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## MEMORANDUM

DATE: April 20, 2020

SUBJECT: Comments on Draft Tulare County Regional Transit Agency (TCRTA) Joint Powers Agreement

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A draft Joint Powers Agreement was prepared by the TCAG Ad Hoc Committee and circulated to all member agencies for review and comment per TCAG Board direction. Action on whether to join the JPA was not requested at this time. This was a first look at the document and an opportunity for comments from member agencies. The document was circulated on February 10, 2020 and comments were due March 27, 2020.

Responses were received from five agencies and from the TCAG Board Transit Representative.

1. City of Tulare - No comments.
2. City of Dinuba - No comments.
3. TCAG Transit Representative Greg Gomez:
  - a. To allow both the primary TCAG Transit Representative and the alternate TCAG Transit Representative to participate in TCRTA, the alternate should be added as an ex-officio member to the Board. *(Proposed edit in Article II, Section 1.a.)*
4. City of Farmersville
  - a. While there will be an annual audit, the agreement should include some language that authorizes/requires financial reporting that tracks back to services provided so that each locality can do a cost-benefit analysis. This can reassure each jurisdiction that there is no imbalance and makes this information transparent. *(In addition to fiscal audits the agency will establish desired reports. Performance audits will be completed at least triennially as well.)*
  - b. Will a budget be determined prior to the final document, so that jurisdictions will be approving the JPA with the knowledge of their cost? *(No, the budget will be prepared on an annual basis.)*
5. City of Porterville
  - a. Draft Bylaws should be in conjunction with the Draft Agreement at the time member agencies vote on the Agreement. *(This is addressed in Article II, Section 9.)*

- b. Prefer that a super majority be used more than not.
- c. Member agency Local Transportation Fund (LTF) contributions should be based on a formula that includes, at a minimum, population and service levels. *(This is addressed in Article III, Section 4.)*
- d. Prefer that capital assets remain with the member agency. *(This is addressed in Article III, Section 5.)*
- e. Prefer that JPA CEO be independent (not hired by a member agency) and dedicated full time to the JPA. *(Under Article II, Section 4, the Executive Director is to be appointed by and serve at the pleasure of the JPA Board, regardless of whether he or she is already an employee of a Member Agency, employed directly by the new Transit Agency, or is an independent contractor (or an employee of an independent contractor).)*



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March 27, 2020

Elizabeth Forte  
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*Via electronic mail*

Dear Elizabeth,

The County of Tulare (County) would like to provide the following comments and questions regarding the proposed Tulare County Regional Transit Agency Joint Powers Agreement (the JPA). Where possible, the comments are tied to the relevant section or sections of the Agreement.

## **2019 Tulare County Regional Transit Coordination Study**

The 2019 Tulare County Regional Transit Coordination Study by SBLB, LLC for TCAG (the Study) includes a series of steps and recommendations towards the implementation of a JPA. In Section 6 of the Study, SBLB recommends Policy Makers consider, among other things, two service plan options for a coordinated transit system: a Clean Slate model and the One Region Model. The Clean Slate model essentially recommends an overhaul of all transit services countywide, while the One Region Model recommends changes to the current system to improve efficiencies with minimal disruption. In addition, a different service model than the two recommended options could be adopted.

These service options would result in different costs and cost distribution to member agencies, and would have potentially significant impacts on the served communities. We recommend that a preferred service option model, either the Clean Slate or One Region model, be selected in accordance with the Study and fiscal impacts to each potential member agency be analyzed prior to the adoption of the JPA.

**The JPA process has moved past the coordination study and these are not being further analyzed.**

## **Article I, Section 3: Boundaries & Article 3, Section 4: Sources of Funds**

FTA § 5307 funding is determined by Urban Area Boundaries (UAB), not by city limits. If Visalia does not join the JPA, how would 5307 funding for the area outside of the Visalia city limits but inside the UAB be allocated? Would the JPA and Visalia need to enter into a separate agreement? 5307 funding for Visalia currently accounts for some unincorporated areas such as

Goshen. **There are multiple operators currently operating within Urbanized Areas (UZAs) and formulas are used to allocate funds. A new agency would need to enter into an agreement to allocate funds, but the precedent already exists.**

How would funds for services which operate inside and outside the County be divided? How would the operation hours spent outside the County limits be allocated in the cost formula? For example, TCaT Route 20 enters Kern County to the Delano Transit Center, the V Line spends



significant time in Fresno, and the Dinuba Connection enters Fresno County/Reedley. **These policies would be determined by the Board, as opposed to memorialized in the governing document.**

We request that the JPA include a provision to expressly require that the agency spend/allocate all farebox revenue before spending/allocating any LTF monies. **LTF funds are used, if needed, after all transit-only revenues, including farebox.**

#### **Article I, Section 3: Boundaries**

Would the boundary also be coterminous with the County's boundaries if the County were not a party?

