



## RTA BOARD AGENDA

Wednesday, September 2, 2015  
BOARD OF SUPERVISORS' CHAMBERS  
COUNTY GOVERNMENT CENTER  
1055 Monterey Street, San Luis Obispo, California 93401  
RTA starts at 8:30 am

The *AGENDA* is available/posted at: <http://www.slorta.org>

**President: Debbie Arnold**

**Vice President: Jan Howell Marx**

Board Members:

Frank Mecham (First District – SLO County)  
Bruce Gibson (Second District – SLO County)  
Adam Hill (Third District – SLO County)  
Lynn Compton (Fourth District – SLO County)  
Debbie Arnold (Fifth District – SLO County)  
Jim Guthrie (Arroyo Grande)

Tom O'Malley (Atascadero)  
John Shoals (Grover Beach)  
Jamie Irons (Morro Bay)  
Fred Strong (Paso Robles)  
Shelly Higginbotham (Pismo Beach)  
Jan Howell Marx (San Luis Obispo)

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.

### CALL TO ORDER AND ROLL CALL

**PUBLIC COMMENTS:** This portion of the agenda is reserved for any members of the public to directly address the San Luis Obispo Regional Transit Authority (RTA) Board on any items not on the agenda and within the jurisdiction of the Board. Comments are limited to three minutes per speaker. The Board 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.

#### A. ACTION AGENDA

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

#### B. ACTION AGENDA

- B-1 Transfer RTA Buses 1011 & 1012 to South County Transit (Action)

**C. CONSENT AGENDA:** (Roll Call Vote) the following items are considered routine and non controversial by staff and will be approved by one motion if no member of the RTA or public wishes an item be removed. If discussion is desired by anyone, the item will be removed from the consent agenda and will be considered separately. Questions of clarification may be made by RTA Board members, without the removal of the item from the Consent Agenda. Staff recommendations for each item are noted following the item.

- C-1 Executive Committee Meeting Minutes of May 13, 2015 (Approve)
- C-2 RTA Board Meeting Minutes of June 3, 2015 (Approve)
- C-3 Draft RTAC Meeting Minutes of July 15, 2015 (Approve)
- C-4 Resolution Authorizing Executive Director to Execute Joint Procurement Agreement for Runabout Vans (Approve)
- C-5 RTA Travel Policy (Approve)
- C-6 Federal Grants Administration and Authorizing Resolution (Approve)
- C-7 FTA Disadvantaged Business Enterprise Goal Methodology (Approve)
- C-8 RFP for Ticket Vending Machine Project (Approve)
- C-9 Agreement for Runabout Free Rides on SLO Transit buses (Approve)
- C-10 Authorize Executive Director to Negotiate and Execute an Agreement with Cannon Engineering (Approve)
- C-11 RTA Board Meeting Minutes of May 6, 2015

**D. BOARD MEMBER COMMENTS**

Next regularly-scheduled RTA Board meeting on November 4, 2015

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**September 2, 2015**

**STAFF REPORT**

**AGENDA ITEM:** A-1

**TOPIC:** Executive Director's Report

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Accept as Information

**BACKGROUND/DISCUSSION:**

**Bus Roadeo on September 20 at RTA Yard**

RTA and SCT are currently wrapping up "tryouts" to select the top competitors for a joint Bus Roadeo on Sunday September 20<sup>th</sup> between 9:00 AM and 1:00 PM. All RTA Board members and their families are invited to attend and – if time permits – for Board members to get behind the wheel and test their bus driving skills. It should be noted that Deputy Public Works Director Tim Bochum drove the bus around the cones on August 21<sup>st</sup> and he represented himself well (he beat my score!). We will have a number of events going on, including presentations by the Sherriff's Department, flu shots, games, a barbecue, etc. Donated prizes will be raffled off, too. Please contact me to RSVP so that we know how much food to have on hand.

**Need to Update Agreement with SCT**

The relationship between RTA staff and South County Transit staff has become strained over the past two years. This has required RTA staff members to spend a larger than anticipated number of hours administering the SCT program – both higher than budgeted and more than suggested in our 2001 agreement for services. Staff is working with the City Managers from the south county cities to develop a revised agreement for administrative oversight services, which will ultimately be considered by both the RTA and SCT Boards. Senior RTA staff members are also spending considerable time and resources negotiating a collective bargaining agreement between SCT Bus Operators / Utility workers and Teamsters Local 986, and we expect any resulting agreement to better define roles, responsibilities and expectations. RTA staff members are tracking hours expended through our computerized payroll system and will report back at the November Board meeting how this may affect future budgets.

**Operations:**

Rabobank has decided to no longer sell bus passes in SLO County as of August 1<sup>st</sup>. Staff is appreciative of the relationship we have had with Rabobank – both in terms of their loan to RTA for facility improvements completed in 2009 and for selling passes essentially as a community service for the past four years. We have established a new pass sales outlet at the Los Osos Chamber of Commerce and at the Oceano Community Service District offices, and we are striving to establish outlets in Paso

Robles, Morro Bay and Nipomo. Staff was hoping to sell passes through another bank with branches throughout the county as a swap-out for bus ads, but we were just informed the company cannot commit to selling our passes at this time. Staff is also focusing on implementing the Ticket Vending Machine at the Government Center as soon as possible and potentially expanding the program to other sites in the county (Paso Train Station, Morro Bay Transit Center, Pismo Outlets, etc.); see Agenda Item C-8 for details.

RTA conducted its quarterly Employee of the Quarter recognition as part of our annual Safety Awareness campaign, which also corresponds to our anniversary of taking the service in-house (August 1, 2009). Because we now have two primary operating locations (SLO and Paso Robles), we spread out the events over two Fridays, which included senior staff members asking riders on board buses to join us in thanking Bus Operators for being safe. The events were capped by a barbecue lunch on July 31, 2015, during which Rick Bush was honored as the Employee of the Quarter. The following RTA employees have earned their 6-year Safety Awards:

- |                 |                    |
|-----------------|--------------------|
| 1. Matt Adams   | 5. Jorge Hernandez |
| 2. Bill Burrows | 6. Jay Newton      |
| 3. Jeff Gibson  | 7. Scott Taylor    |
| 4. Rey Gonzalez | 8. Elmer Hart      |

In addition, nine other RTA employees have earned 1-, 2- or 5-year Safety Awards. Please join me in thanking these folks for focusing on safety.

After a comprehensive six-week training period, RTA would like to announce four new Bus Operators. Please welcome Ryan, C.B., Brandon and James to the RTA Team. Special thanks go out to Patricia Grimes and her team that help with classroom, behind-the-wheel and cadet training.

RTA also welcomes Wes Edwards as our newest Operations Supervisor. Wes has been a Bus Operators since January 2012. He is very cool under pressure and is universally respected by both riders and co-workers alike. Please congratulate Wes for his promotion. It should be noted that he is the first “graduate” of RTA’s mentoring program that was negotiated as part of our collective bargaining agreement with Teamsters Local 986, which specifically identified a “premium pay” category that we use to train qualified and interested employees as fill-in dispatchers.

The Regional Transportation Advisory Committee met on July 15<sup>th</sup>. The committee was joined by members of the SLO Mass Transportation Committee to discuss progress on the joint Short Range Transit Plans effort and to suggest possible service, capital, institutional and financial alternatives that the consultants should evaluate. It was a standing-room only event and staff is pleased with the volume and quality of discourse. More information about this study effort is provided in the *Service Planning and Marketing* section below.

Staff recently placed an order for two large cutaway buses through the CalACT bus procurement consortium. More information about the CalACT consortium and the Paratransit, Inc. consortium is included in Agenda Item C-4. These two new buses will be used on RTA Route 15 and on the County-funded Nipomo Dial-A-Ride service. The buses should be delivered in mid-October.

Staff sought proposals from engineering/planning firms for a concept design for RTA partial use of County Corp Yard in Paso Robles (adjacent to northbound Spring Street onto US-101 on-ramp). As mentioned in previous Board meetings, RTA's use of the City of Paso Robles-provided bus parking yard at 4<sup>th</sup> & Pine will cease toward the latter part of 2015 when the new property owner takes over). In addition, we will lose use of the City-provided operations facility at 8<sup>th</sup> & Pine. Two proposals were submitted, and we chose the Wallace Group to assist with the study. The \$20k study kicks-off on September 9<sup>th</sup> and will include representatives from the City (Planning and Engineering offices) and the County (Real Estate, Road, Shop, and Ag Commissioner offices). It is our hope to bring the findings from this study back to the Board at its November meeting.

RTA is working with SLOCOG to amend an existing Rural Transit Funds allocation to partially fund a joint engineering survey of the realigned Elks Lane facility at 40 Prado Road. Our neighbor CAPSLO already has Cannon Engineering under contract to complete CAPSLO's portion of that project, so RTA would use a sole source procurement process due to the cost-savings and coordination benefits. Staff is evaluating the revised proposal from Cannon Engineering; authorization to negotiate an agreement is included as Agenda Item C-10.

**Maintenance:**

The Golden Gate Bridge and Transit District Board of Directors recently authorized their staff to transfer four over-the-road coaches to RTA for no cost through a Federal Transit Administration asset transfer. These 1999 MCI "Greyhound-style" buses seat up to 57 passengers, have reclining high-back seats, and are wheelchair-accessible. RTA staff plans to take possession of these buses in the next month and to get them ready them for service, including the need to train Bus Operators on these slightly longer coaches and to install the GPS-based system described below. These buses will be used primarily for express services along the US101 corridor during peak travel periods. Our hope is to have them in service by the end of 2015.



RTA is working with our vendors to coordinate installation of our GPS-based Intelligent Transportation System, which will include real-time bus arrival information for our riders.

This is a joint procurement that will outfit all RTA, South County Transit, Avila Beach Trolley and Paso Express fixed route buses. The installation should be complete next week, immediately followed by a comprehensive 30-day systems testing procedure. Staff has begun assembling a cadre of beta testers of the mobile app; please contact me if you would like to be included. Our goal is to officially launch the system at our November 2<sup>nd</sup> Board meeting, so please bring your web-enabled handheld devices to that meeting for a demonstration.

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

### **Short Range Transit Plan Update:**

As mentioned above, the joint SRTP study is progressing well. As project manager for this important study, I have established the following process: the consultants submit each administrative draft document to me, and I circulate it among the stakeholders at RTA, SLO Transit and SLOCOG for comments. I then submit those comments to the consultants for incorporation into the final draft document, which we post as Working Papers on the RTA and SLO Transit websites. The following Working Papers are posted:

1. Working Paper One: Descriptions of RTA and SLO Transit, including existing services, capital inventory, financial information, and relationships with other transportation providers in the region.
2. Working Paper Two: A discussion of existing goals, objectives and standards, as well as RTA and SLO Transit results in comparison to these measures.
3. Working Paper Three: An evaluation of RTA and SLO Transit, including results from passenger surveys.

A separate summary document of stakeholder surveys was provided by the consultants in early August, and once the comments on that document are incorporated that document will be posted on our website, as well.

Working Paper Four will include a range of service alternatives for RTA and SLO Transit that comprise the separate operations plans for each transit agency, which will be provided in mid-September. Working Paper Five will be provided in October and will include operating budgets and 7-year financial plans. RTAC will meet in a public setting to consider these two working papers in October. We are on schedule and budget to complete the Caltrans-funded study by April 2016.

### **Service Planning & Marketing:**

RTA is on schedule to implement additional weekday roundtrips on Route 9 and Route 10 that focus on commuters' travel needs. These service expansions will be fully implemented by September 14, 2015. I have distributed brochures for these two service

expansions, and there are copies at the back of the room. Riders can also check out the new services on our website and see notices on our buses.

RTA is fully ready to provide route deviation service along the North Coast, which will begin on September 14<sup>th</sup>. As a reminder, RTA currently operates a traditional fixed route (Route 15) in addition to Runabout service between Morro Bay and the Hearst Castle Visitor's Center every day of the week. Under the new service plan, this same Route 15 & Runabout combination will be operated on weekends, but on weekdays a single bus will deviate up to ¾-mile from the route to serve Runabout passengers and the northern terminus will be in San Simeon (no weekday service to the Visitor's Center). Staff will closely monitor deviated Route 15 running time to determine if some or all of the five weekday trips could include deviations to the Visitor's Center upon request in the future.

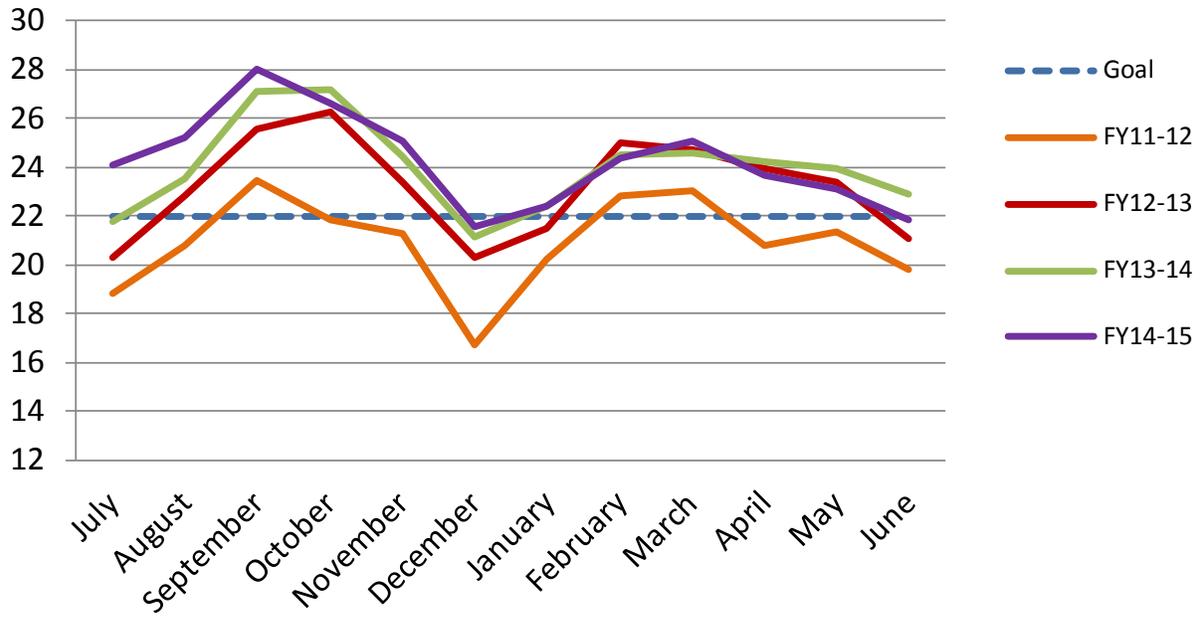
### **Finance and Administration:**

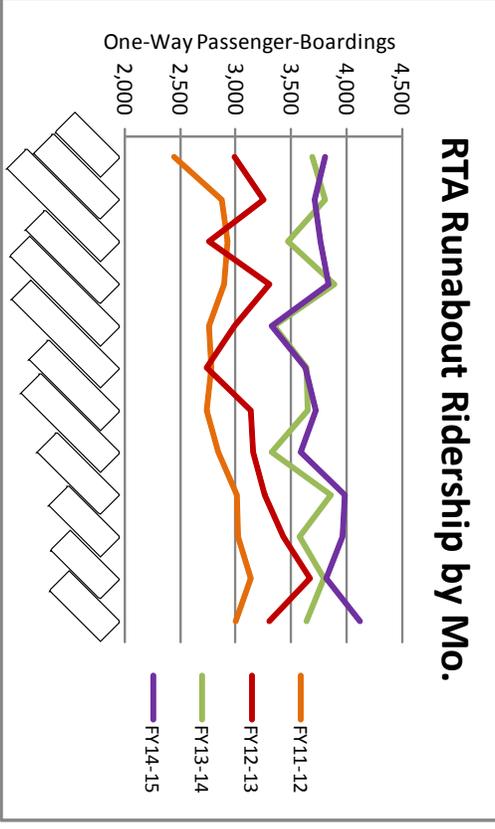
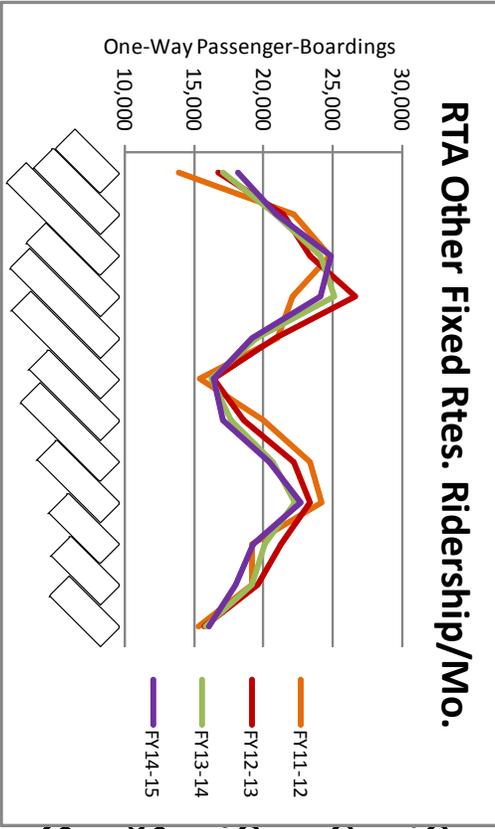
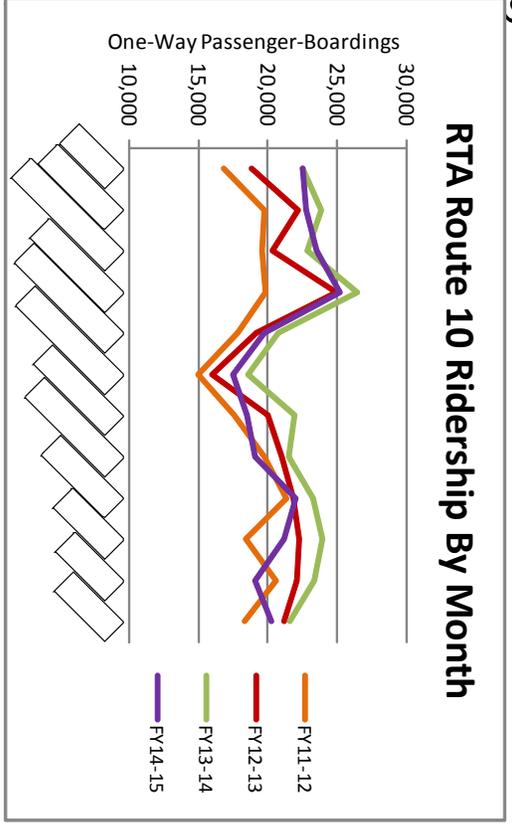
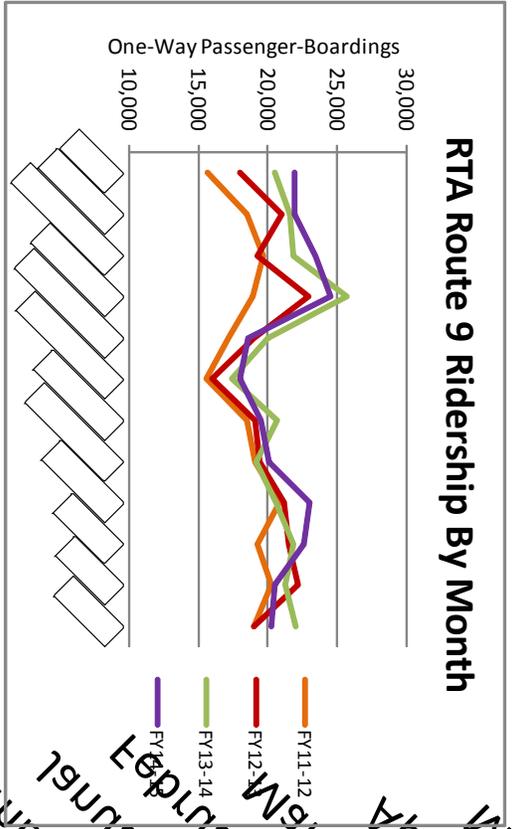
Below are preliminary financial and operating data through June 30<sup>th</sup>. Tables and graphs depicting unaudited RTA's financial and performance measures are provided in the ensuing pages. Several notable findings are provided below:

- The unaudited financial data shows that we have expended 87.48% of our non-capital budget for the entire fiscal year. The most important variance is in fuel (68.49%). It should be noted that our outside maintenance costs were 57% over budget, although we only expended 86% in maintenance parts; combined we were 4% under budget for these closely-related budget line-items.
- Fixed route services achieved an overall unaudited 26.56% farebox recovery ratio, while Runabout achieved a record 4.01% FRR. The improved Runabout FRR is a result of the slightly higher Runabout fare program that was implemented on February 1, 2015, as well as staff's continued focus on improving Runabout efficiencies to reduce the financial strain it has caused RTA.
- Preliminary FY14-15 RTA core fixed route ridership totaled 765,559 one-way passenger-trips, which is essentially the same as in the previous year (763,614). In general, we experienced ridership losses on Routes 10, 12 and 14, while we noted increases on Routes 9 and 15. Digging deeper into the numbers suggests the following:
  - Ridership on Route 9 serving the SLO to Paso Robles / San Miguel corridor increased from 252,744 in FY13-14 to 277,015 in FY14-15, or 9.6%. Some of this is likely due to Paso Express Route C and Atascadero El Camino Shuttle services being consolidated into Route 9 beginning on May 1, 2014. However, since productivity (ridership divided by service hours) remained at essentially the same level year-over-year, I surmise that the consolidation of services resulted in both increased access and increased cost-effectiveness for the region.

- Ridership on Route 10 serving the SLO to Santa Maria corridor actually dropped 7.2% in comparison to last year on weekdays, surely due in part to the detours we were forced to endure during weekday road construction along South Higuera Street in SLO. Digging even deeper into the numbers supports this theory, since weekend ridership on Route 10 remained essentially the same, while weekday ridership declined from 247,223 in FY13-14 to 228,634 in FY14-15 (or down 7.5%). The detours forced RTA Route 10 buses off of Higuera Street south of Madonna Road between mid-December 2014 and May 2015, and the year-over-year monthly totals demonstrate a marked decline.
- Ridership on the Route 12/14 pair serving the SLO to Los Osos / Morro Bay corridor declined from 238,001 in FY13-14 to 229,615 in FY14-15, or 3.5%. The majority of this decline occurred on Route 14 and lesser so on Sunday Route 12.
- Route 15 experienced the largest percentage increase (24,384 vs. 22,249) in ridership among the RTA fixed routes. The largest proportional increases occurred on the weekends – almost 20% – while weekday ridership increased moderately at 7.5%. Nonetheless, Route 15 ridership was almost 23% lower than its peak (24,384 vs. 31,452 in FY11-12)
- Runabout ridership grew at a relatively slow rate (3.7%) year over year, which is a welcome relief in comparison to the unsustainable double-digit growth rates experienced in previous years. As depicted in the Runabout ridership graph on the ensuing pages, we encountered a spike in the last few months of the fiscal year, with a record of 4,120 Runabout boardings in June 2015. On the plus side, the higher Runabout fares resulted in the highest farebox recovery ratio for Runabout in recent years.
- The graphs on the ensuing pages depict monthly ridership by route for the past few years, as well as the strong seasonal nature of fixed route ridership. The graph directly below depicts monthly fixed route productivity (passenger boardings divided by service hours) over the past few years, as well as the productivity goal (22.0) identified in the RTA Strategic Business Plan. The fixed route overall FY14-15 productivity was 24.3.

# RTA Fixed Route Productivity





**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

		<b>Adopted Budget FY 2014-15</b>	<b>Year to Date FY 2014-15</b>	<b>Percent of Total Budget FY 2014-15</b>
	Hours	<b>66,690</b>	62,631	93.91%
	Miles	<b>1,678,830</b>	1,537,096	91.56%
<b>Administration:</b>				
Labor	operations cost	<b>753,890</b>	743,263	98.59%
Labor - Administration Workers Comp	operations cost	<b>42,830</b>	33,844	79.02%
Office Space Rental	operations cost	<b>474,900</b>	427,736	90.07%
Property Insurance	operations cost	<b>16,820</b>	15,915	94.62%
Professional Technical Services	operations cost	<b>102,090</b>	50,897	49.86%
Professional Development	operations cost	<b>25,750</b>	23,794	92.40%
Operating Expense	operations cost	<b>249,000</b>	230,166	92.44%
Marketing and Reproduction	hourly	<b>115,330</b>	78,107	67.72%
North County Management Contract	operations cost	<b>(39,720)</b>	(39,720)	100.00%
County Management Contract	operations cost	<b>(80,500)</b>	(80,500)	100.00%
SCT Management Contract	operations cost	<b>(78,760)</b>	(78,760)	100.00%
<b>Total Administration</b>		<b>1,581,630</b>	1,404,742	88.82%
<b>Service Delivery:</b>				
Labor - Operations	hourly	<b>3,734,110</b>	3,434,703	91.98%
Labor - Operations Workers Comp	hourly	<b>289,780</b>	228,983	79.02%
Labor - Maintenance	hourly	<b>889,210</b>	849,859	95.57%
Labor - Maintenance Workers Comp	hourly	<b>84,810</b>	67,017	79.02%
Fuel	miles	<b>1,555,560</b>	1,065,455	68.49%
Insurance	miles	<b>435,900</b>	446,004	102.32%
Special Transportation (includes County programs, Cuesta evenings,)	n/a	<b>134,590</b>	95,665	71.08%
Avila Trolley	n/a	<b>55,000</b>	37,382	67.97%
Maintenance (parts, supplies, materials)	miles	<b>555,770</b>	475,467	85.55%
Maintenance Contract Costs	miles	<b>94,420</b>	148,174	156.93%
<b>Total Operations</b>		<b>7,829,150</b>	6,848,709	87.48%
<b>Capital/Studies:</b>				
<b>Computer System Maintenance/Upgrades</b>		<b>36,400</b>	37,136	102.02%
Miscellaneous Capital				
<b>Facility Improvements</b>		<b>15,000</b>	6,136	40.91%
<b>Maintenance Software</b>		<b>60,000</b>	32,506	54.18%
<b>Wireless Lift</b>		<b>52,000</b>	55,139	106.04%
<b>Specialized Maintenance Tools</b>		<b>52,000</b>	20,066	38.59%
<b>Desks and Office Equipment</b>		<b>1,800</b>	1,902	105.64%
<b>Vehicle ITS/Camera System</b>		<b>558,030</b>	6,100	1.09%
<b>Bus Stop Improvements</b>		<b>73,750</b>	5,580	7.57%
<b>Bus Rehabilitation</b>		<b>185,000</b>	-	0.00%
<b>Bus Procurement Reserve/Large Capital Repairs</b>		<b>81,810</b>	-	0.00%
<b>RouteMatch Dispatching Software</b>		<b>40,000</b>	39,534	98.84%
Vehicles				
<b>Support Vehicles</b>		<b>62,500</b>	63,877	102.20%
<b>40' Coaches</b>		<b>3,865,710</b>	3,808,026	98.51%
<b>One Dial A Ride Vehicle</b>		<b>89,300</b>	-	0.00%
<b>Runabout Vehicles</b>		<b>572,200</b>	487,210	85.15%
<b>Total Capital Outlay</b>		<b>5,745,500</b>	4,563,212	79.42%
<b>Contingency</b>	hourly	<b>132,585</b>	5,558	4.19%
<b>Interest Expense</b>	operations cost	<b>73,690</b>	65,771	89.25%
<b>Loan Paydown</b>		<b>543,130</b>	543,130	100.00%
<b>Management Contracts</b>		<b>198,980</b>	198,980	100.00%
<b>TOTAL FUNDING USES</b>		<b>16,104,665</b>	13,630,102	84.63%
<b>TOTAL NON-CAPITAL EXPENDITURES</b>		<b>9,816,035</b>	8,523,760	86.84%

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
YEAR TO DATE THRU JUNE 30, 2015  
CURRENT FISCAL YEAR - 2014/2015 (page 1 of 2)**

	RT 9 P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 S.M., NIPOMO, A.G., S.L.O.	RT 12 MORRO BAY, CUESTA, SAN LUIS	RT 14 CUESTA, SAN LUIS TRIPPER	RT 15 SAN SIM., CAMBRIA, CAYUCOS, M.B.	TOTAL RTA CORE WEEKDAY	RT 83 FORT HUNTER LIGGETT	RT 7 PASO EXPRESS ROUTE A	RT 8 PASO EXPRESS ROUTE B	TOTAL PASO EXPRESS FIXED ROUTE	PASO EXPRESS DIAL A RIDE
<b>REVENUES:</b>											
FARES	333,162	339,280	252,836	22,383	28,180	975,840	71,998	60,036	64,520	124,556	7,347
<b>TOTAL ROUTE REVENUES</b>	<b>333,162</b>	<b>339,280</b>	<b>252,836</b>	<b>22,383</b>	<b>28,180</b>	<b>975,840</b>	<b>71,998</b>	<b>60,036</b>	<b>64,520</b>	<b>124,556</b>	<b>7,347</b>
<b>EXPENDITURES:</b>											
ADMINISTRATION	211,106	211,197	138,800	13,815	50,070	624,988	15,800	16,763	16,692	33,455	6,326
MARKETING	22,721	22,754	14,963	1,586	5,404	67,428	0	958	953	1,911	0
OPERATIONS/CONTINGENCY	678,858	686,499	440,549	44,990	164,453	2,015,348	52,887	275,830	275,428	551,258	101,559
FUEL	210,128	225,312	127,191	14,858	56,563	634,052	25,826	26,477	27,552	54,029	4,310
INSURANCE	76,258	81,738	46,161	5,322	20,545	230,024	8,833	12,303	12,804	25,107	3,552
<b>TOTAL EXPENDITURES</b>	<b>1,199,071</b>	<b>1,227,499</b>	<b>767,664</b>	<b>80,571</b>	<b>297,035</b>	<b>3,571,840</b>	<b>103,345</b>	<b>332,331</b>	<b>333,429</b>	<b>665,760</b>	<b>115,747</b>
<b>FAREBOX RATIO</b>	<b>27.78%</b>	<b>27.64%</b>	<b>32.94%</b>	<b>27.78%</b>	<b>9.49%</b>	<b>27.32%</b>	<b>69.67%</b>	<b>18.07%</b>	<b>19.35%</b>	<b>18.71%</b>	<b>6.35%</b>
<b>RIDERSHIP</b>	<b>254,316</b>	<b>228,634</b>	<b>180,856</b>	<b>16,765</b>	<b>19,507</b>	<b>700,078</b>	<b>4,666</b>	<b>50,913</b>	<b>54,570</b>	<b>105,483</b>	<b>3,415</b>
<b>SERVICE MILES</b>	<b>288,370.50</b>	<b>309,065.00</b>	<b>174,532.00</b>	<b>20,494.80</b>	<b>77,669.00</b>	<b>870,131.30</b>	<b>34,402.00</b>	<b>46,521.84</b>	<b>48,415.34</b>	<b>94,937.18</b>	<b>13,622.00</b>
<b>SERVICE HOURS</b>	<b>9,426.50</b>	<b>9,430.25</b>	<b>6,195.25</b>	<b>613.70</b>	<b>2,233.23</b>	<b>27,898.93</b>	<b>691.38</b>	<b>3,584.19</b>	<b>3,568.84</b>	<b>7,153.03</b>	<b>1,343.26</b>
<b>RIDERS PER MILE</b>	<b>0.88</b>	<b>0.74</b>	<b>1.04</b>	<b>0.82</b>	<b>0.25</b>	<b>0.80</b>	<b>0.14</b>	<b>1.09</b>	<b>1.13</b>	<b>1.11</b>	<b>0.25</b>
<b>RIDERS PER HOUR</b>	<b>26.98</b>	<b>24.24</b>	<b>29.19</b>	<b>27.32</b>	<b>8.73</b>	<b>25.09</b>	<b>6.75</b>	<b>14.20</b>	<b>15.29</b>	<b>14.75</b>	<b>2.54</b>
<b>COST PER PASSENGER</b>	<b>4.71</b>	<b>5.37</b>	<b>4.24</b>	<b>4.81</b>	<b>15.23</b>	<b>5.10</b>	<b>22.15</b>	<b>6.53</b>	<b>6.11</b>	<b>6.31</b>	<b>33.89</b>
<b>SUBSIDY PER PASSENGER</b>	<b>3.40</b>	<b>3.88</b>	<b>2.85</b>	<b>3.47</b>	<b>13.78</b>	<b>3.71</b>	<b>6.72</b>	<b>5.35</b>	<b>4.93</b>	<b>5.13</b>	<b>31.74</b>

