

REGIONAL TRANSIT AUTHORITY EXECUTIVE COMMITTEE AGENDA

PLEASE NOTE THE DATE, TIME, AND LOCATION:

Wednesday, April 10, 2013

10:00 a.m. – 11:30 a.m.

SLOCOG Conference Room
1114 Marsh Street
San Luis Obispo, California

This agenda is available/posted at: <http://www.slorta.org/board/rta-board-meetings>

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act (ADA) may request such accommodations to aid hearing, visual, or mobility impairment by contacting the SLORTA offices at 781-4833. Please note that 48 hours advance notice will be necessary to honor a request.

- 1. Call Meeting to Order, Roll Call**
- 2. Public Comment:** The Committee reserves this portion of the agenda for members of the public to address the San Luis Obispo Regional Transit Authority Executive Committee on any items not on the agenda and within the jurisdiction of the Committee. Comments are limited to three minutes per speaker. The Committee will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.
- 3. Information Items**
 - A-1 Executive Director's Report (Information)
- 4. Action Items**
 - B-1 Adopt FY13-14 and FY14-15 Operating Budget and FY13-14 through FY17-18 Capital Budget
 - B-2 South County Area Transit Use of RTA Vehicles (Approve)

The Regional Transit Authority is a Joint Powers Agency serving the residents and visitors of:

Arroyo Grande Atascadero Grover Beach Morro Bay Paso Robles Pismo Beach San Luis Obispo County of San Luis Obispo

5. Consent Items

- C-1 Executive Committee Meeting Minutes of February 13, 2013 (Approve)

6. Agenda Review – below are items that will be presented at the March 6, 2013 Board meeting:

Information Items

- A-1 Executive Director's Report (Information)

Action Items

- B-1 Adopt FY13-14 and FY14-15 Operating Budget and FY13-14 through FY17-18 Capital Budget (Approve)
- B-2 Authorize Staff to Procure ITS Project (Approve)
- B-3 South County Area Transit Use of RTA Vehicles (Approve)

Consent Items

- C-1 Trustee Change for Nationwide 457 (Approve)
- C-2 Bus Procurement – Eight 40' Coaches, Four Runabout Cutaways (Approve)
- C-3 Equal Employment Opportunity Plan Revision (Approve)
- C-4 Disadvantaged Business Enterprise Program Revision (Approve)
- C-5 Summer Youth Ride Free Program (Approve)
- C-6 Executive Committee Meeting Minutes of February 13, 2013 (Approve)
- C-7 RTA Board Meeting Minutes of March 6, 2013 (Approve)
- C-8 RTAC Meeting Minutes of October 17, 2012 (Approve)
- C-9 RTAC Meeting Minutes of January 16, 2013 (Approve)
- C-10 AGP Contract for Fiscal Year 2013-2014 (Approve)

Closed Session Items

None

7. Closed Session Items

None

8. Adjournment

Next Executive Committee Meeting: **June 12, 2013**

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

April 10, 2013

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Executive Director's Report

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Information

BACKGROUND/DISCUSSION:

Operations:

At your March 2012 meeting, your Board adopted the RTA No-Show policy for Runabout riders. That policy was fully implemented on March 1, 2013, and through March 31 RTA has sent warning letters to ****update number**** riders that have violated the No-Show policy; of those, ****update number**** riders have had their riding privileges suspended for no-shows or late cancellations. Staff has already received requests for ****update number**** appeals hearings, and has ruled on ****update number****. Staff will continue to monitor the number of warning letters distributed and the number of persons whose riding privileges have been suspended.

As mentioned at the last Board meeting, RTA began a new Bus Operator training class of four new-hires on February 25, 2013. The previous Bus Operator training class began on September 4th, 2012, which represents the longest period of time that RTA has gone without having to recruit, hire and train new Bus Operators. Two of the four new-hires were released because they were not able to meet our standards, but the two remaining trainees completed training on April 5th. Please welcome Mike and Clark to the RTA team.

Maintenance:

Fortunately, the maintenance department has not had any major component failures in the past two months. That is great news, given that RTA has a very slim spare ratio with the loss of Bus 148 (engine failure and surplus designation) and South County Area Transit's need for one or more buses on a continual basis.

Service Planning:

RTA staff continues to participate with stakeholders and the consultants engaged in the following planning efforts:

- North County Transit Plan – Staff continues to participate with staff from the cities of Atascadero and Paso Robles, as well as county staff, as this project moves forward.
- US 101 Bus Rapid Transit Study – Staff plans to participate at the next steering committee meeting on April 11th.
- North Coast Surveys Study – This study will survey passengers on Morro Bay transit and RTA Routes 12, 14 and 15. Staff participated in kick-off meeting on March 12, and the on-board surveys will tentatively occur the week of April 22nd.

RTA worked with Cambria area officials to finalize plans for summer Cambria Trolley services. New and improved marketing materials have been developed and are being distributed, and staff will work with area officials and the press to promote the service.

Staff is nearing completion of plans for the STA-funded Summer Beach program that will be implemented in June 2013. This service would provide three daily roundtrips / five days per week between Paso Robles / Atascadero and Cayucos via State Route 41. Marketing materials are currently being distributed, and staff will work with area press to begin getting the word out about this new service.

RTA hired Outreach Assistant interns that have been visiting businesses in the North County, SLO, Los Osos and South County to share information about RTA and South County Area Transit services. In addition, the interns have developed and are distributing free displays to encourage employees/customers to ride area fixed route services (including free single-ride tickets that staff is tracking to determine the outreach effort's success). These interns are also helping Rideshare with Bike Month Promotion, and working at some of the outreach events and promoting summer services. Some of these folks will also be conducting site specific surveys in June, both for North County transit consolidation and also on the Summer Avila Trolley to start benchmarking service performance and customer satisfaction, as well as trip origin and trip purpose.

Another Cal Poly intern, Masters candidate Alex Fuchs, has received over 550 online surveys from a wide variety of Cal Poly, County and City employees about how to improve RTA services in the North County. Results and recommendations will be available in June.

Staff has submitted an FTA Section 5304 planning grant application to Caltrans to conduct a joint Short Range Transit Plan study effort with San Luis Obispo Transit. This joint effort would permit us to better coordinate our service and capital plans, while also studying some of the impediments of travel between our two agencies' routes. If funded,

RTA would act as the lead agency to conduct the study in close coordination with SLO Transit and SLOCOG staff.

Finance and Administration:

Staff has developed a proposed two-year operating budget (first year financially constrained; second year for planning purposes) as part of this annual effort, while also incorporating a rolling five-year capital plan. See Item B-1 for details.

As discussed at the March 6 RTA Board meeting, South County Area Transit has required the continual use of an RTA bus due to the non-operable state of their hybrid bus; occasionally, an additional RTA bus is needed when two South County buses are down for repairs. Staff has developed a proposed methodology of capturing the operating and maintenance costs, which is presented in Item B-2 of the agenda.

Staff has assembled the fully-executed JPA documents for the County and six of the seven cities. Once the final city considers the JPA, RTA will have 30 days to submit the amended JPA to the Secretary of State. Staff will report back to the Board once this process has been completed.

Staff continues to investigate how pension reform and the Affordable Care Act will affect our business. Our proposed budget includes the financial impacts we expect to face RTA, although as of the end of March we are still awaiting how the Department of Labor will address union protests regarding pension reform; if DOL does not respond soon, there may be delays to FTA funding throughout the state and many transit agencies are preparing for cutbacks. Staff will continue to monitor this issue closely.

At the January Board meeting, staff reported on the operations-based performance standards identified in the RTA Strategic Business Plan. Staff is now finalizing a report on remaining metrics, which we intend to provide to the Board at its May 1 meeting.

RTA Facility Planning

Staff has requested proposals from two commercial real estate appraisers and will provide an update to your Board as information is provided to us. We expect the appraisal to require six to eight weeks to complete, once the purchase order has been executed.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY VISION STATEMENT, VISION ELEMENTS, MISSION STATEMENT AND STRATEGIC DIRECTION

VISION

The RTA of the future is an integral part of the “SLO lifestyle.” From the vineyards in North County, to the secluded beach towns on the North Coast, to multi-faceted communities in the South County, residents and visitors use public transportation rather than relying on their cars.

Vision Elements

- Continue successful partnerships with jurisdictions, county, other public agencies, businesses and schools.
- Provide excellent, reliable, sustainable seamless service that is effective in getting residents and visitors where they want to travel.
- Secure reliable funding.
- Implement an Intelligent Transportation Systems (ITS) program to improve service quality and provide efficiencies.
- Develop a well-executed image-building campaign with a single face for public transportation.

MISSION

The Mission of RTA is to provide safe, reliable and efficient transportation services that improve and enhance the quality of life for the citizens and visitors of San Luis Obispo County.

