

**TRANSIT SERVICE OPERATION AGREEMENT
BETWEEN THE CITY OF REDONDO BEACH AND
THE CITY OF MANHATTAN BEACH**

THIS TRANSIT SERVICE OPERATION AGREEMENT (this "Agreement") is entered into by and between the City of Redondo Beach ("Redondo Beach"), on behalf of Beach Cities Transit ("BCT"), which is a division of Redondo Beach, and the City of Manhattan Beach ("Manhattan Beach").

RECITALS

- A. **WHEREAS**, on July 1, 2006, Redondo Beach and Manhattan Beach entered into that certain Transit Service Operation Agreement ("First Agreement") to enable BCT Line 109 as described in **Attachment A** to take over public transportation services for the discontinued LACMTA Line 439 for a two (2) year term.
- B. **WHEREAS**, Redondo Beach and Manhattan Beach subsequently entered into new agreements relating to Line 109 in 2008, 2010, 2011, 2012, and 2013 (the "2013 Agreement").
- C. **WHEREAS**, the 2013 Agreement expires on June 30, 2015, and the parties desire to enter into a new agreement on the terms and conditions set forth below.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. TERM

This Agreement shall be effective as of July 1, 2015, and shall have a one (1) year term expiring on June 30, 2016. Manhattan Beach shall have the option to extend the term by one (1) year, until June 30, 2017. In the event Manhattan Beach intends to exercise the option to extend the term of this Agreement, Manhattan Beach shall notify Redondo Beach of its intent to do so no later than December 30, 2015.

2. SERVICE DESCRIPTION

A. Redondo Beach shall operate Line 109 consistent with the maps shown in **Attachment A**, which is attached hereto and by this reference incorporated herein ("Line 109" or the "Service").

B. Redondo Beach shall operate Line 109 on the days of the week and service times, and at frequencies of service equal to or better than that which was operated by Redondo Beach immediately prior to the effective date of this Agreement. The service schedules for Line 109, as illustrated in **Attachment B** is attached hereto and by this reference incorporated herein.



- C. Redondo Beach may adjust the route and schedule of Line 109; however, any changes or reductions to the Service in excess of 10% shall be brought to Manhattan Beach in writing for review and comment prior to implementation.
- D. Redondo Beach reserves its rights, at its sole discretion, to enter into contracts for Line 109 service with any other provider of its choice at any time without the approval of Manhattan Beach. Redondo Beach shall be responsible for any and all aspects of administration of the service contract, and shall assure that the contract includes provisions pertaining to insurance, age, maintenance and operation of vehicles, driver qualifications and other similar provisions typical of an agreement of that kind.

3. PASSENGER FARES

Redondo Beach may charge fares for the Service consistent with their existing fixed-route service. Redondo Beach will accept interagency transfers with adjacent transit operators and participate in the EZ Pass Program. Redondo Beach shall retain all farebox revenues. BCT Line 109 passenger fare revenues shall be used to offset operation expenses.

4. FUNDING

- A. For costs associated with the operation of Line 109, Manhattan Beach shall pay Redondo Beach in accordance with this Section. Manhattan Beach shall not pay Redondo Beach for capital costs nor shall Manhattan Beach provide equipment to operate the Service.
- B. **FY 2015-16:** Funding from Manhattan Beach shall be \$15,314 for fiscal year 2015-16. This number is derived from the percentage of cost for Line 109, which is based on the route service mile calculations illustrated in **Attachment C hereto**.

In no event shall Manhattan Beach's funding obligation under this Section 4B exceed the foregoing amount. In the event actual fiscal year 2015-16 Line 109 net operating costs are less than (1) the estimated costs and/or (2) actual net operating revenues are greater than the estimated revenues for the respective fiscal year, all excess funds resulting from such decreased costs or increased revenues shall be reconciled and used to reduce the final 4th quarter invoice amount for the applicable fiscal year.