**No, the boundaries would be those of the members.**

#### **Article I, Section 4: Powers**

What happens to the transit employees of the current Transit member agencies that join the JPA?

**This is not addressed in the governing document but would be managed with establishment of a new agency.**

#### **Article II, Section 2: Officers**

The officers included do not match those called for by the Study.

#### **Article II, Section 10: New Members**

The County and a new city could both be responsible for the new city's share of its transit services during the year after it is incorporated, but before the end of the fiscal year, which is about 8 months of funding.

The last sentence of the second paragraph states: "Regardless of whether or not the new city elects to become a member Agency, at the end of the fiscal year during which incorporation becomes effective, **unless otherwise agreed**, the County will no longer be responsible for funding public transportation within the area included in the new city." [emphasis added]. IS the assumed agreement between the County and the JPA or the County and the new city? Either way, we request that this sentence be rewritten to be clearer on this matter.

**Agreement would be among County, new city and Transit Agency. See revised Article II, Section 10.**

#### **Article II, Section 13: Amendment of Agreement & Article 4, Section 13: Amendments**

These sections are redundant but contain different terms. One section should be deleted.

**Article IV, Section 13 deleted**

#### **Article II Section 14: Withdrawal and Readmission of Member Agencies**

The phrase "Transit Agency" appears to be missing in the third paragraph between "the" and "is".

**Corrected.**

## **Article II, Section 16: Distribution of Surplus Money and Property**

What happens to any debts the JPA may incur? Would the last member agency(ies) be responsible for all remaining or outstanding debts? What would happen if the agency were insolvent, such as due to lawsuits?

**Debts belong only to Transit Agency, unless a Member Agency agrees otherwise. See revised Article I, Section 4h**

## **Article II, Section 3: Service Changes (Article III, Section 3)**

The list of factors considered should be extended to both service increase and service decrease whether funded by TDA or otherwise. Further, this list should also consider additional factors including:

- Standards and Metrics as determined by the transit agency
  - How does the proposed change reflect the service standards as determined by the agency?

### **Addressed in subsection a.**

Impacts to other agencies

### **Change proposed in document.**

For Example, the City of Woodlake could request additional services along TCaT Route 30, which would impact both the County and City of Visalia.

- Civil Rights
  - Service reductions should be analyzed to ensure they do not violate Title VI and other laws.

### **Addressed in subsection d.**

- Capital Requirements
  - Is the current fleet adequate to handle the service change? Is a fleet expansion required? How does it impact the spareratio?
  - Does the service change impact other capital assets?

### **Addressed in subsection c.**

- Funding
  - Are the proposed changes being funded by one agency or all agencies?

### **Redundant to second bullet above.**

- New or additional maintenance concerns

### **Addressed in subsection c.**

- The Unmet Needs process
- Other factors specific to the service change

This section also includes a timeframe for requests for reduction in service but does not include a timeframe to implement service increases. The County would recommend that a limit be included as to the frequency with which the transit agency must change its schedule. For example, the County currently does route changes once per year in August to limit the need to reprint schedules but has done route changes at most twice per year in the past. Alternatively, the SBLB report recommends that route changes be implemented on a quarterly basis.

### **The JPA Board will determine when service changes occur.**

As written, requests for service reduction trigger additional consideration by the Agency



if it would reduce that member's share by 10 percent or more. Is that 10% of their fraction of the share (e.g. going from 30% of the total share to 26.9% of the total share of costs) or reducing that agency's cost by 10% (going from \$1 million to \$899 thousand)? Reducing total costs is easier than reducing proportionate share, especially for the County which has such a large percentage of the population.

**Ten-percent of the agency's share.**

As a point for future discussion, should the Agency formally reply to requests for service changes when they will not be implemented?

**Article III, Section 4: Sources of Funds**

Many of the County's transit lines start and/or end in cities. Would the miles/hours spent inside the cities for these services count as miles/hours for the County or for the City? What about commuter lines beginning and ending within cities but passing through unincorporated areas while not picking up new passengers (e.g. V-Line and Visalia Transit Route 11X)? Should special consideration be provided for routes of regional importance, such as the V-Line?

**These policies would be adopted by the Board.**

5307 Funding is based on an Urban Area Boundary and provides funding beyond city limits but specific to a region. How will this and other geographically restricted funds impact these calculations, as the money needs to be spent within a specific area?