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
YEAR TO DATE THRU JUNE 30, 2015  
CURRENT FISCAL YEAR - 2014/2015 (page 2 of 2)**

	RT 9 SAT P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 9 SUN P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 SAT S.M., NIPOMO, A.G., S.L.O.	RT 10 SUN S.M., NIPOMO, A.G., S.L.O.	RT 12 SAT MORRO BAY, CUESTA, SAN LUIS	RT 12 SUN MORRO BAY, CUESTA, SAN LUIS	RT 15 SAT SAN SIM., MORRO BAY, SAN LUIS	RT 15 SUN SAN SIM., MORRO BAY, SAN LUIS	TOTAL RTA CORE WEEKEND	TOTAL FIXED ROUTE RTA & PASO EXPRESS	RUNABOUT	SYSTEM TOTAL
<b>REVENUES:</b>												
FARES	22,507	12,869	23,739	13,136	14,705	10,224	4,185	2,967	104,331	1,276,726	123,990	1,408,062
<b>TOTAL ROUTE REVENUES</b>	22,507	12,869	23,739	13,136	14,705	10,224	4,185	2,967	104,331	1,276,726	123,990	1,408,062
<b>EXPENDITURES:</b>												
ADMINISTRATION	14,761	9,504	13,798	8,272	10,075	9,446	10,099	6,043	81,997	756,240	682,553	1,445,119
MARKETING	1,585	1,009	1,482	878	1,082	1,003	1,085	642	8,766	78,105	0	78,105
OPERATIONS/CONTINGENCY	47,341	30,632	44,747	26,845	31,772	29,895	33,164	19,848	264,243	2,883,736	2,032,740	5,018,035
FUEL	14,297	9,499	14,323	8,622	8,707	8,373	11,282	6,762	81,864	795,771	242,044	1,042,125
INSURANCE	5,223	3,455	5,233	3,137	3,181	3,046	4,122	2,460	29,856	293,820	137,003	434,375
<b>TOTAL EXPENDITURES</b>	83,207	54,099	79,583	47,754	54,817	51,762	59,751	35,754	466,727	4,807,672	3,094,340	8,017,759
<b>FAREBOX RATIO</b>	27.05%	23.79%	29.83%	27.51%	26.83%	19.75%	7.00%	8.30%	22.35%	26.56%	4.01%	17.56%
<b>RIDERSHIP</b>	14,495	8,204	14,625	8,051	9,092	6,137	2,916	1,961	65,481	875,708	45,266	924,389
<b>SERVICE MILES</b>	19,723.60	13,057.20	19,760.00	11,856.00	12,012.00	11,512.80	15,563.60	9,297.60	112,782.80	1,112,253.28	519,162.00	1,645,037.28
<b>SERVICE HOURS</b>	653.64	421.20	611.00	366.60	446.16	418.60	447.20	267.80	3,632.20	39,375.54	30,395.94	71,114.74
<b>RIDERS PER MILE</b>	0.73	0.63	0.74	0.68	0.76	0.53	0.19	0.21	0.58	0.79	0.09	0.56
<b>RIDERS PER HOUR</b>	22.18	19.48	23.94	21.96	20.38	14.66	6.52	7.32	18.03	22.24	1.49	13.00
<b>COST PER PASSENGER</b>	5.74	6.59	5.44	5.93	6.03	8.43	20.49	18.23	7.13	5.49	68.36	8.67
<b>SUBSIDY PER PASSENGER</b>	4.19	5.03	3.82	4.30	4.41	6.77	19.06	16.72	5.53	4.03	65.62	7.15

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**September 2, 2015**

**STAFF REPORT**

**AGENDA ITEM:** A-2

**TOPIC:** Strategic Business Plan Results

**ACTION:** Receive

**PRESENTED BY:** Geoff Straw, Executive Director

**STAFF RECOMMENDATION:** Receive Annual Report on Performance Results Through June 30, 2015

**BACKGROUND/DISCUSSION:**

At its July 9, 2014 meeting, the RTA Board adopted the *RTA 2015-2017 Strategic Business Plan*. This plan was essentially an updated version of the *RTA 2011-2014 Strategic Business Plan*, and the update includes slightly revised Vision and Mission Statements, as well as “stretch” performance standards to ensure RTA staff continually seeks to improve its services.

The attached report presents our annual results from July 1, 2014 through June 30, 2015. Please note that the financial figures are unaudited estimates, but they provide a reasonable representation of each applicable financial measure. These results and the underlying *RTA 2015-17 Strategic Business Plan* will be used by the Short Range Transit Plan (SRTP) consultants as they suggest possible new goals and objectives as part of the SRTP effort. For measurement purposes, the SRTP sets the base of RTA believes it can achieve, and the SBP sets the goal of RTA strives to achieve. It may be appropriate for the Board to revisit the SBP after adoption of the SRTP in mid-2016.

**Staff recommendation:**

Receive the attached report on performance results achieved in FY14-15.

# Report on RTA Performance Standards

July 2014 through June 2015

## Regional Transit Authority Standards of Excellence: Service Quality and Efficiency

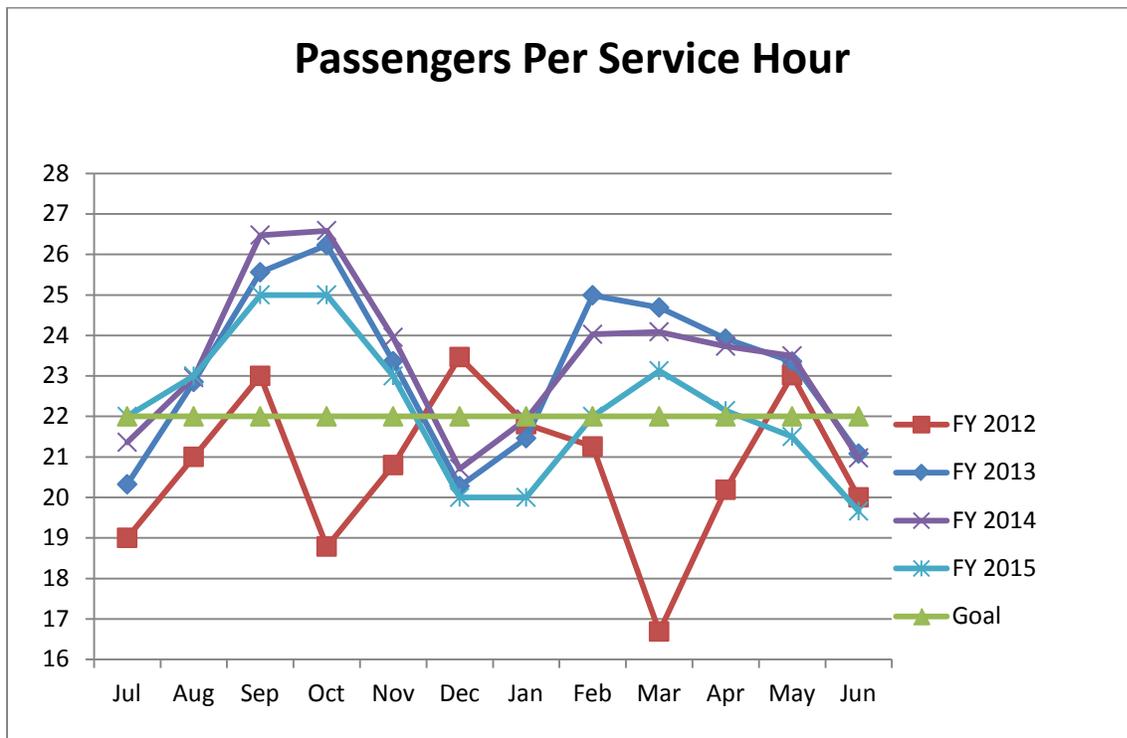
**Summary:** We will deliver dependable, customer focused and efficient transit services to the communities that we serve. Further, we will look for opportunities to deploy innovative new service within the resources available.

**Standard 1:** Fixed Route passengers per vehicle service hour will be 22 or greater.

*Measurement:* Objective.

- Reviewed monthly by Operations, and reported by Executive Director at each Board meeting.

In January 2014, the RTA Board increased the standard from 21 passenger boardings per hour to 22. As in each of the two previous years, we experienced a seasonal dip below our goal in the months of December and January. February's productivity is down to 22 from last year's 24. For FY14-15, the fixed route service achieved an overall productivity figure of 24.3.



**Standard 2:** Service delivery rate shall be 99% or greater.

*Measurement:* Objective.

- Reviewed quarterly by Operations, and reported by Executive Director bi-annually to the Board.

## Report on RTA Performance Standards

July 2014 through June 2015

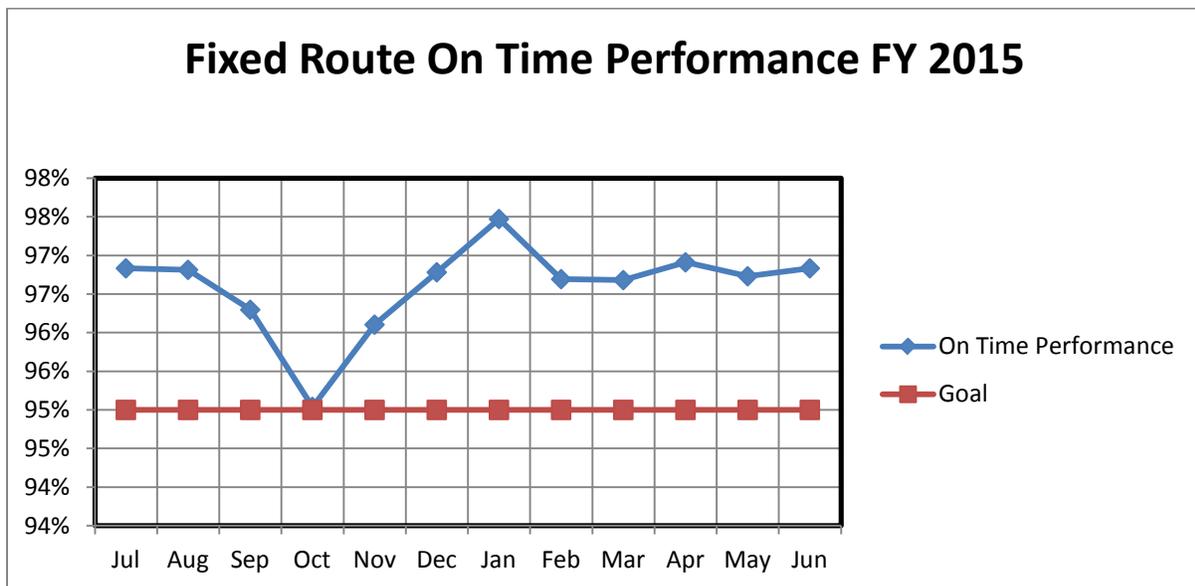
As long as a scheduled fixed route bus trip is delivered ahead of the next scheduled bus trip, then service is considered “delivered” (but that late trip will still be reported under the on-time performance measure discussed below). A typical weekday includes a total of 134 bus trips, while each Saturday includes 50 trips and each Sunday includes 32. The service delivery goal is 99% or greater. RTA delivered 3,123 trips last quarter and missed one scheduled trip, or a service delivery achievement of 99.9%. At year’s end, RTA delivered 12,384 trips and missed only one.

**Standard 3:** System wide On-time Performance shall be 95% or greater.

*Measurement:* Objective.

- Reviewed quarterly by Operations, and reported by Executive Director bi-annually to the Board.

Fixed route service is considered on-time if at no point the bus is six or more minutes late. The goal is 95% or greater<sup>1</sup>. As presented below, RTA has achieved or surpassed the goal during each month of FY14-15. Staff will continue to monitor fixed route service on-time performance to ensure this trend continues.



**Standard 4:** Runabout On-time Performance shall be 95% or greater.

*Measurement:* Objective.

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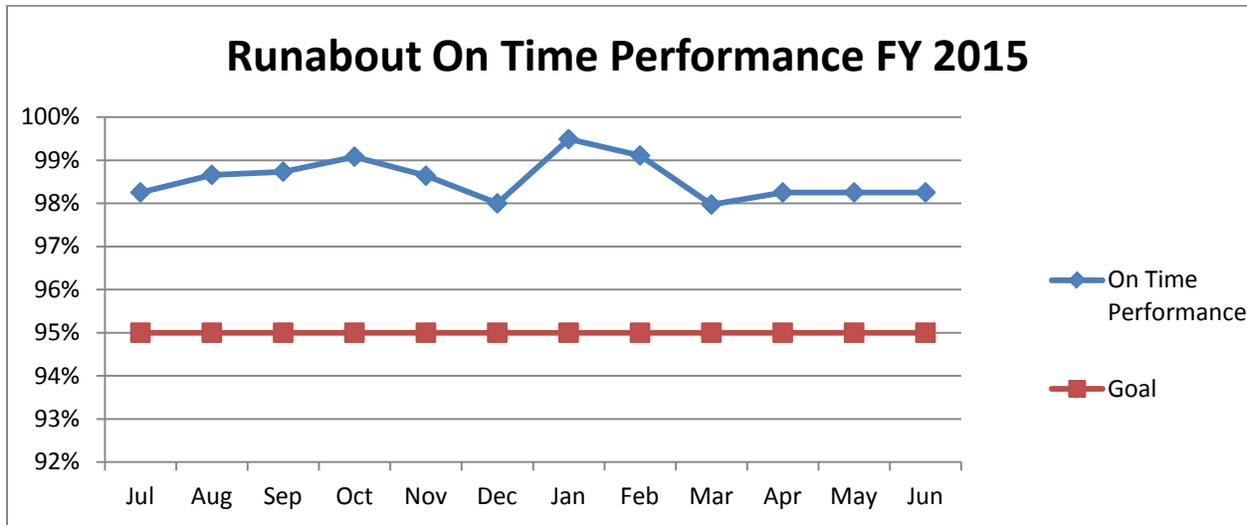
<sup>1</sup> Bus Operators call in late-running trips to the Dispatcher via our two-way radios. RTA’s new buses will use a GPS-based Automated Vehicle Location (AVL) system to more accurately report this statistic, and it is probable that our reported on-time performance will decline as the AVL system is fully-implemented across the entire fleet.

## Report on RTA Performance Standards

July 2014 through June 2015

- Reviewed quarterly by Operations, and reported by Executive Director bi-annually to the Board.

Runabout service is considered on-time if the bus arrives within 30 minutes of the scheduled pick-up time. The goal is 95% or greater, and Runabout so far surpassed this goal in each month of FY14-15. Staff will continue to monitor Runabout's on-time performance to ensure this trend continues.



**Standard 5:** RTA will make consistent efforts to explore new service and service delivery options as well as work with regional efficiencies in the delivery of transportation to the jurisdictions

*Measurement:* Subjective.

- Reported by the Executive Director and Division Heads annually.
1. New Route 9 and 10 peak service will begin on September 14, 2015. This includes one morning and one afternoon trip for each route.
  2. Potential riders have expressed interest to RTA and SLOCOG staff for service to the San Luis Obispo Airport Business Park, and we are implementing this as part of a new peak period Route 10 service discussed above.
  3. SLO Transit and RTA are working jointly to update our Short Range Transit Plans. We believe this cooperation will result in equitable funding allocation and coordinated future system improvements.

## Report on RTA Performance Standards

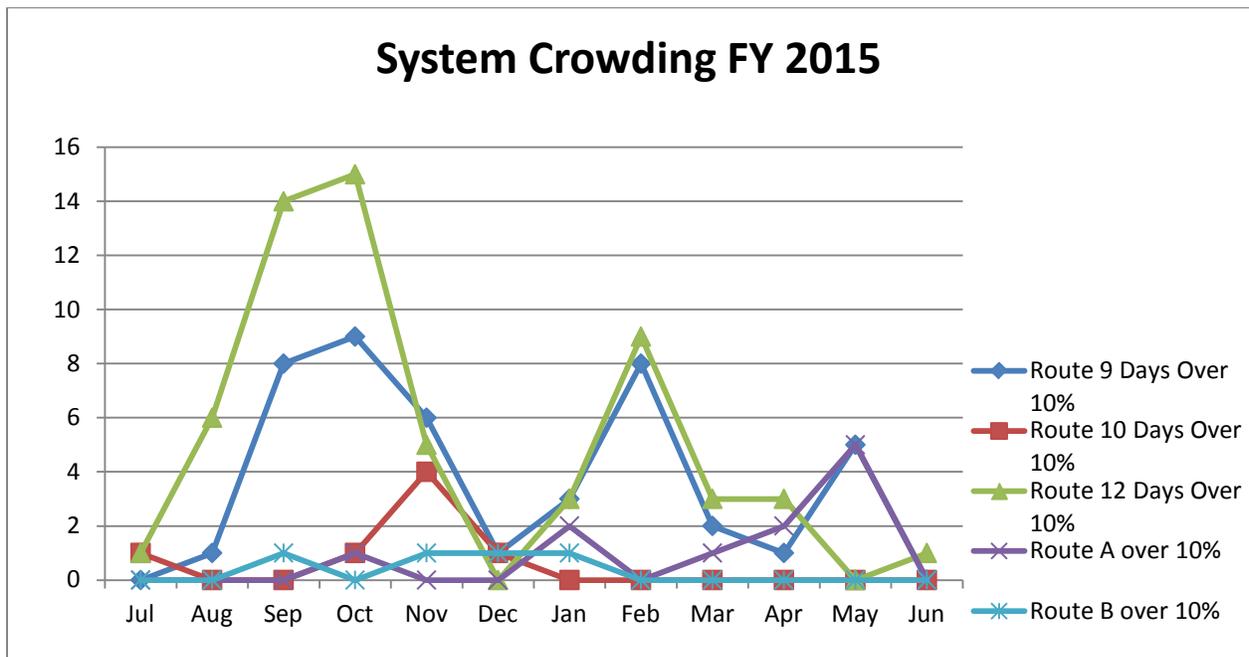
July 2014 through June 2015

**Standard 6:** The number of bus trips with passenger standees will not exceed 10% of the daily bus trips on that route.

*Measurement:* Objective.

- Reviewed quarterly by Operations, and reported by Executive Director biannually to the Board.

Based on an average of 20 weekdays per month, it is clear from the graphic below that the Route 12/14 pair experiences the greatest number of standing-load bus trips, followed by Route 9 and then Route 10. There are currently no weekend bus trips with standees, nor any bus trips on Route 15 with standing loads.



It should be noted that the manner in which RTA can measure this standard is somewhat limited. Once the CAD/AVL system is fully deployed, we will have access to much more robust passenger load factors by time of day, bus stop location, etc. RTA may wish to revisit the standard after that data can be monitored and evaluated.

### Regional Transit Authority Standards of Excellence: Revenue and Resources

We will live within our means. While providing excellent service to our customers and communities, we will do so within the financial resources available to us. The financial health of the organization will not be compromised and we will work to deliver good value for the taxpayers' investment in RTA.

## Report on RTA Performance Standards

July 2014 through June 2015

**Standard 1:** The annual operating budget will be based upon projected revenue and the total operating cost will not exceed the budget adopted by the Board.

*Measurement:* Objective.

- Monthly financial statements and YTD budget expenses.

Fiscal Year 2012 Result: Operating Costs were 95% of the adopted budget

Fiscal Year 2013 Result: Operating Costs were 93% of the adopted budget

Fiscal Year 2014 Result: Operating Costs were 90% of the adopted budget

Fiscal Year 2015 Result: Operating Costs are 86.84% of the adopted budget (unaudited)

Budget versus actual expenses data is calculated and reviewed on a monthly basis by RTA staff. This information is reported to the Board at each meeting (typically every other month) to help inform decisions.

**Standard 2:** Fixed Route Farebox Recovery Ratio (FRR) shall be greater than 25%.

*Measurement:* Objective.

- Based upon monthly Route Productivity/Performance Report.

Fiscal Year 2012 Result: 28.81%

Fiscal Year 2013 Result: 30.82%

Fiscal Year 2014 Result: 31.50%

Fiscal Year 2015 Result: 26.56% including Paso Express (unaudited)

RTA consistently meets or exceeds this FRR goal, and ridership remains high. Staff will continue to closely monitor our FRR performance, particularly as the economy continues to improve, and gas prices continue to fall.

**Standard 3:** No significant financial audit findings.

*Measurement:* Objective.

- Finance and Administration will report any negative audit findings.

RTA is audited every year and consistently has clean reports with no significant financial audit findings. Staff strives for improved transparency and continues to implement procedures that exceed the auditors' expectations.

**Standard 4:** Ensure that all capital procurements provide good value to our customers and our employees.

*Measurement:* Subjective.

- Evaluated through bi-annual customer perception survey, feedback from communities and review of the annual capital program by staff and the Board.

The capital program is developed by staff and presented to the Board as part of the annual budget-making process. In addition, staff presents budget revision recommendations if conditions change.

## Report on RTA Performance Standards

July 2014 through June 2015

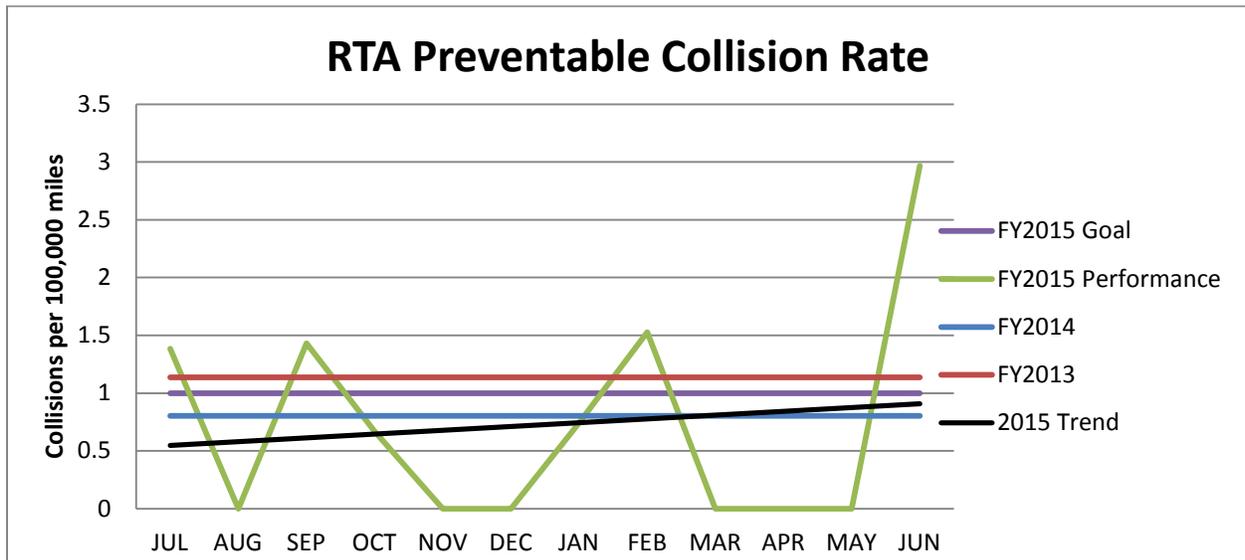
### Regional Transit Authority Standards of Excellence: Safety

We recognize the tremendous importance of safety in the operation of RTA service to our customers and communities. Therefore the safety of our customers and employees will be an organizational priority and we will be proactive in promoting system safety.

**Standard 1:** Rate of preventable vehicle collisions will not exceed 1.0 per 100,000 miles.

*Measurement:* Objective.

- Rate shall be reported by Safety and Training.



In January 2014, the RTA Board reduced the standard from 2.0 collisions per 100,000 miles to only 1.0. Year to date, RTA has achieved this goal.

**Standard 2:** Address all safety hazards identified by the Safety Resource Committee.

*Measurement:* Objective.

- List shall be compiled with action items and timelines by Safety and Training.

The Safety Resource Committee has effectively resolved 31 employee suggestions during FY 2015 as its quarterly meetings. The committee started with 11 open items and ended with 6 open items. The next meeting is scheduled for September 8, 2015.

**Standard 3:** Preventable workers compensation lost-time claims will not exceed 6 annually, and preventable medical-only claims will not exceed 10 annually.

*Measurement:* Objective.

## Report on RTA Performance Standards

July 2014 through June 2015

- All work comp claims shall be duly investigated and reported by Finance and Administration.

**Fiscal Year 2010-11 Result: 10**

**Fiscal Year 2011-12 Result: 16 (includes 7 medical only)**

**Fiscal Year 2012-13 Result: 11**

**Fiscal Year 2013-14 Result: 9 (includes 5 medical only)**

**Fiscal Year 2014-15 Result: 10 (includes 5 medical only)**

Fiscal Year 2013-14 was a slightly better year for workers compensation claims in comparison of previous years. Additionally, for FY14-15 we changed third party administrators because of performance issues by the previous contractor. We are optimistic that claims handling has improved, which will have a positive impact on our incurred losses over time.

**Standard 4:** Customer and Community perception of system safety will be at least 90%.

*Measurement:* Objective.

- As measured by community survey, which shall be conducted at least every two years.

The first comprehensive Customer Perception Survey was completed in 2013. We completed passenger and stakeholder surveys as part of the Short Range Transit Plan in March 2015; the results of this effort will be reported in the final report in April 2016.

**Standard 5:** Total risk management costs shall not exceed 8.5% of total operating costs.

*Measurement:* Objective.

- Reported monthly by Finance and Administration in financials and YTD budget reports.

Fiscal Year 2011-12 Result: 5.1% of total operating costs

Fiscal Year 2012-13 Result: 7.5% of total operating costs

Fiscal Year 2013-14 Result: 7.6% of total operating costs

Fiscal Year 2014-15 Result: 9.3% of total operating costs

We are well under the goal FY11-12 through FY13-14. Fiscal Year 2014-15 results are higher as a result of significant claims that developed in prior year. This includes property, workers compensation, liability, and auto physical damage insurance costs.

### **Regional Transit Authority Standards of Excellence: Human Resources**

Our employees are the foundation of the organization. We will support our employees in achieving excellence through training and development, teamwork, and continuous efforts at effective communication while treating each with integrity and dignity

## Report on RTA Performance Standards

July 2014 through June 2015

**Standard 1:** Recruit, promote and retain highly qualified employees to achieve our service standards.

*Measurement:* Subjective.

- Annual assessment by Executive Director and Department Heads.

The annual calendar year turnover rates for RTA are as follows:

2010 – 24%	2013 – 12%
2011 – 33%	2014 – 19%
2012 – 20%	

**Standard 2:** Provide continuous development of organizational skills through ongoing training and development programs that result in personal and professional growth.

*Measurement:* Objective.

- Departments have submitted training needs with budget process.
- Maintenance: 30 Hours per technician annually.
- Operations Supervisors: 24 Hours annually.
- Bus Operators: 8 Hours Annually
- Finance and Administration: 16 Hours per employee annually.

RTA is very fortunate to have an approved training budget over the last two years as we have emerged from the economic recession. It should be noted that this ongoing training is essential to what staff at RTA does on a daily basis to help both the organization and staff grow.

- Maintenance: 40 Hours per Technician annually – below are annual training hour results for the six technicians in FY14-15:
  1. 111 hrs.
  2. 107 hrs.
  3. 107 hrs.
  4. 111 hrs.
  5. 103 hrs.
  6. 107 hrs.
  7. 111 hrs.
  8. 111 hrs.

It should be noted that Technicians were provided an unusually high number of vendor-provided hours as part of the Gillig low-floor bus procurements that were completed in 2013 and 2015.

- Operations Supervisors: 24 Hours annually – Supervisors averaged 15 annual training hours in FY14-15. Due to the departure of one Supervisor and another on long-term medical leave, RTA has struggled over the past year to provide the needed coverage to permit across-the-board training.
- Bus Operators must complete a State-mandated minimum of 8 hours of Verification of Transit Training annually, which we achieved. However, we have also recently

## Report on RTA Performance Standards

July 2014 through June 2015

implemented mandatory retraining after six months from when new Bus Operators are placed into revenue service.

- Finance and Administration 16 Hours per employee annually – these hours are used by each employee in various ways based on their responsibilities and in consultation with their direct supervisor. Staff believes that this standard has been met for the majority of finance and administration employees.

**Standard 3:** Enable our employees to achieve excellence in serving our customers by building teamwork and understanding effective communication within the organization.

*Measurement:* Subjective.

For the past three years, all employees must participate in a formal training program called *Verbal Defense and Influence*, which focused us how to communicate more effectively with each other and our customers, including the most recent training in January 2015. A total of 13 RTA staff members and one SCT staff member also meet bi-weekly staff to discuss general items that may affect other departments; others are invited as needed and to address specific issues. Finally, the Executive Director and the three department heads meet weekly to ensure consistency in messaging and direction for the organization; these four employees also held an overnight retreat in July to plan for challenges and major projects facing the organization.

**Standard 4:** Employees will be evaluated annually in a fair and equitable way to judge performance and be provided a developmental plan for the next fiscal year.

*Measurement:* Objective.

