



**AGENDA**  
**REGIONAL TRANSIT ADVISORY COMMITTEE**

**Tuesday, July 18, 2017**  
**2:00 p.m. – 3:30 p.m.**  
**\*\*\*PLEASE NOTE THE DATE\*\*\***  
**San Luis Obispo Council of Governments**  
**1114 Marsh Street**  
**San Luis Obispo, CA 93401**

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 your request.

**1. CALL MEETING TO ORDER, ROLL CALL**

**2. PUBLIC COMMENTS:** This portion of the agenda is set aside for any members of the public to directly address the Regional Transit Advisory 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. A. INFORMATION AGENDA ITEMS:**

- A-1 Executive Director's Report (Verbal)
- A-2 Revisions to North Coast Services (Verbal)
- A-3 Public Participation Plan for Proposed Changes to RTA Fare Program (Receive)
- A-4 Member Comments / Reports from Jurisdictions (Verbal)

**B. ACTION AGENDA ITEMS:**

None

**C. CONSENT AGENDA ITEMS:**

The following item is considered routine and non-controversial by staff and will be approved by one motion if no member of the RTAC or public wishes the 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 RTAC members, without the removal of the item from the Consent Agenda. Staff recommendations for each item are noted following the item.

C-1 RTAC Minutes of April 19, 2017 (Approve)

**D. ADJOURNMENT**

**Next Meeting: October 19, 2017 2:00 p.m.**

**REGIONAL TRANSIT ADVISORY COMMITTEE**

**July 18, 2017**

**STAFF REPORT**

**AGENDA ITEM:** A-3

**TOPIC:** Public Participation Plan for Proposed Changes to RTA Fare Program

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

**BACKGROUND/DISCUSSION:**

The RTA Board of Directors authorized staff at its July 12<sup>th</sup> meeting to conduct public outreach for a proposed fare increase. Staff is presenting the public outreach plan below to the RTAC for comment, and to prepare members for its role in making the final recommendation at its October meeting.

As background, when the RTA Board adopted the FY17-18 annual budget at its May 2017 meeting, State Transit Assistance (STA) funding projections were anticipated to be down by 20%, while Local Transportation Fund (LTF) revenues were projected to be flat. The (failed) Measure J spending plan adopted by the SLOCOG Board included a program to “buy down” RTA fares, which could have staved off most or all of the proposed fare increase. Although staff has done a good job of containing costs, certain line-items (such as employee health insurance, union negotiated wages, vehicle maintenance costs, and liability insurance) have increased greater than the rate of inflation over the past several years.

Due to these flat or declining public transportation revenues at the local, State and Federal level, the RTA FY17-18 budget assumed a net increase of 5% in annual fare revenues, or approximately \$66,000. To meet this requirement, staff is recommending that the Board consider a fare program change at its November 1, 2017 meeting; the fare changes would be implemented on or about December 31, 2017.

Fixed Route Fare Program Increases

The last RTA fixed route cash fare increase was implemented in August 2010, when the base fare increased from \$1.25 to \$1.50. Multi-ride pass prices were subsequently increased in 2013. According to the U.S. Bureau of Labor Statistics, the Consumer Price Index shows that overall costs increased 12.9% in the region between August 2010 and May 2017.

The fare table below presents the proposed fare increases by fare category in comparison to the current fare. In all cases, staff attempted to minimize the proportional increase for the various multi-ride fare instruments, while the cash fare increases are

relatively larger. This is common in the transit industry, since the multi-ride instruments provide great value to passengers on per-trip basis, while transit agencies seek to increase the use of passes because they speed the boarding process and provide stability in fare revenue receipts. It is also common to implement single-coin increases for base cash fares (i.e., from \$1.50 to \$1.75 for a single-zone fare rather than a straight percentage), although this also results in increasing compression for each additional zone fare. The discounted cash fares for seniors, youth and disabled riders would continue to be half-the general public fare, rounded to the nearest lower single-coin increase level.

