



STAFF REPORT – CITY COUNCIL MEETING

June 12, 2024

TO: Honorable Mayor and City Council Members

FROM: Netra Khatri, City Engineer

PREPARER: Mara Grow, Administrative Specialist

DATE: April 15, 2024

TITLE: **Approve Amendments to the Agreement between the City of Arcata and Humboldt Transit Authority (HTA) for Operations and Maintenance of the Arcata & Mad River Transit System (A&MRTS) and Vehicles; and Authorize the City Manager to Execute All Applicable Documents.**

RECOMMENDATION:

It is recommended that the Council:

- 1) Approve amendments to the agreement between the City of Arcata and Humboldt Transit Authority (HTA) for operations and maintenance of the Arcata & Mad River Transit System (A&MRTS) and vehicles; and
- 2) Authorize the City Manager to execute all applicable documents.

INTRODUCTION:

The proposed amendment would extend the agreement with HTA for an additional five-year term, enabling HTA to continue to provide drivers for, and operations and maintenance of the A&MRTS routes and vehicles. The City's existing agreement with HTA was amended and restated in June 2023, to incorporate the provision of drivers and operations services for A&MRTS routes for one year; this was in addition to HTA's services of parking A&MRTS buses in the HTA yard, providing regular preventive maintenance inspections, maintenance and repair service, tune-ups, and fueling of A&MRTS vehicles. Currently, the City does not have adequate staffing to implement cost-effective operations of the A&MRTS on its own. Therefore, the City is partnering with HTA to administer and manage the operations and maintenance of the A&MRTS in a manner that will provide frequent and economical bus service to its residents and Cal Poly Humboldt students.

The proposed amendment will (1) extend HTA's continued provision of streamlined A&MRTS transit route operations and all maintenance and repair services for an additional five years, and (2) increase the monthly fixed rate for operations and maintenance services to reflect HTA's incurred costs. The monthly fixed rate for operations and maintenance compensation amount may be adjusted annually as the cost of operations changes. A draft of the proposed amendment is included as Attachment A.

DISCUSSION:

Historically, the A&MRTS had been able to operate on a small budget partly by employing part-time drivers. Last year, the City contracted all operations and maintenance services with HTA, and it has been a successful partnership. Additionally, City partnered with Cal Poly Humboldt (CPH) last year and was able to add a new route (Green and Gold) to provide a reliable transit route for all users including CPH students.

HTA operates transit services through a joint powers authority (JPA) between the County of Humboldt and the cities of Arcata, Eureka, Fortuna, Rio Dell and Trinidad. The City of Arcata holds one board seat on the JPA, currently held by Councilmember Stillman. HTA provides riders with affordable fixed routes and dial-a-ride transportation options that allow access throughout Humboldt County. Services span from Trinidad, south along Hwy 101 to Benbow, and east on Hwy 299 from Arcata to Willow Creek, including the Arcata–Eureka Airport, and the communities of McKinleyville, Eureka and Fortuna, with Blue Lake Rancheria providing service to Blue Lake. HTA operates all of the busses for the City of Eureka.

This larger operation places HTA in the position to attract and secure full-time bus drivers and to build a larger pool from which to provide staffing.

POLICY IMPLICATIONS:

Public Utility Code section 99288 authorizes a City to contract for transit operation services. HTA possesses the power under California Government Code section 6502 and the joint exercise of powers agreement under which it is constituted to provide this kind of service and receive payment for it.

BUDGET/FISCAL IMPACT:

The compensation amount associated with this contract amendment is within the amount that is budgeted for this Fiscal Year 2024-2025 budget.

ATTACHMENTS:

A. Arcata-HTA Bus Ops and Maintenance Agmt_AMEND1 (DRAFT) (PDF)