In the event Manhattan Beach exercises the option to extend the term of this Agreement as authorized in Section 1, the parties agree that the following conditions shall apply for FY 2016-17.

FY 2016-17: Funding from Manhattan Beach shall be increased by 10% to a total amount of \$16,845 for fiscal year 2016-17. This funding may be increased up to 25% to a total amount of \$19,142 provided the following conditions are met.



- (1) The estimated Metro Formula Allocation Procedure (“FAP”) funding for fiscal year 2017 is less than that of fiscal year 2016; and
 - (2) The estimated Line 109 passenger fare revenues for fiscal year 2016 are less than the passenger fare revenues for fiscal year 2015.
- C. Redondo Beach is responsible for all marketing and promotion of the service. Notwithstanding the foregoing, Manhattan Beach may advertise at its sole expense, but any reference to BCT must be approved in writing by Redondo Beach prior to such reference. Only the BCT logo may be used to advertise or market the service.
 - D. On a quarterly basis, BCT will meet with Manhattan Beach to develop additional marketing strategies directed towards increasing BCT Line 109 ridership. Manhattan Beach shall provide assistance for public outreach and information to target Manhattan Beach residents and non-resident community members.

5. REPORTING/INVOICING

- A. Redondo Beach shall report to Manhattan Beach on a quarterly basis, all of the following data for the Line 109 Service:
 - (1) Passengers carried
 - (2) Revenue hours operated
 - (3) Revenue miles operated
 - (4) Total operating costs
- B. Redondo Beach shall submit said report to the Manhattan Beach City Manager in writing within fifteen (15) days after the end of each reporting quarter.
- C. Redondo Beach shall submit quarterly invoices and required reports to the Manhattan Beach City Manager and Manhattan Beach shall pay Redondo Beach on a quarterly basis 1/4th of the annual funds to be provided. Manhattan Beach shall pay Redondo Beach within thirty (30) days of receipt of each quarterly report from Redondo Beach. First payment shall be due on November 30, 2015, representing payment for July 1, 2015, through September 30, 2015.
- D. Redondo Beach shall incorporate Line 109 data into its Federal Transit Administration’s National Transit Data (NTD) annual report for the entire BCT fixed route transportation system. Redondo Beach shall provide to Manhattan Beach annual NTD random sampling data which provides the statistics to estimate the number of passengers boarding and alighting by stop in Manhattan Beach, and the total estimated Manhattan Beach passengers. Redondo Beach shall be responsible for any and all aspects of administration of the service contract, and shall include provisions pertaining to insurance.
- E. Manhattan Beach retains the right to audit the BCT’s records of Line 109 Service, and to periodically monitor the Service.



F. Redondo Beach shall schedule quarterly joint meetings with the partnering cities of El Segundo, Hermosa Beach, and Manhattan Beach. Redondo Beach will provide a quarterly update of Line 109 services, and discuss coordinated marketing and public outreach efforts and operating and financing issues that affect BCT services.

6. INSPECTION OF RECORDS

BCT records relevant to this Agreement shall be available for inspection by Manhattan Beach at all reasonable times for a period of at least three (3) years for each year or after the termination date, whichever comes first.

7. NON-DISCRIMINATION

No person shall on the grounds of race, color, religion, national origin, ancestry, age, sex, physical or mental disability, be excluded from participation in, or be subject to discrimination in the operation of the Line 109 Service.

8. COORDINATION

A. Redondo Beach shall coordinate its BCT services, to the extent practical, so that passengers transferring between transit operators will have minimal waiting times. This coordination will require transit agencies to communicate with each other as many weeks as possible in advance of any planned schedule change to the services that may affect passenger transfers.

B. The Manhattan Beach Project Manager for this project shall be the City Manager or his/her designee. BCT coordinator for this project shall be the Community Services Director or his/her designee.

9. WAIVER OF BREACH

The waiver of each party of any breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of that same or any other provision.

