

BOARD AGENDA

Wednesday, January 20, 2016
CITY OF ARROYO GRANDE, CITY COUNCIL CHAMBERS
215 E. Branch Street. Arroyo Grande, California
1:30 p.m. to 3:00 p.m.
(Ending time is approximate)

Chairperson: Jim Guthrie
Director: Shelly Higginbotham

Vice Chair: Lynn Compton
Director: Barbara Nicolls

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 SCT offices at 781-1338. Please note that 48 hours advance notice will be necessary to honor a request.

NOTE: Arroyo Grande City Offices are served hourly by SCT Route 24.
Please call 541-2228 for more information.

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 South County Area Transit 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.

BOARD ADMINISTRATIVE ITEMS

ELECTION OF OFFICERS: Elect Chairperson and Vice Chairperson

A. INFORMATION AGENDA

- A-1 Administrator's Report (Receive)
- A-2 SCT Strategic Business Plan Quarterly Results (Receive)
- A-3 SCT Joint Powers Agreement Amendment (Receive)
- A-4 SCT Agreement with RTA (Receive)

South County Transit, operated by the San Luis Obispo Regional Transit Authority, is a Joint Powers Agency serving residents and visitors of: Arroyo Grande, Grover Beach, Pismo Beach, Shell Beach and Oceano

B. ACTION AGENDA

- B-1 Fiscal Year 2016-17 SCT Budget Assumptions (Approve)
- B-2 Adopt a New SCT Logo (Approve)
- B-3 SCT Service Revisions & Schedule Public Hearing (Approve)

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 South County Area Transit Board 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 South County Area Transit Board members, without the removal of the item from the Consent Agenda. Staff recommendations for each item are noted following the item.

- C-1 SCT Minutes of October 16, 2015 (Approve)
- C-2 Revised Resolution Authorizing Administrator to Submit Application for State Prop 1B Safety and Security Funds (Approve)
- C-3 Revised Resolution Authorizing Administrator to Submit Application for LCTOP Funds (Approve)

D. DIRECTORS' COMMENTS

E. EXECUTIVE COMMITTEE MEMBERS' COMMENTS

ADJOURNMENT

Next South County Transit Board meeting: **April 20, 2016**

SOUTH COUNTY TRANSIT

January 20, 2016

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Administrator's Quarterly Report

PRESENTED BY: Geoff Straw, SCT Administrator

STAFF RECOMMENDATION: Receive and File

BACKGROUND/DISCUSSION:

Operations:

The bus stop adjacent to Wal-Mart in Arroyo Grande was improved in December 2015. This was truly a team effort – the improvements included expansion of the concrete passenger waiting area by the property owner, as well as removal of the worn shelter by a contractor to SCT and installation of a replacement shelter provided by RTA. As demonstrated by the Automatic Passenger Counter system that was recently implemented on SCT's fleet, the Wal-Mart bus stop is one of the busiest in the entire SCT service area.

As mentioned at the October 2015 Board meeting, the scheduled departures at SCT time-points need to be adjusted in order to provide state-required rest and meal break requirements, and more importantly to make the published schedules more reliable for riders. Staff pored over many thousand data points from our recently-implemented GPS-based computerized dispatch system to determine actual route segment travel times between each scheduled timepoint. Based on that analysis and a presentation to the SCT Bus Operator group on December 18th, staff is recommending that the published schedule be slightly revised and the changes be implemented on February 14, 2016. None of these schedule adjustments surpass SCT's service changes threshold that would require that we conduct a public hearing. Nonetheless, staff will place notices on the buses, at each bus stop, and on our new website (see below) explaining the slight schedule changes.

Marketing & Service Planning:

Staff launched a new distinct website for SCT in early November 2015. The new website is more logically laid out, includes links to important SCT documents, and customers can now buy bus passes directly through the website. Once the new GPS-based bus arrival time system (referred to as the Intelligent Transportation System, or ITS) is finalized and formally launched, it will be prominently displayed on SCT's homepage. Go to <http://www.slorta.org/about-rt/south-county-transit-sct/> for details

Staff continues to devote marketing resources to alert riders to schedule changes, including the recent implementation of revised Route 21 service to improve on-time performance (the bus now enters southbound US101 at Dinosaur Caves and exits at Hinds to serve the Price/Stimson bus stop). Staff is also developing draft marketing materials for the new ITS

system, which has encountered delays that have pushed out the full public launch to sometime in February. Staff will include the Board in any press releases and important milestones as we formally unveil this important project.

Staff has devoted planning resources to review passenger boarding by bus stop data, as well as bus route segment travel times. This data is now readily available from our Connexionz GPS-based dispatching system. As presented in Agenda Item B-3, short-term schedule adjustments will be implemented on February 14, 2016 and staff is recommending that an overhaul of the Route 23 service be considered at a public hearing on April 20, 2016.

Staff met with SCT Directors Compton and Nicholls, who comprise the SCT Logo Subcommittee, on December 16th to review the contracted designer's proposed logos. An update is provided in Agenda Item A-2.

Finance and Administration:

The operating results for the first five months of FY15-16 were mixed, as shown in the three pages of tables at the end of this report. Specifically, SCT ridership totaled 95,056 from July 1, 2015 through November 30, 2015, compared to 101,330 in the previous year – a decline of 6.2%. The graphs below depict ridership over the past three fiscal years, and it demonstrates the seasonality of SCT fixed route ridership. Of particular note is that overall Route 23 is up slightly year to date (weekdays up 1.8%, Saturdays the same and Sundays up 6.7%) in comparison to last year, while Route 21 is down across the board (14.5%, 18.9% and 24.9%, respectively). Route 24 ridership is mixed – weekdays up 2.3%, Saturdays down 10% and Sundays down 24%. Route 25 is only operated while Arroyo Grande High School is in session, and it is down 13.7% in comparison to last year.

It should be noted that SCT eliminated interlining of SCT routes on August 31, 2015; interlining is changing what a bus does over the course of the day instead of remaining on the same route throughout the day. In SCT's case, a bus would complete a Route 21, then change to a Route 23 and then change to a Route 24, and then start the progression over again. This forced some riders to transfer between two buses even if they wished to remain on the same route, and that artificially inflated the number of reported passenger boardings. It is interesting to note that, while the overall number of passenger boardings is down, the average fare per passenger boarding is up 9.1% year over year (\$0.741 through November 30, 2015 vs. \$0.6455 last year). This suggests that the number of actual humans riding SCT buses is at least as high or higher than under the former service model and that passengers are being better served by SCT's elimination of route interlining.

Year to date productivity (riders per hour) declined slightly in the first five months of FY15-16 (17.79 vs. 18.81 in FY14-15). Again, as noted above, forcing riders to unnecessarily transfer while on the same route artificially inflates passenger activity reports. SCT's year to date farebox recovery ratio in FY15-16 improved to 18.31%, in comparison to the 18.02% ratio achieved in the first five months of FY14-15.

In terms of overall financial performance, SCT spent 34.5% of budgeted operating expenses through the end of November 2015. This is less than the budgeted allocation, since 41.7% of

the year had been completed. See the last page of this report for more information for each line-item. Of particular note is the legal services line-item – as presented at the October 21 SCT Board meeting, SCT has spent \$2,713 in comparison to the \$500 annual budget. Staff does not expect significant additional legal costs for the rest of the current fiscal year. Of the three largest budget line-items, both Salaries/Benefits and SCT Bus Fuel are well within budget – 35.1% and 24.3%, respectively. Maintenance costs are essentially right at budget (42.7%). The remaining line-items are also well within or right at budget.

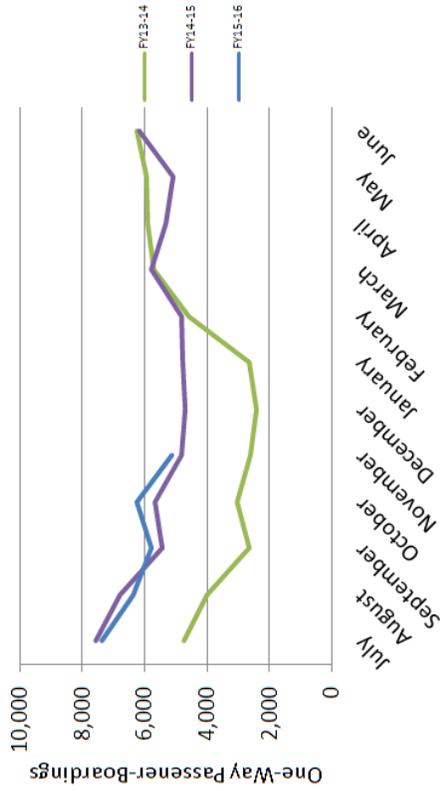
Maintenance

The two 2011 Eldorado low-floor buses transferred to SCT from RTA appear to be working well, which has reduced the role of the remaining two high-floor 2003 Gillig Phantom buses. All maintenance inspections and repairs are being completed according to manufacturer recommendations.

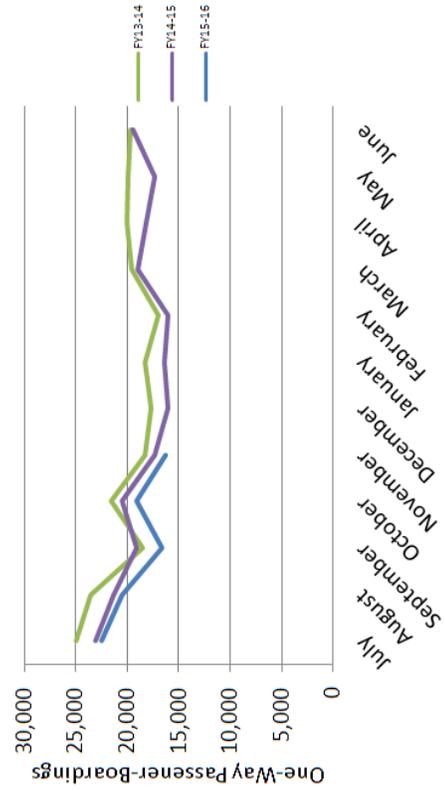
STAFF RECOMMENDATION:

Receive and file.