| <b>Fare/Pass</b>  | <b>Current Fare</b> | <b>New Fare</b>   |
|---|---------------------|-------------------|
| Fixed Route Cash Fare (based on zones crossed on each route)          | \$1.50 to \$3.00    | \$1.75 to \$3.25  |
| Fixed Route Cash Fare Discounted (based on zones cross on each route) | \$0.75 to \$1.50    | \$0.85 to \$1.60  |
| Regional Day Pass   | \$5.00              | \$5.50            |
| RTA-Only 31-Day Pass  | \$44.00             | \$47.00           |
| RTA-Only 7-Day Pass   | \$14.00             | \$16.00           |
| RTA-Only 31-Day Pass Discounted                                       | \$22.00             | \$23.50           |
| Regional 31-Day Pass  | \$64.00             | \$68.00           |
| Regional 31-Day Pass Discounted                                       | \$32.00             | \$34.00           |
| Runabout ADA Cash Fare  | \$3.00 to \$10.00   | \$3.00 to \$11.00 |

As demonstrated in the fare elasticity table on page A-3-5, ridership typically declines when fares are increased. As briefly discussed above and presented in more detail in the table, each fare category would be increased between 4.0% and 16.7%. Using standard transit fare elasticity analyses for each fare category provides an estimated 19,440 reduction (3% of total) in annualized passenger-boardings, while the proposed new fare program would generate an additional \$65,610 in revenue. The projected net fare increase would be 6.4% or \$65,610, assuming the essentially same base ridership level recorded over the past 12 months.

### Runabout Fare Program Increases

As required under the Americans with Disabilities Act, complementary ADA paratransit (Runabout) fares cannot exceed twice the cash fare for the same fixed-route trip. At its November 2014 meeting, the RTA Board adopted a new Runabout fare program that normalized this twice-the-fixed-route-cash-fare scenario, while also capping the maximum one-way fare at twice the Regional Day Pass price, or  $2 \times \$5.00 = \$10.00$ . That new Runabout fare policy was implemented in February 2015. Staff recommends that this same mechanism be used: the Runabout fare would be set at twice the fixed-route fare, with a new cap of  $2 \times \$5.50 = \$11.00$ . It should be noted that the single-zone fare within the SoCo Transit and SLO Transit service areas would remain at \$3.00, since the fixed route base cash fare would remain \$1.50.

### Establishment of Runabout Premium-Service Fares

The ADA permits agencies to set fares for “premium” services – those that go beyond the complementary ADA paratransit service requirements – at a usual and customary rate. An example of premium service provided by Runabout is the service provided to Tri-Counties Regional Center clients. RTA currently provides subscription (sometimes called “standing order”) service to clients on Runabout vans, and we bill the TCRC broker monthly. Staff negotiated a new rate with TCRC’s broker for this premium service equating to the average per-passenger price for service provided by Ride-On Transportation for their “fixed-route, group-ride” service in the previous fiscal year. In FY16-17, Ride-On’s average price charged to TCRC’s broker was \$17.25 per passenger-trip, and that same rate should be considered by the RTA Board as our premium-service rate on Runabout.

### Public Outreach Plan for Proposed Fare Program Changes

To meet the base requirements of the new Public Comments policy and – more importantly – to ensure that robust public engagement process considers the public’s ideas and concerns, below is a list of outreach efforts that staff will conduct over the next several months.

- Staff will hold public workshops in late September around the county (San Luis Obispo, Atascadero, Pismo Beach and Morro Bay) to present the proposed fare changes and seek comments.
- In Late August-September, staff will conduct an online survey. We will promote this survey thorough on-bus LCD screens, the RTA website, social media, and through SLOCOG’s stakeholder contacts.
- We will seek call-in, SMS text and email comments using printed tear-away brochures for bus riders. These brochures will be placed on all RTA buses.

- Senior staff will make presentations to each City Council and the Board of Supervisors in September. Most of these meetings also repeat on local-access television channels.
- We will invite affected groups to provide input and to attend the November 1<sup>st</sup> Public Hearing. Affected groups include Social Services, school district offices, senior centers and Chambers of Commerce.
- We will send a letter to each Runabout rider 2<sup>nd</sup> week of October explaining the proposed fare changes and to remind Runabout registrants about the November 1<sup>st</sup> Public Hearing.

Staff will present the proposed new fare program, along with a summary of feedback received during the public outreach effort, to the RTAC at its October 18, 2017 meeting. The RTAC's recommendation will then be shared as part of a Public Hearing conducted at the November 1, 2017 RTA Board meeting.

