

REGIONAL TRANSIT AUTHORITY EXECUTIVE COMMITTEE AGENDA

PLEASE NOTE THE DATE, TIME, AND LOCATION:

Wednesday, April 15, 2015

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 (including Limited English Proficiency [LEP]) by contacting the RTA offices at 781-4472. 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 Fiscal Year 2015-16 Operating and Capital Budget (Action)
 - B-2 Implement RTA Employee Sick Leave Requirements (Action)
- 5. Consent Items**
 - C-1 Executive Committee Meeting Minutes of February 11, 2015 (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

6. RTA Board Agenda Review – below are items that will be presented at the March 4, 2015 RTA Board meeting:

Information Items

- A-1 Executive Director's Report (Information)
- A-2 Present Strategic Business Plan Performance Measures (Receive)

Action Items

- B-1 Implement RTA Employee Sick Leave Requirements (Action)
- B-2 Fiscal Year 2015-16 Operating and Capital Budget (Action)

Consent Items

- C-1 Executive Committee Meeting Minutes of February 11, 2015 (Approve)
- C-2 RTA Board Meeting Minutes of March 4, 2015 (Approve)
- C-3 Draft RTAC Meeting Minutes of April 16, 2015 (Approve)
- C-4 Resolution Authorizing Executive Director to Apply for FTA funds (Approve)
- C-5 DBE Program and Goal setting (Approve)
- C-6 Contract with AGP Video Production of Board Meetings (Approve)
- C-7 Estoppel Certificate for 179 Cross Street Lease (Approve)
- C-8 Authorize Executive Director to Submit Letter to Department of Labor regarding PEPRAs and FTA Grants (Approve)
- C-9 Prop 1B Safety and Security: Transit System Safety, Security and Disaster Response Account Program, and Authorized Agent Signature Authority (Approve)
- C-10 Vehicle Procurements: Runabout Vans and Support Vehicles (Approve)
- C-11 Vehicle Hoists Procurement (Approve)
- C-12 Youth Ride Free Summer Promotion (Approve)

7. Adjournment

Next Executive Committee Meeting: **June 12, 2015**

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

April 15, 2015

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Executive Director's Report

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Accept as Information

BACKGROUND/DISCUSSION:

Operations:

RTA will conduct its next quarterly Employee of the Quarter barbecue lunch on April 24, 2015 from 11:30AM until 1:00PM at the RTA Operating facility on 179 Cross Street. Please add that event to your calendars.

I served on the Transportation and Circulation Committee as part of Cal Poly's Master Plan Update since October, and President Armstrong provided a wrap-up presentation of input received from all committees on April 3. Public transportation and other active transportation modes will play a strong part of meeting Cal Poly's travel needs as the campus attempts to grow, including an interesting proposal to provide year-round classes instead of a standard three-quarter academic year.

The Regional Transportation Advisory Committee will meet on April 16th to provide recommendations on the FY15-16 budget. The committee will also receive an update on Short-Range Transit Plans study efforts, including on-board passenger surveys conducted in March and online general public surveys that were collected throughout the month of March. Passenger transfer surveys will be completed the week of April 27th. The first working paper is expected in late-April. This Caltrans-funded study should be completed in April 2016.

Maintenance:

RTA has received delivery of all eight new 2015 40-foot transit buses that are essentially the same as the seven Gillig Low-Floor buses delivered in 2013. Staff is completing the on-boarding process to ensure we received what we paid for, and to be sure the buses are ready for revenue service by the middle of April.

A defective turbocharger component in RTA's seven 2013 buses has occasionally red-tagged buses over the past two months. This is a nationwide problem for trucks and buses that use the model year 2013 Cummins ISL diesel engine. The manufacturer of this subcomponent is focusing replacements on larger fleets first before addressing single-orders. We have asked the warranty provider to fix South County Transit's buses first, since that system has such a thin spare ratio. It is fortunate that RTA has two 2010

35-foot buses that we could temporarily reassign to SCT during this period. RTA rarely uses those two vehicles due to their limited passenger capacity.

RTA continues to meet preventive maintenance schedules according to manufacturer recommendations.

Service Planning & Marketing:

Staff is working with State Parks officials to develop alternatives that could help us address the loss in Jobs Access Reverse Commute funding that currently funds RTA Route 15 along the North Coast. Staff should have more fully developed ideas ready for the May 6 Board meeting.

Finance and Administration:

Staff will provide preliminary financial and operating data through February 28th at the May 6th RTA Board meeting.

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 15, 2015

STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Fiscal Year 2015-16 and 2016-17 Operating Budget, and Fiscal Year 2015-16 through 2019-20 Capital Budget

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Adopt Fiscal Year 2015-16 Budget as presented

RTAC RECOMMENDATION:

BACKGROUND/DISCUSSION:

We are pleased to present a balanced fiscal year 2015-16 and projected fiscal year 2016-17 operating budget. In addition, we are presenting a five-year capital program.

We appreciate the Board's support and leadership in these financially constrained times. This year presented staff with a new challenge due to declining local revenue, and increased service demands. Due to those circumstances, we will present this budget with the planned new Express trips separate from the base Routes 9 and 10 summaries should the Board determine that cuts be implemented.

Both budget presentations assume the same core levels of service miles and hours for fixed route and Runabout services that are currently being operated. It also assumes a very minimal increase in Runabout service level, which is a welcome relief in comparison to recent years when Runabout demand burgeoned. Staff will continue to monitor the Runabout service and should service demands change to beyond the scope of the budget present, a budget amendment will be presented to the Board. Also, RTA will no longer be operating Line 83 under a highly Monterey Salinas Transit-subsidized contract, which resulted in a small amount of cost savings for RTA.

The highly successful Route 14 service will continue to operate during peak academic year commute times between downtown San Luis Obispo and the main Cuesta College campus, our highest trip generators in the regional system. The North Coast Connector service is projected at very similar levels as to what was operated during the 2014-15 fiscal year, but the service type is projected to change to a deviated fixed route service. Although staff is not projecting that this change will have a significant cost savings in the fixed route service plan, it will reduce Runabout service costs.

In May of 2014 RTA adopted a reserve policy, one for cash flow purposes and one for capital projects. During FY13-14 RTA came in under the projected budget, fare revenue was higher than projected, and the fund balance increased more than original budget projections. In addition, during FY13-14 and FY14-15, RTA has replaced the vast majority of the fleet, which has resulted in a reduction in the amount of capital projects reserves needed in the ensuing years. The result of the savings and decrease in capital reserves required is that staff is projecting a strong fund balance at the beginning of FY15-16.

No Local Transit Fund (LTF) is required for local match for any of the proposed capital projects. The FY15-16 RTA operating budget is proposed at \$8,351,380 and the capital budget is proposed at \$2,553,500.

It should be noted that staff continues to present separate columns in the revenue and expense tables that depicts the consolidation of Paso Robles Express fixed route and dial-a-ride services into RTA on June 1, 2014, as well as the County transit services (SLOCAT).

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, workers compensations, the wage adjustments programmed in the Collective Bargaining Agreement for covered employees, and our health plan. We have managed to make progress on upgrading our fleet in recent years, and the delivery of eight new forty-foot low-floor buses in March 2015 will continue to help reduce a portion vehicle maintenance costs. The recent downturn in fuel costs has resulted in welcome relief, although we do not expect fuel costs to remain static into the future.

The budget packet contains the following items:

- Our vision and mission statements
- Adopted Budget Assumptions adopted March 4, 2015
- Fiscally-constrained FY15-16 operating and capital budgets
- Fiscally-unconstrained FY16-17 operating budget
- Fiscally-unconstrained FY16-17 through FY19-20 capital budgets

Lastly, we have broken each fixed route service 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

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 23% lower in FY15-16 in comparison to final FY14-15 amounts. However, STA funding is estimated to be relatively flat for RTA, noting that the FY14-15 STA amount included in the budget includes a carryover from the prior year.

