



## Legislation Details (With Text)

<b>File #:</b>	23-165	<b>Version:</b>	1	<b>Name:</b>	First Amendment to SLTMO Management Agreement (LINKS)
<b>Type:</b>	Staff Report	<b>Status:</b>	Filed	<b>In control:</b>	City Council
<b>On agenda:</b>	5/15/2023	<b>Final action:</b>	5/15/2023	<b>Enactment #:</b>	2023-052
<b>Enactment date:</b>					
<b>Title:</b>	Adopt a Resolution to Approve and Authorize the City Manager to Execute a First Amendment to the Agreement with the San Leandro Transportation Management Organization for the Management and Administration of the West San Leandro Shuttle and Business Improvement District				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. Exhibit A - Reso First Amendment to Management Plan SLTMO 2023, 2. A - Reso First Amdtto Management Plan SLTMO 2023, 3. B - By Laws SLTMO 4-13-23				

Date	Ver.	Action By	Action	Result
5/15/2023	1	City Council	Received and Filed	Pass

Adopt a Resolution to Approve and Authorize the City Manager to Execute a First Amendment to the Agreement with the San Leandro Transportation Management Organization for the Management and Administration of the West San Leandro Shuttle and Business Improvement District

### COUNCIL PRIORITY

- Infrastructure
- Sustainability & Resiliency
- Community & Business Development

### SUMMARY AND RECOMMENDATION

Staff recommends that the City Council approve the resolution approving a first amendment to the agreement with the San Leandro Transportation Management Organization for the management and administration of the West San Leandro Shuttle and Business Improvement District for the administration and operation of the LINKS Shuttle, which provides free transportation service in the western portion of San Leandro.

### BACKGROUND

The San Leandro Transportation Management Organization (SLTMO), a non-profit organization, was formed in 2001 to operate the LINKS Shuttle service in the western portion of San Leandro. Since 2001, LINKS has served San Leandro businesses by providing a free transportation link between places of employment and the Downtown San Leandro BART Station. The LINKS Shuttle furthers the economic development and sustainability goals of the City by providing to employees direct, free, high-frequency service from BART to the area's employers and providing additional transportation options to reduce air pollution from single occupancy vehicles and enable low and moderate income residents to seek employment in the area.

In 2014, the City of San Leandro and the SLTMO acted to renew and continue the operation of the shuttle service via several enabling actions. The City established the West San Leandro Shuttle Business Improvement District (BID), which provides a mechanism for funding a portion of operation costs for the shuttle via additional business assessments collected as a part of the Business License process. An agreement was also established with the SLTMO for the Management and Administration of the West San Leandro Shuttle and Business Improvement District (Management Agreement).

The LINKS Management Agreement sets forth the roles and responsibilities of the parties with respect to providing improvements and administration of the West San Leandro Shuttle Business Improvement District, which administers the LINKS Shuttle. As contemplated in the Management Agreement, the SLTMO has established agreements with independent contractors to staff and administer the duties of the organization and ensure successful operation of the LINKS Shuttle. SLTMO contracted with Municipal Resources Group (MRG), which successfully administered the SLTMO for many years.

Following the end of the contract with MRG, the SLTMO entered into a consulting services agreement on November 1, 2022, with the Transportation Management Association, Inc. ("ALTRANS") to serve as Executive Director and Administrative Staff for the SLTMO and administer the LINKS Shuttle. ALTRANS works with cities and developers across the Bay Area to implement, manage and monitor Transportation Demand Management Plans, including shuttle services.

## **Analysis**

As a part of the initiation of administration of the SLTMO, ALTRANS has performed an evaluation of current governing agreements and practices of the SLTMO. Based on their experience managing other shuttle services and best practices at other districts, they have recommended amendments to various operational and financial practices to ensure efficient, effective and modern SLTMO operation.

The funding for the SLTMO and LINKS Shuttle is generated from several sources, including grants, business license assessments, City contribution and revenue from bus advertising. The City collects the funds from most of these sources, and then disburses the funds to the SLTMO, which then deposits them into a separate City-associated account from which funds are withdrawn for administrative and operational costs.