STRATEGIC DIRECTION

- Stabilize and grow funding.
- Continue to improve service quality: On-time performance, scheduling and routing, customer amenities on our vehicles and at our bus stops, operating procedures.
- Consolidate and streamline operations to improve efficiency and effectiveness of public transportation throughout the county.
- Include public transportation as part of the lifestyle evolution needed to confront climate change.
- Reduce Vehicle Miles Traveled.
- Embrace technological improvements that will positively impact efficiency and quality of service.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY VALUES

Commitment to Serve

Provide valuable services to the public and direct our energies in strengthening our relationships with our customers and the community while maintaining responsible ethical fiscal management.

Leadership

Be trustworthy, credible, confident, progressive and influential in all we do.

Teamwork

Work together with trust, support and mutual cooperation and respect. Provide an environment that fosters frank and open communication. Have Fun in our daily activities and keep issues in perspective. Have pride in our accomplishments while taking on our challenges with spirit and vigor.

Integrity

Promote honesty, loyalty, dignity, respect, decency, fairness, courtesy, responsibility, and character.

Human Development

Provide the appropriate resources and environment for employees to be successful, motivate individuals to take initiative and to be creative in all of our efforts.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

April 9, 2013

STAFF REPORT

AGENDA ITEM: B-1

TOPIC: FY13-14 and FY14-15 Operating Budget,
and FY13-14 through FY17-18 Capital
Budget

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Adopt FY13-14 Budget as presented

RTAC RECOMMENDATION:

BACKGROUND/DISCUSSION:

We are pleased to present a balanced Fiscal Year 2013-14 and projected Fiscal Year 2014-15 operating budget. In addition, we are presenting a five-year capital program, which includes the procurement of fifteen new 40-foot transit coaches over the next two years; no Local Transit Fund (LTF) is required for local match for these new vehicles. The FY13-14 operating budget is proposed at \$7,491,441 and the FY13-14 capital budget is proposed at \$5,986,578. Staff has incorporated several significant assumptions based upon the latest information provided by SLOCOG for the LTF and the State Transit Assistance (STA) funding programs.

We appreciate the Board's support and leadership in these recently improved financial times. Furthermore, we are proud that RTA was not forced to reduce service levels during the economic downturn that began in 2008. The FY13-14 budget assumes the same core levels of service miles and hours for fixed route, Dial-a-Ride and Trolley service that are currently being operated, although a slight increase in Runabout service levels is required to meet increasing demand. The highly successful Route 14 service will continue to operate during peak commute times between downtown San Luis Obispo and the Cuesta College campus, our highest trip generators in the regional system. The North Coast Connector service remains in the schedule and we will be reviewing demand for this JARC-funded extra weekday service later in the budget year as new JARC awards are announced. Staff will also continue to evaluate recommendations and monitor our Route Productivity Report to develop service adjustments – if necessary – that we would bring back to your Board for consideration.

It should be noted that a new column has been added to the revenue and expense tables that depicts the possible consolidation of Paso Robles Express fixed route and dial-a-ride services, as well as Atascadero El Camino Shuttle services, into RTA. It is anticipated that this consolidation will be fully implemented in May 2014, so two months' of North County revenues and expenses are shown in the FY13-14 budget; the entire

year's worth of North County financials are assumed in FY14-15. This consolidation will only have a financial benefit for the cities of Atascadero and Paso Robles; the other five cities and SLO County will not be directly financially impacted.

In summary, RTA staff has done a tremendous job of holding the line on expenses. The major increases in this year's operating budget are costs for insurance, the wage adjustments programmed in the Collective Bargaining Agreement for covered employees, maintenance parts and supplies for the aging fleet, and our health plan. Although we have managed to make progress on upgrading our fleet in recent years, we continue to be conservative in our maintenance cost estimates as a result of the age of the remaining fleet. The delivery of seven new forty-foot low-floor buses early in the fiscal year will help reduce a portion of FY13-14 vehicle maintenance costs, but staff continues to be conservative given the overall fleet age.

The budget packet contains the following items:

- Adopted Budget Assumptions
- Definitions
- Fiscally-constrained FY13-14 operating and capital budgets
- Fiscally-unconstrained FY14-15 operating budget
- Fiscally-unconstrained FY14-15 through FY17-18 capital budgets

Lastly, in prior budget years, we have provided your Board with data for a contingency plan for adjusting service levels should one of our major revenue projections fall short. We are not including that information at this point in time because funding appears to be relatively stable in comparison to previous fiscal years. Instead, since we have broken each service route/type into weekday, Saturday and Sunday sections to better understand the financial commitment necessary to operate these distinct services should service reductions become necessary due to funding or other constraints.

Revised Revenue Assumptions

There is good news on two revenue fronts as our revenue outlook has improved overall from this current fiscal year, despite a projected decline in one funding source and elimination of another funding source typically used to fund RTA services. Below is a summary of those impacts.

RTA and South County Area Transit operate in the newly-designated Arroyo Grande – Grover Beach urbanized area. This means that RTA and South County Area Transit operations and capital projects are now eligible for Federal Transit Administration Section 5307 reimbursement funds for Federal Fiscal Year 2012-13 (October 1, 2012, through September 30, 2013). It should be noted that RTA services operated in that area are no longer eligible for Rural Transit Funding due to the urbanized area designation.

LTF funds are derived from the statewide ¼ percent sales tax, while STA is derived from the sales tax on diesel fuel. Countywide LTF is projected by SLOCOG to be roughly 28% higher in FY13-14 in comparison to FY12-13. However, STA funding is

estimated to be down roughly \$550,000 countywide, or \$256,514 lower for RTA. The net effect is that the need for LTF from the jurisdictions in FY13-14 is up \$212,124 or 13% in comparison to FY12-13.

We are predicating the revenue stream for the FY13-14 budget on the latest information that we have available on LTF and STA funding for the region. The LTF program should provide some stability in the revenue stream this year and optimistically in the coming years. Staff concurs and applauds the principles laid out in the SLOCOG staff report that any future funding formulas include incentive funding for Vehicle Miles Traveled (VMT) and regional integration of the jurisdictional operations with the regional system as part of the regional funding formula. This budget assumes no fare increases for either FY13-14 or FY14-15.

Administration and Operations Expenses

The overall Administration Expense is up just over 5% compared to last fiscal year. This is reflective in workers compensation insurance as a result of RTA implementing policies and procedures related to safety programs. There is a significant increase in our professional development line item as RTA looks to provide additional training and cross training opportunities.

Under the Runabout section of this report, we discuss the change in ridership and the number of Runabout ADA applications that we receive as a result of the popularity of our service and other factors related to this increase. The amount of staff time that is dedicated to processing applications has changed dramatically over the last three years.

On the operating side, we have programmed slightly greater Runabout service hours based on current demand trends. The service delivery line item for fixed route is fairly consistent with that identified in our current budget, as we are reallocating the majority of these hours and miles in this year's budget so that the comparative increase is negligible.

As included in the budget assumptions that your Board accepted in March 2013, based on the current projected funding, a 2% annual Cost of Living (COLA) adjustment will be budgeted for non-union employees; the Collective Bargaining Agreement identifies annual increases based upon longevity for Bus Operators and Mechanics. Employees within the salary range for their position will also be eligible for a step merit increase subject to performance assessments.

Finally, due to the unrest in North Africa and the Middle East, fuel prices have continued to swing wildly over the past two years. Similar to FY12-13, staff budgeted fuel at a relatively high per gallon cost, but we may need to adjust it if fuel prices rise significantly during the fiscal year. Due to our limited infrastructure, we are unable to purchase fuel in bulk to realize economies of scale.

Ridership Gains, Overcrowding Mitigation

This past year we saw steady ridership increases on all RTA services, and especially on our Runabout service. Runabout ridership was up 9%, while fixed route ridership was up nearly 8%, for the first half of FY12-13.

Pursuant to the language in the SLOCOG Regional Transportation Plan under Transit Policies, we have the ability to periodically adjust transit service parameters with the objective to maximize transit system efficiency, effectiveness and economic feasibility. Under this section there is a provision to review the need to add trips or tandems when the peak load factor consistently exceeds 90 percent of a seated bus load. In the case of all our commute trips on Routes 9, 10 and 12, the load factors consistently range from 100 – 130% of the seated load.

Runabout Ridership Gains and Runabout Client Census

Pursuant to the monthly ridership reports, Runabout ridership continues to grow at an alarming rate. The number of Runabout applications received has also increased significantly, and we are now receiving an average of 31 applications per month. In FY09-10, we received only twelve per month. Our Runabout fleet is currently at capacity on Mondays, Wednesdays and Fridays. Runabout ridership year-to-date is up 9%, and monthly hours are up nearly 8% over the same period last year. Although our new scheduling software is providing increased efficiencies, we will most likely need to increase Runabout service (vehicles and drivers) during FY13-14. It should be noted that federal regulations prohibit a pattern of ADA paratransit trip denials to certified ADA clients.