We are predicating the revenue stream for the FY15-16 budget on the latest information that we have available on LTF and STA funding for the region. The LTF program is projected to have a dramatic decrease and staff is unsure of what the projection for this revenue stream should be for 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 increase in fare revenue for either FY15-16 or FY16-17, although staff is evaluating fare increase options for pending LTF revenue projections for FY16-17.

Administration and Operations Expenses

The overall Administration Expense for RTA core services is up just 2.64% compared to last fiscal year. This is reflective in the additional part time staff member who will conduct functional assessments of Runabout applicants and fixed route travel training for Runabout eligible riders.

On the operating side, we have maintained current service levels. The service delivery line item for RTA core services is down from what was identified in the FY14-15 budget, as we are reducing previous budget projections associated with Runabout.

As included in the budget assumptions that your Board accepted in March 2015, based on the current projected funding, an annual merit adjustment will be budgeted for non-union employees; the Collective Bargaining Agreement (CBA) identifies annual increases based upon longevity for Bus Operators, Mechanics and Utility Workers. It should be noted that RTA ratified a new CBA in February 2014, which runs through January 31, 2018. Non-CBA 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 few years. Similar to previous years, 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. Runabout ridership was up 2%, while fixed route ridership was up nearly 1%, for the first eight months of FY14-15.

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. Staff will work quickly once the FY15-16 budget is approved to implement planned additional express trips to address overcrowding issues on Route 9 and 10.

Runabout Ridership Leveling Off and New Runabout Eligibility Procedure

Pursuant to the monthly ridership reports, Runabout ridership is now holding steady. Staff is proposing implementing a functional assessment as part of the application process to ensure that the service is being provided to those who truly need it. Staff will also be doing fixed route travel training with Runabout applicants to ensure they understand and feel comfortable and confident using fixed route services when feasible.

Capital Program

The focus of our financially constrained FY15-16 capital program will be funding the procurement of over-the-road coaches, cutaway vehicles used for the North Coast Connector, and Runabout vehicles. We have also programmed the following minor capital projects:

- \$31,500 for shop equipment for our maintenance department to improve efficiencies;
- \$31,100 for facility improvements, which includes \$25,000 for planning a permanent facility in Paso Robles;
- bus stop improvements, including solar lighting;
- miscellaneous computer equipment; and
- ITS improvements to our existing fleet and new fleet, including on-board camera security systems.

It should be noted that a portion of the FY14-15 funds for the fully funded ITS improvements will need to be carried over to FY15-16 but, due to the timing of the project, staff is unsure of the exact amount that will be carried forward. The carryover will have no financial impact to local jurisdictions.

Also included is a projected five-year capital improvement program as part of the budget plan. While only the first year is financially constrained, the projects identified in the ensuing four years 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 improvement program. With the exception of the two over the road coaches discussed above, no expansion vehicles are included. As the Board provides direction to staff regarding possible expansion vehicles and/or facilities the capital improvement program will be updated.

Staff has adjusted the pay down schedule for the existing loan for the 179 Cross Street building improvements project that began in 2006. Given the recent LTF financial constraints presented above and the revised lease agreement through 2022, staff has extended principal payments out to FY18-19. The loan would still be paid off prior to the extended lease termination date, but provided more funding for operations during tight

financial times. Staff will continue to aggressively seek outside funding to plan and develop a long-term operations/maintenance facility.

Conclusion and Staff Recommendation

Fiscal Year 2015-16 will be another challenging year, including financial barriers and continuing to implement a list of long-planned capital projects. We look forward to working with our customers, the Board and other stakeholders in providing the highest quality of transportation services to residents of and visitors to our community. 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 limited resources.

The Staff recommends that the Board adopt the FY15-16 budget as presented.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

April 15, 2015

(Originally presented March 4, 2015)

STAFF REPORT

| | |
|------------------------------|--|
| AGENDA ITEM: | B-1 |
| TOPIC: | Fiscal Years 2016 and 2017 Budget Assumptions |
| ACTION: | Approve Budget Assumptions |
| PRESENTED BY: | Geoff Straw |
| STAFF RECOMMENDATION: | Approve Budget Assumptions to enable staff to begin development of FY15-16 & FY16-17 Operating Budget |

BACKGROUND/DISCUSSION:

The following report outlines staff's recommended budget assumptions for RTA's Fiscal Year 2015-16 and 2016-17 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 again developing a two-year operating budget and five-year capital budget. As in past years, only the first year would be financially-constrained, while the out-years should be considered advisory. 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 15th 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 and Runabout core services.
- Continue to monitor reserves using the adopted policy from May 2014.
- 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 a projected slight increase in demand for Runabout service.
- Implement RTA's strategy to develop a long-term administrative, operations and maintenance facility.

Revenue

- SLOCOG is working on State Transit Assistance (STA) funding projections for FY15-16. Once those targets are more firmly established, RTA will assume a proportional change in overall STA funding in our FY15-16 budget, and will budget the same amount for FY16-17.
- Staff is not recommending a fare program change for FY15-16, although we may have to consider changes if TDA or other funding shortfalls emerge.
- Fare revenue is projected to be \$1,225,000 (farebox and pass sales revenue only) for FY15-16 – roughly 4.2% higher than the \$1,175,000 originally projected in the second year of the current two-year operating budget.
- RTA will cease operating two weekday roundtrips on Route 83 service to Fort Hunter-Liggett on March 6, 2015. RTA operated this service under contract for Monterey-Salinas Transit since December 2010, and we budgeted \$105,080 in special events/other revenue (counted as fares) in FY14-15.
- Federal Transit Administration (FTA) Section 5307, 5311 and 5339 operating funding for FY15-16, and capital funding for FY15-16 and FY16-17 will be presented as previously presented. Should authorizations for federal transportation programs under the MAP-21 successor legislation increase or decrease for any of these programs, staff would adjust these assumptions accordingly.
- RTA was awarded a total of \$800,000 in FTA Section 5316 JARC funding for FY14-15 to support Route 10 operations and North Coast services (RTA Route 15 and related Runabout). However, it was the last award of discretionary JARC funds, which have been eliminated. Staff is reviewing service options on Route 15 that would reduce the miles operated by approximately 20%, while revenue hours would remain the same, by operating a deviated fixed route service. The real cost savings would result from the 100% reduction in Runabout services between Morro Bay and Cambria. Staff has been successful in obtaining FTA Section 5307 operating funding from the South County to offset the impact on the Route 10.
- FTA Section 5307 operating funding from the City of Santa Maria for Route 10 will be budgeted based on meetings with SBCAG and the City of Santa Maria. Staff is confident in continued funding for Route 10 operations.
- FY14-15 LTF revenue was budgeted at \$4,133,461. Once the FY15-16 targets are further refined by the County Auditor and SLOCOG, RTA will present a proportional increase/decrease in overall LTF funding in our FY15-16 budget and a similar increase/decrease in the FY16-17 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 or use of reserve funds.

- Staff will continue to explore new revenue resources at the federal, state, and local levels.

