

**FUNDING AGREEMENT  
BETWEEN  
CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY  
AND  
SAN MATEO COUNTY TRANSIT DISTRICT  
FOR  
ALLOCATION OF MEASURE M FUNDS**

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by and between the CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY, a joint powers agency whose members include the County of San Mateo and the twenty incorporated cities and towns within San Mateo County, hereinafter called “C/CAG,” and the SAN MATEO COUNTY TRANSIT DISTRICT, a public agency, hereinafter called “District,” each referred to as a "Party" and collectively as the "Parties."

WITNESSETH

**WHEREAS**, California Government Code Section 65089.20 authorized C/CAG to impose an additional vehicle registration fee of up to ten dollars (\$10) (the “\$10 VRF”) on each motor vehicle registered within San Mateo County (“County”), to be used for transportation-related congestion and pollution mitigation programs and projects; and

**WHEREAS**, on November 2, 2010, the County voters approved Measure M, which imposes an additional \$10 VRF on each motor vehicle registered within the County, effective May 2011 and continuing for a period of 25 years; and

**WHEREAS**, the 5-Year Measure M Implementation Plan (Fiscal Year (“FY”) 2021/22 – 2025/26) approved by the C/CAG Board of Directors on July 8, 2021, stipulates that eighteen percent (18%) of the net revenue collected, approximately \$1,200,000 annually, is allocated to the Countywide Transit Operations and Senior Transportation Program (the “Program”); and

**WHEREAS**, the District is designated as the agency that will receive the annual funding allocation, on a reimbursement basis, for implementation of the Program; and

**WHEREAS**, C/CAG and the District desire to enter into a formal funding agreement for the allocation of Measure M funds for the Program.

**NOW, THEREFORE, IT IS HEREBY AGREED** by the Parties hereto, as follows:

1. SCOPE OF SERVICES

The District shall serve as the lead agency for implementing the Program, which is further described in Exhibit A attached hereto and incorporated herein.

## 2. TIME OF PERFORMANCE

This Agreement is effective for two (2) years commencing on July 1, 2023 and terminating on June 30, 2025. Either Party may terminate the Agreement with written notice in the event that the other Party breaches a material term or condition of this Agreement or is in violation of federal, state, or local law or regulation, and such breach or violation has not been corrected after thirty (30) days of advance written notice from the non-breaching Party, or by the process set forth in Section 7. In the event that the Agreement is terminated early, C/CAG will disburse funds for authorized Program work performed up to the date of termination.

## 3. FUNDING AND METHOD OF PAYMENT

- a) C/CAG agrees that the District will receive 18% of the net Measure M revenue collected between July 1, 2023 and June 30, 2025, which revenue C/CAG agrees to pay the District on a reimbursement basis for Program-related expenses.
- b) From July 1, 2023 through June 30, 2025, if the 18% of net Measure M revenue exceeds \$1,200,000 annually, up to \$10,000 shall first be available for use by C/CAG to update the Community Based Transportation Plan, and any remainder shall then be available for use by the District for the senior mobility programs as described in Exhibit B attached hereto and incorporated herein. Should the net revenue fall below \$1,200,000 annually, C/CAG will only reimburse the District up to the actual amount of revenue received.
- c) C/CAG shall provide excess funding, if any, as described in b), above, to the District after all Measure M revenue is collected for the applicable fiscal year.
- d) The District shall submit invoices at least semi-annually, accompanied by the activity reports and paid invoices issued by the District's contractor or District's progress payments, as proof that Program services were rendered and paid for by the District. Invoices can be delivered, mailed or emailed to C/CAG as follows:

City/County Association of Governments  
555 County Center, 5<sup>th</sup> Floor  
Redwood City, CA 94063  
Attention: Kim Wever  
kwever@smcgov.org

- e) Upon receipt of an invoice and its accompanying documentation, C/CAG shall pay the amount claimed under each invoice, up to the maximum amount available pursuant to this Agreement, within thirty (30) days of receipt of the invoice.
- f) Subject to duly executed amendments, it is expressly understood and agreed that in no event will the total funding commitment under this Agreement exceed 18% of the net Measure M revenue collected unless revised in writing and approved by C/CAG and the District.