Per the Management Agreement, City approval and signature by the City Manager or her designee is required in order for the SLTMO to write checks or issue payments for its operations. As the SLTMO is an independent non-profit entity which manages the funds and operations for the shuttle services, the requirement for City approval and signature for payment has been identified by staff and the SLTMO to be a cumbersome and unusual process. Based on this, ALTRANS performed research and proposed best practices for financial management and bookkeeping the SLTMO.

Based on these best practices, the following amendment was approved to the By-Laws of the San Leandro Transportation Demand Management Organization on April 13, 2023:

## ***Article VI - Contracts, Income and Disbursement***

### ***Section 3 - Payment Checks***

*All checks, drafts, or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation for any amount shall be signed or otherwise transacted by the Executive Director of the Corporation or their designee. Expenditures or payments in excess of \$5,000 must be co-approved by two of the following: Chair, Treasurer, of Executive Director or their designee, unless such expenditures or vendors have been pre-approved by board action. ~~by the City Manager of the City of San Leandro or their designee, following approval by two of the following: Chair, Treasurer or Executive Director of the Corporation or the Executive Director's designee and in such manner as shall from time to time be determined by resolution of the Board or by the Executive Committee in the absence of such determination by the Board.~~*

To reflect these changes, the below changes are proposed to the Management Agreement between the City and SLTMO:

**SECTION 4. Staff Support and Subcontracts.** *The SLTMO is an independent legal entity, and shall provide all necessary staff support for its activities. It may contract with the City of San Leandro or any other entity such that the City of San Leandro or other entity will be an independent contractor to the SLTMO to provide staff support, including but not limited to the following duties and responsibilities:*

*G. Issue checks, drafts, or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation per its By-Laws. ~~for any amount, signed by the City Manager of the City of San Leandro or their designee, following approval by two of the following: Chair, Treasurer or Executive Director or the Executive Director's designee of the Corporation and in such manner as shall from time to time be determined by resolution of the Board in the absence of such determination by the Board.~~*

### **Previous Actions**

- RDA Resolution No. 2001-008, on July 16, 2001 approved the MOU with the San Leandro Industrial Roundtable for the development, operation and administration of the West San Leandro Shuttle two-year pilot program.
- Resolution No. 2004-152, on October 4, 2004 authorized Agreement with the San Leandro Transportation Management Organization for the management and administration of the West San Leandro Shuttle and Business Improvement District.
- Resolution No. 2014-115, on October 20, 2014, declaring the City's intention to establish the West San Leandro Shuttle Business Improvement District (BID).
- Ordinance 2014-023, on December 15, 2014, amending Title 2 of the San Leandro Municipal Code to Delete Chapter 15 and to add a new Chapter 15 establishing the West San Leandro Shuttle Business Improvement District in the City of San Leandro.
- Resolution No. 2014-136, on December 15, 2014, an agreement with the San Leandro Transportation Management Organization (SLTMO) for the Management and Administration of the West San Leandro Shuttle and Business Improvement District (the "Management Agreement").

### **Legal Analysis**

The City Attorney has reviewed and approved the proposed amendment.

### **Financial Impacts**

The Finance Team has provided input on the financial best practices for the SLTMO and the Finance Director has reviewed and approved of the proposed changes. The proposed changes will have no financial or budgetary impact on the General Fund. Assessments, grants, and the City contribution will continue to be collected and received by the City of San Leandro and then distributed to the SLTMO in a separate account.

## **ATTACHMENTS**

### **Attachment A:** Resolution

- Ex A1: First Amendment to the Agreement with the San Leandro Transportation Management Organization for the Management and Administration of the West San Leandro Shuttle and Business Improvement District

### **Attachment B:** By-Laws of the San Leandro Transportation Management Organization

**PREPARED BY:** Katie Bowman, AICP, Economic Development Manager, Community Development Department