10. NOTICES

A. All notices, requests, demands, or other communications under this Agreement shall be in writing. Notice shall be given as follows:

- (1) Personal delivery. When personally delivered to the recipient, notice is effective on delivery.
- (2) First Class mail. When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.



- (3) Certified mail. When mailed via certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.
- (4) Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.
- (5) Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice, notice is effective upon receipt. Any notice given by fax shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice shall be as follows:

Beach Cities Transit: City of Redondo Beach
Community Services Director
Attention: Line 109
1922 Artesia Blvd
Redondo Beach, CA 90278

Fax Number: 310-798-8273

With a copy to: City of Redondo Beach
The City Clerk's Office
415 Diamond Street
Redondo Beach, CA 90277-2836

Fax Number: 310-374-0220

City of Manhattan Beach: City of Manhattan Beach
City Manager
Attention: Line 109
1400 Highland Avenue
Manhattan Beach, CA 90266-4795

Fax Number: 310-802-5051

With a copy to: City Clerk
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266-4795

Fax Number: 310-802-5051



B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, shall be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

C. Either party may change its address or fax number by giving the other party written notice of the change.

11. SEVERABILITY

Should any part, term or provision of this Agreement or any document required herein to be executed be declared invalid, void or unenforceable, all remaining parts, terms and provisions hereof shall remain in full force and effect and shall in no way be invalidated, impaired or affected thereby.

12. INTEGRATION; AMENDMENT

This Agreement represents the entire understanding of Manhattan Beach and Redondo Beach as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to the subject matter hereof. The Agreement may not be modified or altered except by written amendment executed by both parties.

13. INTERPRETATION

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

14. GOVERNING LAW; JURISDICTION

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

15. COMPLIANCE WITH STATUTES AND REGULATIONS

BCT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

16. NON-LIABILITY OF CITIES

No officer or employee of either city shall be personally liable to the other, in the event of any default or breach thereunder.

17. INDEMNIFICATION

Each party hereby agrees to defend, protect, indemnify and hold harmless the other party, its officers, employees, volunteers, agents, elected and appointed officials, and members of boards and commissions from and against any and all loss, damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, and judgments, including reasonable attorney's fees, expert fees and costs of suit arising directly or



indirectly from or in any manner related to or in connection with or caused by the performance or failure of the party, its agents, servants or employees to perform the services required of the party's employees under the terms of this Agreement.

18. AUTHORITY

Redondo Beach and Manhattan Beach each warrant and represent that upon approval of this Agreement by their respective City Councils, the undersigned City official is duly authorized to execute this Agreement.

SIGNATURES FOLLOW ON NEXT PAGE



IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this ___ day of _____, 2015.

CITY OF REDONDO BEACH/
BCT

CITY OF MANHATTAN BEACH


By: _____
Steve Aspel, Mayor

By: _____
Mark Burton, Mayor

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Mike Webb, City Attorney



Quinn M. Barrow, City Attorney

ATTEST:

ATTEST:

Eleanor Manzano, City Clerk

Liza Tamura, City Clerk

Attachment A: Line 109 Map

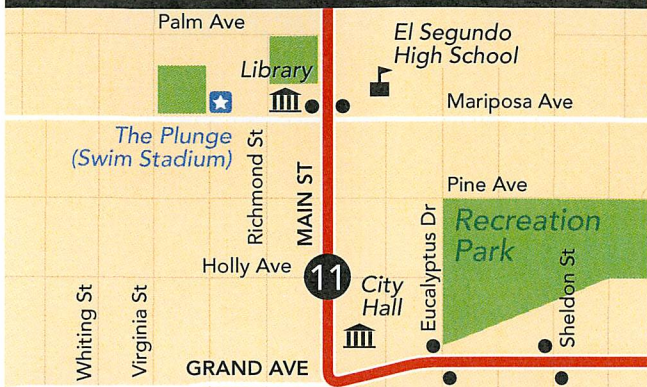
See attached map.



