

**TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM (TIRCP) AND**  
**ZERO-EMISSION TRANSIT CAPITAL PROGRAM (ZETCP)**  
**SUBRECIPIENT COOPERATIVE AGREEMENT**

THIS AGREEMENT, ENTERED INTO ON THE DATE BELOW STATED is between the San Luis Obispo Council of Governments, referred to herein as "SLOCOG", and the **CITY OF SAN LUIS OBISPO** a municipal corporation, referred to herein as the "CITY".

**RECITALS**

**WHEREAS**, Senate Bill (SB) 862 (2014) created the TIRCP to provide grants from the Greenhouse Gas Reduction Fund (GGRF) and authorized the California State Transportation Agency (CalSTA) to administer the program; and,

**WHEREAS**, SB 1 (2017) directs funds to the TIRCP from the Public Transportation Account (PTA); and,

**WHEREAS**, Assembly Bill 102 (2023) and SB 125 (2023) amended the Budget Act of 2023 to appropriate funding from the state's General Fund, GGRF, and PTA to the TIRCP and ZETCP, which shall be distributed to pursuant to a population based formula to regional transportation planning agencies (RTPA) as defined in Section 13987 (j) of the Government Code; and,

**WHEREAS**, SB 125 authorizes RTPA to request use of TIRCP and ZETCP funding for high-priority transit capital projects consistent with the uses allowed in Cycle 6 of the TIRCP, zero-emission transit vehicles and supporting infrastructure, transit operating expenses that prevent service cuts, and other projects subject to compliance and requirements set forth in the SB 125 program guidelines; and,

**WHEREAS**, as a condition of ongoing disbursements of requested SB 125 funds, RTPA must submit to CalSTA reports documenting activities and progress toward project implementation, expenditures, completion, benefits in accordance with the California Air Resources Board's Funding Guidelines, data, interest earned, and other project outcomes; and,

**WHEREAS**, on December 5, 2023, the SLOCOG Board approved programming for the CITY for the PROJECTs and the amounts shown in Table 1 and authorized the Executive Director to submit the program of projects to CalSTA and adjust programming as needed and to return them to the Board for endorsement; and,

**WHEREAS**, CalSTA has reviewed SLOCOG's program of projects and determined that the minimum program requirements have been met and has approved funding allocation for the PROJECTs in Table 1.

**NOW, THEREFORE**, the parties mutually agree as follows:

1. The CITY agrees to administer each PROJECT and conduct the applicable environmental processes required under the California Environmental Quality Act (CEQA) and the National Environmental Policy Act, as applicable, for each PROJECT.
2. The CITY agrees to assume responsibility and accountability for the use and expenditure of funds allocated to the PROJECTs in accordance with the SB 125 guidelines and applicable statutes and must also comply with all relevant federal and state laws, regulations, policies, and procedures, and ensure that GGRF funding is utilized consistent with and required by SB 1018 (2012).
3. The CITY agrees that if a project may impact a street, road or highway owned or controlled by a jurisdiction other than CITY (including without limitation the County, another city, or the State of California), SLOCOG may require the CITY to establish a project development team (PDT) composed of representatives of such jurisdictions and SLOCOG.

4. The CITY agrees to utilize, for each PROJECT, an amount of TIRCP or ZETCP funds equal to or less than that adopted by SLOCOG, and that SLOCOG's total obligation shall not exceed the amounts shown in Table 1 unless a greater amount has been authorized in advance in writing by SLOCOG.
5. The CITY agrees to account for all costs for the PROJECTS to be paid by SLOCOG pursuant to this Agreement and agrees to perform all the reimbursable work for each project according to the fiscal years identified in Table 1.
6. The CITY agrees to provide SLOCOG with the final cost estimates for each phase of the PROJECTS prior to reimbursement. The following will be assumed and reflected in SLOCOG's SB 125 accounting spreadsheets:
  - a. If less funding than what was programmed is required for a PROJECT, cost savings will be made available for reprogramming as approved by SLOCOG.
  - b. If more funding than what was programmed is required for a PROJECT, the CITY will be solely responsible for securing the additional funding, which can be comprised of various local, regional, state, or federal funding sources.
7. The CITY may submit an invoice for reimbursement of funds expended for each PROJECT no more than once a month, using the attached Reimbursement Request Form (Exhibit A). All invoices must contain the following:
  - a. PROJECT number and name
  - b. A detailed description of work accomplished during the billing period which will be used to provide project status updates to the SLOCOG Board on an annual basis, at minimum.
  - c. A copy of the consultant's bill to the CITY (if applicable).
  - d. Amount expended by the CITY during the billing period, with evidence of funds expended (e.g. a copy of a CITY check to consultant or accounting documentation, etc.)
  - e. Amount requested for reimbursement by source (TIRCP or ZETCP) for the billing period
8. SLOCOG agrees to reimburse the CITY within 30 days of receipt of a completed reimbursement request form (Exhibit A) with all applicable attachments and signatures an amount expended by the CITY during the invoices' billing period. SLOCOG's total obligation for each PROJECT cost shall not exceed the amount shown in Table 1, unless SLOCOG has in writing authorized a greater amount.
9. Within two months of either the execution of this agreement or each PROJECT's completion and all work incidental thereto, whichever comes later, the CITY must provide SLOCOG certification in the form provided in Exhibit B hereto, of completion in accordance with the provisions in this Agreement, and a final invoice containing those items listed in section 7a-e. In the event that final project costs are less than those listed on Table 1, hereto, the funds shall be reallocated as approved by SLOCOG.
10. The CITY agrees to document and publicize the TIRCP and ZETCP in proper context when developing press releases and City Council documents, or in hosting public events such as project groundbreakings. References should be made to TIRCP, ZETCP, the California State Transportation Agency as the program sponsor, and the state programs as fund sources, as applicable, in order to ensure transparency regarding the funding of the projects.
11. The CITY agrees to provide SLOCOG with data needed to document and share publicly the program benefits and outcomes of the PROJECTS.
12. The CITY grants to the State of California and/or SLOCOG access to the CITY's books and records for the purpose of verifying that SB 125 funds paid are properly accounted for and the proceeds are expended in accordance with the terms of this Agreement. All documents shall be available for inspection by authorized CalSTA, Caltrans and/or SLOCOG agents at any time during the PROJECT development and for a four-year period from the date of completion, or for one year after the audit is completed or waived by CalSTA, Caltrans and/or SLOCOG, whichever is later.