Capital Program

The focus of our financially constrained FY13-14 capital program will be funding the procurement of seven low-floor forty foot buses (\$961,000 from Prop 1B grant, \$400,000 from FTA 5307 STIC in the North and South County areas and \$1,900,000 from FTA State of Good Repair) and four Runabout vehicles (\$324,000 FTA 5307 STIC in the North County and \$36,000 STA from an increase not programmed by RTA in FY12-13). We have also programmed \$12,650 for shop equipment for our maintenance department to improve efficiencies, \$187,820 for existing downtown transit center improvements (RTF funding of \$60,000), miscellaneous computer equipment, and ITS improvements to our existing fleet and new fleet, including on-board camera security systems (\$461,787).

Also included is projected five-year capital program as part of the budget plan. While only the first year is financially constrained, the projects identified in the ensuing four years will provide a snapshot of future capital needs and potential cost levels. It should be noted that staff has only identified replacement projects and easily identifiable on-going projects (i.e., computer needs and bus stop improvements) in the capital plan, and no expansion vehicles or facilities are included. As the Board provides direction to staff regarding possible expansion vehicles and/or facilities – including a long-term operations/maintenance facility – the capital plan will be updated.

Conclusion and Staff Recommendation

Fiscal Year 2013-14 will be another challenging year, although the challenges will be different than those faced in recent years – instead of being challenged with dire financial barriers this year, we will be challenged to implement a list of long-planned capital projects, in addition to the possible consolidation of North County transit services into RTA. We look forward to working with your Board, our stakeholders and our customers in providing the highest quality of transportation services to our residents and visitors. We believe that this budget reflects the path set by your Board in previous years and, although we would like to do more, we believe that this budget provides the optimum levels of service within the confines of existing resources.

The Staff recommends that the Board adopt the Fiscal Year 2013-14 budget as presented.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

April 9, 2013 (presented March 6, 2013)

STAFF REPORT

AGENDA ITEM:	B-1
TOPIC:	Fiscal Years 2014 and 2015 Budget Assumptions
ACTION:	Approve Budget Assumptions
PRESENTED BY:	Geoff Straw
STAFF RECOMMENDATION:	Approve Budget Assumptions to enable staff to begin development of FY13-14 & FY14-15 Operating Budget

BACKGROUND/DISCUSSION:

The following report outlines staff's budget assumptions recommendation for RTA's Fiscal Year 2013-14 and 2014-15 Operating Budget, and it is the first step in the development of our operating budget and operating program. It should be noted that RTA is developing a two-year operating budget and five-year capital budget. Upon the Board's guidance and approval of these assumptions, staff will prepare a detailed report along with preliminary budget numbers for presentation to the Executive Committee at their April 10th meeting prior to the final draft budget presentation to the Board in May.

Objectives

- Maintain service levels and hours of service that meet the demand of our customers and communities through the effective and efficient delivery of RTA Fixed Route, Runabout, Dial-a-Ride and Trolley services.
- Increase our reserves for the Fiscal Year 2013-14 budget cycle.
- Continue to work with the SLOCOG efficiencies committee in evaluating region-wide service efficiencies.
- Evaluate options and provide analysis on the 5-year capital improvement program and methods to fund these needs.
- Address overcrowding on fixed route runs during peak travel periods.
- Address increasing demand on Runabout service.
- Project the impacts of North County Consolidated Services for both fiscal years.
- Successfully re-negotiate a new Collective Bargaining Agreement with Teamsters Local 986 (current CBA expires January 31, 2014).

Revenue

- SLOCOG has projected a decline in State Transit Assistance (STA) funding for FY13-14 in comparison to FY12-13. Once those targets are more firmly

established, RTA will assume a proportional decrease in overall STA funding in our FY13-14 budget, and will budget the same amount for FY14-15.

- Fare revenue is projected to be \$1,100,000 (farebox and pass sales revenue only) for FY13-14. We are not recommending a fare program change for FY13-14, although we may have to consider changes in FY14-15 if funding shortfalls emerge or farebox recovery projections fall short. Based on recent farebox revenue trends, staff expects annual farebox revenues to total \$1,115,000 for FY14-15 (a ~5% increase over FY13-14). If the release of SLOCOG TDA funding estimates in April-May suggests that other fare changes should be instituted, staff will make that presentation at a future Board meeting.
- Federal Transit Administration (FTA) Section 5307, 5311 and 5339 operating and capital funding for both fiscal years shall remain consistent with FY12-13 levels. Should authorizations for federal transportation programs under MAP-21 or its successor legislation in FY14-15 increase or decrease for any of these programs, staff would adjust these assumptions accordingly.
- FTA Section 5307 operating funding from the City of Santa Maria for Route 10 will be budgeted at \$200,000 for both fiscal years, which is consistent with FY12-13 levels.
- FY12-13 LTF revenue was budgeted at \$3,323,717, and SLOCOG has projected a 12 to 15% increase in FY13-14 over FY12-13 levels. Once the FY13-14 targets are further refined, RTA will assume a proportional increase in overall LTF funding in our FY13-14 budget and a similar increase in the FY14-15 budget. Should there be a budget shortfall due to the loss of funding in either fiscal year, staff would evaluate and make appropriate recommendations on a potential budget amendment.
- Staff will evaluate alternatives to address reserves during the next several months and present a draft Reserve Policy to the Board in FY13-14.
- Staff will continue to explore new revenue resources at the federal, state, and local levels.

Expenses

- Service levels, number of revenue service hours, miles and span of service for RTA fixed route services will be budgeted at current levels for FY13-14.
- Runabout service hours and miles are expected to increase slightly to address increasing demand.
- Should staff be unable to secure adequate funding to operate projected fixed route and Runabout service levels, a reduction of service would be proposed and/or a potential increase in LTF funding would be requested for the Board's consideration.
- Detailed miles/hours and span of service for each route and Runabout will be provided with the draft budget. In addition, detailed miles/hours and span of service will be provided separately for SLO County Services (both fiscal years) and North County Consolidated Services (FY14-15 only).
- Staff will use the 2012-14 RTA Strategic Business Plan, the 2010 Fixed Route Performance Standards, the 2012-15 RTA Service Improvement Program, as well as the findings from the 2010 Short Range Transit Plan, to evaluate potential

efficiencies and with Board concurrence implement efficiencies during the course of the two fiscal years.

- Fuel consumption and price will be budgeted conservatively; diesel fuel will be budgeted at \$4.25 per gallon.
- CalTIP liability premiums will be increased 10% annually.
- Workers Compensation premiums are projected to increase 20%, with the realization that workers compensation is especially challenging this year for almost everyone. Staff will be working with our broker on this in an effort to obtain a better number prior to April. We have also established an employee committee that has evaluated work comp injuries and has initiated a proactive program to address the number of claims and severity of the claims that we have had during the last year. It is expected that this effort will hasten the return of employees back to work following lost-time work-related injuries.
- For FY13-14, the number of budgeted positions will slightly increase in comparison to FY12-13 to address deficiencies in data collection, operations oversight, and bus stop maintenance, as well as to address increasing Runabout demand. However should revenue projections in April indicate that FY13-14 revenue is down, there will be a requisite reduction in the number of FTE's based upon projected revenue.
- For FY14-15, it is anticipated that the number of budgeted positions will increase as part of the North County Consolidated Services. It should be noted that the marginal costs and revenues of the consolidation will be treated in the budget the same way that SLO County services are depicted: as a separate and distinct column.
- Staff is still researching the anticipated impacts of the Affordable Care Act on both the number of employees and the costs of per-employee healthcare costs. For budget-making purposes, staff is assuming a 10% annual increase for both PERS- and Blue Cross-covered employees for each of the next two fiscal years.
- Based on the current projected funding, a 2% annual Cost of Living (COLA) adjustment will be budgeted for non-union employees; the Collective Bargaining Agreement identifies annual increases based upon longevity for Bus Operators and Mechanics. Employees within the salary range for their position will be eligible for a step merit increase subject to performance assessments.
- RTA will work with SLOCOG staff and members of the Regional Efficiencies Committees to evaluate efficiencies in the provision of service throughout the county.
- Assume driver and mechanic annual wage increases similar to those in the current CBA for the next two fiscal years.

Proposed Budget Calendar

February 13 Detailed budget assumptions and revenue forecast to Executive Committee.

March 6 Obtain Board concurrence on proposed draft budget assumptions.

- March 6 Provide mid-year FY12 Budget data to Board with any recommended budget amendment.
- March 31 Based on feedback from Executive Committee draft FY13 Budget Draft complete.
- April 10 Draft FY13 Budget presentation to Executive Committee.
- April 17 Formal FY13 Budget presentation to RTAC.
- May 1 Final Board Budget presentation. Board adoption of FY13 Budget.
- Nov. 6 Present draft Reserve Policy to Board.