- Employee merit evaluations will be provided to each employee annually with the evaluation grading measurement of attainment of department objectives developed during the budget process and achievement of RTA's Standards and RTA's KPIs.

RTA currently completes formal annual evaluations for administration and management staff members. Bus Operators are evaluated based on the requirements of the collective bargaining agreement (CBA). Given that the CBA provides is some latitude for pay increases for Technicians in the shop, we instituted a formal evaluation in FY13-14. Additionally both Technicians and Bus Operators are evaluated as part of the RTA Safety Awards program on their anniversary date.

### **Regional Transit Authority Standard of Excellence: Fleet and Facility**

We will operate and maintain a modern and clean fleet and facilities that will be pleasing to our customers and a source of pride for our employees and our communities.

## Report on RTA Performance Standards

July 2014 through June 2015

**Standard 1:** Replace 100% of all revenue vehicles no more than 40% beyond the FTA-defined useful life standard in terms of years or miles.

*Measurement:* Objective.

- As reported by Finance and Administration.

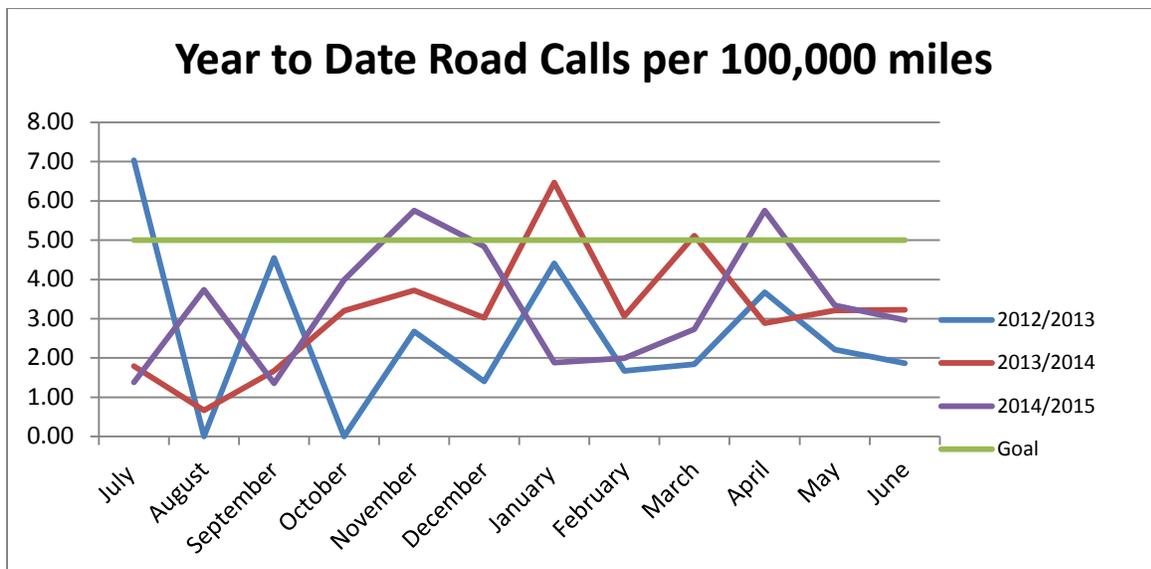
As of June 30, 2015, the average RTA fixed route vehicle age (including Paso Express fixed route vehicles) is 5.5 years with an average of 260,000 miles. The design life of a fixed route bus is 12 years/500,000 miles. The average demand response vehicle age (including Runabout and other Dial-A-Ride vans) is just under 2.5 years with an average of 96,000 miles. The design life of a demand response van is 4-years/100,000 miles, so we are currently within the 40% beyond standard. The capital program is scheduled to be updated in 2015 as part of the Short Range Transit Plan update effort (the capital plan adopted by the Board as part of the previous SRTP was in July 2011).

**Standard 2:** Road calls will not exceed 5 per 100,000 miles of vehicle service miles. A road call is defined as all failures that affect the completion of a scheduled revenue trip or the start of the next scheduled revenue trip, including failures during deadheading and layover.

*Measurement:* Objective.

- As reported by the Maintenance Department.

This standard has been achieved or surpassed in all but five months over the past 3 fiscal years. The year-end average for FY12-13 was 2.61, 3.17 in FY13-14 and 3.31 in FY14-15. For over a year now, staff has been aligning and reporting to match the definition as listed in the National Transit Database. We will closely track this standard as our fleet ages and/or if breakdowns appear to be happening more frequently.



## Report on RTA Performance Standards

July 2014 through June 2015

**Standard 3:** Maintain a clean, attractive fleet. Maintain our facilities so that they are safe and appealing to customers and employees.

*Measurement:* Subjective.

- As measured by employee and customer feedback.

The first comprehensive Customer Perception Survey was completed in 2013. We completed passenger and stakeholder surveys as part of the Short Range Transit Plan in March 2015; the results of this effort will be reported in the final report in April 2016.

**Standard 4:** Achieve an 80% favorable rating of bus stop appearance by customers and the communities that we serve.

*Measurement:* Objective.

- As measured in the biannual Community Evaluation conducted by Marketing.

The first comprehensive Customer Perception Survey was completed in 2013. We completed passenger and stakeholder surveys as part of the Short Range Transit Plan in March 2015; the results of this effort will be reported in the final report in April 2016.

**Standard 5:** Achieve all federal, state-mandated maintenance practices, as well as vendor recommended maintenance schedules for our fleet and facilities.

*Measurement:* Objective.

- No negative FTA or TDA audit findings.
- Preventative maintenance schedules for all equipment shall be done on a timely basis (3,000 mile intervals or as mandated by equipment OEM vendor).

There has been no negative FTA or TDA findings in the previous audits, with triennial audits being completed during the 2013 and 2014 calendar years. Preventable maintenance has been completed on a timely basis with no CHP findings in 2013, 2014 or 2015. The next CHP audit is for scheduled for July or August 2016.

### Regional Transit Authority Standards of Excellence: Leadership

We will strive to be one of the nation's leading small transit operators. We will work to maintain collaborative relationships within the industry, our community, with our stakeholders and develop future leaders from within our organization.

**Standard 1:** Maintain cooperative relationships with federal, state and local funding agencies.

*Measurement:* Subjective.

- Will be reviewed by staff and RTA Board.

## Report on RTA Performance Standards

July 2014 through June 2015

Staff believes that we have maintained strong relationships with most local, state and federal agencies. However, we have encountered on-going challenging relationships with employees at our partner agency in the South County. This has strained staff resources to the point where RTA should determine if the amount of funding charged annually covers the amount of work required to administer South County Transit going forward. Staff is tracking hours worked on SCT issues over the past year, and we will report back after the next quarter how this issue should be addressed in the future.

**Standard 2:** Develop partnerships with stakeholders, community leaders and decision makers keeping them well informed of the integral role of RTA and contributions to the communities that we serve.

*Measurement:* Subjective.

- To be evaluated and monitored by RTA Board.

The Executive Director and other senior staff attend City Council and other policy board meetings throughout the county, as well as civic group meetings, as appropriate. The Executive Director also served on the Cal Poly Master Plan Transportation Subcommittee in 2014 and 2015 to ensure that regional transit issues are considered in campus plans.

**Standard 3:** Promote effective internal communications and promote the values of the organization.

*Measure:* Subjective.

- To be evaluated by Executive Director.

As discussed above, RTA continues to encounter challenging relationships with our partner agency in South County. As such, we have invited line employees to more on-going meetings (bi-weekly staff meetings, weekly maintenance meetings, Safety Resource Committee meetings, etc.) and have implemented a joint RTA/SCT Bus Roadeo in August/September 2015 to increase collaboration and improve communications. The department head retreat in July 2015 focused on improving communications both within and outside RTA. While improvements can always be made, staff believes our relationship between management and labor is as strong as it has been since we took services in-house in 2009.

**Standard 4:** Provide effective leadership for public transportation within the County.

*Measurement:* Subjective.

- To be evaluated by Executive Director and RTA Board.

The Executive Director is currently serving as Project Manager for the joint SLO Transit / RTA Short Range Transit Plan effort, an 18-month project that is slated for completing in April 2016. In addition, he has attended each SLO Transit Mass Transit Committee meeting over the past three years. To ensure that each JPA jurisdiction's policy board is informed about regional transit issues, the Executive Director occasionally attends City Council meetings or as

## **Report on RTA Performance Standards**

July 2014 through June 2015

requested. Finally, RTA staff provides comments to City and County planning departments to ensure that transit amenities are considered in planning documents and development proposals.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**September 2, 2015**

**STAFF REPORT**

**AGENDA ITEM:** B-1

**TOPIC:** Transfer Two RTA Vehicles to South County Transit

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Authorize Executive Director to execute an agreement to transfer RTA Vehicles #1011 and #1012 to South County Transit

**BACKGROUND/DISCUSSION:**

RTA's fleet of two 35-foot buses are too small for our large-bus operations (Routes 9, 10, 12 and 14) and too large for the Route 15 service. As mentioned in the Executive Director's report in May 2015, staff is proposing that the RTA's two 2010 Eldorado EZ Rider 35-foot buses be transferred to South County Transit (SCT) to meet their fleet needs. In exchange, SCT will permit RTA to use Federal Transit Administration (FTA) funds originally programmed to buy one new SCT bus.

Over the past three months, RTA temporarily assigned these two buses to SCT to help with their fleet shortage while the Cummins turbocharger defect in the 2013 Gillig buses is being sorted out. These two EZ Rider buses have proven to be reliable and economical in SCT service, especially in comparison to SCT's two remaining 2003 Gillig Phantom buses that have surpassed their economically useful lives. Since these two vehicles were originally funded using State funds, there is no requirement for an FTA grantee-to-grantee transfer or for SCT to achieve the 12-year/500,000-mile typically assigned to this vehicle type.

If the RTA Board supports this transfer, the SCT Board of Directors will consider the transfer at its next meeting.

**Staff Recommendation**

Authorize the Executive Director to develop agreement, and for the President and execute said agreement, to transfer two 2010 Eldorado EZ Rider buses from RTA to SCT in exchange for FTA funding to purchase one new vehicle for RTA fixed route services.



San Luis Obispo Regional Transit Authority  
Executive Committee Meeting  
Minutes 5/13/2015  
C-1

Members Present: Debbie Arnold, President  
Jan Howell Marx, Vice President

Members Absent: Shelly Higginbotham, Past President

Staff Present: Geoff Straw, Executive Director  
Nina Negranti, County Counsel

Also Present: Ron DeCarli, SLOCOG  
Pete Rodgers, SLOCOG  
Eric Greening, Atascadero

**1. Call to Order and Roll Call:**

**President Debbie Arnold** called the meeting to order at 11:35 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** reported that the RTA Board of Directors will meet in special session on June 3<sup>rd</sup>, prior to the regular SLOCOG Board meeting, instead of at its normally-scheduled July 8<sup>th</sup> meeting. The sole item on the RTA agenda will be the Route 15 and North Coast Runabout Service Changes.

**Mr. Straw** concluded the Executive Directors report.

**4. Action Items**

B-1 Route 15 & North Coast Runabout Service Changes:

**Mr. Straw** presented the efforts undertaken by staff to inform the public, including ads in local newspapers, notices on the Route 15 and Runabout vehicles, notices at all Route 15 bus stops, and meetings with stakeholders (Hearst Castle and NCAC). In addition, a letter was sent to each Runabout rider that has travelled in the corridor over the past 12 months. The recommendation is to cease operating Route 15 north of San Simeon Acres on weekdays, and to operate Route 15 in a route deviation manner to serve riders eligible for Runabout service. Motion by Director Marx to support staff's recommendation, seconded by Director Arnold. Motion carried.

**5. Consent Agenda Items**

None

**6. Agenda Review:**

None

**7. Closed Session Items:**

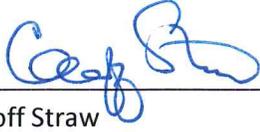
None

**8. Open Session:**

None.

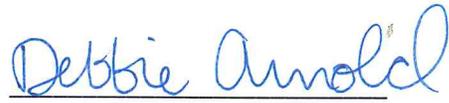
**9. Adjournment: President Arnold adjourned the meeting at **12:02** p.m. (Marx/Arnold)**

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Geoff Straw", written over a horizontal line.

Geoff Straw  
RTA Executive Director

Acknowledged by,

A handwritten signature in blue ink, appearing to read "Debbie Arnold", written over a horizontal line.

Debbie Arnold  
RTA President

**DRAFT**  
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**MINUTES OF JUNE 3, 2015**  
**C-2**

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**BOARD MEMBERS PRESENT:**

DEBBIE ARNOLD, FIFTH DISTRICT, COUNTY OF SAN LUIS OBISPO (*President*)  
JAN MARX, CITY OF SAN LUIS OBISPO (*Vice President*)  
SHELLY HIGGINBOTHAM, CITY OF PISMO BEACH (*Past President*)  
BRUCE GIBSON, SECOND DISTRICT, COUNTY OF SAN LUIS OBISPO  
ADAM HILL, THIRD DISTRICT, COUNTY OF SAN LUIS OBISPO  
JAMIE IRONS, CITY OF MORRO BAY  
FRANK MECHAM, FIRST DISTRICT, COUNTY OF SAN LUIS OBISPO  
TOM O'MALLEY, CITY OF ATASCADERO  
LYNN COMPTON, FOURTH DISTRICT, COUNTY OF SAN LUIS OBISPO  
JIM GUTHRIE, CITY OF ARROYO GRANDE  
FRED STRONG, CITY OF PASO ROBLES

**BOARD MEMBERS ABSENT:**

JOHN SHOALS, CITY OF GROVER BEACH

**STAFF PRESENT:**

GEOFF STRAW, EXECUTIVE DIRECTOR  
TIM MCNULTY, SAN LUIS OBISPO COUNTY COUNSEL  
ANNA MAFORT-LACY, ADMINISTRATIVE ASSISTANT  
MARY GARDNER, MARKETING & COMMUNITY RELATIONS MANAGER  
PHIL MOORES, OPERATIONS MANAGER

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**CALL TO ORDER AND ROLL CALL:** **President Debbie Arnold** called the meeting to order at 8:30 a.m. A roll call was taken and a quorum was present.

**Public Comments:** **Mr. Eric Greening**, Atascadero, said he has had many good rides and morale appears to be good. He said some publicity for the Youth Ride Free does not include dates. He asked for clarification as to the dates of the promotion, and that it is added to marketing materials.

**Ms. Irvinia Raymond**, Cambria, said she received a letter from RTA stating the Runabout service would be eliminated in the area and there would be changes to Route 15. Her son takes Runabout to and from his job, where he has worked for 20 years. He lives with me. Independent living is not an option at this time. He works at a grocery store in Los Osos. I'm afraid he will become unemployed if he cannot continue to get support to and from work. His schedule changes weekly. He pays his own way and pays his own taxes. This is a very much-needed service in my household. He is just one, but there must be others who could not attend this meeting. He is not able to be transportation or job trained. If he was to be dropped off in Morro Bay and there was an issue, he would not make it. This is an impossible situation, but I am begging you to think of some way that service could continue for people like him.

**Mr. Geoff Straw** said the Youth Ride Free campaign will run county-wide from June 15 to August 15 and staff will redo the notices on the buses to include dates. He said Ms. Raymond's son is the most frequent Runabout rider from Cambria. There is also one other who rides regularly. These two riders make up 60% of the trips southbound. We understand there is an impact. I spoke with the other parent about options and alternatives. Ride-On Transportation may be a possibility as well. We will get into more details with item A-1.

**A. ACTION AGENDA:**

**A-1** Public Hearing: Consider Route 15 & North Coast Runabout Service Changes: **Mr. Straw** presented the history and use for Jobs Access Reverse Commute (JARC) grant, which began in the 1990s as a discretionary congressional funding program. In 2011, we augmented Route 15 and Runabout services along the North Coast corridor. With the passage of the most recent federal legislative bill, the JARC program was eliminated in 2013 as a separate stand-alone program and this designation was folded into Federal Transit Assistance (FTA) 5311 and 5307. However, this did not provide for additional funds. This leaves less funding available for other eligible activities under these formula programs. The final grant amount of \$200,000 was in used in FY14-15.

He presented performance and ridership trends. Prior to 2011, RTA operated Routes 12A and 12B along the North Coast. When we implemented the enhanced Route 15 in 2012, ridership along this corridor hit record highs. Since then, it has steadily declined. We are currently averaging about 2,000 rides per month. The Runabout subsidy per passenger trip along the North Coast is high: \$69.18 per Runabout trip and \$14.97 per Route 15 rider. This is particularly telling, as the fixed route subsidy is \$3.20 per rider elsewhere in the system. Along the North Coast, there are so few Runabout passengers that we cannot typically group trips. The subsidy per passenger trip is determined by taking the total cost, subtract the fares and divide by the number of passengers.

There are currently about 20 people registered to ride Runabout in Cayucos, Cambria and San Simeon. Two ride virtually every day. Overall, the Runabout trips in the North Coast equal about 3% of the total number of trips county-wide. In the last 12 months, 570 trips ended in the North Coast and 568 began there. These numbers fluctuate and one person can make a big difference.

**Mr. Straw** presented options to consider. First, he suggested maintaining existing service levels, which will require \$100,000 in new funding. The proposed alternative is that Route 15 would become a deviated fixed route and would pick up Runabout eligible riders within the ¾ mile corridor who cannot get to a bus stop. This service would span between North Morro Bay and San Simeon. We would eliminate weekday service to Hearst Castle. Runabout riders can travel on Route 15 and other fixed routes free of charge. These suggested changes would only operate on weekdays. Weekend service would remain unchanged.

He reviewed various public outreach efforts, such as public notices, letters to Runabout riders, meeting with State Parks, attending NCAC meetings, and media coverage. He presented to the Board a summary of comments received to date.

**Mr. Straw** concluded his report.

**President Arnold** opened to Board comment.

**Board Member Strong** said he is pleased staff is reacting to negative reality but wants to see positive solutions. I see that this is federal funding that is allocated by the state. Is the problem with the state, federal allocation, or both? Where should we direct our efforts to reinstate funding? **Mr. Straw** said it is on the congressional level. The most recent transportation bill eliminated JARC. There is a current extension to that bill and Congress is working on a new one that may be in effect for six years. **Board Member Strong** confirmed that is the starting point to reinstate MAP-21. **Mr. Straw** said it would be a replacement to MAP-21. JARC was not included in the extension of that bill.

**Board Member Higginbotham** inquired if there are other alternatives such as Ride-On Transportation or Tri-Counties Regional Center that may be explored. **Mr. Straw** said the parent of one Cambria Runabout rider is checking with TCRC and the employer, Achievement House, to see if they will accommodate her work schedule to better meet the transit schedule. **Mr. Straw** said staff is also reaching out to Ride-On to try and find reasonable solutions.

**Board Member Gibson** asked about the schedule. **Mr. Straw** said we still have timed points at stops but would add more layover time at each end to accommodate any deviations. A similar program is used in Morro Bay. **Board Member Gibson** noted Runabout serves a very specific clientele. In the deviated fixed route, will all the services and all the training be the same for drivers? **Mr. Straw** said there will be some additional training. **Board Member Gibson** asked if these vehicles will be equipped to handle riders in wheelchairs and other mobility issues. Are there other provisions for emotional and psychological needs provided by a Runabout driver that is not prevalent on the fixed routes? **Mr. Straw** said all vehicles have wheel chair lifts and all drivers are empathy trained. Cambria is a real community among drivers and passengers, and we would expect the Route 15 drivers to be able to handle the emotional, physical and psychological needs of their Runabout-eligible passengers.

**President Arnold** opened public comment.

**Ms. Mary Stephenson**, Supervisor at Hearst Castle, asked for confirmation the service change is proposed to begin August 17, 2015. **Mr. Straw** said this is accurate. **Ms. Stephenson** asked what can be done to keep the service between San Simeon Acres and Hearst Castle open, even if with reduced runs. I

am representing myself as an RTA rider from Cayucos, as well as other employees and volunteers who rely on the service to get to and from work. I hope we can come up with another solution and keep some service to Hearst Castle.

**Mr. Greening** said this was discussed at Regional Transit Advisory Committee (RTAC). Even though we recognized that change is sometimes difficult, we also recognized the harsh fiscal realities behind this situation. Service in an outlying area inherently imposes higher costs per passenger. Paratransit service imposes considerably higher costs per passenger. If the average Runabout ride is \$69, then the average for a roundtrip in and out of that region requires a public subsidy of about \$138. The JARC funding was helping in terms of supporting the fixed route system along the North Coast. We must be heard in Congress. The current transit bill extension expires July 31, 2015. You also serve on the San Luis Obispo Council of Governments (SLOCOG) Board and will be looking at Item C-1 later today. This Agenda Item addresses legislative matters. The RTA Board generally does not take positions on legislation. Is there a way the RTA Board can refer something to SLOCOG Board so that issues such as this one can be discussed as a legislative matter? The Americans with Disabilities Act imposes an unfunded mandate on transit agencies. There is no funding source not affiliated with transit to help with the costs associated with Paratransit service. Perhaps this also needs to be addressed separate from transit funding.

**Ms. Raymond** observed this will not be an easy fix. There is a human element. I don't know how my son can continue employment without this support. He paid his way when the fare increased. Working is very important to his life and well-being. We live within the corridor, but he doesn't have the cognitive skills. If he did, he would be driving. That is our reality. Thank you for your consideration and hopefully we can come up with some alternative funding.

**Mr. Straw** clarified that JARC funded both fixed route and Runabout service.

**President Arnold** closed public comment.

**Board Member Gibson** said he would take the lead on this since it is his jurisdiction. He asked his colleagues to take up the question of lobbying to reinstate JARC funding or an alternative with the legislative platform. He asked **Ms. Stephenson** if Hearst Castle has a busy season. Is there a fundamental change to traffic after Labor Day? **Ms. Stephenson** said the busy season is the summer, as well as during holiday seasons. We hope to implement a program in the future to hire high school students for employment opportunities and would like to see this portion of Route 15 available. **Board Member Gibson** said there has been some discussion about a vehicle coming down from the Visitor Center to meet the RTA bus in San Simeon. Last I heard we were still awaiting word. Has there been any movement on this proposition? **Ms. Stephenson** said she spoke with management about that and plans to do so again. One of the problems is that we have a contract with the bus agency and to deviate would change the contract. I will have to speak with management of that transit agency and see if that is something they would be willing to do. It is a possible solution. **Board Member Gibson** said this is a difficult situation. There are many things that can be done around the edges to help with this service change. He said he is willing to meet with management to help advocate change. He asked Mr. Straw if there is a subsidy available to offset costs of having the Hearst Castle vehicle come meet the Route 15 bus in San Simeon. **Mr. Straw** said he would be happy to look at that. He also noted that staff is taking a very conservative approach. If we find we are not making route deviations, I will come back to this Board and request a reinstatement of service to Hearst Castle—at least a couple of trips per day. **Board Member Gibson** said he was sorry Ms. Raymond left as he has some ideas he would like to share with her. He said he wanted to reach out to her. Cambria runs a Community Bus that may be a viable alternative to help bridge the gap in service. He suggested RTA push out the service change by one

month. He said he would like to accompany Ms. Raymond to a meeting with TCRC to discuss any possible special service we could offer. Additionally, he considered visiting Vons in Los Osos to request the schedule be regulated in a way that would help maintain employment.

**Board Member Strong** said we have several options we can consider as the SLOCOG Board. JARC is a federal program, but there is no reason it could not be a State program when appropriate. We have Cap and Trade money now being allocated to things, including operations. If we could get a joint application for grant money under that to reestablish a JARC-like program at the state level, in concert with other small jurisdictions like ours that probably have a similar problem, we could have enough clout to possibility be included in the allocations for Cap and Trade. This is something we can do while also addressing the problem at the federal level. If we don't make the effort, nothing will happen.

**Board Member Jamie Irons** thanked Mr. Straw for being proactive and responsive. He thanked Mr. Greening for his participation and knowledge. He voiced his support in lobbying for grant funding that will reinstate Runabout service along the North Coast, as well as to work with Hearst Castle to find solutions to that loss of service.

**Board Member Tom O'Malley** said he also agreed we need to look at options to reallocate or reinstate funding. He encouraged the Board to consider extending the current service at least through the summer to allow more reaction time. He suggested working with Ride-On to establish a partial subsidy, particularly for those with ADA needs.

**Board Member Gibson** thanked Mr. Straw and staff for the extraordinary outreach efforts along the North Coast.

**President Arnold** closed Board comment.

**Board Member Bruce Gibson** moved to approve staff recommendation on Agenda Item A-1, with implementation to start September 15, and direct staff to work with Hearst Castle to bridge the gap between San Simeon and the Visitor's Center with a possible subsidy if appropriate. **Board Member Fred Strong** seconded, and the motion carried on a roll call vote with Board Member John Shoals absent.

**BOARD MEMBER COMMENTS:**

**Board Member Strong** encouraged the public to submit individual letters in support of various items suggested here. They are welcomed and effective.

**ADJOURNMENT:** **President Arnold** adjourned the RTA meeting at **9:14 a.m.**

Respectfully Submitted,

Anna Mafort-Lacy  
RTA, Administrative Assistant

**DRAFT**  
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**REGIONAL TRANSIT ADVISORY COMMITTEE**  
**July 15, 2015**  
**MINUTES**  
**C-3**

Members Present:	Michael Seden – Hansen ( <i>Chair</i> )	City of Paso Robles
	Eric Greening ( <i>Vice Chair</i> )	Fixed Route Representative
	Gamaliel Anguiano	SLO Transit
	Dawn Patterson	Atascadero Transit
	Dominique Bonino	Cal Poly
	Mark Dariz	Runabout/DAR Representative
	Phil Moores	South County Transit (SCT)
	Todd Katz	Fixed Route Alternate Rep.

Members Absent:	Anthony Gutierrez	Cuesta College
	John Diodati	County of San Luis Obispo
	Janeen Burlingame	Morro Bay Transit

Staff Present:	Geoff Straw	RTA
	Anna Mafort	RTA
	Tania Arnold	RTA

Guest:	LSC Consultants
	MTC Committee Members
	John Osumi, San Luis Obispo

**1. Call Meeting to Order, Roll Call:**

**Mr. Michael Seden-Hansen** called the meeting to order at 1:05 p.m. Roll call was taken; a quorum was present.

**2. Public Comments:**

**None**

**A. Action Agenda Items**

## **A1. Adjourn to Joint RTAC & SLO MTC Meeting:**

**Mr. Gamaliel Anguiano**, SLO Transit, provided a brief overview of what will be discussed at today's meeting and introduced the consultants for the Short Range Transit Plan.

All attendees introduced themselves to the group.

**Mr. Gordon Shaw**, LSC Transportation Consulting, provided the status of the study to date and the timeline for upcoming stages.

He reviewed various demographics for residents around the county. Next, he discussed current policies and ridership trends. He reviewed income levels, particularly those living below the poverty level, and where they reside.

**Mr. Shaw** next reviewed the existing transit programs, trends and conditions, beginning with RTA fixed routes. RTA ridership has increased 270% in the last 10 years. Operating costs, inflation and fuel have also increased. He addressed the various performance standards RTA has implemented over the years, such as passengers per vehicle hour (productivity). Productivity has increased. Operating costs have increased by 14% in the last 10 years. He discussed the results of their on-board survey of passengers. Driver courtesy ranked highest. Overall service was rated excellent or good by 78% of riders. Riders surveyed said they would like increased span of service, particularly on weekends.

**Mr. Shaw** segued to the ADA Paratransit service. Runabout service hours are comparable with RTA's fixed route service. Fifteen fleet vehicles cover this service area throughout the county and into Santa Maria. He discussed existing trends and conditions, including subscription trips and missed trips. The service has experienced a massive increase in demand, with a level of service that has tripled in the last 15 years. He said ways to increase efficiencies for this service will be flushed out. The average cost per passenger trip is \$67. He reviewed the ridership trends, with most taking Runabout for medical appointments, followed by work. The current number of riders per passenger hour is just 1.47. He reviewed the level of ridership to and from different regions of the county.

Next, **Mr. Shaw** discussed existing conditions and trends of San Luis Obispo Transit. Service levels dropped a bit over the last ten years. Ridership grew by 66%. More people on buses, and the survey reflects the vehicles are sometimes too full. SLO Transit is meeting a series of goals. It is not meeting the goal for more frequency or hours of operation (span of service). The farebox recovery ratio – the amount of money received out of the farebox divided by operating cost – is not being met on some routes. Productivity increased by 83%, while the cost per passenger trip dropped by 9% over the last decade.

Route 1 is getting 20 passengers per service hour. Route 6 and Route 4 are getting about 60 passengers per service hour. Nearly 2/3 of all riders are traveling to and from the Cal Poly campus. There are not many passengers, about 2%, transferring between the two systems. Passenger perception ranked highest for value and safety; whereas it ranked lowest for on-time performance. More people are riding longer.

In 2003, SLO Transit service was 60% larger than RTA's service. Now, RTA is 131% larger than SLO Transit service. Runabout has played a part in this change.

**Mr. Shaw** concluded his presentation and opened up to questions and comment.

**Mr. Eric Greening** expressed concerns about the reported 4,423 of households without vehicles. He inquired if this includes congregate living, such as seniors living in rooms at care facilities and college dorms. He noted the 270% growth in RTA ridership over the last decade and asked if the SRTP will be constrained by the assumed future transit growth rate in the SLOCOG Regional Transportation Plan. **Mr. Geoff Straw** said the plans must be financially constrained and thus, will present different scenarios: Growth, no-growth, and reduction. We start to develop options and alternatives to meet challenges. This will include estimated costs, efficiencies and projected ridership.

**Mr. Greening** said the number one issue on the surveys for both systems was span of service. Riders want expanded service, yet there are pressures against this. Reducing the span of service would mean fewer people would have their needs met.

The group discussed on-time performance, how it is measured, and what it means to the rider.

**Mr. Todd Katz** inquired about the significant growth of RTA over the last decade. **Mr. Straw** said RTA did not have hourly service on Route 9, 10, 12 until 2007. The construction project on the Cuesta Grade helped to increase service on Route 9. Caltrans paid for the extra service to help reduce the number of cars traveling along this part of Highway 101. The other routes followed suit. This greatly improved service levels and productivity. Mr. Straw noted when the Caltrans project and funding ended, the local jurisdictions opted to continue funding the hourly service, largely through TDA. He also voiced surprise at the relatively low number of transfers between routes, particularly between RTA and SLO Transit. Two areas of the county have also recently been designated as urbanized, which increases the amount of federal funding provided to the region.