If adopted, the new fixed route and Runabout fare programs would be implemented on Sunday December 31, 2017.

## RTA & Paso Express Elasticity Analysis

Estimates for Calendar Year 2018

|                             |                 |       |
|-----------------------------|-----------------|-------|
| Old Ridership               | 652,720         |       |
| Ridership with new Fares    | 633,280         |       |
| <b>Net Ridership Impact</b> | <b>(19,440)</b> | -3.0% |
| Old Fare Revenue            | \$1,027,150     |       |
| New Fare Revenue            | \$1,092,760     |       |
| <b>Net Fare Impact</b>      | <b>\$65,610</b> | 6.4%  |

| Base Cash Fare Increase - General Public |                |                |                |                |                    |
|--|----------------|----------------|----------------|----------------|--------------------|
| Elasticity Estimate                      | Base Fare      | Base + 1 Zone  | Base + 2 Zones | Base + 3 Zones |                    |
| Existing Fare                            | \$1.50         | \$2.00         | \$2.50         | \$3.00         |                    |
| Future Fare                              | \$1.75         | \$2.25         | \$2.75         | \$3.25         |                    |
| Elasticity Measure                       | -0.30          | -0.30          | -0.30          | -0.30          |                    |
| Existing GFI Ridership                   | 59,557         | 74,626         | 16,124         | 7,771          |                    |
| <b>Future Ridership</b>                  | <b>56,870</b>  | <b>72,040</b>  | <b>15,670</b>  | <b>7,590</b>   | <b>Net Impacts</b> |
| <b>Change in Ridership</b>               | <b>(2,690)</b> | <b>(2,590)</b> | <b>(450)</b>   | <b>(180)</b>   | <b>(5,910)</b>     |
| <b>Percent Change</b>                    | <b>-4.5%</b>   | <b>-3.5%</b>   | <b>-2.8%</b>   | <b>-2.3%</b>   | <b>-3.9%</b>       |
|  |                |                |                |                | New Rev            |
|  |                |                |                |                | <b>\$329,370</b>   |
|  |                |                |                |                | Old Rev            |
|  |                |                |                |                | <b>\$302,210</b>   |
|  |                |                |                |                | Diff Rev.          |
|  |                |                |                |                | <b>\$27,160</b>    |

Percentage Increases:

|           |       |
|-----------|-------|
| Base Fare | 16.7% |
| Base +1   | 12.5% |
| Base +2   | 10.0% |
| Base +3   | 8.3%  |

| Base Cash Fare Increase - Senior/Disabled/Student |                |                |                |                |                    |
|---|----------------|----------------|----------------|----------------|--------------------|
| Elasticity Estimate                               | Base Fare      | Base + 1 Zone  | Base + 2 Zones | Base + 3 Zones |                    |
| Existing Fare                                     | \$0.75         | \$1.00         | \$1.25         | \$1.50         |                    |
| Future Fare                                       | \$0.85         | \$1.10         | \$1.30         | \$1.60         |                    |
| Elasticity Measure                                | -0.40          | -0.40          | -0.40          | -0.40          |                    |
| Existing GFI Ridership                            | 60,902         | 48,638         | 13,682         | 5,566          |                    |
| <b>Future Ridership</b>                           | <b>57,930</b>  | <b>46,820</b>  | <b>13,470</b>  | <b>5,420</b>   | <b>Net Impacts</b> |
| <b>Change in Ridership</b>                        | <b>(2,970)</b> | <b>(1,820)</b> | <b>(212)</b>   | <b>(146)</b>   | <b>(5,148)</b>     |
| <b>Percent Change</b>                             | <b>-4.9%</b>   | <b>-3.7%</b>   | <b>-1.5%</b>   | <b>-2.6%</b>   | <b>-4.2%</b>       |
|   |                |                |                |                | New Rev            |
|   |                |                |                |                | <b>\$126,930</b>   |
|   |                |                |                |                | Old Rev            |
|   |                |                |                |                | <b>\$119,770</b>   |
|   |                |                |                |                | Diff Rev.          |
|   |                |                |                |                | <b>\$7,160</b>     |