#### 4. REPORTING REQUIREMENTS

- a) The District shall submit annual reports identifying total funds spent or reserved, action taken, and outputs achieved as defined by the performance measures listed in Exhibit A, *Scope of Work*.
- b) Such summary shall provide: (i) a brief description of the various projects and/or programs, including, where appropriate and applicable, project and/or program locations; (ii) a list of other sources of funding leveraged/matched with Measure M Funds; and (iii) any photos of projects.
- c) The District will submit the annual report to C/CAG no later than September 30<sup>th</sup> each year. C/CAG will work with the District staff to develop an appropriate annual reporting form.
- d) The District shall submit this annual report once per year regardless of whether the District submits any invoices for reimbursement. C/CAG may withhold reimbursements for failure to comply with reporting requirements.

#### 5. AUDIT

- a) The District agrees to maintain, or cause to be maintained, adequate records to document and demonstrate to C/CAG and its auditors the receipt and expenditures of funds relating to the Program.
- b) The District agrees to allow C/CAG to audit all expenditures relating to the Program funded through this Agreement.
- c) For the duration of the Measure M Implementation Plan (FY2021/22 – 2025/26) and for five (5) years following completion of the Measure M Implementation Plan, the District will make available to C/CAG, or to an independent auditor selected by C/CAG, all records relating to Program performance and expenses incurred in implementing the Program.

#### 6. AMENDMENTS

This Agreement may be amended by mutual agreement of C/CAG and the District at any time during the term of the Agreement. Any changes in the services to be performed under this Agreement shall be incorporated in written amendments, which shall specify the changes in work performed and any adjustments in compensation and schedule. All amendments shall be executed by C/CAG and the District. No claim for additional compensation or extension of time shall be recognized unless contained in a duly executed amendment.

#### 7. TERMINATION

In addition to the process provided in Section 2, either Party may terminate this Agreement, in whole or in part, at any time upon thirty (30) days' written notice. In the event of termination, the District shall submit an invoice to C/CAG for an amount representing the actual

costs of services performed up to the effective date of termination for which the District has not been previously reimbursed. In no event shall the maximum expenditure allowed under this Agreement be exceeded. Upon payment of the approved invoice, C/CAG shall be under no further obligation to the District, monetarily or otherwise.

## 8. NOTICES

All notices or other communications to either Party by the other shall be deemed given when made in writing and delivered, emailed, or mailed to such Party at their respective addresses as follows:

To C/CAG: City/County Association of Governments  
555 County Center, 5<sup>th</sup> Floor  
Redwood City, CA 94063  
Attention: Kim Wever  
kwever@smcgov.org

To District: San Mateo County Transit District  
1250 San Carlos Avenue  
San Carlos, CA 94070  
Attention: Lisha Mai  
MaiL@samtrans.com

## 9. INDEPENDENT CONTRACTOR

The Parties agree and understand that the work/services performed by either of the Parties or any consultant retained by either of the Parties under this Agreement are performed as independent contractors and not as employees or agents of the other Party. Nothing herein shall be deemed to create any joint venture or partnership arrangement between the District and C/CAG.

## 10. INDEMNITY AND HOLD HARMLESS

- a) The District shall indemnify, keep and save harmless C/CAG and its directors, officers, agents and employees against any and all suits, claims or actions related to the performance of the Scope of Work or the Project, including, but not limited to, those arising out of any injury to persons or property that may occur, or that may be alleged to have occurred, arising from the District's performance of the Project or implementation of this Agreement. The District shall require any subconsultants or subcontractors to indemnify and hold harmless C/CAG, and its directors, officers, agents and employees against any and all liability, loss, expense, including reasonable attorneys' fees, or claims for injury or damages arising out of their performance of the Scope of Work or Program. Notwithstanding the foregoing, the subconsultant and subcontractor indemnification requirement shall not be interpreted to require amendment to any District contracts executed prior to September 15, 2021.

- b) The District further agrees to defend the any and all such actions, suits or claims and pay all charges of attorneys and all other costs and expenses of defenses as they are incurred. If any judgment is rendered, or settlement reached, against C/CAG or any of the individuals enumerated above in any such action, the District shall, at its expense, satisfy and discharge the same.
- c) C/CAG shall indemnify, keep and save harmless the District and its directors, officers, agents and employees against any and all suits, claims or actions related to C/CAG's performance of its duties under this Agreement, including, but not limited to, those arising out of any injury to persons or property that may occur, or that may be alleged to have occurred, arising from C/CAG's performance of its duties under this Agreement.
- d) C/CAG further agrees to defend any and all such actions, suits or claims and pay all charges of attorneys and all other costs and expenses of defenses as they are incurred. If any judgment is rendered, or settlement reached, against the District or any of the individuals enumerated above in any such action, C/CAG shall, at its expense, satisfy and discharge the same.
- e) The duty of the Parties to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

This indemnification provision will survive termination or expiration of this Agreement.

