

**MEMORANDUM OF UNDERSTANDING
FOR IMPLEMENTATION AND OPERATION OF
REGIONAL EXPRESS TRANSIT SERVICES
IN TULARE AND KINGS COUNTY**

THIS MEMORANDUM OF UNDERSTANDING (the "MOU") is made and effective as of **XXX X, XXXX**, by and between the Tulare County Association of Governments, the City of Visalia, and the Tulare County Regional Transit Agency, each a "Party" and collectively the "Parties," with reference to the following facts:

- A. The Tulare County Association of Governments (hereinafter "TCAG") is a joint powers authority established under the laws of the State of California and is responsible for overall transportation planning and transportation funding in Tulare County; Tulare County Regional Transit Agency (hereinafter "TCRTA") is a joint powers authority established under the laws of the State of California and responsible for providing public transit services within selected communities in Tulare County and between those communities and to other Tulare County cities not members of TCRTA, and the City of Visalia (hereinafter "City") a charter city and municipal corporation established under the laws of the State of California. The City of Visalia is the owner and manager of Visalia Transit.
- B. The Parties desire to cooperatively provide Regional Express Public Transit services within and without Tulare County, as specified herein.
- C. Numerous planning studies to expand public transit services in Tulare County have been conducted over the last 20 years, with the most recent studies being the 2018 Cross Valley Corridor Plan and a follow-up 2024 Kings-Tulare Cross-Valley Corridor Phase 1 Operations Plan. The 2018 study identified a Huron-Lemoore-Hanford-Visalia-Lindsay-Porterville transportation corridor and envisioned rail transit service operating along existing railroad rights-of-way. The Phase 1 Operations Plan recommended incremental implementation of the 2018 study vision, with an initial bus service along the most active and viable portions of the Cross Valley Corridor. In addition, the 2024 State Rail Plan identifies and endorses an initial bus service along the Cross Valley Corridor to connect initially with San Joaquin Amtrak trains and eventually with high-speed rail trains at the Kings-Hanford Station.
- D. The Phase 1 Operations Plan identified an initial Cross Valley Express (CVX) routing from NAS Lemoore to Lindsay via Lemoore, Hanford, Visalia and Farmersville. High quality service operated with high quality vehicles serving distinctive stations and stops were identified. Service frequency was recommended for every 30 minutes for about 16-18 hours daily.

- E. During the capital funding process, TCAG chose to compete for capital funding to operate the initial high-quality CVX bus route from the Hanford Amtrak Station to Lindsay, via Visalia and Farmersville. In addition, TCAG included a request for capital funding for a proposed bus rapid transit (BRT) corridor operating between Visalia and Tulare via Mooney Boulevard (SR 63) with envisioned 15-minute service frequencies.
- F. The California Department of Transportation (Caltrans) has disseminated guidance on designing and integrating bus rapid transit services and improvements on Caltrans facilities. Caltrans BRT policy is identified in Director's Policy Number DP-27-R1 (2013) and Deputy Directive DD-98-R1 (2013). In both documents, Caltrans acknowledges federal BRT definitions as follows:
- "BRT can best be described as a combination of facility, systems, and vehicle investments that convert conventional bus services into a fixed-facility transit service, greatly increasing their efficiency and effectiveness to the end user," and.
 - BRT is a "flexible, rubber-tired form of rapid-transit mode that combines stations, vehicles, services, running ways, and Intelligent Transportation System (ITS) elements into an integrated system with a strong positive identity."

In addition to the BRT guidance, Caltrans has also issued policy documents on "complete streets." Director's Policy Number DP-37 (2021) states that "all transportation projects funded or overseen by Caltrans will provide comfortable, convenient, and connected complete streets facilities for people walking, biking, and taking transit" unless an exception is documented and approved.

- G. The State of California approved the TCAG funding request and capitalized the Cross Valley Corridor and the Mooney BRT (collectively the "Regional Express Transit Services" program) with a grant of \$59.1 million from the Transit and Intercity Rail Capital Program (TIRCP), Cycle 7 to TCAG as the initial project sponsor. TCAG anticipates providing operating funds to enable the regional transit service as described in the grant application.
- H. TCAG, TCRTA and City anticipate requesting several changes to the TIRCP grant scope to allow for additional flexibility and accommodate unanticipated cost increases in delivering the program. These include deferring full service to Lindsay and initially providing Cross Valley Corridor service from Farmersville to Hanford via Visalia, changes to the locations and scope of stops and stations, and more detailed plans for the Mooney Boulevard BRT service.