Staff Recommendation

Approve the budget assumptions and budget calendar so that a detailed work plan and budget may be developed.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
FISCAL YEAR 2013-14 BUDGET BACKUP**

BUDGET DOCUMENT DEFINITIONS

Staff has highlighted the first page of the document into sections, so that each section can be explained in relation to the total budget. The paragraph numbers below relate to the **bold numbers in squares on the “Proposed Operating Budget For 2013/2014”** of the budget sheets.

1. **BEGINNING FUND BALANCE** – This amount includes carryover funds and general reserves. This amount represents fund balance available (estimated) plus projected revenues for the fiscal year, less projected expenses for the fiscal year. The resulting amount is the projected fund balance, which will be available at the start of each fiscal year.
2. **LESS REQUIRED RESERVES** – These amounts are deducted from the previous section. First Quarter cash flow requirements represent reserves to maintain uninterrupted operations. The funding to operate RTA comes from quarterly disbursements of TDA funds. Quarterly disbursements are not made until the end of each quarter. Therefore, RTA budgets for the first quarter each year out of the beginning fund balance. (Please note that the prior year cash flow reserve is included in the beginning fund balance, and is not accumulated from year to year.) Capital projects carryover and reserves represent the local match for carryover and future capital projects as outlined in the capital improvement plan.
3. **FUND BALANCE AVAILABLE** – This is the balance of funds actually available to finance the start of the budget year. (Amount represents the difference between beginning fund balance and required reserves.)
4. **NON-TDA SOURCES OF FUNDS** – This section details all the Non-Transportation Development Act (TDA) sources of funding by type. Included are fares, interest on deposited funds, and federal, state and local sources.
5. **TOTAL FUND BALANCE AND NON-TDA FUNDING** – This is the total of funding that comes from sources other than cities and the county. This also includes the fund balance available described in #3 above. These amounts are used to fund the budget, thereby decreasing the required TDA contributions of the member jurisdictions.
6. **NET TDA REQUIRED** – This is the total amount of local transportation funds (LTF) required to balance the budget. The Joint Powers Agreement, signed by all members of RTA, authorizes SLOCOG to allocate this amount from each city and the county. This source of funds provides transit planning, bicycle programs, Consolidated Transportation Service Agency (CTSA) support and RTA. A population-based formula is used to distribute the amount among the eight JPA

members. This formula applies to all RTA services. It is not tied to any one route or any one type of service. The balance of LTF funds goes to each jurisdiction for local transit programs, and for streets and roads maintenance projects.

7. TOTAL OF ALL FUNDING SOURCES – This is the total of all funding sources. It equals the amount of expenditures proposed in the budget.
8. FUNDING USES BY GENERAL CATEGORY – This is a very general breakdown by business function for administration and provision of service.
9. TOTAL FUNDING USES – Equals the amount of funding requested by RTA and is detailed in the budget

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED OPERATING BUDGET FOR 2013/2014**

	2011-2012 ACTUAL	2012/2013 AMENDED OPERATING BUDGET	2012/2013 AMENDED SLOCAT BUDGET	2013/2014 PROPOSED OPERATING BUDGET	2013/2014 PROPOSED SLOCAT BUDGET	2013/2014 PROPOSED N. COUNTY BUDGET	2014/2015 PROJECTED OPERATING BUDGET	2014/2015 PROJECTED SLOCAT BUDGET	2014/2015 PROJECTED N. COUNTY BUDGET
FUNDING SOURCES:									
GENERAL RESERVES	1,279,928	1,223,136	207,203	2,050,020	152,321	TBD	1,479,337	161,531	TBD
1. ESTIMATED FUND BALANCE	1,279,928	1,223,136	207,203	2,050,020	152,321	-	1,479,337	161,531	-
2. LESS REQUIRED RESERVES FOR FISCAL YEAR									
CASH FLOW REQUIREMENTS PER TDA	892,119	1,359,421	207,203	1,479,337	152,321	TBD	1,193,527	161,531	TBD
TOTAL	892,119	1,359,421	207,203	1,479,337	152,321	-	1,193,527	161,531	-
3. FUND BALANCE AVAILABLE	387,809	(136,285)	-	570,683	-	TBD	285,810	-	TBD
<u>NON TDA SOURCES</u>									
FARES	1,386,691	995,000	55,320	1,100,000	25,450	TBD	1,115,000	25,450	TBD
SCAT MANAGEMENT CONTRACT	72,600	77,500	-	77,500	-	-	79,438	-	-
COUNTY MANAGEMENT CONTRACT	175,000	175,000	-	87,500	-	-	89,688	-	-
NORTH COUNTY MANAGEMENT CONTRACT	-	-	-	6,620	-	-	39,720	-	-
COUNTY OPERATIONS	535,989	-	-	-	-	-	-	-	-
INTEREST	2,896	4,500	1,000	4,000	1,000	-	4,000	1,000	-
STATE TRANSIT ASSISTANCE (STA)	72,768	271,061	118,242	40,000	98,295	-	40,000	98,295	-
RURAL TRANSIT FUND (Administration)	25,000	25,000	-	25,000	-	-	25,000	-	-
RURAL TRANSIT FUND (Operating Funds)	128,423	225,120	-	203,366	-	-	72,880	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	300,000	340,000	-	340,000	-	-	340,000	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	520,846	519,830	-	519,830	-	-	612,880	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5316) - JARC	419,453	400,000	-	250,000	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-North County) - Operating	280,209	799,422	-	621,198	-	TBD	621,198	-	TBD
FEDERAL TRANSIT ADM (FTA) (Section 5307-Santa Maria) - Operating	207,618	278,734	-	213,931	-	-	200,000	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - South County Operating	-	-	-	39,000	-	-	359,500	-	-
CUESTA CONTRIBUTION ROUTE 12	51,871	61,336	-	54,001	-	-	54,001	-	-
COG ALLOCATION FOR SENIOR SHUTTLE	70,000	80,000	-	-	-	-	-	-	-
SPECIAL EVENTS REVENUE/OTHER	132,060	109,942	-	102,019	-	-	105,080	-	-
4. SUB TOTAL	4,381,424	4,362,444	174,562	3,683,965	124,745	-	3,758,384	124,745	-
5. TOTAL FUND BALANCE & NON TDA FUNDING	4,769,233	4,226,159	174,562	4,254,648	124,745	-	4,044,194	124,745	-

FUNDING SOURCES:		2011-2012 ACTUAL	2012/2013 AMENDED OPERATING BUDGET	2012/2013 AMENDED SLOCAT BUDGET	2013/2014 PROPOSED OPERATING BUDGET	2013/2014 PROPOSED SLOCAT BUDGET	2013/2014 PROPOSED N. COUNTY BUDGET	2014/2015 PROJECTED OPERATING BUDGET	2014/2015 PROJECTED SLOCAT BUDGET	2014/2015 PROJECTED N. COUNTY BUDGET	
<u>TDA REQUIRED</u>											
CITY OF ARROYO GRANDE	Population Based	147,942	177,456	-	200,136	-	-	232,379	-	-	
CITY OF ATASCADERO		242,769	292,903	-	329,610	-	TBD	382,711	-	TBD	
CITY OF GROVER BEACH		112,818	135,343	-	152,345	-	-	176,888	-	-	
CITY OF MORRO BAY		87,760	105,554	-	118,917	-	-	138,076	-	-	
CITY OF PASO ROBLES		255,486	306,801	-	349,842	-	TBD	406,203	-	TBD	
CITY OF PISMO BEACH		65,644	78,770	-	88,835	-	-	103,147	-	-	
CITY OF SAN LUIS OBISPO		18%	497,683	598,269	-	676,192	-	785,130	-	-	
COUNTY OF SAN LUIS OBISPO		49%	1,354,805	1,628,621	709,568	1,840,745	597,490	-	2,137,298	646,516	-
TDA REQUIREMENTS BEFORE 5311 EXCHANGE			2,764,907	3,323,717	709,568	3,756,623	597,490	TBD	4,361,832	646,516	TBD
LESS: RURAL TRANSIT FUND/5311 EXCHANGE		(520,846)	(519,830)	-	(519,830)	-	-	(612,880)	-	-	
6. NET TDA REQUIREMENTS		2,244,061	2,803,887	709,568	3,236,793	597,490	-	3,748,952	646,516	-	
7. TOTAL FUNDING SOURCES		7,013,294	7,030,046	884,130	7,491,441	722,235	159,119	7,793,146	771,261	1,010,162	
8. FUNDING USES:											
ADMINISTRATION		1,114,642	1,312,406	27,350	1,381,074	10,000	19,772	1,436,117	10,000	118,630	
INTEREST EXPENSE		189,494	168,585	-	133,954	-	-	89,683	-	-	
MANAGEMENT CONTRACTS		252,500	77,500	175,000	84,120	87,500	-	119,158	89,688	-	
SERVICE DELIVERY		5,436,263	5,371,555	681,780	5,792,294	624,735	137,432	6,048,189	671,573	880,042	
CONTINGENCY		20,395	100,000	-	100,000	-	1,915	100,000	-	11,490	
9. TOTAL FUNDING USES		7,013,294	7,030,046	884,130	7,491,441	722,235	159,119	7,793,146	771,261	1,010,162	

