



MEMORANDUM
COUNTY EXECUTIVE OFFICE
ADMINISTRATION
County of Placer

TO: Honorable Board of Supervisors DATE: June 23, 2020

FROM: Todd Leopold, County Executive Officer
By: Erin Casey, Principal Management Analyst

SUBJECT: Funding Agreement with Truckee/North Tahoe Transportation Management Association for operation of the North Lake Tahoe Express.

ACTION REQUESTED

Approve the Funding Agreement with the Truckee/North Tahoe Transportation Management Association (TMA) for the operation of the North Lake Tahoe Express in eastern Placer County for FY 2020-21, at a budgeted net County cost of up to \$127,308 for a contract term of July 1, 2020 – June 30, 2021.

BACKGROUND

The TMA is a California Nonprofit Mutual Benefit Corporation based in Truckee, CA and recently celebrated its 28th anniversary of providing services to the Truckee/North Lake Tahoe region. The purpose of the TMA is to connect employers with community members to reduce traffic congestion and improve transportation conditions in the Truckee/North Tahoe. Placer County is a dues-paying member of the TMA and, in accordance with TMA's bylaws, holds a seat on its Board of Directors.

The North Lake Tahoe Express (NLTE) is an airport shuttle service that connects North Lake Tahoe and Truckee regions to the Reno-Tahoe International Airport. This Funding Agreement will support service operations, management and marketing and includes participation from the Town of Truckee, Incline Village Crystal Bay Visitors Bureau and the Truckee Tahoe Airport District for a total annual service cost of \$177,913. This agreement includes Placer County's share of \$127,308.

As outlined in the agreement, the TMA will oversee the day-to-day management and operation of the NLTE, including marketing, advertising, and promotional support, as well as driver training, and reporting on shuttle service ridership and operations. Staff recommends approval of the Funding Agreement.

FISCAL IMPACT

Transient Occupancy Tax (TOT) collected in eastern Placer County is the funding source for the services to be provided by TMA under this Funding Agreement. These funds are budgeted in the FY 2020-21 Lake Tahoe Tourism and Promotion budget.

ATTACHMENTS

Funding Agreement

**FUNDING AGREEMENT
FY 2020-2021
NORTH LAKE TAHOE EXPRESS**

This Funding Agreement (“Agreement”) is dated and effective June 30, 2020 between the Truckee North Tahoe Transportation Management Association (“TNT/TMA”), Placer County (“Placer”), Town of Truckee (“Truckee”), Incline Village Crystal Bay Visitors Bureau (“IVCBVB”), and Truckee Tahoe Airport District (“TTAD”). Placer, Truckee, IVCBVB, and TTAD collectively referred to herein as the “Funding Partners.” The TNT/TMA and Funding Partners are collectively referred to herein as the “Parties.”

RECITALS

WHEREAS, TNT/TMA is a non-profit mutual benefit corporation organized under the California Corporations Code section 7110, et seq., whose mission includes fostering public-private partnerships and resources for the advocacy and promotion of innovative solutions to the unique transportation challenges of the Truckee-North Lake Tahoe Resort Triangle; and

WHEREAS, consistent with its mission, the TNT/TMA Board of Directors has approved the TNT/TMA’s role as the contracting entity for the North Lake Tahoe Express airport shuttle (“Shuttle Service”), an interstate and intrastate service connecting the Reno/Tahoe International Airport (“RTIA”) and specific locations in the North Lake Tahoe region; and

WHEREAS, TNT/TMA has contracted with Airport Mini-Bus (“Operator”) to operate the NLTE Shuttle Service (“Shuttle Service”); and

WHEREAS, the shuttle service has improved the competitive position of the North Lake Tahoe-Truckee “Resort Triangle” as a destination resort, offering conference and group business travelers and “frequent independent travelers” (FIT) a car-free experience to and from the RTIA; and

WHEREAS, the Board of Directors has also approved the TNT/TMA’s role as the facilitator and collector of contributions to support the Shuttle Service from the Funding Partners herein named; and

