

TO: James L. App, City Manager

FROM: Mike Compton, Director of Administrative Services

SUBJECT: North County Transit - Operator's Agreement

DATE: August 5, 2003

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Needs:

For the City Council to consider adoption of a resolution approving an operator's agreement.

Facts:

1. As a result of the 2000 census, the Paso Robles, Atascadero and County area along the Highway 101 corridor including Templeton and Santa Margarita have been designated as an "urban area" (UA).
2. With this designation comes eligibility for Federal Transit Administration (FTA) 5307 funding, a new reoccurring source of transit funding.
3. Transit providers within this UA are eligible to apply for \$551,000 in FTA 5307 funding.
4. The Council at its April 15, 2003 regular meeting adopted Resolution No. 03-64 approving a Memorandum of Understanding (MOU) between the City of Atascadero, County of San Luis Obispo and the San Luis Obispo Regional Transit Authority, the San Luis Obispo Council of Governments and the City of Paso Robles.
5. This MOU was intended to address the general framework and governance issues involving the relationship among the various transit operators and regional planning agency providing services in this UA.
6. Section 1.2 of the MOU (copy attached) called for the execution of the an "operator's agreement" (OA) within one hundred and eighty (180) days of the adoption of the MOU.
7. The OA is intended to designate one north county transit operator as the "grantee sub-recipient" and identify the responsibilities of the grantee sub-recipient and other parties to the agreement to meet FTA application, funding administration and financial reporting regulations.
8. Identifying a single grantee sub-recipient is an FTA requirement. FTA will not allow transit operators within the multi-operator UA to submit individual grant applications for 5307 funds.

9. It was agreeable to parties to the MOU that Paso Robles be the designated grantee sub-recipient.
10. The OA has been reviewed by the North County Transit Technical Committee and has recommended its' approval.

Analysis  
and  
Conclusion:

The City of Paso Robles has been designated by the other Transit Operators as the sub-grantee recipient of FTA 5307 funding. With this designation comes the responsibility to file applications for FTA 5307 funding for all Transit Operators, administer grant funds and undertake financial reporting requirements. The specific responsibilities of Paso Robles and the other transit operators are identified in an "operator's agreement" as called for in the memorandum of understanding.

Fiscal  
Impact:

The City will be reimbursed by the other transit operators for acting as the sub-grantee recipient for FTA 5307 funds. The reimbursement is for an amount not to exceed \$25,000.

Options:

- a. Adopt Resolution No. 03-xxx approving an Operators Agreement and authorize the Mayor to execute said agreement; or
- b. Amend, modify, or reject the above option.

RESOLUTION NO. 03-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
APPROVING AN OPERATOR'S AGREEMENT BETWEEN THE  
SAN LUIS OBISPO COUNCIL OF GOVERNMENTS, THE COUNTY OF  
SAN LUIS OBISPO, THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
AND THE CITY OF ATASCADERO

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WHEREAS, the major population areas of Paso Robles and Atascadero and the less populated north county portions of San Luis Obispo County, as identified in the attached map, have been designated as an "urbanized area"; and

WHEREAS, this Urbanized Area designation provides eligibility to apply and receive Federal Transit Administration 5307 funds for operating assistance, capital and/or planning assistance for transit delivery purposes; and

WHEREAS, the San Luis Obispo Council of Governments, County of San Luis Obispo, City of Atascadero and City of Paso Robles have met and negotiated in good faith and have executed a Memorandum of Understanding; and

WHEREAS, the Memorandum of Understanding calls for the approval of an operator's agreement that identifies the responsibilities of the grantee sub-recipient, City of Paso Robles as well as other North County transit providers.

THEREFORE BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles that the Operator's Agreement attached herewith is approved.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 5th day of August 2003 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Frank R. Mecham, Mayor

ATTEST:

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Sharilyn M. Ryan, Deputy City Clerk

**OPERATOR'S AGREEMENT  
BETWEEN THE  
SAN LUIS OBISPO COUNCIL OF GOVERNMENTS AND  
COUNTY OF SAN LUIS OBISPO AND  
THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY AND  
CITY OF ATASCADERO AND CITY OF PASO ROBLES**

**“Regarding the Administration of Federal Transportation Administration 5307 Funds for the Transit Providers in the North County Urban Area”.**

This Operator's Agreement (OA) is entered into between the SAN LUIS OBISPO COUNCIL OF GOVERNMENTS, hereinafter referred to as (SLOCOG), the CITY OF ATASCADERO, CITY OF PASO ROBLES, SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY AND COUNTY OF SAN LUIS OBISPO, hereinafter referred to as “Transit Operators”, as of this \_\_\_\_ day of \_\_\_\_, 2003. The purpose of this OA is to:

- 1) Identify the responsibilities of the “grantee recipient; and,
- 2) Identify the responsibilities of the non-grantee recipients of this OA.

WITNESSES THAT:

WHEREAS, the major populations of the Cities of Atascadero and Paso Robles and certain limited populations of northern San Luis Obispo County are designated as an “urbanized area” based upon the results of the 2000 census; and

WHEREAS, the Transit Operators and San Luis Obispo Council of Governments have previously entered into a Memorandum of Understanding relative to the governance and transit planning needs of the urbanized area as they relate to Federal Transportation Administration (FTA) 5307 eligibility; and

WHEREAS, the Transit Operators **and San Luis Obispo Council of Governments** are eligible to apply for and receive FTA 5307 funding for capital, operating, and planning assistance for their respective agencies; and,

WHEREAS, the FTA requires that there be a single “grantee recipient” (GR); and,

WHEREAS, the GR will perform grant administration activities for the benefit of all transit operators included herein; and

WHEREAS, the City of Paso Robles is willing to undertake the role of GR for the benefit of all transit operators.