Expenses

- Staff assumed two additional express trips on the Routes 9 and 10 in the latter part of FY14-15. For FY15-16 service levels, the total number of revenue service hours, miles and span of service for RTA Fixed Route services will be budgeted at annualized levels assumed in FY14-15. A caveat is that additional express runs might be necessary on Routes 9 and 10 to meet increasing demand and to reduce overcrowding during peak travel periods. If this additional service becomes necessary, staff would seek a budget amendment to address those service demands during the fiscal year.
- As mentioned above in the Revenue section, RTA will not operate and partially subsidize the Route 83 service to Fort Hunter-Liggett in FY15-16. In FY14-15, we budgeted \$172,310 in operating expenses for this service.
- Runabout service hours and miles are projected to require a minimal increase based on recent demand trends. This reflects a change from the past two fiscal years, which required significant Runabout service level increases due to burgeoning demand. In short, it will be less than what was previously presented during the FY14-15 budget presentation as projected for Runabout in FY15-16.
- Should staff be unable to secure adequate funding to operate core Fixed Route and Runabout service levels, a potential increase in LTF funding would be requested from the RTA jurisdictions without which a reduction of service may have to be implemented.
- Detailed miles/hours and span of service for each fixed route and Runabout will be provided with the draft budget. In addition, detailed budgets based on miles/hours and span of service will be provided separately for SLO County Services and North County Consolidated Services.
- Staff will use the 2015-17 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 \$4.10 per gallon. Included in the fuel line item will be diesel exhaust fluid (DEF), used to lower diesel exhaust emissions on the newer Fixed Route vehicles.
- CalTIP liability premiums will be increased 10% annually.
- Workers Compensation premiums are projected to increase 18%, with the realization that workers compensation for transit services is especially challenging statewide. Staff will be working with our broker on this in an effort to obtain a better number prior to April. We continue to work with our 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 FY15-16 core RTA services, the number of budgeted positions will remain essentially the same as FY14-15. To ensure that only those persons truly eligible for the service are initially registered or re-registered, staff will include the additional resources of a part-time staff position to conduct functional assessments as part of the Runabout application process. This person or persons would also provide mobility training for disabled persons who are able to use Fixed Route services for some or all of their travel needs. Prior to beginning the recruitment process, RTA will complete an internal “360 review” of the organizational structure so these new functional assessment responsibilities are assigned to the appropriate position. Should revenue projections in April 2015 indicate that FY15-16 revenue is down, there will be a requisite reduction in the number of FTE’s and service levels based upon projected revenue.
- For FY15-16, the overall number of budgeted positions for the North County and SLO County services will remain the same. It should be noted that the marginal costs and revenues the services will be treated in the budget the same way as FY14-15: as separate and distinct columns.
- Staff is still closely monitoring 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 an 8% annual increase for healthcare costs for each of the next two fiscal years.
- Based on the current projected funding, a 2% annual inflationary adjustment will be budgeted for non-union employees; the new four-year Collective Bargaining Agreement has already identified 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.

Proposed Budget Calendar

| | |
|-------------|--|
| February 11 | Detailed budget assumptions and revenue forecast to Executive Committee |
| March 4 | Obtain Board concurrence on proposed draft budget assumptions |
| March 4 | Provide mid-year FY14-15 Budget data to Board with any recommended budget amendment. |
| March 31 | Based on feedback from Executive Committee draft FY15-16 Budget Draft complete. |

April 15 Draft FY15-16 Budget presentation to Executive Committee

April 16 Formal FY15-16 Budget presentation to RTAC

May 6 Final Board Budget presentation; Board adoption of FY15-16 Budget

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
PROPOSED OPERATING REVENUE BUDGET FOR 2015/2016**

| | 2013/2014 COMBINED ACTUAL | 2014/2015 ADOPTED OPERATING BUDGET | 2014/2015 ADOPTED SLOCAT BUDGET | 2014/2015 AMENDED N. COUNTY BUDGET | 2015/2016 PROPOSED OPERATING BUDGET | 2015/2016 PROPOSED SLOCAT BUDGET | 2015/2016 PROPOSED N. COUNTY BUDGET | 2016/2017 PROJECTED OPERATING BUDGET | 2016/2017 PROJECTED SLOCAT BUDGET | 2016/2017 PROJECTED N. COUNTY BUDGET |
|--|---------------------------------|---|--|---|--|---|--|---|--|---|
| FUNDING SOURCES: | | | | | | | | | | |
| GENERAL RESERVES | 1,404,282 | 1,479,337 | 1,478,492 | - | 2,357,594 | 1,118,930 | 184,523 | 1,332,813 | 675,722 | 197,463 |
| 1. ESTIMATED FUND BALANCE | 1,404,282 | 1,479,337 | 1,478,492 | - | 2,357,594 | 1,118,930 | 184,523 | 1,332,813 | 675,722 | 197,463 |
| 2. LESS REQUIRED RESERVES FOR FISCAL YEAR | | | | | | | | | | |
| CASH FLOW REQUIREMENTS PER TDA | 1,404,282 | 1,295,081 | 1,101,746 | 178,685 | 1,332,813 | 719,410 | 197,463 | 1,429,075 | 252,982 | 210,600 |
| OFFSET RESERVE FOR JARC (SECTION 5316) LOSS BEGINNING IN 15, | - | 460,000 | - | - | - | - | - | - | - | - |
| TOTAL | 1,404,282 | 1,755,081 | 1,101,746 | 178,685 | 1,332,813 | 719,410 | 197,463 | 1,429,075 | 252,982 | 210,600 |
| 3. FUND BALANCE AVAILABLE | - | (275,745) | 376,746 | (178,685) | 1,024,782 | 399,520 | (12,940) | (96,263) | 422,740 | (13,138) |
| NON TDA SOURCES | | | | | | | | | | |
| FARES | 1,399,393 | 1,175,000 | 26,600 | 107,970 | 1,175,000 | 26,600 | 92,660 | 1,175,000 | 26,600 | 92,660 |
| SCT MANAGEMENT CONTRACT | 77,500 | 78,760 | - | - | 79,830 | - | - | 81,030 | - | - |
| COUNTY MANAGEMENT CONTRACT | 80,500 | 80,500 | - | - | 80,500 | - | - | 81,710 | - | - |
| NORTH COUNTY MANAGEMENT CONTRACT | - | 39,720 | - | - | 39,720 | - | - | 40,320 | - | - |
| INTEREST | 3,753 | 4,000 | 1,000 | - | 3,000 | 1,000 | - | 3,000 | 500 | - |
| STATE TRANSIT ASSISTANCE (STA) | - | - | 105,219 | 88,363 | - | 104,750 | 85,920 | - | 104,750 | 85,920 |
| RURAL TRANSIT FUND (Administration) | 25,000 | 25,000 | - | - | 30,000 | - | - | 30,000 | - | - |
| RURAL TRANSIT FUND (Operating Funds) | 203,366 | 197,139 | - | - | 200,000 | - | - | 464,930 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo | 488,459 | 472,500 | - | - | 496,130 | - | - | 496,130 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating | 519,830 | 612,880 | - | - | 626,740 | - | - | 524,930 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5316) - JARC | 250,000 | 800,000 | - | - | - | - | - | - | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating | 675,029 | 681,520 | - | 213,785 | 765,600 | - | 215,565 | 765,600 | - | 215,565 |
| FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating | 220,349 | 235,860 | - | - | 317,160 | - | - | 326,670 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating | - | 400,000 | - | - | 420,000 | - | - | 420,000 | - | - |
| CUESTA CONTRIBUTION ROUTE 12 | 54,001 | 53,855 | - | - | 54,370 | - | - | 56,280 | - | - |
| CUESTA CONTRIBUTION NORTH COUNTY | - | 8,580 | - | 32,000 | - | - | 40,580 | - | - | 40,580 |
| CMAQ OPERATING FUNDS | - | 80,000 | - | - | - | - | - | - | - | - |
| SPECIAL EVENTS REVENUE/OTHER | 86,888 | 105,080 | - | 45,000 | - | - | 42,170 | - | - | 44,280 |
| 4. SUB TOTAL | 4,084,068 | 5,050,394 | 132,819 | 487,118 | 4,288,050 | 132,350 | 476,895 | 4,465,600 | 131,850 | 479,005 |
| 5. TOTAL FUND BALANCE & NON TDA FUNDING | 4,084,068 | 4,774,649 | 509,565 | 308,433 | 5,312,832 | 531,870 | 463,956 | 4,369,338 | 554,590 | 465,868 |

