MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
COUNTY OF HUMBOLDT
Address: 3015 H Street, Eureka, CA 95501
AND
HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS
Address: 611 I Street, Suite B, Eureka, CA 95501
FOR
PARTNERING ASSETS & AUTHORITIES FOR COMPREHENSIVE TRANSIT (PAACT)

This Memorandum of Understanding ("MOU"), entered into this _____ day of _____ 2025, by and between the County of Humboldt, a political subdivision of the State of California, herein referred to as "COUNTY," and the Humboldt County Association of Governments, a Joint Powers Agency, herein referred to as "HCAOG," is made upon the following considerations:

WHEREAS, successful regional transit networks require a high degree of active collaboration with the local transit agencies, local and tribal governments, and agencies with land-use authority; and

WHEREAS, Caltrans' Sustainable Transportation Planning Grant Program includes Strategic Partnerships–Transit grants, whose purpose is to fund transit-focused, multi-modal planning studies of regional, interregional and statewide significance, and whose objective is to strengthen government-to-government partnerships; and

WHEREAS, the Strategic Partnerships–Transit grants are intended to accomplish Federal Planning Factors such as to "Protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns;" and

WHEREAS, HCAOG has adopted, in the 2022 Regional Transportation Plan (*Variety in Rural Options of Mobility 2022-2042*), Public Transportation objectives to "Coordinate long-range transit planning with land use policy, environmental policy, and development projects to help achieve a balanced transportation system" and to "Double transit trips by 2025, and again by 2030, and again by 2040;" and

WHEREAS, HCAOG's 2022 Regional Transportation Plan ratifies Policy Land-5, "Transportation for compact, mixed-use development: HCAOG shall work towards increasing coordination with land use decision-making agencies to identify and prioritize specific transportation investments needed to support compact, mixed-use development. HCAOG recognizes transit-oriented development transit service as valuable investments for achieving efficient land use. (*CTP 2050* recommended action);" and

WHEREAS, HCAOG has adopted, in the 2022 Regional Transportation Plan, the Tribal Transportation Goal that "Tribal communities have safe and efficient mobility options, benefit from equitable access to transportation resources, and have strong interjurisdictional partnerships for advocating and solving transportation issues of tribal communities;" and

WHEREAS, HCAOG and the COUNTY applied for a grant for the Partnering Assets & Authorities for Comprehensive Transit (PAACT) planning project, to fund collaborative planning to build strong working relationships among HCAOG, Humboldt Transit Authority, other transit and mobility-service providers, California Department of Transportation (Caltrans), local tribes, cities, and county agencies in

order to plan transportation and land use together, considering socio-economic and equity factors and funding mechanisms; and

WHEREAS, Caltrans awarded a FY 2024-25 Strategic Partnerships–Transit grant of $479,500 with a required local match of $62,150 (11.47%), for an estimated total project cost of $541,650, with HCAOG as primary applicant, Humboldt Transit Authority (HTA) as secondary applicant, and COUNTY as a sub-applicant, and Caltrans gave authorization to proceed on January 27, 2025; and

WHEREAS, on _____, 2025, the Humboldt County Board of Supervisors authorizes the Humboldt County Planning and Building Director to accept the award of Strategic Partnerships–Transit grant funding, administer the program and submit to HCAOG all documents necessary to administer the funded programs, including, without limitation, applications, agreements and payment requests for a total of up to ten thousand dollars ($10,000.00);

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

l. HCAOG hereby agrees to reimburse the COUNTY up to **ten thousand dollars ($10,000.00)** in Caltrans' FY 2024-25 Strategic Partnerships–Transit grant funds for the purpose of paying for staff expenses or other eligible activities and expenses related to implementing and delivering the Humboldt Partnering Assets and Authorities for Comprehensive Transit (PAACT) project, including, without limitation, participating actively and consistently in the Project Steering Working Group and performing the pertinent tasks described in **Exhibit A–Scope of Agreement**, which is attached hereto and incorporated herein as if set forth in full; and

2. The COUNTY hereby agrees to expend a local match of **one thousand, five hundred dollars ($1,500)** in staff time prior to receiving any grant funds; and

3. COUNTY hereby agrees to fulfill reporting and accounting requirements, completely and on time, as set forth by **Exhibit B. Strategic Partnerships-Transit Guide (Excerpt)**, which is attached hereto and incorporated herein as if set forth in full and includes but is not limited to:

