

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
SAN JOAQUIN COUNCIL OF GOVERNMENTS,
AND
CITY OF LODI
(Contract# C-25-081)

***“Regarding the Coordination of Ongoing Transit Planning and Programming of Federal Funds that Support the Ongoing and Future Deployment of Transit Services in the San Joaquin Region*”**

This Memorandum of Understanding (MOU) is entered into between the SAN JOAQUIN COUNCIL OF GOVERNMENTS (SJCOG) and the CITY OF LODI, hereinafter referred to as the “Parties” and singularly as “Party”, as of this ___ day of _____, 2026.

WITNESSES THAT:

WHEREAS, CITY OF LODI is a public transportation operator that provides service in the Lodi urbanized area and is eligible to apply for and receive Federal Transit Administration (FTA) and/or Federal Highways Administration (FHWA) transit funding for capital, operating, and planning assistance for the delivery of public mass transportation; and

WHEREAS, SJCOG is the Regional Transportation Planning Agency (RTPA) for the county of San Joaquin, and the cities therein, and is the Metropolitan Planning Organization (MPO) for the San Joaquin region, directed by a duly comprised Board of Directors of elected officials; and

WHEREAS, SJCOG also utilizes a committee structure that represents all of the transit operators in the region, which is called the Interagency Transit Committee (ITC), to advise the SJCOG Board on all planning and policy questions for transit issues of regional concern; and

WHEREAS, the California Department of Transportation “Caltrans” is the designated recipient for the Lodi urbanized area; and

WHEREAS, SJCOG, CITY OF LODI, Caltrans, and the transit operators in the San Joaquin region rely upon a cooperative relationship to foster comprehensive regional transit planning which feeds directly into state and national planning; and

WHEREAS, this MOU (Contract #C-25-081), replaces and supersedes the existing Transit MOU between the Parties (Agreement #C-17-025); and

WHEREAS, this MOU describes the planning and programming relationship between SJCOG and the CITY OF LODI ; and

WHEREAS, the Bipartisan Infrastructure Law (BIL) as enacted in the Infrastructure Investment and Jobs Act (IIJA), requires MPOs to work cooperatively with public transit operators to develop Regional Transportation Plans (RTPs) and Federal Transportation Improvement Programs (FTIPs) for urbanized areas. These are intended to further the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems to serve the mobility of people and freight and foster economic growth and development within and through urbanized areas, while minimizing transportation-related fuel consumption and air pollution; and

WHEREAS, the BIL also requires MPOs to work cooperatively with public transit operators to implement performance-based planning and programming for urbanized areas, which are intended to enhance the safety of the nation’s public transportation systems, ensure that those systems are in a state of good repair, and provide increased transparency into agencies’ budgetary decision-making processes; and

WHEREAS, the FTA in 23 Code Federal Regulations Section 450.310, requires either an MOU or an overall (unified) planning work program between the MPO and all local authorities and transit operators receiving FTA funds to specify the procedures for carrying out transportation planning and fund programming; and

WHEREAS, it is understood by the parties that Caltrans, in its role as the federal designated recipient will work cooperatively with the CITY OF LODI as it relates to the allocation and split of funds in the Lodi Urbanized area for the FTA Program(s) to be included in the TIP.

NOW, THEREFORE, in consideration of the mutual benefits to the transit operators and jurisdictions hereto, and in consideration of the covenants and conditions herein contained, SJCOG, and CITY OF LODI, agree as follows:

SECTION 1: Cooperative Relationship

1.1 MOU Purpose and Intent

The purposes of this MOU are to:

- a. Set forth the basic structure for cooperative planning and decision-making regarding transit planning and programming between SJCOG, CITY OF LODI, and transit operators in the San Joaquin region; and
- b. Foster a mutually beneficial working relationship between the Parties for the provision of comprehensive, effective, and coordinated transit planning between each jurisdiction’s public mass transportation system; and
- c. Identify the regional transit planning responsibilities, in coordination with Caltrans, as the designated recipient, for programming federal funds within the SJCOG FTIP; and
- d. Recognize that Caltrans will fulfill its role to determine the process for the allocation of federal funds in the Lodi urbanized area (UZA) in compliance with federal requirements;