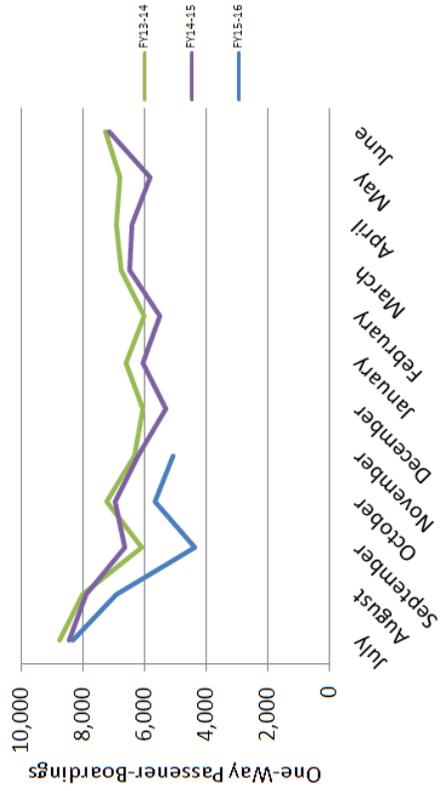
Route 23 Ridership By Month



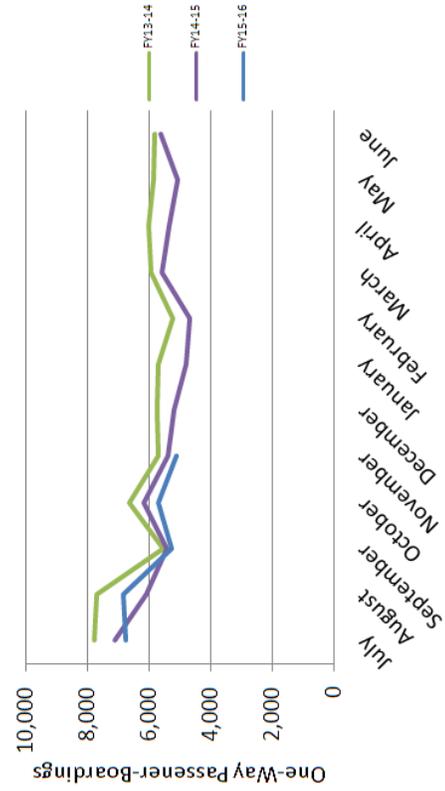
Overall Ridership By Month



Route 21 Ridership By Month



Route 24 Ridership By Month



**SOUTH COUNTY TRANSIT
2015-16 Budget vs. Actual (unaudited)**

	FY 15/16 Adopted	July 2015	August 2015	September 2015	October 2015	November 2015	Year to Date	Percent Year to Date
Use of Resources								
<u>Administrative Expenditures</u>								
Insurance								
Liability & Physical Damage	\$ 68,400	\$ 5,593	\$ 5,593	\$ 5,593	\$ 5,605	\$ 5,605	\$ 27,989	40.92%
Workers Compensation	51,000	3,979	3,979	3,979	3,979	4,368	20,284	39.77%
Property Insurance	700	53	53	53	53	53	265	37.93%
Rent	25,500	2,125	2,125	2,125	2,125	2,125	10,625	41.67%
Utilities	8,450	515	648	1,015	530	717	3,426	40.54%
Radio Expense	1,240	103	103	103	-	206	515	41.53%
Legal Services	500	-	-	-	2,713	-	2,713	542.50%
Payroll Processing	3,490	-	90	164	92	138	484	13.86%
Administration	65,410	5,451	5,451	5,451	5,451	5,451	27,254	41.67%
Finance	14,420	1,202	1,202	1,202	1,202	1,202	6,008	41.67%
Office Expense/Miscellaneous	5,990	92	139	273	826	1,011	2,342	39.09%
Audit	3,070	-	-	-	3,075	-	3,075	100.16%
Marketing/Community Relations/Printing	18,000	1,037	81	1,371	385	-	2,874	15.97%
Uniforms/Laundry/Physicals/Ads	7,550	-	380	479	-	83	941	12.47%
<u>Operating Expenditures</u>								
Salaries/Benefits	\$ 509,760	\$ 30,604	\$ 34,349	\$ 40,525	\$ 39,385	\$ 34,090	\$ 178,953	35.11%
Maintenance	111,200	11,730	9,347	10,124	6,835	9,515	47,551	42.76%
Dispatch	18,750	1,563	1,563	1,563	1,563	1,563	7,813	41.67%
Sign Maintenance	3,000	-	-	-	-	-	-	0.00%
SCT Bus Fuel	208,800	11,925	10,334	10,892	9,767	7,768	50,685	24.27%
Contingency	15,000	-	-	-	-	-	-	0.00%
9 Total Operating Expenditures	\$ 1,140,230	\$ 75,969	\$ 75,435	\$ 84,911	\$ 83,586	\$ 73,895	\$ 393,796	34.54%
<u>Capital Service</u>								
Vehicles/ITS	\$ 186,210	\$ -	\$ -	\$ -	\$ 33,215	\$ -	\$ 33,215	17.84%
Facility Improvements/Bus Stop Amenities	83,340	-	-	-	3,212	-	3,212	3.85%
Total Capital Service	\$ 269,550	\$ -	\$ -	\$ -	\$ 36,427	\$ -	\$ 36,427	13.51%
Extraordinary item - Wage order 9 penalty	\$ 41,170	\$ -	\$ -	\$ -	\$ 36,323	\$ 2,386	\$ 38,709	94.02%
Carryover cost savings to next fiscal year	41,157	-	-	-	41,157	-	41,157	100.00%
10 Total Use of Resources	\$ 1,492,107	\$ 75,969	\$ 75,435	\$ 84,911	\$ 197,493	\$ 76,281	\$ 510,089	34.19%

**SOUTH COUNTY TRANSIT
OPERATING STATEMENT BY ROUTE - WEEKDAY AND TROLLEY
YEAR TO DATE THRU NOVEMBER 2015**

	RT 21 PISMO & SHELL BEACH	RT 23 A.G. VILLAGE, A.G. H.S. & GRANDE AVE	RT 24 GROVER B. A.G. VILLAGE, PISMO & A.G.	RT 25 HIGH SCHOOL PM TRIPPER	TOTAL WEEKDAY SERVICE	AVILA BEACH TROLLEY
REVENUES:						
FARES	16,345	16,347	16,695	4,696	54,084	2,801
TOTAL ROUTE REVENUES	16,345	16,347	16,695	4,696	54,084	2,801
EXPENDITURES:						
ADMINISTRATION	9,545	9,380	9,472	616	29,012	2,490
MARKETING	731	719	693	37	2,180	-
OPERATIONS/CONTINGENCY	56,793	55,831	55,871	3,408	171,903	16,911
FUEL	10,425	12,471	10,598	678	34,173	4,839
INSURANCE	10,086	12,065	10,253	698	33,102	4,001
TOTAL EXPENDITURES	87,580	90,467	86,887	5,436	270,370	28,240
FAREBOX RATIO	18.66%	18.07%	19.21%	86.40%	20.00%	9.92%
RIDERSHIP	24,684	25,363	24,271	4,105	78,423	6,623
SERVICE MILES	19,695.40	23,560.00	20,022.00	1,323.00	64,600.40	8,282.00
SERVICE HOURS	1,302.00	1,279.80	1,284.23	74.90	3,940.93	400.88
RIDERS PER MILE	1.25	1.08	1.21	3.10	1.21	0.80
RIDERS PER HOUR	18.96	19.82	18.90	54.81	19.90	16.52
COST PER PASSENGER	3.55	3.57	3.58	1.32	3.45	4.26
SUBSIDY PER PASSENGER	2.89	2.92	2.89	0.18	2.76	3.84

**SOUTH COUNTY TRANSIT
OPERATING STATEMENT BY ROUTE - WEEKEND, TROLLEY, AND TOTAL
YEAR TO DATE THRU NOVEMBER 2015**

	RT 21 - SAT PISMO & SHELL BEACH	RT 21 - SUN PISMO & SHELL BEACH	RT 23 - SAT A.G. VILLAGE, A.G. H.S. & GRANDE AVE	RT 23 - SUN A.G. VILLAGE, A.G. H.S. & GRANDE AVE	RT 24 - SAT GROVER B. A.G. VILLAGE, PISMO & A.G.	RT 24 - SUN GROVER B. A.G. VILLAGE, PISMO & A.G.	TOTAL WEEKEND SERVICE	TOTAL SCT ONLY SERVICE	TOTAL SCT AND AVILA SERVICE
REVENUES:									
FARES	2,527	1,678	2,462	1,880	2,619	1,682	12,848	66,932	69,733
TOTAL ROUTE REVENUES	2,527	1,678	2,462	1,880	2,619	1,682	12,848	66,932	69,733
EXPENDITURES:									
ADMINISTRATION	1,804	1,616	1,826	1,645	1,837	1,645	10,374	39,386	41,875
MARKETING	121	108	122	110	123	110	693	2,874	2,874
OPERATIONS/CONTINGENCY	10,464	9,652	10,591	9,824	10,655	9,824	61,009	232,912	249,823
FUEL	1,922	1,760	2,217	2,031	1,954	1,789	11,674	45,847	50,685
INSURANCE	1,872	1,736	2,159	2,002	1,903	1,764	11,436	44,538	48,538
TOTAL EXPENDITURES	16,183	14,872	16,915	15,611	16,471	15,133	95,185	365,556	393,796
FAREBOX RATIO	15.61%	11.28%	14.56%	12.04%	15.90%	11.12%	13.50%	18.31%	17.71%
RIDERSHIP	3,389	2,285	3,138	2,401	3,383	2,037	16,633	95,056	101,679
SERVICE MILES	3,647.81	3,356.54	4,208.00	3,872.00	3,708.30	3,412.20	22,204.85	86,805.25	95,087.25
SERVICE HOURS	241.08	221.76	243.99	225.72	245.46	225.72	1,403.73	5,344.66	5,745.54
RIDERS PER MILE	0.93	0.68	0.75	0.62	0.91	0.60	0.75	1.10	1.07
RIDERS PER HOUR	14.06	10.30	12.86	10.64	13.78	9.02	11.85	17.79	17.70
COST PER PASSENGER	4.78	6.51	5.39	6.50	4.87	7.43	5.72	3.85	3.87
SUBSIDY PER PASSENGER	4.03	5.77	4.61	5.72	4.09	6.60	4.95	3.14	3.19

SOUTH COUNTY TRANSIT
January 20, 2016
STAFF REPORT

AGENDA ITEM: A-2

TOPIC: Strategic Business Plan Results

ACTION: Receive

PRESENTED BY: Geoff Straw, SCT Administrator

STAFF RECOMMENDATION: Receive Interim Report on Performance Results Through November 30, 2015

BACKGROUND/DISCUSSION:

At its October 22, 2014 meeting, the SCT Board adopted the *SCT 2015-2017 Strategic Business Plan*. This Plan includes Vision and Mission Statements, as well as “stretch” performance standards to ensure SCT continually seeks to improve its services. The Board also directed staff to bring the Plan back to the Board for formal review in 18 months (April 2016) to determine if the standards are still appropriate.

The attached report presents our annual results from July 1, 2015 through November 30, 2015. Please note that the financial figures are unaudited estimates, but they provide a reasonable representation of each applicable financial measure. Of particular interest are performance data that are provided through SCT new GPS-based technology, including on-time performance. As presented, the annual on-time performance standard of 95% may not be attainable – particularly due to the impacts of peak seasonal traffic.

Three other “stretch” goals include farebox recovery ratio (actual 18.3% vs. goal of 20%), collisions per 100,000 miles (actual 2.1 vs. goal of 1.0), and risk management costs in relation to total operating costs (actual 10.2% vs. goal of 8.5%). Staff will review these three and all other standards with the SCT Executive Committee in early April 2016 to determine if the Strategic Business Plan should be revised.

Staff recommendation:

Receive the attached report on FY15-16 performance results achieved through November 30, 2015.

Report on SCT Performance Standards July 2015 through November 2015

South County Transit Standards of Excellence: Service Quality and Efficiency

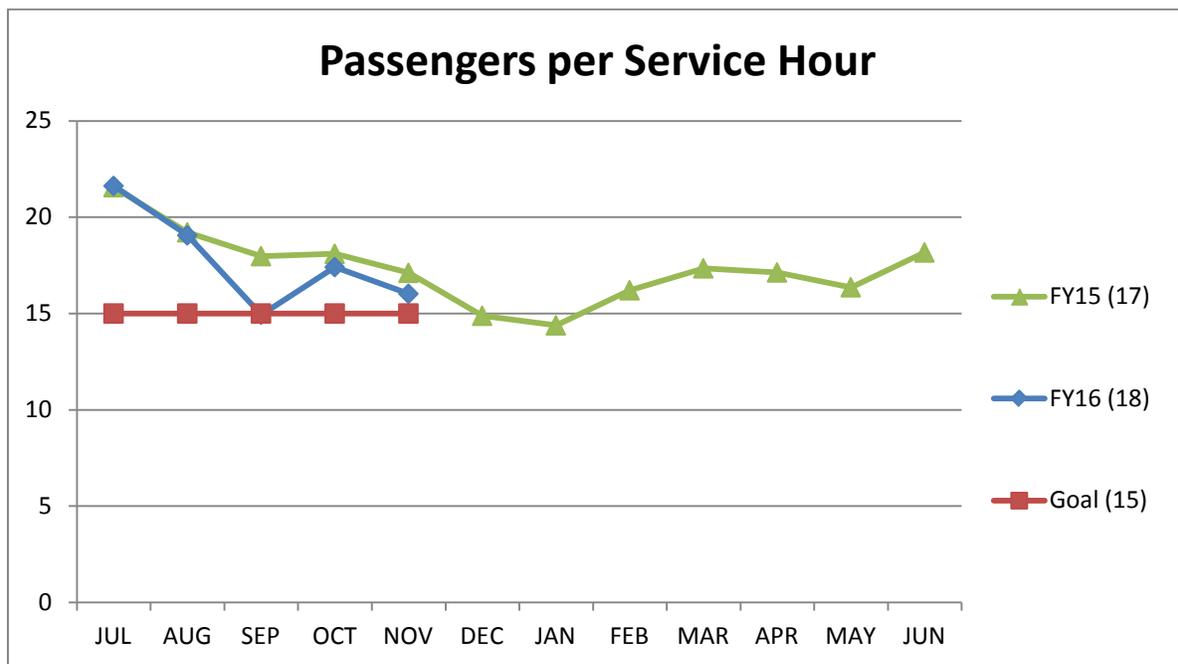
Summary: We will deliver dependable, customer focused and efficient transit services to the communities that we serve. Further, we will look for opportunities to deploy innovative new service within the resources available.

Standard 1: Passengers per vehicle service hour will be 15 or greater.

Measurement: Objective.

- Administrator will review monthly and report quarterly.

The graph below shows the most recent two fiscal years, while the index presents both year-to-date results in parentheses.



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

Measurement: Objective.

- Administrator will report biannually.

SCT delivered 100% of the promised service to the south county area this fiscal year. A total of approximately 6,435 trips were delivered through November 30, 2016.

Standard 3: System wide On-time Performance shall be 95% or greater. “On-time” is defined as no later than six minutes from any timepoint in the published schedule.

