

## ITEM 4.11

### **CITY MANAGER'S REPORT OCTOBER 10, 2022 CITY COUNCIL REGULAR MEETING**

**ITEM: CREATE CIP GG 23-07 FOR PUBLIC TRANSIT SERVICES, APPROVE MOU WITH RTD FOR A COMMUNITY NEEDS PUBLIC TRANSIT AND APPORTIONMENT STUDY, AND APPROVE BUDGET AMENDMENT**

**RECOMMENDATION: Adopt Resolution Creating CIP GG 23-07 for Public Transit Services, Approving a Memorandum of Understanding with San Joaquin Regional Transit District for a Community Needs Public Transit and Apportionment Study, and Approving Budget Amendment**

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#### **SUMMARY:**

The San Joaquin Regional Transit District (RTD) currently provides transit services within the City of Lathrop (City) through the Intercity and San Joaquin County Deviated-Fixed Route service. As the City continues to grow, the need for public transportation increases. The proposed Capital Improvement Project (CIP) GG 23-07 for Public Transit Services (Project) will establish the planning, development, and management of existing and future public transportation services from RTD.

In order to expand existing transit services within the City, a Community Needs Public Transit and Apportionment Study (Assessment Study) will be needed to analyze existing and determine new service routes. RTD and the City will need to approve a Memorandum of Understanding (MOU) (Attachment B) that specifies the roles, responsibilities, and describes the cooperative efforts with required action items for the Assessment Study.

Funding for CIP GG 23-07 will be provided from the Transportation Development Act (TDA) that includes two funding components: Local Transportation Funds (LTF) and State Transit Assistance Funds (STA). LTF apportionments have been allocated for transit purposes only in the amount of \$633, 527. A portion will be used towards the Assessment Study.

Staff is requesting Council approve the creation of CIP GG 23-07 for Public Transit Services and an MOU between the City and RTD for implementation and management of an Assessment Study. Staff also requests Council approve a budget amendment to transfer \$300,000 to recognize the apportionments from LTF-TDA, initiate the Project, and fund the expenses for planning and developing of the Assessment Study.

**CITY MANAGER'S REPORT** **PAGE 2**  
**OCTOBER 10, 2022 CITY COUNCIL REGULAR MEETING**  
**CREATE CIP GG 23-07 FOR PUBLIC TRANSIT SERVICES, APPROVE MOU WITH**  
**RTD FOR A COMMUNITY NEEDS PUBLIC TRANSIT AND APPORTIONMENT**  
**STUDY, AND APPROVE BUDGET AMENDMENT**

**BACKGROUND:**

The growth in housing and citywide developments increases the demand for the expansion of transit throughout the City. RTD currently provides transit services within the City through the Intercity and San Joaquin County Deviated-Fixed Route service, known as "Hopper". The proposed CIP GG 23-07 for Public Transit Services will establish planning, development, and management of existing and future public transportation services from RTD.

To expand these transit services within the City, a Community Needs Public Transit and Apportionment Study will be conducted to evaluate existing routes and determine new community areas to be served. The study will help determine the span of service, the number of routes and buses needed, cost of operations and capital to provide service, labor, and overhead. Community engagement and public participation will also be incorporated and assessed within the study.

The City has requested RTD to coordinate and manage the Assessment Study. However, to initiate the study, RTD and the City will need to approve an MOU that will help recognize the roles, responsibilities and define the cooperative efforts and action items required from both agencies. The MOU will commence with the approval of both RTD and the City and will terminate at the completion of the Assessment Study. Subsequently, RTD and the City will establish a Long-Term Operating Agreement that will include all necessary information and actions for operating and managing the resulting RTD transit services within the City.

**REASON FOR RECOMMENDATION:**

Citywide public transportation provides residents with mobility and access to employment, community resources, medical facilities, and recreational opportunities. An Assessment Study is necessary to expand the transit services provided by RTD within the City. To initiate the study, RTD and the City will need to approve an MOU that establishes the roles and responsibilities of both agencies.

Approving the creation of the CIP GG 23-07 for Public Transit Services will allow staff to organize the planning, developing, and managing of existing and future transit services from RTD within the City.