    - *Grantees and sub-applicants/recipients are required to maintain an accounting system that properly records, and segregates incurred project costs and matching funds by line item. The accounting system of the grantee, including its sub-applicants and subcontractors, must conform to Generally Accepted Accounting Principles that enable the determination of incurred costs at interim points of completion and provides support for reimbursement payment vouchers or invoices sent to or paid by Caltrans. Allowable project costs must comply with 2 Code of Federal Regulations (CFR), Part 200;* and

4. The staff members who will be the primary contact for this MOU on behalf of the COUNTY and HCAOG are listed below. In the event one (1) of these individuals leaves their employment or changes jobs within the COUNTY or HCAOG, the parties shall notify each other of this fact and provide the name and contact information of the individual's replacement in writing within ten (10) working days. Each of these listed individuals may delegate work to other staff within their department, provided they give notice to the other party. Any and all notices required to be given pursuant to the terms and conditions of this MOU shall be sent by certified mail, return receipt requested, to the addresses below, and shall be deemed received when placed in the stream of mail.

    COUNTY: County of Humboldt
    Attention: John H. Ford, Planning and Building Director
    3015 H Street
    Eureka, California 95501

HCAOG: Humboldt County Association of Governments
Attention: Oona Smith, Senior Regional Planner
611 I Street, Suite B
Eureka, California 95501

5. This MOU shall begin upon execution by both parties hereto and shall remain in full force and effect until June 30, 2027, unless extended by a valid amendment hereto.

6. Each party shall hold harmless, defend, and indemnify the other party, and its officers, officials, employees and volunteers, from and against any and all claims, demands, losses, damages, liabilities, expenses and costs, including, without limitation, reasonable attorney's fees and other costs of litigation, of any kind or nature, arising out of, or in connection with, the other party's negligent performance of, or failure to comply with, any of the duties and/or obligations contained herein, except such loss or damage which was caused by the sole negligence or willful misconduct of the other party or its agents, officers, officials, employees or volunteers.

7. Notwithstanding anything to the contrary, in the event that both parties are held to be negligently or willfully responsible, each party shall bear their proportionate share of liability as determined in any such proceeding. In such cases, each party will bear their own costs and attorney's fees.

8. Acceptance of the insurance required by this MOU shall not relieve either party from liability under this provision. This provision shall apply to all claims for damages related to either parties' performance hereunder regardless of whether any insurance is applicable or not. The insurance policy limits set forth herein shall not act as a limitation upon the amount of indemnification or defense to be provided hereunder.

9. Without limiting either party's indemnification obligations set forth herein, each party shall maintain in full force and effect, at its own expense, any and all appropriate comprehensive general liability, comprehensive automobile, workers' compensation and professional liability insurance policies.

10. This MOU may be amended at any time during the term hereof upon the mutual consent of both parties. No addition to, or alteration of, the terms of this MOU shall be valid unless made in writing and signed by an authorized representative of each party hereto.

11. This MOU shall constitute the entire agreement between the parties relating to the subject matter of this MOU, and shall supersede any previous agreements, promises, representation, understanding and negotiation, whether oral or written, concerning the same subject matter. Any and all acts which may have already been consummated pursuant to the terms which are embodied in this MOU are hereby ratified.

12. This MOU, and any amendments hereto, may be executed in one (1) or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. This MOU, and any amendments hereto, may be signed by manual or electronic signatures in accordance with any and all applicable local, state and federal laws, regulations and standards, and such signatures shall constitute original signatures for all purposes. A signed copy of this MOU, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this MOU and any amendments hereto.

13. Each person executing this MOU represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this MOU. Each party represents and warrants to the other that the execution and delivery of this MOU and the performance of such party's obligations hereunder have been duly authorized.

IN WITNESS WHEREOF, the parties hereto have entered into this **MOU** as of the first date written above.

