

REGIONAL TRANSIT AUTHORITY EXECUTIVE COMMITTEE AGENDA

PLEASE NOTE THE DATE, TIME, AND LOCATION:

Wednesday, February 11, 2015

10:00 a.m. – 11:30 a.m.

SLOCOG Conference Room
1114 Marsh Street
San Luis Obispo, California

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

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act (ADA) may request such accommodations to aid hearing, visual, or mobility impairment (including Limited English Proficiency [LEP]) by contacting the RTA offices at 781-4472. Please note that 48 hours advance notice will be necessary to honor a request.

- 1. Call Meeting to Order, Roll Call**
- 2. Public Comment:** The Committee reserves this portion of the agenda for members of the public to address the San Luis Obispo Regional Transit Authority Executive Committee on any items not on the agenda and within the jurisdiction of the Committee. Comments are limited to three minutes per speaker. The Committee will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.
- 3. Information Items**
 - A-1 Executive Director's Report (Information)
- 4. Action Items**
 - B-1 Fiscal Years 2016 and 2017 Budget Assumptions (Action)
- 5. Consent Items**
 - C-1 Executive Committee Meeting Minutes of October 15, 2014 (Approve)

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

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

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

Information Items

- A-1 Present RTA Photograph to Past President Higginbotham (Recognition)
- A-2 Executive Director's Report (Information)

Action Items

- B-1 Fiscal Years 2016 and 2017 Budget Assumptions (Action)

Consent Items

- C-1 RTA Board Meeting Minutes of January 7, 2015 (Approve)
- C-2 Executive Committee Meeting Minutes of October 15, 2014 (Approve)
- C-3 Draft RTAC Minutes of January 15, 2015 (Approve)
- C-4 Contract with Sunrise Consulting for ITS Project Management (Approve)

Closed Session Items

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

- 1. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code Sec. 54957.6(a)):
Negotiating Party: Debbie Arnold
Unrepresented Employee: Executive Director
- 2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code Sec. 54956.8):
Agency Negotiators: Geoff Straw
Under Negotiation/Discussion: Price and Terms of Payment
Property: 179 Cross St., San Luis Obispo, CA APN: 053-041-027
Negotiating Party: Cornerstone Development, LLC

7. Closed Session Items – It is the intent of the Executive Committee to meet in closed session concerning the following items:

- a. **CONFERENCE WITH LABOR NEGOTIATOR** (Gov. Code Sec. 54957.6(a)):
Negotiating Party: Debbie Arnold
Unrepresented Employee: Executive Director
- b. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR** (Gov. Code Sec. 54956.8):
Agency Negotiator: Geoff Straw
Under Negotiation/Discussion: Price and Terms of Payment
Property: 179 Cross Street, San Luis Obispo, CA (APN:053-257-032)
Negotiating Party: LTC of SLO, Ltd.

9. Adjournment

Next Executive Committee Meeting: **April 15, 2015**

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

February 11, 2015

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Executive Director's Report

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Accept as Information

BACKGROUND/DISCUSSION:

Operations:

RTA selected Jorge Hernandez as our Employee of the Quarter at its January training session. Jorge received nominations from Route 10 riders and his co-workers, which stated their appreciation for his professional and friendly demeanor. Jorge will join us at the March 4, 2015 Board meeting.

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

RTA implemented the new Runabout fare structure on February 1st. Prior to its implementation, we trained Schedulers, Dispatchers and Bus Operators on the new fare program so that they could provide good information to riders. We also posted a notice in each Runabout bus and provided Bus Operators with a concise fact sheet. We then sent a letter to each registrant explaining the reasoning behind the fare changes, as well as the Board's decision to cap the maximum fare at twice the Regional Day Pass price. To date, we have not encountered any pattern of complaints.

I have served on the Transportation and Circulation Committee as part of Cal Poly's Master Plan Update since October. To date, no concrete proposals have been adopted, although I believe it is fair to say that there is a strong appetite to enhance public transportation services to the campus.

At its January 15th meeting, the Regional Transportation Advisory Committee supported staff's proposed marketing plan for the February 1st revised Runabout fare program, and discussed RTAC's role in the joint RTA/SLO Transit Short Range Transit Plans (SRTP) study. The April 16th RTAC meeting will include a review of the draft FY2015-16 and FY2016-17 Budget, as well as an update on SRTP activities.

Maintenance:

RTA has sold two 2008 Cutaway vans through eBay auctions in the past month. Two additional Runabout vans and two staff cars will be sold through auction in the coming weeks.

RTA is fully utilizing its vehicle maintenance software system supplied by Ron Turley Associates. Analysis of the first 90 days' data suggests the following:

1. The seven 2013 Gillig low-floor fixed route buses exhibit 27% better fuel mileage (5.7 vs. 4.5 mpg) than the older buses being replaced. In general, a newer drivetrain will achieve better efficiency than one in a well-worn vehicle. Nevertheless, newer technologies have focused on improved fuel efficiency in recent years.
2. The Runabout vans and minivans total vehicle maintenance costs per mile – including labor and fuel, but not depreciation – is roughly twice that of the fleet of fixed route buses (\$0.89 vs. \$0.44).