FUNDING SOURCES:

TDA REQUIRED

| | | |
|---------------------------|---------------------|-----|
| CITY OF ARROYO GRANDE | Population Based | |
| CITY OF ATASCADERO | | |
| CITY OF GROVER BEACH | | |
| CITY OF MORRO BAY | | |
| CITY OF PASO ROBLES | | |
| CITY OF PISMO BEACH | | |
| CITY OF SAN LUIS OBISPO | | 18% |
| COUNTY OF SAN LUIS OBISPO | | 49% |

TDA REQUIREMENTS BEFORE 5311 EXCHANGE
LESS: RURAL TRANSIT FUND/5311 EXCHANGE

6. NET TDA REQUIREMENTS

7. TOTAL FUNDING SOURCES

8. FUNDING USES:

ADMINISTRATION
INTEREST EXPENSE
MANAGEMENT CONTRACTS
SERVICE DELIVERY
CONTINGENCY

9. TOTAL FUNDING USES

| | 2013/2014 COMBINED ACTUAL | 2014/2015 ADOPTED OPERATING BUDGET | 2014/2015 ADOPTED SLOCAT BUDGET | 2014/2015 AMENDED N. COUNTY BUDGET | 2015/2016 PROPOSED OPERATING BUDGET | 2015/2016 PROPOSED SLOCAT BUDGET | 2015/2016 PROPOSED N. COUNTY BUDGET | 2016/2017 PROJECTED OPERATING BUDGET | 2016/2017 PROJECTED SLOCAT BUDGET | 2016/2017 PROJECTED N. COUNTY BUDGET |
|--|---------------------------------|---|--|---|--|---|--|---|--|---|
| CITY OF ARROYO GRANDE | 200,136 | 220,709 | - | - | 212,614 | - | - | 284,156 | - | - |
| CITY OF ATASCADERO | 329,610 | 363,983 | - | - | 351,719 | - | - | 470,069 | - | - |
| CITY OF GROVER BEACH | 152,345 | 167,622 | - | - | 161,331 | - | - | 215,617 | - | - |
| CITY OF MORRO BAY | 118,917 | 130,903 | - | - | 15,651 | - | - | 20,917 | - | - |
| CITY OF PASO ROBLES | 447,918 | 387,037 | - | 730,027 | 373,724 | - | 587,845 | 499,478 | - | 642,073 |
| CITY OF PISMO BEACH | 88,835 | 97,914 | - | - | 94,507 | - | - | 126,308 | - | - |
| CITY OF SAN LUIS OBISPO | 676,192 | 746,273 | - | - | 659,752 | - | - | 881,752 | - | - |
| COUNTY OF SAN LUIS OBISPO | 2,438,235 | 2,031,521 | - | - | 1,795,991 | - | - | 2,400,325 | - | - |
| TDA REQUIREMENTS BEFORE 5311 EXCHANGE | 4,452,188 | 4,145,961 | - | 730,027 | 3,665,289 | - | 587,845 | 4,898,623 | - | 642,073 |
| LESS: RURAL TRANSIT FUND/5311 EXCHANGE | (519,830) | (612,880) | - | - | (626,740) | - | - | (524,930) | - | - |
| 6. NET TDA REQUIREMENTS | 3,932,358 | 3,533,081 | - | 730,027 | 3,038,549 | - | 587,845 | 4,373,693 | - | 642,073 |
| 7. TOTAL FUNDING SOURCES | 8,016,426 | 8,307,730 | 509,565 | 1,038,460 | 8,351,380 | 531,870 | 1,051,800 | 8,743,030 | 554,590 | 1,107,940 |
| 8. FUNDING USES: | | | | | | | | | | |
| ADMINISTRATION | 1,320,241 | 1,492,720 | 10,000 | 118,630 | 1,532,580 | 10,000 | 113,860 | 1,638,450 | 10,000 | 76,750 |
| INTEREST EXPENSE | 125,073 | 73,690 | - | - | 64,500 | - | - | - | - | - |
| MANAGEMENT CONTRACTS | 168,310 | 118,480 | 80,500 | - | 119,550 | 80,500 | - | 81,030 | 81,710 | 40,320 |
| SERVICE DELIVERY | 5,837,169 | 6,522,840 | 401,310 | 905,000 | 6,560,620 | 420,350 | 923,090 | 6,947,580 | 441,330 | 975,640 |
| CONTINGENCY | - | 100,000 | 17,755 | 14,830 | 74,130 | 21,020 | 14,850 | 75,970 | 21,550 | 15,230 |
| 9. TOTAL FUNDING USES | 7,450,793 | 8,307,730 | 509,565 | 1,038,460 | 8,351,380 | 531,870 | 1,051,800 | 8,743,030 | 554,590 | 1,107,940 |

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED CAPITAL REVENUE BUDGET FOR 2015/2016**

| | 2013/2014 COMBINED ACTUAL | 2014/2015 AMENDED CAPITAL BUDGET | 2014/2015 ADOPTED SLOCAT BUDGET | 2014/2015 ADOPTED N. COUNTY BUDGET | 2015/2016 PROPOSED CAPITAL BUDGET | 2015/2016 PROPOSED SLOCAT BUDGET | 2015/2016 PROPOSED N. COUNTY BUDGET | 2016/2017 PROJECTED CAPITAL BUDGET | 2016/2017 PROJECTED SLOCAT BUDGET | 2016/2017 PROJECTED N. COUNTY BUDGET |
|---|---------------------------------|---|--|---|--|---|--|---|--|---|
| FUNDING SOURCES: | | | | | | | | | | |
| | 844,380 | 589,600 | 109,960 | - | 262,954 | 3,476 | 29,172 | 121,908 | 47,164 | 4,172 |
| 1. ESTIMATED FUND BALANCE | 844,380 | 589,600 | 109,960 | - | 262,954 | 3,476 | 29,172 | 121,908 | 47,164 | 4,172 |
| 2. LESS REQUIRED RESERVES FOR FISCAL YEAR | | | | | | | | | | |
| | 260,823 | 363,150 | 20,660 | 35,010 | 227,228 | 3,476 | 4,172 | 133,672 | 7,164 | 4,172 |
| CAPITAL PROJECTS RESERVE | | | | | | | | | | |
| TOTAL | 260,823 | 363,150 | 20,660 | 35,010 | 227,228 | 3,476 | 4,172 | 133,672 | 7,164 | 4,172 |
| 3. FUND BALANCE AVAILABLE | 583,557 | 226,450 | 89,300 | (35,010) | 35,726 | - | 25,000 | (11,764) | 40,000 | - |
| NON TDA SOURCES | | | | | | | | | | |
| STATE TRANSIT ASSISTANCE (STA) | 670,836 | 636,640 | - | - | 561,504 | - | - | 561,504 | - | - |
| PROPOSITION 1B FUNDING - SAFETY & SECURITY | - | 558,030 | - | - | 173,970 | - | - | 241,300 | - | - |
| PROPOSITION 1B FUNDING - PROPERTY PURCHASE | 1,512,602 | - | - | - | - | - | - | - | - | - |
| PROPOSITION 1B FUNDING - BUS REPLACEMENT | 870,166 | 407,750 | - | - | - | - | - | - | - | - |
| RURAL TRANSIT FUND (Capital) | - | 491,240 | - | - | 229,300 | - | - | - | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo | 50,000 | 249,000 | - | - | 782,200 | - | - | 179,650 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5309) - State of Good Repair | 1,454,007 | 2,336,640 | - | - | - | - | - | - | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5339) - Bus and Bus Facilities | - | 35,000 | - | - | - | - | - | - | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5311f) | - | 336,580 | - | - | - | - | - | - | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5316) - JARC | - | 400,000 | - | - | - | - | - | - | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307-North County) | - | 471,000 | - | - | 236,600 | - | - | 479,650 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307-South County) | 400,000 | 51,000 | - | - | 534,200 | - | - | 280,450 | 160,000 | - |
| 4. SUB TOTAL | 4,957,611 | 5,972,880 | - | - | 2,517,774 | - | - | 1,742,554 | 160,000 | - |
| 5. TOTAL FUND BALANCE & NON TDA FUNDING | 5,541,168 | 6,199,330 | 89,300 | - | 2,553,500 | - | 25,000 | 1,730,790 | 200,000 | - |
| 6. NET TDA REQUIREMENTS | - | - | - | 35,010 | - | - | - | - | - | - |
| 7. TOTAL FUNDING SOURCES | 5,541,168 | 6,199,330 | 89,300 | 35,010 | 2,553,500 | - | 25,000 | 1,730,790 | 200,000 | - |
| 8. FUNDING USES: | | | | | | | | | | |
| | 4,432,291 | 5,656,200 | 89,300 | - | 2,352,900 | - | 25,000 | 1,530,190 | 200,000 | - |
| CAPITAL | | | | | | | | | | |
| LOAN PAYDOWN | 1,108,877 | 543,130 | - | - | 200,600 | - | - | 200,600 | - | - |
| 9. TOTAL FUNDING USES | 5,541,168 | 6,199,330 | 89,300 | - | 2,553,500 | - | 25,000 | 1,730,790 | 200,000 | - |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