COUNTY OF HUMBOLDT:

By: _____ Date: _____
John H. Ford, Director
Humboldt County Planning and Building Department

HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS (HCAOG):

By: _____ Date: _____
Brendan Byrd
Executive Director, HCAOG

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: _____ Date: _____
Humboldt County Risk Management

LIST OF EXHIBITS:

Exhibit A – Scope of Agreement
Exhibit B – Strategic Partnerships-Transit Guide (Excerpt)
Exhibit C – Letter of Support from County of Humboldt with Local Match Pledge

EXHIBIT A.
SCOPE OF AGREEMENT
PARTNERING ASSETS & AUTHORITIES FOR COMPREHENSIVE TRANSIT (PAACT) PLANNING PROJECT
For Fiscal Years 2025-26 and 2026-27

Summary of the role of Partners in the **Project-Steering Working Group**:

- Actively participate in a multi-agency, project-advisory working group.
- Commit to a maximum of 100 staff hours over the course of the grant project (2 years).
- Attend working meeting, some of which will be all-day (estimated no more than 3), in-person meetings.
- Share knowledge (project-related, transit-focused) with Project-Steering Working Group and project team staff (HCAOG, HTA, and consultant staff).
- Participate in discussions for setting values and priorities for regional transit network.
- Engage with, and help direct, project consultants for existing conditions assessment and regional transit operations assessment/analysis.
- Participate by directing, informing, and reviewing and commenting on project deliverables for the project tasks:
    - Task 1. Establish Advisory Group (Project Steering Working Group)
    - Task 2. Understanding the community's transit values and priorities
    - Task 3. Existing Conditions Report on community & regional characteristics
    - Task 4. Transit market analysis & regional operations assessment
    - Task 5. Land use-transit policy connections
    - Task 6. Stakeholder outreach, engagement & participation strategies

Task 02: Consultant Procurement

HCAOG and one to two sub-applicants will procure a consultant consistent with all applicable Caltrans, state, and federal requirements. The sub-applicant(s) elected for this task will review and comment on the draft Request For Proposals/Qualifications for contract/consultant services, and/or score responsive proposals.

Task 02 Deliverables:
• Comments on the draft Request for Proposal/Qualifications,
• Scoring sheets, consultant selection recommendation (HCAOG, HTA, 1 to 2 other sub-applicants to score proposals)

Task 1: Lay Foundation for Consensus-Building: Establish Advisory Group

A government-based Project Steering Working Group will build upon, and serve to strengthen, government-to-government relationships. The distinct roles of the steering group are to: work directly with the project team and consultants to complete the comprehensive transit network analysis; tackle more difficult or costly network management decisions; recommend/promote transit-supportive land use policy directives; and achieve consensus on regional policy directives

to effectively apply regional decisions.

PAACT sub-applicants will assign agency staff to actively participate in the project steering group throughout the majority of the project timeline. The sub-applicants are: HTA (secondary lead applicant), Cher-Ae Heights Indian Community of the Trinidad Rancheria, City of Arcata, City of Blue Lake, City of Trinidad, County of Humboldt, and Yurok Tribe. The City or Eureka will also participate as a member of the Project Steering Working Group.

The seven PAACT sub-applicants, as members of the Project Steering Working Group, will be responsible for participating directly and actively in the overall project, including but not limited to attending a minimum of meetings, defining a consensus-based vision statement or purpose statement, and communicating this subject project within their respective communities.

Task 1 Deliverables

- Executed Memorandum of Understanding (MOU).
- Contact information for designated member of the Project Steering Working Group.
- Steering committee purpose statement.
- Attendance at a minimum of two preliminary meetings (at least one in-person or hybrid). (*This task may include travel costs.*)

Task 2: Comprehensive Plan for Regional Transit & Multimodal Networks & Networking

• Understanding the Community's Transit & Mobility Values and Priorities

Led primarily by direction from the Project Steering Working Group, project partners will work to find consensus on a defined problem/purpose/vision statement for regional transit service and active mobility. This process will be facilitated by a consultant. The work will involve engaging and surveying diverse stakeholders to identify the broad community's key choices for deciding how to redesign, enhance, or expand the regional transit network.

• Existing Conditions Report on Community & Regional Characteristics

The existing conditions report will analyze and summarize demographics, equity factors, governance, funding and other existing conditions that affect active-transportation demand and equitable access for area residents. Stakeholders will use this information as a basis for exchanging ideas, informing priorities, and informing policy direction and potential strategies to deliver high-quality multimodal access for communities.