WHEREAS, the fiscal year for the Shuttle Service extends from July 1 of one year to June 30 of the following year (the “FY”); and

NOW, THEREFORE BE IT RESOLVED, in consideration of the foregoing recitals and the covenants contained herein, the Parties agree as follows:

- 1. EFFECTIVENESS AND TERM.** This Agreement shall be effective as to each of the parties upon their execution of the Agreement, and even if the Agreement is not ultimately executed by every one of the parties, provided that the failure of one or more Funding Partners to execute this Agreement shall not affect the financial obligations of the other Funding Partners. The term of this Agreement shall be FY 2020-2021.

- 2. SERVICE.** TNT/TMA has contracted with the Operator to operate the Shuttle Service pursuant to the routes and schedules attached hereto as Exhibit A. TNT/TMA has discretion to amend the routes and schedules at any time as deemed necessary by TNT/TMA for operational or funding related purposes, provided that no such amendments shall increase the financial

obligations of the Funding Partners, which shall remain binding on the Funding Partners that sign this Agreement. TNT/TMA has discretion to replace the Operator with another operator.

3. FUNDING. The program budget for FY 2020-21 is attached as Exhibit B. The budget for all costs of the Shuttle Service is \$236,196, and the Funding Partners agree to provide a combined total of \$177,913 to pay for those costs. The Funding Partners agree to provide funding as follows:

a. **Placer County** agrees to provide Placer County Transient Occupancy Tax funds in the amount of \$127,308 for FY 2020-21 payable and due to TNT/TMA as follows:

i. 07/30/20	\$31,827
ii. 10/01/20	\$31,827
iii. 01/01/21	\$31,827
iv. 04/01/21	\$31,827

b. **Truckee** agrees to provide \$10,609 for FY 2020-21 payable and due to TNT/TMA as follows:

i. 07/30/20	\$5,305
ii 10/1/20	\$5,304

c. **IVCBVB** agrees to provide \$36,283 for FY 2020-21 payable and due to TNT/TMA as follows:

i. 07/30/20	\$12,095
ii. 10/1/20	\$12,094
iii. 01/01/21	\$12,094

d. **TTAD** agrees to provide \$3,713 for FY 2020-21 payable and due to TNT/TMA as follows:

i. 07/30/20	\$1,856.50
ii 10/1/20	\$1,865.50

4. INVOICING. TNT/TMA shall provide invoices to the Funding Partners at least 30 days in advance of the payment due dates specified in Section 3 of this Agreement. Invoices shall reference the Shuttle Service, the payment due date, and the relevant period of service.

5. USE OF FUNDS. TNT/TMA shall deposit all funding amounts received into a separate account held solely for the Shuttle Service. TNT/TMA shall use all funds solely for the purpose of paying the costs of the Shuttle Service, including the following: (1) \$134,918 of operator costs; and (2) \$96,220 of compensation to TNT/TMA for marketing and management services, subject to reasonable adjustment by TNT/TMA for unanticipated or desirable adjustments to the Shuttle Service, none of which shall increase the funding obligations of the Funding Partners. The program budget for FY 2020-21 is attached as Exhibit B.

6. SERVICE EXPECTATION. TNT/TMA intends the Shuttle Service to run through the end of FY 2020-21. However, if the cost to run Shuttle Service exceeds the budgeted amount,

Funding Partners will pay amounts specified in Section 3 of this Agreement on the dates specified regardless of potential impacts to service timeframe.

7. RESERVE FUND. Any funds remaining unspent at the end of FY 2020-21 after all costs of the Shuttle Service have been paid, will be held in a restricted reserve fund. Reserve funds are held within this account and are to be used for the sole purpose of the North Lake Tahoe Express. The maximum Reserve Fund balance will cover 12 months of operations and management services to be determined by upcoming FY budget to ensure a funding source is available in the event of a funding shortage in any given year of operation. Any additional funds will be used for service expansion or returned to the Funding Partners.

