

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

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 El Segundo ("El Segundo"). Redondo Beach and El Segundo are sometimes referred to herein as the "Parties", and individually as a "Party".

RECITALS

- A. **WHEREAS**, pursuant to Government Code section 54981, the legislative body of any local agency (here, El Segundo) may contract with another local agency (here, Redondo Beach) for the performance of municipal services or functions within the territory of the former.
- B. **WHEREAS**, on July 1, 2006, Redondo Beach and El Segundo entered into that certain Transit Service Operation Agreement to enable BCT Line 109 as described in **Attachment A** to take over public transportation services for the discontinued Los Angeles County Metropolitan Transportation Authority ("LACMTA") Line 439 for a two (2) year term.
- C. **WHEREAS**, Redondo Beach and El Segundo subsequently entered into new agreements relating to Line 109 in 2008, 2010, 2011, 2012, 2013, 2015, 2017, 2019, 2020, 2021, 2022, 2023, 2024, and 2025 (the "2025 Agreement").
- D. **WHEREAS**, the 2025 Agreement expires on June 30, 2026, 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, 2026, and shall have a one (1) year term expiring on June 30, 2027. El Segundo acknowledges that an agreement in similar form to this Agreement or an amendment may be negotiated for continued Line 109 service beyond June 30, 2027. In the event El Segundo intends to renew this Agreement, El Segundo shall notify Redondo Beach of its intent to renew at least 182 days prior to the expiration of this term.

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 engage a qualified transportation contractor to provide bus services to Line 109 on the days of the week; service times and days; and frequencies of service equal to or better than that which was operated by BCT immediately before the effective

date of this Agreement. The current service schedule for Line 109 is illustrated in **Attachment B**, which 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% of service hours shall be brought to El Segundo in writing for review and comment prior to implementation.
- D. Redondo Beach may, in its sole discretion, enter into contracts for Line 109 service with any other provider of its choice at any time without the approval of El Segundo. 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. Redondo Beach will require the City's Transit contractor to provide an Additional Insured Endorsement that contains General Liability and Automobile Liability Coverages for El Segundo, its officers, elected and appointed officials, employees and volunteers.
- E. Redondo Beach shall base the percentage of cost for Line 109 on the route service mile calculations, as illustrated in the **Attachment C**, which is attached hereto and by this reference incorporated herein.

3. PASSENGER FARES

Redondo Beach may charge fares for the Service consistent with its existing fixed-route service as described in **Attachment A**. 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. El Segundo shall pay Redondo Beach for costs in associated with operating Line 109 in accordance with this Section. El Segundo shall not pay Redondo Beach for capital costs nor shall El Segundo provide any equipment to operate the Service.
- B. **FY 2026-2027:** Operations Funding from El Segundo shall be \$69,152 for fiscal year 2026-2027.

In the event Redondo Beach incurs a shortfall in funding, El Segundo's funding contribution will be based on the number of miles of the BCT Line 109 route (as described in **Attachment C**) within El Segundo's boundaries and other cities' Line 109 route miles will not factor into El Segundo's funding contribution.

A shortfall occurs when the (1) the estimated costs exceed the (2) estimated operating revenues for the respective fiscal year. The estimated costs shall be based on (1) the prior year's Line 109 service hours multiplied by the applicable service hour rates plus (2) the prior year's fuel costs plus an estimated CPI increase plus (3) estimated costs for RTI systems. The estimated revenues shall be based on the LACMTA funding formula and the prior fiscal year's fare revenues for Line 109.

Operating expenses are incorporated in the service hour rates and include without limitation, driver wages, general administration and overhead, and maintenance costs. Real Time Information ("RTI") Systems operating expenses include without limitation, capital equipment, passenger/administration interface programs, cellular and internet hosting of RTI services and report management programs.