The sub-applicant agencies will be responsible for reviewing data and for supplying available data (e.g., demographics, equity factors, governance and staffing, environmental, funding) for their jurisdictions as needed to fill in data gaps.

Population characteristics to gather and analyze can include, but are not limited to:

- Population density, activity density, and employment density (i.e., proximity of jobs, housing, destinations/major points of interest)

- Service Equity & Justice40 factors that contribute to transportation burdens, e.g., zero-vehicle households; low-income households; race and ethnicity; age; limited English proficiency; low-wage jobs; job types; off-peak hour commutes; and mobility disabilities.
- Populations/areas overburdened by pollution.
- Disadvantages Communities in Humboldt as defined in the RTP, *VROOM 2022-2042.*
- Dimensions designating communities as burdened by underinvestment in transportation, per USDOT: Transportation Insecurity, Climate and Disaster Risk Burden, Environmental Burden, Health Vulnerability, and Social Vulnerability.
- Other applicable factors identified as contributing to marginalizing communities.

• Transit Market Analysis & Regional Operations Assessment
Consultants will analyze the existing transit network and develop scenarios for improving, expanding, and enhancing multimodal access, mobility, and funding stability. The Project Steering Working Group, which includes PAACT sub-applicants, will work directly with consultants. The sub-applicant agencies will be responsible for reviewing data and for supplying available data for their jurisdictions as needed to fill in data gaps (e.g., existing conditions, adopted policies, and/or programs for transit, transportation network, travel patterns, land use, health and safety outcomes, etc.). As applicable, sub-applicants will provide presentations and/or tours of transit systems in their respective jurisdictions (e.g. HTA, Arcata, Eureka, Yurok, Blue Lake, unincorporated County).

Task 2 Deliverables
• A purpose statement or vision statement for Humboldt regional transit service or for regional active mobility. (Collectively deliberated and developed by consensus.)
• Review and comment on draft plan/technical memos and mapping (administrative draft, public review draft, and final).
• Attendance at presentations and/or tours of transit systems in sub-applicants' jurisdictions. *(This task includes travel costs.)*
• Attendance at Project Steering Working Group meetings.

Task 3: Land Use-Transportation Policy Connections

Because land uses and population densities are fundamental in determining viable transit operations and multimodal choices, this project includes specific work to engage ongoing dialogue and collaboration among transit operators and planners and land use authorities. This task includes work to explicitly discuss, study, and dialogue on what strategies would best govern the vision of regional transit service and multimodal networks.

Task work will include researching relevant land use policies and identifying applicable best practices that promote transit and active transportation, and sharing this with local jurisdictions. The project team, the Project Steering Working Group (including all sub-applicants) and partners will explore opportunities for incorporating more of these policies into local and tribal jurisdictions' applicable planning documents and processes (e.g. General Plans, Tribal Plans,

Specific Plans, Transit Development Plans, etc.). Partners will collaborate on building consensus for regionally-focused policy as well as local policy that effects the regional multimodal network.

The Project Steering Working Group, and other project partners as applicable, will be convened to explore ways that land-use authority agencies can improve processes for integrating land use and transit/active mobility in their standard procedures. Specifically, work will seek to identify and implement procedures for improving regular agency consultation with Humboldt Transit Authority. Project Steering Working Group sub-applicants will help coordinate and facilitate meetings with, and review and input from, other pertinent staff, departments, and elected officials of their respective agencies.

Task 3 Deliverables

• Attendance at Project Steering Working Group meetings.

• Coordination of, facilitation and attendance at meetings with other pertinent staff, departments, and elected officials of jurisdiction's respective agency. As applicable: staff reports to advisory group(s), meeting sign-in sheets.

• Draft, review, and comments on procedures for government-to-government consultations and/or new pro-transit land use policies or implementation measures (as applicable).

• Presentation to respective jurisdiction. (*This task may involve travel costs.)*

Task 4: Stakeholder Outreach, Engagement, & Input

HCAOG and the whole project team will carry out/carry on community engagement throughout the project timeline. PAACT sub-applicants and the City of Eureka will help engage and get input from community members and other interested stakeholders, agency staff, and decision-makers, both through serving on the Project Steering Working Group and individually through their respective agencies and meetings.

Public engagement meetings can include, but are not limited to, attending agencies' and community-based organizations' (CBOs') meetings, hosting meetings and workshops, and tabling at community events.