**FISCAL IMPACT:**

Funding for this proposed project is available within the TDA-LTF Street & Roads Fund (2140). Staff requests City Council approve a related budget amendment to transfer \$300,000 from the TDA-LTF Street & Roads Fund (2140) to the CIP Project Fund (3310) as follows:

**CITY MANAGER'S REPORT** **PAGE 3**  
**OCTOBER 10, 2022 CITY COUNCIL REGULAR MEETING**  
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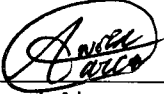
|                                   |          |           |
|-----------------------------------|----------|-----------|
| <u>Increase Revenues</u>          |          |           |
| 2120-5013-332-0400                |          | \$633,527 |
| <br><u>Increase Transfer Out</u>  |          |           |
| 2140-9900-990-9010                |          | \$300,000 |
| <br><u>Increase Transfer In</u>   |          |           |
| 3310-9900-393-0000                | GG 23-07 | \$300,000 |
| <br><u>Increase Appropriation</u> |          |           |
| 3310-8000-420-1200                | GG 23-07 | \$300,000 |

**ATTACHMENTS:**

- A. Resolution Creating CIP GG 23-07 for Public Transit Services, Approving a Memorandum of Understanding with San Joaquin Regional Transit District for a Community Needs Public Transit and Apportionment Study, and Approving Budget Amendment
- B. Memorandum of Understanding (MOU 23010-U) with RTD

**CITY MANAGER'S REPORT** **PAGE 4**  
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**APPROVALS:**



Angel Abarca  
Assistant Engineer

09/28/2022

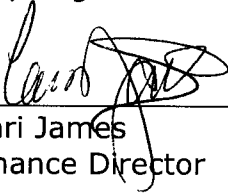
Date



Brad Taylor  
City Engineer

9/29/2022

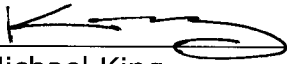
Date



Cari James  
Finance Director

10/4/2022

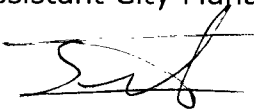
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Michael King  
Assistant City Manager

9-29-2022

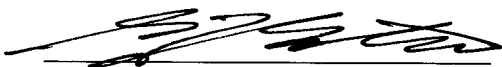
Date



Salvador Navarrete  
City Attorney

10-3-2022

Date



Stephen J. Salvatore  
City Manager

10.5.22

Date

**RESOLUTION NO. 22 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP CREATING CIP GG 23-07 FOR PUBLIC TRANSIT SERVICES, APPROVING A MEMORANDUM OF UNDERSTANDING WITH SAN JOAQUIN REGIONAL TRANSIT DISTRICT FOR A COMMUNITY NEEDS PUBLIC TRANSIT AND APPORTIONMENT STUDY, AND APPROVING BUDGET AMENDMENT**

**WHEREAS**, the San Joaquin Regional Transit District (RTD) currently provides transit services within the City of Lathrop (City) through the Intercity and San Joaquin County Deviated-Fixed Route service; and

**WHEREAS**, the proposed Capital Improvement Project (CIP) GG 23-07 for Public Transit Services (Project) will establish the planning, development, and management of existing and future public transportation services from RTD; and

**WHEREAS**, funding for CIP GG 23-07 will be provided from the Transportation Development Act (TDA) that includes two funding components: Local Transportation Funds (LTF) and State Transit Assistance Funds (STA); and

**WHEREAS**, LTF apportionments have been allocated for transit purposes only in the amount of \$633, 527. A portion will be used towards the Assessment Study; and

**WHEREAS**, in order to expand existing transit services within the City, a Community Needs Public Transit and Apportionment Study (Assessment Study) will be needed to analyze existing and determine new service routes; and

**WHEREAS**, community engagement and public participation will also be incorporated and assessed within the study; and

**WHEREAS**, the study will help determine the span of service, the number of routes and buses needed, cost of operations and capital to provide service, labor, and overhead; and

**WHEREAS**, RTD and the City will need to approve a Memorandum of Understanding (MOU) that will help recognize the roles, responsibilities and define the cooperative efforts and action items required from both agencies towards the Assessment Study; and

**WHEREAS**, the MOU will commence with the approval of both RTD and the City and will terminate at the completion of the Assessment Study; and

**WHEREAS**, after completion of the Assessment Study, RTD and the City may establish a Long-Term Operating Agreement that will include all necessary information and actions needed for operating and managing the resulting RTD transit services within the City; and

**WHEREAS**, staff is requesting Council approve the creation of CIP GG 23-07 for Public Transit Services and an MOU between the City and RTD for implementation and management of an Assessment Study; and

**WHEREAS**, staff also requests Council approve a budget amendment to transfer \$300,000 to initiate the Project and recognize the apportionments from LTF-TDA towards public transit services; and

