

**FUND TRANSFER AGREEMENT
BY AND BETWEEN THE
TEHAMA COUNTY TRANSPORTATION COMMISSION AND
REDDING AREA BUS AUTHORITY**

**FOR THE PURPOSE OF SUPPORTING EXPANDED INTERCITY
TRANSIT CONNECTIVITY BENEFITING TEHAMA COUNTY
RESIDENTS AND TRAVELERS ALONG THE INTERSTATE 5 CORRIDOR
AND AMTRAK COAST STARLIGHT, GOLD RUNNER AND CAPITOL
CORRIDOR ROUTES.**

This Fund Transfer Agreement, hereinafter referred to as the "Agreement," is made and entered into between TEHAMA COUNTY TRANSPORTATION COMMISSION, a Regional Transportation Planning Agency, hereinafter referred to as "TCTC," and the REDDING AREA BUS AUTHORITY (RABA). TCTC and RABA are hereinafter collectively referred to as the "Parties" or individually as a "Party."

This Agreement establishes the terms under which TCTC will transfer Congestion Mitigation and Air Quality (CMAQ) funds to RABA to support expansion of RABA's intercity bus services that enhance mobility for Tehama County residents, Shasta County residents, and other travelers on I-5, including connections to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains and other regional and statewide transit providers.

This Agreement shall become effective upon execution upon the signature of RABA as shown on the signature page.

WITNESSES THAT:

WHEREAS, RABA is a public transportation operator that provides services in Shasta County, and is eligible to apply for and receive State, Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) transit funding for capital, operating and planning assistance for the delivery of public mass transportation; and

WHEREAS, TCTC is the Regional Transportation Planning Agency for Tehama County, directed by a duly comprised board of directors of elected officials responsible for carrying out federal, and state regulations, and statutes for planning and coordination; and

WHEREAS, TCTC has received FHWA Congestion Mitigation Air Quality (CMAQ) funding for the purpose of supporting transportation projects that improve air quality and mobility.

WHEREAS, TCTC desires to allocate \$200,000 in CMAQ funds for the first year and \$100,000 annually thereafter to assist RABA in expanding intercity transit connectivity that benefits Tehama County residents, including access to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains and other statewide transit systems.

WHEREAS, RABA has an existing memorandum of understanding with the San Joaquin Joint Powers Authority and an agreement with Amtrak to operate bus service between Redding, Red Bluff and Chico and intends to expand that service along I-5 to Sacramento, enhancing connectivity to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains and California's intercity network, as funding becomes available; and

WHEREAS, WHEREAS, TCTC's transfer of CMAQ funds is intended to support eligible costs of RABA expanding

its existing intercity operations in a manner that directly benefits Tehama County riders and the parties agree that the funding will be administered consistent with federal requirements as described in Exhibit A (Scope of Work) and Exhibits B, C, and D, which include applicable FTA references:

1. FTA Master Agreement, as amended (Exhibit B)
2. FTA Certifications and Assurances, as amended (Exhibit C); and
3. FTA Circular 9040.1H (Formula Grants for Rural Areas) Circular, as amended (Exhibit D); and

WHEREAS, the Parties recognize the mutual benefit of coordinating to expand intercity transit connectivity serving Tehama County residents, Shasta County residents, and travelers along I-5, including improved transfer opportunities to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains and other regional and statewide transit carriers; and

WHEREAS, the parties recognize the mutual benefit of RABA utilizing regional funding to provide the specified services that will result in improved quality of life opportunities to Tehama and Shasta Counties.

NOW, THEREFORE, IT IS HEREBY AGREED by and between the parties hereto as follows:

1. **AGREEMENT PURPOSE AND INTENT:** The purpose and intent of this Fund Transfer Agreement is to:
 - A. Set forth the basic structure for the Parties to cooperate in the administration of funds supporting expanded intercity transit connectivity, as described in Exhibit A (Scope of Work), which is attached hereto and incorporated herein;
 - B. Establish a cooperative and mutually beneficial funding relationship through which TCTC will transfer CMAQ funds to RABA to support the expansion of RABA's intercity bus service along I-5 between Redding, Red Bluff, and Sacramento, improving access for Tehama County riders to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains and other statewide transit systems;
 - C. Identify the roles and responsibilities of TCTC and RABA in the administration, reporting, and eligible use of transferred funds;
 - D. Ensure that FHWA funds flexed to FTA funds are managed in compliance with federal requirements; and
 - E. Ensure that state funds are managed in compliance with all applicable state and federal requirements.
2. **TERM OF AGREEMENT:** The term of this Fund Transfer Agreement shall begin upon the signature of RABA and shall continue on an annual funding cycle basis unless terminated by either Party with a thirty (30) calendar days' written notice.
3. **RESPONSIBILITIES OF RABA:**
 - A. Prior to TCTC submitting the CMAQ funding application or amendment, TCTC and RABA shall coordinate to prepare the required project scope, budget, and supporting documentation to ensure all eligible activities and costs are captured.
 - B. RABA will provide TCTC with access to information, data, reports, records, maps and other such information which are in possession of or readily available to RABA, as necessary to document use of funds and performance of activities described in Exhibit A (Scope of Work).
 - C. RABA will provide TCTC with all necessary data, reports, invoices, maps, or other information necessary to support grant administration, reporting, invoicing, and/or other activities required for TCTC to administer the CMAQ funding transfer and ensure compliance with applicable federal and state requirements.
 - D. RABA shall remain the sole operator and project lead for its intercity public transit service between Redding, Red Bluff, and Sacramento along I-5.
 - E. RABA shall utilize the funding provided under this Agreement shall be used solely to support eligible

operational and administrative costs associated with expanding service that benefits Tehama County riders, including improved connectivity to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains and related intercity transit systems.

RABA shall provide to TCTC reasonable access to all records, documents, and/or equipment necessary to verify the proper use of funds and compliance with this Agreement. Notwithstanding the foregoing or any other provision in this Agreement, RABA's proprietary information or otherwise confidential or privileged materials shall not be provided to TCTC unless authorized by RABA's General Counsel in accordance with California state law.

4. RESPONSIBILITIES OF TCTC:

- A. Prior to TCTC submitting the CMAQ funding application or amendment, TCTC and RABA shall coordinate to prepare the required project scope, budget, and supporting documentation to ensure all eligible activities and costs are captured.
- B. TCTC shall provide RABA with access to information, data, reports, records, maps and other such information that are in its possession or readily available to TCTC as necessary to support administration of the CMAQ funding transfer and completion of the Scope of Work described in Exhibit A.
- C. TCTC will oversee the administration and reporting of all federal, state, or local funds transferred under this Agreement, including CMAQ or other eligible sources, to ensure compliance with applicable federal and state requirements. TCTC's oversight shall be limited to verifying that funds are used for eligible purposes that enhance mobility for Tehama County residents through RABA's intercity transit services along I-5 and connections to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains.
- D. TCTC will provide RABA with any data, reports, or documentation necessary to support RABA's grant reporting, invoicing, or audit compliance obligations under this Funding Transfer Agreement. TCTC further agrees to provide to RABA access to all records, documents, and/or equipment reasonably necessary to verify compliance with this Agreement and facilitate the efficient transfer and tracking of funds.

5. OBLIGATIONS OF THE PARTIES; SCOPE OF SERVICES: The Parties shall carry out the activities described in Exhibit A (Scope of Work), which define the eligible uses of TCTC's CMAQ funding and the associated reporting and compliance responsibilities. The Parties agree during the term of this Fund Transfer Agreement to cooperate in good faith to ensure that transferred funds are administered and expended solely for eligible purposes that expand intercity transit connectivity benefiting Tehama County riders, including improved transfer opportunities to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains and other regional and statewide carriers. RABA shall perform the transit service activities described in Exhibit A, and TCTC shall perform funding administration and oversight consistent with applicable federal and state requirements.

6. COMPENSATION: TCTC shall transfer up to \$200,000 in CMAQ funding to RABA during the first year of this Agreement to support eligible operational and administrative expenses incurred by RABA related to the expansion of RABA's intercity bus service that benefits Tehama County residents, including improved connections to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains and other statewide transit providers. RABA may charge allowable operating and administrative costs to this grant in accordance with federal cost principles based on RABA Board of Directors adopted fully allocated rate for transit services.