Percentage Increases:

|           |       |
|-----------|-------|
| Base Fare | 13.3% |
| Base +1   | 10.0% |
| Base +2   | 4.0%  |
| Base +3   | 6.7%  |

| Day Pass Price Increases        |                |              |                    |
|---------------------------------|----------------|--------------|--------------------|
| Elasticity Estimate             | 1-Day          | 7-Day        |                    |
| Existing Price                  | \$5.00         | \$14.00      |                    |
| Future Price                    | \$5.50         | \$16.00      |                    |
| Elasticity Measure              | -0.30          | -0.30        | <b>Net Impacts</b> |
| Existing # Passes Sold          | 38,867         | 475          | <b>39,342</b>      |
| <b>Future # Passes Sold</b>     | <b>37,770</b>  | <b>456</b>   | <b>38,226</b>      |
| <b>Change in Passes Sold</b>    | <b>(1,100)</b> | <b>(19)</b>  | <b>(1,119)</b>     |
| <b>GFI # Boardings</b>          | <b>65,500</b>  | <b>2,000</b> |                    |
| <b>Avg # Rides/Pass</b>         | <b>1.7</b>     | <b>4.2</b>   |                    |
| <b>Change in Ridership</b>      | <b>(1,850)</b> | <b>(80)</b>  | <b>(1,930)</b>     |
| <b>Percent Ridership Change</b> | <b>-2.8%</b>   | <b>-4.0%</b> | <b>-2.9%</b>       |
|                                 |                |              | New Rev            |
|                                 |                |              | <b>\$215,030</b>   |
|                                 |                |              | Old Rev            |
|                                 |                |              | <b>\$200,990</b>   |
|                                 |                |              | Diff Rev.          |
|                                 |                |              | <b>\$14,040</b>    |

Percentage Increases:

|            |       |
|------------|-------|
| Day Pass   | 10.0% |
| 7-Day Pass | 14.3% |

| 31-Day Pass Price Increases     |                |                |               |                |                    |
|---------------------------------|----------------|----------------|---------------|----------------|--------------------|
| Elasticity Estimate             | Regular RTA    | Disc. RTA      | Regular Reg'l | Disc. Reg'l    |                    |
| Existing Price                  | \$44.00        | \$22.00        | \$64.00       | \$32.00        |                    |
| Future Price                    | \$47.00        | \$23.50        | \$68.00       | \$34.00        |                    |
| Elasticity Measure              | -0.30          | -0.40          | -0.30         | -0.40          | <b>Net Impacts</b> |
| Existing # Passes Sold          | 2,576          | 1,908          | 2,292         | 3,193          | <b>9,969</b>       |
| <b>Future # Passes Sold</b>     | <b>2,526</b>   | <b>1,858</b>   | <b>2,251</b>  | <b>3,117</b>   | <b>9,752</b>       |
| <b>Change in Passes Sold</b>    | <b>(50)</b>    | <b>(50)</b>    | <b>(41)</b>   | <b>(76)</b>    | <b>(217)</b>       |
| <b>GFI # Boardings</b>          | <b>120,907</b> | <b>60,864</b>  | <b>44,207</b> | <b>72,376</b>  | <b>298,354</b>     |
| <b>Avg # Rides/Pass</b>         | <b>46.9</b>    | <b>31.9</b>    | <b>19.3</b>   | <b>22.7</b>    | <b>30</b>          |
| <b>Change in Ridership</b>      | <b>(2,350)</b> | <b>(1,590)</b> | <b>(790)</b>  | <b>(1,720)</b> | <b>(6,450)</b>     |
| <b>Percent Ridership Change</b> | <b>-1.9%</b>   | <b>-2.6%</b>   | <b>-1.8%</b>  | <b>-2.4%</b>   | <b>-2.2%</b>       |
|                                 |                |                |               |                | New Rev            |
|                                 |                |                |               |                | <b>\$421,430</b>   |
|                                 |                |                |               |                | Old Rev            |
|                                 |                |                |               |                | <b>\$404,180</b>   |
|                                 |                |                |               |                | Diff Rev.          |
|                                 |                |                |               |                | <b>\$17,250</b>    |

Percentage Increases:

|               |      |
|---------------|------|
| Regular RTA   | 6.8% |
| Disc. RTA     | 6.8% |
| Regular Reg'l | 6.3% |
| Disc. Reg'l   | 6.3% |





SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
REGIONAL TRANSIT ADVISORY COMMITTEE

April 19, 2017  
DRAFT MINUTES  
C-1

Members Present:

|                                     |                                     |
|-------------------------------------|-------------------------------------|
| Eric Greening ( <i>Vice Chair</i> ) | Fixed Route Representative          |
| Dawn Patterson                      | Atascadero Transit                  |
| Janeen Burlingame                   | Morro Bay Transit                   |
| Lea Ann Murphy                      | South County Transit (SCT)          |
| Cheryl Andrus                       | Cal Poly                            |
| Gamaliel Anguiano                   | SLO Transit (arrived at 10:31 a.m.) |
| Todd Katz                           | Fixed Route Alternate Rep.          |

Members Absent:

|   |                             |
|---|-----------------------------|
| Michael Seden – Hansen ( <i>Chair</i> ) | City of Paso Robles         |
| Anthony Gutierrez                       | Cuesta College              |
| Pam Duffield                            | County of San Luis Obispo   |
| Mark Dariz                              | Runabout/DAR Representative |

Staff Present:

|               |     |
|---------------|-----|
| Geoff Straw   | RTA |
| Shelby Walker | RTA |
| Tania Arnold  | RTA |

Guest:

Cameron Montalvo

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

**Mr. Eric Greening** called the meeting to order at 10:05 a.m. Roll call was taken; a quorum was not present until **Mr. Gamaliel Anguiano** arrived at 10:31 a.m.

**2. Public Comments:** None

**A. Information Items**

**A-1 Executive Director's Report (Verbal):**

**Mr. Straw** stated that the Paso Bus Yard is 60% designed. Hoping to be done in November 2017. Staff will be meeting with the City of San Luis Obispo to discuss the floodplain issues of the long-term garage facility on Elks Lane. SLO Transit will be implementing a fare increase on June 19<sup>th</sup>, this will increase the Runabout fares. The Five Cities Senior Shuttle, which is locally funded, will be going out to bid for services. The RTA staff will be starting negotiations for the Collective Bargaining Agreement this summer. We will be working with Local Teamsters 986. The new minimum wage law will be an issue for us because we will not be a minimum wage organization.

The APC counters that are on the buses and track passenger onboardings show different ridership numbers from the previous way they were tracked. There is a 15%-20% variance

between the numbers. This is because before, the Bus Operators would punch in if someone was getting a free ride because of VIP pass, ADA pass, and etc., but they would not get every passenger. The variance does not mean ridership increased. Staff will continue to include both numbers in reports. **Mr. Todd Katz** asked if the drivers are still noting when passengers come on even with the APC counters. **Mr. Straw** stated that yes, they still note it on the GFI and the Bus Operators have gotten retrained. **Mr. Greening** asked when the Employee of the Quarter BBQ will be. **Mr. Straw** stated that it will be May 5, 2017 at the Paso Transit Center.

**A-2 Member Comments/Reports from Jurisdictions (Receive):**

**Ms. Lea Ann Murphy** stated that things are going great for SCT. SCT has been working well with RTA to make sure riders are able to make their transfers. The changes to the routes has helped those living in the Oceano area get around more.

**Mr. Katz** stated that he heard that homeless people get free tokens to use SLO Transit, some of those people are Cuesta College students. He wondered if people would be able to get the same thing on RTA. **Mr. Straw** stated that there are local agencies that buy passes in bulk and distribute them, but we do not offer free passes.

**Ms. Dawn Patterson** said that Atascadero Transit is looking to upgrade their software. She mentioned that they have been training someone who is bilingual to help with dispatch. Atascadero Farmers' Market has started again and will affect RTA service on Wednesdays. There is also construction taking place that could affect RTA service.

**Mr. Gamaliel Anguiano** stated City Council approved the fare increases. SLO Transit was strategic on pass increases. June 19<sup>th</sup> is when the new routes will be implemented, public notices will go out before that time. SLO Transit will be running shuttles on Earth Day to El Chorro Park. They will also have a fare free day on Saturday, April 22<sup>nd</sup>.