13. Upon completion of all work under this Agreement, ownership and title to all materials will automatically be vested in the CITY and no further agreement will be necessary to transfer ownership to the CITY.
14. If existing public and/or private utilities conflict with the PROJECT construction or violate the CITY's encroachment policy (as applicable), the CITY shall make all necessary arrangements with the owners of such utilities for their protection, relocation or removal. The CITY shall review the plans for protection, relocation or removal. If there are costs of such protection, relocation, or removal which the CITY must legally pay, the CITY shall pay the cost of said protection, relocation or removal, plus cost of engineering, overhead and inspection. If any protection, relocation or removal of utilities is required, such work shall be performed in accordance with CITY policies and procedures.
15. The CITY shall defend, indemnify and save harmless SLOCOG, its officers and employees from all and any claims, demands, damages, costs, expenses, judgments, attorneys' fees or any liability arising out of this Cooperative Agreement to the performance or attempted performance of the provisions hereof, or any project referred to in the Exhibits hereto. Nothing contained in the foregoing indemnity provision shall be construed to require CITY to indemnify SLOCOG against any responsibility of liability in contravention of Civil Code section 2782.
16. Both the CITY and SLOCOG shall designate a Project Coordinator who shall represent the respective agencies and through whom all communications between the parties to this agreement shall occur.
17. Both parties agree that if, in the course of carrying out the PROJECT, there is a disagreement among the Project Coordinators over the direction of the project, the matter will be forwarded through a three-step conflict resolution process. First, resolution will be attempted between the CITY Manager and SLOCOG Executive Director. If a dispute continues, a determination shall be made by the SLOCOG Executive Committee, and, if required, final determination by the full SLOCOG Board.
18. Nothing in the provisions of this Agreement is intended to create duties, obligations, or rights for third parties not signatories to this Agreement or affect the legal liability of either party of the Agreement by imposing any standard of care with respect to the maintenance of local roads different from the standard of care imposed by law.
19. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties thereto, and no oral understanding or agreement not incorporated herein or in the attached Table 1 shall be binding on any of the parties thereto.
20. This Agreement may be terminated or provisions contained therein may be altered, changed, or amended by mutual consent, in writing, of the parties hereto.
21. Prior to awarding a contract for any PROJECT, SLOCOG may terminate the applicable PROJECT in the Cooperative Agreement by written notice, provided SLOCOG pays the CITY for all PROJECT-related costs reasonably incurred by the CITY prior to termination. Also, prior to awarding a contract for any PROJECT, the CITY may terminate the applicable PROJECT in the Cooperative Agreement by written notice, provided the CITY pays SLOCOG for all costs reasonably incurred by SLOCOG prior to termination.

**SIGNATURES:**

CITY OF SAN LUIS OBISPO

SAN LUIS OBISPO  
COUNCIL OF GOVERNMENTS

By: \_\_\_\_\_  
Erica A. Stewart, Mayor

By: \_\_\_\_\_  
Peter Rodgers, Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Teresa Purrington, City Clerk

APPROVED AS TO FORM AND LEGAL EFFECT:

By: \_\_\_\_\_  
Christine Dietrick, City Attorney

By: \_\_\_\_\_  
Jon Ansolabehere, SLOCOG Counsel

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**TABLE 1**  
**CITY PROJECTS**  
for  
**Agreement No. SLO-SB 125-01**