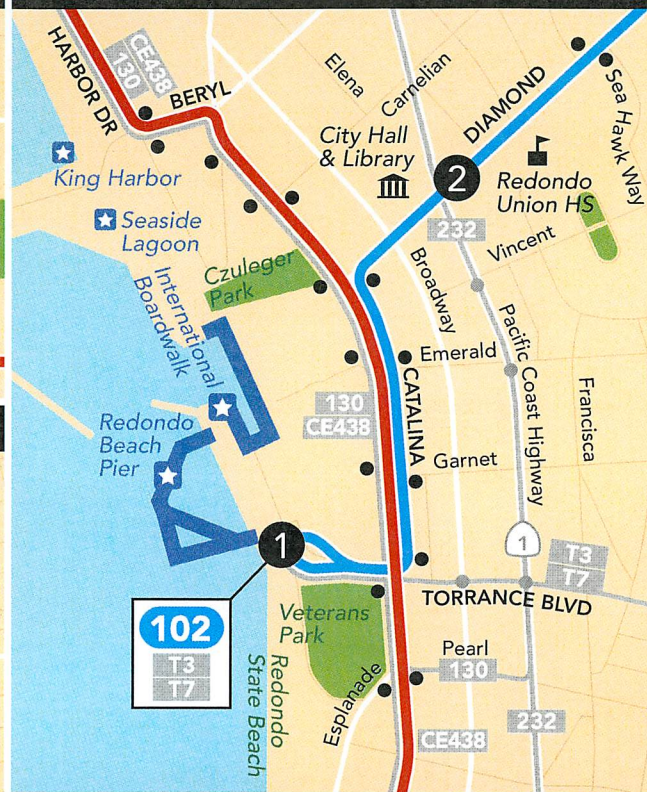
BEACH CITIES TRANSIT • Lines 102 & 109



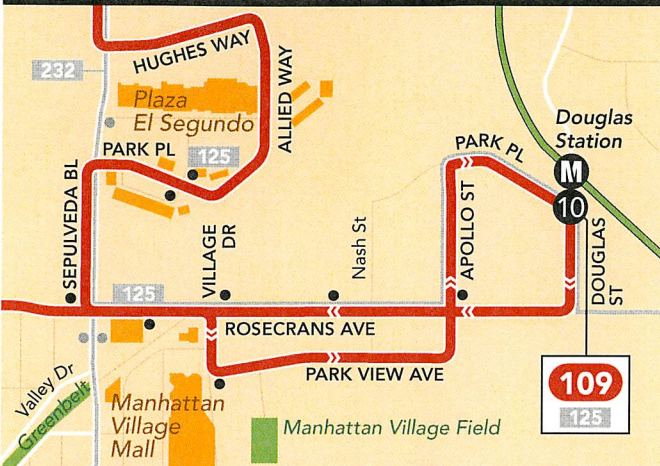
EL SEGUNDO



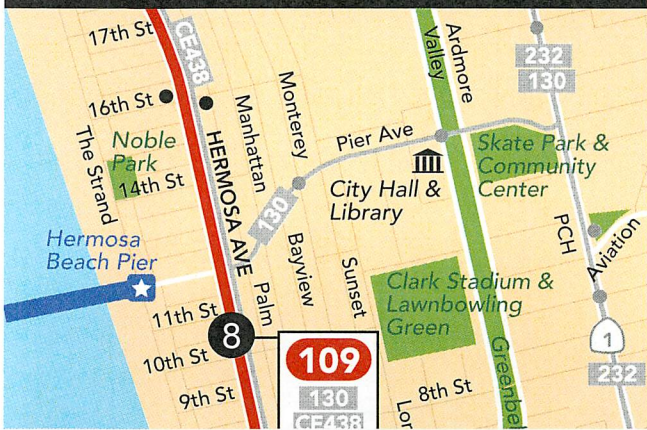
REDONDO BEACH WATERFRONT



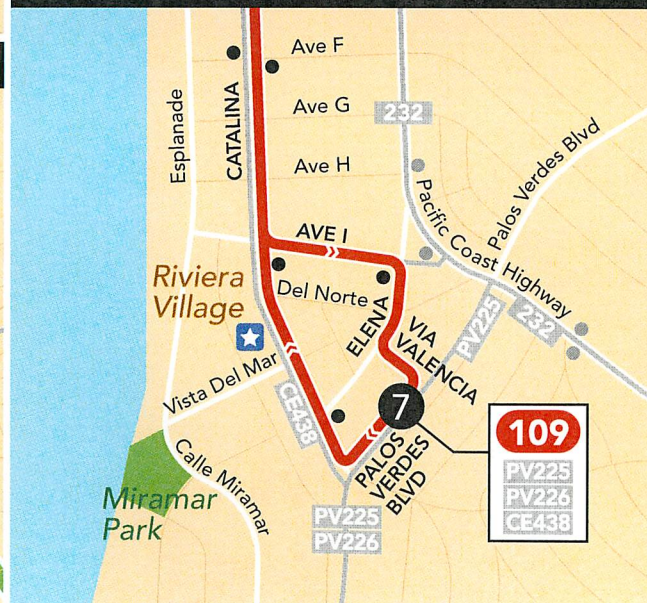
PLAZA EL SEGUNDO / MANHATTAN VILLAGE MALL / DOUGLAS STATION