**WHEREAS**, staff requests City Council approve a related budget amendment to transfer \$300,000 from the TDA-LTF Street & Roads Fund (2140) to the CIP Project Fund (3310) as follows:

|                               |          |           |
|-------------------------------|----------|-----------|
| <u>Increase Revenues</u>      |          |           |
| 2120-5013-332-0400            |          | \$633,527 |
| <u>Increase Transfer Out</u>  |          |           |
| 2140-9900-990-9010            |          | \$300,000 |
| <u>Increase Transfer In</u>   |          |           |
| 3310-9900-393-0000            | GG 23-07 | \$300,000 |
| <u>Increase Appropriation</u> |          |           |
| 3310-8000-420-1200            | GG 23-07 | \$300,000 |

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby creates Capital Improvement Project (CIP) GG 23-07 for Public Transit Services; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop approves the Memorandum of Understanding between the City and RTD for implementation and management of an Assessment Study; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop approve a budget amendment transferring \$300,000 from the LTF-TDA Street & Roads Fund (2140) to the CIP Project Fund (3310) as detailed above.

The foregoing resolution was passed and adopted this 10th day of October 2022, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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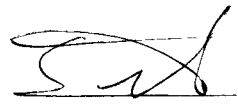
Sonny Dhaliwal, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

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Teresa Vargas, City Clerk



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Salvador Navarrete, City Attorney

**MEMORANDUM OF UNDERSTANDING  
MOU 23010-U**

This **MEMORANDUM OF UNDERSTANDING** (MOU) is made and entered into at Stockton, California, as of \_\_\_\_\_, 2022, by and between the **SAN JOAQUIN REGIONAL TRANSIT DISTRICT (RTD)** and **City of Lathrop (Lathrop)**, a municipal corporation in San Joaquin County, (collectively referred to as "the Parties").

WHEREAS, RTD is a transit district providing transportation services in the County of San Joaquin, State of California, pursuant to the San Joaquin Regional Transit District Act, set forth in the Public Utilities Code of the State of California, commencing with Section 50000, hereinafter referred to as the "RTD Act"; and

WHEREAS, as a part of its own service, RTD operates both a fixed route and demand response transit service and has the experience and resources necessary to meet Lathrop's transit operational needs; and

WHEREAS, Section 50185 of the RTD Act allows RTD to enter into contracts with any city, public agency or public utility operating transit facilities, either wholly or partially within or without RTD, for the establishment of through routes, joint fares, transfer of passengers or pooling arrangements; and

WHEREAS, Lathrop is located entirely within the boundaries of RTD, however is not an annexed member of RTD; and

WHEREAS, on October 3, 1983, Stockton Metropolitan Transit District (SMTD, predecessor to RTD) Board of Directors adopted Resolution No. 2602 committing SMTD's (now RTD) services and resources to helping all public agencies and non-profit social service agencies provide efficient transportation services; and

WHEREAS, Lathrop has requested RTD to coordinate and manage a Community Needs Public Transit and Apportionment Study (Assessment Study) to expand transit services within the City of Lathrop; and

WHEREAS, this MOU specifies roles, responsibilities, and describes the cooperative efforts and action items required from RTD and Lathrop towards the Assessment Study; and

WHEREAS, Lathrop will provide funding towards planning, development, and management of the Assessment Study; and

WHEREAS, after completion of the Assessment Study, RTD and Lathrop may establish a Long-Term Operating Agreement that will include all necessary information and actions needed for operating and managing transit services in Lathrop.



NOW, THEREFORE, RTD and Lathrop agree to the following:

1. The term of this MOU shall commence on \_\_\_\_\_, 2022 and extend for the entire period of the Assessment Study.
2. RTD will coordinate with Lathrop to implement and manage the Assessment Study to determine the existing transit needs in Lathrop, including the development of a scope of work for a Request for Proposals (RFP), administering the RFP for Lathrop, retaining the services of a consultant, and administering the contract and all related work associated.
3. The Assessment Study will include, but is not limited to:
  - A. Determine routes and areas to be serviced.
  - B. Number of routes required.
  - C. Number of buses required.
  - D. Span of service.
  - E. Cost of Operations and Capital to provide service, labor, and overhead.
  - F. Required time commitment from Lathrop to RTD in establishing, delivering, and maintaining these services.
  - G. Community engagement and public participation.
4. Lathrop will assist in the selection of public participation venues and provide maps, planning documents, and other information deemed necessary to complete the Assessment Study.
5. After completion of the Assessment Study, RTD and Lathrop may establish a Long-Term Operating Agreement that will include all necessary information and actions needed for operating and managing transit services in Lathrop.
  - A. Operating costs include the provision of transit services and the administrative expenses to oversee them.
  - B. Capital costs could include vehicles, pertinent infrastructure (bus stops, permitting, improvements), or other appropriate expenses agreed for transit service delivery.
6. Lathrop will provide funding to RTD towards planning, development, and management of the Assessment Study.
  - A. RTD will invoice Lathrop on a quarterly basis for partial payments associated with the Assessment Study.