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED CAPITAL BUDGET FOR 2013/2014**

	2011-2012 ACTUAL	2012/2013 AMENDED CAPITAL BUDGET	2012/2013 AMENDED SLOCAT BUDGET	2013/2014 PROPOSED CAPITAL BUDGET	2013/2014 PROPOSED SLOCAT BUDGET	2013/2014 PROPOSED N. COUNTY BUDGET	2014/2015 PROPOSED CAPITAL BUDGET	2014/2015 PROPOSED SLOCAT BUDGET	2014/2015 PROPOSED N. COUNTY BUDGET
FUNDING SOURCES:									
CAPITAL PROJECTS RESERVE	350,266	288,479	-	540,660	-	TBD	363,152	-	TBD
1. ESTIMATED FUND BALANCE	350,266	288,479	-	540,660	-	-	363,152	-	-
2. LESS REQUIRED RESERVES FOR FISCAL YEAR									
CAPITAL PROJECTS RESERVE	350,266	288,479	-	318,373	-	TBD	363,152	-	TBD
TOTAL	350,266	288,479	-	318,373	-	-	363,152	-	-
3. FUND BALANCE AVAILABLE	-	-	-	222,287	-	TBD	-	-	TBD
<u>NON TDA SOURCES</u>									
STATE TRANSIT ASSISTANCE (STA)	616,105	443,960	-	544,071	-	-	394,071	-	-
PROPOSITION 1B FUNDING - SAFETY & SECURITY	-	61,787	-	400,000	-	-	158,026	-	-
PROPOSITION 1B FUNDING - BUILDING LOAN PAYDOWN	-	-	-	800,000	-	-	-	-	-
PROPOSITION 1B FUNDING - BUS REPLACEMENT	-	1,350,000	95,000	961,000	-	-	400,000	-	-
RURAL TRANSIT FUND (Capital)	89,000	174,710	-	75,000	-	-	639,739	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	-	100,800	-	150,000	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5309) - State of Good Repair	82,396	1,985,000	-	1,900,000	-	-	2,280,000	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5339) - State of Good Repair	-	-	-	162,220	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Stimulus	31,772	-	-	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311f)	-	-	-	-	-	-	336,581	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5316) - JARC	-	-	-	-	-	-	400,000	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5317) - New Freedom	150,151	-	-	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-North County)	-	-	-	424,970	-	-	40,000	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-South County)	-	-	-	347,030	-	-	-	-	-
COG UNIFORM TRANSIT GRANT	-	-	-	-	-	-	-	-	-
SPECIAL EVENTS REVENUE/OTHER	-	29,894	-	-	-	-	-	-	-
4. SUB TOTAL	969,424	4,146,151	95,000	5,764,291	-	-	4,648,417	-	-
5. TOTAL FUND BALANCE & NON TDA FUNDING	969,424	4,146,151	95,000	5,986,578	-	-	4,648,417	-	-
6. NET TDA REQUIREMENTS	270,450	-	-	-	-	-	-	-	-
7. TOTAL FUNDING SOURCES	1,239,874	4,146,151	95,000	5,986,578	-	-	4,648,417	-	-
8. FUNDING USES:									
CAPITAL	931,612	3,837,889	95,000	4,878,316	-	-	4,258,886	-	-
LOAN PAYDOWN	308,262	308,262	-	1,108,262	-	-	543,134	-	-
9. TOTAL FUNDING USES	1,239,874	4,146,151	95,000	5,986,578	-	-	4,802,020	-	-

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

		Actual FY 2011-12	Adopted Operating Budget FY 2012-13	Proposed Operating Budget FY 2013-14	Projected Operating Budget FY 2014-15
Administration and Service Delivery Totals					
	Hours	57,726	61,187	60,118	63,998
	Miles	1,534,626	1,554,777	1,594,232	1,686,796
Administration:					
Labor	operations cost	594,692	736,692	731,454	817,743
Labor - Administration Workers Comp	operations cost	25,901	33,081	35,690	42,830
Office Space Rental	operations cost	405,247	401,278	416,190	450,620
Property Insurance	operations cost	11,590	13,000	16,186	18,625
Professional Technical Services	operations cost	98,754	127,520	90,725	103,804
Professional Development	operations cost	9,649	10,000	16,250	17,500
Operating Expense	operations cost	161,178	190,685	183,670	216,669
Marketing and Reproduction	hourly	60,131	80,000	92,300	105,800
North County Management Contract	operations cost	-	-	(6,620)	(39,720)
County Management Contract	operations cost	(175,000)	(175,000)	(87,500)	(89,688)
SCAT Management Contract	operations cost	(77,500)	(77,500)	(77,500)	(79,438)
Total Administration		1,114,642	1,339,756	1,410,846	1,564,747
Service Delivery:					
Labor - Operations	hourly	2,245,514	2,606,717	2,869,163	3,484,873
Labor - Operations Workers Comp	hourly	145,268	185,537	206,962	282,659
Labor - Maintenance	hourly	570,856	654,862	760,398	856,644
Labor - Maintenance Workers Comp	hourly	45,675	58,336	63,811	81,491
Fuel	miles	1,304,258	1,434,884	1,490,155	1,628,690
Insurance	miles	299,406	276,335	352,037	412,565
Special Transportation (includes Senior Vans, Lucky Bucks, etc)	n/a	70,095	79,925	81,700	83,743
Avila Trolley	n/a	55,661	66,100	66,100	66,100
Senior Shuttle	n/a	71,386	80,000	-	-
Maintenance (parts, supplies, materials)	miles	484,524	486,355	536,934	567,370
Maintenance Contract Costs	miles	143,620	124,283	127,202	135,670
Total Operations		5,436,263	6,053,335	6,554,461	7,599,804
Contingency	hourly	20,395	100,000	101,915	111,490
Interest Expense	operations cost	189,494	168,585	133,954	89,683
Management Contracts		252,500	252,500	171,620	208,845
TOTAL FUNDING USES		7,013,294	7,914,176	8,372,795	9,574,569

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

Capital Expenditures	Actual Capital Expenditure <u>FY 2011-12</u>	Amended Capital Budget <u>FY 2012-13</u>	Proposed Capital Budget <u>FY 2013-14</u>	Projected Capital Budget <u>FY 2014-15</u>	Projected Capital Budget <u>FY 2015-16</u>	Projected Capital Budget <u>FY 2016-17</u>	Projected Capital Budget <u>FY 2017-18</u>
Capital/Studies:							
Computer System Maintenance/Upgrades	5,258	6,678	13,310	21,090	10,000	10,500	11,030
Miscellaneous Capital	56,095	89,020					
Facility Improvements	-		187,820	12,500	-	-	-
Maintenance Software and Maintenance Equipment	-		60,000	-	-	-	36,470
Tire Lease Buyout	-		37,170	-	-	-	-
Marking and Tethering Program	-		5,500	-	-	-	-
Rotary Lift	-		18,700	-	-	-	22,730
Specialized Maintenance Tools	-		12,650	40,950	15,000	15,750	16,540
Maintenance Staff Office/Additional Desks	-		34,100	-	-	-	-
Backup Generator	-		17,250	-	-	-	-
Vehicle ITS/Camera System	-	61,787	461,787	158,026	-	-	96,040
Bus Stop Improvements	-	-	61,750	30,000	15,000	15,750	16,540
Bus Rehabilitation	97,933	100,000	125,000	60,000	126,000	132,300	-
Bus Procurement Reserve/Large Capital Repairs	160,000	29,894	44,779	-	-	-	-
Electronic Farebox/RouteMatch Dispatching Software	-	-	-	-	-	50,000	-
Vehicles	-	-	-	-	-	-	-
North Coast Connector (Two Small Buses)	178,201	-	-	-	-	-	-
Support Vehicles	-	-	102,500	-	-	50,000	-
40' Coaches	389,117	3,326,000	3,336,000	3,766,320	-	-	1,215,506
Trolley replacement vehicles	-	-	-	-	-	325,000	-
One Dial A Ride Vehicle	-	95,000	-	-	-	-	-
Runabout Vehicles	45,008	224,510	360,000	170,000	-	347,290	-
Total Capital Outlay	931,612	3,932,889	4,878,316	4,258,886	166,000	946,590	1,414,856
Loan Paydown	308,262	308,262	1,108,262	543,134	543,134	271,567	-
TOTAL FUNDING USES	1,239,874	4,241,151	5,986,578	4,802,020	709,134	1,218,157	1,414,856