**Ms. Eliane Wilson** observed 2% of SLO Transit riders transfer to RTA. She asked how many RTA passengers transfer to SLO Transit. **Mr. Shaw** said the survey says about 6% transfer from RTA to SLO Transit. **Mr. Phil Moores** pointed out that one of the main reasons so few passengers transfer between the two systems is due to cycle differences. SLO Transit loops are smaller and happen more frequently, whereas, RTA's loops are longer. **Mr. Anguiano** said that 87% of passengers surveyed said they would walk after disembarking the bus. Almost 65% said they were within two blocks of their destinations.

**Mr. Greening** discussed the lack of service around the airport south of the Marigold Plaza. **Mr. Straw** said RTA plans to implement new Route 10 service during the key commute times through the area will begin September 14.

The group discussed areas within the City and around the County where riders live below poverty level.

**Mr. Shaw** asked what other service improvements the consultants should consider, such as what routes to review or times service should be provided. **Mr. Moores** raised the concerns about connectivity between RTA and South County Transit, and how it could be impacted if RTA tries to make more or different connections with SLO Transit. The need for and challenges of additional weekend service was widely discussed.

**Mr. Greening** said this is the time to be heard in Washington D.C. Congress is looking at the transportation reauthorization bill.

**Mr. Shaw** noted the need for better service across the southern part of the City. These needs tie in with the airport area, as well as along Los Osos Valley Road. He pointed to areas where resources are not maximized. On-time performance improvements were also addressed.

The group discussed the U-Pass currently used by Cal Poly students on SLO Transit. **Mr. Straw** noted RTA and Cuesta College are looking at a similar option. **Ms. Dee Lawson**, SLO Transit, said the pass for Cal Poly students is paid out of the campus parking fund.

**Mr. Shaw** moved on to Route 9 and discussed the numerous stops in Atascadero. He talked about the length of time to travel from Paso Robles to San Luis Obispo along the local route and expressed concern that commuters are disinclined to get out of their car and take the bus if it is not the express route. **Mr. Greening** pointed out we just had a North County Transit Plan. How will this be affected by the current SRTP? **Mr. Shaw** said there are several options to consider as we add service. **Mr. Straw** said everything is on the table for possible changes or modifications.

**Mr. Shaw** talked about the possibility of operating along Price Canyon. He also noted the growth in West Nipomo, which Route 10 does not currently serve, and said they will be looking at options. He also addressed the time it takes to travel between Los Osos and San Luis Obispo on Route 12. Possible service between Morro Bay and Atascadero along Highway 41 was also addressed.

**Mr. Shaw** briefly reviewed the next steps, which includes looking at alternatives, drafting the next working paper and assessing capital improvements. **Mr. Straw** said RTAC will meet as scheduled in October.

**Mr. John Osumi**, San Luis Obispo, asked if there are plans to consider faster across-town service. **Mr. Shaw** affirmed this to be true, possibly with a transfer point on the south end of San Luis Obispo.

**Mr. Anguiano** thanked everyone for attending the meeting and asked them to review the report and supply feedback.

**Mr. Shaw** concluded the joint meeting.

## **B. Information Items**

**B1. Executive Director's Report.** **Mr. Straw** said his report was the joint meeting. The next Employee of the Quarter party will be held on July 31.

**Mr. Straw** concluded his report

**B2. Member Comments/ Reports from Jurisdictions (Receive):** None

**C. CONSENT AGENDA ITEMS:**

**C-1 RTAC Minutes of 4-16-15 (approve)**

**Mr. Eric Greening** moved to approve the minutes and **Mr. Michael Seden-Hansen** seconded. The motion carried with a voice vote with **Mr. Todd Katz** abstaining and no oppositions.

**D. ADJOURNMENT:**

**Mr. Seden-Hansen** adjourned the meeting at 3:11 p.m.

Next RTAC Meeting: **October 15, 2015**

Respectfully Submitted:

Anna Mafort-Lacy  
Administrative Assistant  
San Luis Obispo Regional Transit Authority

**SAN LUIS OBISPO REGIONAL TRANIST AUTHORITY**

**September 2, 2015**

**STAFF REPORT**

**AGENDA ITEM:** C-4

**TOPIC:** Joint Procurement of Runabout Vans

**ACTION:** Approve

**PRESENTED BY:** Geoff Straw, Executive Director

**STAFF RECOMMENDATION:** Authorize Executive Director to Execute Joint Purchase Agreement

For the past several years, RTA has purchased Runabout vans through a joint procurement led by the California Association of Coordinated Transit (CalACT) and the Caltrans Division of Mass Transportation. However, in mid-2013, the Federal Transit Administration notified CalACT and Caltrans that it would need to rebid the small bus joint procurement due to recent changes in Federal purchasing requirements. At that time, all of the transit agencies that formerly purchased small buses and vans through the CalACT joint procurement were facing significant delays in contracting for these types of buses.

In response, Paratransit, Inc. of Sacramento solicited interest from other California transit agencies in joining a new joint procurement. RTA and seven other transit agencies participated in the request for proposals process. The RFP identified an overall minimum number of vehicles, and Creative Bus Sales, Inc. was selected as the lowest responsive bidder. It is important to note that Paratransit, Inc. has already met the minimum number of vehicles commitment. As such, RTA is under no obligation to purchase any vehicles from the Paratransit, Inc. joint procurement. Subsequent to Paratransit Inc.'s procurement, the CalACT joint procurement agreement has since been ratified by FTA and RTA has recently used that agreement to purchase Runabout vans, since the CalACT procurement (also with Creative Bus Sales, Inc.) has more favorable terms in comparison to the Paratransit, Inc. agreement.

**Recommendation**

Staff is requesting authorization for the Executive Director to execute the Paratransit, Inc. joint procurement agreement, with the proviso that RTA is under no obligation to purchase vehicles from the Paratransit, Inc. joint procurement agreement. If RTA seeks to purchase vehicles from the Paratransit, Inc. joint procurement in the future, staff would seek a separate authorizing resolution from the Board to do so.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
RESOLUTION NO. 15-\_\_\_\_\_**

**A RESOLUTION OF THE SAN LUIS OBISPO REGIONAL TRANSIT  
AUTHORITY BOARD OF DIRECTORS,  
AUTHORIZING EXECUTION OF SMALL BUS JOINT PROCUREMENT LED  
BY PARATRANSIT, INC.**

**WHEREAS**, the San Luis Obispo Regional Transit Authority always seeks to attain the greatest value when purchasing equipment and services; and

**WHEREAS**, Paratransit, Inc. of Sacramento agreed to lead a joint procurement for small buses that includes other transit agencies in the State of California; and

**WHEREAS**, the San Luis Obispo Regional Transit Authority joined the City of Elk Grove, the City of Folsom, the City of Visalia, the El Dorado County Transit Authority, the Kings County Area Public Transit Agency, the Solano County Transit Agency and the Yolo County Transportation District as “participating agencies” in Paratransit, Inc.’s joint procurement of small buses; and

**WHEREAS**, Creative Bus Sales, Inc. submitted the lowest responsive bid in response to the joint procurement request for proposals; and

**WHEREAS**, Paratransit, Inc. has committed to purchasing the minimum number vehicles indicated in the procurement documents; and

**WHEREAS**, the San Luis Obispo Regional Transit Authority could purchase vehicles from Creative Bus Sales under the agreement yet has no further obligation to purchase vehicles under the agreement.

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, that the San Luis Obispo Regional Transit Authority Board of Directors authorizes the Executive Director to execute the joint agreement for cutaways, minivans, large cutaways and low floor cutaways.

**BE IT FURTHER RESOLVED**, that the President of the Board is directed to sign this resolution to authorize the execution of said joint agreement.

**BE IT FURTHER RESOLVED**, that the Executive Director is hereby authorized to execute said joint agreement.

Upon motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and on the following roll call, to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINING:**

The foregoing resolution is hereby adopted this 2<sup>nd</sup> day of September 2015.

\_\_\_\_\_  
Debbie Arnold, President  
San Luis Obispo Regional Transit Authority

**ATTEST:**

\_\_\_\_\_  
Geoff Straw, Executive Director  
San Luis Obispo Regional Transit Authority

**APPROVED AS TO FORM AND LEGAL EFFECT:**

Rita L. Neal  
County Counsel

By: \_\_\_\_\_  
Timothy McNulty, Counsel  
San Luis Obispo Regional Transit Authority

Date: \_\_\_\_\_

**AGREEMENT REGARDING JOINT PROCUREMENT OF CUTAWAYS, MINIVANS, LARGE CUTAWAYS AND LOW FLOOR CUTAWAYS**

**BETWEEN**

**PARATRANSIT, INC, THE CITY OF ELK GROVE, THE CITY OF FOLSOM, THE CITY OF VISALIA, THE EL DORADO COUNTY TRANSIT AUTHORITY, THE KINGS COUNTY AREA PUBLIC TRANSIT AGENCY, THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, THE SOLANO COUNTY TRANSIT AGENCY, AND THE YOLO COUNTY TRANSPORTATION DISTRICT**

**AND**

**CREATIVE BUS SALES, INC.**

**THIS AGREEMENT is entered into between PARATRANSIT, INC., THE CITY OF ELK GROVE, THE CITY OF FOLSOM, THE CITY OF VISALIA, THE EL DORADO COUNTY TRANSIT AUTHORITY, THE KINGS COUNTY AREA PUBLIC TRANSIT AGENCY, THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, THE SOLANO COUNTY TRANSIT AGENCY, AND THE YOLO COUNTY TRANSPORTATION DISTRICT (hereinafter referred to collectively as "PARTICIPATING AGENCIES"), and CREATIVE BUS SALES INC., a California corporation (hereinafter "CONTRACTOR") (each referred to individually as a "party" and collectively as the "parties"), as of this \_\_\_\_\_ day of \_\_\_\_\_, 2014.**

This Agreement is made with reference to the following recitals:

**WHEREAS**, PARATRANSIT, INC., by its Request for Proposals #13-03 ("RFP"), duly advertised for written proposals to be submitted on or before 11:00 A.M. on January 21, 2014 for the purchase of Cutaways, Minivans, Large Cutaways and Low Floor Cutaways on behalf of the PARTICIPATING AGENCIES; and

**WHEREAS**, CONTRACTOR'S detailed listing of each vehicle selected by class (A, B, C, etc.) and the associated detailed pricing and option information is attached hereto as Exhibit "A" ("Pricing Sheets"), and is incorporated herein by reference as if set forth in full; and

**WHEREAS**, PARATRANSIT, INC.'S RFP is attached hereto as Exhibit "B", and is incorporated herein by reference as if set forth in full; and

**WHEREAS**, CONTRACTOR submitted proposals, including sealed bids, in response to PARATRANSIT, INC.'s RFP; and

**WHEREAS**, it was determined that CONTRACTOR was the successful responsive and responsible bidder; and

**WHEREAS**, CONTRACTOR's proposals in response to PARATRANSIT, INC.'s RFP are attached hereto as Exhibit "C"; and

**WHEREAS**, the PARATRANSIT, INC. Board of Directors has authorized the Chief Executive Officer via Resolution # 10-14 to award the CONTRACT and accept the CONTRACTOR's bid

through Agreement between CONTRACTOR and PARATRANSIT, INC. upon the terms and conditions set forth herein; and

**WHEREAS**, PARATRANSIT, INC. has fully complied with all federal, state and local laws governing the public bidding process for the purchase of Cutaways, Minivans, Large Cutaways, and Low Floor Cutaways;

**NOW, THEREFORE**, incorporating the foregoing recitals herein, for and in consideration of the promises of the mutual covenants and agreements herein contained, CONTRACTOR and PARTICIPATING AGENCIES hereby agree as follows:

**1. DEFINITIONS; GENERAL TERMS AND CONDITIONS:**

“CONTRACT” shall mean this Agreement.

“CONTRACT DOCUMENTS” shall mean this Agreement, along with all Exhibits referenced herein, including without limitation all documents referenced in said Exhibits. Each Exhibit is hereby incorporated into and made a part of the CONTRACT. The CONTRACT DOCUMENTS are intended to be complementary. Services required by one CONTRACT DOCUMENT and not the others shall be performed as if required by all. If CONTRACTOR discovers an error, conflict or discrepancy in or among the CONTRACT DOCUMENTS, CONTRACTOR shall immediately provide written notice of same to PARATRANSIT, INC. Should conflicts exist among the CONTRACT DOCUMENTS, this Agreement and Exhibit A shall control over the RFP (Exhibit B); and the RFP (Exhibit B) shall control over CONTRACTOR’S Proposal (Exhibit C). Any contract, agreement or other document subsequently created by any Party in connection with a Purchase Order issued pursuant to this Agreement and which changes or otherwise modifies the terms and conditions set forth in the CONTRACT DOCUMENTS shall not be valid without the prior written approval of the PARTICIPATING AGENCIES and CONTRACTOR.

“CONTRACTING OFFICER” shall mean the person who is administering this CONTRACT on behalf of each party except as limited herein. The CONTRACTING OFFICER for PARATRANSIT, INC. is the CTSA and Program Compliance Manager. Each PARTICIPATING AGENCY placing an order using the CONTRACT DOCUMENTS shall also designate a CONTRACTING OFFICER.

“COOPERATIVE” shall be the term used to describe the relationship between PARATRANSIT, INC. and the PARTICIPATING AGENCIES for this Joint Procurement.

“DAYS” or “days”, unless otherwise stated, shall mean calendar days.

“DEFECT” shall mean patent or latent malfunction or failure in manufacture, installation or design of any component or subsystem.

“DEVIATION” shall mean variance from a requirement or specification that does not alter the basis of the CONTRACT or adversely affect its performance.

“ORDERING AGENCY” is the term for the PARTICIPATING AGENCY that is purchasing vehicles from the CONTRACT DOCUMENTS. In this case, an ORDERING AGENCY must be a PARTICIPATING AGENCY.

“PARTICIPATING AGENCY” shall mean one of the following: City of Elk Grove, City of Folsom, City of Visalia, El Dorado County Transit Authority, Kings County Area Public Transit Agency,

Paratransit, Inc., Solano County Transit, San Luis Obispo Regional Transit Authority, and Yolo County Transportation District.

“PASS THROUGH WARRANTY” shall mean a warranty provided by the CONTRACTOR but administered directly by the component Supplier.

“PROPOSAL” shall mean the proposals submitted by CONTRACTOR (Exhibit “C”) for the vehicles identified in Exhibit A and a promise by CONTRACTOR to deliver equipment and services according to the RFP, documented using the prescribed form.

“VEHICLE MANUFACTURERS” shall mean the vehicle manufacturers identified on Exhibit “A” to this Agreement.

“WORK” shall mean any and all vehicles, labor, supervision, services, materials, machinery, equipment, tools, supplies, warranties and facilities called for by the CONTRACT DOCUMENTS and necessary to the completion thereof.

**2. TERM OF CONTRACT:** This CONTRACT is for a term of five (5) years commencing on the effective date set forth in the Notice to Proceed (NTP) issued by PARATRANSIT, INC. CONTRACTOR shall provide vehicles and WORK under Exhibit A for a period of five (5) years and in accordance with Federal Transit Administration requirements. PARTICIPATING AGENCIES may issue contract/purchase order requests throughout the duration of the five (5) year term of this CONTRACT. Delivery of vehicles is not required prior to expiration of the CONTRACT term.

**3. PERFORMANCE BY CONTRACTOR:** CONTRACTOR shall provide vehicles and WORK to each ORDERING AGENCY pursuant to the terms and conditions of all CONTRACT DOCUMENTS, including but not limited to Exhibit A, Exhibit B, and Exhibit C. Each ORDERING AGENCY reserves the right to review and approve all vehicles delivered and WORK performed by CONTRACTOR.

**4. AMENDMENTS:** Any CONTRACT modification or amendment, including any modification to CONTRACT DOCUMENTS, shall be issued by PARATRANSIT, INC. in writing and coordinated through the PARTICIPATING AGENCIES and CONTRACTOR for approval by all parties in writing. No alteration or variation of the terms of the CONTRACT shall be valid unless made in writing and signed by all parties, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties.

**5. ADMINISTRATION OF CONTRACT:** PARATRANSIT, INC. shall administer the provisions of this CONTRACT.

**6. CO-PARTNERSHIP DISCLAIMER:** The parties understand and agree that nothing in this CONTRACT is intended or shall be construed as in any way creating or establishing the relationship of copartners between the parties hereto, or as creating an employment or agency relationship between the parties. CONTRACTOR shall be deemed at all times to be an independent contractor and is solely responsible for all matters relating to its employees, agents and representatives.

**7. INSURANCE:**

**A. CONTRACTOR OBLIGATIONS:**

CONTRACTOR hereby warrants that it carries and shall maintain, at its sole cost and expense, in full force and effect during the full term of this CONTRACT and any extensions to this CONTRACT, the following described insurance coverages:

<b>POLICY</b>	<b>MINIMUM LIMITS OF LIABILITY</b>
(1) Workers' Compensation; Employer's Liability.	Statutory requirements for Workers' Compensation; \$1,000,000 Employer's Liability.
(2) Comprehensive Automobile Liability: Insurance Services Office, form #CA 0001 covering Automobile Liability, code 1 (any auto).	Bodily Injury/Property Damage \$1,000,000 each accident.
(3) General Liability: Insurance Services Office Commercial General Liability coverage (occurrence form #CG 0001), including but not limited to premises and operations; broad form contractual; independent contractors and subcontractors; and products and completed operations.	\$2,000,000 per occurrence; \$5,000,000 aggregate. Aggregate limit shall apply separately per project/location.

a. Deductibles and Self-insured Retentions: Any deductibles or self-insured retentions in excess of five thousand dollars (\$5,000) must be declared to and approved by PARATRANSIT, INC.

b. Required Provisions: The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

(1) For any claims related to this CONTRACT, the CONTRACTOR'S insurance coverage shall be primary insurance as respects PARTICIPATING AGENCIES, their directors, officers, employees and agents. Any insurance or self-insurance maintained by PARTICIPATING AGENCIES, or their directors, officers, employees or agents shall be in excess of the CONTRACTOR's insurance and shall not contribute to it.

(2) Any failure by CONTRACTOR to comply with reporting or other provisions of the policies including breaches of warrants shall not affect coverage provided to PARTICIPATING AGENCIES, their directors, officers, employees or agents.

(3) CONTRACTOR'S insurance shall apply separately to each insured against whom claim is made or suit is brought.

(4) Each insurance policy required by this CONTRACT shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to each PARTICIPATING AGENCY.

c. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise approved by PARATRANSIT, INC.

d. Certificate of Insurance and Additional Insured Requirement: CONTRACTOR shall furnish to each PARTICIPATING AGENCY an original Certificate of Insurance on a standard ACORD form, substantiating the required insurance coverages and limits set forth above and also containing the following:

- (1) Thirty (30) days' prior written notice, by certified mail return receipt requested, to the Risk Manager of all PARTICIPATING AGENCIES of the cancellation, non-renewal, or reduction in coverage of any policy listed on the Certificate; and
- (2) The following statement with respect to the Commercial General Liability and Automobile Liability policies: "PARTICIPATING AGENCIES and their directors, officers, employees and agents, are made additional insureds, but only insofar as the operations under this CONTRACT are concerned."

e. Certified Copies of Policies: Upon request by any PARTICIPATING AGENCY, CONTRACTOR shall immediately furnish a complete copy of any policy required hereunder, including all endorsements, with said copy certified by the insurance company to be a true and correct copy of the original policy.

f. CONTRACTOR'S Responsibility: Nothing herein shall be construed as limiting in any way the extent to which CONTRACTOR may be held responsible for damages resulting from CONTRACTOR's operations, acts, omissions, or negligence. Insurance coverage obtained in the minimum amounts specified above shall not relieve CONTRACTOR of liability in excess of such minimum coverage, nor shall it preclude PARTICIPATING AGENCIES from taking other actions available to them under this CONTRACT or by law, including but not limited to, actions pursuant to CONTRACTOR'S indemnity obligations.

g. Subcontractors: CONTRACTOR shall either require any subcontractor to procure and to maintain during the term of any subcontract all insurance in the amounts and on the terms specified in this Section 7.A., or shall itself insure the activities of subcontractors in the amounts and on the terms specified in this Section 7.A.

## B. VEHICLE MANUFACTURER OBLIGATIONS

CONTRACTOR shall ensure that VEHICLE MANUFACTURERS provide at their own expense and maintain at all times the following insurance policies with insurance companies licensed in the State of California and shall provide evidence of such insurance to PARTICIPATING AGENCIES, naming each PARTICIPATING AGENCY as an additional insured pursuant to the requirements of Section 7.A.d. above, or as may be required by the Risk Manager of each PARTICIPATING AGENCY. CONTRACTOR shall ensure that the policies or certificates thereof shall provide that, thirty (30) days prior to cancellation or material change in the policy, notices of same shall be given to the Risk Manager of each PARTICIPATING AGENCY by certified mail, return receipt requested, for all the following stated insurance policies.

**POLICY**

**MINIMUM LIMITS OF LIABILITY**

- |     |  |  |
|-----|--|--|
| (1) | General Liability: Insurance Services Office Commercial General Liability coverage (occurrence form #CG 0001). | \$2,000,000 per occurrence; \$5,000,000 aggregate. Aggregate limit shall apply separately per project/location.  |
| (2) | Product Liability and Completed Operations.  | \$2,000,000 per occurrence for 5 years after acceptance of last bus delivered under this Agreement. (Product Liability coverage can be effected through an excess liability policy.) |

**8. INDEMNIFICATION:** CONTRACTOR agrees to indemnify, defend, and hold harmless each PARTICIPATING AGENCY, its directors, officers, members, agents, and employees (collectively the "Indemnitees") from and against any and all actions, claims, demands, losses, costs, expenses, including reasonable attorneys' fees and costs, damages, and liabilities (collectively "Losses") arising out of or in any way connected with the performance of this CONTRACT, excepting only Losses caused by the sole, active negligence or willful misconduct of an Indemnatee. CONTRACTOR shall pay all costs and expenses that may be incurred by PARTICIPATING AGENCIES in enforcing this indemnity, including reasonable attorneys' fees. The provisions of this Section shall survive the expiration, termination, or assignment of this CONTRACT.

**9. BANKRUPTCY, ETC:** The parties agree that the appointment of a receiver to take possession of all or substantially all of the assets of CONTRACTOR, or a general assignment by CONTRACTOR for the benefit of creditors, or any action taken by or suffered by CONTRACTOR or its creditors under any insolvency or bankruptcy act shall constitute a breach of this CONTRACT by CONTRACTOR and shall at the option of PARTICIPATING AGENCIES terminate this CONTRACT and the rights and privileges granted herein.

**10. TERMINATION FOR DEFAULT:** All the terms, conditions, and covenants of this CONTRACT are considered material and in the event CONTRACTOR breaches or defaults in the performance of any such terms, conditions, or covenants which are to be kept, done or performed by it, PARATRANSIT, INC. ( in consultation with the other PARTICIPATING AGENCIES) shall give CONTRACTOR ten (10) days' written notice either by certified mail or by personal service, describing such breach or default, and if CONTRACTOR fails, neglects or refuses for a period of more than ten (10) days thereafter to remedy, or cure such a breach or default, then PARTICIPATING AGENCIES without further notice, may terminate this CONTRACT.

**CONTRACTOR shall not be deemed in default of any of the provisions of this CONTRACT in the event of interruption or diminution of service if said condition is solely the result of earthquake, flood, fire, riot, strike or labor disruption, war, an act of terrorism, insurrection, or similar cause beyond the control of CONTRACTOR and which renders performance impossible.**

**11. TERMINATION FOR CONVENIENCE- CONTRACT:** Performance by CONTRACTOR under this CONTRACT may be terminated by PARATRANSIT, INC. (in consultation with the other PARTICIPATING AGENCIES), in accordance with Request for Proposals Section 3 Paragraph 3.12.2, in whole, or from time to time in part, whenever the PARTICIPATING AGENCIES determine that such termination is in the best interest of the PARTICIPATING AGENCIES. Any such termination shall be effected by delivery to the CONTRACTOR by PARATRANSIT, INC. of a written notice of termination specifying the extent

to which performance under the CONTRACT is terminated, and the date upon which such termination becomes effective.

Upon termination for convenience pursuant to this section, the CONTRACTOR shall be paid its costs, including reasonable CONTRACT close-out costs, and profit on WORK performed up to the time of termination. Settlement of claims by the CONTRACTOR under this termination for convenience clause shall be in accordance with the provisions set forth in Part 49 of the Federal Acquisition Regulations (48 CFR Part 49) except that wherever the word "Government" appears, it shall be deleted and the words "PARTICIPATING AGENCY" shall be substituted in lieu thereof.

**12. TERMINATION FOR CONVENIENCE- INDIVIDUAL PURCHASE ORDERS FROM PARTICIPATING AGENCIES:** The order of a vehicle(s) or the performance of WORK issued by Purchase Order from a PARTICIPATING AGENCY under this CONTRACT may be terminated by the ORDERING AGENCY in accordance with Request for Proposals Section 3 Paragraph 3.12.2 in whole, or from time to time in part, whenever the ORDERING AGENCY'S CONTRACTING OFFICER determines that such termination is in the best interests of the ORDERING AGENCY. Any such termination shall be effected by delivery to the CONTRACTOR of a notice of termination specifying the extent to which performance of delivery of the vehicle(s) or WORK under the CONTRACT is terminated, and the date upon which such termination becomes effective.

Upon termination for convenience pursuant to this section, the CONTRACTOR shall be paid its costs, including reasonable CONTRACT close-out costs, and profit on WORK performed up to the time of termination. Settlement of claims by the CONTRACTOR under this termination for convenience clause shall be in accordance with the provisions set forth in Part 49 of the Federal Acquisition Regulations (48 CFR Part 49) except that wherever the word "Government" appears, it shall be deleted and the words "ORDERING AGENCY" shall be substituted in lieu thereof.

**13. NONASSIGNABILITY:** This CONTRACT shall not be assigned by CONTRACTOR without the prior written consent of PARTICIPATING AGENCIES.

**14. LICENSES AND FEES:** CONTRACTOR shall obtain all pertinent and required business licenses, pay all fees and taxes required, and keep such licenses and tax accounts in good standing at all times.

**15. PRICE ADJUSTMENTS:** Request for Proposals Section "General Conditions," Paragraph 9.6, Changes of Law, provides for price adjustments because of changes of law. Notwithstanding that provision, a chassis model price increase shall be considered by PARATRANSIT, INC. when a model year change is specific to the automotive or van industry. The CONTRACTOR shall provide to PARATRANSIT, INC. a certification from the vehicle manufacturer(s) to justify the chassis model price increase. The price may be adjusted only in the same amount as the price increase to the CONTRACTOR. The CONTRACTOR shall submit the request and all necessary documentation to PARATRANSIT, INC. The documentation of such factors shall be provided by CONTRACTOR. Should PARATRANSIT, INC. (in coordination with the PARTICIPATING AGENCIES) not grant this price increase, the vehicle(s) affected by the chassis or manufacturer's price increase may be removed from Exhibit A upon the CONTRACTOR's request.

A minimum of sixty (60) calendar days' advance written notice of price increase by CONTRACTOR is required which is to be accompanied by sufficient documentation to justify the requested increase. A cost/price analysis shall be performed by PARATRANSIT, INC. (in coordination with the PARTICIPATING AGENCIES) prior to written notice being provided in accordance with FTA requirements.

**16. LIQUIDATED DAMAGES FOR LATE VEHICLE DELIVERY:** CONTRACTOR agrees and mutually understands that time is of the essence in the completion of the WORK and delivery of vehicles by CONTRACTOR, and that in case of any failure on the part of CONTRACTOR to deliver vehicles within the time specified in the Delivery Schedule, except for excusable delays as provided in "Excusable Delays/Force Majeure" provisions in the RFP, the ORDERING AGENCY shall be damaged thereby. The parties further agree that the damages which would be suffered in the event of delay include expenses and costs of administration and the deprivation of use of the ordered vehicles. The parties recognize that because of the foregoing special circumstances, it is impractical and extremely difficult to fix the actual damages that might be suffered by ORDERING AGENCY through such a delay.

It is hereby agreed that the amount of such damages due to the ORDERING AGENCY shall be fixed at one hundred dollars (\$100) per business day per vehicle not delivered in substantially as good condition as inspected by the ORDERING AGENCY at the time released for shipment.

CONTRACTOR hereby agrees to pay the aforementioned amounts as fixed, agreed and liquidated damages, and not by way of penalty, to the ORDERING AGENCY and further authorizes the ORDERING AGENCY to deduct the amount of the liquidated damages from the money due the CONTRACTOR under the CONTRACT, computed as aforesaid. If the money due the CONTRACTOR is insufficient or no money is due CONTRACTOR, then the CONTRACTOR shall pay the ORDERING AGENCY the difference or the entire amount, whichever may be the case, within thirty (30) days after receipt of a written demand by the ORDERING AGENCY'S CONTRACTING OFFICER.

**17. PAYMENTS TO CONTRACTOR:**

Basic Consideration: Detailed pricing sheets and option information have been included in this CONTRACT as Exhibit A. Each ORDERING AGENCY shall pay the CONTRACTOR the amount shown on the Ordering Confirmation Form as full compensation for all costs and expenses of completing the Work and delivering the vehicles in accordance with the CONTRACT, including full compensation for all labor and materials required, overhead, storage and shipping, risks and obligations, taxes (as applicable), fees and profit and any unforeseen costs.

Payments on Invoices: All payments shall be made by ORDERING AGENCY as provided herein, less any additional amounts withheld as provided below and less any amounts for liquidated damages in accordance with the "Liquidated Damages for Late Vehicle Delivery" section above,

Each ORDERING AGENCY shall make payments for vehicles at the unit prices itemized in the pricing sheets attached as Exhibit A within forty-five (45) calendar days after the delivery and acceptance of each vehicle and receipt of a proper invoice.

Each ORDERING AGENCY shall make payments for spare parts and/or equipment at the unit prices itemized in the pricing sheets attached as Exhibit A within forty-five (45) calendar days

after the delivery and acceptance of said spare parts and/or equipment and receipt of a proper invoice.

Each ORDERING AGENCY shall make a final payment for all withholding within forty-five (45) calendar days of receipt of a final proper invoice and the following:

1. Delivery and acceptance of all CONTRACT deliverables, including manuals and other documentation required by the CONTRACT, excluding training.
2. CONTRACTOR provision of any certifications as required by law and/or regulations.
3. Completion of FTA required post-delivery audits and Buy America certifications required under the CONTRACT.

**18. TITLE AND WARRANTY OF TITLE:** Adequate documents for registering the vehicle in California shall be provided by the ORDERING AGENCY to the CONTRACTOR not less than ten (10) business days before delivery to the ORDERING AGENCY. Upon acceptance of each vehicle, the CONTRACTOR shall register the vehicle and warrants that the title shall pass to the ORDERING AGENCY free and clear of all encumbrances. Each ORDERING AGENCY shall reserve the right to register the vehicle itself and shall notify the CONTRACTOR upon acceptance if choosing this option.