NOW THEREFORE, in consideration of the mutual benefits to the parties hereto, and in consideration of the covenants and conditions herein contained, the parties agree as follows:

## **SECTION 1: Application to Federal Transportation Administration (FTA)**

- 1.1 All Transit Operators and SLOCOG agree to prepare and submit project requests in an electronic form, as provided by GR. All requests should be presented in a form that is compatible with FTA requirements. Said requests shall be submitted to the “grantee recipient” (GR) for compilation and presentation to the North County Transit Technical Committee (NCC), as defined by the MOU. Requests submitted to the GR must be received from each Transit Operator by June 1 each year. Information to be included in project request(s) but not necessarily inclusive:
  - a. Project Description
  - b. Project Budget
  - c. Project Milestones (timeline)
  - d. Environmental Findings
  - e. Fleet Status
- 1.2 Operators and SLOCOG shall submit their individual project requests to GR (including draft scopes, schedules and budgets) in early June.
- 1.3 NCC shall review and adopt the next year’s POP by early July.
- 1.4 GR shall submit project requests (program of projects – POP) to SLOCOG for final determination of compatibility with the Federal Transit Improvement Plan (FTIP) in late July or early August.
- 1.5 SLOCOG shall forward to GR a formal letter of concurrence on the adopted POP including compatibility with RTP and FTIP in January each year.
- 1.6 Operators and SLOCOG will provide GR with electronic versions (as provided by GR) of their final projects and budgets for input into TEAM (FTA’s grant management system) by mid-August.
- 1.7 GR shall submit financial plan and related documentation to CalTrans by September 1 in accordance with their requirements.
- 1.8 GR shall submit FTA 5307 application to FTA by September 1 in accordance with their requirements.

## **SECTION 2: Grant Financial/Budget Administration**

- 2.1 GR shall submit quarterly financial and budgetary data to FTA in accordance with their requirements.
- 2.2 In order for GR to satisfy FTA reporting requirements, Transit Operators shall provide financial and budgetary data to GR in a format satisfactory to

the GR by the 20<sup>th</sup> day of the following month after the close of the calendar quarter.

- 2.3 Unless specifically called out in the approved FTA application, all projects shall be completed and officially “closed-out” annually. GR shall undertake close out activities on behalf of each Transit Operator in accordance with FTA requirements. However, Transit Operators shall provide GR similar financial and budgetary data as noted in 2.2 above by the 45<sup>th</sup> day following the end of the federal fiscal year (September 30).

### **SECTION 3: Program Reporting**

- 4.1 Transit Operators agree that, at a minimum, monthly operating data shall be maintained on a basis equivalent to the requirements of the National Transit Data (NTD) and/or any requirements of the FTA as the result of their receipt of 5307 funds.
- 4.2 Operating data as noted above in 3.1 shall be provided to the GR in electronic form as provided by the GR.
- 4.3 Operating data shall be provided to the GR on a quarterly basis and shall be submitted by the last day of the month immediately following the close of the calendar quarter.

### **SECTION 4: Distribution of Funds**

- 5.1 The GR shall make timely requests to FTA for reimbursement of expenditures made by Transit Operators.
- 5.2 Should any Transit Operator require reimbursement more often than quarterly in accordance with 2.2 above, the Transit Operator shall provide said financial data to the GR no later than the last day of the following month.
- 5.3 Upon receipt of 5307 funds, the GR will distribute funds within fifteen (15) working days to Transit Operators.

### **SECTION 5: Cooperation**

The parties to this OA agree to cooperate fully with the GR in performance of the agreement and comply fully with any and all FTA regulations and requirements as recipients of 5307 funds including but not limited to:

- a. Drug free workplace regulations and testing
- b. Procurement practices
- c. Meet any matching fund requirements

Recipients also agree to comply fully with any State and/or local regulations and requirements as recipients of 5307 funds.

## SECTION 6: Special Requirements

Transit Operators shall maintain proper Civil Rights status as required by FTA, including but limited to:

- Equal Employment Opportunities (EEO)
- Title VI (non-discrimination in projects)
- Disadvantaged Business Enterprise (DBE)
- Americans with Disabilities Act (ADA)

## SECTION 7: Indemnification

Transit Operators agree to hold harmless the City of Paso Robles, acting as GR, under the terms of this OA.

## SECTION 8: Breach

Should any party to this agreement breach their fiduciary responsibilities under the terms of this agreement that result in the return of federal funds and/or the payment of penalties of any type for non-compliance with Federal and/or State restrictions and regulations relating to the receipt and use of 5307 funds, the breaching party shall fully reimburse the other parties. Reimbursement shall include any actual reimbursement, any penalty paid and/or any cost incurred by the GR or other Transit Operator to remedy said breach.

## **SECTION 9: Withdrawal and Dissolution**

Any party to this agreement may terminate its participation in this OA by resolution of its governing board. The withdrawal of the member shall have no effect upon the continuation of the OA among the remaining members. The Agreement as specified and required by federal law shall remain in full force and effect in regard to the remaining members in order to continue to receive applicable FTA funding.

## SECTION 10: Authorization

By signature, we agree that the responsibilities outlined in this Agreement foster healthy collaboration for the purpose of fostering transit planning and programming federal funds within the SLOCOG Federal Transportation Improvement Program.

Frank Mecham  
Mayor, City of Paso Robles

Peg Pinard  
President, SLOCOG and SLORTA

Jerry Clay  
Mayor, City of Atascadero

Date

Mike Ryan Date  
Chair, County of San Luis Obispo

Attachments: Governance Organizational Chart  
Draft Timeline  
Chapters 4,5 and 8 of the FTA Team User's Guide  
Electronic formats and sample reporting documents