8. RETURNS. Amounts paid by the Funding Partners will be returned to the Funding Partners if service is cancelled and/or those amounts are not needed to pay for the cost of the Shuttle Service in future years. Any amounts returned to the Funding Partners will be determined on a pro-rata basis according to the amount each Funding Partner contributed.

9. ANNUAL REPORT. TNT/TMA will provide an annual report within 60 days of the completion of FY 2020-21. This report will document the completion of the Shuttle Service for that fiscal year and reconcile all expenditures and any unspent funding amounts for the Shuttle Service. The report will also document overall ridership and farebox revenues.

10. ANNUAL ADVISORY COMMITTEE REVIEW. As part of its management structure, an advisory committee has been established to advise the TMA Executive Director and staff on matters related to NLTE operations, service levels, budgets, and marketing and promotional strategies. The committee meets at a minimum of once a year, or when the TMA Executive Director requests one or more additional meetings. The committee is comprised of one representative from each funding jurisdiction (Placer County, Washoe County, and Truckee) and two members of the TMA Board of Directors.

11. RECORDS. TNT/TMA shall maintain satisfactory account statements, records, and other documents relating to the Shuttle Service for the life of the shuttle program. Account statements, records, and other documents relating to the Shuttle Service shall be retained by TNT/TMA for three years following the completion or termination of this Agreement and shall be subject to examination and audit by the Funding Partners.

12. TNT/TMA MANAGEMENT TASKS AND COMPENSATION. TNT/TMA shall oversee day-to-day management and operation of the Shuttle Service and provide marketing, advertising, and promotional support, as well as training, reporting, and other services for the Shuttle Service as set forth in Exhibit C, including auditing of the contractor consistent with provisions of the Agreement between TNT/TMA and the Operator for Airport Shuttle Service.

13. DISPUTES AND WITHDRAWAL. The parties shall meet and confer in an attempt to resolve any disputes arising from this Agreement. If the dispute cannot be resolved, any party may withdraw from this Agreement upon 60 days written notice to the other parties. Even in the event of withdrawal, the withdrawing party shall continue to be responsible for the entire funding amount specified in Section 3 of this Agreement, and shall not be entitled to any reimbursement of funding amounts already provided except as provided in Section 8 of this Agreement.

14. NOTICE. Written notice under this Agreement shall be provided via U.S. Mail, electronic mail, or in person, as follows:

Julia Tohlen
Interim Executive Director
TNT/TMA
10183 Truckee Airport Road
Truckee, CA 96161
jaime@laketahoetransit.com

Bonnie Gore
Placer County Board of Supervisors
175 Fulweiler Ave.
Auburn, CA 95603
SupervisorGore@Placer.CA.Gov

Jeff Loux
Town Manager
Town of Truckee
10183 Truckee Airport Road
Truckee, CA 96161
89452jloux@townoftruckee.com

Andy Chapman
President/CEO
Incline Village Crystal Bay Visitors Bureau
969 Tahoe Boulevard
Incline Village, NV
AndyC@gotahoe.com

Kevin Smith
General Manager
Truckee Tahoe Airport District
10356 Truckee Airport Road
Truckee, CA 96161
kevin.smith@truckeetahoeairport.com

14. NO THIRD-PARTY BENEFICIARIES. This Agreement is for the exclusive benefit of the parties hereto and nothing contained herein shall be construed as granting, vesting, creating or conferring any right or cause of action on any third party. Nothing in this Agreement is intended to create, nor shall it be deemed to create, any contractual relationship between any third party and TNT/TMA or the Funding Partners.

15. CHOICE OF LAW. This Agreement is to be interpreted in accordance with the laws of the State of California.

16. VENUE. The venue for any litigation regarding the interpretation, performance or enforcement of this Agreement shall be in the Superior Court of California - Placer County.