**19. DISADVANTAGED BUSINESS ENTERPRISE (DBE) Policy:** It is the policy of the Department of Transportation and PARTICIPATING AGENCIES that disadvantaged business enterprises as defined in 49 C.F.R. Parts 23 and 26 shall have the maximum opportunity to participate in the performance of contracts financed in whole or part with Federal funds under this CONTRACT. Consequently the DBE requirements of 49 C.F.R Part 23 and 26 apply to this CONTRACT.

**20. EQUAL EMPLOYMENT OPPORTUNITY/GENERAL REQUIREMENTS:** In connection with the execution of this CONTRACT, CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, national origin, marital status, ancestry, medical condition, disability, sexual orientation or gender identity. CONTRACTOR shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, national origin, marital status, ancestry, medical condition, disability, sexual orientation or gender identity. Such affirmative action shall include, but not be limited to, employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. CONTRACTOR further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

If CONTRACTOR is required to submit and obtain Federal Government approval of its Equal Employment Opportunity (EEO) program, that EEO program approved by the Federal Government is incorporated by reference and made part of this CONTRACT. Failure by CONTRACTOR to carry out the terms of that EEO program shall be treated as a violation of the CONTRACT. Upon notification to CONTRACTOR of its failure to carry out the approved EEO program, PARATRANSIT may impose such remedies, as it considers appropriate, including termination of this CONTRACT.

**21. ENVIRONMENT:** CONTRACTOR shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection

Agency regulations (40 C.F.R., Part 15), which prohibit the use under non-exempt Federal contracts, grants, or loans of facilities included on the EPA List of Violating Facilities. CONTRACTOR shall report violations to FTA and to USEPA Assistant Administrator for Enforcement (EN-329).

**22. TITLE VI CIVIL RIGHTS ACT OF 1964:** During the performance of this CONTRACT, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance with Regulations: CONTRACTOR shall comply with the Regulations relative to nondiscrimination in Federally assisted programs of the Department of Transportation (49 C.F.R. Part 21), as they may be amended from time to time (“the Regulations”), which are herein now incorporated by reference and made a part of this Agreement.
- B. Nondiscrimination: CONTRACTOR, with regard to the work performed by it during the CONTRACT, shall not discriminate on the grounds of race, religion, color, sex, age, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of Regulations, including employment practices when the CONTRACT covers a program set forth in Appendix B of the Regulations.
- C. Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR’S obligations under this CONTRACT and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age, or national origin.
- D. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by PARTICIPATING AGENCIES or the FTA, as appropriate, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of CONTRACTOR’S noncompliance with the nondiscrimination provisions of this CONTRACT, each PARTICIPATING AGENCY shall impose such contract sanctions as it or the FTA may determine to be appropriate, including, but not limited to: (i) Withholding of payments to CONTRACTOR under the CONTRACT until CONTRACTOR complies, and/or (ii) Cancellation, termination or suspension of the CONTRACT, in whole or in part.
- F. Incorporation of Provisions: CONTRACTOR shall include the provisions of paragraph A through F inclusive, of this section in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations, or directive issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as PARTICIPATING AGENCIES or the FTA may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request each PARTICIPATING AGENCY, and, in addition, CONTRACTOR may

request the services of the Attorney General, in such litigation to protect the interest of the United States.

**23. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT:**

**A. Overtime Requirements.** No CONTRACTOR or subcontractor contracting for any part of the CONTRACT work which may require or involve the employment of laborers shall require or permit any such laborer in any work week in which he or she is employed on such to work in excess of forty (40) hours in such work week unless such laborer receives compensation at a rate not less than one and a half (1 ½) times the basic rate of pay for all hours worked in excess of forty (40) hours in such workweek.

**B. Violation: Liability for Unpaid Wages, Liquidated Damages.** In the event of any violation of the clauses set forth in paragraph (A) of this section CONTRACTOR and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such CONTRACTOR and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer employed in violation of the clause set forth in paragraph (A) of this section, in the sum of ten dollars (\$10.00) for each calendar day on which such individual was required or permitted to work in excess of the standard work week of forty (40) hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.

**C. Withholding for Unpaid Wages and Liquidated Damages.** PARTICIPATING AGENCIES shall upon their own actions or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any money payable on account of work performed by the CONTRACTOR or subcontractor under any such contract or any other Federal Contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime CONTRACTOR, such sums as may be determined to be necessary to satisfy any liabilities of such CONTRACTOR or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section.

**D. Subcontracts.** The CONTRACTOR or subcontractor shall insert in any subcontracts the clauses set forth in this section and also a clause requiring the subcontractor to include these clauses in any subcontractor or lower tier subcontractor with the clauses set forth in this section.

**24. PROHIBITED INTEREST:** No official, officer, or employee of any PARTICIPATING AGENCY during his or her tenure or one (1) year thereafter shall have any interest, direct or indirect, in this CONTRACT or the proceeds thereof.

**25. INTEREST OF MEMBERS OF, OR DELEGATES TO, CONGRESS:** In accordance with 18 U.S.C. Section 431, no member of, or delegate to, the Congress of the United States shall be admitted to a share or part of this CONTRACT or to any benefit arising therefrom.

**26. DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITIES:**

A. CONTRACTOR, including any of its officers or holders of a controlling interest, is obligated to inform each PARTICIPATING AGENCY whether or not it is or has been on any debarred or suspended bidders or contractors list maintained by the United States Government. Should CONTRACTOR be included on such a list during the performance of this project, it shall promptly so inform each PARTICIPATING

AGENCY. CONTRACTOR shall not award a contract of any amount to any party included on any such list.

- B. CONTRACTOR certifies and warrants that neither the CONTRACTOR firm nor any owner, partner, director, officer, or principal of CONTRACTOR, nor any person in a position with management responsibility or responsibility for the administration of funds:
- 1) Is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency.
  - 2) Has within the three-year (3) period preceding this CONTRACT, been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract; violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
  - 3) Is presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commissions of any of the offenses enumerated in paragraph B.2). above.
  - 4) Has within a three-year (3) period preceding this CONTRACT, had one or more public transactions or contracts (federal, state, or local) terminated for cause or default.

**27. CARGO PREFERENCE:** CONTRACTOR shall abide by 46 U.S.C. Section 1241(B)(1) and 46 C.F.R. Part 381 which impose cargo preference requirements on shipment of foreign made goods.

**28. FEDERAL GRANT CONDITIONS:** This Agreement is subject to a financial assistance contract between each PARTICIPATING AGENCY, the CALIFORNIA DEPARTMENT OF TRANSPORTATION and the United States Department of Transportation (DOT), Federal Transit Administration (FTA). Each PARTICIPATING AGENCY and DOT/FTA agrees to comply with all terms and conditions respectively required of them by reason of that contract. If FTA requires any change to this CONTRACT to comply with its requirements, both parties agree to amend this CONTRACT as required by FTA. If such changes cause an increase or decrease in the work to be performed by CONTRACTOR or in the time for such performance, then the compensation to be paid to CONTRACTOR and time of performance shall be equitably adjusted.

**29. NO FEDERAL GOVERNMENT OBLIGATIONS TO THIRD PARTIES:** CONTRACTOR agrees that, absent the Federal Government's express written consent, the Federal Government shall not be subject to any obligations or liabilities to CONTRACTOR in connection with the performance of the requirements of this CONTRACT.

**30. FALSE OR FRAUDULENT STATEMENTS OR CLAIMS:** CONTRACTOR recognizes that the requirements of the Program Fraud Civil Remedies Act of 1986, as amended, apply to its actions pertaining to this CONTRACT. Accordingly, the CONTRACTOR certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, or it may make pertaining to the actions covered by this CONTRACT. In addition to other penalties that may be applicable, CONTRACTOR also acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986, as amended, on CONTRACTOR to the extent the Federal Government deems appropriate.

**31. REPORTING, RECORD RETENTION, AND ACCESS:** At a minimum, CONTRACTOR agrees to provide to FTA those reports required by U.S. DOT's grant management rules and any other reports the Federal Government may require.

CONTRACTOR agrees that, during the course of the project and for three (3) years thereafter, it will maintain intact and readily accessible all data, documents, reports, records, contracts, and supporting materials relating to the project as the Federal Government may require for the project.

Upon request, CONTRACTOR agrees to permit the Secretary of Transportation and the Comptroller General of the United States, or their authorized representatives, to inspect all project work materials, payrolls, and other data, and to audit the books, records, and accounts of CONTRACTOR and its subcontractors pertaining to the project. In accordance with 49 U.S.C. § 5325(a), CONTRACTOR agrees to require each subcontractor whose contract award is not based on competitive bidding procedures as defined by the Secretary of Transportation to permit the Secretary of Transportation and Comptroller General of the United States, or their duly authorized representatives, to inspect all work, materials, payrolls, and other data and records involving that contract and to audit the books, records, and accounts involving that contract as it affects the project.

**32. AIR QUALITY:** CONTRACTOR agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq. CONTRACTOR agrees to comply with applicable requirements of U.S. Environmental Protection Agency (EPA) regulations, "Conformity to State or Federal Implementation Plans of Transportation Plans, Programs and Projects Developed, Funded or Approved Under Title 23 U.S.C. or the Federal Transit Act," 40 C.F.R. Part 51, Subpart T; and "Determining Conformity of Federal Actions to State or Federal Implementation Plans," 40 C.F.R. Part 93. To support the requisite air quality conformity finding for the project, CONTRACTOR agrees to implement each air quality mitigation and control measure incorporated in the project. CONTRACTOR agrees that any project identified in an applicable State Implementation Plan (SIP) as a Transportation Control Measure, will be wholly consistent with the description of the design concept and scope of the project described in the SIP.

CONTRACTOR agrees to report and require each subcontractor to any tier to report any violation of these requirements resulting from any project implementation activity of subcontractor or itself to FTA and the appropriate U.S. EPA Regional Office.

**33. CLEAN WATER:** CONTRACTOR agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq.

CONTRACTOR agrees to report and require each subcontractor at any tier to report any violation of these requirements resulting from any project implementation activity of a subcontractor or itself to FTA and the appropriate U.S. EPA Regional Office.

**34. ADA; ACCESS REQUIREMENTS FOR PERSONS WITH DISABILITIES:**

CONTRACTOR agrees to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. § 12101 et seq., Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794; 49 U.S.C. § 5301(d); and all regulations promulgated to implement the ADA and Section 504 of the Rehabilitation Act of 1973, as amended, as may be applicable to CONTRACTOR.

**35. FEDERAL, STATE, AND LOCAL LAWS:** CONTRACTOR warrants and covenants that it shall fully and completely comply with all applicable Federal, State, and local laws and ordinances, and all lawful orders, rules, and regulations issued by any authority of competent jurisdiction in all aspects of its performance of this Agreement.

**36. DISPUTE RESOLUTION CLAUSE:** All claims, controversies or disputes arising out of or relating to this CONTRACT, or the breach, termination, enforcement, interpretation or validity of the CONTRACT, including the determination of the scope or applicability of this clause shall be determined by binding arbitration in Sacramento, California, by one (1) arbitrator. The American Arbitration Association shall administer the arbitration under its Rules then in effect, subject to the modifications of those rules contained in this clause. This CONTRACT to Arbitrate shall be specifically enforceable under the prevailing law of any court having jurisdiction, and the award rendered by the arbitrator may be entered in any court having jurisdiction. The appropriate venue for any arbitration under this clause shall be in Sacramento County, California.

This clause is not intended to and does not waive the claim filing requirements found at California Government Code Section 900 et seq. In the event that a timely and legally sufficient claim is filed by CONTRACTOR with PARTICIPATING AGENCIES OR ORDERING AGENCY, and the claim is rejected in whole or in part by PARTICIPATING AGENCIES OR ORDERING AGENCY, this clause shall result in the conclusive, final and binding resolution of all the issues presented in the claim. Claims rejected by PARTICIPATING AGENCIES OR ORDERING AGENCY shall be submitted by CONTRACTOR to arbitration pursuant to the Rules of the American Arbitration Association within ninety (90) days after mailing of the written rejection by PARTICIPATING AGENCIES OR ORDERING AGENCY to CONTRACTOR. Otherwise, the claim or claims shall be deemed finally waived in their entirety.

The "fast track" rules of the American Arbitration Association shall apply to any claim or counterclaim less than one hundred fifty thousand dollars (\$150,000.00). In arbitrations not proceeding under the "fast track" rules, the arbitrator shall have the power to order that depositions be taken and other discovery be made. Both PARTICIPATING AGENICES OR ORDERING AGENCY and CONTRACTOR shall have the right, upon written notice, to take no more than three (3) depositions of the other as a matter of right.

Whether or not CONTRACTOR and PARTICIPATING AGENCIES or ORDERING AGENCY may be engaged in interstate commerce, any controversy or dispute mentioned above shall be determined by and the parties shall be bound by the substantive law of the State of California, and not the Federal Arbitration Act at 9 U.S.C. Section 1 et seq.

The arbitrator may grant any remedy or relief deemed just and equitable under the circumstances, whether or not such relief could be awarded in a court of law. The arbitrator

shall be empowered to award monetary sanctions against a party. The arbitrator shall, in the written award, allocate all the costs of the arbitration, including the fees of the arbitrator and the reasonable attorney fees of the prevailing party, against the party who did not prevail. The prevailing party shall be the party in whose favor the majority of the central issues in the case are resolved.

Notwithstanding anything in this clause to the contrary, the arbitrator shall have no power to award punitive damages or other damages not measured by the party's actual damages (excluding litigation cost and fees) against any party. This limitation of the arbitrator's powers under this CONTRACT shall not operate as an exclusion of the issue of punitive damages from this Agreement to Arbitrate sufficient to vest jurisdiction in a court with respect to that issue.

CONTRACTOR shall include in all subcontracts, if any, a clause whereby the subcontractor consents to being joined in an arbitration between PARTICIPATING AGENICES or ORDERING AGENCY and CONTRACTOR involving the work of the subcontractor to be joined. CONTRACTOR'S failure to do so shall be a breach of contract.

The parties to any contract of which this clause is made a part by reference or otherwise shall, and hereby do, waive any rights provided by Title 9.2 of the California Code of Civil Procedure, Section 1296. The arbitrator's award shall be deemed final, conclusive and binding to the fullest extent allowed by California law.

**37. WAIVER:** The waiver by PARTICIPATING AGENICES of any breach or violation of any term, covenant, or condition of this CONTRACT or of any provisions, ordinance, or law shall not be deemed to be a waiver of any prior or subsequent breach, term, covenant or condition.

**38. ENTIRE AGREEMENT:** This CONTRACT and the CONTRACT DOCUMENTS constitute the complete and entire agreement between the PARTICIPATING AGENICES and CONTRACTOR. This CONTRACT supersedes any other oral or written representations, understandings, communications, commitments, agreements or proposals between PARTICIPATING AGENICES and CONTRACTOR that are not incorporated as a part of the CONTRACT.

**39. NOTICES:** Any and all notices required to be given under the provisions of this CONTRACT shall be given in writing and delivered personally or by deposit in the United States mail, postage paid and addressed as follows to either all PARTICIPATING AGENICES or the ORDERING AGENCY, as appropriate, with a copy to Paratransit, Inc. as the Contract Administrator.

**TO PARTICIPATING AGENICES:**

Paratransit, Inc.  
Attention: Chief Executive Officer  
2501 Florin Road  
Sacramento, CA 95822

City of Elk Grove  
8401 Laguna Palms Way  
Elk Grove, CA 95758

City of Folsom  
50 Natoma Street  
Folsom, CA 95678

City of Visalia  
425 East Oak Avenue, Suite 201  
Visalia, CA 93291

El Dorado County Transit Authority  
6565 Commerce Way  
Diamond Springs, CA 95619

Kings County Area Public Transit Agency  
1340 North Drive  
Hanford, CA 93230

San Luis Obispo Regional Transit Authority  
179 Cross Street  
San Luis Obispo, CA 93401

Solano County Transit  
311 Sacramento Street  
Vallejo, CA 94590

Yolo County Transportation District  
350 Industrial Way  
Woodland, CA 95776

**TO CONTRACTOR:**

Creative Bus Sales  
13501 Benson Avenue  
Chino, CA 91710

Or at such other addresses as the parties may file with each other pursuant to the notice requirements of this section.

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

**41. NATIONAL LABOR RELATIONS BOARD CERTIFICATION:** CONTRACTOR, by signing this CONTRACT, does swear under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against CONTRACTOR within the immediately preceding two-year period because of CONTRACTOR'S failure to comply with an order of a federal court which orders CONTRACTOR to comply with an order of the National Labor Relations Board (Public Contract Code § 10296).

**42. DRUG-FREE WORKPLACE:** CONTRACTOR agrees to comply with the Drug-Free Workplace Act of 1988, and certifies that it will or will continue to provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
- b. Establishing an ongoing drug-free awareness program to inform employees about: (i) the dangers of drug abuse in the workplace; (ii) the grantee's policy of maintaining a drug-free workplace; (iii) any available drug counseling, rehabilitation, and employee assistance programs; and (iv) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- c. Making it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph (a).
- d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
  - i. Abide by the terms of the statement; and
  - ii. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
- e. Notifying PARATRANSIT, INC., in writing, within ten (10) calendar days after receiving notice under subparagraph (d)(ii) from an employee or otherwise receiving actual notice of such conviction.
- f. Taking one of the following actions, within thirty (30) calendar days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:
  - i. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraph 57 subsections (a), (b), (c), (d), (e), and (f).

**43. POLITICAL REFORM ACT COMPLIANCE:** CONTRACTOR is aware and acknowledges that certain contractors that perform work for quasi-governmental agencies are "consultants" under the Political Reform Act (the "Act") (Government Code § 81000, et seq.) and its implementing regulations (2 California Code of Regulations § 18110, et seq.). CONTRACTOR agrees that any of its officers or employees deemed to be "consultants" under the Act by PARATRANSIT, INC., as provided for in the Conflict of Interest Code for PARATRANSIT, shall promptly file economic disclosure statements for the disclosure

categories determined by PARATRANSIT, to be relevant to the work to be performed under this CONTRACT and shall comply with the disclosure and disqualification requirements of the Act, as required by law.

**44. CAMPAIGN CONTRIBUTION DISCLOSURE:** CONTRACTOR has complied with the campaign contribution disclosure provisions of the California Levine Act (Government Code § 84308) and has completed the Levine Act Disclosure Statement attached hereto as Exhibit "D"

**45. PROHIBITION OF EXPENDING STATE OR FEDERAL FUNDS FOR LOBBYING:**

A. CONTRACTOR certifies, to the best of his or her knowledge or belief, that:

- (1) No State or Federal appropriated funds have been paid or will be paid, by or on behalf of the CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of any State or Federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding of any State or Federal contract, the making of any State or Federal grant, the making of any State or Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any State or Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with this Federal Agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

B. This certification is a material representation of fact upon which reliance was placed when this CONTRACT was entered into. Submission of this certification is a prerequisite for making or entering into this CONTRACT imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than ten thousand dollars (\$10,000) and not more than one hundred thousand dollars (\$100,000) for each such failure.

C. CONTRACTOR also agrees by signing this CONTRACT that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed one hundred thousand dollars (\$100,000), and that all such sub-recipients shall certify and disclose accordingly.

**46. COSTS AND ATTORNEYS' FEES:** If any party commences any legal action against another party or parties arising out of this CONTRACT or the performance thereof, the

prevailing party or parties in such action may recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and reasonable attorneys' fees.

**47. GOVERNING LAW AND CHOICE OF FORUM:** This CONTRACT shall be administered and interpreted under California law as if written by both parties. Any litigation arising from this CONTRACT shall be brought in the Superior Court of Sacramento County.

**48. SEVERABILITY:** If any term or provision of this CONTRACT or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this CONTRACT, or the application of such term or provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this CONTRACT shall be valid and shall be enforced to the fullest extent permitted by law, unless the exclusion of such term or provision, or the application of such term or provision, would result in such a material change so as to cause completion of the obligations contemplated herein to be unreasonable.

**49. HEADINGS:** The headings of the various sections of this CONTRACT are intended solely for convenience of reference and are not intended to explain, modify, or place any interpretation upon any of the provisions of this CONTRACT.

**50. AUTHORITY:** Each person signing this CONTRACT on behalf of a party hereby certifies, represents, and warrants that he or she has the authority to bind that party to the terms and conditions of this CONTRACT.

IN WITNESS WHEREOF, the parties hereto have caused this CONTRACT to be duly executed as of the date written above.

By our signatures below, we certify that our respective Boards of Directors and City Councils have authorized us to enter into this Agreement for Joint Procurement of Cutaways, Minivans, Large Cutaways and Low Floor Cutaways on behalf of our agency.

\_\_\_\_\_  
Linda Deavens                      Date  
Paratransit, Inc., Chief Executive Officer

\_\_\_\_\_  
Laura Gill                                      Date  
City Manager, City of Elk Grove

APPROVE AS TO FORM:

APPROVE AS TO FORM:

\_\_\_\_\_  
  Date  
Paratransit, Inc. Legal Counsel

\_\_\_\_\_  
  Date  
City Attorney, City of Elk Grove

\_\_\_\_\_  
Evert Palmer                      Date  
City Manager, City of Folsom

\_\_\_\_\_  
  Date  
City Manager, City of Visalia

APPROVE AS TO FORM:

\_\_\_\_\_  
Date  
City Attorney, City of Folsom

\_\_\_\_\_  
Date  
Mindy Jackson  
EDCTA Executive Director

APPROVE AS TO FORM:

\_\_\_\_\_  
Date  
EDCTA Legal Counsel

\_\_\_\_\_  
Date  
Geoff Straw  
SLORTA Executive Director

APPROVE AS TO FORM:

\_\_\_\_\_  
Date  
SLORTA Legal Counsel

\_\_\_\_\_  
Date  
Terry Bassett  
YCTD Executive Director

APPROVE AS TO FORM:

\_\_\_\_\_  
Date  
YCTD Legal Counsel

APPROVE AS TO FORM:

\_\_\_\_\_  
Date  
City Attorney, City of Visalia

\_\_\_\_\_  
Date  
Angie Dow  
KCAPTA Executive Director

APPROVE AS TO FORM:

\_\_\_\_\_  
Date  
KCAPTA Legal Counsel

\_\_\_\_\_  
Date  
Mona Babauta  
Soltrans Executive Director

APPROVE AS TO FORM:

\_\_\_\_\_  
Date  
Soltrans Legal Counsel

CREATIVE BUS SALES, INC. ("CONTRACTOR")

By: \_\_\_\_\_

Name:

Title:

(Corporate Seal)

CONTRACTOR'S Federal ID #:

ATTEST: \_\_\_\_\_

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA)**

**September 2, 2015**

**STAFF REPORT**

**AGENDA ITEM:** C-5

**TOPIC:** RTA Travel Policy

**ACTION:** Approve

**PRESENTED BY:** Tania Arnold, CFO / Director of Administration

**STAFF RECOMMENDATION:** Adopt RTA Travel Policy

**BACKGROUND/DISCUSSION:**

RTA does not currently have a travel policy that guides when and how staff members, Directors and contractor can incur expenses when traveling on behalf of the agency. The attached policy is based on the one used by the County of San Luis Obispo.

**Staff Recommendation**

Adopt the attached Travel Policy.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
TRAVEL POLICY**

I. GENERAL

A. PURPOSE AND SCOPE

The purpose of these rules is to prescribe the procedures by which employees, contractors, and Directors of San Luis Obispo Regional Transit Authority (RTA) shall report and be reimbursed for expenses incurred in connection with authorized travel on behalf of the RTA. The following policies are set forth to improve control and minimize cost.

B. GENERAL PROVISIONS

1. Travel will be authorized only when the travel is necessary and in the best interest of the RTA. Reimbursement will be for actual, reasonable and necessary expenses incurred while on RTA business, but not to exceed established guidelines.
2. The most economical means of transportation will be used unless unusual circumstances require other alternatives.
3. RTA employees should neither enrich themselves nor be required to utilize their own funds while traveling on RTA business unless they exceed the established guidelines.
4. RTA will not reimburse for any alcoholic beverages for any event or meeting.
5. This policy incorporates the terms and conditions of all current agreements between the RTA and airlines, hotels and car rental companies and travel agencies.

C. DEFINITIONS

1. RTA BUSINESS

Consists of activities directly related to the necessary and required business functions of the RTA.

2. AUTHORIZED PERSONNEL

Those eligible for reimbursement of expenses incurred for the RTA include:

a. Employees of the RTA.

For the purpose of this travel policy only, RTA employees are defined as authorized, designated individuals performing job responsibilities which have a direct and/or significant effect on RTA business, including interns, and volunteers.

b. RTA Board of Directors.

Members of the RTA Board of Directors are also eligible to travel on RTA business, which will generally be dictated by specific action of the Board.

c. Contractors who receive travel and/or business expense reimbursements.

### 3. DESIGNATED NORMAL WORK LOCATION

The designated normal work location for each RTA employee is the place at which that officer or employee spends the largest portion of his/her regular workdays or working time or the place to which he/she returns upon completion of regular or special assignments.

### 4. RESIDENCE

Residence is the actual dwelling place of the employee without regard to any other legal or mailing address.

### 5. EXPENSES NOT REIMBURSED BY THE RTA

- a. Premiums for personal property insurance.
- d. Any discretionary items intended for the personal benefit or pleasure of the traveler, such as entertainment, barber and beauty shop charges, and unauthorized laundry services.
- e. Any expenses deemed not in the interest of the RTA, as determined by the CFO.

## D. AUTHORIZATION OF TRAVEL AT RTA EXPENSES

### 1. OUT-OF-STATE TRAVEL

The RTA Executive Director must preauthorize all travel for all employees traveling out of state.

### 2. OUT-OF-COUNTY TRAVEL

#### a. GENERAL

Authorization must be obtained from the department head or designee prior to employee travel outside the County on RTA business.

#### b. DEPARTMENT HEAD

When a department head intends to travel outside the County on RTA business for longer than five days, he/she must notify the Executive Director in writing, in advance and indicate who will be responsible during his/her absence.

### 3. IN-COUNTY TRAVEL

Travel within the County by authorized individuals will be reimbursed only for actual expenditures for meals, transportation, and business expenses according to the specific guidelines contained elsewhere in this policy. Department head approval shall indicate that the in-County expense incurred for authorized travel is within the established guidelines.

## II. SPECIFIC EXPENSES

### A. LODGINGS

#### 1. GENERAL

- a. Lodging expenses consist of those charges for overnight sleeping or dwelling accommodations as required during employee travel for the conduct of official RTA business.
- b. Lodging is an allowable expense for the evening preceding an Out-of-County meeting or business event when the traveler would have to leave his/her residence before 7:00 a.m. on the day of the event to arrive at his/her destination at the designated time.
- c. Lodging is an allowable expense for the evening subsequent to an Out-of-County meeting or business event when travel would result in the traveler arriving at his/her residence after 8:00 p.m.
- d. Employees must be sure to request a government or commercial rate when making reservations for or registering at a hotel/motel.

#### 2. REGULAR LODGING

Actual expense for lodging on authorized travel will be reimbursed up to a maximum guideline amount established in Exhibit A. A valid hotel receipt must accompany the reimbursement claim. Any lodging expense claimed in excess of the established guidelines may be reduced or disallowed by the CFO if a suitable and less expensive alternative is within easy reach of the preferred hotel. Under special circumstances, the guideline rates may be exceeded by up to 50% upon approval of the CFO. Employees must submit prior written justification for lodging expenses to the CFO supporting their request for an exemption to these rates.

#### 3. LONG-TERM LODGING

Long-term assignments shall be defined as any continuous full-time duty or training assignment of thirty (30) or more calendar days at a location which is not considered the employee's designated normal work location. Actual expenses for long-term lodging on authorized travel will be reimbursed in accordance with the guideline amounts established in Exhibit A.

#### 4. SHARED LODGING

##### a. FAMILY MEMBER OR FRIEND

Where expense for a family member or friend is included on the receipt, the rate claimed must be the single occupancy rate.

##### b. FELLOW EMPLOYEE

When a room is shared with a fellow employee, one employee may charge the expense for all employees. The cost of the room may exceed the maximum guideline amount by the amount that the multiple occupancy rate exceeds the single rate. This charge should be cleared by the employee paying the bill or the name which appears on the hotel folio.

5. SPECIAL LODGING

Reimbursement for special lodging arrangements, that is, other than hotel or motel accommodations will be provided only upon the prior written approval of the CFO; such special arrangements include, but are not limited to, accommodations in apartments, RV parks, campgrounds or other semi-permanent lodgings.

6. USE OF LODGING AS A GUEST OF FRIENDS OR RELATIVES

When an employee remains overnight as a guest of friends or relatives while traveling on behalf of the RTA, no amount may be claimed for lodging expense.

B. MEALS

1. GENERAL

- a. Meal expenses shall be those charges for food and non-alcoholic beverages actually purchased and consumed while on official RTA business provided the charges are not included by other expenses (i.e., conference fees, airline fares, lodging, etc.).
- b. Meal expense incurred will be reimbursed on an actual cost basis up to the per-meal guideline amount allowed in Exhibit A. Gratuities for meal service should be included in cost of meals claimed. Each meal is to be accounted for separately. That is, no cost in excess of the per meal guideline amount shall be offset by another meal claimed at less than the established guideline amount. Under special circumstances, the guideline rates may be exceeded by up to 50% upon approval of the CFO.
- c. Meal expenses must be claimed by each employee individually unless the meal is purchased on one credit card receipt.
- d. Itemized receipts are required for all meal expenditures.

2. TIME CRITERIA GOVERNING REIMBURSEMENT FOR MEALS

- a. Normally meals are reimbursable under the following time criteria:

MEAL	TRAVEL BEGINS BEFORE	TRAVEL ENDS AFTER
Breakfast	7:00 a.m.	8:00 a.m.
Lunch	11:00 a.m.	1:00 p.m.
Dinner	5:00 p.m.	7:00 p.m.

- b. For purposes of determining eligibility for reimbursement, travel shall be considered to begin when the traveler departs his/her residence if the trip begins before or after normal office hours. If the trip begins during normal office hours, travel shall be considered to begin when the traveler departs the office. It will be the department head's responsibility to monitor time of departure and arrival to ensure no unnecessary meals are claimed.

3. MEALS PURCHASED WITHIN THE COUNTY OF SAN LUIS OBISPO

Normally, RTA employees will not be reimbursed for meals taken within the County of San Luis Obispo while the officer or employee is engaged in his/her usual job duties.

