



MEMORANDUM
DEPARTMENT OF PUBLIC WORKS
TRANSIT DIVISION
County of Placer

TO: Board of Supervisors
DATE: May 5, 2020

FROM: Ken Grehm, Director of Public Works
By: Will Garner, Public Works Manager

SUBJECT: Transit / Authorize Agreement / Truckee Tahoe Airport District Free Fares for Tahoe Truckee Area Regional Transit

ACTION REQUESTED

Approve an agreement with the Truckee Tahoe Airport District to receive funding for Tahoe Truckee Area Regional Transit toward the funding of free fares for two years in the amount of \$231,000 and authorize the Director of Public Works, or designee, to take all actions necessary to execute the agreement.

BACKGROUND

On November 19, 2019, your Board authorized Tahoe Truckee Area Regional Transit (TART) to implement free fares for two years beginning December 12, 2019 and allocated up to \$500,000 in Transient Occupancy Tax (TOT) support the free fare program. Your Board also authorized the Department of Public Works (DPW) to initiate agreements with funding partners to contribute funds to the free fare program.

DPW has initiated an agreement with the Tahoe Truckee Airport District (TTAD) to contribute \$231,000 towards free TART fares for the same two-year period approved by the Board of Supervisors. The TTAD funding represents 26% of the cost of providing free fares. The remaining funding will come from TOT, the Town of Truckee, and the County's resort partners.

Staff is currently developing free-fare funding agreements with the individual resort partners. The funding amounts are based on what resorts have paid for employee fares over the past five years. Prior to implementation of free fares, the resorts were billed based on the number of rides provided to their employees. We have recently modified the draft agreements to calculate a reduction in fare revenue reimbursement for the period of time that the resorts are closed due to the COVID-19 response.

ENVIRONMENTAL IMPACT

The action requested is not a project as defined by CEQA Guidelines section 15378. In addition, the action requested is exempt from CEQA pursuant to CEQA Guidelines section 15273, which exempts changes to rates or fares that are not designed to increase services or expand a system.

FISCAL IMPACT

This funding contribution is consistent with the Board action taken on November 19, 2019 and is consistent with the current year budget. This agreement will provide \$231,000 over the next two years and will reduce the amount of TOT funds needed to fund free fares. The remaining funding for free fares is estimated to be \$312,800 from the resorts, \$44,100 from the Town of Truckee and \$305,000 from TOT funds. The portion from the resorts assumes that there would be no resort employee ridership through May 2020. Any further reduction in resort funding participation would be funded with the TOT allocation.

ATTACHMENT

Truckee Tahoe Airport District Free Fares Agreement

CONTRACT #:

**USE OF FUNDS AGREEMENT FOR FREE FARES
ON THE TAHOE TRUCKEE AREA REGIONAL TRANSIT SYSTEM
OPERATED BY PLACER COUNTY**

THIS Agreement, hereinafter referred to as "AGREEMENT", is made and entered into this _____ day of _____, 20____, by and between the County of Placer, hereinafter referred to as "COUNTY," and the Truckee Tahoe Airport District, hereinafter referred to as "AIRPORT."

RECITALS:

WHEREAS, COUNTY operates a public transit system known as Tahoe Truckee Area Regional Transit (TART) that benefits both residents and visitors within the AIRPORT and Placer County;

WHEREAS, the Placer County Board of Supervisors authorized free-fare transit on TART on November 19, 2019, for a period of two years beginning December 12, 2019;

WHEREAS, AIRPORT desires to provide funding to support free-fare transit on TART in the interest of supporting an efficient and well used public transit system serving the Truckee and North Tahoe region;

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained, it is agreed by and between the parties hereto as follows:

I. GENERAL PROVISIONS.

This AGREEMENT is for funding of free to the passenger public transportation and transportation services of TART rendered by COUNTY.

- A. COUNTY agrees to operate a regularly scheduled fixed route public transit service that is free to the passenger ("Service") in the Truckee and North Tahoe region, contingent upon approval of the TART operating budget by COUNTY.
- B. COUNTY reserves the right to contract out either part or all of the Service to a qualified transit operations contractor.

