 1B Caltrain is \$20 million Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), \$4 million State-Local Partnership Program (SLPP).
4. FTA Prior/Current Obligations is \$16 million for electrification in prior years, \$27 million for EMUs in FY12.
5. FTA Future Obligations is \$315 million for electric multiple units (EMUs), \$125 million from fixed guideway caps. Funds will be programmed in accordance with MTC Transit Capital Priorities process between approximately FY2012-2013 and FY2022-2023.
6. Bridge Tolls is from Regional Measure 1 (RM1) West Bay Rail Reserve.
7. Bay Area Air Quality Management District (BAAQMD) funds to be confirmed.
8. Assumes that all local sources, Prop 1B PTMISEA, all federal sources, and bridge tolls can be used as match to Prop 1A funds, totaling \$726 million in matching funds for \$706 million in Prop 1A funds.
9. Other potential future funding sources could be substituted if secured, including federal Transportation Investment Generating Economic Recovery (TIGER) funds (such as current Caltrain application for \$44 million), State Interregional Transportation Improvement Program (ITIP) funds, and private financing.

IN WITNESS WHEREOF, this MOU has been executed by the PARTIES hereto as of the day and year indicated next to each signature, with the final signature date constituting the effective date.



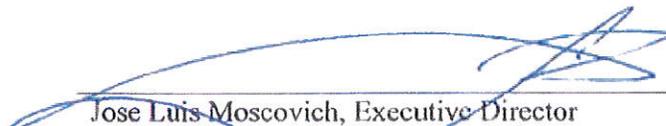
Jeff Morales, Chief Executive Officer
California High Speed Rail Authority | Date 9/18/2012



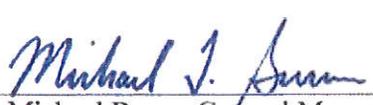
Steve Heminger, Executive Director
Metropolitan Transportation Commission | Date 9/18/2012



Michael J. Scanlon, Executive Director
Peninsula Corridor Joint Powers Board and
San Mateo County Transportation Authority | Date 9/21/2012



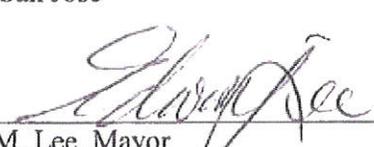
Jose Luis Moscovich, Executive Director
San Francisco County Transportation Authority | Date 10/15/12



Michael Burns, General Manager
Santa Clara Valley Transportation Authority | Date 11/27/12



Debra Figone, City Manager
City of San Jose | Date 12/12/12



Edwin M. Lee, Mayor
City and County of San Francisco | Date 1/15/13



Maria Ayerdi-Kaplan, Executive Director
Transbay Joint Powers Authority | Date 1/25/13

EXHIBIT B
FUNDING PLAN FOR PENINSULA CORRIDOR ELECTRIFICATION
AND ADVANCED SIGNAL SYSTEM PROJECTS
(\$millions)

	9-Party MOU Funding Strategy	Changes in the 7-Party Supplemental MOU	Revised Costs & Funding Sources	CBOSS	PCEP
Projected Costs					
PCEP	1,225.0	755.0	1,980.0	-	1,980.0
CBOSS	231.0		231.0	231.0	-
Total	1,456.0	755.0	2,211.0	231.0	1,980.0
Funding Sources					
JPB Member Contributions	180.0	60.0	240.0	47.0	193.0
JPB Local	11.0	9.0	20.0	11.0	9.0
Caltrain PTC	4.0		4.0	4.0	
Subtotal Local	195.0	69.0	264.0	62.0	202.0
Prop 1A Connectivity	106.0		106.0	106.0	
Prop 1A HSRA	600.0		600.0		600.0
CHSRA or Other State Sources ¹		113.0	113.0		113.0
Cap & Trade TIRCP ²		20.0	20.0		20.0
Prop 1B Caltrain	24.0		24.0	16.0	8.0
Subtotal State	730.0	133.0	863.0	122.0	741.0
FRA	17.0		17.0	17.0	
FTA/EHWA Prior/Current Obligations ³	45.8		45.8	29.8	16.0
FTA Future Obligations	440.0	(125.0)	315.0		315.0
FTA Core Capacity ⁴		647.0	647.0	-	647.0
Subtotal Federal	502.8	522.0	1,024.8	46.8	978.0
MTC Bridge Tolls	11.0	28.4	39.4		39.4
BAAQMD Carl Moyer	20.0		20.0		20.0
Subtotal Regional	31.0	28.4	59.4	-	59.4
Total	1,458.8	752.4	2,211.2	230.8	1,980.4

Notes

1. PCJPB also is eligible to receive other State funding (not from CHSRA and excluding those State sources PCJPB previously has identified in the funding plan it has secured, including Proposition 1B and Caltrain Low Carbon Transit Operations Program funds) to be counted toward meeting the State's contribution to the cash flow needs of the PCEP.
2. The parties to the Seven-Party Supplement to 2012 Memorandum of Understanding recognize that the JPB has requested State Cap & Trade TIRCP funds to help fund the PCEP. Of the \$225m requested, \$20m is identified to help close the funding gap in the \$1.98 billion project cost estimate for PCEP.
3. The \$2.8m represents a FHWA grant (Railway/Hwy Hazard Elimination) for the CBOSS project that was secured after the 2012 MOU execution. This amount is not included in the 7-party MOU since the funding is for the CBOSS project.
4. \$647 million in FTA Core Capacity funds would help close the funding gap for PCEP, as well as providing funding to support a larger contingency set-aside for PCEP.

EXHIBIT C

Special Provisions for the City and County of San Francisco

(References to "City" in Paragraphs 1 and 2 refer to the City and County of San Francisco)

1. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

2. Guaranteed Maximum Costs. The City's obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Commodities or Services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of the City are not authorized to offer or promise, nor is the City required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

3. Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors' bids, responses to solicitations and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.