Measurement: Objective.

- Administrator will report quarterly.

Report on SCT Performance Standards

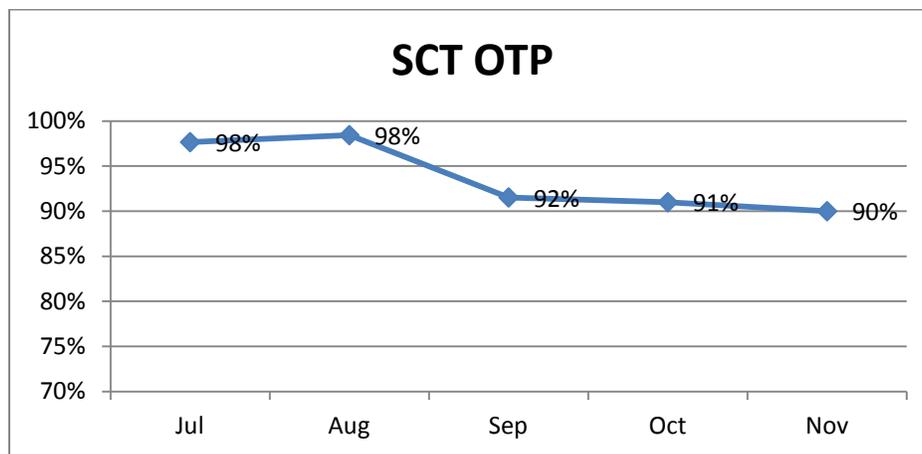
July 2015 through November 2015

October is the first month that data from GPS-based passenger information system (often referred to as an Intelligent Transportation System, or ITS) has been used to calculate on-time performance. There was a slight drop in performance during the evaluation period, but not a significant one. It should be noted that the ITS system includes new data by tracking early departures (~0.75% of the total number). The chart includes all three SCT routes combined. The goal of 95% provides a challenge for staff. Here is a breakdown by the three core routes:

Route 21 = 91%

Route 23 = 79%

Route 24 = 95%



Standard 4: SCT 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.

- Administrator will report annually.

Research was invested into Route 26 earlier this year. And now we are analyzing the newly available ITS data. The data has highlighted a more efficient alignment for Route 23 which provides the opportunity for a bidirectional loop connecting Oceano to Wal-Mart and other transit trip generators in a more direct manner – at essentially the same cost as operating the potential new Route 26 service along with the existing Routes 21, 23 and 24. The proposed new clockwise Route 27 would complement the new counterclockwise Route 28 – which would replace the existing Route 23 – operating in the opposite direction. More than a dozen new bus stops and greatly improved travel times suggest that SCT should experience a strong boost in ridership with these changes that could be implemented in Summer 2016.

Standard 5: The number of bus trips with passenger standees will not exceed 10% of the daily bus trips on that route.

Measurement: Objective.

Report on SCT Performance Standards

July 2015 through November 2015

- Reviewed quarterly by the SCT Supervisor, and reported by Administrator biannually.

With the exception of the two Route 25 trips that serve Arroyo Grande High School during bell times, SCT does not have any cases of standees exceeding 10% of the daily trips on a route.

South County Transit 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 SCT.

Standard 1: The annual operating budget will be based upon projected revenue balanced with other eligible TDA uses and the total operating cost will not exceed the budget adopted by the Board.

Measurement: Objective.

- Administrator will review monthly and report quarterly.

Fiscal Year 2012-13 Result: Operating Costs were 94% of the adopted budget

Fiscal Year 2013-14 Result: Operating Costs were 90% of the adopted budget

Fiscal Year 2014-15 Result: Operating Costs were 84% of the adopted budget

Fiscal Year 2015-16 Result: Operating Costs are 34.54% of the adopted budget (as of November 30, 2015, or 41.67% into the fiscal year)

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

Standard 2: Farebox Recovery Ratio shall be greater than 20%.

Measurement: Objective.

- Administrator will review monthly and report quarterly.

SCT continues to strive toward meeting the FRR goal. Staff will continue to closely monitor our FRR performance, particularly as the economy continues to improve, gas prices continue to fall, and most fixed route providers in the county are experiencing declining ridership. The results for the past four fiscal years are presented below:

Fiscal Year 2012-13 Result: 14.2%

Fiscal Year 2013-14 Result: 16.34%

Fiscal Year 2014-15 Result: 17.41%

Fiscal Year 2015-16 Result: 18.31% (as of November 30, 2015)

Report on SCT Performance Standards

July 2015 through November 2015

Standard 3: No significant financial audit findings.

Measurement: Objective.

- Administrator will report any negative audit findings.

SCT 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 community evaluation survey, feedback from communities and review of the annual capital program by staff and the Board.

The annual 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.

South County Transit Standards of Excellence: Safety

We recognize the tremendous importance of safety in the operation of SCT 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.

- Administrator will review monthly and report annually.

The results for the past three fiscal years are presented below. As shown, SCT has been unable to achieve this standard.

Fiscal Year 2013-14 Result: 2.00

Fiscal Year 2014-15 Result: 2.26

Fiscal Year 2015-16 Result: 2.1 (as of November 30, 2016)

Standard 2: Address all safety hazards indentified by the SCT Supervisor and reported to the joint RTA/SCT Safety Resource Committee.

Measurement: Objective.

- List shall be compiled with action items and timelines by the Administrator.

The Safety Resource Committee, which is comprised of SCT and RTA staff members, has effectively resolved 31 employee suggestions during FY 2015 at its quarterly meetings. The committee started

Report on SCT Performance Standards

July 2015 through November 2015

with 11 open items and ended with 6 open items. The next meeting is scheduled for January 12, 2015, with 32 new items.

At SCT, our technicians installed Recaro Seats and shoulder harnesses in buses 1011 and 1012 to avoid back injuries and provide a safer work environment for the SCT Bus Operators. We also reconfigured bus stall parking at Ramona Garden to improve bus safety during departures. Finally, we reassigned bus stalls and parking for personal vehicles in the SCT yard for improved safety.

Standard 3: Preventable workers compensation lost-time claims will not exceed 4 annually, and preventable medical-only claims will not exceed 5 annually.

Measurement: Objective.

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

Fiscal Year 2014-15 Result: 3 (no medical only)

Fiscal Year 2015-16 Result: none as of November 30, 2015

For FY14-15 we changed our workers compensation third-party administrator 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 biannual community survey.

The first comprehensive Customer Perception Survey was completed in 2013. Staff is recommending that the next Customer Perception Survey be completed in October 2016.

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

Measurement: Objective.

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

We achieved the goal during Fiscal Years 2012-13 and 2013-14. Fiscal Years 2014-15 and year-to-date 2015-16 results are higher as a result of significant development in liability and workers compensation claims. Staff is evaluating insurance options and will include additional information with the budget assumptions and budget presentation for Fiscal Year 2016-17. This includes property, workers compensation, liability, and auto physical damage insurance costs.

Fiscal Year 2012-13 Result: 6.1% of total operating costs

Fiscal Year 2013-14 Result: 7.4% of total operating costs

Fiscal Year 2014-15 Result: 10.2% of total operating costs

South County Transit Standards of Excellence: Human Resources

Report on SCT Performance Standards

July 2015 through November 2015

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

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

Measurement: Subjective.

- Annual assessment by Administrator and Department Heads.

SCT experienced higher than typical turnover in 2015 as a result of on-going struggles between SCT management and hourly employees. In conjunction with the recent execution of the Collective Bargaining Agreement with Teamsters Local 986 and focused efforts to improve communications throughout the agency, staff believes improved employee morale will result in improved retention rates in 2016 and beyond.

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

2012 – 9%
2013 – 14%
2014 – 19%
2015 – 28%

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

Measurement: Objective.

- Training needs will be reviewed annually as part of the budget process.

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

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 Bus Operator training completed in January 2015. An SCT staff member and 13 RTA staff members also meet bi-weekly to discuss general items that may affect other departments; others are invited as needed and to address specific issues. In February 2016 administrative staff from SCT and RTA will be participating in an all day off site team strengthening session. Finally, the SCT Administrator and the three department heads meet weekly to ensure consistency in messaging and direction for the organization; these four employees also

Report on SCT Performance Standards

July 2015 through November 2015

held an overnight retreat in July to plan for challenges and major projects facing the two organizations.

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 SCT's Standards and SCT's KPIs.

SCT currently completes formal annual evaluations for its management staff members. Bus Operators are evaluated based on the requirements of the collective bargaining agreement.

South County Transit 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.

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

Measurement: Objective.

- Will be reported by the Administrator.

As of November 30, 2015, the average SCT fixed route vehicle age is just under 7 years with an average of 200,938 miles. The design life of a fixed route bus is 12 years/500,000 miles.

Standard 2: Road calls will not exceed 5 per 100,000 miles of vehicle service miles.

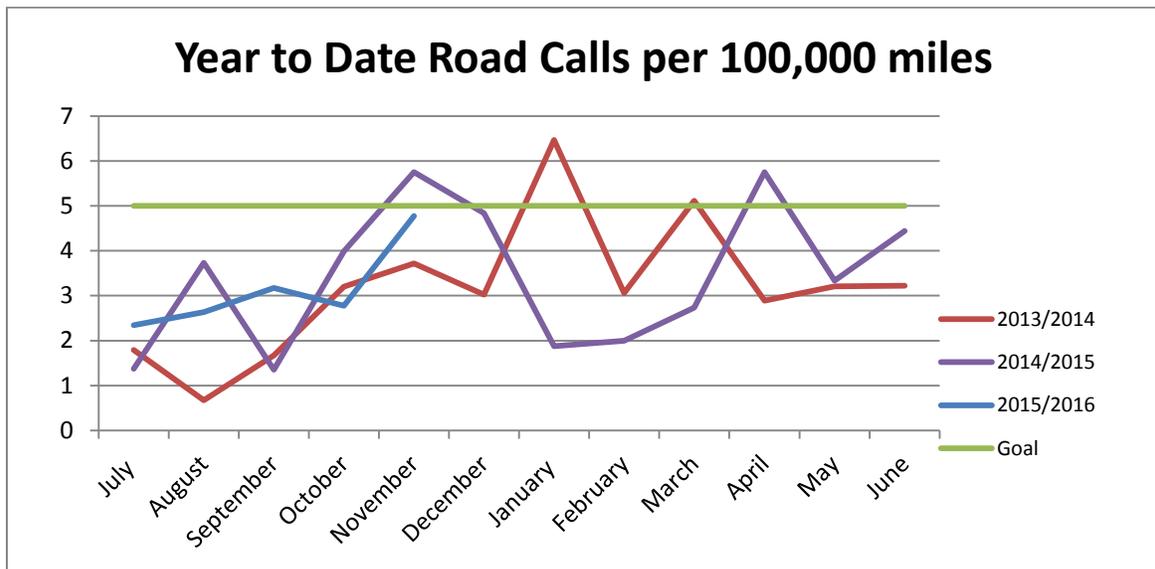
Measurement: Objective.

- Administrator will report biannually.

This standard has been achieved or surpassed in all but three months over the past 2-1/2 fiscal years. The year-end average was 3.17 in FY13-14, 3.31 in FY14-15 and 3.14 so far in FY15-16. For well 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 SCT Performance Standards

July 2015 through November 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. Staff is recommending that the next Customer Perception Survey be completed in October 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 annual Community Evaluation conducted by Marketing.

The first comprehensive Customer Perception Survey was completed in 2013. Staff is recommending that the next Customer Perception Survey be completed in October 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 have been no negative findings in the previous audits, with FTA and TDA triennial audits completed during the 2013 and 2014 calendar years. Staff submitted information to FTA in December 2015 for a May 2016 triennial site visit. This will be the first triennial audit for SCT since its service area was designated as urbanized in the 2010 Decennial Census.

Report on SCT Performance Standards July 2015 through November 2015

Preventable maintenance has been completed on a timely basis with no CHP findings in 2013, 2014 and 2015. The next CHP terminal inspection is scheduled for July or August 2016.

South County Transit 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 SCT Board.

This evaluation should occur annually as part of the Administrator's annual review.

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

Measurement: Subjective.

- To be evaluated and monitored by SCT Board.

This evaluation should occur annually as part of the Administrator's annual review.

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

Measure: Subjective.

- To be evaluated by the Administrator.

This evaluation should occur annually as part of the Administrator's annual review.

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

Measurement: Subjective.

- To be evaluated by the Administrator and SCT Board.

This evaluation should occur annually as part of the Administrator's annual review.