- C. Redondo Beach is responsible for all marketing and promotion of the Service. However, El Segundo may advertise the Service at its sole expense in community newsletters and recreational brochures at its sole expense. El Segundo may also advertise the Service at its sole expense in other mediums, but any reference to BCT in such advertising must be approved in writing by Redondo Beach. The BCT logo cannot be used without Redondo Beach's prior approval.
- D. On at least a quarterly basis, BCT will meet with El Segundo to develop additional marketing strategies directed towards increasing BCT Line 109 ridership. El Segundo shall provide assistance for public outreach and information to target El Segundo residents and non-resident community members.

5. REPORTING/INVOICING

- A. Redondo Beach shall report to El Segundo 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, including service operating expenses and RTI capital and operating expenses
- B. Redondo Beach shall submit said report to El Segundo in writing within forty-five (45) days after the end of each reporting quarter.
- C. Redondo Beach shall submit quarterly reports to El Segundo.
- 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 El Segundo annual NTD random sampling data which provides the statistics to estimate the number of passengers boarding and alighting by stop in El Segundo, and the total estimated El Segundo 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. El Segundo 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 El Segundo at all reasonable times for a period of at least three (3) years for each year or after the expiration date, whichever comes first.

7. NON-DISCRIMINATION

No person shall on the grounds of race, color, religion, national origin, ancestry, age, sex, gender, gender identity, gender expression, age, sexual orientation, marital status, genetic information, physical or mental disability, military or veteran status, or any other protected classification under applicable federal or state law, 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 El Segundo Project Manager for this project shall be the Recreation and Parks Director, or designee. BCT coordinator for this project shall be the Community Services Director or 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. Personally delivered to the recipient. Notice is effective on delivery.
- (2) First Class Mail. 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 a United States Postal Service office or mailbox.
- (3) Certified Mail. Certified mail with return receipt requested. Notice is effective on receipt, if delivery is confirmed by a return receipt.
- (4) Overnight Delivery. 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. 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.

- (6) Email. When sent by email, notice is effective on the second business day after emailing, provided that no “bounce-back” or similar message indicating non-delivery is received.

Addresses for purpose of giving notice shall be as follows:

Beach Cities Transit: City of Redondo Beach
Transit Manager
415 Diamond Street
Redondo Beach, CA 90277
Attention: Line 109

Email: tyron.gunn@redondo.org
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
Attention: City Clerk

Email: cityclerk@redondo.org
Fax Number: 310-374-0220

El Segundo: City of El Segundo
Recreation, Parks, and Library Director
350 Main Street
El Segundo, CA 90245-3813
Attention: Aly Mancini

Email: amancini@elsegundo.org

With a copy to: City of El Segundo
City Clerk
350 Main Street
El Segundo, CA 90245-3813
Attention: City Clerk

Email: allcityclerks@elsegundo.org

- 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, fax number, or email 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 El Segundo 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. This 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 this 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

To the fullest extent permitted by law, each Party ("Indemnifying Party") hereby agrees to defend, protect, indemnify and hold harmless the other Party (the "Indemnified Party"), its elected and appointed officials, officers, employees, contractors, volunteers, agents, 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, to the extent arising out of or resulting from the negligent acts, errors or omissions, or willful misconduct of the Indemnifying Party, its officials, officers, employees, contractors, volunteers, agents, or members of boards and commissions in the performance of this Agreement.

Neither Party shall be obligated to indemnify the other for any claim to the extent arising from the negligence or willful misconduct of the Indemnified Party, its officials, officers, employees, agents, contractors, volunteers, agents, or members of boards and commissions.

Where a claim arises from the concurrent fault of both Parties, each Party's indemnity obligation shall be limited to its proportionate share of fault.

Notwithstanding any other provision of this Agreement, Redondo Beach shall have no obligation to defend, indemnify, or hold harmless El Segundo for any claim arising from the condition, design, construction, maintenance, repair, or operation of El Segundo's streets, sidewalks, bus stops, bus shelters, benches, signage, lighting, or other public infrastructure, property, or rights-of-way, regardless of whether such claim is asserted to be related to Line 109 or the Service.