- B. Lathrop will have thirty (30) days to pay RTD upon receipt of the invoice.
7. This MOU shall terminate upon the occurrence of any of the following events:
- A. The completion of the Assessment Study.
  - B. Failure of Lathrop to reimburse RTD in accordance with Paragraph 6.
  - C. Notwithstanding any other provision of this MOU, either Party hereto may terminate this MOU at any time with thirty (30) days prior written notice to the other party.
8. The following provisions shall apply to this MOU:
- A. Notices
    - i. All communications regarding day-to-day performance of the Assessment Study will be exchanged between RTD's Damaris Galvan at [dgalvan@sjrtd.com](mailto:dgalvan@sjrtd.com) or designee, and Lathrop's Angel Abarca at [aabarca@ci.lathrop.ca.us](mailto:aabarca@ci.lathrop.ca.us)
    - ii. Notice informing Lathrop of RTD's decision to exercise discretionary MOU options will be exchanged between the names set forth above.
    - iii. All other notices and establishments deemed necessary by either party may be coordinated between duly authorized officers stated at the end of the MOU.

B. Entire Agreement of the Parties

This MOU supersedes any and all other verbal and written agreements between the parties hereto with respect to the subject matter of this MOU. Each party acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, and that no other agreement, statement, or promise not contained in this MOU shall be valid or binding.

Any modification to this MOU will require the approval of both parties through Amendments that will need to be notified thirty (30) days in advanced and signed by duly authorized officers.

C. Partial Invalidity

If any provision in this MOU is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

D. Governing Law

This MOU will be governed by and construed in accordance with the laws of State of California.

E. No Partnership or Agency

This MOU does not create a partnership or agency relationship between RTD and Lathrop. RTD does not have authority to enter into contracts on behalf of Lathrop without separate written approval from Lathrop.

F. Presumption

The parties acknowledge that this document is the product of mutual understanding and that in the event of a dispute to the meaning of this MOU, or any provision, there shall be no presumption against the drafter of the document or any provision herein.

G. Indemnification

- i. Lathrop will defend, indemnify, and hold harmless RTD and its directors, officers, agents and employees against any and all claims, losses, suits, demands, and liens including attorneys' fees and costs, brought against RTD, its directors, officers, agents or employees, arising out of any of the following:
  - a. Any injury to persons or property that may occur, or that may be alleged to have occurred, arising from a negligent act or omission or willful misconduct by Lathrop or its employees, subcontractors, consultants, subconsultants or agents in the performance of this MOU; or
  - b. Any allegation that materials or services provided by Lathrop under this Agreement infringe or violate any copyright, trademark, patent, trade secret, or any other intellectual-property or proprietary right of any third party.

- ii. Lathrop will defend or settle, at its own expense, any action, claim or suit against RTD for which it is responsible hereunder, and pay all charges of attorneys and all other costs and expenses of defense as they are incurred. If any judgment is rendered against RTD or its directors, officers, agents or employees, its will, at its expense, satisfy and discharge the same. As a condition to any indemnity hereunder, RTD will notify Lathrop promptly of any claim for which RTD believes Lathrop is responsible hereunder.

**SIGNATURES APPEAR ON THE NEXT PAGE**

IN WITNESS WHEREOF, the parties hereto have executed this MOU by their duly authorized officers as of the day and year first above written.

**San Joaquin Regional Transit District**

421 E. Weber Avenue  
Stockton, CA 95202  
Phone: (209) 943-1111  
Email: [rtd-procurement@sjrtd.com](mailto:rtd-procurement@sjrtd.com)

**City of Lathrop**

390 Town Centre Drive  
Lathrop, CA 95330  
Phone: (209) 941-7220  
Email: [citymanager@ci.lathrop.ca.us](mailto:citymanager@ci.lathrop.ca.us)

By: \_\_\_\_\_  
ALEX CLIFFORD  
Chief Executive Officer

By: \_\_\_\_\_  
STEPHEN J. SALVATORE  
City Manager

PROCUREMENT APPROVAL:

ATTEST:

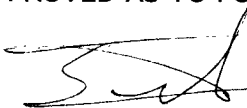
\_\_\_\_\_  
ROBERT KYLE  
Chief Financial Officer

\_\_\_\_\_  
TERESA VARGAS  
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
AL WARREN HOSLETT  
Attorney for RTD

  
\_\_\_\_\_  
SALVADOR NAVARRETE  
Attorney for City of Lathrop

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