SOUTH COUNTY TRANSIT
January 20, 2016
STAFF REPORT

AGENDA ITEM: A-3

TOPIC: SCT Joint Powers Agreement Amendment

PRESENTED BY: Geoff Straw, SCT Administrator

STAFF RECOMMENDATION: Receive Preliminary Recommended Changes to JPA Document

BACKGROUND/DISCUSSION:

The current SCT Joint Powers Agreement was ratified in February 1987, and it has remained unaltered since. However, a number of the referenced laws in the JPA have changed, and the funding scenario changed considerably when the Decennial Census classified the SCT service area and adjoining areas as urbanized. Finally, SCT has changed the way it conducts business, particularly in the following ways:

1. Oversight of the system,
2. How the state-mandated treasurer function is addressed, and
3. Our moniker has changed from SCAT to SCT.

For these reasons, staff is recommending that the JPA be amended. Staff worked with Counsel and Executive Committee members to review the current JPA document and to develop language that would address the two issues discussed above. In addition, outdated language has been updated to reflect current conditions.

All changes to the JPA must be ratified by each member city and the county. In addition, the final JPA must be submitted to the Secretary of State within 30 days of the effective date of this amended JPA.

Staff has included three documents with this staff report, as follows:

1. A copy of the current JPA document;
2. A revised JPA document, which depicts the recommended changes in ~~line-out~~ and new formats; and
3. A “clean” copy of the amended JPA document.

In addition, staff will provide a resolution template for each member city and the county to take to its respective legislative body.

Staff Recommendation

Receive preliminary recommended changes, and direct staff to share the document with SCT jurisdiction partners over the next two months. Bring back any suggested revisions to the SCT Board for consideration at its April 20, 2016 meeting.

JOINT POWERS AGREEMENT
SOUTH COUNTY AREA TRANSIT

This Agreement, by and between the cities of Arroyo Grande, Grover City, Pismo Beach, and the County of San Luis Obispo, representing the Oceano area, is hereby entered into pursuant to Section 6500 et seq. of the Government Code of the State of California.

ARTICLE I

GENERAL PROVISIONS

SECTION 1: PURPOSES.

The purpose of this Agreement is to exercise the common powers of the member agencies by the formation of a Joint Powers Agency with full power and authority to own, operate and administer a public transportation system within the territory over which the Joint Powers Agency has jurisdiction. (See map attached hereto as Exhibit A).

SECTION 2: NAME.

The legal name of the Joint Powers Agency shall be "South County Area Transit."

SECTION 3: POWERS.

The Agency shall have all powers necessary to carry out the purposes of this Agreement, except the power to tax. The power to expend funds shall be limited only by the availability of funds as set forth in Section 1 of Article III, Financial Provisions of this Agreement. The powers of the Agency specifically include, but are not limited to, the following:

- a. To operate a public transit system to serve the three incorporated cities in South San Luis Obispo County and the Oceano area of San Luis Obispo County, as is shown on the map attached hereto as Exhibit A.
- b. To sue and be sued.
- c. To employ agents, employees and to contract for professional or other services.
- d. To make and enter into contracts including labor and employment contracts.
- e. To acquire, convey, construct, manage, maintain and operate buildings and improvements.
- f. To acquire and convey real and personal property.
- g. To incur debts, liabilities and obligations.
- h. To apply for and execute contracts of financial assistance from state and federal agencies and to obligate the agency to operate the improvements, equipment, or transportation system in accordance with the terms and conditions of said financial assistance.
- i. To purchase necessary insurance.

SECTION 4: AGENCY IS A PUBLIC LEGAL ENTITY.

The Joint Powers Agency, South County Area Transit, is a public entity duly formed and existing under the laws of the State of California. It is a separate and distinct legal entity from its member agencies. The debts, duties and obligations created pursuant to this Agreement, or those created pursuant to previous Agreement, shall be solely the obligation of the South

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County Area Transit and not those of its member agencies or of officers, employees, members of the Board of Directors or members of the member agencies.

ARTICLE II

ORGANIZATION

SECTION 1: BOARD OF DIRECTORS.

The powers of the agency are vested in its Board of Directors. The Board of Directors shall be composed of one representative from each member agency. Each member of the Board of Directors shall have one vote. Each member agency shall appoint one regular member and one alternate member to the Board of Directors, and shall notify the agency in writing of their appointments or of any change of representative. The representative shall serve solely at the pleasure of the appointing member agency. Representatives shall be either elected officials or officers or employees of the member agency.

SECTION 2: MEETINGS-VOTING QUORUM.

The Board shall establish a time, place and date for a regular monthly meeting. Regular meetings may be adjourned from time to time. Special meetings may be called by the Chairman or upon written request of any two members of the Board. Members shall be given at least 48 hours written notice of special meetings, provided however, the representative of any member may waive said notice.

A majority of the members shall constitute a quorum for the transaction of business.

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Unless specifically limited by this Agreement, the vote of a majority of the members present at any regular, adjourned or special meeting shall be sufficient to act upon any matter.

SECTION 3: OFFICERS.

The Board shall elect a Chairman and Vice-Chairman, and the Vice-Chairman shall act in the absence of the Chairman. The Board shall also elect such other officers as deemed necessary.

All officers shall serve for a term of one year from the date of their election or until their successors are elected. The Chairman or Vice-Chairman is authorized to execute all documents in the name of the Agency.

SECTION 4: ADMINISTRATION.

The Board may in its discretion, appoint an Administrator of the transit system, to serve at the pleasure of the Board, and to have the power to certify agency documents as required by law and to assume such duties and responsibilities as the Board may direct.

SECTION 5: NEW MEMBERS.

The Board may accept new members to the Agency on such terms and conditions as the Board may prescribe.

SECTION 6: CHANGE OF BOUNDARIES.

The boundaries of this Agency are subject to change, as set forth hereinafter. If any portion of the unincorporated area of the County is annexed to a member city, that annexed portion shall automatically be included within the boundaries of this Agency, and the said member city shall assume any obligations of the County as to that area. If a new city should be formed in

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any portion of the unincorporated area of the County presently included within the territory of this Agency, and if such a new city should become a party to this Agreement, then the affected area shall be the responsibility of the new city and the County shall not be responsible for any obligations on account of the area so included within the new city as of the effective date of the incorporation of the new city. The boundaries of this Agency shall be adjusted to reflect annexations or new incorporations as set forth hereinabove.

ARTICLE III

FINANCIAL PROVISIONS

SECTION 1: BUDGET - LIMITATION OF FINANCIAL COMMITMENT.

The Board shall establish the fiscal year for the Agency and shall, prior to the commencement of each fiscal year, adopt an annual budget. The budget may additionally carry funds for future fiscal years where necessary to reflect obligations under state or federal funding agreements, to the extent allowable by California law.

The Board shall not obligate the Agency to expenditures without express approval of the legislative bodies of the member agencies. No member Agency shall be required to expend any of its general fund monies to support the operations of the Agency, unless said expenditure is first approved by the legislative body of the member agency. The operation of the transit system shall be locally funded from SB 325 monies or from grant monies, and from revenues derived from operations. Each member shall make an annual contribution to the agency based upon the percentage of

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population related to the area served within that agency. The population percentages shall be based annually on figures prepared from SB 90 estimates of the State Department of Finance.

SECTION 2: EXPENDITURES.

The Board may establish procedures and policies to insure competitive prices for the purchases of goods and services. Formal bidding shall not be required unless directed specifically by the Board or unless required by state or federal law. Particularly in the purchase of equipment, including buses, the Board may consider the design, maintenance and operating costs, and other similar factors in determining the most suitable equipment and need not purchase equipment having the lowest initial cost.

SECTION 3: TREASURER.

Pursuant to Government Code Section 6505.5, the Treasurer of the City of Arroyo Grande is hereby appointed as First Treasurer of the Agency. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Office of Treasurer shall be rotated annually unless otherwise directed by the Board.

SECTION 4: ANNUAL AUDIT.

The Board of Directors shall cause an annual audit to be prepared and filed in accordance with Government Code Section 6505.

SECTION 5: OFFICIAL BONDS.

The Administrator and such other employees or agents as the Board may direct shall file an official bond in an amount to be determined by the Board. The cost of said bond(s) shall be born by the agency.

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ARTICLE IV

MISCELLANEOUS PROVISIONS

SECTION 1: WITHDRAWAL OF MEMBERS.

Any member of this Agency may withdraw at any time after written notice to the Agency Board.

If the Agency has contractual obligations to continue operation of a public transit system at the time of withdrawal of any member, the remaining members may impose such conditions upon the withdrawing member as may be reasonable, including future financial support to meet the contractual obligations of the Agency at the time of withdrawal. However, the obligations of a withdrawing member under this section is limited the special transportation funds to which the withdrawing member would be entitled, such as SB 325 funds, and this section shall not impose any obligation on the general funds of the withdrawing member.

SECTION 2: AMENDMENT OF AGREEMENT.

This Agreement may be amended at any time with the unanimous approval of the legislative bodies of the member agencies. No amendment to this Agreement shall be effective without such unanimous approval.

SECTION 3: RATIFICATION-EFFECTIVE DATE.

This Agreement shall become effective upon ratification by all member agencies. This Agreement shall be dated and shall be effective upon the last date ratified by a member agency.

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SECTION 4: ASSIGN ABILITY.

In the event it is deemed in the best public interest to have the public transportation system operated by another individual or entity, whether public or private, and provided that the operation complies with state and federal law, the Agency on the affirmative vote of all of its members, may sell, lease, or assign all of its real and personal property and may cease operations upon such terms and conditions as the Board determines to be reasonable.

SECTION 5: TERMINATION.

This Agreement shall continue in full force and effect until cancelled by a majority of the member agencies.

SECTION 6: NOTIFICATION TO SECRETARY OF STATE.

Pursuant to Government Code Section 6503.5, the Agency shall cause a notice of the execution of this Agreement to be prepared and filed with the Office of the Secretary of State of California, within thirty (30) days after the effective date of this Agreement. The Agency shall likewise cause such a notice to be prepared and filed with the Office of the Secretary of State within thirty (30) days after the effective date of any amendment to this Agreement. Until such filings are completed, the Agency shall not issue any bonds or incur indebtedness of any kind.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the _____ day of _____, 1978, which is the last date of signing by a member.

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CITY OF ARROYO GRANDE

By: Gabe de Leon

Date signed: _____

CITY OF GROVER CITY

By: Arnel Castro

Date signed: 2/1/78

CITY OF PISMO BEACH

By: Yvonne Bell

Date signed: 2-1-78

COUNTY OF SAN LUIS OBISPO

By: Harold P. Markin
Chairman of the Board of Supervisors

Authorized by Board action on

January 9, 1978.

Date signed: January 23, 1978

ORDINANCE CODE PROVISION APPROVED AS TO
FORM AND CODIFICATION

JAMES B. LINDHOLM, JR., COUNTY COUNSEL
COUNTY OF SAN LUIS OBISPO

BY James B. Lindholm Jr.