For each subsequent federal fiscal year following the initial year, TCTC shall transfer up to \$100,000 in CMAQ funding to RABA on a reimbursable basis as defined in Section 7, subject to continued eligibility and funding availability. RABA shall charge eligible expenses related to the approved scope of work, including operating costs and allowable indirect costs, consistent with applicable FTA and FHWA requirements. TCTC and RABA shall coordinate annually to update scopes and budgets for inclusion in future CMAQ applications.

If a local or state match is required for federal participation, RABA shall identify and document the match source through a letter to TCTC's designated contract. TCTC's total financial obligation under this Funding Transfer Agreement shall not exceed the amounts specified above unless expressly authorized by the TCTC Board.

The detailed Project Budget attached as Exhibit E shall be incorporated into future CMAQ grant applications administered by TCTC.

7. **REQUEST FOR REIMBURSEMENT:** RABA may request reimbursement for eligible costs incurred in carrying out the activities identified in Exhibit A (Scope of Work) on a reimbursement basis, in arrears, and only for actual eligible costs, as follows:

- A. Invoices shall meet all the requirements of this Fund Transfer Agreement and be itemized using RABA's fully allocated hourly rate based on the number of service hours off the schedule shown in Exhibit A.
- B. Appropriate documentation must accompany each invoice to substantiate all costs claimed for reimbursement. Documentation may include, but is not limited to, employee classifications and hourly rates, contractor invoices, proof of payment, and a description of the work or service performed during the billing period.

Incomplete or disputed invoices may be returned to RABA unpaid for correction. TCTC shall provide RABA with a detailed explanation of the corrections needed and if a dispute continues, the Executive Director of TCTC and Executive Officer of RABA shall meet and confer to resolve the dispute. Corrected invoices must be resubmitted to TCTC prior to the payment of the invoice.

- C. Upon TCTC's review and acceptance of an undisputed invoice, TCTC shall reimburse RABA for eligible costs, within thirty (30) calendar days. Reimbursement is contingent on the continued availability of CMAQ or other applicable funds and on compliance with all federal and state funding requirements.

8. **ADMINISTRATION OF AGREEMENT:** The Executive Director of TCTC (or designee), and the Executive Officer (or designee) of RABA are the primary individuals responsible for ensuring compliance with the provisions specified in this Fund Transfer Agreement and are authorized to act on behalf of their respective agencies to implement, administer, and amend this Agreement consistent with its terms.

9. **PROJECT MANAGEMENT FOR THIS FUND TRANSFER AGREEMENT:** For RABA, the Project Manager shall be the Transit Manager or designee. For TCTC, the Project Manager shall be the Deputy Director of Public Works – Transportation or designee.

Each Party shall promptly notify the other in writing of any change in its designated Project Manager or designee as soon as reasonably practicable. The Project Managers shall serve as the primary day-to-day contacts for all matters relating to this Funding Transfer Agreement, including coordination of reimbursement requests, reporting, and documentation of regional benefits to Tehama County riders and connections to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains.

10. **CONFIDENTIALITY:** In connection with the Parties' activities under this Fund Transfer Agreement, each Party may be given access to certain proprietary or confidential information. Each Party agrees to the confidentiality of all such information and shall not disclose it to any third party except as authorized in writing by the originating Party, , or as otherwise required by law. Nothing in this section shall restrict either Party from disclosing records that are subject to the California Public Records Act or other applicable disclosure laws. Each party shall notify the other of such disclosure requests and requirements

at least five (5) business days before disclosure to allow a reasonable opportunity to object to production. If no action is taken to legally withhold the requested information within said period, the records may be released in accordance with the law.

11. **INDEMNIFICATION AND LIMITED LIABILITY:** Each Party shall indemnify, defend, and hold harmless the other Party, its officers, officials, employees, and agents from and against any and all claims, demands, liabilities, damages, losses, costs, or expenses (including reasonable attorneys' fees) arising out of or resulting from the negligent acts, errors, or omissions of the indemnifying Party or its officers, employees, or agents in connection with this Funding Transfer Agreement.