The intent of this MOU is to:

- a. Articulate a transparent process for funding transit projects with federal dollars in full accordance with federal and state regulations; and
- b. Support implementation of a performance-based approach to transportation decision making; and
- c. Foster economies of scale through assistance in the coordination of funding for mutually beneficial capital projects, including shared transit facilities and bus purchase contracts; and
- d. Provide for coordinated planning and foster coordinated services; and
- e. Apply federal transit dollars to implement transit priorities identified in the SJCOG Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS).

1.2 Representation on SJCOG Interagency Transit Committee

The ITC was created to improve communication among the transit agencies within San Joaquin County and serves as the primary committee to coordinate regional transit planning and programming of federal transit related funds. Representatives from transit operators in the region, as well as from SJCOG member agencies, are invited to serve on the ITC. The CITY OF LODI shall provide one (1) representative and one (1) alternate to serve on the ITC on matters that pertain to this MOU or shall identify an ITC representative from another agency/jurisdiction to serve as its representative. The CITY OF LODI agrees to work cooperatively with SJCOG, other transit operators and member agencies in ensuring the provision of coordinated, region-wide transit services. SJCOG shall coordinate and facilitate activities related to the ITC.

1.3 Communication and Agreements

A critical component of coordination involves open and productive communication. SJCOG is required to update the FTIP/RTP every even-numbered year and the RTP every four (4) years. Responsive communication between the Parties is imperative in order to meet this mandate.

Within the designated urbanized area, transit operators that meet the applicable federal requirements are eligible to apply for FTA and/or FHWA transit funding for capital, operating, and planning assistance for the delivery of public mass transportation under arrangements in accordance with federal laws, and through a process defined by the Caltrans as the designated recipient for the Lodi UZA.

Annual Certifications and Assurances Regarding FTA Grant Programs

By signing this Agreement, each Party, and its subrecipients, certifies to comply with the applicable Annual Certifications and Assurances for FTA Grant Programs, including the Urbanized Area Formula Grants (5307), published annually in the Federal Register, and agree to forward to SJCOG a signed copy of the Certifications and Assurances form for each year prior to the time the Party receives its first FTA Urbanized Area Formula Grants (5307) and Bus and Bus Facilities (5339) Programs grant award for the year.

Public Involvement

The federal regulations for metropolitan planning under BIL are incorporated within the SJCOG adopted public participation plan. Federal law requires that the MPO work cooperatively with the state department of transportation and the regional transit operators to provide citizens, affected public agencies, representatives of transportation agencies, freight shippers, private providers of transportation, representative users of public

transit, and other interested transit operators and jurisdictions a reasonable opportunity to comment on proposed transportation plans and programs.

To receive a FTA grant, a grant applicant must meet certain public participation requirements in development of the FTA programs. Per FTA Circular 9030.1E, Chapter IV, FTA considers a grantee to have met the public participation requirements associated with the annual development of the Program of Projects (POP) when the grantee follows the public involvement process outlined in the FHWA/FTA planning regulations for the TIP (see MOU Section 3).

All SJCOG public involvement efforts are consistent with Title VI of the Civil Rights Act and the Executive Order on Environmental Justice.

Funding Availability

SJCOG will make known funding opportunities that are administered by SJCOG through its regularly scheduled committees, the ITC, Social Service Transportation Advisory Council (SSTAC), and the Technical Advisory Committee (TAC).

1.4 Responsibilities

The Executive Director of SJCOG and City Manager of CITY OF LODI are the primary individuals responsible for ensuring compliance with the provisions specified in this MOU.