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

		Adopted Budget FY 2012-13	Weekday Proposed Budget FY 2013-14	Saturday Proposed Budget FY 2013-14	Sunday Proposed Budget FY 2013-14	Total Proposed Budget FY 2013-14	Projected Budget FY 2014-15
Route 9							
	Hours	10,390	9,760	629	413	10,801	11,071
	Miles	313,841	298,711	18,965	12,806	330,482	338,744
Administration:							
Total Administration (Net of Contracts)		202,065	226,485	14,495	9,641	250,621	259,511
Service Delivery:							
Labor - Operations	hourly	397,976	409,564	26,375	17,336	453,275	458,235
Labor - Operations Workers Comp	hourly	28,327	29,513	1,901	1,249	32,662	37,739
Labor - Maintenance	hourly	99,980	110,757	7,133	4,688	122,578	124,740
Labor - Maintenance Workers Comp	hourly	8,906	9,279	598	393	10,270	11,866
Fuel	miles	272,686	263,015	16,699	11,276	290,989	288,944
Insurance	miles	51,574	61,555	3,908	2,639	68,102	72,572
Maintenance (parts, supplies, materials)	miles	88,265	90,334	5,735	3,873	99,942	95,815
Maintenance Contract Costs	miles	22,555	21,398	1,359	917	23,674	22,935
Total Operations		970,270	995,414	63,706	42,371	1,101,491	1,112,846
Capital/Studies:							
Total Capital Outlay		1,001,452	1,198,255	77,165	50,719	1,326,140	1,308,316
Contingency	hourly	17,278	16,693	1,075	707	18,475	17,894
Interest Expense	operations cost	31,568	22,361	1,440	946	24,748	16,048
TOTAL FUNDING USES		2,222,632	2,459,209	157,882	104,383	2,721,474	2,714,615
TOTAL NON-CAPITAL EXPENDITURES		1,221,180	1,260,954	80,716	53,664	1,395,335	1,406,298

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

		Adopted Budget FY 2012-13	Weekday Proposed Budget FY 2013-14	Saturday Proposed Budget FY 2013-14	Sunday Proposed Budget FY 2013-14	Total Proposed Budget FY 2013-14	Projected Budget FY 2014-15
Route 10							
	Hours	10,652	9,830	588	360	10,777	11,046
	Miles	359,690	322,158	19,000	11,628	352,786	361,605
Administration:							
	Total Administration (Net of Contracts)	218,113	235,189	13,972	8,551	257,712	266,733
Service Delivery:							
	Labor - Operations	408,016	412,498	24,655	15,089	452,242	457,190
	Labor - Operations Workers Comp	29,041	29,724	1,777	1,087	32,588	37,653
	Labor - Maintenance	102,502	111,550	6,667	4,080	122,298	124,456
	Labor - Maintenance Workers Comp	9,131	9,346	559	342	10,246	11,839
	Fuel	312,523	283,660	16,729	10,238	310,628	308,445
	Insurance	59,109	66,386	3,915	2,396	72,698	77,469
	Maintenance (parts, supplies, materials)	101,160	97,425	5,746	3,516	106,687	102,281
	Maintenance Contract Costs	25,851	23,078	1,361	833	25,272	24,482
	Total Operations	1,047,333	1,033,667	61,409	37,582	1,132,658	1,143,816
Capital/Studies:							
	Total Capital Outlay	1,026,715	1,206,841	72,132	44,144	1,323,117	1,305,334
Contingency	hourly	17,714	16,813	1,005	615	18,433	17,853
Interest Expense	operations cost	34,075	22,521	1,346	824	24,691	16,011
TOTAL FUNDING USES		2,343,950	2,515,031	149,863	91,716	2,756,611	2,749,748
TOTAL NON-CAPITAL EXPENDITURES		1,317,235	1,308,190	77,732	47,572	1,433,494	1,444,414

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

		Adopted Budget FY 2012-13	Weekday Proposed Budget FY 2013-14	Saturday Proposed Budget FY 2013-14	Sunday Proposed Budget FY 2013-14	Total Proposed Budget FY 2013-14	Projected Budget FY 2014-15
Route 12, 14 and 15							
	Hours	15,751	9,419	859	673	10,951	11,225
	Miles	350,619	283,473	26,515	20,410	330,398	338,658
Administration:							
Total Administration (Net of Contracts)		270,191	216,983	20,009	15,558	252,549	261,533
Service Delivery:							
Labor - Operations	hourly	603,321	395,275	36,048	28,251	459,574	464,603
Labor - Operations Workers Comp	hourly	42,942	28,483	2,598	2,036	33,116	38,263
Labor - Maintenance	hourly	151,567	106,893	9,748	7,640	124,281	126,474
Labor - Maintenance Workers Comp	hourly	13,502	8,956	817	640	10,412	12,031
Fuel	miles	304,642	249,598	23,346	17,971	290,915	288,871
Insurance	miles	57,618	58,415	5,464	4,206	68,084	72,553
Maintenance (parts, supplies, materials)	miles	98,609	85,726	8,018	6,172	99,917	95,791
Maintenance Contract Costs	miles	25,199	20,307	1,899	1,462	23,668	22,929
Total Operations		1,297,399	953,651	87,939	68,378	1,109,968	1,121,514
Capital/Studies:							
Total Capital Outlay		1,518,174	1,156,450	105,466	82,654	1,344,569	1,326,498
Contingency	hourly	26,193	16,111	1,469	1,151	18,731	18,143
Interest Expense	operations cost	42,211	21,581	1,968	1,542	25,091	16,271
TOTAL FUNDING USES		3,154,169	2,364,775	216,851	169,283	2,750,909	2,743,959
TOTAL NON-CAPITAL EXPENDITURES		1,635,995	1,208,325	111,385	86,630	1,406,340	1,417,460

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

		Adopted Budget FY 2012-13	Total Proposed Budget FY 2013-14	Projected Budget FY 2014-15
Runabout				
	Hours	23,341	25,937	28,531
	Miles	479,229	509,405	560,346
Administration:				
	Total Administration (Net of Contracts)	388,742	507,375	565,411
Service Delivery:				
	Labor - Operations	894,045	1,088,454	1,180,879
	Labor - Operations Workers Comp	63,635	78,432	97,254
	Labor - Maintenance	224,603	294,347	321,458
	Labor - Maintenance Workers Comp	20,008	24,661	30,580
	Fuel	416,387	448,531	477,967
	Insurance	78,753	104,972	120,047
	Maintenance (parts, supplies, materials)	134,780	154,051	158,496
	Maintenance Contract Costs	34,442	36,492	37,938
	Total Operations	1,866,652	2,229,938	2,424,618
Capital/Studies:				
	Total Capital Outlay	261,655	884,517	318,744
Contingency				
	hourly	38,815	44,364	46,113
Interest Expense				
	operations cost	60,731	59,427	41,355
TOTAL FUNDING USES		2,616,595	3,725,620	3,396,241
TOTAL NON-CAPITAL EXPENDITURES		2,354,940	2,841,103	3,077,497

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

		Adopted Budget FY 2012-13	Line 83 Proposed Budget FY 2013-14	Senior Shuttle Proposed Budget FY 2013-14	Route 227 Proposed Budget FY 2013-14	Beach Shuttle Proposed Budget FY 2013-14	Total Proposed Budget FY 2013-14	Projected Budget FY 2014-15
Line 83, Senior Shuttle, Route 227, Beach Shuttle								
	Hours	1,052	1,081	-	145	428	1,653	2,126
	Miles	51,397	53,766	-	4,875	12,517	71,158	87,440
Administration:								
Total Administration (Net of Contracts)		42,779	31,953	-	-	-	31,953	32,978
Service Delivery:								
Labor - Operations	hourly	40,278	45,345	-	6,092	17,940	69,377	88,011
Labor - Operations Workers Comp	hourly	2,867	3,267	-	439	1,293	4,999	7,248
Labor - Maintenance	hourly	10,119	12,263	-	1,647	4,851	18,761	23,958
Labor - Maintenance Workers Comp	hourly	901	1,027	-	138	406	1,572	2,279
Fuel	miles	44,657	47,341	-	4,292	11,021	62,655	74,585
Insurance	miles	8,446	11,079	-	1,005	2,579	14,663	18,733
Senior Shuttle	n/a	80,000	-	-	-	-	-	-
Maintenance (parts, supplies, materials)	miles	14,455	16,260	-	1,474	3,785	21,519	24,733
Maintenance Contract Costs	miles	3,694	3,852	-	349	897	5,097	5,920
Total Operations		205,417	140,434	-	15,437	42,774	198,644	245,468
Capital/Studies:								
Total Capital Outlay		29,894	-	-	-	-	-	-
Contingency		-	-	-	-	-	-	-
Interest Expense		-	-	-	-	-	-	-
TOTAL FUNDING USES		278,090	172,387	-	15,437	42,774	230,597	278,446
TOTAL NON-CAPITAL EXPENDITURES		248,196	172,387	-	15,437	42,774	230,597	278,446

