



REGIONAL TRANSIT AUTHORITY EXECUTIVE COMMITTEE AGENDA

Wednesday, July 13, 2022

Approximately 11:00 a.m. (*following SLOCOG meeting*)

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) by contacting the RTA offices at 781-4833. Please note that 48 hours advance notice will be necessary to honor a request.

1. **Call Meeting to Order, Roll Call**
2. **Public Comment:** The San Luis Obispo Regional Transit Authority Executive Committee reserves this portion of the agenda for members of the public to address 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. **Closed Session**
CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code § 54957.6)
Agency designated representatives: Geoff Straw, Executive Director
Employee organization: Teamsters Local Union No. 986
4. **Consent Items**
A-1 Executive Committee Meeting Minutes of April 6, 2022 (Approve)
5. **Information Items**
None
6. **Action Items:**
None
7. **August 3, 2022 Draft RTA Board Agenda:** The Executive Committee is asked to review and comment on the proposed agenda items August 2022 Board meeting.

Closed Session Item:

CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code § 54957.6)
Agency designated representatives: Geoff Straw, Executive Director
Employee organization: Teamsters Local Union No. 986

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

Consent Items

- A-1 RTA Board Meeting Minutes of May 3, 2022 (Approve)
- A-2 Ratification of Agreement for HVIP Funds (Approve)

Information Items

None

Action Items

None

8. Adjournment

Next RTA Executive Committee Meeting: **August 10, 2022**



San Luis Obispo Regional Transit Authority
 Executive Committee Meeting
 Minutes 04/06/2022
 A-1

Members Present: Debbie Arnold, District 5 Supervisor, **Vice President**
 Ed Waage, City of Pismo Beach, **President**

Members Absent: John Peschong, District 1 Supervisor

Staff Present: Geoff Straw, Executive Director
 Tania Arnold, Deputy Director and CFO
 Jenni Wilkes, Interim Administrative Assistant
 Jon Ansolabehere, County Counsel
 Pete Rodgers, SLOCOG

Call to Order and Roll Call: **President Ed Waage** called the meeting to order at 10:58 AM and roll call was taken. A quorum was present.

Public Comment: **Mr. Eric Greening** thanked Tania and staff for putting together an RTAC agenda including the proposed budget with plenty of time to be reviewed. **Mr. Greening** expressed his thanks to the entire RTA staff for continuing to be safe and professional despite an understaffed driving force.

1. Consent Items

A-1 Executive Committee Meeting Minutes of February 9, 2022 (Approve)

Vice President Debbie Arnold made a motion to approve consent agenda item A-1. **President Ed Waage** seconded the motion. The motion passed unanimously.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
DEBBIE ARNOLD	X		
JOHN PESCHONG			X
ED WAAGE	X		

2. Information Items

B-1 Executive Director's Report (Verbal, Receive)

Mr. Geoff Straw updated the Board on how the most recent census data could reclassify the two of the three urban areas within the County. Based on new Census Bureau criteria initial evaluations show that the north and south areas no longer qualify as urban. The FTA may accept the determinations made by the census and lower our ability to use the 5307 funds. We would still be about to access the 5311 funds, but the levels of revenue are significantly different. Essentially the area would lose \$3.2 million of urban funding while picking up several hundred thousand in rural area funding. RTA has reached out to Congressman Carbajal as well as Assemblyman Cunningham and Senator Laird's offices. The Department of Transportation stated that the funding is secure for this fiscal year (2021-2022). The real problem would exist for fiscal year 2022-2023. He went on to mention Mr. Greening's comment from earlier today when he stated that the TDA funds are for transit first, then streets and roads. **Mr. Straw** stated that he believed existing services are unmet needs that are reasonable to meet. It could really impact the cities as they would have less TDA available. He clarified that there was an important balance to maintain and he would do whatever he could to minimize the impact. **President Waage** asked what the deadline was for the FTA to take a position on the funding. **Mr. Straw** replied that according to the Department of Commerce website the determination would likely be in July. It's really the issue of the following fiscal year; funding appropriations for 2022-2023 wouldn't be made until April 2023. **Vice President Arnold** asked if other areas in the state were also affected. **Mr. Straw** replied that there were three other urbanized areas in California that would be on the brink according to current analysis and committed to sharing more information as it becomes available.