| | | Actual Combined FY 2013-14 | Adopted Operating Budget FY 2014-15 | Proposed Operating Budget FY 2015-16 | Projected Operating Budget FY 2016-17 |
|---|-----------------|---|--|---|--|
| Administration and Service Delivery Totals | | | | | |
| Administration: | | | | | |
| Labor | operations cost | 692,156 | 753,890 | 789,900 | 825,090 |
| Labor - Administration Workers Comp | operations cost | 24,796 | 42,830 | 44,970 | 51,720 |
| Office Space Rental | operations cost | 412,718 | 474,900 | 489,360 | 500,780 |
| Property Insurance | operations cost | 15,820 | 16,820 | 18,500 | 19,980 |
| Professional Technical Services | operations cost | 44,796 | 102,090 | 92,970 | 94,360 |
| Professional Development | operations cost | 14,922 | 25,750 | 26,940 | 26,940 |
| Operating Expense | operations cost | 208,234 | 249,000 | 255,450 | 268,220 |
| Marketing and Reproduction | hourly | 75,109 | 115,330 | 138,400 | 141,170 |
| North County Management Contract | operations cost | (3,310) | (39,720) | (39,720) | (40,320) |
| County Management Contract | operations cost | (87,500) | (80,500) | (80,500) | (81,710) |
| SCT Management Contract | operations cost | (77,500) | (78,760) | (79,830) | (81,030) |
| Total Administration | | 1,320,241 | 1,581,630 | 1,656,440 | 1,725,200 |
| Service Delivery: | | | | | |
| Labor - Operations | hourly | 2,809,067 | 3,734,110 | 3,865,100 | 4,055,020 |
| Labor - Operations Workers Comp | hourly | 146,400 | 289,780 | 329,620 | 379,060 |
| Labor - Maintenance | hourly | 721,561 | 889,210 | 904,210 | 935,650 |
| Labor - Maintenance Workers Comp | hourly | 44,319 | 84,810 | 95,410 | 109,720 |
| Fuel | miles | 1,205,672 | 1,555,560 | 1,502,000 | 1,539,550 |
| Insurance | miles | 360,706 | 435,900 | 483,930 | 532,320 |
| Special Transportation (includes Senior Vans, Lucky Bucks, etc) | n/a | 75,041 | 134,590 | 118,330 | 124,180 |
| Avila Trolley | n/a | 45,331 | 55,000 | 57,750 | 59,190 |
| Maintenance (parts, supplies, materials) | miles | 372,360 | 555,770 | 436,560 | 502,040 |
| Maintenance Contract Costs | miles | 56,712 | 94,420 | 111,150 | 127,820 |
| Total Operations | | 5,837,169 | 7,829,150 | 7,904,060 | 8,364,550 |
| Contingency | hourly | 23,520 | 132,585 | 110,000 | 112,750 |
| Interest Expense | operations cost | 125,073 | 73,690 | 64,500 | 64,500 |
| Management Contracts | | 168,310 | 198,980 | 200,050 | 203,060 |
| TOTAL FUNDING USES | | 7,474,313 | 9,816,035 | 9,935,050 | 10,470,060 |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

| | Actual Capital Expenditures FY 2013-14 | Amended Capital Budget FY 2014-15 | Proposed Capital Budget FY 2015-16 | Projected Capital Budget FY 2016-17 | Projected Capital Budget FY 2017-18 | Projected Capital Budget FY 2018-19 | Projected Capital Budget FY 2019-20 |
|--|---|--|---|--|--|--|--|
| Capital Expenditures | | | | | | | |
| Capital/Studies: | | | | | | | |
| Computer System Maintenance/Upgrades | 13,416 | 36,400 | 37,540 | 67,420 | 40,790 | 42,830 | 44,970 |
| Miscellaneous Capital | - | - | - | - | - | - | - |
| Facility Improvements | - | 15,000 | 31,100 | - | - | 37,250 | - |
| Maintenance Software and Maintenance Equipment | - | 60,000 | 31,500 | 10,500 | 36,470 | - | - |
| Tire Lease Buyout | 34,767 | - | - | - | - | - | - |
| Marking and Tethering Program | 898 | - | - | - | - | - | - |
| Rotary Lift/Wireless Lift | - | 52,000 | - | - | 22,730 | - | - |
| Specialized Maintenance Tools | 12,451 | 52,000 | - | 15,000 | - | 15,380 | 16,150 |
| Maintenance Staff Office/Desks and Office Equipment | 25,854 | 1,800 | - | - | - | - | - |
| Radios | - | - | 6,000 | - | - | - | - |
| Vehicle ITS/Camera System | - | 558,030 | 173,970 | 176,690 | - | - | - |
| Bus Stop Improvements/Bus Stop Solar Lighting | - | 73,750 | 31,500 | 96,110 | 33,080 | 34,730 | 36,470 |
| Bus Rehabilitation | - | 185,000 | - | 126,000 | - | - | - |
| Bus Procurement Reserve/Large Capital Repairs | 9,461 | 81,810 | - | - | - | - | - |
| RouteMatch Dispatching Software/Call Back System | - | 40,000 | 37,500 | - | - | - | - |
| Vehicles | - | - | - | - | - | - | - |
| Support Vehicles | 98,669 | 62,500 | 60,000 | - | 18,000 | - | - |
| 40' Coaches | 2,724,173 | 3,865,710 | - | - | 1,527,700 | - | - |
| Over the Road Coaches | - | - | 1,300,000 | - | - | - | - |
| Trolley replacement vehicles | - | - | - | 200,000 | - | - | - |
| Cutaway Vehicles | - | 89,300 | 170,000 | - | - | - | - |
| Runabout Vehicles | - | 572,200 | 311,290 | 163,480 | 148,500 | 630,300 | - |
| Total Capital Outlay | 2,919,689 | 5,745,500 | 2,190,400 | 855,200 | 1,827,270 | 760,490 | 97,590 |
| Loan Pay down | 1,108,877 | 543,130 | 200,600 | 200,600 | 200,600 | 211,670 | |
| Property Purchase/Facility Environmental Planning | 1,512,602 | | 187,500 | 874,990 | | | |
| TOTAL FUNDING USES | 5,541,168 | 6,288,630 | 2,578,500 | 1,930,790 | 2,027,870 | 972,160 | 97,590 |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