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

	Adopted Budget FY 2012-13	Total Proposed Budget FY 2013-14	Projected Budget FY 2014-15
County Services			
Administration:			
Total Administration (Net of Contracts)	217,866	97,500	99,688
Service Delivery:			
Labor - Operations	263,082	255,072	267,811
Labor - Operations Workers Comp	18,725	18,380	22,056
Labor - Maintenance	66,092	68,978	72,903
Labor - Maintenance Workers Comp	5,888	5,779	6,935
Fuel	83,990	69,000	70,725
Insurance	20,834	19,100	21,010
Special Transportation (includes Senior Van: n/a	79,925	81,700	83,743
Avila Trolley	66,100	66,100	66,100
Maintenance (parts, supplies, materials)	49,085	48,744	48,744
Maintenance Contract Costs	12,543	11,546	11,546
Total Operations	666,264	644,400	671,573
Capital/Studies:			
Total Capital Outlay	95,000	-	-
Contingency	-	-	-
Interest Expense	-	-	-
TOTAL FUNDING USES	979,130	741,900	771,261
TOTAL NON-CAPITAL EXPENDITURES	884,130	741,900	771,261

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

		Total Proposed Budget FY 2013-14	Projected Budget FY 2014-15
North County Services			
Administration:			
Total Administration (Net of Contracts)		19,772	118,630
Service Delivery:			
Labor - Operations	hourly	91,225	568,200
Labor - Operations Workers Comp	hourly	6,788	42,450
Labor - Maintenance	hourly	9,170	62,670
Labor - Maintenance Workers Comp	hourly	872	5,962
Fuel	miles	17,435	119,150
Insurance	miles	4,417	30,180
Maintenance (parts, supplies, materials)	miles	6,073	41,510
Maintenance Contract Costs	miles	1,452	9,920
Total Operations		137,432	880,042
Capital/Studies:			
Total Capital Outlay		-	-
Contingency	hourly	1,915	11,490
Interest Expense	operations cost	-	-
TOTAL FUNDING USES		159,119	1,010,162
TOTAL NON-CAPITAL EXPENDITURES		159,119	1,010,162

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

April 10, 2013

STAFF REPORT

AGENDA ITEM: B-2

TOPIC: South County Area Transit Use of RTA Vehicles – July 2012 to February 2013

ACTION: Review and Approve

PRESENTED BY: Geoff Straw, Executive Director

BACKGROUND:

As noted in the Executive Director's report during the March 6, 2013 RTA Board meeting, at various times during the year vehicle(s) have been borrowed from RTA for South County Area Transit service needs. This is being done due to vehicle shortages related to their hybrid bus being unusable, as well as for training needs and when South County Area Transit buses are in the shop for repairs/maintenance.

Staff reviewed the Daily Vehicle Inspection reports completed by South County Area Transit staff for RTA vehicles for the period July 1, 2012 to February 28, 2013. During that time 31,257 miles were operated on RTA vehicles in the provision of South County Area Transit service.

To determine a cost per mile, various cost factors were evaluated, including fuel, parts, maintenance staff time, and insurance. As was noted at the March meeting, RTA is not looking to recover any depreciation costs. Based on the evaluation, the cost per mile is \$1.70, which would result in a charge of \$53,136.90 through February 2013. It should be noted that RTA vehicles continue to be used at South County Area Transit and likely will be until their new vehicles arrive in August 2013.

Staff Recommendation

Approve the transfer of \$53,136.90 in maintenance costs from RTA to SCAT for the use of RTA buses from July 1, 2012, through February 28, 2013. In addition, approve per mile rate for using RTA vehicles of \$1.70 through the end of August 2013.



San Luis Obispo Regional Transit Authority
Executive Committee Meeting
Minutes 2/13/2013
C-1

Members Present: Frank Mecham, President
Shelly Higginbotham, Vice President

Members Absent: Fred Strong , Past President

Staff Present: Geoff Straw, Executive Director
Tania Arnold, CFO & Director of Administration
Anna Mafort-Lacy, Administrative Assistant
Tim McNulty, County Counsel

Also Present: Eric Greening
Ron De Carli, SLOCOG
Pete Rodgers, SLOCOG
Aida Nicklin, Rideshare

1. Call to Order and Roll Call:

President Frank Mecham called the meeting to order at 10:03 a.m. Silent Roll Call was taken and a quorum was present.

2. Public Comments:

Mr. Eric Greening welcomed the two new members to the Executive Committee. He said he continues to be amazed at how popular the buses are nowadays.

President Mecham closed public comment.

3. Information Items

A. Information Items:

A-1 Executive Director's Report

Mr. Straw announced bus 148, a 1995 Gillig, recently blew an engine. The cost to rebuild the engine is \$12,000 and new buses are coming later this year, with the first scheduled to arrive in April. Staff decided not to spend the money, as the bus has about one million miles and most of the parts are not compatible with newer fleet vehicles. Staff will use the bus for parts, as its counterpart (bus 149) is still in operation.

Vice President Shelly Higginbotham observed the reduced spare ratio may result in maintenance staff overtime and asked if it would be cheaper to rent a bus for the next few months. **Mr. Straw** said this had been considered, but it takes a fair amount of time to procure and inspect a leased vehicle, change the signage, etc.

Staff is seeking a grant to conduct a joint Short Range Transit Plan with SLO Transit. By coordinating our SRTPs, we can better align our services.

Staff is still waiting on the City of Paso Robles regarding the JPA amendment. Once that is approved, we will have 30 days to file the revised JPA with the state.

He said a facility planning meeting will be held after the Executive Committee meeting and includes **Mayor Jan Marx** and **Supervisor Paul Teixeira**.

Mr. Pete Rodgers asked if San Luis Obispo Council of Governments (SLOCOG) should be involved in the facilities planning meeting. **Mr. Straw** said yes.

Mr. Straw concluded the Executive Directors report.

President Mecham opened public comment.

President Mecham closed public comment.

A-2 ADA Recertification & Other Potential Runabout Cost-Saving Measures

Mr. Straw said there is increasing demand for Runabout service and it is expected to be over-budget by about \$110,000. The American with Disabilities Act does not allow transit agencies to have a pattern of trip denials. Higher demand requires more drivers and vehicles to go out and help pick up the additional riders, which creates overtime.

Runabout can offer rides during an hour on either side of a rider's requested time. If we cannot provide a ride during this window, it's considered a trip denial. But if we can provide a ride within the parameters and the passenger does not accept it, it is considered a trip refusal. This is not counted against us.

Trips are getting longer and covering more distance. Mr. Straw presented the options to help mitigate some of the rising demand, such as fully implementing the No-Show policy and beginning a recertification process. The No-Show policy is going into effect on March 1. The ADA recertification is expected to get underway by early 2014.

President Mecham asked if having smaller vans would be more cost-effective for this service. **Mr. Straw** answered that RTA has been procuring Dodge Caravan low-floor vehicles, in addition to the traditional cutaways. These vans provide superior fuel efficiency and are easier to navigate in small neighborhoods. Most of the cost is actually the driver wages and benefits, and the number of hours the vehicle is in service. He pointed out that Runabout has been unable to accommodate general public ride requests since 2011 and staff would like to eliminate the language from the policy altogether. General public rides only increase the subsidy needed to operate Runabout.

Mr. Straw discussed how Runabout passengers can take one personal care attendant for free and any additional companion must pay the same fare as the Runabout passenger.

Vice President Higginbotham asked if destinations are definable. Can they go to the beach? **Mr. Straw** said it must be within the $\frac{3}{4}$ mile corridor of a fixed route. Other than that, riders can schedule rides for whatever destination they wish.

Another cost-saving measure is to fund fare-free fixed routes and encourage ADA paratransit riders to take these buses. Currently they can show their Paratransit Eligibility Card and ride for free on RTA and South County Area Transit. SLO Transit does not currently accept these passengers for fare-free service. Staff is currently working on solutions and to determine an average cost for reimbursement.

Mr. Straw pointed to page A-2-5 and six other ways to help reduce Runabout costs. These include travel training to help teach people how to use the fixed route and working with Ride-On Transportation for shared rides and passengers who are covered by Medicare, which will pay for the rides. Another option is implementing subsidized taxi transportation for ambulatory riders. He outlined some concerns with this option.

Mr. Straw discussed the JARC funding for Route 15, saying this service will likely become a flexed fixed route in a couple of years when the JARC funding sunsets. This change will eliminate the need for Runabout service along the North Coast, including Cambria and Cayucos.

Vice President Higginbotham asked if staff has done outreach to nursing homes and other care facilities. Many of them have wheelchair accessible vehicles and may be shifting the burden on Runabout. **Mr. Straw** agreed this may be happening and said this is referred to as "dumping."

Vice President Higginbotham inquired if these care centers are eligible to get any kind of transit funding to provide this type of service. **Mr. Rodgers** said he thought NCI does receive funding, but did not believe private care facilities are eligible. **Mr. Straw** said staff can do research and outreach to some of these facilities and see if there are opportunities to partner with them.