- I. The Parties anticipate that the initial CVX service as amended will provide about 75-80 daily vehicle hours of service and the BRT (operating at 15-minutes service frequencies) will also provide about 75-80 daily vehicle hours of service.
- J. This MOU identifies operational considerations; a corresponding MOU is anticipated to identify the structure and methods to deliver the capital elements of the Regional Express Transit Services.

THEREFORE, in consideration of the mutual promises set forth below and to implement the goals described above, the Parties agree as follows:

1. **Purposes of MOU.** The primary purposes of this MOU are to (i) facilitate a cooperative and ongoing working relationship among the Parties that will allow them to explore, study, evaluate and (to the extent the Parties agree) develop and implement mutually beneficial approaches and strategies for delivering the Regional Express Transit Services program, (ii) adopt and implement service specifications and service characteristics, including necessary internal documents and studies, and (iii) identify the roles of each agency to deliver the desired service.
2. **Consistency with Grant Requirements and Policy.** The Parties agree that the Regional Express Transit Services defined herein are consistent with and represent the implementation direction and guidance of the TCAG Board of Directors and State of California funding agencies. TCAG shall coordinate any and all changes to the TIRCP Cycle 7 grant scope as the grant applicant.
3. **Zero Emission Vehicles.** In accordance with California regulations, all Regional Express Transit Services shall be operated by zero-emission vehicles.
4. **Implementation.** The Parties desire to initiate Regional Express Transit Services by August of 2028. Upon service implementation, current Kings Area Rural Transit Route 15 and Visalia Transit and TCRTA Routes 11X and Route 1 will be terminated and other routes revised as appropriate.
5. **Responsibilities of the Parties.** It is agreed that City, acting through Visalia Transit, will be the owner, sponsor and operator of the CVX and the Mooney BRT service and will adopt service criteria for the Regional Express Transit Services, including speed, stop spacing and service levels, fare policy and stop and station requirements consistent with accepted definitions of BRT service; City will partner with TCRTA on shared operations of the Mooney BRT route; TCAG will coordinate funding and advocate for additional capital and operating funding as needed.
6. **BRT Standards & Criteria.** When identifying, developing and adopting specific service design and facility design criteria for the Regional Express Transit Services, City shall incorporate guidance and standards from the following documents:

- Caltrans, ***Bus Rapid Transit: A Handbook for Partner*** - 2007, page 7, Table 2 – Minimum Standard of “Intermediate Stage”
- Federal Transit Administration, ***Characteristics of Bus Rapid Transit for Decision making***, 2004, FTA-VA-26-7222-2004.1
- Transportation Research Board, ***TCRP Report 90 Bus Rapid Transit Vol 2: Implementation Guidelines***, 2003

The Parties also acknowledge the following industry documents that provide further guidance for BRT Operations:

- American Public Transit Association, ***Bus Rapid Transit Service Design and Operations*** - APTA BTS-BRT-RP-004-10, Rev 1, 2020
- American Public Transit Association, ***BRT Branding, Imaging and Marketing*** – APTA BTS-BRT-RP-001-10, Rev. 1 2020

The Parties also acknowledge the following industry document that provides guidance for BRT facilities design:

- American Public Transit Association, ***Designing Bus Rapid Transit Running Ways*** – APTA BTS-BRT-RP-003-10, Rev. 1, 2020

Speeds: The minimum average scheduled speed for CVX shall be not less than 30 mph. The minimum average scheduled speed for Mooney BRT shall be not less than 20 mph.

7. **Initial Service Plan.** Appendix A identifies routes, stations and stops, timetables and internal bus assignments for the proposed service. Visalia Transit shall provide CVX service in substantial alignment with Appendix A, and Visalia Transit and TCRTA shall partner to provide substantial alignment with the proposed Mooney BRT service.