17. ENTIRE AGREEMENT. This Agreement and the documents incorporated herein by reference constitute the entire agreement between the parties relating to the Shuttle Service and may not be modified except by an instrument in writing signed by the signatories to this Agreement. If any provision, or portion thereof, of this Agreement is or becomes invalid under any applicable statute or rule of law, it shall be deemed stricken and the remainder of this Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement has been executed by the parties and is dated and effective as of the date written above.

Julia Tohlen
Interim Executive Director
Truckee North Tahoe Transportation Management Association

Date

Bonnie Gore
Placer County Board of Supervisors

Date

Jeff Loux
Town Manager
Town of Truckee

Date

Andy Chapman
President/CEO
Incline Village Crystal Bay Visitors Bureau

Date

Kevin Smith
General Manager
Truckee Tahoe Airport District

Date

Exhibit A
Routes and Schedules



YEAR-ROUND SCHEDULE 2019–2020 | DEPARTURE TIMES

**RED ROUTE –
SQUAW VALLEY, TAHOE CITY, WEST SHORE**

TO AIRPORT

Sunnyside	6:00 AM	8:00 AM	9:30 AM	12:30 PM	5:00 PM
Granlibakken	6:05 AM	8:05 AM	9:35 AM	12:35 PM	5:05 PM
Tahoe City Transit Center	6:10 AM	8:10 AM	9:40 AM	12:40 PM	5:10 PM
Tahoe City Locations	6:10 AM	8:10 AM	9:40 AM	12:40 PM	5:10 PM
River Ranch/Alpine	6:15 AM	8:15 AM	9:45 AM	12:45 PM	5:15 PM
Squaw Valley Locations	6:25 AM	8:25 AM	9:55 AM	12:55 PM	5:25 PM
Resort at Squaw Creek	6:30 AM	8:30 AM	10:00 AM	1:00 PM	5:30 PM

FROM AIRPORT

Servicing Locations on Route Above 10:00 AM | 12:00 PM | 3:00 PM | 6:30 PM | 9:00 PM | 12:00 AM

GREEN ROUTE – TRUCKEE, NORTHSTAR

TO AIRPORT

Sawmill Heights	6:00 AM	9:15 AM	2:50 PM
Ritz Carlton	6:05 AM	9:20 AM	2:45 PM
Village at Northstar/TMR	6:10 AM	9:25 AM	2:40 PM
Northstar	6:15 AM	9:30 AM	2:35 PM
Truckee Airport	6:20 AM	9:35 AM	2:25 PM
Truckee Locations	6:25 AM	9:40 AM	2:20 PM
Truckee Train Depot	6:30 AM	9:45 AM	2:15 PM

FROM AIRPORT

Servicing all Locations on Route Above 10:30 AM | 3:15 PM | 12:00 AM

**BLUE ROUTE –
CARNELIAN BAY TAHOE VISTA, KINGS BEACH,
CRYSTAL BAY, INCLINE VILLAGE**

TO AIRPORT

Garwoods	6:15 AM	8:15 AM	10:15 AM	12:00 PM	—
Tahoe Vista Locations	6:25 AM	8:25 AM	10:25 AM	12:10 PM	3:05 PM
Kings Beach Locations	6:35 AM	8:35 AM	10:35 AM	12:20 PM	3:10 PM
Crystal Bay Locations	6:40 AM	8:40 AM	10:40 AM	12:25 PM	3:15 PM
Park Side Inn	6:50 AM	8:50 AM	10:50 AM	12:35 PM	3:20 PM
Incline Rec	6:55 AM	8:55 AM	10:55 AM	12:40 PM	3:25 PM
Hyatt	7:00 AM	9:00 AM	11:00 AM	12:45 PM	3:30 PM

FROM AIRPORT

Servicing all Locations on Route Above 10:30 AM | 12:30 PM | 4:30 PM | 7:30 PM | 12:00 AM

Exhibit B Program Budget

Program: North Lake Tahoe Express

Program Description: The North Lake Tahoe Express Airport Shuttle started service November 15, 2006. Since that time, the shuttle has proven to be an important asset to the tourism and conference group market, as well as the local economy. The program has proven to play a vital role when choosing our area as a destination. NLTE Offers three routes within North Lake Tahoe and Truckee with service running daily between 6:00am and 11:00pm. Funding for the North Lake Tahoe Express is provided by a variety of partners per county .