Task 4 Deliverables

• Stakeholder input and community outreach meetings. Minimum one meeting per jurisdiction of respective Project Steering Working Group members. *(This task may involve travel costs for some sub-applicants.)*

• Meeting announcements, meeting agendas, minutes or summaries, public comments, sign-in sheets as applicable to jurisdiction's respective outreach meetings.

• Per respective jurisdiction meeting(s), as applicable: slide deck presentations, virtual workshop recording, bilingual services, community surveys, receipts for light snacks (with Caltrans pre-approval).

Task 5: Draft and Final Product

HCAOG and HTA and/or consultants will compile all written reports (Tasks 4, 5, and 6) into a final product. The whole project team, including the Project Steering Working Group, will use the compilation product as another opportunity for informing and engaging the public and for soliciting feedback.

Task 5 Deliverables

• Review and comment on compilation report (draft and final), including reviewing public comments.

• Presentations at public meetings. Minimum one meeting per jurisdiction of Project Steering Working Group members. (*This task may involve travel costs for some sub-applicants.*)

• Record of meeting, public comments if applicable.

5. STRATEGIC PARTNERSHIPS

$1.5 million in FHWA State Planning and Research (SPR) Part 1 funds and $3 million in Federal Transit Administration (FTA) Section 5304 funds, or a combined total of $4.5 million, will be distributed through a competitive program to MPOs and RTPAs. Funding distribution for the competitive program will depend on the quality and number of applications.

5.1 Purpose and Specific Objectives

Strategic Partnerships are intended to fund planning projects that partner with Caltrans to address needs on or connecting to the State Highway System (SHS), while the transit sub-category will address multimodal planning projects that focus on transit.

The objectives of the Strategic Partnerships and Strategic Partnerships - Transit grants are to:

- Strengthen government-to-government partnerships
- Accomplish the Federal Planning Factors
- Achieve the Caltrans Mission and the Grant Program Objectives

5.2 Federal Planning Factors

1. Support the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency
2. Increase the safety of the transportation system for motorized and non-motorized users
3. Increase the security of the transportation system for motorized and non-motorized users
4. Increase accessibility and mobility of people and freight
5. Protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns
6. Enhance the integration and connectivity of the transportation system, across and between modes, for people and freight
7. Promote efficient system management and operation
8. Emphasize the preservation of the existing transportation system
9. Improve the resiliency and reliability of the transportation system and reduce or mitigate stormwater impacts of surface transportation
10. Enhance travel and tourism

5.3 Example Project Types

Example Project Types - Strategic Partnerships Transit

- Identification of policies and procedures to integrate transit into the transportation system and planning process
- Statewide transit planning surveys and research
- Identification of policies, strategies, and programs to preserve transit facilities and optimize transit infrastructure
- Projects that evaluate accessibility and connectivity of the multi-modal transportation network
- Transit technical planning studies to optimize system performance
- Studies or plans that evaluate commuter rail or multi-modal connectivity
- Studies or plans that evaluate first and last mile transit connectivity

5.4 Eligible and Ineligible Activities and Expenses

Eligible Activities and Expenses

Eligible activities must have a transportation nexus per the California Constitution, Article XIX Section 2 and 3. Please consult with Caltrans district staff for more information on whether costs are eligible for funding.

Some examples of eligible costs include:

- Data gathering and analysis
- Planning consultant procurement
- Advertising for consultant procurement
- Advertising for public workshops, e.g., flyers, paid media ads
- Virtual outreach activities and on-line meetings
- Travel expenses (See Chapter 6.5 for details)
- Up to 30 percent conceptual drawings and design
- Equipment (as defined in 2 CFR Part 200.33)[7] purchases must remain under $5,000 or depreciation will need to be taken in to account when the grant project is completed since equipment could have future uses. 2 CFR Part 200.436[8] provides the criteria for depreciation, at the Govinfo website.
- Community surveys, meetings, public workshop room rental, charrettes, focus groups
- Bilingual services for interpreting and/or translation services for meetings
- Community/stakeholder advisory groups
- Light snacks and refreshments for public workshops (no full meals), subject to Caltrans and federal approval
- Project administration (up to 5 percent of the grant is allowed, i.e., quarterly reports, invoicing, and kick-off meeting with Caltrans)