This indemnification obligation shall survive the expiration or termination of this Agreement and shall not be limited by any insurance coverage maintained by either Party.

18. AUTHORITY

Each Party warrants that the individuals who have signed this Agreement have the legal power, right and authority to enter into and execute this Agreement on behalf of each respective Party.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Parties have executed this Agreement, as of this 18th day of August, 2026.

CITY OF REDONDO BEACH

CITY OF EL SEGUNDO

By: _____
James A. Light, Mayor

By:  _____
Chris Pimentel, Mayor

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Joy A. Ford, City Attorney

 For

Mark D. Hensley, City Attorney

ATTEST:

ATTEST:

Eleanor Manzano, City Clerk

 For

Susan Truax, City Clerk

Attachment A: Line 109 Map



Attachment B: BCT Line 109 Time Schedule

Line **109** Redondo Beach Riviera Village – LAX City Bus Center

NORTHBOUND Redondo Beach Riviera Village to LAX City Bus Center

SOUTHBOUND LAX City Bus Center to Redondo Beach Riviera Village

MONDAY THROUGH FRIDAY

Palos Verdes Bl & Via Valencia	Hermosa Ave & 10th St	Highland Ave & 14th St	Park Place at Douglas	Main St & Holly Ave	Aviation Bl & Imperial Hwy	LAX/Metro TC	LAX/Metro TC	Aviation Bl & Imperial Hwy	Main St & Holly Ave	Park Place at Douglas	Highland Ave & 14th St	Hermosa Ave & 11th St	Palos Verdes Bl & Via Valencia
7	8	9	10	11	12	13	13	12	11	10	9	8	7
6:00	6:17	6:28	6:42	6:53	7:03	7:08	5:45	5:50	6:04	6:22	6:34	6:43	6:58
6:30	6:47	6:58	7:12	7:23	7:33	7:38	6:15	6:20	6:34	6:52	7:04	7:13	7:28
7:08	7:25	7:36	7:50	8:01	8:11	8:16	7:13	7:18	7:32	7:50	8:02	8:11	8:26
7:38	7:55	8:06	8:20	8:35	8:45	8:50	7:43	7:48	8:02	8:20	8:32	8:41	8:56
8:36	8:53	9:04	9:18	9:33	9:43	9:48	8:31	8:36	8:50	9:08	9:20	9:29	9:44
9:06	9:23	9:34	9:48	10:03	10:13	10:18	9:05	9:10	9:24	9:42	9:54	10:03	10:18
9:54	10:11	10:22	10:36	10:51	11:01	11:06	10:03	10:08	10:22	10:40	10:52	11:01	11:16
10:28	10:45	10:56	11:10	11:25	11:35	11:40	10:33	10:38	10:52	11:10	11:22	11:31	11:46
11:26	11:43	11:54	12:08	12:23	12:33	12:38	11:26	11:31	11:45	12:03	12:15	12:24	12:39
11:56	12:13	12:24	12:38	12:53	1:03	1:08	12:00	12:05	12:19	12:37	12:49	12:58	1:13
12:49	1:06	1:17	1:31	1:46	1:56	2:01	12:58	1:03	1:17	1:35	1:47	1:56	2:11
1:23	1:40	1:51	2:05	2:20	2:30	2:35	1:28	1:33	1:47	2:05	2:17	2:26	2:41
2:21	2:38	2:49	3:03	3:18	3:28	3:33	2:16	2:21	2:35	2:53	3:05	3:14	3:29
2:51	3:08	3:19	3:33	3:48	3:58	4:03	2:50	2:55	3:09	3:27	3:39	3:48	4:03
3:39	3:56	4:07	4:21	4:36	4:46	4:51	3:48	3:53	4:07	4:25	4:37	4:46	5:01
4:13	4:30	4:41	4:55	5:10	5:20	5:25	4:18	4:23	4:37	4:55	5:07	5:16	5:31
5:11	5:28	5:39	5:53	6:08	6:18	6:23	5:06	5:11	5:25	5:43	5:55	6:04	6:19
5:41	5:58	6:09	6:23	6:38	6:48	6:53	5:40	5:45	5:59	6:17	6:29	6:38	6:53
6:29	6:46	6:57	7:11	7:26	7:36	7:41	6:38	6:43	6:57	7:15	7:27	7:36	7:51
7:03	7:20	7:31	7:45	8:00	8:10	8:15	7:08	7:13	7:27	7:45	7:57	8:06	8:21
7:56	8:13	8:24	8:38	8:53	9:03	9:08	7:56	8:01	8:15	8:33	8:45	8:54	9:09
AM	PM						AM	PM					

