

**TO:** James L. App, City Manager

**FROM:** Jim Throop, Administrative Services Director

**SUBJECT:** Approval of Memorandum of Understanding for Cuesta College Transit Subsidy

**DATE:** June 21, 2011

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**NEEDS:** For the El Paso de Robles City Council to approve the MOU on the distribution of the Cuesta College transit subsidy among the cities of Paso Robles, Atascadero and the Regional Transit Authority.

**FACTS:**

1. San Luis Obispo County Community College District provides a subsidy to transit providers serving the North County Cuesta campus, in order to give free rides to Cuesta students and staff with valid Cuesta ID's.
2. Since the inception of the North County Shuttle, which was operated jointly by the cities of Paso Robles and Atascadero, the subsidy had been split 50/50 between the two cities, as part of the MOU that created the North County Shuttle in August, 2006.
3. At its meeting on February 15<sup>th</sup>, 2011, the City Council approved changes to the transit system, including the termination of the existing North County Shuttle MOU on June 30<sup>th</sup>, 2011.
4. The San Luis Obispo County Community College District is willing to continue compensating transit providers who provide transit rides to Cuesta students and staff fare-free.
5. The cities of Atascadero and Paso Robles, and the Regional Transit Authority, are willing to provide these free-fare transit services in the North County to Cuesta students and staff.
6. An MOU for the distribution of the Cuesta subsidy has been drafted and approved by staff at the three transit agencies.
7. The new distribution will be based solely on ridership of Cuesta students and staff, with each agency receiving a portion of the subsidy equal to their portion of the total Cuesta ridership.

**ANALYSIS &  
CONCLUSION:**

The Cuesta transit fare subsidy provides an important financial support to local transit. By approving the MOU, the subsidy will be distributed amongst the three agencies based on Cuesta student/staff ridership. In addition, transit options for the

Cuesta students and staff in the North County will be expanded to include service from San Luis Obispo in the south, all the way to San Miguel in the north.

**FISCAL**

**IMPACT:**

The new distribution of the Cuesta subsidy could result in an increase of approximately \$7,000 annually in transit fare revenues received by the city.

**Options:**

A. That the City Council adopt resolution 11-XXX, approving the MOU for the distribution of the Cuesta College transit subsidy, or

B. Amend, modify, or reject the above option.

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN THE CITY OF ATASCADERO**  
**THE CITY OF EL PASO DE ROBLES**  
**AND THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**REGARDING COORDINATION OF FIXED ROUTE TRANSIT SERVICES AND CUESTA  
COLLEGE SUBSIDIZED RIDERSHIP**

This Memorandum of Understanding (MOU) is entered into between the Cities of Atascadero and El Paso de Robles, and the San Luis Obispo Regional Transit Authority (RTA) for the purpose of defining the distribution of the transit subsidy received from Cuesta College North County campus.

**WHEREAS**, the City of Paso Robles, the City of Atascadero, and the San Luis Obispo Regional Transit Authority provide fixed route public transit in northern San Luis Obispo County; and

**WHEREAS**, Cuesta College North County Campus provides a fare subsidy, which is to be used to help reimburse the fare revenues of the three agencies for the free-fare rides of Cuesta students,

**WHEREAS**, the three agencies seek an equitable distribution of these funds,

**NOW, THEREFORE**, in consideration of the foregoing and the mutual promises and covenants hereinafter contained, the parties agree as follows:

**1. Project Description**

Transit service within the North County will consist of two local services, one operated by the City of El Paso de Robles and one operated by the City of Atascadero, and one regional service, operated by the Regional Transit Authority (RTA).

**2. Subsidy Distribution & Fare Accounting**

Each agency will honor valid Cuesta ID cards in lieu of paid fares. The Cuesta ID cards will be honored on all North County fixed route services during all days and hours of operation. Each agency will keep a tally of boardings by passengers using Cuesta ID cards. These totals will be provided to the City of El Paso de Robles monthly. The City of El Paso de Robles will compile this data, and combined ridership tally sheets will be distributed to all parties.

The Cuesta College subsidy is received in four quarterly installments annually. The subsidy from Cuesta College shall be received by the City of El Paso de Robles and distributed among the three agencies. Distribution will be based on the portion of Cuesta riders carried by each system, tallied from the monthly ridership totals provided by each agency. The distribution of the subsidy shall be made on a quarterly basis.

### 3. Amendment

This MOU may be amended by the written consent of all parties.

### 4. Claims

With respect to claims arising from activities conducted pursuant to the MOU, each party shall be responsible for its own negligence, or that of its employees or agents, but only in the manner and to the extent provided by applicable State laws, and nothing in the MOU shall create any obligation to defend or indemnify the other party. In the event of claims by third parties arising from such activities, the parties will cooperate in defense of such claims.

### 5. Termination

This MOU may be terminated by any of the three parties in ninety (90) days upon written notification to the other parties.

CITY OF EL PASO DE ROBLES

CITY OF ATASCADERO

\_\_\_\_\_  
Duane Picanco, Mayor

\_\_\_\_\_  
Tom O'Malley, Mayor

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

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

APPROVE AS TO FORM:

APPROVE AS TO FORM:

\_\_\_\_\_  
City Attorney, City of El Paso de Robles

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City Attorney, City of Atascadero

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

\_\_\_\_\_  
Ed King, Director

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

APPROVE AS TO FORM:

\_\_\_\_\_  
Attorney, SLORTA

RESOLUTION NO. 11-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES  
APPROVING THE MEMORANDUM OF UNDERSTANDING ON THE DISTRIBUTION OF  
THE CUESTA COLLEGE TRANSIT FARE SUBSIDY AMONG TRANSIT PROVIDERS IN  
THE NORTH COUNTY.

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WHEREAS, the San Luis Obispo County Community College district provides a subsidy in exchange for free-fare transit rides to staff and students, which the City receives; and

WHEREAS, the distribution of this subsidy was part of the original MOU for the North County Shuttle; and

WHEREAS, the Cities of Paso Robles and Atascadero have authorized changes to their transit systems, including elimination of the North County Shuttle, effective July 1, 2011; and

WHEREAS, San Luis Obispo County Community College District is willing to continue compensating transit providers with the subsidy, and

WHEREAS, as part of a new transit service model, the cities of Atascadero and Paso Robles, and also the Regional Transit Authority, will provide free-fare transit rides to Cuesta students and staff with valid Cuesta ID's, and

WHEREAS, the subsidy will be distributed among the three agencies, according to the percentage of total Cuesta student/staff ridership carried by each agency, and

WHEREAS, a Memorandum Of Understanding (MOU) on the new distribution of the Cuesta subsidy was drafted and agreed to by the staff at all three parties, and

THEREFORE BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles that the MOU on the distribution of the Cuesta Transit Subsidy is approved.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 21st day of June 2011 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

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Duane Picanco, Mayor

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Caryn Jackson, Deputy City Clerk