SECTION 2: Transit Planning

2.1 Planning Assistance

Upon request, or in order to maintain eligibility for federal funds, SJCOG will assist in the development of transit planning documents produced by either party. The type of assistance provided by SJCOG will include, but is not limited to, the following:

- a. Obtain and analyze data from various sources to develop concrete demographic, growth, and use assumptions for the purpose of transit forecasting and development (e.g., trip generation tables, census information, maps);
- b. Assist in obtaining state and federal funding of projects consistent with the SJCOG RTP/SCS and FTIP/RTP (e.g., completing paperwork, facilitating FTIP/RTP amendments);
- c. Provide a program through the FTIP/RTP or Overall Work Program (OWP) through which federal funds can be authorized for expenditure; and
- d. Support operators in our MPO function in compliance with BIL mandates

A final copy of all transit planning documents, including FTA Triennial Audits, National Transit Database, and State Controller Reports, as well as the transit asset management plans and safety plans produced by the Party, will be forwarded to SJCOG. This will assist SJCOG in overall transit planning coordination as well as ensuring that FTA and FHWA transit funds are used as planned, as per FTA and FHWA requirements.

2.2 Regional Planning (Regional Transit Coordination)

As part of its MPO role, SJCOG will coordinate cooperative planning efforts with the Party for the transportation system within the Party's jurisdiction as needed. SJCOG will also coordinate cooperative planning between the intraregional and interregional transit networks within the regional transportation system.

As the MPO, SJCOG will also be responsible for the development of required regional planning documents for the San Joaquin region, such as the RTP/SCS. The Party will provide technical information during the development of these regional planning documents through the SJCOG committee structure.

2.3 Long-Range Regional Transportation Plan - Regional Transportation Plan

SJCOG agrees to prepare, adopt and maintain, as required, a Long-range Regional Transportation Plan (RTP). In accordance with the planning regulations and FTA and FHWA guidance, the Parties to this MOU will participate in the development of SJCOG's RTP, referred to as the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). The RTP/SCS will assess the transportation needs of the region and set forth improvements necessary to address those needs over a minimum twenty (20) year period. SJCOG updates its RTP/SCS every four (4) years, consistent with federal and state guidelines.

In order to comply with the planning regulations and federal guidance for the development of the RTP/SCS, the Parties agree to work cooperatively in the refinement of the RTP through the conduct of and participation in multimodal transportation studies. The Parties also agree to provide information required to fully comply with the federal requirements. Examples of the types of information required to be provided to SJCOG by transit operators include, but are not limited to, the following:

- a. An overview of key performance measures of existing transit systems;
- b. Transit demand projections;
- c. Anticipated fleet replacement and expansion needs (Transit Asset Management Plan and targets and Agency Safety Plans and targets);
- d. Anticipated equipment replacement and rehabilitation needs;
- e. Anticipated facility needs;
- f. System improvement strategies with time frames for action;
- g. A financial plan, including expected revenues, planned expenditures, documentation of fiscal ability to operate and expand services and strategies to deal with potential funding support changes; and

To the extent that a current, adopted Short-Range Transit Plan, required by FTA for direct receipt of federal transit funding, includes the foregoing information, then providing SJCOG with a copy of a Short-Range Transit Plan will be deemed in compliance with the RTP information submittal requirements.

2.4 Short-Range Transit Plan

In response to FTA and FHWA planning regulations and guidance, and in accordance with SJCOG's Short-Range Transit Plan (SRTP) Guidelines, the Party will prepare SRTPs that set out transit planning and programming for a ten-year period. The SRTP will be updated every five years. These SRTPs will provide input for SJCOG's preparation of the Transportation Improvement Program. The SRTPs will address unmet

transit needs and service level sustainment, in addition to other agency-specific concerns. SRTPs shall contain a list of projects for future FTA and FHWA transit funding. The project list shall:

- a) Identify and describe the scope of the specific projects and services, which address ongoing and increased transit demands. These projects and services, which include but are not limited to, Americans with Disabilities Act (ADA) and Transportation Control Measures (TCMs), shall be described with sufficient detail (design, concept, and scope) to permit air quality conformity analysis to be performed by SJCOG. The list shall also address the issues related to unmet transit needs that are reasonable to meet.
- b) Identify the amount and type of federal and non-federal funds required to support the projects for each year represented in the Plan. In addition, the list shall identify anticipated discretionary funding estimates for the FTIP/RTP and RTP.