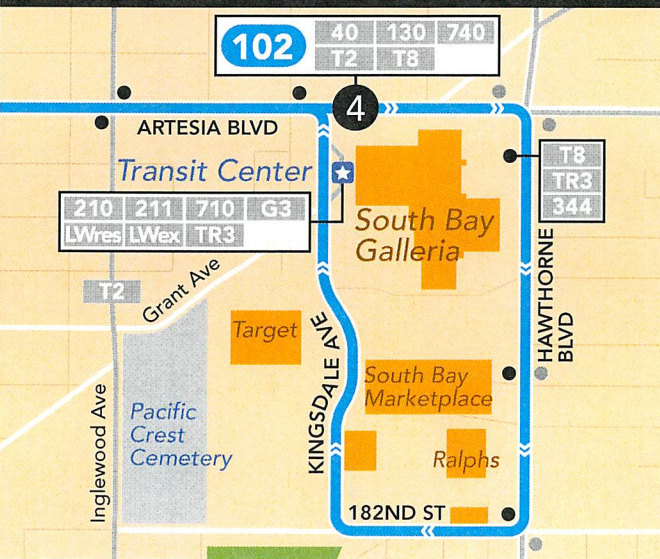
HERMOSA BEACH



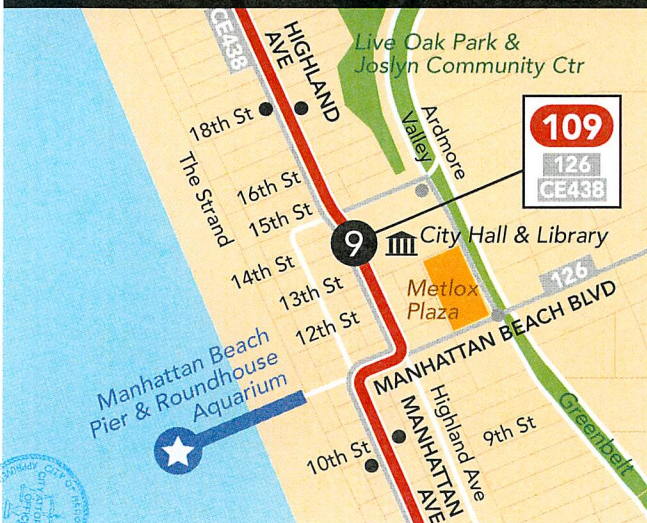
REDONDO BEACH RIVIERA VILLAGE



SOUTH BAY GALLERIA & MARKETPLACE



MANHATTAN BEACH



EFFECTIVE SEPTEMBER 2014



Attachment B: BCT Line 109 Time Schedule

See attached time schedule.