TMA Services Provided:
 - Contract Management
 - Program Management
 - AR Payments
 - Reporting
 - Marketing
 - Group Sales
 - Wholesale Account Management

North Lake Tahoe Express Budget 1/31/20

	2012-13 A	2013-14 A	2014-15 A	2015-16 A	2016-17 A	2017-18 A	2018-19 A	2019-20 B	2019-20 YTD	2019-20 Proposed Year End	2020-21 B
Revenues											
Placer County Funding Sources:											
NLTRA (TOT)	95,075	105,000	110,000	110,000	120,000	120,000	123,600	123,600	30,900	123,600	127,308
Total	\$ 95,075	\$ 105,000	\$ 110,000	\$ 110,000	\$ 120,000	\$ 120,000	\$ 123,600	\$ 123,600	\$ 30,900	\$ 123,600	\$ 127,308
Washoe County Funding Sources:											
Incline Village Crystal Bay CVB	22,000	22,000	22,000	22,000	26,000	26,000	26,780	35,226	11,742	26,780	36,283
Hyatt Lake Tahoe	7,000	7,000	7,000	7,000	7,000	7,000	7,210	-	-	7,210	-
Billmore	1,200	1,200	1,200	1,200	1,200	1,200	1,236	-	-	1,236	-
Total	\$ 30,200	\$ 30,200	\$ 30,200	\$ 30,200	\$ 34,200	\$ 34,200	\$ 35,226	\$ 35,226	\$ 11,742	\$ 35,226	\$ 36,283
Nevada County Funding Sources:											
Town of Truckee	-	10,000	10,000	10,000	10,000	10,000	10,300	10,300	5,150	10,300	10,609
Truckee Tahoe Airport	2,500	3,500	3,500	3,500	3,500	3,500	3,605	3,605	1,803	3,605	3,713
Cedar House Sport Hotel	1,000	1,000	1,000	1,000	-	-	-	-	-	-	-
Hampton Inn & Suites	1,000	1,000	1,000	-	-	-	-	-	-	-	-
Total	\$ 4,500	\$ 15,500	\$ 15,500	\$ 14,500	\$ 13,500	\$ 13,500	\$ 13,905	\$ 13,905	\$ 6,953	\$ 13,905	\$ 14,322
Other Funding Sources:											
Fare box	667,575	335,652	-	-	-	-	-	-	-	-	-
Fare box - Future Bookings	23,268	-	-	-	-	-	-	-	-	-	-
Fare box - Operator Fares Feb - June 2014	-	113,899	-	-	-	-	-	-	-	-	-
On-Board Advertising	-	400	400	-	-	-	-	-	-	-	-
Subsidy Rollover to Future Year Operations	38,009	-	-	-	-	33,538	65,234	100,500	100,500	100,500	53,225
Rollover Expense - Future Year	17,182	-	-	-	-	-	-	-	-	-	-
Total	\$ 746,034	\$ 449,951	\$ 400	\$ -	\$ -	\$ 33,538	\$ 65,234	\$ 100,500	\$ 100,500	\$ 100,500	\$ 53,225
Total Revenue	\$ 875,809	\$ 600,650	\$ 156,100	\$ 154,700	\$ 167,700	\$ 201,238	\$ 237,965	\$ 273,231	\$ 150,095	\$ 273,231	\$ 231,138
Expenses											
Contracted Operations	749,190	487,039	-	-	48,567	53,804	52,965	168,631	65,406	115,406	134,918
Program Management	47,000	35,644	22,580	22,580	30,000	30,000	31,000	32,000	32,000	32,000	32,960
Marketing Materials/Ad Design	36,075	20,065	22,000	22,000	21,146	24,000	23,900	24,000	16,000	24,000	24,000
Marketing Management	-	11,982	17,200	20,200	-	20,200	21,000	22,000	22,000	22,000	22,660
Distribution	-	750	3,000	-	-	-	-	-	-	-	-
IT/Reservations System	400	85	-	-	8,500	8,000	8,600	8,600	600	8,600	8,600
Bank Fees	19,876	16,848	-	5,300	-	-	-	-	-	-	-
Business Plan Update/RFP Contract Process	-	-	-	15,000	-	-	-	10,000	-	10,000	-
TTD Staff Time	-	-	-	2,500	-	-	-	-	-	-	-
Attorney Fees	-	-	-	-	749	-	-	8,000	-	8,000	8,000
Liability Insurance	-	-	-	-	5,000	-	-	-	-	-	-
Previous Year Loss	-	55,191	-	-	-	-	-	-	-	-	-
Reserve Fund	-	-	-	-	-	-	-	-	-	-	-
Future Booking Farebox Revenues	23,268	-	-	-	-	-	-	-	-	-	-
Rollover Revenues to Future Year Operations	-	-	-	-	33,538	65,234	100,500	-	-	53,225	-
Total Expenses	\$ 875,809	\$ 627,604	\$ 64,780	\$ 87,580	\$ 167,700	\$ 201,238	\$ 237,965	\$ 273,231	\$ 136,006	\$ 273,231	\$ 231,138
Net Balance	\$ 0	\$ (26,954)	\$ 91,320	\$ 67,120	\$ 0	\$ -	\$ -	\$ -	\$ 14,089	\$ -	\$ 0
Total Reserve	\$ 38,009	\$ 11,055	\$ 102,376	\$ 169,496	\$ 169,496	\$ 169,496	\$ 169,496	\$ 169,496	\$ 183,584	\$ 169,496	\$ 169,496