SLOCOG#	Project Name	TIRCP	ZETCP	FY
City of SLO-1	Six (6) Battery electric bus procurement	\$280,000	-	2023/24
City of SLO-2	Battery electric bus charging infrastructure	\$395,000	-	2023/24
City of SLO-3	Auto Vehicle Locator system replacement	\$130,000	-	2024/25
City of SLO-4	On-bus security camera system replacement	\$750,000	-	2024/25
	Total	\$1,550,000	-	

**EXHIBIT A**  
**San Luis Obispo Council of Governments**  
**TIRCP and ZETCP**

**REIMBURSEMENT REQUEST FORM**

Agency Name: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Project Number(s): \_\_\_\_\_

Project Title: \_\_\_\_\_

This Invoice Covers Work Completed from: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ to: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Project Budget Information: **(complete box below - refer to cooperative agreement "Table 1" for budget information)**

Total Spent this Invoice	\$			
	TIRCP	ZETCP	Other Non-Regional Spending	Total
Reimbursement by Fund Source				

Please send a check for \$ \_\_\_\_\_  
*Total TIRCP & ZETCP share due this invoice*

- Attachments: 1) A brief description of work completed; and  
 2) Consultant invoices  
 3) Proof of payment (e.g. copy of CITY check to consultant).

Signed: \_\_\_\_\_  
 (Agency Rep.)

Shaded boxes below for SLOCOG Use

Regional Planner Approval	Accounting Initials

**EXHIBIT B**  
**PROJECT COMPLETION FORM**  
**for**  
**SB 125 Projects**

This form notifies SLOCOG of project completion in accordance with the provisions in the Cooperative Agreement noted below. *Our records indicate that the project listed below, funded all or in part with RSTP Exchange funds, has been completed:*

Project Name: \_\_\_\_\_

Project Number(s): \_\_\_\_\_

Cooperative Agreement Date (Recipient Agency): \_\_\_\_\_

Approved TIRCP or ZETCP amount(s): \_\_\_\_\_

I \_\_\_\_\_ *certify, on behalf of the CITY*  
name of authorized official

of \_\_\_\_\_, *that the project named above was completed*  
name of jurisdiction

on \_\_\_\_\_ *in accordance with the provisions set forth in the cooperative*  
approximate date of completion

*agreement dated* \_\_\_\_\_ *. It is my understanding that all savings*  
date jurisdiction representative signed

*from a cost underrun will be returned to SLOCOG for reprogramming in accordance with the cooperative agreement.*

Signed: \_\_\_\_\_  
signature of authorized official

Date: \_\_\_\_\_  
date signed

Return completed and signed Project Completion Forms within 2 months of the completion of each project to:

SLOCOG  
1114 Marsh Street  
San Luis Obispo, CA 93401  
Attn: (Project Coordinator)

## EXHIBIT C

### General Programming Policies

SLOCOG's 2023 Regional Transportation Plan / Sustainable Communities Strategy identifies an overall goal to develop a multi-modal transportation system which is balanced, coordinated, safe, cost effective, environmentally sound, economically supportive, meeting all the financially reasonable transportation needs of all citizens in San Luis Obispo County. General programming policies affecting the decision making and project selection of the surface transportation system are summarized as follows:

1. SLOCOG will strive to be fair and equitable in the allocation of funding between the various subregions in the county and among member jurisdictions.
2. SLOCOG will adhere to the federal and state statutes, policies, regulations and guidelines applicable to each fund being allocated, and require recipients of grants to do the same.
3. SLOCOG will recommend projects for funding that are:
  - Deliverable
  - Consistent with the goals, policies, action strategies, and programs of the 2023 Regional Transportation Plan
  - Responsive to immediate funding and project needs
  - Consistent with specific criteria of a particular funding program
  - High likelihood of leveraging other funding (state, federal and/or local)
  - Approved or supported by the applicable governing body
4. SLOCOG will seek to implement all programs in a timely and efficient manner.
5. SLOCOG will seek to maximize the use of the funds for general public benefit, and will marshal other funds, when possible, to complete funded projects by prioritizing joint-funded projects.
6. SLOCOG will integrate social equity factors into the decision-making process by applying the findings generated from the Disadvantaged Communities Assessment.
7. SLOCOG will, to the extent feasible, assure the integration of all projects with jurisdiction, region and statewide transportation plans, providing a comprehensive, systematic approach to resolving transportation problems in the region.
8. SLOCOG will retain maximum flexibility of federal programs under the Infrastructure Investment and Jobs Act (IIJA), where feasible.
9. SLOCOG will retain a continuing commitment to emphasize quality and promote excellence in the development of competitive proposals, seeking to fund the best possible projects in terms of cost effectiveness, public benefit and regional and local significance.
10. SLOCOG may reserve discretionary funds for advance development work to ensure regionally significant projects are well scoped, alternatives assessed, accurate estimates prepared, and a finance plan for implementation is developed.
11. SLOCOG will maintain funding commitments for existing programmed projects if those projects have achieved the project delivery milestones set out at the time of programming. Unavoidable delays to the project delivery milestones will be considered on a case-by-case basis.
12. SLOCOG may commit a portion of discretionary funding to match and leverage other competitive state-wide or federal grant programs for projects of regional significance.