DATE Dec. 20, 1977

CATEGORICAL EXEMPTION
Class 20 100A 1/3/78

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PR POSED

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South County Area Transit "SCAT"

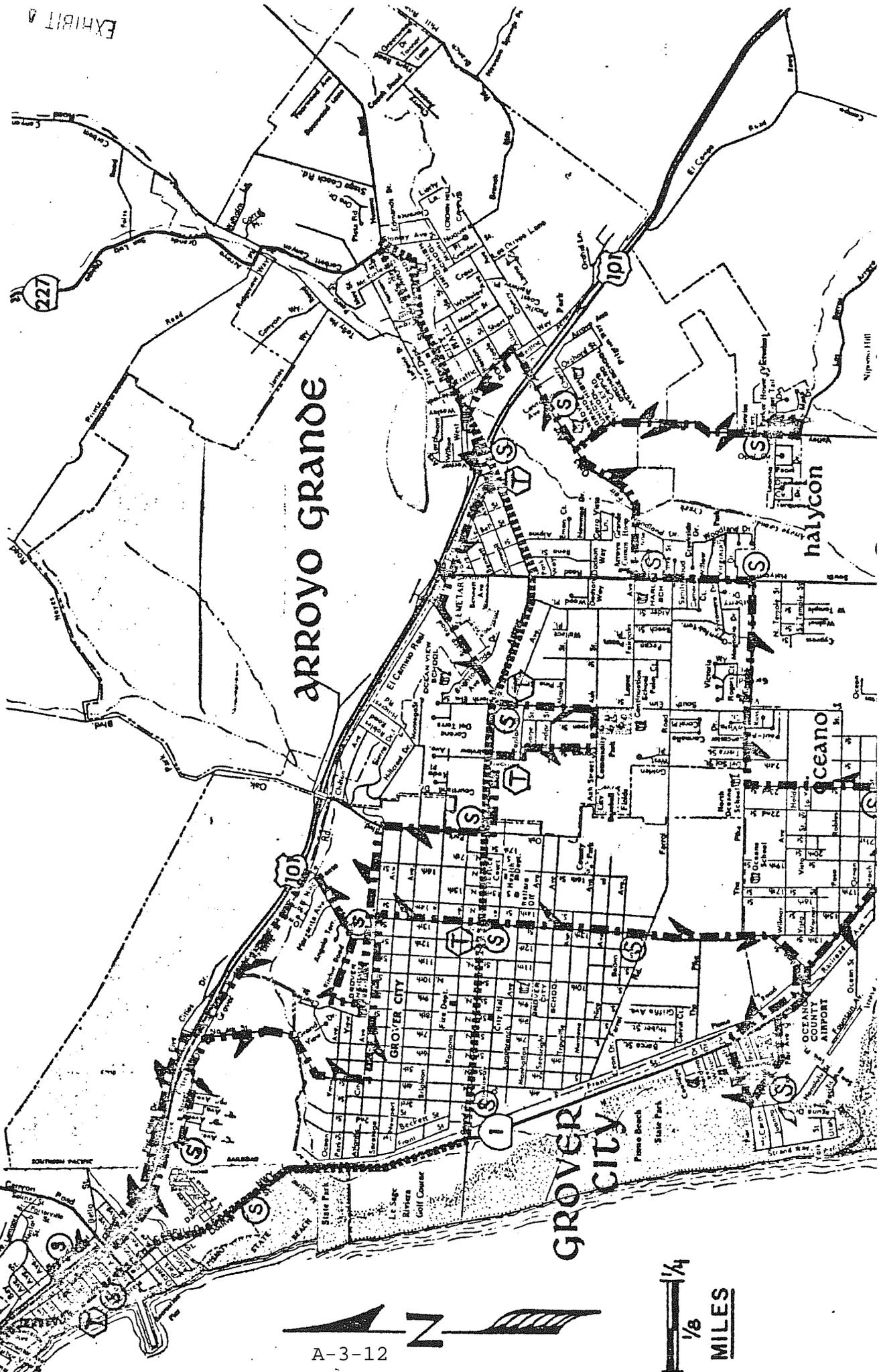
Route One (BOTH WAYS) - - - - - Route Two (ONE DIRECTION ONLY)

△ = Bus Stop with sign and bench

T = Transfer Point

→ = Direction of travel

→ = Direction of travel



PISMO BEACH
to
Spyglass Inn



A-3-12

1/4
1/8
MILES

EXHIBIT A

JOINT POWERS AGREEMENT
SOUTH COUNTY AREA TRANSIT

This agreement, by and between the cities of Arroyo Grande, Grover City, Pismo Beach, and the County of San Luis Obispo, representing the Oceano Area and the Avila Beach Area, is hereby entered into pursuant to Section 6500 et seq. of the Government Code of the State of California.

ARTICLE I
GENERAL PROVISIONS

SECTION 1: PURPOSES.

The purpose of this Agreement is to exercise the common powers of the member agencies by the formation of Joint Powers Agency with full power and authority to own, operate, plan for, and administer a public transportation system within the territory over which the Joint Powers Agency has jurisdiction (see map attached hereto as Exhibit A). This territory is consistent with the Arroyo Grande – Grover Beach Urbanized Area, which was designated as a result of the 2010 Decennial Census.

SECTION 2: NAME.

The official name of the Joint Powers Agency shall be ~~“South County Area Transit”~~South County Area Transit, and hereinafter referred to as “South County Transit” or alternately as “Agency.”

SECTION 3: POWERS.

The Agency shall have all the powers necessary to carry out the purposes of this Agreement, except the power to tax. The power to expend funds shall be limited only by the availability of funds as set forth in Section 1 of Article III, Financial Provisions of this Agreement. The powers of the Agency specifically include, but are not limited to, the following:

a. To operate a public transit system to serve all three incorporated cities in South San Luis Obispo County and the Oceano and Avila Beach areas of San Luis Obispo County, as is shown on the map attached hereto as Exhibit A.

- b. To sue and be sued.
- c. To employ agents, employees and to contract for professional or other services.
- d. To make and enter into contracts including labor, purchase agreement and employment contracts.
- e. To acquire, convey, construct, manage, maintain and operate buildings and improvements.
- f. To acquire and convey real and personal property.
- g. To incur debts, liabilities and obligations from private, state and federal agencies.
- h. To apply for and execute contracts of financial assistance from state and federal agencies and to obligate the ~~agency~~ Agency to operate the improvements, equipment, or transportation system in accordance with the terms and conditions of said financial assistance.
- i. To purchase necessary insurance.
- j. To develop policies and procedures necessary to remain in compliance with Federal Transit Administration Section 5307 Urbanized Area Formula Program and other federal grant program funding requirements.

SECTION 4: AGENCY IS A PUBLIC LEGAL ENTITY.

The Joint Powers Agency, South County ~~Area~~-Transit, is a public entity duly formed and existing under the laws of the State of California. It is a separate and distinct legal entity from its member agencies. The debts, duties and obligations created pursuant to this Agreement, or those created pursuant to the previous Agreement, shall be solely the obligation of ~~the~~ South County ~~Area~~-Transit and not those of its member agencies or of officers, employees, members of the Board of Directors or members of the member agencies.

ARTICLE II
ORGANIZATION

SECTION 1: BOARD OF DIRECTORS.

The powers of the ~~agency~~ Agency are vested in its Board of Directors. The Board of Directors shall be composed of one representative from each member agency. Each member of the Board of Directors shall have one vote. Each member agency shall appoint one regular

Comment [g1]: If Avila Beach should be included in the JPA, should an additional County member be identified?

member and one alternate member to the Board of Directors, and shall notify the ~~agency~~ Agency in writing of their appointments or of any change of representative. The representative shall serve solely at the pleasure of the appointing member agency. Representatives shall be either elected officials or officers or employees of the member agency.

SECTION 2: MEETINGS – VOTING QUORUM.

The Board shall establish a time, place and date for a regular ~~monthly~~ quarterly meeting. Regular meetings may be adjourned from time to time. Special meetings may be called by the Chairman or upon written request by any two members of the Board. Members shall be given at least 48 hours written notice of special meetings, provided however, the representative of any member may waive said notice.

A majority of the members shall constitute a quorum for the transaction of business.

Unless specifically limited by this Agreement, the vote of the majority of the members present at any regular, adjourned or special meeting shall be sufficient to act upon any matter.

SECTION 3: OFFICERS.

The Board shall elect a Chairman and Vice-Chairman, and the Vice-Chairman shall act in the absence of the Chairman. The Board shall also elect such other officers as deemed necessary.

All officers shall serve for a term of one year from the date of their election or until their successors are elected. The Chairman or Vice-Chairman is authorized to execute all documents in the name of the Agency.

SECTION 4: ADMINISTRATION.

The Board may in its discretion, appoint an Administrator of the transit system, to serve at the pleasure of the Board, and to have the power to certify ~~agency~~ Agency documents as required by law and to assume such duties and responsibilities as the Board may direct.

SECTION 5: NEW MEMBERS.

The Board may accept new members to the Agency on such terms and conditions as the Board may prescribe.

SECTION 6: CHANGE OF BOUNDARIES.

The boundaries of this Agency are subject to change, as set forth hereinafter. If any portion of the unincorporated area of the County is annexed to a member city, that annexed portion shall automatically be included within the boundaries of this Agency, and the said member city shall assume any obligations of the County as to that area. If a new city should be formed in any portion of the unincorporated area of the County presently included within the territory of this Agency, and if such a new city should become a party to this Agreement, then the affected area shall be the responsibility of the new city and the County shall not be responsible for any obligations on account of the area so included within the new city as of the effective date of the incorporation of the new city. The boundaries of this Agency shall be adjusted to reflect annexations or new incorporations as set forth hereinabove.

SECTION 7: SERVICE LEVELS.

Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the annual Unmet Transit Needs Hearing (PUC Section 99401.5) may be instituted, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of formula developed by the Board members representing the affected jurisdictions.

SECTION 8: COMMITTEES.

a. Committees and subcommittees may be established as the Board may deem appropriate. Committees and subcommittees must abide by open meetings requirements of the Brown Act (Government Code Section 54950).

b. Membership on "ad-Hoc" policy committees shall be at the discretion of the Board Chairman. Nothing herein shall be construed to limit membership on these aforesaid committees to officials of the member agencies. The Chairman may appoint any individual deemed qualified to serve on a committee.

c. An Executive Committee comprised of the City Managers from the three cities and a County of San Luis Obispo-designated employee shall advise the Administrator and the Board on draft agendas, personnel issues, budget, and controversial, sensitive and major policy issues. Items for review shall be selected by the Administrator in consultation with the Chairman.

All Committee members may include agenda items as they desire. For purposes of conducting business, three members shall constitute a quorum.

d. No committee shall commit the Agency on any matter or questions of policy. Such matters or questions can only be decided by the Board.

~~g.c.~~ All committees shall receive clerical assistance from Agency staff for the purpose of maintaining minutes of meetings, complying with Brown Act open meeting requirements, and other such duties as the Administrator may direct. The chair of each committee shall sign the original copy of the minutes indicating verification of contents upon committee adoption. Copies of minutes of all meetings shall be sent to Board members.

ARTICLE III FINANCIAL PROVISIONS

SECTION 1: BUDGET – LIMITATION OF FINANCIAL COMMITMENT.

The Board shall establish the fiscal year for the Agency and shall, prior to the commencement of each fiscal year, adopt an annual budget prepared by the Administrator.

A Consolidated Fund balance and cash balance will carry forward from one year to the next. The budget may additionally carry funds for future fiscal years where necessary to develop a multi-year Capital Improvement Program and to reflect obligations under state or federal funding agreements, to the extent allowable by California law.

Accounting practices to be applied will conform with those used by San Luis Obispo County, consistent with Transportation Development Act rules and regulations.

The Board shall not obligate the Agency to expenditures without ~~express approval of the legislative bodies of the member agencies.~~ No member Agency shall be required to expend any of its general fund monies to support the operations of the Agency, unless said expenditure is first approved by the legislative body of the member agency. The operation of the transit system shall be locally funded from SB-325 Transportation Development Act monies or from grant monies, and from revenues derived from operations. Each member agency shall make an annual contribution to the agency-Agency based upon the percentage of population related to the area served within that member agency. All population percentages utilized shall be those annually adopted by the San Luis Obispo Council of Governments for allocating Transportation

Comment [g2]: As written, we'd have to push the Budget Assumptions from January back to October, or conduct additional Board meetings (monthly?) to meet deadlines. Since only TDA funds can be obligated, I suggest removing this sentence entirely.

~~Development Act Funds based annually on estimates prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities. The population percentages shall be based annually on figures prepared from SB 90 estimates from the State Department of Finance.~~

SECTION 2: EXPENDITURES.

The Board ~~may will~~ establish procedures and policies to insure competitive prices for the purchases of goods and services ~~that meet federal and state procurement requirements. Formal bidding shall not be required unless directed specifically by the Board or unless required by state or federal law. Particularly in the purchase of equipment, including buses, the Board may consider the design, maintenance and operating costs, and other similar factors in determining the most suitable equipment and need not purchase equipment having the lowest initial cost.~~

SECTION 3: TREASURER AND AUDITOR.

~~Pursuant to Government Code Section 6505.5, the Treasurer of the County of San Luis Obispo is hereby designated as Treasurer of the Agency. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Auditor/Controller of the County of San Luis Obispo is designated as the Auditor of the Agency pursuant to Government Code Section 6505.5. Pursuant to Government Code Section 6505.5, the Treasurer of the City of Arroyo Grande is hereby designated as First Treasurer of Agency. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Office of Treasurer shall be rotated annually unless otherwise directed by the Board.~~

SECTION 4: ANNUAL AUDIT.

The Board of Directors shall cause an annual audit to be prepared and filed in accordance with Government Code Section 6505 ~~and Public Utilities Code Section 99245.~~

SECTION 5: OFFICIAL BONDS.

The Administrator and such other employees or agents as the Board may direct shall file an official bond in an amount to be determined by the Board. The cost of said bond(s) shall be ~~born borne~~ by the ~~agency~~Agency.

Comment [g3]: Is this necessary?
RTA did not include this in their most recent JPA update in 2012...

SECTION 6: ANNUAL REPORT.

The Administrator shall prepare and submit an annual report of the operations to the the San Luis Obispo Council of Governments and the Office of the State Controller within 90 days of the end of the fiscal year pursuant to Public Utilities Code, Section 99243.

SECTION 7: PERIODIC REPORTING.

The Board may require periodic reporting of ridership, finances, or other information. It shall be the responsibility of the Administrator to provide such reports in a form acceptable to the Board.