However, reimbursement may be allowed, at the discretion of the department head, in the following circumstances:

- a. Attendance at a RTA-job-related conference or business meeting held within the County which extends over a mealtime and the business of the conference or meeting will be pursued during the meal.
4. REIMBURSEMENT OF RTA EMPLOYEES FOR COST OF MEALS PURCHASED FOR NON-RTA PERSONNEL

Subject to the guideline rates contained in this Policy, RTA employees shall be reimbursed for the cost of purchasing meals for non-RTA personnel as follows:

- a. For RTA Board members
- b. Department heads and the Executive Director will be reimbursed for meals purchased for non-RTA personnel when acting as an official representative of the RTA in hosting a RTA business meeting and the meeting extends over a usual mealtime.

## C. TRANSPORTATION

### 1. GENERAL

- a. When traveling on RTA business, officers and employees should utilize the least expensive, most appropriate mode of transportation consistent with time requirements and work schedules. Reimbursement will be authorized for only actual expenses for the method of transportation which is in the best interest of the RTA, considering both direct expense as well as the employee's time.
- b. Transportation expenses are the direct costs related to movement of the employee from the authorized point of departure to destination of travel and to the authorized point of return. Transportation expenses normally include, but are not limited to, such items as common tickets (i.e., air or train fares), private vehicle mileage, and car rental charges.
- c. Other transportation expenses include taxi, bus, and streetcar fares; road, bridges, and ferry tolls, parking fees, and any other incidental costs directly related to transporting the employee from normal work location to temporary work location and return.
- d. Transportation expenses not covered are: Traffic and parking violations; emergency repairs on private or commercial automobiles; and personal travel while at an out-of-County location.

### 2. TRAVEL BY AUTOMOBILE

#### a. EMERGENCY REPAIR TO AND FUEL COSTS FOR RTA VEHICLES

- (1). Emergency repairs to RTA vehicles are defined as those repairs required when the vehicle is not operable in a safe manner.
- (2). When emergency repairs are required on a RTA vehicle being operated within the County during normal business hours, the RTA maintenance department responsible should be contacted prior to making any repair to the vehicle.

- (3). When emergency repairs are required on a RTA vehicle being operated outside the County or at times other than normal business hours, the employee may be reimbursed for the cost of emergency repairs for towing costs. The employee should immediately contact the RTA maintenance department for assistance and approval on major repairs.
- (4). RTA vehicles are provided with a fuel card that is used in the JB Dewar fuel dispensing system. These cards should be used only for the vehicle to which it is assigned. Lost or stolen cards should be reported immediately to the Lead Dispatcher.

b. TRAVEL BY PRIVATE VEHICLE

- (1). When traveling by private vehicle, mileage reimbursement will be calculated based on the following criteria:
  - a. During scheduled workdays, travel reimbursement is based upon the distance from the traveler's residence or normal designated workstation to his/her destination, whichever is less.
  - b. During scheduled workdays, return travel reimbursement is based upon the distance from the out of area location to the traveler's residence or normal designated workstation, whichever is less.
  - c. During non-scheduled workdays, travel reimbursement is based upon the distance from the traveler's residence to his/her destination and return.
  - d. Travel to and from a common carrier terminal or station is based on the same criteria as in (a) through (c) above.

c. RATES

Employees will be reimbursed for travel mileage incident to the authorized use of a privately owned vehicle on RTA business. Such reimbursement will be at the rate currently prescribed by IRS regulation. Such reimbursement will be considered complete payment of actual and necessary expenses incident to the use of a privately owned vehicle, including insurance, repairs, and all other transportation related costs. Individuals shall not receive reimbursement for gasoline purchases whenever that individual expects to claim the per mile reimbursement rate for private vehicles.

d. COMMERCIAL AUTO RENTAL

- (1). Employees will be reimbursed for the actual and necessary cost of such rental when substantiated by an invoice. The size of the auto rented shall be the least expensive appropriate to the use required by the employee. Arrangements should be made using the contracted RTA rental car agency to insure the lowest rates.
- (2). Rental vehicles should be refueled before being returned to the rental agency if at all possible. A RTA credit card may be used for this expense.

### 3. AIR TRAVEL

#### a. SCHEDULED COMMERCIAL AIRLINES

- (1). When reimbursement is claimed for transportation via scheduled commercial airlines, reimbursement will be limited to the cost of travel by air coach. The advance purchase of airline tickets should be made through the CFO.
- (2). When making claims for reimbursement, the traveler should submit the E-ticket copy or itinerary with the claim.
- (3). The traveler shall attempt to use the lowest airline rates available. Reservations should be made as far in advance as possible to take advantage of discounts available.
- (4). To the extent permitted by law and the rules of each airline, any frequent flier mileage or bonus points earned or any premiums such as discounts on future fares received as a result of travel on official RTA business, accrues to the RTA.
- (5). Airline or other travel insurance is not reimbursable.

### 4. RAILROAD TRANSPORTATION

Employees will be reimbursed for the actual cost of the fare as evidence by validated receipts and the latest published common carrier tariff on the date of travel. Round trip rates shall be used whenever possible. Reimbursement for roomette Pullman accommodations is authorized when such accommodations are deemed to be advantageous to the RTA by the department head.

### 5. TAXIS AND OTHER LOCAL TRANSPORTATION

The cost of taxis or carfare to and from places of business, hotels, airports, or railroad station in connection with business activities will be reimbursed by the RTA. Taxis will not be used for travel to restaurants unless food service is not available at your hotel/motel. Use of taxis is permitted only when suitable, and more economical services are not reasonably available. Whenever available, employees must attempt to utilize existing hotel/motel van or taxi services. All local transportation expenses in excess of \$10.00 must be accompanied by a receipt to be considered a legitimate reimbursable charge.

### D. BUSINESS EXPENSES

1. Business expenses are all expenses incident to official travel other than transportation, lodging, and meals.
2. Employees will be reimbursed for actual and necessary business expenses, provided that such expenses are directly related to the purpose of travel. Business expenses shall not include the cost of discretionary items intended for the personal benefit or pleasure of the traveler, such as entertainment, or barber and beauty shop charges. Business expenses normally include, but are not limited to, expenditures for the following:
  - a. Conference Registration Fees (if not previously paid by a separate claim).

- b. Documented telephone, fax and internet charges for official business.
- c. Limited personal telephone calls. An employee on official business, which requires overnight travel, will be allowed one limited personal long distance telephone call to his/her family each night. These telephone calls should be limited to no more than five minutes. Hotel charges for local calls are reimbursable.
- d. Laundry/cleaning costs as a result of the employee being on travel status for more than seven (7) consecutive days. This expense may not exceed \$10.00 per seven (7) day period and must in fact be used.
- e. Amounts paid to baggage handlers, porters, and other service personnel not to exceed \$10 per seven (7) consecutive days. Gratuities for meal service should be included in costs of meals claimed.

### III. TRAVEL REIMBURSEMENT CLAIMS, CREDIT CARDS, REGISTRATION/TRAVEL ADVANCES

#### A. TRAVEL REIMBURSEMENT CLAIMS

##### 1. GENERAL

- a. Claims for reimbursement of authorized travel expenses must be submitted on a RTA Travel Reimbursement form within five (5) days of completion of the travel. All claims must be signed by the traveling individual and approved by the department head.
- b. There shall be no settlement of travel expenses totaling less than \$1.00.

##### 2. TRAVEL REIMBURSEMENT CLAIMS SHALL INCLUDE:

- a. The RTA business involved.
- b. The individual involved and their relationship to the matter at hand.
- c. The location and date of the event (e.g., meeting, conference, training).
- d. Expense identification (e.g., seminars, meals, plane fare).
- e. The dollar amount of all expenses involved, including both cash and credit card expenditures.
- f. Personal expenditures only if a part of a RTA credit card expenditure. These personal expenditures must be subsequently subtracted from the total amount of the claim.
- g. Any additional explanation as would serve to substantiate the claim.

##### 3. EXPENSES NOT REQUIRING RECEIPTS

Receipts and vouchers shall be required for all claimed expenses, except for the following:

- a. Parking fees, fares for taxi, streetcar, bus, ferryboat and tolls for roads and bridges of less than \$10.00 each.

- b. Individual items of business expense of less than \$10.00 each.
- c. Amounts for gratuities paid to baggage handlers, porters, taxicab drivers, and other service personnel not to exceed \$10 per seven (7) consecutive days.
- d. A travel reimbursement form is required for these items when requesting reimbursement. One form with a list of the above information may be used per trip.

#### 4. REIMBURSEMENT OF TRAVEL EXPENSE FROM AN OUTSIDE SOURCE

Reimbursement of travel expenses received from an outside source must be deposited by the CFO into an RTA account.

### B. RTA CREDIT CARDS (INCLUDING PREPAID CREDIT CARDS)

#### 1. GENERAL

- a. There are two types of RTA credit cards that can be used for official travel related expenses: (1) RTA-issued credit card, and (2) Prepaid Visa cards.
- b. The RTA-issued credit card is designated as the primary card for RTA travel with each card individually issued to an approved cardholder. Employees are encouraged to use the RTA-issued credit card or their individual credit card whenever possible for RTA travel.
- c. Prepaid Visa cards are issued by Finance for RTA travel when an employee does not have an RTA-issued credit card.
- d. The Prepaid Visa cards available for checkout in the Finance office are to be used as a last resort when no other credit card is available.
- f. When three or more individuals from the same department travel to the same location, they are encouraged to use more than one Prepaid Visa card to reduce the possibility of reaching the maximum limit on a single card.
- g. Each Prepaid Visa and RTA-issued credit card has a limit so it is important for employees to plan ahead for any long-term travel expenses. Cards can quickly reach their maximum limit if they have accumulated charges from earlier use.
- h. Departments should contact the hotel for a written estimate of rates and process a payment to the hotel to prepay the total lodging charges. The RTA-issued credit card can then be used to hold the room reservation, pay for room incidentals, and cover meals and other travel expenses. This ensures the employee has an adequate amount of credit on the card during their stay without exceeding the card limit.
- i. The CFO may refuse to issue cards to departments or individuals who do not comply with the provisions of this policy and its administration.
- j. All employees must sign an agreement specific to the RTA issued credit card they are issued and restrictions for that card. Prepaid Visa cards do not require a special agreement, but are subject to the RTA Travel Policy.

## 2. USE

- a. Travel charged to RTA-issued credit cards may be used only for those necessary and allowable expenses contained in this Policy and properly claimed by the individual to whom the card has been issued. RTA-issued credit cards may not be used to obtain cash. Any penalty or excessive charges against the RTA due to misuse of a credit card or negligence by the user of the card, shall be borne by that individual.
- b. Credit card vouchers (receipts/drafts) should contain a general description as to what was purchased, such as: Hotel room, airfare, breakfast, lunch, dinner, etc. Detailed receipts must be attached when required by this Policy.
- c. Credit card vouchers are essential for reconciling purchases with the credit card billing and must be submitted with the travel reimbursement.
- d. The traveler must sign his/her name on the credit card voucher.

## 3. CREDIT CARD ISSUE/RETURN PROCEDURE

- a. Prepaid Visa cards will be issued not earlier than three (3) workdays prior to expected trip departure. Approval must first be obtained from the department head or authorized individual prior to issuance of a credit card.
- b. If a scheduled trip is canceled, the Prepaid Visa card will be returned to the finance department immediately, or no later than the following workday.
- c. A Prepaid Visa card issued for a specific trip must be returned to the finance department on the first day that the traveler returns to work. The corresponding claim must be submitted within five (5) days.

## 4. LOST OR STOLEN RTA-ISSUED CREDIT CARDS AND PREPAID VISA CARDS

Lost or stolen cards should be reported to the finance department as soon as possible after the card is determined missing by phoning (805) 781-4397.

**Exhibit A**  
**GUIDELINE TO MILEAGE REIMBURSEMENT RATES**

The RTA follows the IRS reimbursement rates for business mileage.

**GUIDELINES TO MEAL AND LODGING RATES**

The following travel reimbursement rates are for all individuals traveling under the RTA Travel Policy. These rates shall remain in effect until modified. Under special circumstances, the guideline rates may be exceeded by up to 50% upon approval of the CFO. Department heads must submit prior written justification for lodging expenses to the CFO supporting their request for an exemption to these rates.

In order to save time and local transportation and parking costs, the rate may be adjusted for employees staying at conference host hotels.

Employees shall seek, and shall be reimbursed for, accommodations that are of good quality and in reasonable proximity to the place where the employee is to conduct RTA business. Reimbursement will not be made for luxury accommodations.

**MEALS**

The RTA is not on a per diem system, but rather reimburses for each meal on an individual basis according to the following time criteria:

**Travel must**

<b><u>Meal</u></b>	<b><u>begin before</u></b>	<b>or</b>	<b><u>end after</u></b>
Breakfast	7:00 a.m.		8:00 a.m.
Lunch	11:00 a.m.		1:00 p.m.
Dinner	5:00 p.m.		7:00 p.m.

Meals must be claimed at the actual amount spent up to the maximum allowable amounts. Itemized receipts are required.

**LODGING AND MEAL RATES**

The maximum lodging and meal rates allowed for an individual on official RTA business as described in the Travel Policy are as follows:

- Go to the U.S. General Services Administration website and do a search for “per diem rate look up” (<http://www.gsa.gov/portal/category/100120>)
- Enter the destination City and select the State (see sample)

SEARCH BY CITY, STATE OR ZIP CODE

Enter your City:  OR

Enter your ZIP Code:

California ▼

**FIND PER DIEM RATES**

[Per Diem Map >](#)

- Click Find Per Diem Rates, note the monthly lodging breakdown for the location. Click on "Breakdown of M&IE Expenses for maximum allowable meal amounts"

The following rates apply for San Francisco , California

Primary Destination* (1)	County (2, 3)	Max lodging by Month (excluding taxes)												Meals & Inc. Exp.**	
		2014			2015										
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
San Francisco	San Francisco	251	209	209	219	219	219	219	219	219	219	219	219	251	71

\* NOTE: Traveler reimbursement is based on the location of the work activities and not the accommodations, unless lodging is not available at the work activity, then the agency may authorize the rate where lodging is obtained.

\*\* Meals and Incidental Expenses, see [Breakdown of M&IE Expenses](#) for important information on first and last days of travel.



- Listed is the breakdown by meal (which can also be found going directly to the U.S. General Services Administration website and do a search for "M&IE breakdown" (<http://www.gsa.gov/portal/content/101518>))

Total	Continental Breakfast/ Breakfast	Lunch	Dinner	IE
\$46	\$7	\$11	\$23	\$5
\$51	\$8	\$12	\$26	\$5
\$56	\$9	\$13	\$29	\$5
\$61	\$10	\$15	\$31	\$5
\$66	\$11	\$16	\$34	\$5
\$71	\$12	\$18	\$36	\$5

**Employee Receipt**

I acknowledge receipt of RTA's **Travel Policy** and understand that I am held responsible for complying with the provisions of the Policy as a condition of my employment.

Print Name	Employee Signature
Date	

# SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY TRAVEL EXPENDITURE/REIMBURSEMENT FORM

SHADED COLUMNS FOR ACCOUNTING USE ONLY.

DATE	TRANSPORTATION				HOTEL	MEALS			MISC (DESCRIBE)	SUB TOTAL	C.C./NON REIMBURSEABLE CHARGES	TOTAL
	MILES PERS. CAR	AMT PERS. CAR	AIR FARE	TAXI, SHUTTLE, PARKING		BREAKFAST \$	LUNCH \$	DINNER \$				
<b>TOTAL EXPENSE:</b>											<b>LESS EXCESS:</b>	<b>DUE PAYEE:</b>

PURPOSE OF TRIP(S): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- 1) PLEASE LIST ALL COSTS ASSOCIATED WITH THE TRIP, WHETHER PAID FOR WITH CASH, RTA CREDIT CARD, OR PREPAID VISA CARD. Designate all credit card purchases with "cc".
- 2) ALL TRAVEL EXPENSES MUST BE ACCOMPANIED BY AGENDAS, RECEIPTS AND/OR MEMORANDUMS.
- 3) PLEASE NOTE ANY EXCEPTIONS PER ADOPTED POLICY.
- 4) COMPLETED FORM MUST BE SIGNED BY EMPLOYEE AND APPROVED BY THE DEPARTMENT HEAD.

NAME \_\_\_\_\_ SIGNATURE/DATE \_\_\_\_\_ APPROVAL \_\_\_\_\_ Acctg. Initials \_\_\_\_\_

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA)**

**September 2, 2015**

**STAFF REPORT**

**AGENDA ITEM:** C-6

**TOPIC:** Federal Grants Administration

**ACTION:** Approve

**PRESENTED BY:** Omar McPherson, Grants Manager

**STAFF RECOMMENDATION:** Authorize Executive Director to Administer FTA Grants on Behalf of North County and South County Transit Agencies, SLOCOG and Ride-On

**BACKGROUND/DISCUSSION:**

The cities of Atascadero and Paso Robles and certain limited populations of northern San Luis Obispo County are designated as an “urbanized area” based upon the results of the 2000 US Census. In addition, the cities of Arroyo Grande, Grover Beach and Pismo Beach and certain limited populations of the southern San Luis Obispo County area are designated as an urbanized area based on the results of the 2010 US Census. The Transit Operators and the San Luis Obispo Council of Governments (SLOCOG) developed two Operators Agreements relative to the governance and transit planning needs of these two urbanized areas as they relate to Federal Transit Administration (FTA) funding eligibility. These Agreements allow the transit agencies to use FTA funding for capital, operating, and planning assistance. However, the FTA requires that there be a single “grantee recipient” who will perform grant administration activities for each urbanized area. For the benefit of all transit operators included in these two urbanized areas, RTA has served the role of grantee recipient for these two urbanized areas.

For RTA to continue serving as the administrator of all FTA grant funding on behalf of the cities of Atascadero and Paso Robles, South County Transit, SLOCOG and Ride-On, FTA requires the grant recipient (RTA) to have access to two existing electronic grants management programs: Transportation Electronic Award and Maintenance (TEAM), and Transit Award Management System (TrAMS). For this reason, the attached resolution is required.

**Staff Recommendation**

Approve the attached resolution requesting FTA give RTA representative access to TEAM and TrAMS to administer all Federal grants based on the Operators Agreement between SLOCOG, the cities of Atascadero and Paso Robles, and RTA, as well as the Operator Agreement between SLOCOG, South County Transit and RTA, and on behalf of Ride-On.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
RESOLUTION NO. 15-\_\_\_\_\_**

**RESOLUTION AUTHORIZING THE FILING OF APPLICATIONS WITH THE  
FEDERAL TRANSIT ADMINISTRATION, AN OPERATING ADMINISTRATION OF  
THE UNITED STATES DEPARTMENT OF TRANSPORTATION, FOR FEDERAL  
TRANSPORTATION ASSISTANCE AUTHORIZED BY 49 U.S.C CHAPTER 53 TITLE  
23 UNITED STATES CODE AND OTHER FEDERAL STATUTES ADMINISTERED BY  
THE FEDERAL TRANSIT ADMINISTRATION**

**WHEREAS**, the Federal Transit Administration (FTA) has been delegated authority by the United States Department of Transportation to award Federal financial assistance for transit projects; and

**WHEREAS**, a grant or cooperative agreement for Federal financial assistance will impose certain obligations upon the San Luis Obispo Regional Transit Authority (RTA), and may require RTA to provide the local share of the project cost; and

**WHEREAS**, RTA has or will provide all annual certifications and assurances to the FTA required for the projects included in a grant application; and

**WHEREAS**, RTA as the Grantee will file and execute applications on behalf of the cities of Atascadero and Paso Robles, South County Transit, San Luis Obispo Council of Government and Ride-On as sub-recipients of FTA Section 5307, 5309, 5312, and 5316 funds required for the identified projects.

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, that the Board of Directors of the San Luis Obispo Regional Transit Authority:

1. Authorize the Executive Director or designee to execute and file applications for Federal assistance on behalf of RTA with the FTA for Federal Assistance authorized by 49.U.S.C. Chapter 53, Title 23, United States Code, or other Federal statutes authorizing a project administered by the FTA and has received authority from the San Luis Obispo Council of Government, San Luis Obispo, California, the Designated Recipient, to apply for Urbanized Area Formula Program Assistance authorized by 49 U.S.C. 5307, 5309, 5312, and 5316.
2. Authorize the Executive Director or designee to execute and file with its application the annual Certifications and Assurances required by the FTA before awarding a Federal assistance grant or cooperative agreement.
3. Authorize the Executive Director or designee to execute and file such applications, assurances or any other documents required by FTA for the purpose of complying with Title VI of the Civil Rights Act of 1964.

4. Authorize the Executive Director or designee to furnish such additional information as the FTA may require in connection with the program of projects identified in applications.
5. The President of the RTA Board of Directors is authorized to execute grant and cooperative agreements with the FTA on behalf of RTA.

Upon motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and on the following roll call, to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINING:**

The foregoing resolution is hereby passed and adopted by the San Luis Obispo Regional Transit Authority of San Luis Obispo County, State of California, at a regular meeting of said Board of Directors held on the 2nd day of September, 2015.

\_\_\_\_\_  
Debbie Arnold  
President of the RTA Board of Directors

ATTEST:

\_\_\_\_\_  
Geoff Straw  
RTA Executive Director

APPROVED AS TO FORM AND LEGAL EFFECT:

Timothy McNulty  
County Counsel

By: \_\_\_\_\_  
RTA Legal Counsel

Dated: \_\_\_\_\_

**September 2, 2015**

**DESIGNATION OF SIGNATURE AUTHORITY FOR TEAM and TrAMS**

The San Luis Obispo Regional Transit Authority hereby authorizes the Executive Director, the Chief Financial Officer/Director of Administration, the Grants Manager, and RTA Counsel to be assigned and use a Personal Identification Number (PIN), for the execution of annual Certification and Assurances issued by the Federal Transit Administration (FTA), submission of all FTA grant applications, and the execution of all FTA grant awards, on behalf of the official below for the FTA's Transportation Electronic Award and Management System (TEAM) and Transit Award Management System (TrAMS) programs.

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Geoff Straw  
RTA Executive Director

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Tim McNulty  
RTA Counsel

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**September 2, 2015**

**STAFF REPORT**

**AGENDA ITEM:** C-7

**TOPIC:** Disadvantaged Business Enterprise Goal Methodology Updates

**PRESENTED BY:** Geoff Straw, Executive Director

**STAFF RECOMMENDATION:** Authorize Executive Director to Submit Updated DBE Goal Methodology as Required by FTA

**BACKGROUND/DISCUSSION:**

In September 2010, the RTA Board of Directors adopted its Disadvantaged Business Enterprise (DBE) program and subsequently updated the program in January 2012. In order to maintain compliance with current Federal Transit Administration (FTA) regulations, RTA must update the DBE program. As part of the DBE program, FTA requires RTA as the recipient (grantee) of federal funds to update and submit a three-year DBE goal.

The current goal was submitted to FTA and is under their review. However, staff is awaiting FTA feedback and staff may need to make inconsequential changes as deemed necessary by FTA. Due to the time restriction and need to expedite the submittal of this report to FTA, staff is seeking the Board's approval to update and submit the necessary changes to the attached DBE goal methodology, as necessary.

**Staff Recommendation**

Authorize the RTA Executive Director to update and submit DBE goal methodology as required by the Federal Transit Administration.



## **Methodology For Calculating the Proposed DBE Goal for Federal Fiscal Year 2015 through Federal Fiscal Year 2017 (FFY15-FFY17)**

The San Luis Obispo Regional Transit Authority (RTA) is proposing an overall Disadvantaged Business Enterprise (DBE) goal of 1.4% (rounded up from 1.37% as shown in the Step 4 Table below) for U.S. Department of Transportation, Federal Transit Administration (FTA) assisted contracts in federal fiscal years 2015 through 2017 (FFY15 through FFY17).

Prior to FFY15, the FTA required that any recipient of greater than \$250,000 in FTA funds annually must establish a DBE goal. Recently, the FTA shifted from a requirement to calculate annually the DBE goal to calculating it every three years. As such, RTA is herein complying with this new requirement.

RTA will receive approximately \$6.7 million in FTA funding in FFY15. Since RTA's future budgets are uncertain due to possible changes in federal funding support when the current surface transportation act expired on September 30, 2014 (not including congressional extensions), the type and amount of contracted work may change in future years. Because of this uncertainty, staff calculated the three-year DBE goal based upon the proposed RTA FY14-15 budget. RTA will adjust its DBE goal, if necessary, when future budgets are known or if contracting opportunities increase due to new capital federal funding sources.

The Code of Federal Regulations, Title 49 Section 26 (49 CFR 26) describes several methods to calculate a DBE goal. The method staff chose to develop RTA's FFY15 through FFY17 goal specifies that a simple percentage of DBE vendors in the contracted types of work be weighted by the proportion of total contract opportunities in that type of work as shown in the overall budget to determine a base goal. The base goal is to be further adjusted, as appropriate, to reflect the recipient's actual experience or other qualifying factors to narrowly tailor the goal to market conditions. The final goal is expressed as both the percentage and the amount of federal dollars in DBE contract opportunities.

RTA's goal will be reached through race neutral means by doing the following: Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more accessible to small businesses, by means such as those provided under § 26.39 of this part; Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing); Providing technical assistance and other services; Carrying out information and communications programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists for bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate); Providing services to help DBEs, and other small businesses, increase opportunities to

participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency. RTA will not reach its goal through race conscious contract goals.

To calculate RTA’s proposed FFY15 through FFY17 DBE Goal, staff used data from the proposed RTA FY14-15 budget, the latest (2008) US Bureau of Census County Business Patterns (CBP) database, and the California Department of Transportation (Caltrans) database of all statewide certified DBE vendors. Both the CBP and Caltrans DBE vendor database offer vendor groupings according to the type of work they perform as categorized by the North American Industry Classification System (NAICS), which provides a two to six-digit number corresponding to every known type of work performed by businesses in North America. In order to compare data from all three data sources using a common classification, staff identified all of the goods and services that RTA typically contracts by a corresponding NAICS code. The following text and tables describe the steps taken to calculate the goal.

First, staff examined the proposed RTA FY14-15 budget to determine the type and amount of contracts which could be awarded from the operating and capital sections of the budget. From an operating and capital budget of \$14,155,160, potential contract opportunities equal \$4,354,210 outside of vehicle procurement. The FTA provides an estimated \$6,709,980 in operating and capital funding assistance. The following table shows the calculations for the first step.

**Step 1: RTA FY15 Operating & Capital Budget Contract Opportunities**

	(A)	(B)	(C)	(D)	(E)
	Total	\$ Procurement in Operating & Capital Budget	\$ Procurement in Operating & Capital Budget (B)/(A)	\$ FTA Operating & Capital Assistance	\$ FTA Operating & Capital Assistance in Procurement (C)*(D)
FY15 Operating Budget	\$ 8,307,730	\$ 3,525,230	42%	\$ 3,202,760	\$ 1,359,031
FY15 Capital Budget	\$ 5,847,430	\$ 828,980	14%	\$ 3,507,220	\$ 497,212
	\$ 14,155,160	\$ 4,354,210		\$ 6,709,980	\$ 1,856,244

Second, staff identified every piece of potential contract work in the FY14-15 budget by a corresponding NAICS code. Staff aggregated the types of work into the four broader *Procurement Groups* of Construction, Transportation, Wholesale and Services identified in the Step 2 Table below. The four Procurement Groups derived from all contract opportunities are shown in the following table by dollar amount and percentage of total contract opportunities in each Procurement Group.

Step 2. RTA's FY15 Operating & Capital Budget Contract Opportunities by Procurement Group					
	(1)	(2)	(3)	(4)	(5)
Procurement Group	Construction	Transport	Wholesale	Services	Total
\$in Group (FY15 Budget)	\$ 88,750	\$ 27,788	\$ 2,648,092	\$ 1,589,580	\$ 4,354,210
% of All Procurements in Group	2.0%	0.6%	60.8%	36.5%	100%
\$ FTA in Group {(1)%* \$ Step 1. (E)}	\$ 37,835	\$ 11,846	\$ 1,128,908	\$ 677,654	\$ 1,856,244

Third, staff determined the market area from which vendors who bid on RTA contracts would likely be chosen. Since it is conceivable that a vendor may come from as far north as Sonoma, or as far south as Santa Barbara for the award of a large contract, staff included all of Caltrans Districts 04 and 05 when conducting its DBE calculation. In addition, staff included any DBE vendor in the state that indicated that they perform work in Districts 04 and 05, regardless of the vendor's location. The following fourteen counties fall within Caltrans Districts 04 and 05, creating RTA's market area:

- Alameda County
- Contra Costa County
- Marin County
- Monterey County
- Napa County
- San Benito County
- San Francisco County
- San Luis Obispo County
- San Mateo County
- Santa Barbara County
- Santa Clara County
- Santa Cruz County
- Solano County
- Sonoma County

After determining the market area, staff extracted a count of all vendors in the market area from the County Business Patterns (CBP) database by using the same NAICS code attached to each piece of potential contract work in the RTA FY-1415 budget. Next, staff performed exactly the same operation on the Caltrans DBE vendor directory to obtain a count of DBE vendors in the RTA market area. The count of all vendors, DBE vendors and the percentage DBE vendors by Procurement Group in RTA's market area are shown in the following Step 3 Table.

**Step 3. RTA's Market Area Firms by NAICS in Procurement Groups**

**Total Firms and Certified DBEs**

	(1)	(2)	(3)	(4)	
Procurement Group	Construction	Transport	Wholesale	Services	#Firms
	2382	485991	221210,323110, 423120,423130, 424120,424720, 8112	522190,5241, 541, 561612, 561720,562112, 621111,8111, 812332	in NAICS
<b>Catrans District 04</b>					
Alameda County	671	17	1,492	7,612	9,792
Contra Costa County	471	6	734	5,040	6,251
Marin County	181	7	260	2,353	2,801
Napa County	85	1	106	692	884
San Francisco County	377	18	573	7,448	8,416
San Mateo County	427	20	743	4,179	5,369
Santa Clara County	797	16	1,448	10,822	13,083
Solano County	190	6	318	1,047	1,561
Sonoma County	393	6	461	2,383	3,243
<b>Catrans District 05</b>					
Monterey County	219	-	325	1,448	1,992
San Benito County	39	-	33	135	207
San Luis Obispo County	210	-	267	1,486	1,963
Santa Barbara County	260	4	371	2,201	2,836
Santa Cruz County	173	1	210	1,358	1,742
<b>Distrist 04 &amp; 05</b>	<b>4,493</b>	<b>102</b>	<b>7,341</b>	<b>48,204</b>	<b>60,140</b>
<b>Certified DBE's</b>					
	Construction	Transport	Wholesale	Services	#DBE's
	NAICs	NAICs	NAICs	NAICs	in NAICs
<b>Distrist 04 &amp; 05 &amp; Statewide DBE's</b>	<b>155</b>	<b>6</b>	<b>77</b>	<b>824</b>	<b>1062</b>
<b>% DBE's</b>	<b>3.45%</b>	<b>5.88%</b>	<b>1.05%</b>	<b>1.71%</b>	<b>1.77%</b>

Sources: US Bureau of the Census, County Business Patterns, 2008  
CA Dept. of Transportation, UCP Directory of DBEs, 5/1/14

Fourth, staff used the DBE percentage obtained above for each Procurement Group and multiplied that by the percentage (weight) of the total work to be performed in that Procurement Group as determined in Step 2. This produced the base DBE goal for FFY15 through FFY17.