## 11. INSURANCE

The District shall, at its own expense, obtain and maintain (and/or cause its subconsultant(s) to obtain and maintain, as applicable) the types of insurance and financial security required to protect against claims, damages and losses due to injuries to persons or damage to property or other losses that may arise in connection with the performance of work, and in effect at all times for the duration of the Agreement. In no event shall such insurance be less than the types and amounts listed below. All policies will be issued by insurers acceptable to C/CAG, generally with a Best's Rating of A- or better with a Financial Size Category of VIII or better, or as otherwise specified. Notwithstanding anything to the contrary, the District may satisfy the insurance requirements herein utilizing self-insurance providing equivalent coverage.

- a) *Workers' Compensation and Employer Liability Insurance.* District shall have in effect, during the entire life of this Agreement, Workers' Compensation and Employer Liability Insurance providing full statutory coverage. In signing this Agreement, District certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.
- b) *Liability Insurance.* District shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect District, its employees, officers and agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental

death, as well as any and all claims for property damage that may arise from District's operations under this Agreement, whether such operations be by District or by any sub-consultant or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than \$2,000,000 for Comprehensive General Liability and not less than \$2,000,000 for Motor Vehicle Liability.

C/CAG and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to C/CAG, its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if C/CAG, or its officers, agents, employees, and servants have other insurance against a loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, the C/CAG Chairperson, at his/her option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

## 12. COMPLIANCE WITH ALL LAWS

The District shall at all times comply with all applicable laws, including without limitation those regarding services to disabled persons, including any requirements of Section 504 of the Rehabilitation Act of 1973. In the event of a conflict between the terms of this Agreement and any applicable law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement. The District will timely and accurately complete, sign, and submit all necessary documentation of compliance.

## 13. SUBCONTRACTS

- a) For purposes of this Agreement, "subconsultant" shall mean any consultant or contractor under contract with the District to perform Program work. Any subconsultants must be engaged under written contract with the District with provisions allowing the District to comply with all requirements of this Agreement. District shall review and insure that subconsultants obtain and maintain in effect insurance appropriate for their scope of work, and shall include insurance requirements in each written contract with such subconsultants. C/CAG shall be named as an additional insured on any subconsultant insurance policy related to performance of this Agreement. Notwithstanding the foregoing, the subconsultant contractual insurance requirements and additional insured requirement shall not apply to District contracts executed prior to September 15, 2021.
- b) Nothing contained in this Agreement or otherwise, shall create any contractual relation between C/CAG and any subconsultants, and no subcontract shall relieve the District of its responsibilities and obligations hereunder. The District agrees to

be as fully responsible to C/CAG for the acts and omissions of its subconsultants and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the District. The District's obligation to pay its subconsultants is an independent obligation from C/CAG's obligation to make payments to the District.

14. GOVERNING LAW, VENUE

This Agreement shall be enforced and interpreted under the laws of the State of California. Any action arising from or brought in connection with this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

**IN WITNESS WHEREOF**, the Agreement has been executed by the Parties hereto as of the day and year first written above.

SAN MATEO COUNTY  
TRANSIT DISTRICT

CITY/COUNTY ASSOCIATION OF  
GOVERNMENTS

\_\_\_\_\_  
April Chan  
General Manager

\_\_\_\_\_  
Sean Charpentier  
C/CAG Executive Director

Approved as to form:

Approved as to form:

\_\_\_\_\_  
Joan Cassman  
Attorney for the District

\_\_\_\_\_  
Melissa Andrikopoulos  
Legal Counsel for C/CAG

## **EXHIBIT A**

### **SCOPE OF WORK**

#### **Countywide Transit / Senior Mobility Programs**

The District is proposing to use Measure M funding to cover costs related to paratransit and senior mobility programs provided by the District.