Based on 2018/19 data, the population breakdown for all potential members is as follows:

Agency	Population	Share by Pop.
Dinuba	25,328	5.3%
Exeter	11,002	2.3%
Farmersville	11,358	2.4%
Lindsay	13,358	2.8%
Porterville	60,260	12.6%
Tulare	66,967	14.0%
Visalia	138,207	28.8%
Woodlake	7,891	1.6%
County	144,741	30.2%
Incorporated	334,371	69.8%
Countywide Total	479,112	

Based on 2018/19 SCR, the distribution of costs to the current service providers is as follows:

	FIXED ROUTE		DIAL A RIDE		TOTAL	
	Hours	Share by Hours	Hours	Share by Hours	Total Hours	Share by Hours
<b>Dinuba Area Regional Transit</b>	12,588	4.7%	2,349	8.2%	14,937	5.0%
<b>Porterville Transit</b>	49,837	18.5%	2,997	10.5%	52,834	17.7%
<b>Tulare InterModal Express</b>	30,597	11.3%	6,244	21.9%	36,841	12.3%
<b>Visalia Transit (inc. Exeter, Farmersville, some County areas)</b>	143,581	53.2%	12,649	44.3%	156,230	52.4%
<b>Woodlake</b>	0	0.0%	Unk	Unk	Unk	Unk
<b>Tulare County Area Transit (inc. Lindsay &amp; some City areas)</b>	33,195	12.3%	4,318	15.1%	37,513	12.6%
<b>Countywide Total</b>	<b>269,798</b>	<b>100.0%</b>	<b>28,557</b>	<b>100.0%</b>	<b>298,355</b>	<b>100.0%</b>

Note: The SCR for Woodlake was not readily available. Further, the current service levels include all of the current LTF transfer agreements, for which the City of Lindsay pays the County to operate its services and for which the County pays the Cities of Porterville, Visalia, and Dinuba for services.

Using these 2018/19 values, the County's overall share of costs would be approximately 21.4%.

This formula includes the County providing significant funding for the transit agency, part of which is based on total populations within the unincorporated areas that are unserved by transit. The formula used focuses on how many people within a jurisdiction could potentially use the service, as opposed to how many people within a jurisdiction have access to the system. We recommend that the population factor instead be based upon all people within  $\frac{3}{4}$  mile of a fixed route line or within a designated demand response service area. These populations can be estimated using the Remix software or other methods.

**Allocations are set by population, regardless of precise route geography, in all state and federal funding allocations. Population and hours are the proposed formula measures.**

In addition, the County's population excluding the cities could include the population of the Tule River Indian Tribe of the Tule River Reservation (the Tribe), a federally recognized Native American tribe. The Tribe directly receives transit funds from the state and/or federal government, including under the 5311 program. The Tribe currently has an agreement with the City of Porterville for transit services between the Porterville Transit Center and the Reservation. As such, the Reservation's population should be excluded from the County's share and the Tribe should be considered as separate entity to either be a member agency or enter into a service agreement with the new transit agency.

The County would also request that this formula include both Service Miles and Ridership as



factors. Ridership for routes that span multiple jurisdictions could easily be determined by use of Automated Passenger Counters, which several jurisdictions have already implemented.

**Various metrics were considered and service hours was decided on as the most reflective of operations cost.**

### **Article III, Section 3: Service Changes & Article 3 Section 4: Sources of Funds**

Previous discussions and preferences indicated that a member agency would be able to request additional service above and beyond that which is called out for according to the service plan. However, these two articles do not include a mechanism for a member agency to pay for these increased services. As such, this may require an additional agreement between the JPA and the member agency.

#### **Various locations:**

Article III is labeled “Financial and Service Level Provisions”, but the agreement frequently reference Article III, Section 4 with this title, which actually is titled “Sources of Funds”.

**Corrected**

#### **LOOP Bus:**

The County would likely need to enter into an agreement for the Agency to provide the bus services to run the LOOP Bus Program. It is assumed this will be a separate agreement between the County and Agency, though could be included with the services called for and paid completely by a member agency as described above. **Needs separate Agreement.**

#### **Emergency Services:**

The County has used its transit services for emergency purposes, including evacuations. Should the JPA be modified to allow for this type of service or would the County need to enter into a separate agreement with the JPA for this purpose? This could be included as part of the changes called for above regarding additional services paid by a member agency. **Needs separate Agreement.**

Thank you,



Ross Miller, P.E. Chief Engineer

CC: Jason Britt, CAO; John Hess, Assistant CAO; Reed Schenke, Director; Albert Barragan, Transit Manager