Mr. Straw informed the Committee of recent staffing changes. After several years with RTA our Human Resource Officer (HRO) gave notice last month. Shelby Walker is serving as the interim HRO, with a past RTA employee temporarily filling in as the Interim Administrative Assistant during the hiring process. The application for HRO will close on April 22nd. He mentioned that the RTA is also recruiting for an Accounting Tech position with that recruitment closing April 7th. **Mr. Straw** shared the news that an offer was just extended to fill a vacant Utility position.

Mr. Straw notified the Committee that he will seek to end the COVID-19 Fiscal Emergency at the upcoming Board meeting. He stated that he does not expect emergency service changes, or emergency purchases with the current protocols in place. He will also be bringing the agreement for the Elks lane realignment project to the May Board.

Finally, **Mr. Straw** informed the committee of the continued delays with Caltrans on funding. Two million dollars of promised funds from last April have not been reimbursed. He shared that staff had been working with state associations, SLOCOG and District 5 to keep funds flowing, but it may not be enough to avoid service cuts. If cuts are needed it will be brought before the Board.

Public Comment: **Mr. Greening** expressed concern regarding the possible undercount of the last census. He asked if the numbers were close enough that a more accurate count could raise them above the threshold. **Mr. Straw** answered that guidelines have changed from population to housing units. The population is applied after housing threshold has been met. **Mr. Greening** pointed out that the rising cost of housing is causing more people to share housing, and that may be a case to make when looking at the data.

B-2 Bus Maintenance Facility Progress Update (Verbal, Receive)

President Waage asked if there was any update to the transit bus maintenance facility. **Mr. Straw** replied that they are still working on the electric vehicle recharging as well as some punch list items. He also shared that the mask mandate on buses and transit facilities has been extended to April 18th. A new ruling from the CDC is expected within the next couple weeks.

Public Comment: None

3. Action Items

C-1 Fiscal Year 2022-23 Budget Assumptions (Approve)

Ms. Arnold thanked the Committee for their support. She stated that the report outlines staff's recommended budget assumptions for the RTA's Fiscal Year 2022-2023 operating and capital budget. There are separate columns in revenue and expense tables for South County Transit, Paso Robles Services as well as county funded transit services. Core RTA services are broken into weekday, Saturday, and Sunday to better understand the financial commitment based on the same level of services adopted in the current fiscal year. Some of the key issues that were included in the budget assumptions include the impacts of the COVID-19 pandemic. We have been relatively fortunate related to workers compensation it is in line with previous fiscal years without incurring significant increases. General liability will also remain relatively flat we have been working with our employee committee on evaluating workers safety. Property insurance is going up but that is a result of owning the facility. With the leased facility we only had to cover a portion of that. We continue to focus on Runabout cost containment. Runabout is quite expensive so we are continually reevaluating options to keep that cost down. We are working to address staffing and retention specifically with the bus operator classification. We have introduced new training for diversity, equity, and inclusion. As well as recommending a new paid family leave program. This low cost program keeps us competitive in hiring, and retention.

The second key issue is the collective bargaining agreement. The current one year extension expires December 31, 2022. Staff will work with the board to identify an appropriate approach to that negotiation. We are aiming to start the negotiation this summer. Included is an inflationary adjustment for non-union employees, and it's included at 6.6%. Some items of note related to the cost of living versus the merit. The merit increase in the budget is about \$37, 500 for the non CBA employees the cost of living increase of 6.6% is \$78,500 for all CBA employees dropping the COLA to 4% is about \$48,280 a savings of about \$30,000. Most of the wage increases that we are talking about included in the budget are for CBA employees non CBA employees are a relatively small number of employees overall. Benefited full time positions are staying the same, we are proposing some realignments. During the pandemic we adjusted a utility position to do more cleaning of touch surfaces. At this point we have installed ionizers and are no longer doing the same kind of sanitizing labor wise. Staff have identified a Parts Clerk. This position was previously identified in the June 2020 performance audit. We find there will be significant savings in a dedicated parts clerk, as currently all our mechanics order their own parts. **Mr. Straw** agreed that it had been identified in the triannual performance audit. It is the right time to do it with the new facility. The Parts Clerk will not only be able to find the best price, but handle the inventory too. The HR manager position will be pulled from the agenda and brought forth at a later time. **Vice President Arnold** expressed her appreciation for all the thought staff put into looking at cost savings measures.

Ms. Arnold discussed the implementation of zero admission bus technologies. She informed the Committee that two buses purchased in 2008 have been identified to be replaced with zero emission

battery electric buses. The RTA was also recently awarded a FTA section 5339(b) grant for the replacement of five diesel buses. As part of that, the buses included in the budget as replacing with like kind and staff hasn't included the additional funding yet because there will be a differential and we have to develop the local match plan. Once we have the full funding plan we will bring it back to the Board.