ARTICLE IV
MISCELLANEOUS PROVISIONS

SECTION 1: WITHDRAWAL OF MEMBERS.

Any member of this Agency may withdraw at any time after written notice to the Agency Board.

A withdrawing member's financial obligation under this Section is limited to the withdrawing member's pro-rata share of the currently adopted operating budget based upon ARTICLE III, SECTION 1 within the service area of the obligated commitments affecting the withdrawing member and any San Luis Obispo Council of Governments finding as to Unmet Transit Needs that are Reasonable to Meet pursuant to Public Utilities Code Section 99401.5. If the Agency has contractual obligations to continue operation of a public transit system at the time of withdrawal of any member, the remaining members may impose such conditions upon the withdrawing member as may be reasonable, including future financial support to meet the contractual obligations of the Agency at the time of withdrawal. However, the obligations of a withdrawing member under this section is limited to the special transportation funds to which the withdrawing member would be entitled, such as SB-325 Transportation Development Act funds, and this section shall not impose any obligation on the general funds of the withdrawing member.

SECTION 2: AMENDMENT OF AGREEMENT.

This Agreement may be amended at any time with the unanimous approval of the legislative bodies of the member agencies. No amendment to this Agreement shall be effective without such unanimous approval.

SECTION 3: RATIFICATION – EFFECTIVE DATE.

This Agreement shall become effective upon ratification by all member agencies. This Agreement shall be dated and shall be effective upon the last date ratified by a member agency.

SECTION 4: ASSIGNABILITY.

In the event it is deemed in the best public interest to have the public transportation system operated by another individual or entity, whether public or private, and provided that the assignment complies with state and federal law, the Agency on affirmative vote of all of its members, may sell, lease or assign all of its real and personal property and may cease operations upon such terms and conditions as the Board determines to be reasonable.

SECTION 5: TERMINATION.

This Agreement shall continue in full force and effect until cancelled by a majority of the member agencies.

SECTION 6: NOTIFICATION TO SECRETARY OF STATE.

Pursuant to Government Code Section 6503.5, the Agency shall cause a notice of the execution of this Agreement to be prepared and filed with the Office of the Secretary of the State of California, within thirty (30) days after the effective date of this Agreement. The Agency shall likewise cause such a notice to be prepared and filed with the Office of the Secretary of State within thirty (30) days after the effective date of any amendment to this Agreement. Until such filings are completed, the Agency shall not incur indebtedness of any kind.

IN WITNESS WHEREOF, the parties have executed this Agreement as to be effective on the ____ day of _____, ~~1978~~2016, which is the last date of signing by a member.

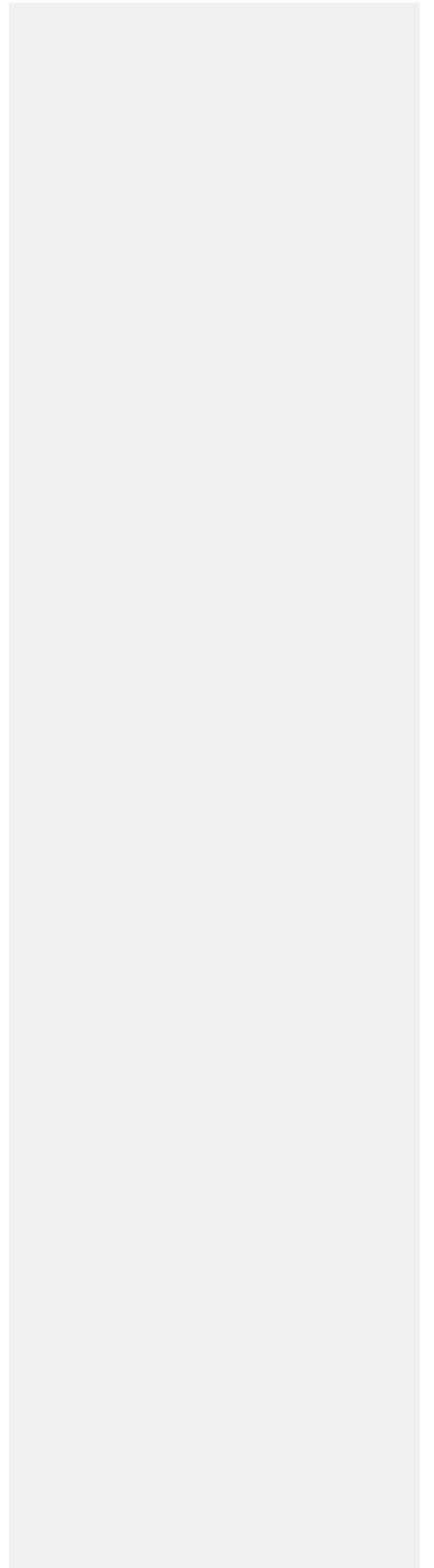
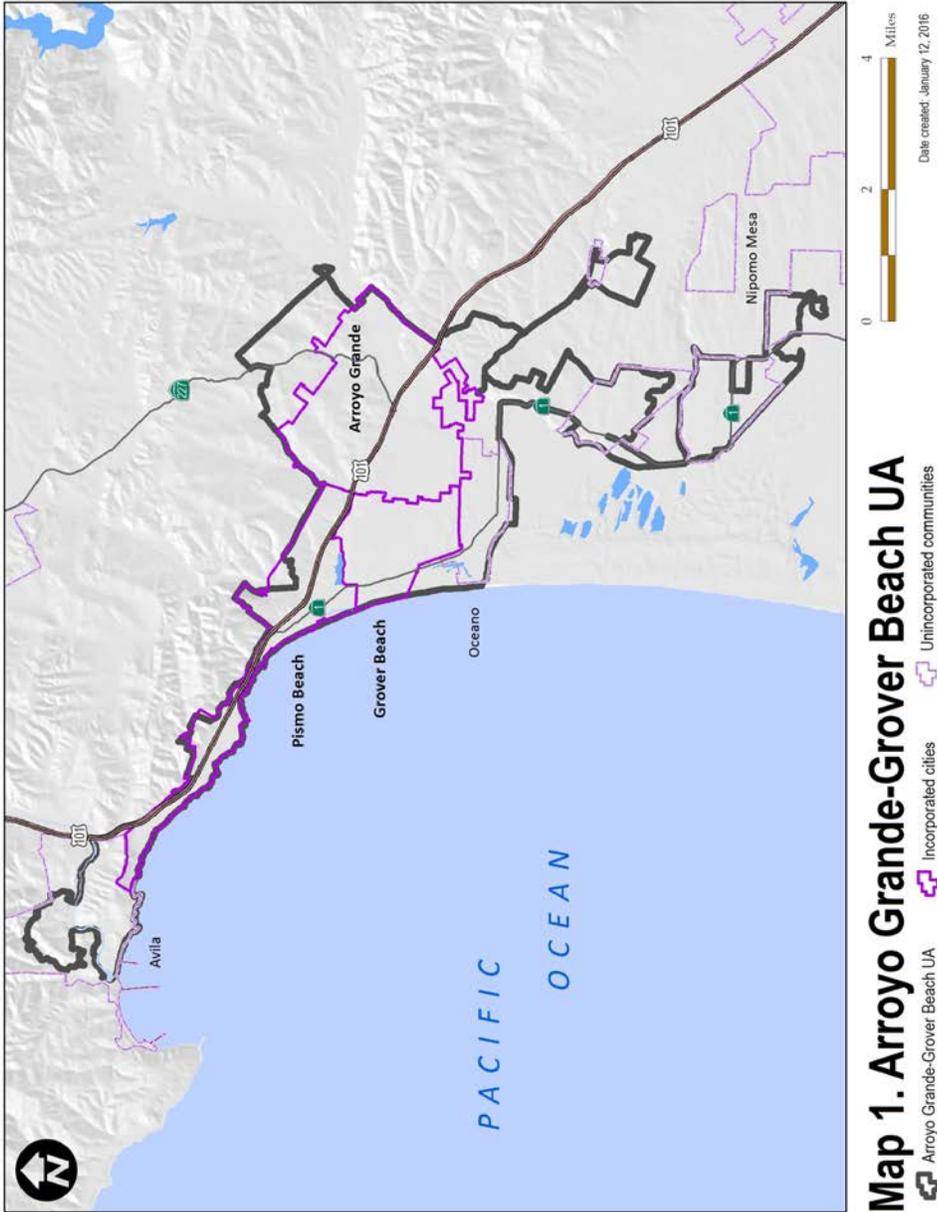


Exhibit A – SCT Planning Area Map



JOINT POWERS AGREEMENT
SOUTH COUNTY AREA TRANSIT

This agreement, by and between the cities of Arroyo Grande, Grover City, Pismo Beach, and the County of San Luis Obispo, representing the Oceano Area and the Avila Beach Area, is hereby entered into pursuant to Section 6500 et seq. of the Government Code of the State of California.

ARTICLE I
GENERAL PROVISIONS

SECTION 1: PURPOSES.

The purpose of this Agreement is to exercise the common powers of the member agencies by the formation of Joint Powers Agency with full power and authority to own, operate, plan for, and administer a public transportation system within the territory over which the Joint Powers Agency has jurisdiction (see map attached hereto as Exhibit A). This territory is consistent with the Arroyo Grande – Grover Beach Urbanized Area, which was designated as a result of the 2010 Decennial Census.

SECTION 2: NAME.

The official name of the Joint Powers Agency shall be South County Area Transit, and hereinafter referred to as “South County Transit” or alternately as “Agency.”

SECTION 3: POWERS.

The Agency shall have all the powers necessary to carry out the purposes of this Agreement, except the power to tax. The power to expend funds shall be limited only by the availability of funds as set forth in Section 1 of Article III, Financial Provisions of this Agreement. The powers of the Agency specifically include, but are not limited to, the following:

a. To operate a public transit system to serve all three incorporated cities in South San Luis Obispo County and the Oceano and Avila Beach areas of San Luis Obispo County, as is shown on the map attached hereto as Exhibit A.

b. To sue and be sued.

- c. To employ agents, employees and to contract for professional or other services.
- d. To make and enter into contracts including labor, purchase agreement and employment contracts.
- e. To acquire, convey, construct, manage, maintain and operate buildings and improvements.
- f. To acquire and convey real and personal property.
- g. To incur debts, liabilities and obligations from private, state and federal agencies.
- h. To apply for and execute contracts of financial assistance from state and federal agencies and to obligate the Agency to operate the improvements, equipment, or transportation system in accordance with the terms and conditions of said financial assistance.
- i. To purchase necessary insurance.
- j. To develop policies and procedures necessary to remain in compliance with Federal Transit Administration Section 5307 Urbanized Area Formula Program and other federal grant program funding requirements.

SECTION 4: AGENCY IS A PUBLIC LEGAL ENTITY.

The Joint Powers Agency, South County Transit, is a public entity duly formed and existing under the laws of the State of California. It is a separate and distinct legal entity from its member agencies. The debts, duties and obligations created pursuant to this Agreement, or those created pursuant to the previous Agreement, shall be solely the obligation of South County Transit and not those of its member agencies or of officers, employees, members of the Board of Directors or members of the member agencies.

ARTICLE II
ORGANIZATION

SECTION 1: BOARD OF DIRECTORS.

The powers of the Agency are vested in its Board of Directors. The Board of Directors shall be composed of one representative from each member agency. Each member of the Board of Directors shall have one vote. Each member agency shall appoint one regular member and one alternate member to the Board of Directors, and shall notify the Agency in writing of their

appointments or of any change of representative. The representative shall serve solely at the pleasure of the appointing member agency. Representatives shall be either elected officials or officers or employees of the member agency.

SECTION 2: MEETINGS – VOTING QUORUM.

The Board shall establish a time, place and date for a regular quarterly meeting. Regular meetings may be adjourned from time to time. Special meetings may be called by the Chairman or upon written request by any two members of the Board. Members shall be given at least 48 hours written notice of special meetings, provided however, the representative of any member may waive said notice.

A majority of the members shall constitute a quorum for the transaction of business.

Unless specifically limited by this Agreement, the vote of the majority of the members present at any regular, adjourned or special meeting shall be sufficient to act upon any matter.

SECTION 3: OFFICERS.

The Board shall elect a Chairman and Vice-Chairman, and the Vice-Chairman shall act in the absence of the Chairman. The Board shall also elect such other officers as deemed necessary.

All officers shall serve for a term of one year from the date of their election or until their successors are elected. The Chairman or Vice-Chairman is authorized to execute all documents in the name of the Agency.

SECTION 4: ADMINISTRATION.

The Board may in its discretion, appoint an Administrator of the transit system, to serve at the pleasure of the Board, and to have the power to certify Agency documents as required by law and to assume such duties and responsibilities as the Board may direct.