| | | Adopted Budget FY 2014-15 | Weekday Proposed Budget FY 2015-16 | Saturday Proposed Budget FY 2015-16 | Sunday Proposed Budget FY 2015-16 | Total Proposed Budget FY 2015-16 | Projected Budget FY 2016-17 |
|--|-----------------|--|---|--|--|---|--|
| Route 9 | | | | | | | |
| | Hours | 12,620 | 9,320 | 670 | 420 | 10,410 | 10,660 |
| | Miles | 330,350 | 288,370 | 20,310 | 13,060 | 321,740 | 329,770 |
| Administration: | | | | | | | |
| Total Administration (Net of Contracts) | | 257,790 | 234,630 | 16,730 | 10,590 | 261,950 | 273,580 |
| Service Delivery: | | | | | | | |
| Labor - Operations | hourly | 570,850 | 460,030 | 33,070 | 20,730 | 513,830 | 538,600 |
| Labor - Operations Workers Comp | hourly | 45,310 | 39,810 | 2,860 | 1,790 | 44,460 | 51,090 |
| Labor - Maintenance | hourly | 148,360 | 106,610 | 7,660 | 4,800 | 119,070 | 123,110 |
| Labor - Maintenance Workers Comp | hourly | 13,960 | 11,470 | 820 | 520 | 12,810 | 14,720 |
| Fuel | miles | 278,240 | 246,710 | 17,380 | 11,170 | 275,260 | 282,130 |
| Insurance | miles | 79,180 | 80,200 | 5,650 | 3,630 | 89,480 | 98,430 |
| Maintenance (parts, supplies, materials) | miles | 100,170 | 71,200 | 5,010 | 3,220 | 79,430 | 91,350 |
| Maintenance Contract Costs | miles | 16,430 | 18,440 | 1,300 | 840 | 20,580 | 23,660 |
| Total Operations | | 1,252,500 | 1,034,470 | 73,750 | 46,700 | 1,154,920 | 1,223,090 |
| Capital/Studies: | | | | | | | |
| Total Capital Outlay | | 1,510,087 | 492,730 | 35,420 | 22,200 | 550,350 | 81,180 |
| Contingency | hourly | 19,410 | 10,960 | 790 | 490 | 12,240 | 12,540 |
| Interest Expense | operations cost | 14,300 | 9,540 | 690 | 430 | 10,660 | 10,650 |
| TOTAL FUNDING USES | | 3,054,087 | 1,782,330 | 127,380 | 80,410 | 1,990,120 | 1,601,040 |
| TOTAL NON-CAPITAL EXPENDITURES | | 1,544,000 | 1,289,600 | 91,960 | 58,210 | 1,439,770 | 1,519,860 |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

| | | Adopted Budget FY 2014-15 | Weekday Proposed Budget FY 2015-16 | Saturday Proposed Budget FY 2015-16 | Sunday Proposed Budget FY 2015-16 | Total Proposed Budget FY 2015-16 | Projected Budget FY 2016-17 |
|---------------------------------------|--|--|---|--|--|---|--|
| Route 10 | | | | | | | |
| | Hours | 10,670 | 9,390 | 620 | 370 | 10,380 | 10,640 |
| | Miles | 349,270 | 310,800 | 20,350 | 11,860 | 343,010 | 351,590 |
| Administration: | | | | | | | |
| | Total Administration (Net of Contracts) | 238,400 | 243,030 | 15,990 | 9,450 | 268,470 | 280,610 |
| Service Delivery: | | | | | | | |
| | Labor - Operations | 482,640 | 463,480 | 30,600 | 18,260 | 512,340 | 537,590 |
| | Labor - Operations Workers Comp | 38,300 | 40,110 | 2,650 | 1,580 | 44,340 | 50,990 |
| | Labor - Maintenance | 125,440 | 107,410 | 7,090 | 4,230 | 118,730 | 122,880 |
| | Labor - Maintenance Workers Comp | 11,800 | 11,560 | 760 | 460 | 12,780 | 14,700 |
| | Fuel | 294,170 | 265,900 | 17,410 | 10,150 | 293,460 | 300,800 |
| | Insurance | 83,720 | 86,440 | 5,660 | 3,300 | 95,400 | 104,950 |
| | Maintenance (parts, supplies, materials) | 105,900 | 76,740 | 5,020 | 2,930 | 84,690 | 97,400 |
| | Maintenance Contract Costs | 17,370 | 19,870 | 1,300 | 760 | 21,930 | 25,220 |
| | Total Operations | 1,159,340 | 1,071,510 | 70,490 | 41,670 | 1,183,670 | 1,254,530 |
| Capital/Studies: | | | | | | | |
| | Total Capital Outlay | 1,276,753 | 496,430 | 32,780 | 19,560 | 548,770 | 81,030 |
| Contingency | hourly | 16,410 | 11,050 | 730 | 440 | 12,220 | 12,520 |
| Interest Expense | operations cost | 12,090 | 9,610 | 630 | 380 | 10,620 | 10,630 |
| TOTAL FUNDING USES | | 2,702,993 | 1,831,630 | 120,620 | 71,500 | 2,023,750 | 1,639,320 |
| TOTAL NON-CAPITAL EXPENDITURES | | 1,426,240 | 1,335,200 | 87,840 | 51,940 | 1,474,980 | 1,558,290 |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

| | | Adopted Budget FY 2014-15 | Weekday Proposed Budget FY 2015-16 | Saturday Proposed Budget FY 2015-16 | Sunday Proposed Budget FY 2015-16 | Total Proposed Budget FY 2015-16 | Projected Budget FY 2016-17 |
|--|--|--|---|--|--|---|--|
| Route 12, 14 and 15 | | | | | | | |
| | Hours | 10,790 | 9,050 | 910 | 680 | 10,640 | 10,910 |
| | Miles | 326,540 | 275,700 | 28,400 | 20,820 | 324,920 | 333,040 |
| Administration: | | | | | | | |
| | Total Administration (Net of Contracts) | 233,790 | 226,420 | 22,990 | 17,050 | 266,460 | 278,490 |
| Service Delivery: | | | | | | | |
| Labor - Operations | hourly | 488,070 | 446,700 | 44,920 | 33,560 | 525,180 | 551,230 |
| Labor - Operations Workers Comp | hourly | 38,730 | 38,650 | 3,890 | 2,900 | 45,440 | 52,280 |
| Labor - Maintenance | hourly | 126,850 | 103,520 | 10,410 | 7,780 | 121,710 | 126,000 |
| Labor - Maintenance Workers Comp | hourly | 11,930 | 11,140 | 1,120 | 840 | 13,100 | 15,070 |
| Fuel | miles | 275,040 | 235,870 | 24,300 | 17,810 | 277,980 | 284,930 |
| Insurance | miles | 78,270 | 76,680 | 7,900 | 5,790 | 90,370 | 99,410 |
| Maintenance (parts, supplies, materials) | miles | 99,010 | 68,070 | 7,010 | 5,140 | 80,220 | 92,260 |
| Maintenance Contract Costs | miles | 16,250 | 17,630 | 1,820 | 1,330 | 20,780 | 23,890 |
| | Total Operations | 1,134,150 | 998,260 | 101,370 | 75,150 | 1,174,780 | 1,245,070 |
| Capital/Studies: | | | | | | | |
| | Total Capital Outlay | 1,291,112 | 478,450 | 48,110 | 35,950 | 562,510 | 83,080 |
| Contingency | hourly | 16,590 | 10,650 | 1,070 | 800 | 12,520 | 12,840 |
| Interest Expense | operations cost | 12,230 | 9,270 | 930 | 700 | 10,900 | 10,900 |
| TOTAL FUNDING USES | | 2,687,872 | 1,723,050 | 174,470 | 129,650 | 2,027,170 | 1,630,380 |
| TOTAL NON-CAPITAL EXPENDITURES | | 1,396,760 | 1,244,600 | 126,360 | 93,700 | 1,464,660 | 1,547,300 |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