Step 4: RTA's FFY15-FFY 17 DBE Goal for FTA Assisted Contracts					
Weighted Average of DBE Participation by Procurement Group as a Percentage of Total Contracts					%
DBE Participation and Projected \$ FTA in DBE Contract Awards					
	(1)	(2)	(3)	(4)	
	Construction	Transport	Wholesale	Services	Total
% DBE's in Market Area	3.45%	5.88%	1.05%	1.71%	1.77%
% Contract \$ in Group	2.0%	0.6%	60.8%	36.5%	100%
<b>Weighted %DBE(% Contracts*%DBE)</b>	<b>0.07%</b>	<b>0.04%</b>	<b>0.64%</b>	<b>0.62%</b>	<b>1.37%</b>
\$ FTA Assistance	\$ 37,835	\$ 11,847	\$ 1,128,908	\$ 677,654	\$ 1,856,244
\$ FTA in DBE Contracts					
%DBE * Total \$ FTA Assistance	1,305.24	696.85	11,841.16	11,583.83	25,427

Sum of (% DBE \* % Group in Procurement Budget) for all four Procurement Groups

To obtain the final DBE goal using the chosen method prescribed by 49 CFR 26.45, staff examined the actual rate of DBE participation during the last three years relative to the adopted DBE goals to determine if the FFY15 through FFY17 base goal should to be adjusted. Although RTA didn't need to set a DBE goal due to the fact that the only projects was direct labor cost, fuel and vehicle cost that was purchase with FTA funding, RTA attempted to achieve 4% DBE goal and was not successful in achieving this goal. RTA had no large construction contracts available to bid during the analysis period. Due to an increase in FTA funding and an increase in current contract opportunities, RTA therefore the need to adjust the base goal down.

In previous years, RTA adopted annual goals of 4% DBE participation. RTA's FY14-15 capital budget has no significant contract opportunities as it relates to large construction projects, which would warrant an upward adjustment to the FFY15 through FFY17 goal. RTA's capital contracting funds have been on a consistent decline since 2008. And with the calculated rate falling well below the goals of the last three years, staff decided that the calculated goal needed to be adjusted down to 1.4% (rounded up from 1.37% as shown in the Step 4 Table).

If approved by the Board of Directors, RTA will establish a DBE Goal of 1.4% for FFY15 through FFY17. RTA's proposed DBE Goal for FFY15 through FFY17 and supporting documents for RTA's DBE Program are available for public inspection through May 6, 2015 at RTA's Administrative Offices, 179 Cross Street, CA 93401 and on our website at [www.slorta.org](http://www.slorta.org).

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**SEPTEMBER 2, 2015**  
**STAFF REPORT**

**AGENDA ITEM:** C-8

**TOPIC:** Ticket Vending Machine Project

**PRESENTED BY:** Anna Mafort

**STAFF RECOMMENDATION:** Authorize Executive Director to execute contract for Procurement and Installation of Ticket Vending Machines that meet RTA's, South County Transit's and Paso Express' Needs

**BACKGROUND/DISCUSSION:**

Over the last couple of years, staff has identified and discussed with the RTA Board the need for a ticket vending machine to be placed at the downtown transit center in San Luis Obispo and other locations throughout the county.

A Ticket Vending Machine (TVM) is a freestanding device that produces tickets, and they are often used to sell train tickets at railway stations, transit tickets at passenger facilities, and tram tickets at tram stops and inside trams. The typical transaction consists of a rider using the display interface to select the type and quantity of tickets, and then choosing a payment method of cash, credit/debit card or smartcard. The ticket or tickets are printed and dispensed on the spot to the user.

Staff has been successful in obtaining \$112,820 federal grant funds (FTA Section 5339), \$60,000 in RTF and \$15,000 in TDA funds for the total project cost of \$187,820 to fully implement the TVM at the Government Center passenger facility. It should be noted that a large portion of that estimated cost will be to establish the "back-end" infrastructure and communications protocols at the RTA offices. RTA will make the Government Center location our top priority. RTA has been working with the City of SLO with the intention of sell the city passes as well with this TVM.

RTA will seek proposals from qualified firms with strong experience in all aspects of electronic revenue collection and management systems for public transit operations, fare revenue collection best practices, fare revenue security, etc.

Staff will also seek options for up to five additional ticket vending machines to be implemented over the next 3-5 years. The locations that have been identified are as follows: Pismo Premium Outlets transfer facility; Morro Bay transit center; Paso Robles Train Station transfer facility; and Ramona Garden Park in Grover Beach, where all South County Transit routes connect.

**Staff Recommendation**

Authorize the RTA Executive Director to solicit proposals and execute a contract for TVM at the Government Center passenger facility with the option of purchasing an additional Ticket Vending Machines that meet the needs of RTA, South County Transit and Paso Express.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**September 2, 2015**

**STAFF REPORT**

**AGENDA ITEM:** C-9

**TOPIC:** Fare-Free Access on SLO Transit Fixed Route Buses for Runabout Riders

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Authorize Execution of the Attached Agreement

**BACKGROUND/DISCUSSION:**

At its March 6, 2013 meeting, the RTA Board supported a range of Runabout cost-saving measures – including reimbursing other fixed route operators in the county that permit Runabout riders to board fare-free in exchange for a monthly reimbursement from RTA for each ride provided. To date, the RTA Board has implemented or authorized eight of the eleven recommended actions, as follows:

1. Recertify Runabout Eligibility (on-going)
2. Implement a No-Show Policy (completed)
3. Formally Eliminate General Public Runabout Service (completed)
4. Implement a Travel Training Program (authorized in FY15-16 budget)
5. Work Toward Trip-Swapping with Ride-On (on-going)
6. Eliminate or Reduce Subscription Trips (completed)
7. Call-Backs for Next-Day Rides (authorized in FY15-16 budget)
8. Conversion of RTA Route 15 to Route Deviation (September 14, 2015)

Other remaining items from the March 2013 presentation:

1. Fare-Free Fixed Route Service for Runabout Registrants (considered today)
2. Implement a Subsidized Taxicab Program (being analyzed as part of SRTP)
3. Reduce the Booking Window (being analyzed as part of SRTP)

One item that was not discussed at the March 2013 meeting but was subsequently implemented was the inequities of many Runabout fares in comparison to fixed route fares. The RTA Board adopted a new Runabout fare structure at its November 5, 2014 meeting, and the new fares were implemented on February 1, 2015.

With regard to the matter before you today, RTA is seeking authorization to fund fare-free service for Runabout registrants on SLO Transit fixed route buses. As you know, RTA either grants full eligibility or denies it to Runabout applicants, with the realization that some riders might be capable of using fixed route services for one or both legs of their roundtrip. With the understanding that the per passenger cost on Runabout is

roughly twelve times that of the per passenger cost on fixed route services, RTA, South County Transit and Paso Express have implemented a program whereby persons showing an ADA eligibility card can board fixed routes buses for free. In order to further relieve the growing demand for Runabout services, we are proposing that SLO Transit do the same. As described in the attached Agreement, RTA will provide as compensation the Average Passenger Fare multiplied by the number of ADA eligible passenger boardings; this would be reconciled on a monthly basis. The use of GFI electronic fareboxes by SLO Transit simplifies this process, since SLO Transit bus operators can merely push an assigned key on the farebox to track Runabout-eligible riders. The SLO City Council is slated to consider this same agreement at its September 1, 2015 meeting.

The Regional Transit Advisory Committee supported the recommendation that RTA pursue countywide fare-free fixed route access on all county fixed route buses at its January 16, 2013 meeting. RTA staff is currently in discussions with Morro Bay Transit officials to also participate in a similar program; if ultimately agreed, then this program would be universal countywide.

**Staff Recommendation**

Authorize the President and Executive Director to execute the attached Agreement.

## **AGREEMENT FOR RUNABOUT FARE-FREE ACCESS ON SLO TRANSIT FIXED ROUTE BUSES**

**THIS AGREEMENT (“Agreement”)** is made and entered on this \_\_\_\_\_ day of \_\_\_\_\_, 2015 (the “Effective Date”) by and between the San Luis Obispo Regional Transit Authority, a Joint Powers Authority (“RTA”) and the City of San Luis Obispo, a municipal corporation and charter city (“CITY”).

### **WITNESSETH:**

**WHEREAS**, the Americans with Disabilities Act (“ADA”) requires transit agencies, such as RTA, to provide certain paratransit service; and

**WHEREAS**, in order to comply with the ADA, RTA operates a Runabout Paratransit program which is the designated complementary paratransit provider for all fixed route services in San Luis Obispo County; and

**WHEREAS**, the CITY operates general public fixed route vehicles within and adjacent to San Luis Obispo City limits; and

**WHEREAS**, RTA has identified the need to control costs in the face of increasing demand for Runabout services; and

**WHEREAS**, RTA determines eligibility for Runabout services based on applicants’ self-certification and a medical professional’s concurrence; and

**WHEREAS**, qualified registrants are issued a Runabout eligibility card by RTA; and

**WHEREAS**, RTA, Paso Robles Express and South County Transit permit Runabout registrants to board fixed route buses fare-free by displaying their eligibility card upon entering the fixed route bus; and

**WHEREAS**, RTA wishes to expand fare-free service for certified Runabout registrants on CITY’s fixed route vehicles.

**NOW THEREFORE**, for good and valuable consideration, the parties hereto do mutually agree on the following:

### **1. Runabout Registrants Ride Fare-Free**

Registered Runabout riders can board a CITY bus and ride fare-free by showing the bus operator his or her Runabout eligibility card.

**2. RTA Compensates CITY on a Monthly Basis**

CITY will track each Runabout-eligible passenger boarding using the GFI farebox, and provide a monthly summary by route to RTA. For Fiscal Year 2015-16, RTA agrees to compensate CITY on a per-passenger boarding price of \$3.00. In future years, RTA will compensate CITY for each fare-free Runabout boarding using CITY's previous year Operating Cost divided by the number of annual passenger boardings. The Operating Cost is reported in CITY's annual TDA fiscal and compliance audit report.

**3. Term and Termination**

The term of this Agreement commences on the Effective Date and expires three years after that. During this term, either party may terminate this Agreement for any reason by providing thirty days written notice to the other party.

**4. Change in Terms**

This Agreement shall be amended or modified only by mutual written agreement of the parties.

**5. Mutual Indemnification**

Each party to this Agreement shall indemnify, defend and hold harmless the others hereto and they and their affiliated entities' officers, agents and employees, from any and all claims, demands, losses, damages, and liabilities of any kind or nature, including attorney's fees, which arise solely by virtue of its own negligent acts or omissions (either directly or through or by its officers, agents or employees) in connection with its duties and obligations under this Agreement.

**6. Notification**

All notices and communications regarding interpretation of the terms of this Agreement and changes thereto, shall be effected by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

**San Luis Obispo Regional Transit Authority**

Geoff Straw  
Executive Director  
179 Cross Street, Suite A  
San Luis Obispo, CA 93401

**City of San Luis Obispo**

Gamaliel Anguiano  
Transit Manager  
900 Palm Street  
San Luis Obispo, CA 93401

**SIGNATURES**

RTA

CITY

\_\_\_\_\_  
Debbie Arnold, President  
RTA Board of Directors

\_\_\_\_\_  
Jan Marx, Mayor  
City of San Luis Obispo

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

APPROVED AS TO FORM  
AND LEGAL EFFECT  
RITA L. NEAL  
County Counsel

APPROVED AS TO FORM  
AND LEGAL EFFECT  
J. CHRISTINE DIETRICK  
San Luis Obispo City Attorney

By: \_\_\_\_\_  
Assistant County Counsel

By: \_\_\_\_\_  
City Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**September 2, 2015**

**STAFF REPORT**

**AGENDA ITEM:** C-10

**TOPIC:** Engineering Services Procurement

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Authorize Executive Director to Procure Engineering Services at a Cost Not to Exceed \$22,500

**BACKGROUND/DISCUSSION:**

At its May 7, 2014 meeting, the RTA Board authorized purchase of land at 40 Prado Road that could be used to develop a long-term operations and maintenance facility. The purchase was completed on June 11, 2014, in cooperation with the Community Action Partnership of San Luis Obispo (CAPSLO).

CAPSLO is now in the final design phase of their Homeless Services Center. Of particular interest to RTA is that the realignment of Elks Lane is now being proposed to occur on the east side of the CAPSLO property instead of between our two properties. In addition, topographical studies suggest that drainage in the event of a major flood will likely require that RTA's conceptual building footprint presented to the Board at various occasions over the past year (most recently on January 7, 2015) will likely need to be changed.

Since Cannon Engineering is completing work for CAPSLO as part of the Homeless Services Center project, RTA has the opportunity to undertake preliminary engineering, drainage and concept planning refinement at a cost now that would be far higher in the future. The attached proposal has been developed and refined by Cannon Engineering after several discussions between RTA Counsel, Cannon Engineering staff members and me. The proposal reflects a time and materials / not-to-exceed \$22,500 amount that would be managed by me.

**Staff Recommendation**

Authorize the Executive Director to negotiate and execute an agreement with Cannon Engineering at a cost not to exceed \$22,500



August 26, 2015

Mr. Geoff Straw  
Executive Director  
San Luis Obispo Regional Transit Authority  
179 Cross Street, Suite A  
San Luis Obispo, CA 93401

**PROJECT: RTA – 40 PRADO ROAD**

Dear Mr. Straw:

The San Luis Obispo Regional Transit Authority (RTA) is in need of a new long-term transit facility. The RTA will follow the Federal Transit Administration planning and project development process which contains the following five phases: 1) System Planning, 2) Alternative Analysis and Environmental Review, 3) Preliminary Engineering, 4) Final Design and 5) Construction. The System Planning phase has been completed and the RTA is looking for a consultant to conduct the next phase, Alternative Analysis and Environmental Review.

We are actively working on the construction documents for the CAPSLO Homeless Service Center site immediately adjacent to the proposed 40 Prado RTA site. The two sites have many similarities such as the FEMA 100-year floodplain, future Caltrans encroachment, Elks Lane realignment, stormwater requirements, land use, and site topography.

Our proposed scope of work includes preliminary engineering analysis, entitlement support, and project meetings/coordination.

We are excited to work with you on this project. Please review the proposal we can discuss if you have questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Anna Kauo", is written over a light blue circular stamp.

Anna Kauo, PE  
Senior Associate Engineer  
C 74725



## **PROJECT UNDERSTANDING AND APPROACH**

The RTA is currently housed in a leased facility located at 179 Cross Street in San Luis Obispo, CA. The building was constructed in 2006 and the lot is 2.7 acres. The existing facility does not provide the RTA with enough maintenance and storage area, and its location is several miles from the downtown transit center.

Over the last eight years, the RTA has completed the Systems Planning phase of the Federal Transit Administration planning and project development process and has concluded that the 40 Prado Road location is the preferred site for a long-term transit administration, operations and maintenance facility.

40 Prado Road is located adjacent to US Highway 101 in San Luis Obispo. The site is level and adjacent to compatible land uses. The site is zoned O-PD (Office-Planned Development). Access to the site is currently provided from Elks Lane and Prado Road. RTA owns the parcel.

We understand the RTA has been successful in securing FTA Section 5307 Program funding. Funding will be issued October 2015 and available for three years. RTA will be the lead agency for CEQA and will determine if an EIR is required.

## **SCOPE OF WORK**

This scope of work was developed based on our general correspondence with you, review of the San Luis Obispo Regional Transit Authority Staff Report, dated January 7, 2015 and review of the Conceptual Joint Master Plan, Option C.3.

### *Task 1 – Preliminary Engineering Analysis*

We will analyze existing project information to determine opportunities, constraints, and issues that may be relevant to the project design and construction. We will review alternative site plans provided by the client to identify items that could have a substantial impact on the project's feasibility. Services during this task may include research of record maps, as-builts, general design criteria, standard plans, and site-specific agency requirements. Site visits to investigate the property and identify features that may not appear on record data is included. We will work with City staff to validate current development criteria assumptions and existing utility connections and capacity.

A conceptual site plan has been prepared by Garcia Architecture + Design (GAD). The site plan includes a 50,000 SF maintenance facility, bus storage, parking, driveway access from Elks Lane and Prado Road and the future realignment of Elks Lane. We assume preliminary engineering analysis relating to Elks Lane realignment, offsite drainage, stormwater retention, site grading, and utility connections will be needed during the beginning site planning process. This task includes preparation of exhibits and general engineering tasks requested by the RTA to assist in the planning process. Once the entitlement phase is determined, we can perform Preliminary Engineering documents under an additional service agreement.

### *Task 2 – Entitlement Support*

It is unknown at this time what the entitlement process will be. The land use process will be determined by the City. We will research the land use process required by the City and determine what will be required for City approval. Once we identify the process, we will provide a detailed scope and fee estimate for preparation of the entitlement documents.



When requested by the RTA, we can lead the coordination and permitting effort. Possible tasks include meetings and general correspondence with City staff, responding to comments, and preparation of exhibits. We will assist on an as-needed basis.

*Task 3 – Project Meetings and Coordination*

We assume meetings and general coordination will be required through the site planning. When requested by the RTA, we will attend and orchestrate meetings with the City or other consultants. Meeting minutes will be prepared for each meeting. Coordination with GAD is included in this task.

**DELIVERABLES**

- Preliminary Engineering Exhibits

**ASSUMPTIONS**

The following assumptions apply to this proposal:

- Cannon is not responsible and cannot be held accountable for the accuracy of as-builts or record drawings provided by the agencies or utility providers. Cannon has no means of determining whether subsurface features were constructed per the construction / improvement drawings and does not claim to do so. Potholing of utilities should be performed by others, if there are concerns or uncertainties regarding the subsurface utilities.
- All data prepared by others and provided to Cannon will be made available in a digital format, compatible with our systems. It is also understood that the information and technical data provided and prepared by others, on the client's behalf or property owner's behalf, may be used by Cannon in performing its services and is entitled to rely upon the accuracy and completeness thereof.
- Others will perform the Site Plan processing for the project site. We will serve as technical support during this process.
- The project will be designed and constructed as a single phase.
- The site is located within the limits of a 100-year floodplain.
- A current Title Report, under an open order number and covering the property, will be provided by the client prior to any related mapping effort. Revisions, amendments or addendums to said report may constitute an additional work effort that is not covered within this scope of services.
- As this proposal has been prepared without the benefit of a current Title Report, it is assumed that there is a sufficient amount of available record information to adequately determine the location of the boundaries and encumbrances of the subject. Additional work resulting from patent or latent boundary ambiguities or a lack of available records may constitute an additional work effort that is not covered within this scope of services.
- A digital file of the project and Landscape Architects' plan will be provided in AutoCAD format.

**EXCLUSIONS**

The following exclusions apply to this proposal:

- As-built field verification of utilities for horizontal and vertical location are not included in this proposal. We can provide on a Time and Materials basis if needed.



- Agency Submittal Fees
- Boundary Survey
- Preliminary Engineering and Tentative Mapping Services
- Record of Survey / Corner Record
- Subdivision Map / Lot Line Adjustment / Certificate of Compliance
- Additional easements, dedications, exhibits, or documents for recordation not specifically outlined herein
- Water, Sewer and storm drain calculations
- Funding support
- Environmental Documentation Review and Support
- Quantities and cost estimates



**SCHEDULE**

We understand the environmental review and permitting schedule is unknown. Cannon's deliverable schedule will be coordinated to meet that of client.

**FEES**

Fees are based on the rates per the enclosed fee schedule and do not include agency checking or recording fees, or title company fees. Reimbursable Expenses are not included; see "Reimbursable Expenses" below for rates. It is our understanding that this project does qualify for California Prevailing Wages.

<i>Task 1 – Preliminary Engineering Analysis</i>	<i>\$ 15,000</i>
<i>Task 2 – Entitlement Support</i>	<i>\$ 2,500</i>
<i>Task 3 – Project Meetings and Coordination</i>	<i>\$ 5,000</i>
Fees:	
Time & Material Not to Exceed:	\$22,500.00



**2015 FEE SCHEDULE**

**Engineering/Design Staff: Civil, Mechanical, Electrical, Structural, Planning, Landscape**

Sr. Principal Engineer .....	160.00 - 195.00	Sr. Principal Designer .....	105.00 - 135.00
Principal Engineer .....	145.00 - 185.00	Principal Designer .....	100.00 - 125.00
Sr. Associate Engineer .....	135.00 - 165.00	Sr. Project Designer .....	95.00 - 120.00
Associate Engineer .....	125.00 - 150.00	Lead Designer .....	90.00 - 115.00
Sr. Project Engineer .....	115.00 - 140.00	Project Designer .....	80.00 - 110.00
Project Engineer .....	105.00 - 130.00	Sr. CAD Tech / CAD Tech .....	80.00 - 95.00
Design Engineer .....	95.00 - 120.00	Technical Writer I, II, III .....	85.00 - 116.00
Engineering Assistant I, II .....	70.00 - 90.00	Planner / Landscape Arch .....	75.00 - 115.00
Project Coordinator I, II, III, IV .....	85.00 - 115.00	Associate Planner / Land Arch .....	125.00 - 150.00
Grant Funding Manager I, II .....	125.00 - 140.00	Sr. / Chief Planner .....	145.00 - 165.00
Administrative/Clerical .....	65.00 - 85.00	Sr. Consultant / Director .....	163.00 - 216.00

**Automation Staff**

Sr. Automation Specialist .....	165.00 - 174.00	Lead Automation Technician .....	100.00 - 110.00
Lead Automation Specialist .....	140.00 - 147.00	Automation Technician .....	90.00 - 100.00
Automation Specialist .....	130.00 - 137.00	Sr. Automation Analyst .....	115.00 - 130.00
Sr. Automation Technician .....	120.00 - 126.00	Lead Automation Analyst .....	110.00 - 120.00
Automation Const. Coord I, II .....	85.00 - 110.00	Automation Analyst .....	100.00 - 105.00
IE Services Coordinator .....	70.00 - 80.00		

**Construction Management Staff**

Principal Construction Manager .....	160.00 - 190.00	Structures Representative .....	130.00 - 150.00
Sr. Construction Manager .....	165.00 - 180.00	Associate Construction Engineer .....	100.00 - 125.00
Construction Manager .....	130.00 - 145.00	Construction Inspector I, II .....	90.00 - 115.00
Sr. Resident Engineer .....	155.00 - 165.00	Office Engineer .....	105.00 - 125.00
Resident Engineer .....	140.00 - 155.00	Construction Coordinator I, II .....	85.00 - 100.00
Assistant Resident Engineer .....	125.00 - 140.00		

**Forensics/Expert Testimony Staff**

Expert Testimony .....	250.00 - 450.00	Deposition/Trial .....	300.00 - 500.00
Office Administrator .....	100.00 - 150.00		

**Survey Office Staff**

Chief Surveyor / Sr. Consultant .....	160.00 - 175.00	Land Surveyor I-V .....	100.00 - 150.00
Sr. Land Surveyor .....	160.00 - 170.00	Survey Technician I-VI .....	80.00 - 140.00
Survey Manager .....	150.00 - 165.00	GIS Specialist / Tech .....	90.00 - 135.00

*This schedule provides ranges for various staff classifications. The actual rate may differ depending on the discipline; however, it will not be higher than the given range.*

**Survey Field Staff**

Three-Man Crew .....	260.00 - 360.00	Three-Man HDS Crew .....	310.00
Two-Man Crew .....	210.00 - 275.00	Two-Man HDS Crew .....	255.00
One-Man Crew .....	130.00 - 200.00	One-Man HDS Crew .....	195.00
One-Man Crew (no robot) .....	110.00	Two-Man UMO Crew .....	150.00 - 170.00
3D HDS Data Modeling .....	90.00 - 110.00	One-Man UMO Crew .....	100.00 - 120.00

**Prevailing Wage**

Three-Man Crew .....	375.00	Three-Man HDS Crew .....	375.00
Two-Man Crew .....	285.00 - 290.00	Two-Man HDS Crew .....	275.00
One-Man Crew .....	190.00 - 205.00	One-Man HDS Crew .....	220.00
Two-Man UMO Crew .....	200.00	One-Man Crew (no robot) .....	160.00
One-Man UMO Crew .....	160.00		

*All of the above hourly rates include all direct labor costs and labor overhead, general and administrative expenses and profit. If the client requests, or the client's schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the above rates for weekdays and 2.0 for weekends and holidays.*



**Other Direct Charges**

In-House Reproduction	
Printing/Copies 8 ½ x 11 .....	\$0.05 per page
Printing/Copies 11 x 17 .....	\$1.00 per page
Black Line Plots .....	\$2.00 per page
Color Plots .....	\$5.00 per page
Outside Reproduction.....	Cost + 15%
Travel and Related Subsistence.....	Cost + 15%
Truck or Field Vehicle.....	\$80.00 per day
CAD and Simulation Software .....	\$15.00 per day
Mileage Reimbursement (or IRS allowable rate) .....	IRS Rate per mile
Automation & Electrical Materials .....	Cost + 25% (+tax)
Subconsultant Fees.....	Cost + 10%

All direct expenses, such as special equipment, shipping costs, travel other than by automobile, parking expenses, and permit fees will be billed at the actual cost plus 15%.

If the client requests, or the client’s schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the stated rates for weekdays for daily hours in excess of 8 as well as weekends and a multiplier of 2.0 for daily hours in excess of 12 and holidays.

If the client requests field services to be provided outside of normal working hours (between 6:00 p.m. and 6:00 a.m.), a multiplier of 1.5 will be applied to the stated rates.

Survey Crews and Automation Field staff are billed portal to portal, and mileage charges are included in the hourly rate. A minimum charge of 4 hours will be charged for any Automation Field Service calls outside of normal working hours (between 6:00 p.m. and 6:00 a.m.).

The stated rates are subject to change, typically on an annual basis.





## APPENDIX A: TERMS FOR CANNON SERVICES

### Section 1: The Agreement

- 1.1 The agreement between the above noted parties consists of the following terms, the attached proposal and any exhibits or attachments noted in the proposal. Together these elements will constitute the entire agreement superseding any and all prior negotiations, correspondence, or agreements either written or oral. Any changes to this agreement must be mutually agreed to in writing.

### Section 2: Standard of Care

- 2.1 Data, interpretations, and recommendations by Cannon will be based solely on information provided to Cannon. Cannon is responsible for those data, interpretations, and recommendations, but will not be responsible for other parties' interpretations or use of the information developed.
- 2.2 Services performed by Cannon under this agreement are expected by the Client to be conducted in a manner consistent with the level of care and skill ordinarily exercised by members of this profession practicing contemporaneously under similar conditions in the locality of the project. No other warranty, expressed or implied, is made.
- 2.3 The Client agrees that Cannon may use and publish the Client's name and a general description of Cannon's services with respect to the project in describing Cannon's experience and qualifications to other Clients and prospective Clients. The Client also agrees that any patentable or copyrightable concepts developed by Cannon as a consequence of service hereunder are the sole and exclusive property of Cannon.
- 2.4 The Client recognizes that it is neither practical nor customary for Cannon to include all construction details in plans and specifications, creating a need for interpretation by Cannon or an individual who is under Cannon's supervision. The Client also recognizes that construction review permits Cannon to identify and correct quickly and at comparatively low cost professional errors or omissions that are revealed through construction, or errors or omissions committed by others due to misinterpretation of design documents, or due to other causes. For the foregoing reasons construction review is generally considered an essential element of a complete design professional service. Accordingly, if the Client directs Cannon not to provide construction monitoring, Cannon shall be held harmless for any and all acts, errors or omissions, except for those consequences which it reasonably could be concluded that Cannon's review services would not have prevented or mitigated.
- 2.5 Client acknowledges that Cannon is not responsible for the performance of work by third parties including, but not limited to, engineers, architects, contractors, subcontractors, or suppliers of Client.

### Section 3: Billing and Payment

- 3.1 Client will pay Cannon on a monthly basis to be billed by Cannon. Prior to the start of the project, a retainer as specified in the proposal, is required. Invoices for the balance will be submitted to Client by Cannon and will be due and payable within 10 days of invoice date. If Client objects to all or any portion of any invoice, Client will so notify Cannon in writing within fourteen (14) days of the invoice date, identify the cause of the disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. In the absence of written notification described above, the balance as stated on the invoice will be paid.
- 3.2 Invoices are delinquent if payment has not been received within thirty (30) days from date of invoice. Client will pay an additional charge of 1-1/2 (1.5) percent per month or 18% per year of any delinquent amount, excepting any portion of the invoiced amount in dispute and resolved in favor of Client. All time spent and expenses incurred (including any attorney's fees) in connection with collection of any delinquent amount will be paid by Client to Cannon per Cannon's current fee schedule. In the event Client fails to pay Cannon within sixty (60) days after invoices are rendered, Client agrees that Cannon will have the right to consider the failure to pay Cannon's invoice as a breach of this agreement.
- 3.3 Client agrees that if Client requests services not specified herein, Client agrees to timely pay for all such services as extra work. Cannon will notify the Client prior to performance of services which are not specified in this agreement.
- 3.4 Client agrees that payment to Cannon is in no way contingent on the results of work by Cannon or on the outcome of any litigation.
- 3.5 Preparation and/or travel time will be charged at the hourly rate.
- 3.6 Billing rates are subject to change, typically on an annual basis.



#### Section 4: Additional Services

- 4.1 Additional services include making revisions in drawings, specifications or other documents when such revisions are:  
Inconsistent with approvals or instructions previously given by the Client, including revisions made necessary by adjustments in the Client's program or project budget;  
Required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents.
- 4.2 Additional services includes providing services required because of significant changes in the project including, but not limited to, size, quality, complexity, the Client's schedule, or the method of bidding or negotiating and contracting for construction.
- 4.3 Where unexpected developments increase the scope of work as defined herein and/or prove the assumptions of this proposal invalid, Cannon will make a reasonable effort to contact the Client to discuss the effects and adjustment of cost.

#### Section 5: Site Access and Site Conditions

- 5.1 Client will grant or obtain free access to the site for all equipment and personnel necessary for Cannon to perform the work set forth in this agreement. Client will notify any and all possessors of the project site that Client has granted Cannon free access to the site. Cannon will take reasonable precautions to minimize damage to the site, but it is understood by Client that, in the normal course of work, some damage may occur and the correction of such damage is not part of this agreement unless so specified in the proposal.