SECTION 5: NEW MEMBERS.

The Board may accept new members to the Agency on such terms and conditions as the Board may prescribe.

SECTION 6: CHANGE OF BOUNDARIES.

The boundaries of this Agency are subject to change, as set forth hereinafter. If any portion of the unincorporated area of the County is annexed to a member city, that annexed portion shall automatically be included within the boundaries of this Agency, and the said member city shall assume any obligations of the County as to that area. If a new city should be formed in any portion of the unincorporated area of the County presently included within the territory of this Agency, and if such a new city should become a party to this Agreement, then the affected area shall be the responsibility of the new city and the County shall not be responsible for any obligations on account of the area so included within the new city as of the effective date of the incorporation of the new city. The boundaries of this Agency shall be adjusted to reflect annexations or new incorporations as set forth hereinabove.

SECTION 7: SERVICE LEVELS.

Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the annual Unmet Transit Needs Hearing (PUC Section 99401.5) may be instituted, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of formula developed by the Board members representing the affected jurisdictions.

SECTION 8: COMMITTEES.

a. Committees and subcommittees may be established as the Board may deem appropriate. Committees and subcommittees must abide by open meetings requirements of the Brown Act (Government Code Section 54950).

b. Membership on “ad-Hoc” policy committees shall be at the discretion of the Board Chairman. Nothing herein shall be construed to limit membership on these aforesaid committees to officials of the member agencies. The Chairman may appoint any individual deemed qualified to serve on a committee.

c. An Executive Committee comprised of the City Managers from the three cities and a County of San Luis Obispo-designated employee shall advise the Administrator and the Board on draft agendas, personnel issues, budget, and controversial, sensitive and major policy issues. Items for review shall be selected by the Administrator in consultation with the Chairman.

All Committee members may include agenda items as they desire. For purposes of conducting business, three members shall constitute a quorum.

d. No committee shall commit the Agency on any matter or questions of policy. Such matters or questions can only be decided by the Board.

e. All committees shall receive clerical assistance from Agency staff for the purpose of maintaining minutes of meetings, complying with Brown Act open meeting requirements, and other such duties as the Administrator may direct. The chair of each committee shall sign the original copy of the minutes indicating verification of contents upon committee adoption. Copies of minutes of all meetings shall be sent to Board members.

ARTICLE III FINANCIAL PROVISIONS

SECTION 1: BUDGET – LIMITATION OF FINANCIAL COMMITMENT.

The Board shall establish the fiscal year for the Agency and shall, prior to the commencement of each fiscal year, adopt an annual budget prepared by the Administrator.

A Consolidated Fund balance and cash balance will carry forward from one year to the next. The budget may additionally carry funds for future fiscal years where necessary to develop a multi-year Capital Improvement Program and to reflect obligations under state or federal funding agreements, to the extent allowable by California law.

Accounting practices to be applied will conform with those used by San Luis Obispo County, consistent with Transportation Development Act rules and regulations.

No member Agency shall be required to expend any of its general fund monies to support the operations of the Agency, unless said expenditure is first approved by the legislative body of the member agency. The operation of the transit system shall be locally funded from Transportation Development Act monies or from grant monies, and from revenues derived from operations. Each member agency shall make an annual contribution to the Agency based upon the percentage of population related to the area served within that member agency. All population percentages utilized shall be those annually adopted by the San Luis Obispo Council of Governments for allocating Transportation Development Act Funds based annually on estimates prepared by the State Department of Finance pursuant to Section 2227 of the Revenue

and Taxation Code for cities and by the County Planning Department for unincorporated communities.

SECTION 2: EXPENDITURES.

The Board will establish procedures and policies to insure competitive prices for the purchases of goods and services that meet federal and state procurement requirements.

SECTION 3: TREASURER AND AUDITOR.

Pursuant to Government Code Section 6505.5, the Treasurer of the County of San Luis Obispo is hereby designated as Treasurer of the Agency. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Auditor/Controller of the County of San Luis Obispo is designated as the Auditor of the Agency pursuant to Government Code Section 6505.5.

SECTION 4: ANNUAL AUDIT.

The Board of Directors shall cause an annual audit to be prepared and filed in accordance with Government Code Section 6505 and Public Utilities Code Section 99245.

SECTION 5: OFFICIAL BONDS.

The Administrator and such other employees or agents as the Board may direct shall file an official bond in an amount to be determined by the Board. The cost of said bond(s) shall be borne by the Agency.

SECTION 6: ANNUAL REPORT.

The Administrator shall prepare and submit an annual report of the operations to the the San Luis Obispo Council of Governments and the Office of the State Controller within 90 days of the end of the fiscal year pursuant to Public Utilities Code, Section 99243.

SECTION 7: PERIODIC REPORTING.

The Board may require periodic reporting of ridership, finances, or other information. It shall be the responsibility of the Administrator to provide such reports in a form acceptable to the Board.

ARTICLE IV
MISCELLANEOUS PROVISIONS

SECTION 1: WITHDRAWAL OF MEMBERS.

Any member of this Agency may withdraw at any time after written notice to the Agency Board.

A withdrawing member's financial obligation under this Section is limited to the withdrawing member's pro-rata share of the currently adopted operating budget based upon ARTICLE III, SECTION 1 within the service area of the obligated commitments affecting the withdrawing member and any San Luis Obispo Council of Governments finding as to Unmet Transit Needs that are Reasonable to Meet pursuant to Public Utilities Code Section 99401.5. However, the obligations of a withdrawing member under this section is limited to the special transportation funds to which the withdrawing member would be entitled, such as Transportation Development Act funds, and this section shall not impose any obligation on the general funds of the withdrawing member.

SECTION 2: AMENDMENT OF AGREEMENT.

This Agreement may be amended at any time with the unanimous approval of the legislative bodies of the member agencies. No amendment to this Agreement shall be effective without such unanimous approval.

SECTION 3: RATIFICATION – EFFECTIVE DATE.

This Agreement shall be become effective upon ratification by all member agencies. This Agreement shall be dated and shall be effective upon the last date ratified by a member agency.

SECTION 4: ASSIGNABILITY.

In the event it is deemed in the best public interest to have the public transportation system operated by another individual or entity, whether public or private, and provided that the assignment complies with state and federal law, the Agency on affirmative vote of all of its members, may sell, lease or assign all of its real and personal property and may cease operations upon such terms and conditions as the Board determines to be reasonable.

SECTION 5: TERMINATION.

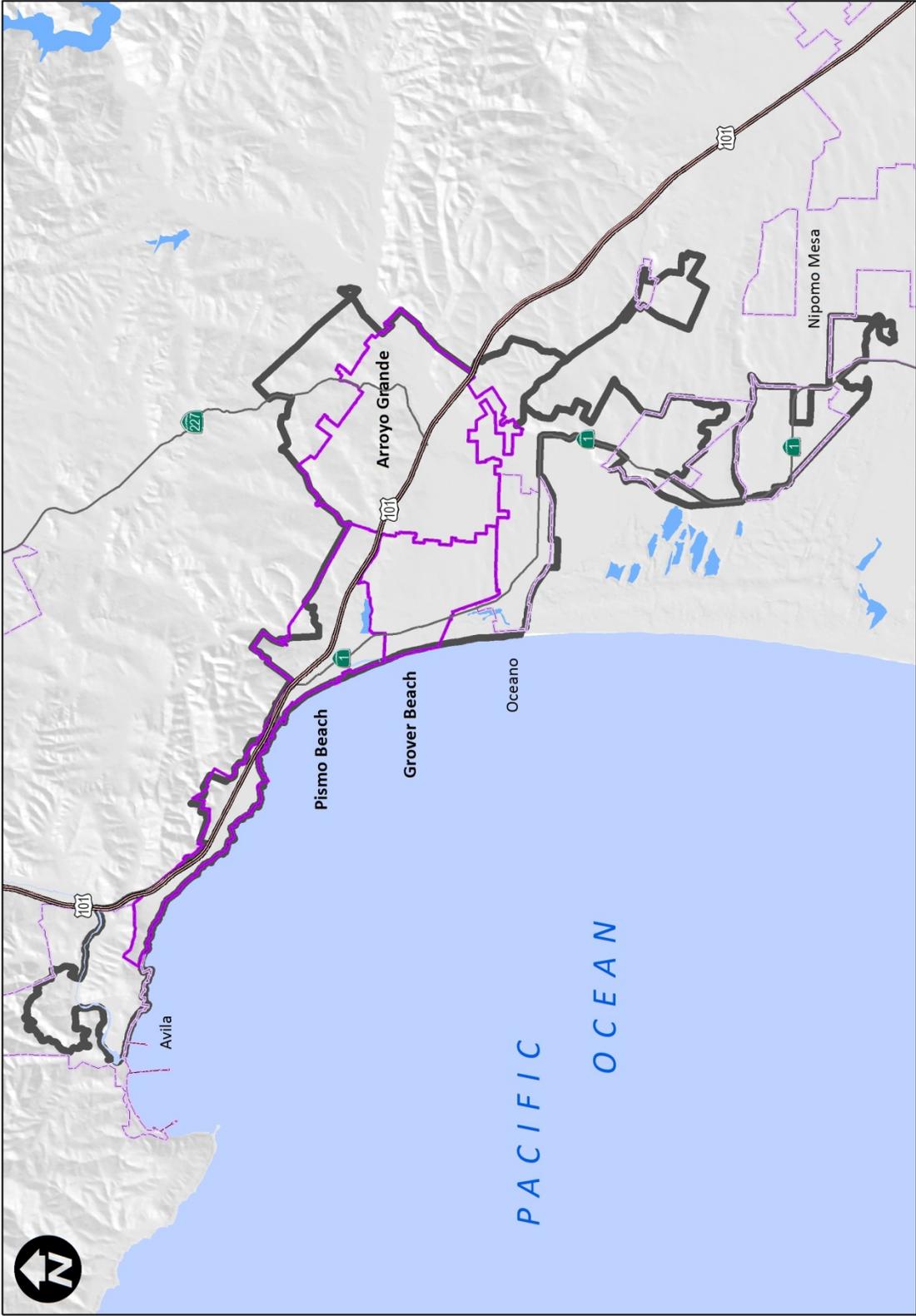
This Agreement shall continue in full force and effect until cancelled by a majority of the member agencies.

SECTION 6: NOTIFICATION TO SECRETARY OF STATE.

Pursuant to Government Code Section 6503.5, the Agency shall cause a notice of the execution of this Agreement to be prepared and filed with the Office of the Secretary of the State of California, within thirty (30) days after the effective date of this Agreement. The Agency shall likewise cause such a notice to be prepared and filed with the Office of the Secretary of State within thirty (30) days after the effective date of any amendment to this Agreement. Until such filings are completed, the Agency shall not incur indebtedness of any kind.

IN WITNESS WHEREOF, the parties have executed this Agreement as to be effective on the ____ day of _____, 2016, which is the last date of signing by a member.

Exhibit A – SCT Planning Area Map



Map 1. Arroyo Grande-Grover Beach UA

Arroyo Grande-Grover Beach UA Incorporated cities Unincorporated communities

SOUTH COUNTY TRANSIT
January 20, 2016
STAFF REPORT

AGENDA ITEM: A-4

TOPIC: SCT Agreement with RTA

PRESENTED BY: Geoff Straw, SCT Administrator

STAFF RECOMMENDATION: Receive Preliminary Recommended Changes to SCT-RTA Agreement Document

BACKGROUND/DISCUSSION:

The current agreement between SCT and the San Luis Obispo Regional Transit Authority was ratified in June 2001. However, the scope of work has significantly changed, as has the Census designation for SCT's service area. In particular, the latter has required SCT to adopt a number of policies and change operating procedures so that SCT remains in compliance with Federal Transit Administration urbanized area grant requirements. In addition, when the current agreement was ratified SCT provided vehicle maintenance tasks using in-house staff; RTA now provides all vehicle maintenance services. Although the current agreement does not reference the four distinct services provided by RTA (Administration, Finance, Maintenance and Dispatch), the annual budget report includes them.

An item worthy of further discussion is the issue of a SLOCOG-recommended citizens' advisory committee. While not required under TDA or FTA law, SLOCOG has made this recommendation based on perceptions that methods of collecting, analyzing and bringing forward citizen-based transit improvements are only currently provided through SLOCOG's annual Unmet Transit Needs meetings, as well as through open public Board meetings and through customer comments – and those venues may not be sufficient. Perhaps a middle ground is to designate the Executive Committee meetings as subject to the Brown Act would provide another chance for the public to provide comments to the Board.