The RTA has been able to leverage STA as the local match on more projects keeping local funding available for other operations. Staff continues to apply for competitive funds from SLOCOG under the State of Good Repair program. Staff has also applied for funding toward solar panels for the canopies at the new facility and if awarded a finalized funding plan will be developed and presented to the Board.

Ms. Arnold stated that LTF funds are the last place we go for funds. There is one exception the capital budget does include LTF of about \$84,000 that number is based on the requirements of the TIFIA loan. TIFIA has to be paid back with local funds it can't be paid back with federal loans. There is LTF identified in the budget to finance that. Included in the staff report is the amounts we have projected over the years for LTF so it a significant jump the previous few years. With CARES, and the recovery act fund we have been able to reduce our LTF requirement. It is still in alignment to our projected LTF needs.

Fuel Costs continue to be volatile, in the original budget assumptions we budgeted at \$4.30 last year it was budgeted at \$3.30 per gallon we have bumped that to \$4.80 to be more in line with the current conditions. **Mr. Straw** pointed out that RTA buses are exempt from state tax at a savings of around 50 cents a gallon. **President Waage** asked if fuel was contracted to which **Mr. Straw** replied that yes RTA does have a contract. **Ms. Arnold** noted that staff is continuing to monitor fuel prices and will bring it back to the Board if the budget needs amending.

We continue to look at replacing vehicles but there is no expansion within this budget. The one planning item is that we do have a Short Range Transit Plan that would be done in conjunction with SLO Transit as well as Atascadero. Information from the recent South County Short Range Transit Plan would also be included. This would help us look at the needs of the region.

Ms. Arnold concluded her budget update by stating it would be a particularly challenging year with continued financial uncertainty. Staff will be paying close attention to the impact of the federal funds. The recommendation for the Executive Committee is that you recommend staff provide the Fiscal Year 2022-2023 budget to the Board for approval at the May, 4 Board meeting. **Mr. Straw** thanked staff for putting the budget together. He stated the issue of the COLA deserves a little more discussion in this committee. **President Waage** agreed that he would be in favor of the 4%, it's a challenging time but there is some balance between being competitive enough to attract employees and prudent with uncertainties. **Vice President Arnold** expressed concern with a 4% COLA. She stated that the question itself mattered. While **Vice President Arnold** could agree with sending the budget on to the full Board she didn't feel comfortable approving as written. **Mr. Straw** explained that one of the challenges is compression the CBA employees recently got a 7.1% increase as part of their negotiations causing compression with non-union employees. That is a challenge we will have to deal with at some point, we will not have the ability to competitively recruit.

Public Comment: **Mr. Greening** noted the possibility of a split recommendation by the Committee. At a difficult time like this justification can be made for just about any opinion. He went on to express the merits of at least a 4% COLA. Simply because the environment is very competitive. We want to retain and appreciate the good people we have.

President Waage made a motion to approve agenda item C-1 at the proposed COLA rate of 4%. The motion failed for lack of a second.

4. **Mr. Straw** went over the agenda for the April 21, 2022 Board meeting agenda. Noting the removal of The Human Resources Manager Designation on Consent A-6 as it would not be brought before the Board leaving only the Parts Clerk as discussed. A-9 will be the removal of the Fiscal Emergency Declaration from April of 2020. **Mr. Straw** stated there would likely be a closed session item regarding the litigation on the 179 Cross street property.

Public Comment: **Mr. Greening** stated he looks forward to the meeting and reviewing the information in RTAC. He asked the committee to be as generous as possible with the union negotiations. To be cautious of thwarting the ability to staff the service.

Vice President Debbie Arnold made a motion to approve the draft agenda for May 4, 2022 as amended. **President Ed Waage** seconded the motion. The motion passed unanimously.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
DEBBIE ARNOLD	X		
JOHN PESCHONG			X
ED WAAGE	X		

5. **Closed Session:**
PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov. Code § 54957(b))
Title: Executive Director

The committee went into closed session at 11:47 a.m. and returned from closed session at 11:57 a.m.

6. **Adjournment**
The meeting was adjourned at 11:58 AM.

Next RTA Executive Committee Meeting: **June 8, 2022**

Respectfully Submitted,

Acknowledged by,

Jenni Wilkes
Interim Administrative Assistant

Ed Waage
RTA Board President 2022

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