SJCOG will work cooperatively with the CITY OF LODI in their efforts to generate information needed to prepare their SRTPs and future updates. Furthermore, the SJCOG-adopted Regional Transit System Plan (RTSP) will serve as the basis for planning and programming.

2.5 Air Quality

Currently, the San Joaquin Valley (or portions thereof) is designated as in nonattainment with respect to Federal air quality standards for ozone, and particulate matter under 2.5 microns in diameter (PM_{2.5}); and has a maintenance plan for particulate matter under 10 microns in diameter (PM-10). Therefore, transportation plans and programs for the nonattainment areas for the San Joaquin County area must satisfy the requirements of the Federal transportation conformity regulation.

In nonattainment areas for air quality standards, the MPO is responsible for determining conformity of the TIP and RTP with the State Implementation Plan to achieve air quality standards. The goal is to ensure that transportation plans, programs, and projects do not adversely affect the region's air quality standards.

Conformity consultation in the San Joaquin Region is to be done in accordance with Title 40 Code of Federal Regulations section 93.105. Under these requirements, SJCOG consults with local governments and appropriate State and federal agencies on the TIP, RTP, conformity analysis, and the SJCOG Overall Work Program. For local government consultation, the Party and SJCOG will work collaboratively on amendments to the TIP and RTP and ensure those amendments are in compliance with air quality conformity requirements.

2.6 Overall Work Program

Since 1969, SJCOG has filled a variety of roles for its member jurisdictions and San Joaquin County, including serving as the Regional Transportation Planning Agency, Metropolitan Planning Organization, Airport Land Use Commission, Census Data Center, Congestion Management Agency, Local Transportation Authority, Regional Housing Needs Allocation, Lead Agency – Transportation Air Quality Attainment, and San Joaquin County Multi-Species Conservation Plan.

The Overall Work Program (OWP) is a management tool and is developed to address the core planning functions, tasks, and products that SJCOG will undertake to deliver during each fiscal year. SJCOG develops its annual program of projects in consultation with interested transit operators and local government agencies.

Through a collaborative process with federal, state and local agencies, SJCOG also seeks input on the OWP from the public on key issues facing the San Joaquin region. Planning for the OWP is a continuous process. Each year, the draft OWP is provided to local, state and federal agencies for review. The draft OWP is presented to the SJCOG Board in the month of February and, upon approval, is sent to Caltrans and FTA/FHWA, and posted on the web site for general public review. SJCOG then responds to the comments received and the Board adopts the Final OWP by May 1 of each year.

SECTION 3: Programming of Federal Funds

3.1 Federal Funds Sub-Allocation Process (FTA Grant Process)

Caltrans is the designated recipient for the Lodi urbanized area and has the sole responsibility of defining a process, allocating, and splitting funding for the respective FTA programs. This will be done in accordance with FTA laws and regulations.

The same notices of intent, publication of proposed projects, and public involvement and review also shall be used to fulfill the public hearing requirements of Title 49 United States Code Section 5307, covering review and approval of FTA grant applications for FTIP/RTP projects.

3.2 Federal Transportation Improvement Program (FTIP) Programming

The Parties agree that it is desirable to ensure that a stable funding stream is available for all area operators that allows the operators to carry out coordinated services throughout the urbanized area.

Following notification by Caltrans, the designated recipient, SJCOG distributes notices of intent to develop or amend the FTIP/MTIP, publishes the proposed program of projects to be adopted, and carries out a public involvement and review process for FTIP/RTP adoption or amendment, in compliance with Title 23 Code of Federal Regulations Sections 450.312 and 450.324.

3.3 Applications for Transit Funding (FTA Grant Administration)

As the Metropolitan Planning Organization, SJCOG is responsible for programming federal formula funds allocated under the Federal Transit Act and identifying these funds in the federal transportation improvement program, as directed by Caltrans, the designated recipient for the Lodi urbanized area. Participation in this MOU is required for the receipt of Federal FTA and/or FHWA funds, specifically the FTA Urbanized Area Formula Grants (5307) and Bus and Bus Facilities (5339) Programs.