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

Service Planning & Marketing:

Based on public input received at the January Board meeting and an analysis of ridership patterns, RTA will begin operating a Saturday schedule in lieu of a Sunday schedule for the days before and after Christmas and New Years Day (unless either of those days lands on a Sunday).

RTA, with guidance from the Study Steering Committee, has selected LSC Transportation Consultants (with sub-consultant AECOM) to conduct the Joint SLO Transit / RTA Short Range Transit Plans study. The on-bus passenger surveys will be conducted on all SLO Transit and RTA buses the first week of March, and the first working paper is expected in mid-April. This Caltrans-funded study should be completed in April 2016.

Finance and Administration:

Staff will provide preliminary financial and operating data through December 31st at the February 11th RTA Board meeting.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

February 11, 2015

STAFF REPORT

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

BACKGROUND/DISCUSSION:

The following report outlines staff's recommended budget assumptions for RTA's Fiscal Year 2015-16 and 2016-17 Operating Budget, and it is the first step in the development of our operating budget and operating program. It should be noted that RTA is again developing a two-year operating budget and five-year capital budget. As in past years, only the first year would be financially-constrained, while the out-years should be considered advisory. Upon the Board's guidance and approval of these assumptions, staff will prepare a detailed report along with preliminary budget numbers for presentation to the Executive Committee at their April 15th meeting prior to the final draft budget presentation to the Board in May.

Objectives

- Maintain service levels and hours of service that meet the demand of our customers and communities through the effective and efficient delivery of RTA Fixed Route and Runabout core services.
- Continue to monitor reserves using the adopted policy from May 2014.
- Continue to work with the SLOCOG efficiencies committee in evaluating region-wide service efficiencies.
- Evaluate options and provide analysis on the 5-year capital improvement program and methods to fund these needs.
- Address overcrowding on Fixed Route runs during peak travel periods.
- Address a projected slight increase in demand for Runabout service.
- Implement RTA's strategy to develop a long-term administrative, operations and maintenance facility.

Revenue

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

Expenses

- During the FY14-15 staff assumed two additional express trips on the Routes 9 and 10. For FY15-16 service levels, the total number of revenue service hours,

miles and span of service for RTA Fixed Route services will be budgeted at levels assumed in FY14-15. A caveat is that additional express runs might be necessary on Routes 9 and 10 to meet increasing demand and to reduce overcrowding during peak travel periods; if necessary staff would seek a budget amendment to address those service demands during the fiscal year.

- Runabout service hours and miles are projected to require a minimal increase based on recent demand trends. This reflects a change from the past two fiscal years, which required significant Runabout service level increases due to burgeoning demand. In short, it will be less than what was previously presented during the FY14-15 budget presentation as projected for Runabout in FY15-16.
- Should staff be unable to secure adequate funding to operate core Fixed Route and Runabout service levels, a reduction of service would be proposed and/or a potential increase in LTF funding would be requested for the Board's consideration.
- Detailed miles/hours and span of service for each fixed route and Runabout will be provided with the draft budget. In addition, detailed budgets based on miles/hours and span of service will be provided separately for SLO County Services and North County Consolidated Services.
- Staff will use the 2015-17 RTA Strategic Business Plan, the 2010 Fixed Route Performance Standards, the 2012-15 RTA Service Improvement Program, as well as the findings from the 2010 Short Range Transit Plan, to evaluate potential efficiencies and with Board concurrence implement efficiencies during the course of the two fiscal years.
- Fuel consumption and price will be budgeted conservatively; diesel fuel will be budgeted at \$4.10 per gallon. Included in the fuel line item will be diesel exhaust fluid (DEF), used to lower diesel exhaust emissions on the newer Fixed Route vehicles.
- CalTIP liability premiums will be increased 10% annually.
- Workers Compensation premiums are projected to increase 18%, with the realization that workers compensation for transit services is especially challenging statewide. Staff will be working with our broker on this in an effort to obtain a better number prior to April. We continue to work with our employee committee that has evaluated work comp injuries and has initiated a proactive program to address the number of claims and severity of the claims that we have had during the last year. It is expected that this effort will hasten the return of employees back to work following lost-time work-related injuries.
- For FY15-16 core RTA services, the number of budgeted positions will remain essentially the same as FY14-15. To ensure that only those persons truly eligible for the service are initially registered or re-registered, staff will include the additional resources of a part-time staff position to conduct functional assessments as part of the Runabout application process. This person or persons would also provide mobility training for disabled persons who are able to use Fixed Route services for some or all of their travel needs. Prior to beginning

the recruitment process, RTA will complete an internal “360 review” of the organizational structure so these new functional assessment responsibilities are assigned to the appropriate position. Should revenue projections in April 2015 indicate that FY15-16 revenue is down, there will be a requisite reduction in the number of FTE’s and service levels based upon projected revenue.