8. **Periodic Service Adjustments.** The Parties anticipate and accept that periodic service adjustments may be required for the Regional Express Transit Service and agree to work cooperatively to address those adjustments within the overall vision and guidance for the services.

9. **On-Board Technology.** On-board technology – including but not limited to Wi-Fi, automatic vehicle location (AVL), automatic passenger counting (APC), and traffic signal priority (TSP) – will be critical for a positive customer experience, the smooth operation of the system, and quick and accurate performance reporting. Such technology shall be provided as part of vehicle procurement, however, Visalia

Transit and TCRTA shall ensure such equipment and on-board technology systems are maintained and useful. Failure to maintain these systems is subject to the provisions of Section 13.

10. **Quarterly and Annual Service Reviews.** The Parties agree to a quarterly operational review of service, cost and ridership, as well as an annual budgetary review to be presented to TCAG. These reviews will allow performance to be assessed and the system recalibrated as necessary as the needs arise. City will also provide input into various phases of the project related to CVX and Mooney BRT service, such as the Branding and Marketing program and capital project workstreams. It is anticipated that this input can be delivered through both the existing meeting attendance and ad hoc meetings as required.

11. **Service Changes.** Based on the annual review results and demand for Regional Express Transit Services outlined in the original or revised Appendix A, City reserves the right to flexibly expand or contract service as necessary, subject to approval by TCAG (and Caltrans, if necessary) and in close coordination with TCRTA. Appendix B details the protocols for these changes.

12. **Regulatory Compliance.** At all times, City and TCRTA (as transit operators), agree to comply with all applicable local, state, and federal laws and regulations, including those pertaining to motor carrier operation and bus transportation.

13. **Vehicle and Equipment Maintenance.** City and TCRTA shall maintain the vehicles in accordance with the vehicle manufacturer's recommended maintenance schedules and specifications and shall keep the exterior and interior of vehicles reasonably clean. All vehicles shall have fully functioning air conditioning and heating systems. The public portion of passenger stations and stops provided by City for the subject services shall also be kept reasonably clean by the City or its contractors. City and TCRTA warrant that all in-vehicle technology—including Wi-Fi, automatic vehicle location (AVL), automatic passenger counters (APC), and traffic signal priority (TSP)—shall be fully functioning. City warrants that all wayside vehicle electrical charging stations shall be fully operational. Transit operating personnel (drivers, supervisors, etc.) shall present a neat appearance and conduct themselves in a courteous, professional, and efficient manner. The Parties agree to collaboratively develop detailed standards for vehicle, technology, electrical and staff performance.

14. **Fares and Subsidy Revenues:** [TBD]

Fares

City and TCRTA will charge fares as follows:

- CVX: Within Tulare County - Same as all local fares

charged To Hanford – Tulare County local fares doubled, rounded up; to the nearest 25 cents.

- Mooney BRT Same as all local fares charged.

If there is a difference between the Visalia Transit local fare, and the TCRTA commuter fare, the lower fare will prevail.

Bulk purchase fares (i.e., college passes, etc) will be honored for all services and fare zones.

Fare collection

Fare collection will be automated – CVX and Mooney BRT will employ all-door boarding, proof-of-payment fare collection. Parties will determine process for “cash” payment; default will be vending on vehicles with a premium charge.

As a condition of the TIRCP grant, Visalia Transit and TCRTA must accept Cal-ITP fare payment processes.

Subsidy

Subject to the availability of funds therefor, TCAG commits to funding reasonable net operating expenses for the CVX and Mooney BRT services. Operating costs will be based on revenue vehicle hours multiplied by the average operator-wide fully allocated hourly cost of service (revenue vehicle hours) as budgeted; invoicing shall be quarterly. Fully allocated hourly cost of revenue service has the same meaning as that reported in the National Transit Database reports. After required end-of-fiscal year audits, TCAG shall be credited for any expenses and payments in excess of the actual average hourly costs.

Fare revenue will be credited against TCAG’s contributions, including passenger fares, on-board advertising revenue (if any), and contributions from other public agencies including, but not limited to, other metropolitan transportation organizations, regional transportation planning agencies, congestion management agencies, county transportation authorities, and other public transportation operators such as the San Joaquin Joint Powers Authority and the California High-Speed Rail Authority (or their operating contractors). Revenue generated from stations, stops, and terminals is not subject to TCAG revenue sharing.