Mr. Straw concluded his report.

President Mecham opened public comment.

Mr. Greening observed this issue was discussed at the January RTAC meeting. He said the deviated fixed route along Route 15 is something worth exploring, although he would hate to lose fixed route service in order to keep Runabout whole—particularly when Runabout is 12 times more expensive to operate.

Mr. Rodgers said the free-fare fixed route is a good near-term avenue to pursue. The North County consolidation would buy into it as well, which indicates SLO Transit and the average fare reimbursement is the key. It would seem the average fare would be higher than the discounted fare the agency would receive from the disabled community.

President Mecham closed public comment.

A-3 Summer Beach Shuttle

Mr. Straw reviewed with the Committee a map and draft schedule for the new Beach Shuttle service that will connect North County with the north Morro Bay and Cayucos beach communities. Staff is looking at operating five days per week, Tuesday through Saturday, three round trips each service day. The service will run from June 7 through August 24. This coincides with school summer break.

SLOCOG will allocate some State Transit Assistance funds. One question that is still outstanding is who will actually operate the service. Staff has been meeting with Ride-On Transportation to discuss the possibility of them operating the first two morning trips and RTA doing the afternoon trip using a 40-foot bus.

Staff believes it is important to incorporate some performance standards and looking at ridership of approximately 60 passengers per service day and fare box revenue.

Staff expects to gather and review numbers and report back to the Board at the November meeting.

Mr. Straw reviewed the draft schedule with committee members.

Mr. Straw concluded his report.

President Mecham opened public comment.

Mr. Greening suggested changing the schedule from Tuesday through Saturday to Wednesday through Sunday. Families would travel on the weekend. He said Sunday is the most cumbersome day to travel from the interior to the coast. He also recommended adding a stop at the Atascadero Lake Park/Charles Paddock Zoo/Veterans Memorial. It would be wasteful not to promote the reverse route from the coast inland.

President Mecham closed public comment.

4. Action Items

B-1 RTA Passenger Code of Conduct

Mr. Straw announced this is the second time the Board will review the new code of conduct. Changes are highlighted and include input from bus operators, advisory committees, SLOCOG and others. He said some commenters do not think RTA is being hard enough in terms of disciplinary actions. He reviewed areas of concern, such as restraining orders.

Mr. Straw concluded his report.

President Mecham opened public comment.

Mr. Greening said this code should help protect both the drivers and the other passengers.

President Mecham closed public comment.

B-2 RTA FY13-14 and FY14-15 Budget Assumptions

Mr. Straw presented budget assumptions for two years. He said the goal is to keep the fixed route status quo for Fiscal Year 2013-2014 but will have to add additional service for Runabout. We are anticipating additional staffing to help with increased Runabout service demands.

He said a top objective will include a revised Collective Bargaining Agreement (CBA) and staff will be budgeting the same cost increases of about 3% per year. He discussed the anticipated consolidation of North County services in June 2014.

President Mecham asked if this will warrant fare increases. **Mr. Straw** said he did not expect fare increases for the next two fiscal years.

Mr. Straw stated we cannot manage what we cannot measure. We are not currently measuring maintenance costs very well and will need to do a better job of monitoring the cost per vehicle per mile. Staff currently enters data into spreadsheets, which are labor intensive and subject to human error. We are looking at buying a maintenance program as part of next year's capital improvement plan.

Vice President Higginbotham said the goal of the North County consolidation was not only to improve service but also to reduce cost. **Mr. Straw** said RTA will take on qualified employees who already work for the North County transit agencies. He pointed out SLOCAT has a separate budget column. Next year there will be another column for North County, so they will be separate from RTA. He believes we have deficiencies in staffing that must be addressed. He pointed to page B-2-3, fourth bullet, for areas that need to be improved and how staff will creatively fix them.

Mr. Straw concluded his report.

President Mecham opened public comment.

Mr. Greening said his understanding regarding the North County Transit Plan was that we would achieve an economy of scale. While RTA is taking on more in its budget, we will be eliminating duplicate service within the local jurisdictions. The Local Transit Funds (LTF) currently used by those cities will then become available to RTA to cover the cost of providing that service. The net result will be a savings of about \$300,000 per year, which can be used for other LTF services. He asked if the current North County transit staff would become RTA employees. If so, will they be under labor agreements? He questioned how seniority would be addressed. He said RTA drivers are underpaid compared to counterparts in comparable nearby counties.

Mr. Straw said he did not anticipate RTA and the union will get an agreement of longer than three years, as the economy is improving. The union may not want to commit to anything long term. He said North County staff will have first chance to become RTA employees, utilize their expertise and bid on local routes.

Mr. Rodgers pointed out RTA will not save money by consolidating service. Rather, the local jurisdictions that will benefit from cost savings. RTA will become bigger and can provide more services at a lower overall cost. All of those savings will go to the cities of Atascadero and Paso Robles. RTA is doing this as a service because they are the transit professionals. Federal funding money will be primarily used to pay for this consolidated service, while the local transit funds will be at the discretion of the local jurisdictions to use for either increased transit or street and roads.

Mr. Straw noted staff is proposing a 10% annual increase for medical costs to cover the Affordable Care Act. This is in line with what we traditionally see. **Ms. Arnold** said the numbers are based upon full time staff. Some part timers (those working more than 30 hours per week) will now qualify for health insurance under this Act. We will try to maximize the number of full time staff.

President Mecham closed public comment.

B-3 RTA Board and RTAC Stipend

Mr. Straw presented the proposed stipend, which mirrors that of SLOCOG Board members. Additionally, staff recommends issuing bus passes to RTAC members. The pass would not count as a taxable benefit.

President Mecham inquired if the Board stipend would be split between RTA and SLOCOG on days when there is a joint session. **Mr. Straw** confirmed this to be correct. For example, SLOCOG pays \$100 per Board meeting and \$50 per Executive Committee meeting. When both agencies share a meeting, Board members would get \$50 from SLOCOG and RTA for each Board meeting and \$25 each for shared Executive Committee meetings.

Vice President Higginbotham said she could not support this stipend. It feels disingenuous to accept a stipend when we look at the discrepancies of how we much we pay the drivers, the current budget assumptions and the anticipated deficiencies with decreased STA funding. It sends the wrong message.

Mr. Straw asked if the committee would be more comfortable receiving parking reimbursement. He also asked for feedback about the bus passes and whether or not the stipend be modified.

Vice President Higginbotham said it felt disingenuous to take money when we often discuss driver wages.

President Mecham said he agreed that this is an uncomfortable discussion to have, particularly when talking about a tight time for drivers and the budget. He said he thinks it is part of the responsibility of an elected official to be on board as a representative of his or her community. If one doesn't want to do that or feels the stipend is going to make that much of a difference, perhaps one should step down and let another take over.

Mr. Straw asked about the bus passes. He said this can be a great community relations tool and a good way to expect feedback from RTAC members. **Vice President Higginbotham** said she did not have any problems at all with accepting a bus pass. The Board should discuss this issue further.

President Mecham opened public comment.

Mr. Greening appreciated the issues the Committee is raising. He has not heard a clamor from the Board for a stipend and RTAC has not asked for one either. The pass is of value to all Board members—including County Supervisors—as well as RTAC members. Getting on the bus, riding around and talking to people will help better assist as RTA directors with real-life experiences.

President Mecham agreed this discussion should be brought before the Board. The option to have the bus passes as opposed to the stipend should be considered.

Mr. Rodgers pointed out the potential stipend discrepancy when RTA and SLOCOG have joint meetings. There is an argument for having consistency so that if there is a regional meeting, either members get a stipend or they don't. This would also reduce confusion.

President Mecham suggested the member cities could pay a stipend to their representatives for both RTA and SLOCOG. If jurisdictions send member representatives, perhaps they should provide the stipend.

Mr. Straw said jurisdictions do this by providing LTF funding to SLOCOG for this purpose. In effect, the county is paying a portion of the money for city members to be attend these meetings.

President Mecham closed public comment.

5. Consent Agenda Items

C-1 Executive Committee Meeting Minutes of December 12, 2012

Mr. McNulty advised the minutes could not be approved because no members are present who attended the December 12 meeting. He recommended the Committee receive and file. The Committee agreed.

6. Agenda Review:

Mr. Straw announced RTAC received applications from someone willing to serve as the Runabout representative, as well as an alternate for fixed route representation.

He pointed to some FTA funds that will be requested on the Consent Agenda. Staff will also request a Closed Session to discuss real property concerns.

7. Closed Session Items:

D-1 None

8. Adjournment: **President Mecham adjourned the meeting at 11:15 a.m.**

Respectfully Submitted,

Acknowledged by,

Anna Mafort-Lacy
Administrative Assistant

Frank Mecham
RTA President