109 NORTHBOUND

Redondo Beach to LAX City Bus Center

MONDAY THROUGH FRIDAY

Palos Verdes Bl & Via Valencia	Hermosa Ave & 10th St	Highland Ave & 14th St	Douglas Sta. Park Place	Main St & Holly Ave	Aviation Station	LAX City Bus Center
7	8	9	10	11	12	13
--	--	--	--	--	--	--
6:00	6:17	6:28	6:42	6:53	7:03	7:13
6:30	6:47	6:58	7:12	7:23	7:33	7:43
7:25	7:42	7:53	8:07	8:18	8:28	8:38
8:10	8:27	8:38	8:52	9:07	9:17	9:27
8:50	9:07	9:18	9:32	9:47	9:57	10:07
9:35	9:52	10:03	10:17	10:32	10:42	10:52
10:25	10:42	10:53	11:07	11:22	11:32	11:42
11:10	11:27	11:38	11:52	12:07	12:17	12:27
11:50	12:07	12:18	12:32	12:47	12:57	1:07
12:35	12:52	1:03	1:17	1:32	1:42	1:52
1:45	2:02	2:13	2:27	2:42	2:52	3:02
2:30	2:47	2:58	3:12	3:27	3:37	3:47
3:10	3:27	3:38	3:52	4:07	4:17	4:27
3:55	4:12	4:23	4:37	4:52	5:02	5:12
4:45	5:02	5:13	5:27	5:42	5:52	6:02
5:30	5:47	5:58	6:12	6:27	6:37	6:47
6:10	6:27	6:38	6:52	7:07	7:17	7:27
6:55	7:12	7:23	7:37	7:52	8:02	8:12
7:45	8:02	8:13	8:27	8:42	8:52	9:02
8:30	8:47	8:58	9:12	9:27	9:37	9:47
AM	PM					

SATURDAY & SUNDAY

Palos Verdes Bl & Via Valencia	Hermosa Ave & 10th St	Highland Ave & 14th St	Douglas Sta. Park Place	Main St & Holly Ave	Aviation Station	LAX City Bus Center
7	8	9	10	11	12	13
--	--	--	--	--	--	--
6:05	6:22	6:33	6:47	7:02	7:12	7:22
7:05	7:22	7:33	7:47	8:02	8:12	8:22
8:15	8:32	8:43	8:57	9:12	9:22	9:32
9:10	9:27	9:38	9:52	10:07	10:17	10:27
10:10	10:27	10:38	10:52	11:07	11:17	11:27
11:15	11:32	11:43	11:57	12:12	12:22	12:32
12:10	12:27	12:38	12:52	1:07	1:17	1:27
1:10	1:27	1:38	1:52	2:07	2:17	2:27
2:35	2:52	3:03	3:17	3:32	3:42	3:52
3:30	3:47	3:58	4:12	4:27	4:37	4:47
4:30	4:47	4:58	5:12	5:27	5:37	5:47
5:35	5:52	6:03	6:17	6:32	6:42	6:52
6:30	6:47	6:58	7:12	7:27	7:37	7:47
7:30	7:47	7:58	8:12	8:27	8:37	8:47
8:30	8:47	8:58	9:12	9:27	9:37	9:47
AM	PM					