Nothing in this section shall be construed to create liability for either Party for the acts or omissions of the other Party, nor to waive any immunities or defenses available under the California Government Code or other applicable law. This provision shall survive the termination or expiration of this Funding Transfer Agreement.

12. **TERMINATION OF AGREEMENT:** This Fund Transfer Agreement shall terminate upon any of the following events:

- A. Termination due to Loss of Funding – This Funding Transfer Agreement may be terminated immediately upon written notice should CMAQ or other applicable funding cease, be withdrawn, or be materially reduced, during the term of this Fund Transfer Agreement.
- B. Termination for Default - Should either Party default in the performance of its duties and/or obligations under this Fund Transfer Agreement or materially breach any of its provisions, the non-defaulting Party may, in its option, terminate this Fund Transfer Agreement by giving the defaulting party at least fourteen (14) calendar days prior written notification.
- C. Termination for Convenience: Either Party may terminate this Funding Transfer Agreement without cause by providing thirty (30) calendar days' written notice to the other Party.
- D. Wind Down and Closeout - Upon termination, the Parties shall cooperate to close out all financial and reporting obligations associated with this Funding Transfer Agreement, including the orderly transfer or reassignment of any active grants, documentation, or related materials held by either Party to an entity designated by TCTC for continued administration. RABA may retain CMAQ funds already reimbursed under this Agreement to complete eligible activities through the end of the federal fiscal year in which notice of termination was provided.
- E. Effect of Termination – Termination shall not relieve either Party of its obligation to comply with audit, record-retention, or indemnification provisions that by their nature extend beyond the termination date.

13. **AGREEMENT AMENDMENTS:**

This Funding Transfer Agreement may be amended only by written consent of both Parties. All amendments that affect the total funding amount, scope of work, or term shall require approval by the governing Boards of TCTC and RABA, unless each Board has formally delegated such authority in writing to its Executive Director or Executive Officer. Administrative or technical amendments that do not alter the total funding commitment may be executed by the Executive Director of TCTC (or designee) and the Executive Officer of RABA (or designee).

14. **HEADINGS NOT DETERMINATIVE:**

- A. Section and paragraph headings in this Funding Transfer Agreement are for reference only and shall not affect interpretation or construction of its provisions.

15. **NOTICE:** Any formal notice with regard to this Fund Transfer Agreement shall be in writing and either

personally delivered, either in person or by email, or sent by First Class U.S. Mail, postage prepaid, addressed or emails follows:

TCTC:

Deputy Director of Public Works – Transportation
Tehama County Transportation Commission
Tehama County Transit Agency Board
1509 Schwab Street
Red Bluff, CA 96080
Email: jriskegomez@tehamartpa.org

RABA:

Transit Manager
Redding Area Bus Authority
3333 South Market Street
Redding, CA 96001
Email: RABA@RABAride.com

16. **RECORDS:** Each Party shall maintain complete and accurate financial and programmatic records relating to its performance under this Funding Transfer Agreement, including ledgers, books of account, invoices, vouchers, cancelled checks, and other documents evidencing expenditures or disbursements of funds.
 - A. RABA shall maintain all documents and records, which demonstrate performance under this Agreement. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit by the TCTC Counsel, TCTC Executive Director, or a designated representative of either of these officers.
 - B. TCTC shall maintain all documents and records, which demonstrate performance under this Agreement. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit by the RABA General Counsel, RABA Executive Officer, or a designated representative of either of these officers.
 - C. The Parties, the Comptroller General of the United States, the State of California, and their duly authorized representatives shall have the right, for purposes of audit and examination, to inspect and copy any books, records, accounts, or other data pertaining to activities funded under this Agreement. Retention Period - All records required to be maintained under this Funding Transfer Agreement shall be retained for not less than three (3) years after final payment or longer if required by federal or state law. Each Party's designated representative may inspect or copy such records during normal business hours upon reasonable advance notice.

Signatures on the next page

Agreement Authorization:

By our signature below, we certify that the respective Board of Directors have authorized entering into this Agreement on behalf of each agency, effective the last date of signature to this document.