- For FY15-16, the overall number of budgeted positions for the North County and SLO County services will remain the same. It should be noted that the marginal costs and revenues the services will be treated in the budget the same way as FY14-15: as separate and distinct columns.
- Staff is still closely monitoring the anticipated impacts of the Affordable Care Act on both the number of employees and the costs of per-employee healthcare costs. For budget-making purposes, staff is assuming an 8% annual increase for healthcare costs for each of the next two fiscal years.
- Based on the current projected funding, a 2% annual inflationary adjustment will be budgeted for non-union employees; the new four-year Collective Bargaining Agreement has already identified annual increases based upon longevity for Bus Operators and Mechanics. Employees within the salary range for their position will be eligible for a step merit increase subject to performance assessments.
- RTA will work with SLOCOG staff and members of the Regional Efficiencies Committees to evaluate efficiencies in the provision of service throughout the county.

Proposed Budget Calendar

February 11	Detailed budget assumptions and revenue forecast to Executive Committee
March 4	Obtain Board concurrence on proposed draft budget assumptions
March 4	Provide mid-year FY14-15 Budget data to Board with any recommended budget amendment.
March 31	Based on feedback from Executive Committee draft FY15-16 Budget Draft complete.
April 15	Draft FY15-16 Budget presentation to Executive Committee
April 16	Formal FY15-16 Budget presentation to RTAC
May 6	Final Board Budget presentation; Board adoption of FY15-16 Budget

Staff Recommendation

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



San Luis Obispo Regional Transit Authority
Executive Committee Meeting
Minutes 10/15/2014
C-1

Members Present: Shelly Higginbotham, President
Debbie Arnold, Vice President
Frank Mecham, Past President

Members Absent:

Staff Present: Geoff Straw, Executive Director
Anna Mafort-Lacy, Administrative Assistant
Tim McNulty, County Counsel

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

1. Call to Order and Roll Call:

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

2. Public Comments:

Mr. Eric Greening, Atascadero, said he is looking forward to the Regional Transit Advisory Committee (RTAC) meeting tomorrow, when we will discuss the joint Short Range Transit Plan for RTA and SLO Transit, as well as feedback to date about the public input for the Runabout fare increase.

3. Information Items

A. Information Items:

A-1 Executive Director's Report

Mr. Straw began his report by announcing the next Employee of the Quarter BBQ is October 31. Everyone is invited to dress up for Halloween. The winner will join us at the November 5 Board meeting. He briefly reviewed the four key topics for discussion at the upcoming RTAC meeting.

RTA sold two cutaway vans through eBay and staff is preparing to list three more for sale in the coming weeks. The maintenance software is up and running as of September 1, and staff expects to have robust information at the January Board meeting.

The Mobility Management Summit is scheduled for October 23. **Mr. Ron DeCarli**, SLOCOG, asked if there would be a requirement if enough Board members participated in the workshop to have a quorum. **Mr. Tim McNulty**, County Council, said that was correct. We would be required to adjourn to the workshop in that instance. **Mr. DeCarli** noted we would not have a quorum, but wanted to raise the question just in case it happens now or in the future.

RTA completed its annual fiscal and compliance audit. No significant findings or material weaknesses were found. Staff will present preliminary financial and operating data through September 30 at the November 5 Board meeting. Ridership continues to climb, and we need more capacity on Routes 9 and 10. We typically have 20-30 standees per day, which is high.

The RTA Property Subcommittee will meet at 9 a.m., on October 24 to discuss the current lease arrangements, downtown Transit Center progress and environmental planning for the new facility.

Mr. Straw concluded the Executive Directors report.

A-2 Update on Runabout Fare Increase Public Input Effort

Mr. Straw gave a brief verbal presentation on outreach efforts to solicit public input on the Runabout fare increase.

Mr. Greening said he is hoping respondents to the proposed Runabout fare increase will give constructive alternative suggestions on how to contain costs.

Past President Frank Mecham noted the issue with Runabout demand affects the entire operation. **Mr. Straw** answered that it will require more money or reduced fixed route service, such as eliminating the first morning and last evening trip on weekday and/or weekend service. This in turn will reduce the operating time for Runabout.

The committee continued discussions about the Runabout service and how to mitigate expenses. Staff will likely recommend hiring a part time mobility coordinator in FY15-16.

4. Action Items

B-1 Resolution to Submit Application for State Prop 1B Funds

California Proposition 1B has approximately \$2.1M available to San Luis Obispo County for transit-related capital projects and \$213,000 for safety and security projects. Staff is requesting authorization to apply for the maximum funds available.

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

5. Consent Agenda Items

C-1 Executive Committee Meeting Minutes of August 13, 2014

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

6. Agenda Review:

Mr. Straw reviewed the Board agenda for the meeting of November 5, 2014.

7. Closed Session Items:

None

8. Open Session:

None

9. Adjournment: **President Higginbotham adjourned the meeting at 10:40 a.m.**

Respectfully Submitted,

Anna Mafort-Lacy
Administrative Assistant

Acknowledged by,

Shelly Higginbotham
RTA President