Ineligible Activities and Expenses

Some activities, tasks, project components, etc. are not eligible under these grant programs. If an application has any of the following elements, it will be disqualified. Ineligible activities and expenses include:

- Environmental studies, plans, or documents normally required for project development under the National Environmental Policy Act or the California Environmental Quality Act
- Engineering plans and design specification work
- Project Initiation Documents

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[7] Electronic Code of Federal Regulations, 2 Code of Federal Regulations, Part 200.33, 2020, https://www.ecfr.gov/on/2017-01-03/title-2/subtitle-A/chapter-II/part-200/subpart-A/subject-group-ECFR2a6a0087862fd2c/section-200.33

[8] Govinfo, 2 Code of Federal Regulations, Part 200.436, 2022, https://www.govinfo.gov/app/details/CFR-2022-title2-vol1/CFR-2022-title2-vol1-sec200-436

- Program or project implementation
- Repurposing unspent grant funds
- Consultant mark-ups
- Application development to pursue construction funds/project implementation
- RTPs or updates to the RTP
- Economic development plans or studies
- Land use plans or studies
- General Plans or updates to elements
- Construction projects, capital costs, such as the building of a facility, or maintenance
- Office furniture purchases, or other capital expenditures
- Decorations, e.g., for public workshop events
- Acquisition of vehicles or shuttle programs
- Organizational membership fees
- Incentives for public participation, e.g., full meals, prizes, freebies, promotional/marketing items, stipends
- Charges passed on to sub-recipient for oversight of awarded grant funds
- Other items unrelated to the project

6. GRANT PROJECT ADMINISTRATIVE REQUIREMENTS

The content of this chapter should be notably considered in the development of grant applications as it lays the foundation for what to expect when applying for these grant funds. Upon award, grantees will receive more specific guidelines including administrative and reporting requirements.

6.1 Coordination with Caltrans

Caltrans is committed to be an active partner. If awarded a grant, the applicant should include Caltrans district staff when planning both technical advisory and community meetings. In addition, Caltrans district staff will help to ensure that the approved Scope of Work, Cost and Schedule, and project funding will be maintained throughout the life of the contract. Applicants are also recommended to engage Caltrans district staff throughout the entire grant life, when applicable.

Caltrans may contact grantees to participate in peer exchange forums to promote information sharing and best practices.

If an agency does not demonstrate adequate performance and timely use of funds, Caltrans may take appropriate actions, which can include termination of the grant.

6.2 Third Party Contracts

The agreements between a grantee and a sub-applicant/recipient, consultant, or sub-consultant are often referred to as "third party contracts." An eligible sub-applicant should be identified by an eligible applicant at the onset of the application. Eligible sub-applicants/recipients may be added to an application after award with prior Caltrans approval. If a grantee or a sub-recipient is going to hire a consultant to perform work during the project, then proper procurement procedures must always be used.

Grantees may use their agency's procurement procedures as long as they comply with the State Contracting Manual, Chapter 5, the Local Assistance Procedures Manual, Chapter 10, and the terms of the agreement with Caltrans. In addition, work can only be contracted if it has been stated in the applicant's Scope of Work and Cost and Schedule. A grantee is fully responsible for all work performed by its sub-recipient, consultant, or sub-consultant. Caltrans solely enters into a contract directly with the grantee; therefore, the grantee is responsible to ensure that all third parties adhere to the same provisions included in the contractual agreement between Caltrans and the grantee.

All government funded consultant procurement transactions must be conducted using a fair and competitive procurement process that is consistent with the State Contracting Manual, Chapter 5,[9] the Local Assistance Procedures Manual, Chapter 10,[10] and the terms of the agreement with Caltrans. All documentation of third-party contract procurements must be retained, and copies of

[9] California State Contracting Manual Volume 1, Chapter 5, 2018, https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting

[10] Caltrans Local Assistance Procedures Manual, Chapter 10, 2020, https://dot.ca.gov/programs/local-assistance/guidelines-and-procedures/local-assistance-procedures-manual-lapm

all agreements must be submitted to Caltrans. For more information on third party contracting, visit the State Contracting Manual and the Local Assistance Procedures Manual Websites.

6.3 Quarterly Reporting

Quarterly Progress Reports (QPR) are required to be submitted for each State FY quarter after the grant recipient has received a Notice to Proceed letter. The table below illustrates the State FY timeframes for submitting the QPR to Caltrans district staff.