| | | Adopted Budget FY 2014-15 | Total Proposed Budget FY 2015-16 | Projected Budget FY 2016-17 |
|--|-----------------|--|---|--|
| Runabout | | | | |
| | Hours | 30,940 | 31,570 | 32,360 |
| | Miles | 588,030 | 550,760 | 564,530 |
| Administration: | | | | |
| Total Administration (Net of Contracts) | | 579,140 | 655,200 | 683,740 |
| Service Delivery: | | | | |
| Labor - Operations | hourly | 1,399,520 | 1,558,270 | 1,634,990 |
| Labor - Operations Workers Comp | hourly | 111,070 | 134,840 | 155,080 |
| Labor - Maintenance | hourly | 363,750 | 361,130 | 373,720 |
| Labor - Maintenance Workers Comp | hourly | 34,230 | 38,860 | 44,690 |
| Fuel | miles | 495,270 | 471,200 | 482,980 |
| Insurance | miles | 140,960 | 153,180 | 168,500 |
| Maintenance (parts, supplies, materials) | miles | 178,300 | 135,990 | 156,380 |
| Maintenance Contract Costs | miles | 29,260 | 35,210 | 40,500 |
| Total Operations | | <u>2,752,360</u> | <u>2,888,680</u> | <u>3,056,840</u> |
| Capital/Studies: | | | | |
| Total Capital Outlay | | 1,151,928 | 503,770 | 409,910 |
| Contingency | hourly | 47,590 | 37,150 | 38,070 |
| Interest Expense | operations cost | 35,070 | 32,320 | 32,320 |
| TOTAL FUNDING USES | | <u>4,566,088</u> | <u>4,117,120</u> | <u>4,220,880</u> |
| TOTAL NON-CAPITAL EXPENDITURES | | <u>3,414,160</u> | <u>3,613,350</u> | <u>3,810,970</u> |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

| | | Adopted Budget FY 2014-15 | Rt 9 Express Proposed Budget FY 2015-16 | Rt 10 Express Proposed Budget FY 2015-16 | Total Proposed Budget FY 2015-16 | Projected Budget FY 2016-17 |
|---|-----------------|--|--|---|---|--|
| Additional Route 9 and 10 Express Trips | | | | | | |
| (Line 83 as well as Express Trips included in the Adopted Budget for 2014-15, Line 83 ceased in March 2015) | | | | | | |
| | Hours | 1,670 | 640 | 830 | 1,470 | 1,510 |
| | Miles | 84,640 | 19,800 | 27,470 | 47,270 | 48,460 |
| Administration: | | | | | | |
| Total Administration (Net of Contracts) | | 47,230 | - | - | - | - |
| Service Delivery: | | | | | | |
| Labor - Operations | hourly | 75,540 | 28,950 | 37,540 | 66,490 | 69,760 |
| Labor - Operations Workers Comp | hourly | 6,000 | 2,300 | 2,980 | 5,280 | 6,070 |
| Labor - Maintenance | hourly | 19,630 | 7,520 | 9,760 | 17,280 | 17,880 |
| Labor - Maintenance Workers Comp | hourly | 1,840 | 710 | 920 | 1,630 | 1,870 |
| Fuel | miles | 71,290 | 16,680 | 23,140 | 39,820 | 40,820 |
| Insurance | miles | 20,290 | 4,750 | 6,580 | 11,330 | 12,460 |
| Maintenance (parts, supplies, materials) | miles | 25,660 | 6,000 | 8,330 | 14,330 | 16,480 |
| Maintenance Contract Costs | miles | 4,210 | 990 | 1,370 | 2,360 | 2,710 |
| Total Operations | | 224,460 | 67,900 | 90,620 | 158,520 | 168,050 |
| Capital/Studies: | | | | | | |
| Total Capital Outlay | | 426,320 | - | - | - | - |
| Contingency | hourly | - | - | - | - | - |
| Interest Expense | operations cost | - | - | - | - | - |
| TOTAL FUNDING USES | | 698,010 | 67,900 | 90,620 | 158,520 | 168,050 |
| TOTAL NON-CAPITAL EXPENDITURES | | 271,690 | 67,900 | 90,620 | 158,520 | 168,050 |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

| | Adopted Budget FY 2014-15 | Total Proposed Budget FY 2015-16 | Projected Budget FY 2016-17 |
|--|--|---|--|
| County Services | | | |
| Administration: | | | |
| Total Administration (Net of Contracts) | 90,500 | 90,500 | 91,710 |
| Service Delivery: | | | |
| Labor - Operations | 159,020 | 166,970 | 175,170 |
| Labor - Operations Workers Comp | 8,950 | 10,740 | 12,350 |
| Labor - Maintenance | 42,050 | 44,150 | 45,690 |
| Labor - Maintenance Workers Comp | 2,790 | 3,350 | 3,850 |
| Fuel | 37,000 | 37,930 | 38,880 |
| Insurance | 9,000 | 9,900 | 10,890 |
| Special Transportation (includes Senior Van) | 74,300 | 76,160 | 79,900 |
| Avila Trolley | 55,000 | 57,750 | 59,190 |
| Maintenance (parts, supplies, materials) | 10,810 | 10,970 | 12,620 |
| Maintenance Contract Costs | 2,390 | 2,430 | 2,790 |
| Total Operations | 401,310 | 420,350 | 441,330 |
| Capital/Studies: | | | |
| Total Capital Outlay | 89,300 | - | 200,000 |
| Contingency | 17,755 | 21,020 | 21,550 |
| Interest Expense | - | - | - |
| TOTAL FUNDING USES | 598,865 | 531,870 | 754,590 |
| TOTAL NON-CAPITAL EXPENDITURES | 509,565 | 531,870 | 554,590 |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

| | | Adopted Total Budget FY 2014-15 | Proposed Route A & B Budget FY 2015-16 | Proposed Paso DAR Budget FY 2015-16 | Proposed Cuesta Evening FY 2015-16 | Total Proposed Budget FY 2015-16 | Projected Budget FY 2016-17 |
|--|-----------------|--|---|--|---|---|--|
| North County Services | | | | | | | |
| | Hours | 9,290 | 7,300 | 1,410 | 360 | 9,070 | 9,290 |
| | Miles | 118,750 | 96,890 | 15,520 | ** | 112,410 | 115,220 |
| Administration: | | | | | | | |
| Total Administration (Net of Contracts) | | 118,630 | 96,000 | 17,860 | - | 113,860 | 117,070 |
| Service Delivery: | | | | | | | |
| Labor - Operations | hourly | 558,480 | 437,630 | 84,390 | - | 522,020 | 547,690 |
| Labor - Operations Workers Comp | hourly | 41,430 | 37,320 | 7,200 | - | 44,520 | 51,200 |
| Labor - Maintenance | hourly | 63,120 | 102,380 | 19,740 | - | 122,120 | 126,370 |
| Labor - Maintenance Workers Comp | hourly | 8,240 | 10,800 | 2,080 | - | 12,880 | 14,820 |
| Fuel | miles | 104,560 | 91,660 | 14,680 | - | 106,340 | 109,000 |
| Insurance | miles | 24,470 | 29,530 | 4,730 | - | 34,260 | 37,680 |
| Special Transportation | n/a | 60,290 | - | - | 42,170 | 42,170 | 44,280 |
| Maintenance (parts, supplies, materials) | miles | 35,910 | 26,640 | 4,270 | - | 30,910 | 35,550 |
| Maintenance Contract Costs | miles | 8,500 | 6,780 | 1,090 | - | 7,870 | 9,050 |
| Total Operations | | 905,000 | 742,740 | 138,180 | 42,170 | 923,090 | 975,640 |
| Capital/Studies: | | | | | | | |
| Total Capital Outlay | | - | 25,000 | - | - | 25,000 | - |
| Contingency | hourly | 14,830 | 12,450 | 2,400 | - | 14,850 | 15,230 |
| Interest Expense | operations cost | - | - | - | - | - | - |
| TOTAL FUNDING USES | | 1,038,460 | 876,190 | 158,440 | 42,170 | 1,076,800 | 1,107,940 |
| TOTAL NON-CAPITAL EXPENDITURES | | 1,038,460 | 851,190 | 158,440 | 42,170 | 1,051,800 | 1,107,940 |