109 SOUTHBOUND

LAX City Bus Center to Redondo Beach

MONDAY THROUGH FRIDAY

LAX City Bus Center	Aviation Station	Main St & Holly Ave	Douglas Sta. Park Place	Highland Ave & 14th St	Hermosa Ave & 11th St	Palos Verdes Bl & Via Valencia
13	12	11	10	9	8	7
5:55	6:07	6:21	6:39	6:51	7:00	7:15
6:40	6:52	7:06	7:24	7:36	7:45	8:00
7:20	7:32	7:46	8:04	8:16	8:25	8:40
8:05	8:17	8:31	8:49	9:01	9:10	9:25
8:55	9:07	9:21	9:39	9:51	10:00	10:15
9:40	9:52	10:06	10:24	10:36	10:45	11:00
10:20	10:32	10:46	11:04	11:16	11:25	11:40
11:05	11:17	11:31	11:49	12:01	12:10	12:25
12:15	12:27	12:41	12:59	1:11	1:20	1:35
1:00	1:12	1:26	1:44	1:56	2:05	2:20
1:40	1:52	2:06	2:24	2:36	2:45	3:00
2:25	2:37	2:51	3:09	3:21	3:30	3:45
3:15	3:27	3:41	3:59	4:11	4:20	4:35
4:00	4:12	4:26	4:44	4:56	5:05	5:20
4:40	4:52	5:06	5:24	5:36	5:45	6:00
5:25	5:37	5:51	6:09	6:21	6:30	6:45
6:15	6:27	6:41	6:59	7:11	7:20	7:35
7:00	7:12	7:26	7:44	7:56	8:05	8:20
7:40	7:52	8:06	8:24	8:36	8:45	9:00
8:25	8:37	8:51	9:09	9:21	9:30	9:45
AM	PM					

SATURDAY & SUNDAY

LAX City Bus Center	Aviation Station	Main St & Holly Ave	Douglas Sta. Park Place	Highland Ave & 14th St	Hermosa Ave & 11th St	Palos Verdes Bl & Via Valencia
13	12	11	10	9	8	7
6:45	6:57	7:11	7:29	7:41	7:50	8:05
7:40	7:52	8:06	8:24	8:36	8:45	9:00
8:40	8:52	9:06	9:24	9:36	9:45	10:00
9:45	9:57	10:11	10:29	10:41	10:50	11:05
10:40	10:52	11:06	11:24	11:36	11:45	12:00
11:40	11:52	12:06	12:24	12:36	12:45	1:00
1:05	1:17	1:31	1:49	2:01	2:10	2:25
2:00	2:12	2:26	2:44	2:56	3:05	3:20
3:00	3:12	3:26	3:44	3:56	4:05	4:20
4:05	4:17	4:31	4:49	5:01	5:10	5:25
5:00	5:12	5:26	5:44	5:56	6:05	6:20
6:00	6:12	6:26	6:44	6:56	7:05	7:20
7:05	7:17	7:31	7:49	8:01	8:10	8:25
8:00	8:12	8:26	8:44	8:56	9:05	9:20
8:55	9:07	9:21	9:39	9:51	10:00	10:15
AM	PM					



Attachment C: BCT Line 109 Route Service Mile Calculations by City

**Beach Cities Transit Line 109
Route Service Mile Calculations by City**

Revised Route Miles	NB Miles	%	SB Miles	%
Redondo Beach	2.4	12.90%	3.1	19.02%
Los Angeles	2.9	15.59%	2.8	17.18%
Hermosa Beach	2.2	11.83%	1.6	9.82%
Manhattan Beach	3.4	18.28%	3.2	19.63%
El Segundo	7.7	41.40%	5.6	34.36%
Total Miles	18.6	100.00%	16.3	100.00%

Revised Route Miles	NB Miles	%	SB Miles	%
Redondo Beach & Los Angeles	5.3	28.49%	6.9	42.33%
Hermosa Beach	2.2	11.83%	1.6	9.82%
Manhattan Beach	3.4	18.28%	2.2	13.49%
El Segundo	7.7	41.40%	5.6	34.36%
Total Miles	18.6	100.00%	16.3	100.00%

Revised Revenue Service Miles effective July 2010 (based on service changes effective June 28, 2009)

	<i>Average Miles Per City</i>	<i>%</i>
Redondo Beach & Los Angeles	6.1	34.95%
Hermosa Beach	1.90	10.89%
Manhattan Beach	2.8	16.05%
El Segundo	6.65	38.11%
Total Miles	17.45	100.00%