After the completion of the Lodi Urbanized Area funding allocation process, each Party seeking federal transit funding, in association with the other transit operators and jurisdictions, will prepare applications to the FTA or FHWA for federal transit funding. Draft applications will be submitted to SJCOG, in advance of the FTA or FHWA submittal to confirm accuracy and consistency with FTIP/RTP programming requirements and with the local SRTP and SJCOG RTP/SCS, as required by federal guidelines.

All Parties agree to work in good faith to develop consistent programming, documentation, and funding requests in a manner consistent with FTA or FHWA requirements.

SECTION 4: FTIP Project Monitoring & Maintenance

4.1 Progress Reporting

SJCOG is responsible for tracking the overall progress of all projects in the FTIP/RTP and is required to produce an annual list of projects for which federal funds have been obligated in the preceding year and will ensure that it is made available for public review.

The Party will assist SJCOG's efforts to track the overall progress of transit projects in the FTIP/RTP through providing basic access to their FTA TrAMS accounts. At a minimum, milestone/progress reports submitted to FTA and reviewed by SJCOG shall contain all of the information required in FTA Circular 5010, as amended, for grant administration procedures. If project specific questions are raised by FTA or SJCOG that cannot be answered through review of the TrAMS documentation, the Party will, upon request, provide SJCOG additional information. Examples of information that may be periodically requested may include the following:

- a) A classification of the projects by the individual categories, as identified in the FTIP/RTP;
- b) A documentation of the stage of project implementation;
- c) An explanation for any project delays if the project is behind schedule;
- d) The reasons for any cost overruns if the project is over budget;
- e) A status update on the amount of federal funding obligated, received, and used to support projects;
- f) Any identified needs for an FTIP/RTP amendment; and
- g) Project savings to be reverted, if any, at project completion;

4.2 FTIP/RTP Amendments

SJCOG processes FTIP/RTP modifications and amendments periodically. Each transit operator or member agency receiving transit funding is responsible for notifying SJCOG if there is the need to amend the FTIP/RTP. Amendments may require three to four months to process for approval. SJCOG typically processes FTIP/RTP amendments on an as needed basis. A formal request for changes in project cost, scope, or schedule must be made to be incorporated in an amendment. Certain minor adjustments and administrative and project budget modifications can be made outside the formal amendment process, but must be requested in writing. Due to the complexity of making federal funding changes, the Transit Agency should allow plenty of time and engage SJCOG early.

Amendments may be needed to address issues such as funding shortfalls, delays in project implementation, and/or new projects that need to be included in the FTIP/RTP. Subrecipients of FTA funding shall regularly update SJCOG on project status.

SECTION 5: Additional Terms and Conditions of the MOU

5.1 MOU Amendments

This MOU may be amended at any time by the mutual agreement of the Parties hereto.

5.2 MOU Withdrawal; MOU Termination

Participation in the MOU may be terminated, administratively, by any of the signatory below, hereto provided that the terminating Party provides notice to the other party at least thirty (30) days prior to the date of termination.

5.3 Notice

Any notice under this MOU shall be in writing and either personally delivered or sent by First Class U.S. Mail, postage pre-paid, addressed as follows:

SJCOG
Diane Nguyen
Executive Director
San Joaquin Council of Governments
555 E. Weber Avenue
Stockton, CA 95202

CITY OF LODI
James Lindsay
Interim City Manager
City of Lodi
221 W Pine Street
Lodi, CA 95240

5.4 Counterparts

The Parties agree that this MOU may be signed in one or more counterparts, each of which will constitute an original and all of which taken together shall constitute one and the same instrument.

5.5 MOU Authorization

By our signature below, we certify that our respective Boards of Directors or City Councils have authorized us to enter into this MOU on behalf of our agency.

James Lindsay Date
Interim City Manager
CITY OF LODI

Diane Nguyen, AICP Date
Executive Director
SJCOG

Approved as to Form:

KATIE O. LUCCHESI 
City Attorney