

SAN LUIS OBISPO COUNCIL OF GOVERNMENTS

STAFF REPORT

MEETING DATE: August 6, 2008

SUBJECT: North County Transit Operator's Agreement

SUMMARY

The three north county transit operators have agreed to switch the "grant recipient" from the City of Paso Robles to the Regional Transit Authority. The grant recipient acts as the single point of contact for federal transit funds under the Section 5307 program on behalf of the operators. SLOCOG is the programming agency to approve an annual "program of projects" for the use of the funds.

The RTA already administers several other federal transit programs (FTA Sections 5311, 5311(f), 5316, 5317) and is in a good position to leverage staff resources.

RECOMMENDATION

Staff: Authorize President to sign Operator's Agreement.

TTAC:

CTAC:

DISCUSSION

The Cities of Atascadero and Paso Robles, and the community of Templeton were designated as an "urbanized area" based upon the results of the 2000 census. The Transit Operators and San Luis Obispo Council of Governments had 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 are eligible to apply for and receive FTA 5307 funding for capital, operating, and planning assistance for their respective agencies.

The FTA requires that there be a single "grantee recipient" who will perform grant administration activities. For the benefit of all transit operators, the San Luis Obispo Regional Transit Authority (RTA) is willing to undertake the role of grantee recipient. Currently the City of Paso Robles is the grantee recipient, and is no longer interested in performing this responsibility.

In 2010 the Five-Cities Area will likely be designated an urban area and will be eligible for Federal 5307 funds, therefore RTA will be required to fulfill these requirements. The transition from the City of Paso Robles to the RTA allows for increased efficiencies for all agencies.

The duties include: submit quarterly financial and budgetary data to FTA in accordance with their requirements, make timely requests to FTA for reimbursement of expenditures made by Transit Operators, and undertake close out activities on behalf of each Transit Operator in accordance with FTA requirements. SLORTA will accurately track staff time spent in grant administration activities and shall report to the members annually.

SLOCOG staff strongly supports unifying the administration of Federal Transit funds under RTA.

Peter Rodgers prepared this staff report.

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

“Regarding the Administration of Federal Transit Administration 5307 Funds for the Transit Providers in the North County Urbanized 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, AND SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, hereinafter referred to as “Transit Operators”. The purpose of this OA is to:

- 1) Identify the “grantee recipient;” and,
- 2) Identify the responsibilities of the “grantee recipient; and,
- 3) 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 San Luis Obispo Regional Transit Authority (RTA) is willing to undertake the role of GR for the benefit of all transit operators, per the 2008/2009 transition plan (Attached); and

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. All operators are also responsible for

authoring accurate and complete progress reports (milestones) with supporting documents to the GR quarterly. These shall be submitted to in MS Word or other electronic format (such as for tables and maps) compatible for electronic transfer into the TEAM system. 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) includes:

- a. Project Description; scope of each project with justification consistent with FTA eligibility rules, and separate descriptions and cost itemization for safety and security components of projects
- b. Project Budget, including local match commitment and source(s) of local match
- c. Project timeline(milestones), and whether project is new or a continuation of a previous year’s project, and status of previous years projects at the time of the grant application
- d. Environmental Findings
- e. Fleet Status; including spare ratio, for any vehicle procurement projects
- f. Itemized fare revenues for the operational projects being funded to show eligible project costs

Information required in the Quarterly Milestone reports to the GR shall include:

- a. Written progress reports on the status of each project
- b. Operating and Ridership Summaries, by mode, with data from the most recent quarter, and compared to the same quarter in the previous year.
- c. Explanation of recent operational performance trends (productivity)
- d. Status of implementation of new services, equipment and capital projects,
- e. Environmental findings.
- f. Marketing activities for Operations projects, and
- g. Fleet status for Capital projects
- h. Financial reports (FSR’s)

- 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 Program (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 Federal Transportation Improvement Program 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 FTA 5307 application to FTA by September 1, or at another date 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, beginning with federal fiscal year 2009
- 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 20th 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 45th day following the end of the federal fiscal year (September 30).

SECTION 3: Program Reporting

- 3.1 Transit Operators agree that, at a minimum, monthly operating data shall be maintained on a basis equivalent to the requirements of the National Transit Database (NTD) and/or any requirements of the FTA as the result of their receipt of 5307 funds.
- 3.2 Operating data as noted above in 3.1 shall be provided to the GR in electronic form as provided by the GR.
- 3.3 Operating data shall be provided to the GR on a quarterly basis and shall be submitted by the 20th day of the month immediately following the close of each calendar quarter.
- 3.4 Recipients shall provide information to address any request from the FTA Regional Administrator on Project scope and budget in a in a timely manner.
- 3.5 Recipients shall provide assistance to the GR in addressing any questions on programs raised by FTA triennial auditors

SECTION 4: Distribution of Funds

- 4.1 The GR shall make timely requests to FTA for reimbursement of expenditures made by Transit Operators.
- 4.2 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.

- 4.3 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, and
- d. All areas within the jurisdiction of the FTA triennial audit

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 compliant Civil Rights status as required by FTA, including but limited to:

- a. Equal Employment Opportunity (EEO)
- b. Title VI (non-discrimination in projects)
- c. Disadvantaged Business Enterprise (DBE)
- d. Americans with Disabilities Act (ADA)

SECTION 7: Grant Administration Activities

GR shall accurately track staff time spent in grant administration activities and shall report to the Operators and SLOCOG annually.

SECTION 8: Indemnification and Hold Harmless

Transit Operators agree to defend, indemnify and hold harmless the San Luis Obispo Regional Transit Authority, from any and all acts or omission in the performance of its duties and obligation under the terms of this OA.

SECTION 9: 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.