** This service is budgeted based on hours only



San Luis Obispo Regional Transit Authority

Executive Committee Meeting

Draft Minutes 2/11/2015

C-1

Members Present: Debbie Arnold, President
Jan Howell Marx, Vice President (*left early*)
Shelly Higginbotham, Past President

Members Absent:

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

Also Present: Pete Rodgers, SLOCOG

1. Call to Order and Roll Call:

President Debbie Arnold called the meeting to order at 10:05 a.m. Silent Roll Call was taken and a quorum was present.

2. Public Comments:

None

3. Information Items

A. Information Items:

A-1 Executive Director's Report

Mr. Straw began his report by announcing the next Employee of the Quarter BBQ is Friday, April 24. Staff implemented the Runabout fare increase on February 1. So far there are no complaints. He said he is still servicing on the Cal Poly Master Plan update. One of the things

they are discussing alternative transportation and improving access to campus with fixed route service.

Regional Transportation Advisory Committee (RTAC) met in January 15th and discussed the Joint Short Range Transit Plan (SRTP), which kicks off February 27. We will conduct passenger surveys in the first two weeks of March. RTAC and the Metropolitan Transit Committee (MTC) will have three joint meetings over the next 16 months to review components of the SRTP.

RTA sold two more Runabout cutaway vehicles on ebay yesterday. We have the first 90 days of data with the vehicle maintenance software, allowing staff to analyze additional maintenance date. Staff is seeing a 27% increase in fuel economy when comparing the new and older buses, partly because the buses are newer. Maintenance is also closely monitoring the smaller Runabout vans. There is considerable cost savings for using the vans versus the cutaway vehicles. But this doesn't include the depreciation and life cycle costs.

Staff will operate the Saturday service before and after Christmas and New Years Day when they fall on a weekday or Saturday.

As part of the Study Steering Committee, RTA selected LSC Transportation Consultants to conduct the Joint Short Range Transit Plan (SRTP). AECOM was chosen as a sub-consultant that previously did work for the City of San Luis Obispo.

Mr. Straw concluded the Executive Directors report.

4. Action Items

B-1 Budget Assumptions for Fiscal Years 2016 and 2017

Ms. Tania Arnold announced RTA will no longer serve as a contracted operator of two Route 83 service daily runs for Monterey-Salinas Transit (MST) effective in March. We've committed paid driver hours to this bid, but can use the drivers to test new express service. MST will now fully operate the currently published service for Route 83.

We are closely monitoring reserves and working with the SLOCOG efficiencies committee to develop the budgets. Staff will also evaluate options for the five-year capital improvement program. We have overcrowding issues on Routes 9 and 10, and will be looking at ways to reduce this during peak travel periods. Demand for Runabout rose slightly in the last year. This is a significant change from the growth of previous years, when Runabout experienced double-digit percentage annual increases. Finally, she said staff is implementing strategies to develop the long-term facility.

Staff is currently waiting on State Transit Assistance (STA) and Local Transit Funds (LTF) funding projections, which SLOCOG is putting together. Staff is not projecting fare increases, but is expecting higher fare revenue based on current ridership trends. Staff is working with the City of Santa Maria and the FTA 5307 funding for Route 10. We expect these funds to increase over the next three years. The City has asked RTA to extend Route 10 into Orcutt. Staff will be working with them to develop a proposal for express service into Orcutt, contingent on additional Santa Maria area funding.

The Jobs Access Reverse Commute (JARC) funding has been eliminated and staff is looking to find replacement monies. Service options on Route 15 are being reviewed due to the loss of JARC funding, including the possibility of offering a deviated fixed route service, which would also cover Runabout service in the North Coast.

Staff will be implementing additional express trips along Routes 9 and 10 in the current fiscal year using new buses coming this spring. Demand keeps increasing on these routes and additional express runs might be necessary. If this happens, we will present a budget amendment to the Board.

Ms. Arnold clarified that Runabout, Paso Express, and County services will all be separated out of the budget from RTA core services, including reserve funds. Fuel will be budgeted at \$4.10 per gallon. The new vehicles use diesel exhaust fluid (DEF), which is used to lower emissions. This is an additional expense.

CalTIP liability premiums are expected to increase 10%. Workers Compensation premiums are projected to increase 18%. We've had some significant claims and they stay open for a long time. Staff continues to look at ways to mitigate these claims and associated costs.

The number of budgeted positions will remain essentially the same for FY15-16 as the current fiscal year. However, staff is looking to include a part-time staff position to conduct functional assessments as part of the Runabout application process. **Mr. Straw** said RTA will look at the organizational structure and assign the responsibilities to the appropriate position.

Ms. Arnold said staff is assuming roughly an 8% increase in healthcare costs for each of the next two fiscal years.

She reviewed the proposed budget calendar before concluding her report.

Past President Higginbotham clarified that should there be a funding shortfall; RTA will first try to secure LTF funds from local jurisdictions. **Mr. Straw** said yes, to the extent there is capacity. We won't know the numbers for LTF until April.

Vice President Jan Marx observed it is good to have the goal to increase and maintain service levels, while simultaneously reserve the option to reduce service levels in order to stay solvent. It presents a balanced approach.

Mr. Pete Rodgers, SLOCOG, said he does not believe LTF will be affected by sales tax. SLOCOG held back \$2M in revenue reserves. The numbers should be flat. He inquired about the possible Route 10 service expansion into Orcutt and the associated Runabout costs. He suggested working with Santa Maria Area Transit and Santa Barbara County Association of Governments (SBCAG) to do a pass-through account in the grant request.

Vice President Marx moved to approve Action Agenda Item B-1 and **President Arnold** seconded. The motion passed on a voice vote.

5. Consent Agenda Items

C-1 Executive Committee Meeting Minutes of October 15, 2014

Past President Higginbotham moved to approve Consent Agenda Items and **President Arnold** seconded with **Vice President Marx** absent. The motion passed on a voice vote.

6. Agenda Review:

Mr. Straw briefly reviewed the Board agenda for the meeting of March 4, 2015.

7. Closed Session Items:

D-1 It is the intention of the Board to meet in closed session concerning the following items:

1. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code Sec. 54957.6(a)):

Negotiating Party: Debbie Arnold
Unrepresented Employee: Executive Director

2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code Sec. 54956.8):

Agency Negotiators: Geoff Straw
Under Negotiation/Discussion: Price and Terms of Payment

Property: 179 Cross St., San Luis Obispo, CA APN: 053-041-027
Negotiating Party: Cornerstone Development, LLC

The Executive Committee went into *Closed Session* at 10:46 a.m. and returned to *Open Session* at **10:55** a.m.

8. Open Session:

Ms. Rita Neal, Legal Counsel, reported that the Executive Committee met in closed session, no reportable action was taken.

9. Adjournment: President Arnold adjourned the meeting at **11:05** a.m.

Respectfully Submitted,

Acknowledged by,

Anna Mafort-Lacy
Administrative Assistant

Debbie Arnold
RTA President