Exhibit C
TNT/TMA Compensation



2020-21 FY

Annual Management Cost Estimates					
	Executive Director	Program Manager	Accountant	Total TMA Hours	Total TMA Cost Per Task
Hourly Rate	\$62.36	\$42.92	\$61.26		
North Lake Tahoe Express - Program Management Tasks & Hours Est.					
Program Financial and Ridership Reporting	40	120		160	\$7,644.66
Reservation System Maintenance and Upkeep	30	15		45	\$2,514.49
Group Sales	5	40		45	\$2,028.59
Wholesaler Contracts & Booking Oversight	5	50		55	\$2,457.79
Program Budget & Financial Responsibilities	40	20	30	90	\$5,190.58
Customer Relations	15	50		65	\$3,081.35
Service Standards Oversight	15	40		55	\$2,652.15
Program Reported Issues	15	40		55	\$2,652.15
Partner Meetings and Continual Updates	10	10		20	\$1,052.76
Documentation Requests/Review	10	15		25	\$1,267.36
Contractor Meetings/Trainings	24	24		48	\$2,526.63
Total Program Management Costs	\$13,032	\$18,198	\$1,838	663	\$33,069
North Lake Tahoe Express - Marketing Management Tasks & Hours Est.					
Ad Designs	24	20		44	\$2,354.95
Negotiations with Advertisers	20	8		28	\$1,590.48
Selecting Advertising Venues	15	8		23	\$1,278.70
Co-Op Marketing Efforts	15	8		23	\$1,278.70
Distribution	20	50		70	\$3,393.13
Local Hotel Staff Training & Sales	24	24		48	\$2,526.63
Social Media	5	60		65	\$2,886.99
Website	25	10		35	\$1,988.11
Public Outreach & Information Sharing	20	68		88	\$4,165.69
Events	10	20		30	\$1,481.96
Total Marketing Management Costs	\$11,099	\$11,846	\$0	454	\$22,945