TCTC:

Date Executed: _____

Tehama County Transportation Commission (TCTC)

By: _____

Attest:

Approved as to Form: Attached

RABA:

Date Executed: _____

Redding Area Bus Authority (RABA)

By: _____

Attest:

SHARLENE TIPTON, RABA Clerk

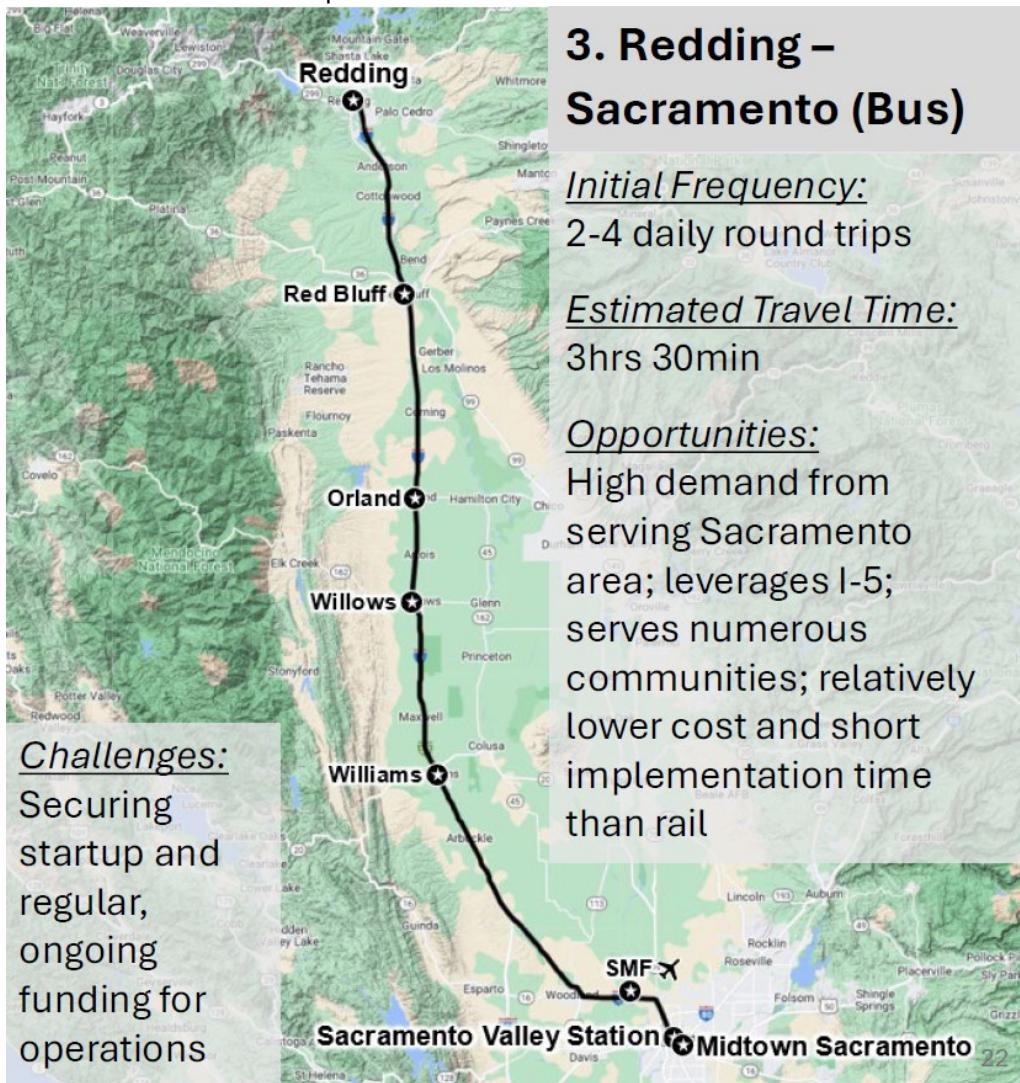
Approved as to Form:
CHRISTIAN M. CURTIS
GENERAL COUNSEL