#### Section 6: Ownership of Documents

- 6.1 All reports, maps, plans, field data, field notes, estimates and other documents, whether in hard copy or machine readable form, which are prepared by Cannon as instruments of professional service, shall remain the property of Cannon. The Client may retain copies, including copies stored on magnetic tape or disk, for information and for reference in connection with the occupancy and use of the project.
- 6.2 Because of the possibility that information and data delivered in machine readable form may be altered, whether inadvertently or otherwise, Cannon reserves the right to retain the original tapes/disks and to remove from copies provided to the Client all identification reflecting the involvement of Cannon in their preparation. Cannon also reserves the right to retain hard copy originals of all project documentation delivered to the Client in machine readable form, which originals shall be referred to and shall govern in the event of any inconsistency between the two.
- 6.3 The Client recognizes that changes or modifications to Cannon' instruments of professional service introduced by anyone other than Cannon may result in adverse consequences which Cannon can neither predict nor control. Therefore, and in consideration of Cannon ' agreement to deliver its instruments of professional service in machine readable form, the Client agrees, to the fullest extent permitted by law, to hold harmless and indemnify Cannon from and against all claims, liabilities, losses, damages, and costs, including but not limited to attorney's fees, arising out of or in any way connected with the modification, misinterpretation, misuse or reuse by others of the machine readable information and data provided by Cannon under this Agreement. The foregoing indemnification applies, without limitation, to any use of the project documents on other projects, for additions to this project, or for completion of this project by others, excepting only such use as may be authorized, in writing, by Cannon.
- 6.4 Client agrees that all reports and other work furnished to Client or his agents, which is not paid for, will be returned upon demand and will not be used by Client or others for any purpose whatsoever.

#### Section 7: Client Responsibilities

- 7.1 The Client shall provide full information including a program setting forth the Client's design objectives, constraints, and construction budget criteria.
- 7.2 The Client shall furnish a legal description, a certified land survey, and the services of a soil, structural, mechanical, electrical or other engineer or consultant services, and laboratory tests, inspections, or reports as required by law or as requested by Cannon to perform the functions and services required of this agreement. The information shall be furnished at the Client's expense and Cannon shall be entitled to rely upon the accuracy and completeness thereof.
- 7.3 The Client shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the project, including auditing services the Client may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor uses the moneys paid by the Client. The information above shall be furnished at the Client's expense, and Cannon shall be entitled to rely upon the accuracy and completeness thereof.
- 7.4 If the Client observes or otherwise becomes aware of any fault or defect in the project or nonconformance with the Contract Documents, prompt written notice shall be given by the Client to Cannon.



7.5 The Client shall furnish information and shall review Cannon' work and provide decisions as expeditiously as necessary for the orderly progress of the project and of Cannon' services.

Section 8: Insurance

8.1 Cannon represents and warrants that it and its agents, staff and consultants employed by it, is and are protected by worker's compensation insurance and that Cannon has such coverage under public liability and property damage insurance policies which Cannon deems to be adequate. Certificates for all such policies of insurance shall be provided to Client upon request in writing. Within the limits and conditions of such insurance, Cannon agrees to indemnify and save Client harmless from and against any loss, damage or liability arising from any negligent acts by Cannon, its agents, staff, and consultants employed by it. Cannon shall not be responsible for any loss, damage or liability beyond the amounts, limits, and conditions of such insurance. Cannon shall not be responsible for any loss, damage, or liability arising from any acts by Client, its agents, staff, and other consultants employed by Client.

Section 9: Termination

9.1 This agreement may be terminated by either party seven (7) days after written notice in the event of any breach of any provision of this agreement or in the event of substantial failure of performance by the other party, or if Client suspends the work for more than three (3) months. In the event of termination, Cannon will be paid for services performed prior to the date of termination plus reasonable termination expenses including the cost of completing analyses, records and reports necessary to document job status at the time of termination.

9.2 Failure of the Client to make payments to Cannon when due in accordance with this agreement shall be considered substantial nonperformance and cause for termination. If the Client fails to make payment when due to Cannon for services and expenses, Cannon may, upon seven (7) days written notice to the Client, suspend performance of services under this agreement. Unless payment in full is received by Cannon within seven (7) days of the date of the notice, the suspension shall take effect without further notice. In the event of a suspension of services, Cannon shall have no liability to the Client for delay, damage, loss of agency approvals, loss of financing, interest expenses, etc. caused the Client because of such suspension of service.

Section 10: Disputes Resolution

10.1 All claims, disputes, and other matters in controversy between Cannon and Client arising out of or related to this agreement will be submitted to "alternative dispute resolution" (adr) such as mediation and/or arbitration, before and as a condition precedent to other remedies provided by law. If and to the extent Client and Cannon have agreed on methods for resolving such disputes, then such methods will be set forth in the "alternative dispute resolution agreement" which, if attached, is incorporated and made a part of this agreement.

10.2 If a dispute at law related to the services provided under this agreement and that dispute requires litigation instead of adr as provided upon, then:

- (1) The claim will be brought and tried in judicial jurisdiction of the court of the county where Cannon' principal place of business is located and Client waives the right to remove the action to any other county or judicial jurisdiction, and
- (2) The prevailing party will be entitled to recovery of all reasonable costs incurred, including staff time, court costs, attorney's fees, and other claim related expenses.

Section 11: Assigns

11.1 Cannon shall not assign this agreement in whole or in part nor shall it subcontract any portion of the work to be performed hereunder; except that Cannon may use the services of persons of entities not in our employ when it is appropriate and customary to do so. Such persons and entities include, but are not necessarily limited to, specialized consultants and testing laboratories. Cannon' use of others for additional services shall not be unreasonably restricted by the Client provided Cannon notifies the Client in advance.

Section 12: Governing Law and Survival

12.1 The law of the State of California will govern the validity of these terms, their interpretation and performance.

12.2 If any of the provisions contained in this agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions will not be impaired. Limitations of liability and indemnities will survive termination of this agreement for any cause.



Section 13: Limitation of Liability

- 13.1 To the fullest extent permitted by law, the total liability, in the aggregate, of Cannon and Cannon's officers, directors, employees, agents and independent professional associates and consultants, and any of them, to Client and anyone claiming by, through or under Client, for any and all injuries, claims, losses, expenses or damages whatsoever arising out of or in any way related to Cannon's services, the project or this agreement from any cause or causes whatsoever, including but not limited to the negligence, errors, omissions, strict liability or breach of contract of Cannon or Cannon's officers, directors, employees, agents and independent professional associates and consultants, or any of them, shall not exceed the total compensation received by Cannon under this agreement, or the total amount of \$50,000.00, whichever is greater.

Section 14: Hiring Cannon' Employees

- 14.1 From time to time, Clients who have come to know and work with our employees in the course of a project wish to hire them to work as the Client's own in-house employees. We pride ourselves on recruiting, hiring, and training the very best employees possible, and in assigning to projects our employees who best meet our Clients' individual needs. Our goal is to have our Clients view Cannon and its individual employees as indispensable.
- 14.2 Client agrees to pay Cannon a finder's fees equal to 12 months of the employee's current salary or wage for each of our employees whom you choose to hire, either directly or indirectly. Client acknowledges and agrees that the finder's fee is both fair and reasonable, and is equivalent to a recruiting or "headhunter's fee" that Client would expect to pay to a third party for locating and recruiting an employee of the caliber of the hired Cannon employee.
- 14.3 This Section 14 shall be limited to those of Cannon' employees with whom Client works or is introduced by Cannon during the course of this engagement, and shall be applicable to such employees both during his/her employment with Cannon and for a period of six (6) months thereafter. This Section 14 shall survive the cancellation or expiration of this Agreement.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**MINUTES OF May 6, 2015**  
**C-11**

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**BOARD MEMBERS PRESENT:**

DEBBIE ARNOLD, FIFTH DISTRICT, COUNTY OF SAN LUIS OBISPO (*President*)  
JAN MARX, CITY OF SAN LUIS OBISPO (*Vice President*)  
SHELLY HIGGINBOTHAM, CITY OF PISMO BEACH (*Past President*)  
ADAM HILL, THIRD DISTRICT, COUNTY OF SAN LUIS OBISPO  
JAMIE IRONS, CITY OF MORRO BAY  
FRANK MECHAM, FIRST DISTRICT, COUNTY OF SAN LUIS OBISPO  
TOM O'MALLEY, CITY OF ATASCADERO  
JOHN SHOALS, CITY OF GROVER BEACH (*arrived at 9:06 a.m.*)  
LYNN COMPTON, FOURTH DISTRICT, COUNTY OF SAN LUIS OBISPO  
JIM GUTHRIE, CITY OF ARROYO GRANDE  
STEVE MARTIN, CITY OF PASO ROBLES

**BOARD MEMBERS ABSENT:**

BRUCE GIBSON, SECOND DISTRICT, COUNTY OF SAN LUIS OBISPO

**STAFF PRESENT:**

GEOFF STRAW, EXECUTIVE DIRECTOR  
TANIA ARNOLD, CFO & DIRECTOR OF ADMINISTRATION  
TIM MCNULTY, SAN LUIS OBISPO COUNTY COUNSEL  
ANNA MAFORT-LACY, ADMINISTRATIVE ASSISTANT  
OMAR MCPHERSON, GRANTS MANAGER  
MARY GARDNER, MARKETING & COMMUNITY RELATIONS MANAGER  
TRENA WILSON, ADMINISTRATIVE ASSISTANT  
LESLIE SANCHEZ, HUMAN RESOURCES OFFICER  
PHIL MOORES, OPERATIONS MANAGER  
LARRY BRAY, BUS OPERATOR & EMPLOYEE OF THE QUARTER

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**CALL TO ORDER AND ROLL CALL:** **President Debbie Arnold** called the meeting to order at 8:30 a.m. A roll call was taken and a quorum was present.

**Public Comments:** **Mr. Geoff Straw** noted Consent Agenda items C-7 and C-8 are mislabeled on the agenda.

**Eric Greening**, Atascadero, said he continues to have many good rides. He congratulated **Mr. Larry Bray** for being the Employee of the Quarter and said it is long overdue. There will be two public workshops on the Cal Poly Master Plan coming up, which RTA should be involved.

**Mr. Jon Coupal**, President of the Howard Jarvis Taxpayers Association, gave a brief overview of his organization and its mission. He said there are 200,000 members statewide and thousands along the Central Coast. There is broad agreement that there are many broad unmet transit needs. Some transportation funds are not well spent right now. California has the highest income tax rate at 13.3%, the highest sales tax and gas tax in the United States. We have the highest corporate tax rate west of the Mississippi. Yet transportation needs and other things the public want are not met. We cannot blame Proposition 13 for any of the ills with transportation. California ranked 17<sup>th</sup> out of 50 states in terms of high property taxes. We think the problem in meeting these needs is misdirection of transportation dollars. I applaud what you are doing to look into taxpayers needs. Please note this is not the fault of Proposition 13. The 2/3 vote does not need to be reduced.

#### **A. INFORMATION AGENDA:**

**A-1 Executive Director's Report:** **Mr. Straw** presented pictures from the Employee of the Quarter luncheon. Three Board members participated. **Mr. Larry Bray** was named as the Employee of the Quarter. He is one of the most-senior employees at RTA and was chosen by his peers. He is considered an important mentor and cadet trainer who usually drives Route 12. Larry also serves as a union steward.

**Mr. Phil Moores** introduced Mr. Bray and talked about his background and family. **Mr. Bray** said he sees tremendous changes since the agency first came in house. RTA is treating its employees and passengers much better. We are getting new buses. It's been a very positive experience compared to what it has been in the past. **President Arnold** and the Board huddled around and took a picture with Mr. Bray.

The Regional Transit Advisory Committee (RTAC) met on April 16 and recommends the Board adopt the FY15-16 budget as presented. The committee also discussed updates on the Joint Short-Range Transit Plan (SRTP) study, including on-board passenger surveys conducted in March and online. The first working paper will be available in May. We anticipate the Joint SRTP to be completed in April 2016.

**Mr. Straw** said he served on the Transportation and Circulation Committee as part of Cal Poly's Master Plan update. The college is looking at a year-round school.

RTA has been nominated for the Paul Wolf Accessibility Advocacy Award. The event will occur on Saturday night.

RTA took delivery of eight new 2015 40-foot transit buses. The seven 2013 Gilligs RTA has in its fleet have a defective turbocharger component. This is a nationwide problem for trucks and buses that use the model year 2013 Cummins ISL diesel engine. Having so many defects in our fleet means we have a

“fleet defect” and we get top priority in getting them fixed under warranty, but it means we have occasionally red-tagged buses over the past three months. We asked the warranty provider to fix South County Transit’s (SCT) buses first, since that system has such a thin spare ratio. We are proposing that RTA transfers two little-used 35-ft vehicles to SCT. This will prevent them from having to buy a new bus in 2016. Instead, RTA will use the FTA Section 5307 funds to purchase one new replacement bus. This will come back to both Boards for formal approval later in the year.

**Mr. Straw** discussed the loss of Jobs Access Reverse Commute (JARC) federal funding along Route 15. Staff is working to develop a deviated fixed route along the corridor on weekdays. This will alleviate the need for Runabout service in the area. Route 15 will cease to service Hearst Castle on weekdays. Rather, it will stop in San Simeon. Staff is working with State Parks officials to see if they could meet our bus in San Simeon to transport passengers to the Castle.

**Mr. Straw** introduced **Ms. Leslie Sanchez**, RTA’s new Human Services Officer. She comes from Sun Run. We are 75% through the fiscal year and have expended 64.72% of the non-capital budget. Lower fuel costs and lowered need for bus parts helped us realize cost savings. Fixed Route Farebox Recovery Ratio (FRR) is at almost 29%. Our requirement is about 16%. Runabout FRR increased to 3.86%. Runabout ridership increased 2.1% in comparison to last year. Route 15 ridership continues to decline.

The RTA Executive Committee discussed the need for shelter from the hot summer sun at the downtown transit center. Staff is working with the County to find some solutions to address these concerns. We will report back as more information and options become available.

**Mr. Straw** concluded his Executive Director’s report.

**President Arnold** opened to Board comment.

**Board Member Shelly Higginbotham** inquired if staff received any feedback regarding the recent Runabout fare increase. **Mr. Straw** said no. It has been very quiet.

**President Arnold** opened public comment.

**Mr. Leonard Pucci**, Grover Beach, former SCT bus operator suggested the Board reconsider approving the pay raise for Mr. Straw as indicated on Consent Agenda Item C-13. He said the Board does not have adequate information. Presently there are two state investigations underway for a violation of statutes of public policy law with the potential for a lawsuit. He said the SCT Joint Powers Agreement is not constitutional as the employees are not able to provide input about anything the RTA does. He said he was not able to get assistance from the State Personnel Board, county Human Resources and other Boards and resources and had to file complaints at the State level. He said he hired an attorney and has a right to sue. He encouraged the Board to talk to SCT employees, as that is where the problem lies. Several people have left SCT in the last few months and more will follow. He suggested the Board and/or Executive Committee look at issues not on the agenda and not under the provisions of the Brown Act. He said many employees are afraid to speak up.

**President Arnold** closed public comment.

**President Arnold** closed Board comment.

A-2 Strategic Business Plan Performance Measures:

**Mr. Straw** began his report by stating you cannot manage what you cannot measure. He introduced a list of achievements and results from the Strategic Business Plan. **Mr. Moores** and **Ms. Tania Arnold** jointly presented the results from July 2014 through March 2015.

**Mr. Moores** presented the first Performance Standard on page A-2-2, which is an overview of Service Quality and Efficiency. He briefly reviewed the six Standards listed, the goals and achievements. He noted on Standard 5, RTA is looking at new Route 9 and 10 express routes, service at SLO airport, and the Joint SRTP. Standard 6 focuses on overcrowding issues. The ITS system will help us more effectively monitor loads and passenger counts.

**Ms. Arnold** addressed the Standard for Revenue and Resources. This includes operating costs for the last three fiscal years, farebox recovery ratio, and capital procurements. RTA had no significant audit findings during these years.

**Mr. Moores** reviewed the Standards of Excellence for Safety, including the rate of preventable vehicle collisions not to exceed 1.0 per 100,000 miles. Also included are all safety hazards, preventable workers compensation lost-time claims, and customer perception. Standard 5 looks at risk management costs, which continue to climb each year toward the limit of 8.5%. This is largely due to insurance costs and something staff will continue to monitor.

**Ms. Arnold** reviewed the Performance Standard for Human Resources. Turnover is a significant measurement although it has remained relatively low. Standard 2 related to training and professional growth. Standard 3 deals with customer service and teamwork. She discussed “Verbal Judo” training as it relates to this measure. Finally, she provided an overview of Standard 4: Employee Evaluations.

**Mr. Straw** discussed the Performance Standards for Fleet and Facility. The first standard is to replace revenue vehicles when they are no more than 40% beyond the FTA-defined useful life. The current average fixed route vehicle is just over 5 years with an average of about 278,000 miles per vehicle. The design life of a fixed route bus is 12 years and 500,000 miles. The average Runabout vehicle is just under three years with an average of about 100,000 miles. The design life is four years and 100,000 miles. Standard 2 addresses road calls and all failures that affect the completion or beginning of a revenue trip. Standard 3 is to maintain a clean, attractive fleet. Standard 4 focuses on achieving an 80% favorable rating of bus stop appearance. The final standard is having clean audits.

The final Performance measure of the Strategic Business Plan is Leadership. **Mr. Straw** said Standard 3, promoting effective internal communications, is the hardest to measure. Senior staff members are working on ways to address this measure.

The Strategic Business Plan gives us measurable results and helps us make better decisions. Staff will likely bring this back after the Joint Short Range Transit Plan concludes.

**Mr. Straw** concluded his report.

**President Arnold** opened to Board comment.

**Vice President Marx** said she is happy RTA is working with the county to address the concerns with the lack of protection from the sun. She asked if staff had discussed the possibility of relocating or setting back the benches. **Mr. Straw** said staff met with **Mr. John Diodati** with the County Public Works department. The County doesn't want to encroach too much on the building but they are happy to have people sit on the lawns. The canopy is too small. We are looking at different options. The shelters have been there for 10 years and it's time for some maintenance. A good solution may be to use a larger canopy and remove the back wall, which will provide a breeze and allow people to sit facing in both directions.

**Board Member John Shoals** announced today is International Bike to School day. He was late arriving to the meeting because he participated in the event. On Page A-2-12, effective communication—Do you involve your front-line staff? Does this involve them and how do you provide information to them? **Mr. Straw** said the Lead Operations Supervisor shares information from the bi-weekly staff meetings. Bus operators, mechanics and others also participate in the Safety Resource Committee meetings. Getting information to the people on the street is primarily done through the supervisors. **Mr. Moores** added that senior staff adheres to an open door policy and are accessible to employees.

**President Arnold** opened public comment.

**Mr. Greening** suggested a few minor tweaks. First on page A-2-5, third line down, add "regular" to the sentence stating: There are currently no weekend trips with "regular" standees... In general, there are no standees, but it does sometimes happen. He suggested adding a standard in the section that addresses when a late bus causes passengers to miss their connection with another bus. Missing a connection can make you an hour late. This is a testament to on-time performance. Finally he went to page A-2-11, Standard 4, would be a good place to catch issues with the downtown transit center. He suggested modifying this to read, "Achieve an 80% favorable rating of bus stop appearance "and comfort" by customers and communities we serve."

**President Arnold** closed Board and public comment.

**B. ACTION AGENDA:**

**B-1 Implement RTA Employee Sick Leave Requirements:** **Ms. Arnold** briefly presented California Healthy Workplaces, Healthy Families Act of 2014, which goes into effect July 1, 2015. Any employees not currently accruing PTO will receive a sick leave accrual. The preliminary state requirement is one hour of sick time for every 30 hours worked. The accrual begins on the first day of employment or July 1, 2015, whichever is later. The maximum they can accrue is 48 hours or six days, and an employee can use 24 hours, or three days, in one calendar year. This agreement is valid through June 30, 2016.

Board Member Tom O'Malley moved to approve Action Agenda Item B-1. Board Member Marx seconded, and the motion unanimously carried on a roll call vote with Board member Bruce Gibson absent.

**B-2 Fiscal Year 2016 and 2017 Budget:** Mr. Straw introduced the two-year operating and five-year capital budgets. The first year is fiscally-constrained and subsequent years are advisory.

**Ms. Arnold** began by reading the company Mission Statement and reviewed the key values. The budget includes separate sections for San Luis Obispo County and Paso Robles services, both of which have already been approved by their jurisdictions. We will review the RTA core services. This year we faced challenges of decreased LTF by about 23% and increased service demands. The budget assumes the same levels of core service. We are proposing implementing additional express trips on Routes 9 and 10 to begin in August. Based upon the timing of service changes and bids, the schedule will remain in force until Cuesta lets out in May. There are minimal cost savings with RTA's cessation of Route 83. Route 15 is assumed to change to a deviated fixed route. There will be some cost savings, as Route 15 will assume the Runabout requirements in the area.

We have the operating reserve fund to help fund costs. LTF comes in arrears each quarter. The Federal funds come well after the close of each fiscal year. We lost the Federal Jobs Access Reverse Commute (JARC) funding. Staff adjusted the LTF for FY14-15 as a way to help minimize the impact from the loss of that funding source. There was an increase in 5307 funding from Santa Maria, which is a benefit as we have many riders going between Santa Maria and San Luis Obispo County. RTA currently uses the State Transit Assistance funds only for capital as this funding source has been in flux. We separated the express trips from the core service on the budget as a way to identify those costs. It will make it easier should funding fall short and we must look at cutting service. We also separated weekday versus weekend service for each route.

In terms of Administration, the budget is up 2.64% compare with the last fiscal year. This reflects the additional part-time staff member who will conduct functional assessments of Runabout applicants, as well as fixed route travel training for Runabout eligible riders. The benefit is ensuring those who are approved for Runabout are ADA Paratransit eligible.

The Collective Bargaining Agreement (CBA) identifies annual increases based upon longevity for bus operators, mechanics and utility workers. This agreement remains in force through January 31, 2018. Non CBA employees within their salary range will be eligible for a step merit increase.

**Ms. Arnold** presented a brief history of our workers compensation rates. When the agency went in-house in 2009, we were highly rated because we had no actuarial loss data. We are approaching our sixth year and now have five years of data to be actuarially rated. We had some significant losses in 2012. She discussed a comparable agency with similar size and service within the insurance pool. That agency is rated 8, whereas RTA is rated 9. We will be looking at cost-savings options in the near future.

She suggested changing the deductible for each loss as a way to mitigate these costs. This will require a reserve, which will be discussed at a future meeting.

Fuel continues to come in under budget. We are budgeting \$4.10 per gallon, as we don't expect the lower fuel costs to last long term. Any surpluses roll forward into the next fiscal year. The ITS project is fully funded, but will not be completed by June 30, 2015. Any portion not yet completed will be carried over into FY15-16. Staff does not yet know the exact amount will be carried forward. However it will not have any impact on local jurisdictions. She reviewed the budget calendar, from the Budget Assumptions Executive Committee meeting February 11 to present.

Page B-2-13 is the operating revenue sources. We come into the new fiscal year with a fund balance of \$1.01 Million, which will be rolled over. **Ms. Arnold** reviewed the LTF trend line over the last several years as a way to see how this balance fluctuates. Page B-2-15 is the capital revenue. Federal funding comes in at just over \$1.5M.

Page B-2-16 outlines Administration and Service Delivery expenditures. Labor costs are \$5.56M, the largest chunk of the budget. Page B-2-17 shows capital expenditures. She presented a bar graph showing the vehicles purchased by type over the last few years going forward into FY18-19. Future vehicle procurements are currently unfunded. She reviewed some of the line items on this page. Of the \$31,100 listed under facility improvements, 21% is for the Paso Robles Park-out and Depot. We will need to find a new location to park both RTA and Paso Express vehicles in the future. There are two big items under maintenance equipment: GFI test bench, and a new forklift. Bus stop improvements are a high priority. The Route Match call-back system is technology we want to acquire to help keep Runabout costs down. Finally, the loan payoff date was adjusted when we extended the lease at our current facility. This reduced monthly payment releases some funds to be allocated elsewhere. She advised of some coming expenses related to facility environmental planning in the next couple of years.

The following pages break out the budget by route. Page B-2-21 is the Runabout budget. The budget for FY15-16 was adjusted down somewhat, to \$3.6M from the projections provided last year. B-2-22 shows the costs for additional Route 9 and 10 express trips. B-2-23 covers the County services, which are approved and paid for by the county. Page B-2-24 shows the costs for Paso Express and Dial-A-Ride services in North County. These do not affect the RTA budget.

**Ms. Arnold** concluded her report.

**President Arnold** opened to Board comment.

**Board Member Steve Martin** inquired if staff has received a definitive date when the lot at 4<sup>th</sup> and Pine streets in Paso Robles will change ownership. **Ms. Arnold** said RTA staff does not yet know, but are preparing for the future.

**Board Member Higginbotham** pointed to page B-2-14 and noted the significant increase to jurisdictions for the proposed operating budgets for FY15-16 and FY16-17. To what is this attributed? **Ms. Arnold**

noted anticipated expenses in FY16-17 are partly due to increases in Runabout costs. Also the current year's projected budget surplus offsets some costs for FY15-16. **Board Member Higginbotham** asked for clarification of costs on page B-2-16. She observed this line item jumped \$2M from FY13-14 to FY14-15. **Ms. Arnold** said these numbers are the total operating budget for those years. The FY14-15 budget includes Paso services, which are in excess of \$1M, causing most of the increase. She said page B-2-14 more clearly compares the RTA service delivery for those years. **Board Member Higginbotham** inquired how staff will gauge the effectiveness of the new part-time staff member. **Mr. Straw** noted staff members went up to MST to view their practices. The goal of this person is to help ensure Runabout applicants are Paratransit eligible, but they will also provide travel training on the fixed routes. This will help them be more comfortable with riding the fixed routes when they can.

**Board Member Shoals** revisited page B-2-14, which lists all the different proposed budgets. He asked for clarification as to what amount the RTA Board is actually adopting. **Ms. Arnold** said SLOCAT (County) and North County (Paso Express, DAR) are separate and have already been adopted. RTA staff is requesting the Board approve the operating budget totaling \$8.4M. **Board Member Shoals** inquired why page B-2-16 lists a contingency, rather than putting the funds into reserves. **Ms. Arnold** said we've done a contingency in the past and this was addressed when we looked at the reserve policy last year. It is a small part of the operating budget, but we left it in partly because of fuel. It provides some flexibility. **Board Member Shoals** asked if the PowerPoint graphics might be available to the Board Members and public as a way to help them better understand the budget. **Ms. Arnold** said yes.

**President Arnold** commended Tania for her commitment to detail and excellence, and a job well done.

**President Arnold** opened public comment.

**Mr. Ron De Carli**, SLOCOG, offered support for the RTA, saying they provide good, cost effective services. They have been able to keep costs down and realize savings. The audits are consistently clean. RTA continues to boost ridership. We concur with the budget assumptions and will continue to work closely with RTA. SLOCOG staff believes LTF will bounce back. We urge the Board to approve this budget

**Mr. Greening** thanked **Ms. Arnold** for her presentation and a job well done. He asked for reassurance that the part-time person would help train RTAC to serve as an appeals body. Where is the line between access and convenience? That person will need to walk the line when determining who can ride fixed routes and who needs paratransit service. This must be done fairly and compassionately.

**President Arnold** closed public and Board comment.

**Board Member Marx** moved to approve Action Agenda Item B-2. **Board Member Higginbotham** seconded, and the motion unanimously carried on a roll call vote with Board Member Bruce Gibson absent.

**C. CONSENT AGENDA:**

**President Arnold** asked **Mr. Pucci** if he would like to step up and speak again about item C-13. **Mr. Pucci** declined.

**President Arnold** pulled Item C-13 and asked Counsel to respond to comments **Mr. Pucci** made about the Executive Director's contract and possible labor violations.

**Mr. Tim McNulty**, County Counsel, said **Mr. Pucci** is a former employee of South County Transit. Since the time of separation from the agency, he has filed requests for investigations with three state agencies. One has assigned an investigator, which is something they are required to do. We are awaiting response from the other two agencies. At this point, it is far too early to tell if these investigations lead to anything that needs to be resolved. If they do, we will take it up with the South County Transit Board.

- 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 Disadvantaged Business Enterprise Goal Methodology (Approve)
- C-6 Contract with AGP Video Production of Board Meetings (Approve)
- C-7 Estoppel Agreement for 179 Cross Street Lease (Acknowledge)
- C-8 Authorize Executive Director to Submit Letters of Support to:
  - Department of Labor regarding PEPRA and FTA Grants (Approve)
  - SB508 (Beall) Transportation Funds & Transit Operators (Approve)
  - AB1706 (Eng) Bus Axle Weight Restrictions (Approve)
- C-9 Prop 1B Safety and Security (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)
- C-13 Amended Contract with Executive Director (Approve)

**Board Member Frank Mecham** moved to approve Consent Agenda Items. **Board Member Tom O'Malley** seconded, and the motion carried on a roll call vote with Board Member Bruce Gibson absent.

**D. CLOSED SESSION:**

D-1-1 None

**Open Session:**

**BOARD MEMBER COMMENTS:**

**Board Member O'Malley** expressed concerns about the budget projections for FY16-17. He commended **Mayor Martin, Supervisor Mecham, Supervisor Arnold** and **Mayor O'Malley**, for kicking in \$100 for "The Missing Link", an upcoming bike event in North County.

**Board Member Compton** commended **Ms. Arnold** for an excellent presentation.

**Board Member Higginbotham** invited everyone to ride in the second annual Paul Teixeira Memorial Bike Ride tomorrow at 7 a.m. The group will be riding from Pismo Beach City Hall to the downtown Government Center.

**Board Member Marx** thanked **Ms. Arnold** and staff for presenting a great budget. She mentioned the need for transit service to the San Luis Obispo Airport, which is now running jets. The arrival and departure times have changed. The nearest bus stop is a bit far. She hoped RTA and SLO Transit will address this need in the Joint SRTP. She also urged consideration for Cal Poly students and other large groups that may come through the airport.

**Board Member Irons** congratulated **Mr. Bray** for his nomination and comments.

**Board Member Shoals** said he wasn't here to hear **Mr. Pucci's** comments. He expressed concerns about these issues from a front line employee. Although not really an RTA issue, he said he wants to get more details about the situation. I want to make sure we are doing what we say are doing. Staff morale is significant, whether it is SCT or RTA.

**ADJOURNMENT:** **President Arnold** adjourned the RTA meeting at **10:30 a.m.**

Respectfully Submitted,

Anna Mafort-Lacy  
RTA, Administrative Assistant