Quarterly Progress Report Timeframes			
Quarter 1	**Quarter 2**	**Quarter 3**	**Quarter 4**
July – September	October – December	January – March	April – June

For MPOs and RTPAs, the progress and expenditure of each awarded grant project must be included as part of the OWP Quarterly Progress and Expenditure Report. If this method of reporting is not adequately satisfied, Caltrans staff will require separate quarterly reports for each awarded grant project.

All other primary grant recipients shall submit progress reports every quarter for each awarded grant project. Caltrans district staff will provide the brief report form and due dates.

~~6. 4 Integrated Climate Adaptation and Resiliency Program (ICARP) Case Studies~~

6.5 Invoicing and Financial Requirements

Accounting Requirements

Grantees and sub-applicants/recipients are required to maintain an accounting system that properly records, and segregates incurred project costs and matching funds by line item. The accounting system of the grantee, including its sub-applicants and subcontractors, must conform to Generally Accepted Accounting Principles that enable the determination of incurred costs at interim points of completion and provides support for reimbursement payment vouchers or invoices sent to or paid by Caltrans. Allowable project costs must comply with 2 Code of Federal Regulations (CFR), Part 200. It is the grantee's responsibility, in conjunction with Caltrans district staff, to monitor work and expenses to ensure the project is completed according to the contracted Scope of Work and Cost and Schedule. Grantees must monitor work and costs to ensure invoices are submitted on a regular and timely basis (monthly or quarterly as milestones are completed). Grantees must communicate with their local Caltrans district office to ensure any issues are addressed early during the project period.

Local Match

All grant project tasks/activities require a grant amount and a local match, except a grant amount for administrative Tasks 01, 02 is optional. The local match is a financial requirement that demonstrates the grantee/local agency is vested in the project.

Because the local match is part of the total project cost, the local match can only fund eligible grant activities. Therefore, grant recipients must fund ineligible activities with funds other than the local match.

The local match can be all cash, all third-party in-kind contributions, or a combination of the two. The minimum local match is a percentage of the total project cost (i.e., minimum local match amount plus the grant amount) and is identified in the Cost and Schedule at the Task level.

Beginning with FY 2021-22, grantees can provide a tapered local match, which allows grantees to vary the required local match ratio for each task and with every Request for Reimbursement. Applicants must identify if they will utilize the tapered match on the Cost and Schedule. Grantees agree to satisfy the total local match amount by the grant expiration date.

Local Match Sources

- **Strategic Partnerships and Strategic Partnerships – Transit**
  Any non-federal source of funds may be used if the proposed grant work is an eligible activity for the local match fund source. If MPOs are matching with Sustainable Communities Formula funds, the objectives for each grant must be in alignment. Caltrans approval is required.

Cash Match

- Staff time from the primary applicant counts as cash match. Staff time charged to a specific project that has been funded and or reimbursed, cannot be used to meet the match requirement for another project.
- Sub-applicant staff time, if reimbursed, is considered cash match. If donating their time, it is considered in-kind.
- Revenue sources for local cash match can include local sales tax, special bond measures, private donations, private foundations, etc.

Third-Party In-Kind Match

Third party in-kind contributions are typically goods and services donated from outside the primary grantee's agency and can be counted towards the minimum local match requirement. Examples of third-party in-kind contributions is the value of donated:

- Public outreach materials
- Interpreter Services
- Facilities
- Equipment
- Advertising
- Student volunteers and other stakeholder staff time
- Other goods and services

[12] Title 23, Code of Federal Regulations, Part 450,

https://www.govinfo.gov/content/pkg/CFR-2004-title23-vol1/pdf/CFR-2004-title23-vol1-part450.pdf

The Third-Party In-Kind Valuation Plan is required to itemize and place value on donated goods and services. It must be submitted to Caltrans for approval only if the grant application is awarded. The Third-Party In-Kind Valuation Plan Checklist and Template can be found in Appendix B.

In addition:

- The value of third-party in-kind contributions must be directly benefiting and specifically identifiable to the project.
- Minimum wage standards for student workers or Caltrans pay rates for equal-level volunteers are acceptable base values of volunteer time.
- Third-party in-kind contribution information must be identified on the Grant Application Cover Sheet, the Cost and Schedule, and the project specific Work Element in the OWP (if applicable).