**Ms. Janeen Burlingame** stated that projects are coming to a close. The SRTP proposal bid ended on Monday. No proposals had been given. Staff will be reworking the scope of work for it and will go out to bid again. She said May 2<sup>nd</sup> is the 40<sup>th</sup> anniversary of Morro Bay Transit.

**Ms. Cheryl Andrus** stated that Cal Poly got the approval for freshmen residents not being able to bring cars on campus. Majority of the freshmen live on campus. There will be an appeals process for those who would like to bring their cars.

**Mr. Greening** mentioned that the Bus Operators have been dealing with monstrous weather with safety and ease. **Mr. Straw** stated that the drivers do a great job, staff celebrated them on Driver Appreciation Day. **Mr. Greening** feels the drivers deserve more than minimum wage because they are safety professionals.

**B. Action Items**

**B-1 Fiscal Year 2017-18 Operating and Capital Budget (Recommend):**

**Ms. Tania Arnold** stated she will be presenting the RTA Operating and Capital Budget for fiscal year 2017/18. She said it will also included fiscal year 2018/19 advisory operating budget and

fiscal year 2018/19 – 2021/22 advisory capital budget. She then read the RTA mission statement.

For RTA core services this budget includes the same service levels as currently operated. As a result of the change in reporting to the real time information generated by the ITS, the hours and miles do appear higher than in the past but no service changes are included.

For Runabout, the ADA paratransit service, the hours and miles have declined as a result of a coordinated effort between TCRC, Ride-On and RTA as was discussed in March 2017 during the RTA Board meeting. Ten Runabout riders from TCRC were transferred over to Ride-on. The implementation of functional assessments in the Spring of 2016 and the travel training program, has helped the decline as well.

As in the past, separate columns are presented for the services agreements Paso Express and Paso Dial-A-Ride and SLOCAT. Those agencies have reviewed and approved their respective budgets, but have been noted in the budget document to reflect all the services RTA provides.

General items to note moving forward include items such as the reserve policy. Staff will be drafting a proposed amendment for the Board to review during the coming fiscal year to address the self-insured retention requirement as a result of the change in policies for employment practices. **Mr. Greening** asked if off-the-top funding for RTA from the SLOCOG Board can we can count on that for 12 months or is that something that can be revisited part-way through the fiscal year. **Ms. Arnold** stated it is usually for the full fiscal year.

She stated that staff has done a tremendous job of holding the line on expenses, striving to offset increases in general liability insurance, worker's compensation insurance, and programmed wage adjustments in the current collective bargaining agreement. Although fuel remains low, resulting in lower than budgeted costs, ridership, and therefore farebox revenue, have also declined. Staff will continue to monitor trends in fuel prices relative to ridership.

With regarding to revenue, LTF are now budget at \$4,633,250 for fiscal year 2017/18. The advisory budget presented last May had estimated \$5,190,030. This budget does assume a 5% overall fixed route fare increase beginning in January 2018. Public workshops will happen before it happens. **Mr. Straw** stated it would be a net increase of 5%. Mr. Greening asked if the increase would affect the cost of Runabout. **Mr. Straw** stated yes, it would based on the cash fare for RTA and the Regional Day Pass.

**Ms. Arnold** continued by saying the SRTP included a number of service improvements but until a significant new operating funding source, they will not be included in the financially constrained budget. Staff is reviewing the details of SB-1 and will provide additional information in November with the budget amendment. At this time staff believes the funding may be available only for capital projects but will continue to review the legislation, including the timing of the funding. Nothing would be seen until the FY 2018-19.

She stated that overall administrative expenses have remained relatively flat, with increases in worker's compensation and professional technical services being offset by the decrease in office space rental with the move to the new Paso Robles park out location by the end of the 2017 calendar year.

Overall, service delivery costs are up by approximately 6% as a result of many factors. One of those factors is the annual increases included in the Collective Bargaining Agreement (CBA).

Estimates for the general liability insurance is included but staff will have refined numbers between now and the presentation to the RTA Board. Should the estimate come down, as preliminary indication show, staff will revise the draft for the RTA Board. Workers compensation insurance continues to increase but the premiums have dropped from the original estimates presented last May by about 5%. Continued workplace safety reminders and awareness has helped curb these costly line items. During the coming fiscal year staff will also be evaluating options for consolidating insurance coverages between RTA and SCT, which would reduce duplicative administrative charges and increase coordination efforts.