Pursuant to Section 10 Annual Budget review, the audited hourly rates and service expended, along with other revenues received, will be reported and provided to TCAG by City and TCRTA.

15. **Payments and Reporting.** [TBD]

Payments [TBD]

Reporting – Some performance details (passenger counts, missed trips, on-time performance, on-board technology, vehicle availability) will be collected automatically through connected-system technology or through other independent sources/techniques. Data can be shared in real time among the Parties and may be used to assess financial incentives/penalties. Reports detailing vehicle cleaning, customer satisfaction, and staff performance shall be generated by City and/or TCRTA for consideration at the quarterly service reviews. Routine schedule changes will be updated in Visalia Transit/TCRTA's General Transit Feed Specification (GTFS) information within 24 hours of the implementation of the change to support the operation of a variety of external travel platforms.

16. **Operator Incentives.** City and TCRTA's transit contractors will be subject to a range of performance standards against which they must report to TCRTA and TCAG to ensure the consistent delivery of high-quality transit services. Appendix C identifies a performance reporting schedule. TCAG will allow financial incentives payments to the contract operators for exceeding standards, while penalties may be assessed for failure to meet standards.

17. **Staff.** Each Party shall designate a principal contact person for that Party, who may be changed from time to time, and such other appropriate staff members and consultants to participate on such Party's behalf in activities undertaken pursuant to this MOU. The principal contact person for each Party shall be responsible for coordinating meetings and other activities under this MOU with the principal contact person for the other Parties. Meetings shall occur as the principal contacts determine are necessary, and each Party shall make its expertise and resources reasonably available for activities under this MOU.

18. **Notices.** Any formal notice or other formal communication given under the terms of this MOU shall be in writing and shall be given personally, by electronic mail or by certified mail, postage prepaid and return receipt requested. Any notice shall be delivered or addressed to the parties at the physical addresses or electronic mail address set forth below or at such other address as shall be designated by notice in writing in accordance with the terms of this MOU. The date of receipt of the notice shall be the date of actual personal service or confirmed electronic transmission, or three days after the postmark on certified mail.

If notice is given to the TCAG:

If notice is given to TCRTA:

If notice is given to City:

19. **Entire Agreement.** This MOU incorporates the entire and exclusive agreement of the Parties with respect to the matters described herein and supersedes all prior negotiations and agreements (written, oral or otherwise) related thereto.

This MOU may be amended (including without limitation to add new Parties) only in a writing executed by all of the Parties.

20. Termination. This MOU shall remain in effect unless terminated by the mutual written consent of the Parties, or upon 30 days written notice of termination delivered by one Party to the others that is not withdrawn prior to the specified termination date; provided, that upon termination by one Party, the remaining Parties may by mutual written agreement continue this MOU in effect as between the non-terminating Parties. No Party shall be liable to any other if it elects to terminate this MOU.

21. Assignment. No rights and duties of any of the Parties under this MOU may be assigned or delegated without the express prior written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties without such consent shall be null and void.

SIGNATURES

APPENDIX A

ROUTES AND SERVICE

TBD

Includes Route/Stops & Stations/Draft schedules (from CSched)

Includes both CVX and Mooney BRT (options for Mooney BRT).

Preliminary Discussion Draft

APPENDIX B SERVICE CHANGE PROTOCOLS

TBD

Preliminary Discussion Draft

APPENDIX C

Performance reporting

Visalia Transit and TCRTA shall report performance standards as identified. These standards be assessed in quarterly service reviews.

On-time Performance – City and TCRTA shall be responsible for serving all scheduled stops on-time according to publicly published schedules. A bus is considered on-time if it departs no more than 5 minutes after its scheduled departure time and does not depart earlier than scheduled. Buses may arrive early at terminals.

Missed/Canceled Trips – No operating assistance will be credited or provided for the trips not operated, and increasing levels of penalties shall be assessed each quarter should more trips be missed or canceled.

Vehicle Cleaning/Maintenance – The contracted transit operators shall be responsible for keeping the exterior and interior of the vehicles reasonably clean, with fully functioning air conditioning, heating, and reading lights. A complete bus cleaning schedule can be found in Schedule A.