Minimum Local Match Requirements

Applicants/grantees will be held responsible for any local commitments above the minimum requirement included in the grant application and will be made part of the grant agreement with Caltrans. Once the agreement is executed, any decrease to local match commitments above the minimum required amount will require Caltrans approval through an amendment. The example shown in the following table illustrates the minimum local match requirement based on a grant request of $300,000. Applicants must use the Local Match Calculator[13] to ensure the correct amounts are reflected on the Grant Application Cover Sheet and the Cost and Schedule.

Minimum Local Match Requirements (Percentage of Total Project Cost)			
Grant Program	**Grant Request**	**Local Match**	**Total Project Cost**
Sustainable Communities, Climate Adaptation Planning, and Strategic Partnerships –Transit	**88.53%** Example: $300,000	**11.47%*** Example: $38,868	**100%** Example: $338,868
Strategic Partnerships	**80%** Example: $300,000	**20%** Example: $75,000	**100%** Example: $375,000

*Climate Adaptation Planning local match is not required for Native American Tribal Governments.

Indirect and Direct Costs

Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a state award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs, also known as facilities and administrative costs or overhead costs.

Indirect Costs are costs that are incurred for a common or joint purpose. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective.

[13] Local Match Calculator posted on-line at (will download as MS Excel spreadsheet): https://dot.ca.gov/programs/transportation-planning/division-of-transportation-planning/regional-and-community-planning/sustainable-transportation-planning-grants

EXHIBIT C.
LETTER OF SUPPORT

COUNTY OF HUMBOLDT
PLANNING AND BUILDING DEPARTMENT
CURRENT PLANNING DIVISION

3015 H Street Eureka CA 95501
Phone: (707)445-7541 Fax: (707) 268-3792

Letter of Support

January 10, 2024

Beth Burks , Executive Director
HCAOG
611 "I" Street, Suite B
Eureka, CA 95501
Email: beth.burks@hcaog.net

Dear Beth,

Humboldt County Planning and Building Department is pleased to **support and partner with** the Humboldt County Association of Governments application for the Caltrans Strategic Partnerships Transit program for the Partnering Assets and Authorities for Comprehensive Transit (PAACT) project. A transit network analysis is essential to meeting the mobility needs of Humboldt County residents, and there is a need to plan transportation and land use together.

Humboldt's transit service is impressive for such a rural, remote, low-density region, but there are persistent unmet needs for more span and frequency which cannot be met if housing and other developments continue to sprawl away from core centers. The project will build strong government-to-government partnerships, harnessing interagency leadership to reshape the region's transit system into a more connected, efficient, and more user-focused mobility network that attracts significantly more users in upcoming years.

As an agency with land-use authority, the Planning and Building fully supports the project goal to increase consideration, and coordination, of transit access in land use goals, policy, codes, and discretionary permitting. The project will focus on building strong working relationships among HCAOG, HTA, Caltrans, local tribes, cities, and county agencies in order to plan transportation and land use together, taking into account socio-economic and equity factors and funding mechanisms.

Planning and Building is excited to participate in this project to help identify the long-term opportunities to coordinate or consolidate routes, services, and/or governance, and leverage additional funding sources to expand transit service. It is critical to establish robust and effective coordination with HTA during planning or reviewing key developments that impact or request transit service.

While our agency recognizes the needs and benefits of greater coordination, we are under-resourced and lack staff capacity to engage. If awarded, the project will directly support our staff time to participate in advisory working groups and dedicate resources to special studies for transit

operations and needs in our jurisdiction. Humboldt County Planning and Building makes a commitment to be an active partner in this project, and pledges to contribute $1,500.00 for the funding match, in staff time contribution.

The County of Humboldt enthusiastically supports HCAOG's proposed project for the Caltrans Sustainable Transportation Planning Grant: Strategic Partnerships -Transit program. We look forward to being an active participant in coordinated multi-agency planning to achieve transit-supportive land use policy and directives.

Sincerely,

John H. Ford
Director of Planning and Building

Attn: Elizabeth Schatz, Planning Manager
Humboldt County Planning and Building Department
(707) 268-3759
eschatz1@co.humboldt.ca.us