Staff continues to monitor fuel prices and has budgeted conservatively but we may need to bring a budget amendment to the board if fuel prices change significantly. Due to the limited infrastructure at our current location we are unable to buy fuel in bulk but will evaluate that for the long-term garage facility.

The capital program will include the continuation of the bus maintenance facility on Elks Lane. Some of the other capital items include are specialized maintenance equipment, the wireless back end support for the on-board camera system, bus stop improvements, and miscellaneous computer equipment.

A portion of the fiscal year 2016/17 capital funds will be carried over to fiscal year 2017/18. These projects are fully funded but due to timing have not been completed in the current fiscal year and carrying them over will have no financial impact to the jurisdictions. They include items such as the Paso Robles yard and bus maintenance facility on Elks lane. This will be reviewed with the Board as part of a budget amendment, likely in November 2017. For reference staff includes a five year projected capital budget. This is an important tool for staff in identifying large capital procurements and the impacts these procurements will have on federal funding requests, as well as ensuring funding for the local match. No expansion vehicles are included.

The pay down for the tenant improvement loan for the current maintenance facility will be completed in fiscal year 2018/19, prior to the lease expiring in February 2022. This will provide some flexibility in capital funding for the move to the new maintenance facility.

Moving on to the numbers, page B-1-12 and B-1-13 include an overview of the operating revenue sources, and as noted previously, separate columns for the Paso Robles and SLOCAT services. Fund balance available as of July 1, 2017 is projected to be just over \$1.9 million, less cash flow reserves (one quarter operating cost less one quarter fare revenue), resulting in a fund balance available to start the fiscal year of over \$422,000. Non-TDA sources of revenue includes only slight changes of approximately 2%. LTF as discussed earlier is on page B-1-13 with the breakdown by jurisdiction. Funding uses are also summarized, with RTA and Runabout services totaling approximately \$9.2 million; SLOCAT services total just over \$544,000; and Paso Robles services are about \$969,000. Also included on these pages is the advisory fiscal year 2018/19 operating revenue and summary funding uses by service operated.

On page B-1-14, the capital revenue is broken out, including SLOCAT and Paso Robles for the two fiscal years, with fiscal year 2018/19 being advisory only. Page B-1-15 includes the “rollup” of all operating costs for all services, including SLOCAT and Paso Robles. At the top of each column you can see the total revenue hours and revenue miles which appear to have increased in the fiscal year 2017/18 but this is based on the change to the ITS data during the current fiscal year for fixed route services, which is somewhat offset by the decrease in Runabout. As noted previously, the notable increases in expenses are in the insurance line items. Also of note is the increase in maintenance (parts, supplies, materials). The vehicles that we purchased in 2013 and 2015 provided a bit of a maintenance break but we continue to believe that maintenance costs are in line and the vehicles provided best value.

The five-year capital budget is included on page B-1-16. As mentioned previously you can see large swings in vehicle procurements. Staff is working on identifying and securing the necessary funds for the vehicles identified in the out years (fiscal year 2019/20 and beyond). Keep in mind it takes approximately two years from the time a forty-foot bus is ordered to the time it arrives due to the backlog of demand with the vehicle manufacturers, even though it only takes 10 days to build the bus.

The ensuing pages include expense information by route for RTA core services as well as for the SLOCAT and Paso Robles services.

**Ms. Arnold** concluded her report.

**Mr. Greening** asked that in regards to labor cost, what is built in for the next five months could go up in negotiations. **Mr. Straw** stated that yes they could, 2<sup>nd</sup> would be brought back as a budget amendment.

**Mr. Anguiano** moved to approve item B-1 and **Ms. Patterson** seconded. The motion carried on a voice vote.

**C. Consent Agenda Items:**

C-1 RTAC Minutes of January 19, 2017 (approve)

**Ms. Patterson** moved to approve the minutes and **Ms. Murphy** seconded. The motion carried on a voice vote.

**D. Adjournment:**

**Mr. Greening** adjourned the meeting at 11:18 a.m.

Next RTAC Meeting: July 20, 2017 at 2:00 p.m.

Respectfully Submitted:

Shelby Walker  
Administrative Assistant  
San Luis Obispo Regional Transit Authority