



Council Agenda Report

From: Ryan Cornell, Administrative Services Director

Subject: Approval of Amendment No. 1 to the Agreement with the San Luis Obispo Regional Transit Authority for Transit Services

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Date: May 7, 2024

Facts

1. In 2012, City Council approved the North County Transit Plan. A key component to the plan included the consolidation of the entire Paso Express Routes A, B, and C into the San Luis Obispo Regional Transit Authority (SLORTA), with the local Route C (North Cuesta-downtown Paso Robles-Twin Cities) service replaced by an extended SLORTA Route 9.
2. On June 1, 2014, the City officially consolidated its transit services with SLORTA. The primary benefit of this consolidation was to realize savings in Local Transportation Funds (LTF), which are state funds eligible for transit, bicycle projects, streets, and roads.
3. Additionally, the North County—as a region—benefited by reduced demands by multiple municipal systems; riders benefited by their ability to seamlessly transfer across local and intercity/regional services.
4. The initial term of the agreement was ten years, expiring on June 1, 2024. By this Amendment No. 1 (Exhibit A of Attachment No. 1), the agreement will be extended for an additional 10 years, unless terminated earlier as provided in the agreement or further extended in writing by mutual agreement of the parties.
5. All other terms and conditions in the original agreement (i.e., SLORTA providing full operation and administration of the local transit services in the City and acting as the direct Transportation Development Act recipient) remain.

Options

1. Take no action;
2. Authorize the City Manager to execute Amendment No. 1 of the agreement between the City of Paso Robles and the San Luis Obispo Regional Transit Authority for transit services;
3. Provide alternative direction to staff.

Analysis and Conclusions

Over the past 10 years, the City and its residents have benefited from the consolidation of transit services with SLORTA. Not only does this arrangement provide economies of scale by reducing redundancies and the need to coordinate between systems, but it allows the City to retain more LTF than if it were to provide transit services on its own. Those funds allow the City to construct projects it otherwise could not. Currently, the City's Capital Improvement Plan budget has allocated LTF towards Huer Huevo Creek

Bridge/New Airport Road construction, South Vine Street realignment, and the Union Road/Highway 46 East overcrossing; all of which potentially provide positive economic development in the future.

Should City Council choose not to extend the agreement with SLORTA, the City would be required to provide transit services in-house. Such activity would require the City to create a new program and would significantly impact the current goals and priorities for the City.

Fiscal Impact

The City is eligible to receive transit funds from the federal and state governments regardless of the operator. Granted, these monies are restricted and tend to have stringent reporting requirements and would require additional staff and training. As such, the City is able to retain more of these transit funds by providing the same services for less cost. In other words, SLORTA can provide the same level of service for less than if the City were to operate the same transit services. By extending the agreement, the fiscal impact is positive.

CEQA

The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Recommendation

Approve Resolution 24-XXX, authorizing the City Manager to execute Amendment No. 1 of the Agreement between the City of Paso Robles and the San Luis Obispo Regional Transit Authority for City Transit Services.

Attachments

1. Resolution 24-XXX
 - a. Amendment No. 1 to Agreement for Provision of Paso Robles Transit Services by San Luis Obispo Regional Transit Authority