Staff performance – On-board staff shall abide by standards set forth in Schedule A.

Customer Satisfaction – As part of the marketing task outlined in Schedule A, each quarter a passenger survey shall be conducted that asks a random sample of riders to rate their levels of satisfaction with the bus service. Results from a minimum number of passengers are compiled to produce Customer Satisfaction Index (CSI) scores. CSI scores are compiled quarterly, and the Carrier will receive incentive payments for achieving target scores.

Ridership – Bus ridership shall be considered a metric for the success of the system. Ridership shall be measured as a percentage of vehicle capacity occupied. Occupancy targets shall increase over time as the system expands, and incentives shall be awarded for reaching base and stretch targets. The methodology for determining ridership targets is detailed in **Section xx**.

Performance Metric	FOR DISCUSSION	Interagency Agreement between King County Metro & Sound Transit	National Railroad Passenger Corporation and the State of New York	Joint Service Agreement between NYSDOT and Butler Motor Transit
On-time performance	Buses depart no more than 5 minutes after their scheduled departure time and do not leave early (early arrival at terminals is allowed) Threshold: $\geq 95\%$ of all trips. Incentives offered for low cumulative delay minutes at the end of each quarter (0–45 minutes, 46–120 minutes, 121–175 minutes).	$\geq 85\%$ of scheduled time points completed up to 1 minute early and less than 5 minutes late	No penalty for arrivals < 5 minutes late, increasing amounts for 6-10 mins (\$200), 11-20 (400), and 21+ mins late (\$1,000). Delay reasons clearly defined. Incentives awarded for low monthly delay minutes (0–45 minutes, 46–120 minutes, 121–175 minutes).	Flat-rate penalty (\$100) per incident when >5% of quarterly stops are missed and/or arrived at 15 minutes past schedule or less than 5 minutes before connecting service.
Missed/cancelled trips	$\leq 0.1\%$ of whole bus trips not operated as percent of total trips regardless of reason.	$\leq 0.1\%$ whole bus trips not operated as percent of total trips regardless of reason	Flat-rate penalty (\$2,000) for any canceled or suspended train.	Penalty assessed for more than 1.2% of trips missed. Higher penalties for 1.2%-2.5% and 2.5%+. Penalty amount based on current mileage formula rate.
Vehicle cleaning	Vehicles are kept clean by strict adherence to vehicle cleaning schedule. Threshold: $\geq 95\%$ of bus trips are completed with buses that have undergone cleaning requirements (see Section XX Schedule A).	$\geq 90\%$ completed interior bus detailing; $\geq 95\%$ completed exterior bus wash	N/A	Flat-rate penalty per day (\$200) when vehicle is not cleaned to standard. Penalty increases (to \$500) for each subsequent day.
Staff performance	Full standards TBD. Flat-rate penalty for each violation of standards (\$1,000). Additionally, financial incentive rewarded (amount TBD) for incident-free quarters.	N/A	Full standards detailed in Service Standards Manual. Flat-rate penalty for each violation of standards (\$1,000).	N/A
Customer satisfaction	Incentive payments awarded when $\geq 85\%$ of customers express somewhat or very high levels of satisfaction with	15 customer complaints per 100,000 boardings.	Base and stretch targets set for satisfactory CSI scores. Targets and incentives vary for different routes. Incentives for stretch	N/A

	service. Precise amounts TBD.		targets 2x those for base targets. Range from \$184–\$7,828.	
Use of Non-Conforming Vehicles	Penalty assessed when more than 2.5% of trips are made with non-conforming vehicles.	N/A	N/A	Penalty assessed when more than 2.5% of runs made with non-conforming vehicles. Penalty amount based on # of miles run with non-conforming buses.
Ridership	City will monitor ridership (at stop level). Target capacity figures will be set from observed ridership levels and agreed upon in writing. Incentive payments will be made retroactively based on demand that exceeds the expected growth rate	N/A	N/A	NA
On-board technology	All on-board technology (Wi-Fi, AVL, APC, TSP) is fully functioning Threshold: $\geq 98\%$ of operating hours. Precise incentives TBD.	N/A	N/A	N/A

Preliminary