II. PAYMENT.

- A. Reimbursement for fare revenues. In exchange for services identified in Section I above, AIRPORT agrees to provide funds to COUNTY in the amount of One Hundred Ten Thousand Dollars (\$110,000) for service operated between December 12, 2019, and December 11, 2020, and in the amount of One Hundred Twenty-One Thousand Dollars (\$121,000) for service operated between December 12, 2020, and December 11, 2021.
- B. AIRPORT is a funding agent only, and is not responsible for operations, maintenance, or any costs in excess of the amount set forth above for the proposed Service.
- C. Billing to AIRPORT. COUNTY shall submit invoices via U.S. Mail or electronic mail to AIRPORT in the following amounts for Service during the six month period preceding and including the invoice dates:
 - 1) Fifty-Five Thousand (\$55,000) by June 30, 2020 for Service between December 12, 2019 and June 30, 2020,
 - 2) Fifty-Five Thousand (\$55,000) by December 31, 2020 for Service between July 1, 2020 and December 31, 2020,
 - 3) Sixty Thousand Five-Hundred (\$60,500) by June 30, 2021 for Service between January 1, 2021 and June 30, 2021,

- 4) Sixty Thousand Five-Hundred (\$60,500) by December 31, 2021 for Service between July 1, 2021 and December 11, 2021.

III. HOLD HARMLESS.

- A. Neither AIRPORT nor any officer, director, employee or volunteer thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by COUNTY under or in connection with any work, authority or jurisdiction delegated to COUNTY under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, COUNTY shall fully defend, indemnify and save harmless AIRPORT, its officers, directors, employees and volunteers from all claims, suits, or actions of every nature, kind and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by COUNTY under or in connection with any work, activity or jurisdiction delegated to COUNTY under this AGREEMENT.
- B. Neither COUNTY nor any officer, employee or volunteer thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by AIRPORT under or in connection with any work, activity or jurisdiction delegated to AIRPORT under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, AIRPORT shall fully defend, indemnify and save harmless COUNTY, its officers, employees and volunteers from all claims, suits, or actions of every nature, kind and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by AIRPORT under or in connection with any work, authority or jurisdiction delegated to AIRPORT under this AGREEMENT.

IV. TERMINATION.

- A. This AGREEMENT is effective January 1, 2020, and shall terminate December 31, 2021. Either party may terminate this AGREEMENT with or without cause by providing 30 days written notice to the other party pursuant to Section D below.
- B. Upon receipt of notice of termination from AIRPORT without cause, COUNTY shall have up to 180 days from notice of termination to discontinue Service.
- C. Within 30 days of receipt of termination by either Party, COUNTY shall provide AIRPORT with a final invoice for all services already rendered under this AGREEMENT until and including the date of termination, and AIRPORT shall pay such invoice for services rendered within 30 days of receipt.
- D. Written notice shall be served by US Mail or in person to the following:

PLACER COUNTY:

Will Garner
Department of Public Works
Transportation Division
3091 County Center Drive, Suite 220
Auburn, CA 95603

AIRPORT:

Kevin Smith
Truckee Tahoe Airport
10356 Truckee Airport Rd
Truckee, CA 96161
Attn: General Manager

V. JURISDICTION AND VENUE.

This AGREEMENT shall be governed by the laws of the State of California. Initial venue for any action shall be in Placer County, California. Each party waives federal court removal and/or original jurisdiction rights it may have.

IN WITNESS THEREOF, the parties hereto have executed this agreement the day and year first above written

**“AIRPORT”
TRUCKEE TAHOE AIRPORT DISTRICT**

**“COUNTY”
STATE OF CALIFORNIA
COUNTY OF PLACER**

By: _____
Board President

By: _____
Chair, Board of Supervisors

Date: _____

Date: _____

ATTEST:

ATTEST:

By: _____
Kevin Smith, Clerk of the Board

By: _____
Clerk of the Board

Date: _____

Date: _____

RECOMMENDED FOR APPROVAL

By: _____
Ken Grehm, Placer County
Public Works Director

Date: _____

APPROVED AS TO FORM

APPROVED AS TO FORM

By: _____
Airport Attorney

By: _____
County Counsel

Date: _____

Date: _____