Exhibit A – Scope of Work

RABA will operate and manage the operation of two (2) to four (4) round trips of an intercity bus service traveling between Redding and Sacramento with stops in Red Bluff at the Red Bluff Bus & Ride, seven (7) days a week, 365 days a year. This intercity public transit service operates solely under the direction of RABA in partnership with the San Joaquin Joint Powers Authority (SJPA), National Railroad Passenger Corporation (Amtrak) and TCTC and is designed to enhance mobility for Shasta and Tehama County residents by improving connectivity along the Interstate 5 corridor and providing direct transfer opportunities to Amtrak's Coast Starlight, Gold Runner and Capitol Corridor trains and other statewide intercity transit systems. RABA maintains existing coordination with the Amtrak and SJPA for route integration and ticketing. RABA may subcontract with a qualified third-party provider for operations and maintenance of the intercity bus service, provided that all such activities remain compliant with applicable federal and state requirements and are consistent with the approved scope of work.

RABA shall provide all necessary supplies, equipment, vehicles, fuel, tools and other resources as required to operate and maintain an intercity bus service along I-5 through Tehama County in support of the regional mobility and air quality goals identified by TCTC.

While the schedule and route map may vary based upon a variety of factors and at RABA's sole discretion, a representative schedule and route map is shown below:



I-5 Backbone Timetable				
Southbound				
		Trip 2	Trip 3	
Redding	Downtown Transit Center	9:20 AM	1:20 PM	Transfer to 299W, RABA, Sage Stage, Trinity Transit, FlixBus, Greyhound
Redding	Redding Regional Airport	9:40 AM	1:40 PM	Transfer to RABA
Red Bluff	Red Bluff Bus & Ride	10:15 AM	2:15 PM	Transfer to TRAX
Orland	9th Street / SR 32 39.748750, -122.202419	11:00 AM	3:00 PM	Transfer to Glenn Ride, TRAX
Sacramento	Sacramento International Airport Terminals A (38.692583, -121.588691) and B (38.691222, -121.590620) Sacramento Valley Station 38.584614, -121.501287	11:43 AM	3:43 PM	<i>To Chico</i>
		12:43 PM	4:43 PM	<i>To Chico (Sat)</i>
		9:06 AM	1:36 PM	<i>From Chico</i>
		10:36 AM	2:36 PM	<i>From Chico (Sat)</i>
Sacramento	Sacramento International Airport Terminals A (38.692583, -121.588691) and B (38.691222, -121.590620) Sacramento Valley Station 38.584614, -121.501287	12:35 PM	4:35 PM	Transfer to SacRT, Yolobus
		12:55 PM	4:55 PM	Transfer to SacRT, Yolobus, Roseville Transit, Yuba-Sutter Transit, SCT/LINK, Amtrak San Joaquin, Capitol Corridor
		Bus 2	Bus 1	
		3.58	3.58	
Northbound				
		Trip 2	Trip 3	
Sacramento	Sacramento Valley Station	2:45 PM	5:45 PM	Transfer to SacRT, Yolobus, Roseville Transit, Yuba-Sutter Transit, SCT/LINK, Amtrak San Joaquin, Capitol Corridor
	Sacramento International Airport	3:00 PM	6:00 PM	Transfer to SacRT, Yolobus
Orland	9th Street / Walker	4:20 PM	7:20 PM	Transfer to Glenn Ride, TRAX
Red Bluff	Red Bluff Bus & Ride	5:38 PM		<i>To Chico</i>
		5:36 PM		<i>From Chico</i>
		4:43 PM		<i>To Chico (Sat)</i>
		6:36 PM		<i>From Chico (Sat)</i>
Redding	Redding Regional Airport	5:50 PM	8:50 PM	Transfer to TRAX
Redding	Downtown Transit Center (arrives)	6:15 PM	9:15 PM	Transfer to RABA
Redding	Downtown Transit Center (arrives)	6:30 PM	9:30 PM	Transfer to 299W, RABA, Sage Stage, Trinity Transit, FlixBus, Greyhound
PM Times in BOLD.		Bus 2	Bus 1	

Exhibit B – FTA Master Agreement

The FTA Master Agreement, as amended can be accessed here:

<https://www.transit.dot.gov/funding/grantee-resources/sample-fta-agreements/fta-grant-agreements>

Exhibit C – FTA Certifications and Assurances

[To be attached]

Exhibit D – FTA Circular 9040 1.H

The FTA Circular 9040 1.H. as amended can be accessed here:

<https://www.transit.dot.gov/regulations-and-programs/fta-circulars/formula-grants-rural-areas-program-guidance>

Exhibit E – Project Budget

	Base Year 1	Base Year 2	Base Year 3	Base Year 4	Base Year 5	Base Year 6	Base Year 7	Option Year 1	Option Year 2	Option Year 3
	6/1/2025-6/30/2026	7/1/2026-6/30/2027	7/1/2027-6/30/2028	7/1/2028-6/30/2029	7/1/2029-6/30/2030	7/1/2030-6/30/2031	7/1/2031-6/30/2032	7/1/2032-6/30/2033	7/1/2033-6/30/2034	7/1/2034-6/30/2035
2 Trips Expense	\$ 750,863	\$ 788,407	\$ 827,827	\$ 869,218	\$ 912,679	\$ 958,313	\$ 1,006,229	\$ 1,056,540	\$ 1,109,367	\$ 1,164,836
Amtrak Fares - 10% Y1 to Y4, 25% Y5 to Y10 recovery	\$ (75,086)	\$ (78,841)	\$ (82,783)	\$ (86,922)	\$ (228,170)	\$ (239,578)	\$ (251,557)	\$ (264,135)	\$ (277,342)	\$ (291,209)
Bus Only Fares - 2% Y1 to Y4, 5% Y5 to Y7, 10% Y8 to Y10 recovery	\$ (15,017)	\$ (15,768)	\$ (16,557)	\$ (17,384)	\$ (45,634)	\$ (47,916)	\$ (50,311)	\$ (105,654)	\$ (110,937)	\$ (116,484)
SJJPA	\$ (304,096)	\$ (358,798)	\$ (321,664)	\$ (400,000)	\$ (238,875)	\$ (270,819)	\$ (304,360)	\$ (286,751)	\$ (321,089)	\$ (357,143)
TCTC	\$ (200,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)
5311 (f)	\$ -	\$ -	\$ (228,488)	\$ (264,912)	\$ (300,000)	\$ (300,000)	\$ (300,000)	\$ (300,000)	\$ (300,000)	\$ (300,000)
Caltrans Division of Rail	\$ (156,664)	\$ (235,000)	\$ (78,336)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Surplus) or Deficit	\$ (0)	\$ 0								

2.05 Minimum Revenue Guarantee

If fare revenues from ticket sales for RABA's service between Redding and Chico do not cover the operating costs for the service, SJJPA will authorize Amtrak to reimburse RABA for any difference in revenue minus costs, up to \$392,145 for year 1 and adjusted annually thereafter based on realized fare revenue collection and the rate paid to RABA's transit operations contractor. Amtrak will then invoice SJJPA quarterly to cover any deficit as the revenue guarantee for RABA. This guarantee would also apply to RABA extending service between Redding and Sacramento via the I-5 corridor, up to \$400,000 annually. This minimum revenue guarantee is subject to the annual approval of the SJJPA Business Plan. The overall goal for this service is that over time, ridership would grow so that passenger revenue, inclusive of all markets (bus and rail destinations), will exceed the cost of this thruway bus service. Under no circumstance shall RABA subsidize this route. Should the subsidy and fare amount not cover the cost of the service, RABA reserves the right to reduce the service to match the available subsidy or provide notice to terminate the MOU due to lack of funding.

Assumptions made:

1. Amtrak fares start at 10% recovery in years 1 to 4, increases to 25% recovery in years 5 to 10
2. Bus only fares start at 2% recovery in years 1 to 4, increases to 5% in years 5 to 7 and 10% in years 8 to 10
3. Assumes TCTC funds first three years. Years 4 to 10 is conditional upon Caltrans acceptance of TCTC response regarding CMAQ eligibility for new
4. Assumes Caltrans will award 5311 (f) starting in Year 3 to replace State Rail Assistance. While Year 1 application is being reviewed, its question could apply again in Year 2.
5. Assumes no expansion beyond two trips.
6. Bus only fares also include RABA selling tickets through Greyhound/Flixbus platform. Flixbus keeps a percent of the sales.
7. RABA's fully allocated cost used with MTM costs, increased by CPI with MTM's costs @ 5%