SATURDAY & SUNDAY

7	8	9	10	11	12	13	13	12	11	10	9	8	7
6:05	6:22	6:33	6:47	7:02	7:12	7:17	6:45	6:50	7:04	7:22	7:34	7:43	7:58
7:05	7:22	7:33	7:47	8:02	8:12	8:17	7:22	7:27	7:41	7:59	8:11	8:20	8:35
8:08	8:25	8:36	8:50	9:05	9:15	9:20	8:22	8:27	8:41	8:59	9:11	9:20	9:35
8:45	9:02	9:13	9:27	9:42	9:52	9:57	9:35	9:40	9:54	10:12	10:24	10:33	10:48
9:45	10:02	10:13	10:27	10:42	10:52	10:57	10:12	10:17	10:31	10:49	11:01	11:10	11:25
10:58	11:15	11:26	11:40	11:55	12:05	12:10	11:12	11:17	11:31	11:49	12:01	12:10	12:25
11:35	11:52	12:03	12:17	12:32	12:42	12:47	12:30	12:35	12:49	1:07	1:19	1:28	1:43
12:35	12:52	1:03	1:17	1:32	1:42	1:47	1:07	1:12	1:26	1:44	1:56	2:05	2:20
1:53	2:10	2:21	2:35	2:50	3:00	3:05	2:07	2:12	2:26	2:44	2:56	3:05	3:20
2:30	2:47	2:58	3:12	3:27	3:37	3:42	3:20	3:25	3:39	3:57	4:09	4:18	4:33
3:30	3:47	3:58	4:12	4:27	4:37	4:42	3:57	4:02	4:16	4:34	4:46	4:55	5:10
4:43	5:00	5:11	5:25	5:40	5:50	5:55	4:57	5:02	5:16	5:34	5:46	5:55	6:10
5:20	5:37	5:48	6:02	6:17	6:27	6:32	6:10	6:15	6:29	6:47	6:59	7:08	7:23
6:20	6:37	6:48	7:02	7:17	7:27	7:32	6:47	6:52	7:06	7:24	7:36	7:45	8:00
7:33	7:50	8:01	8:15	8:30	8:40	8:45	7:47	7:52	8:06	8:24	8:36	8:45	9:00
8:05	8:22	8:33	8:47	9:02	9:12	9:17	8:50	8:55	9:09	9:27	9:39	9:48	10:03
AM	PM						AM	PM					

Attachment C
Beach Cities Transit Line 109
Route Service Mile Calculations by City

Route Miles	NB Miles	SB Miles	<i>Average Miles Per City</i>	<i>Allocation Formula %</i>
Redondo Beach & Los Angeles	5.3	6.9	<i>6.1</i>	<i>34.95%</i>
Hermosa Beach	2.2	1.6	<i>1.90</i>	<i>10.89%</i>
Manhattan Beach	3.4	2.2	<i>2.8</i>	<i>16.05%</i>
El Segundo	7.7	5.6	<i>6.65</i>	<i>38.11%</i>
Total Miles	18.6	16.3	<i>17.45</i>	<i>100.00%</i>