For FY 2024, the total paratransit budget is forecasted to be approximately \$19 M. Passenger fares cover approximately 2.4 percent of the costs while sales tax proceeds cover approximately 31.6 percent, or \$6M. Other sources of revenue are Measure A funds from the San Mateo County Transportation Authority, Transportation Development Act funds, and interest income. Proposed Measure M funds will help offset the use of sales tax and, possibly, increases in future costs of paratransit service due to increased demand.

#### **I. REDI-WHEELS AND REDICOAST**

##### **Background**

Paratransit is public transportation for people with disabilities who cannot independently use regular District bus service some of the time or all of the time. The District provides paratransit using Redi-Wheels on the bayside of the County and RediCoast on the Coastside. Trips must be prearranged.

All of the District's buses are accessible, and many persons with disabilities are able to use the regular fixed-route bus service. The entire fleet of fixed-route buses is equipped with wheelchair lifts or ramps and a kneeling feature to make boarding easier.

The District offers paratransit customers a financial incentive to use fixed-route services. Redi-Wheels and RediCoast Americans with Disabilities Act (ADA) certified customers who possess a valid Redi-Wheels or RediCoast ADA identification card are allowed to ride all regular fixed-route District trips without paying a fare. Personal care attendants accompanying Redi-Wheels or RediCoast ADA customers are also allowed to ride all regular fixed-route District trips without paying a fare.

The ADA is a federal law that guarantees persons with disabilities full and equal access to the same services and accommodations that are available to people without disabilities. The ADA requires public transit operators to provide paratransit service to persons with disabilities that is comparable to the level of fixed-route service provided. Persons with disabilities who cannot independently ride fixed-route transit may be eligible for paratransit service.

##### **Statistics**

In FY 2019, Redi-Wheels and RediCoast vehicles and contracted taxis provided over 344,000 trips and approximately 177,000 hours of service.

Redi-Wheels alone carried almost 309,000 customer trips in FY 2019. Of these, 173,000 trips were made by seniors 65 years of age or older. A number of these trips were made by lift-equipped vehicles. However, approximately 202,000 trips were made by ambulatory riders who



can ride in a regular sedan and do not require special equipment. (Note: Trips made by ambulatory seniors were approximately 136,000.)

Ridership declined during FY 2020 and FY 2021 due to the COVID pandemic and stay at home orders. Ridership increased in FY 2022 but remains below pre-COVID levels. The District staff expects ridership to continue increase over the next three year.

## II. SENIOR MOBILITY PROGRAM

The District's annual Senior Mobility Program is founded on the *San Mateo County Senior Mobility Action Plan* (2006). *The Mobility Plan for Older Adults and People with Disabilities* (2018) updated the 2006 document. Strategies and recommended programs include:

1. Countywide Mobility Management
  - Mobility Management Center (Phone and website)
  - Improve Coordination and Information Sharing
2. Leverage Alternative Flexible Transportation Options
  - On-demand Microtransit service
3. Community Transportation Services
  - Flexible Route County Transit Services
  - Expand County-Based Transportation Services
4. Encourage Use of Transit
  - Improve and Increase Awareness of Mobility Ambassadors and Veteran Mobility Corps
  - Mobile Accessible Travel Training Bus
5. Promote Safe Driving
  - Continue and Improve Coordination with Local Driver Safety Instruction and Safe Driving Information
6. Active Transportation and Access to Bus Stops
  - Older Adult Walking Groups
  - Safe Routes to Transit for Older Adults and People with Disabilities

The Senior Mobility Program is supported by the following County and regional planning documents:

- The Metropolitan Transportation Commission *Coordinated Public Transit/Human Services Transportation Plan* recommends county-wide mobility management, including public/private partnerships, to address uncoordinated service, and uncoordinated information. The Plan also recommends the establishment of enhanced local information and referral systems to address the lack of comprehensive mobility information.
- The *San Mateo County Area Agency on Aging 4-Year Plan* goals and objectives include:

- Support options for increased mobility.
- Explore partnerships and collaborations to improve transportation options
- Support opportunities to remain socially connected to friends, family and other activities.

### III. PERFORMANCE MEASURES

#### Redi-Wheels and RediCoast Measures of Effectiveness

The District shall provide C/CAG with performance measure criteria to assess the effectiveness of the Redi-Wheels program including but not limited to: a) hours of service per month, b) number of trips per month, and number of individuals who ride in a given month, c) cost per passenger. The Redi-Wheels program includes sub-contracted taxi services.

In addition, the District will also provide C/CAG with metrics illustrating Redi-Wheels contractors' performance relative to established goals, which include:

- a) Miles between preventable accidents: 70,000 miles between preventable accidents,
- b) Service-related complaints per thousand customers: 2.5 complaints per thousand customers or less
- c) Incoming call wait time: 1.5 minutes or less, and
- d) On time performance: 90%.

#### Senior Mobility Measures of Effectiveness

The District will provide C/CAG with performance measure criteria to assess the effectiveness of the program including but not limited to the following:

#### *Producing Senior Mobility Guide*

Number of organizations outreached

Number of individuals participating in the outreach

In addition, the District shall provide statistics identified in the performance measures column from Table 3-6 of the Measure M Strategic and Implementation Plan (FY22-26):

	Objectives	Performance Measures
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>• Increase number of registered Redi-Wheels riders by 3%</li> <li>• Increase number of new riders by 3%</li> </ul>	<ul style="list-style-type: none"> <li>• Number of riders</li> <li>• Number of new riders</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Provide base level of service at 10,000 revenue hours per year</li> <li>• Provide productive service, with at least 1.5 passengers served per hour on average*</li> <li>• Maintain at least 90% on time performance</li> </ul>	<ul style="list-style-type: none"> <li>• Number of revenue hours</li> <li>• Average number of passengers per hour</li> <li>• % on time performance</li> </ul>

<b>Actions</b>	<ul style="list-style-type: none"> <li>• Undertake at least 2 special projects that are not Redi-Wheels specific</li> <li>• Provide senior mobility activities: <ul style="list-style-type: none"> <li>– 12 events annually</li> <li>– 1 marketing material elements developed annually</li> </ul> </li> <li>• Operate Redi-Wheels program and maintain compliance with ADA requirements</li> <li>• Provide annual report on time and per C/CAG specifications</li> </ul>	<ul style="list-style-type: none"> <li>• Number of special projects undertaken (not necessarily completed) in 5-year period</li> <li>• Number of senior mobility events held</li> <li>• Number of participants taking part in senior mobility events</li> <li>• Number of marketing material elements developed</li> <li>• ADA compliant (Y/N)</li> <li>• Annual report on time and per C/CAG's specifications (Y/N)</li> </ul>
<b>Inputs</b>	<ul style="list-style-type: none"> <li>• Spend or confirm reservation of all allocated budget</li> </ul>	<ul style="list-style-type: none"> <li>• % of program budget spent or confirmed as reserved for future years</li> </ul>

*\*Numbers may lag in first few years of Implementation Plan as the Redi-Wheels program is recovering from COVID-19 related travel limitations.*

## **EXHIBIT B**

### **Additional Senior Mobility Programs**

In the event the 18% of net Measure M revenues exceed \$1,200,000, C/CAG and the District will collaborate on the use of additional funding. Funds shall be used for senior mobility programs, including, but not limited to the following:

- **Subsidized ride sourcing pilot program with smartphone application booking**
  - This program would provide subsidized same-day rides to older adults and people with disabilities using on-demand Microtransit service or a transportation Network Companies, such as Uber or Lyft.

- **Improve and increase awareness of mobility ambassador and veteran's mobility corps program**

This program would seek to increase awareness of existing mobility ambassador and veteran's mobility corps programs through improved marketing. Potential methods for marketing and raising awareness could include:

- Creating a short professional video to promote the program
- Showing the video on local television
- Advertising on the radio and in local newspapers

- **Mobile accessible travel training bus**

This program would transform a retired or soon to be retired low-floor bus to a mobile classroom for training older adults on how to utilize transit services.

- **Flexible-route Community Transit Service**

This program would explore alternative service delivery models to traditional fixed route transit services, and new technologies to provide community transit services for trips within communities and connections to regional transit. Potential alternative service delivery models could include public-private partnerships with microtransit services.

- **Other innovative services/programs**

The District will consult and collaborate with C/CAG on the use of funding for innovative programs.

### Measures of Effectiveness

The District will provide C/CAG with performance measure criteria to assess the effectiveness of the program including but not limited to the following: number of organizations outreached, number of individuals participated, number of community meetings held, type of collateral material distributed or made available to seniors, number of miles traveled using Transportation Network Companies, number of trainings conducted and feasibility results of alternative service delivery models.