Either way, staff is recommending that the agreement be replaced. Staff worked with Counsel and Executive Committee members to review the current agreement document and to develop language that would address the issues discussed above. In addition, outdated language has been updated to reflect current conditions.

Staff has included three documents with this staff report, as follows:

1. A copy of the current agreement document, including the referenced proposal serving as the scope of services developed in 1997;

2. A revised agreement document, which depicts the recommended changes in ~~line-out~~ and new formats; and
3. A “clean” copy of the replacement agreement document.

Staff Recommendation

Replace the agreement per staff's recommendation.

**SOUTH COUNTY AREA TRANSIT
RESOLUTION _____**

**AUTHORIZING A CONTRACT FOR
ADMINISTRATIVE AND FINANCIAL SERVICES
WITH THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

The following resolution is now offered and reads:

WHEREAS, the South County Area Transit is responsible for local transit and other transportation within the Five Cities area (Pismo Beach, Arroyo Grande, Grover Beach, Shell Beach and Oceano); and

WHEREAS, the South County Area Transit has determined a need for administrative and financial services; and

WHEREAS, South County Area Transit included \$55,000 in the FY 01-02 Budget; and

WHEREAS, the San Luis Obispo Regional Transit Authority is responsible for regional transit and other regional transportation services; and,

WHEREAS, the San Luis Obispo Regional Transit Authority is trained, experienced, and competent to perform such services; and

WHEREAS, the San Luis Obispo Regional Transit Authority agrees to perform the tasks outlined in their proposal dated April 23, 1997.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board of Directors enter into a contract with the San Luis Obispo Regional Transit Authority to provide all administrative and financial functions for the South County Area Transit.

BE IT FURTHER RESOLVED that the Chairperson of the South County Area Transit is hereby directed to sign this resolution on behalf of the Board of Directors, and the South County Area Transit Board Secretary is authorized to sign and administer the contract.

Upon motion of Director _____, seconded by Director _____ and on the following roll call vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted this 20th day of June 2001.

Mary Ann Reiss, Chairperson
South County Area Transit

ATTEST:

David L. Lilly, SCAT Administrator
South County Area Transit

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
Jac Crawford, Counsel
South County Area Transit

Date: _____

**CONTRACT FOR ADMINISTRATIVE AND FINANCIAL SERVICES
BETWEEN
THE SOUTH COUNTY AREA TRANSIT
AND
THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

THIS CONTRACT is entered into this 20th day of June 2001, by and between the SOUTH COUNTY AREA TRANSIT, (hereinafter referred to as "SCAT") and the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, (hereinafter referred to as "SLORTA" and referred to as "Contractor");

WITNESSETH:

WHEREAS, SCAT, is responsible for local transit and other local transportation services within the Five Cities area (Pismo Beach, Arroyo Grande, Grover Beach, Shell Beach and Oceano); and

WHEREAS, SCAT has determined a need for administrative and financial services; and

WHEREAS, Contractor is responsible for regional transit and other regional transportation services, and is deemed trained, experienced, expert and competent to perform such services; and

WHEREAS, the SCAT Board approved staff and committee recommendations to engage in administrative and financial services with said Contractor at its April 15, 1997 meeting; and

WHEREAS, the Contractor agrees to perform the tasks identified in the Contractor's proposal dated April 23, 1997.

NOW, THEREFORE, the parties do mutually agree as follows:

1. Retention of Services. SCAT hereby engages Contractor and Contractor hereby agrees to perform for SCAT the services hereinafter set forth for the compensation annually budgeted by the SCAT Board and agreed to by the Contractor, all pursuant to the terms and conditions herein.

2. Scope of Services. Pursuant to this Contract, Contractor shall provide to SCAT the services identified in the Contractor's proposal dated April 23, 1997.

3. Compensation. SCAT shall pay to Contractor as compensation in full for all services performed by Contractor pursuant to this Contract, a sum equal to that annually budgeted by the SCAT Board and agreed to by the Contractor, to provide all administrative and financial services, and SCAT hereby warrants that funds are available from which payment may be made. Said compensation shall be paid in the following manner: SCAT shall pay said compensation to Contractor on a quarterly basis through a San Luis Obispo County Journal Entry.

4. Term of Contract. This Contract shall commence effective on the date of the last signatory and shall continue with automatic annual renewal, unless terminated earlier as provided herein. Contractor will furnish sufficient personnel to: complete all phases of the tasks according to Contractor's proposal dated April 23, 1997.

5. Termination of Contract for Convenience of Either Party. Either party may terminate this Contract at any time by giving to the other party ten (10) days written notice of such termination. Termination shall have no effect upon the rights and obligations of the parties arising out of the transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of such termination.

6. Termination of Contract for Cause. If, through any cause within its control, Contractor fails to fulfill in a timely and professional manner its obligations under this Contract, or if Contractor violates any of the terms or provisions of this Contract, SCAT shall have the right to terminate this Contract effective immediately upon SCAT's giving written notice thereof to Contractor. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work

satisfactorily completed prior to the effective date of such termination.

7. Modification. This Contract, together with Attachment A, (the Scope of Work described in Contractor's proposal) constitutes the entire understanding of the parties hereto and no changes, amendments, or alterations shall be effective unless in writing and signed by both parties.

8. Non-Assignment of Contract. Inasmuch as this Contract is intended to secure the specialized services of the Contractor, Contractor shall not assign, transfer, delegate, or sublet this Contract or any interest herein with the exception of that outlined in the Contractors proposal dated April 23, 1997, without the prior written consent of the SCAT Board Secretary, and any such assignment, transfer, delegation, or sublet without SCAT's prior written consent shall be considered null and void.

9. Covenant. The validity, enforceability and interpretation of any of the clauses of this Contract shall be determined and governed by the laws of the State of California.

10. Enforceability. The invalidity and unenforceability of any terms or provisions hereof shall in no way affect the validity or enforceability of any other terms or provisions.

11. Employment Status. Contractor shall, during the entire term of the Contract, be construed to be an independent Contractor, and shall in no event be construed to be an employee of SCAT. Contractor understands and agrees that he is not, and will not, be eligible for membership in or any benefits from any SCAT group plan for hospital, surgical or medical insurance, or for membership in any SCAT retirement program, or for paid vacation, paid sick leave, or other leave, with or without pay, or for any other benefit which accrues to a SCAT employee.

12. Warranty of Contractor. Contractor warrants that it is properly certified and licensed under the laws and regulations of the State of California to provide the services agreed to herein.

13. Conflicts of Interest. No officer, employee, director or agent of SCAT shall participate in any decision relating to this Contract which affects his

personal interest or the interest of any corporation, partnership, or association in which he is directly or indirectly interested; nor shall any such person have any interest, direct or indirect, in this Contract or the provisions thereof.

14. Indemnification. Contractor shall defend, indemnify and save harmless SCAT, its officers, agents and employees, from any and all claims, demands, damages, costs, expenses, or liability arising out of this contract or occasioned by the performance or attempted performance of the provisions hereof except those arising from the sole negligence or willful misconduct of SCAT, including, but not limited to, any act or omission to act on the part of the Contractor or his agents or employees or other independent contractors directly responsible.

15. Insurance. Contractor maintains its Bodily Injury Liability, Property Damage Liability, Public Officials Errors and Omissions Liability, and Personal Injury Liability Insurance with the California Transit Insurance Pool (CalTIP), A Joint Powers Insurance Agency, and its Workers' Compensation Insurance with Employers First Insurance Company, Dishonest Employee Insurance with the Hartford Insurance Company, and Business Personal Property Insurance with the General Insurance Company. Contractor agrees to maintain these insurance policies through the entire term of this Contract.

16. Notices. Any notice required to be given pursuant to the terms and provisions hereof shall be in writing, and shall be sent by certified or registered mail to:

SCAT: South County Area Transit
760 Mattie Road, PO Box 3
Pismo Beach, California 93449

SLORTA: San Luis Obispo Regional Transit Authority
1150 Osos Street; Suite 206

17. Progress Reports. Brief progress reports shall be submitted by Contractor to SCAT, as described in the Contractor's proposal dated April 7, 1997. Progress reports accompanied by invoices shall describe the work performed, plus any problems anticipated in performing said work in the future.

18. Copyright. Any reports, maps, documents or other materials produced in whole or part under this Contract shall be the property of SCAT, and shall not be subject to any application for copyright by or on behalf of the Contractor.

19. Findings Confidential. No reports, maps, information, documents, or any other materials given to or prepared by Contractor under this Contract which SCAT requests, in writing, to be kept confidential, shall be made available to any individual or organizations by Contractor without the prior written approval of SCAT. However, Contractor shall be free to disclose such data as is publicly available, already in its possession, or independently developed.

IN WITNESS WHEREOF, SCAT and Contractor have executed this Contract effective on the date of the last signatory.

BY: _____ By: _____
Mary Ann Reiss, SCAT Chairperson Katcho Achadjian, SLORTA President

ATTEST:

Mike Fuson, SCAT Board Secretary
South County Area Transit

APPROVED AS TO FORM AND LEGAL EFFECT:

BY: _____
Jac Crawford, Counsel
South County Area Transit

DATE: _____

ATTEST:

David L. Lilly, Regional Transit Manager
San Luis Obispo Regional Transit Authority

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
Jac Crawford, Counsel
San Luis Obispo Regional Transit Authority

Date: _____

EXHIBIT “A”

**SAN LUIS OBISPO REGIONAL
TRANSIT AUTHORITY**

“SLORTA”

**PROPOSAL TO PERFORM
ADMINISTRATIVE
AND
FINANCIAL SERVICES**

FOR

SOUTH COUNTY AREA TRANSIT

“SCAT”

SCOPE OF WORK

**SOUTH COUNTY ~~AREA~~-TRANSIT
RESOLUTION _____**

**AUTHORIZING A CONTRACT FOR
ADMINISTRATIVE AND FINANCIAL SERVICES
WITH THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

The following resolution is now offered and reads:

WHEREAS, ~~the~~ South County ~~Area~~-Transit is responsible for local fixed route transit services and other transportation within the ~~Five-Cities area~~ Arroyo Grande – Grover Beach Urbanized Area (Pismo Beach, Arroyo Grande, Grover Beach, Shell Beach, ~~and~~ Oceano, and Avila Beach); and

WHEREAS, ~~the~~ South County ~~Area~~-Transit has determined a need for ~~administrative and financial~~ Administration, Finance, Maintenance and Dispatch services; and

WHEREAS, South County ~~Area~~-Transit included ~~\$55,000 in the FY 01-02~~ \$65,410 for Administration, \$14,420 for Finance, \$110,000 for Maintenance, and \$18,750 for Dispatch services in the FY15-16 SCT Annual Budget; and

WHEREAS, the San Luis Obispo Regional Transit Authority is responsible for regional transit and other regional transportation services; and,

WHEREAS, the San Luis Obispo Regional Transit Authority is trained, experienced, and competent to perform such services; and

WHEREAS, the San Luis Obispo Regional Transit Authority agrees to perform the tasks outlined in their proposal ~~dated April 23, 1997~~ included in the SCT Annual Budget report.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board of Directors enter into a contract with the San Luis Obispo Regional Transit Authority to provide all ~~administrative and financial~~ Administration, Finance, Maintenance and Dispatch functions for ~~the~~ South County ~~Area~~-Transit.

BE IT FURTHER RESOLVED that the Chairperson of ~~the~~ South County ~~Area~~ Transit is hereby directed to sign this resolution on behalf of the Board of Directors, and the ~~South County Area Transit Board Secretary~~ SCT Administrator is authorized to sign and administer the contract.

Upon motion of Director _____, seconded by Director _____ and on the following roll call vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted this ~~20th day of June 2004~~ 2nd day of March 2016.

~~Mary Ann Reiss~~ James Guthrie, Chairperson
South County ~~Area~~-Transit

ATTEST:

~~David L. Lilly, SCAT~~ Geoff Straw, Administrator
South County ~~Area~~-Transit

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
~~Jac Crawford~~ Timothy McNulty, Counsel
South County ~~Area~~-Transit

Date: _____

**CONTRACT FOR ADMINISTRATIVE AND FINANCIAL SERVICES
BETWEEN
~~THE SOUTH COUNTY AREA~~ TRANSIT
AND
THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

THIS CONTRACT is entered into this ~~20th day of June 2004~~ 2nd day of March 2016, by and between ~~the~~ SOUTH COUNTY AREA TRANSIT, a joint powers authority formed pursuant to Government Code section 6500 et seq. and doing business as "South County Transit" (hereinafter referred to as "~~SCAT~~SCT") and the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, a joint powers authority formed pursuant to Government Code section 6500 and doing business as "RTA" (hereinafter referred to as "~~SLORTARTA~~" and referred to as "Contractor");

WITNESSETH:

WHEREAS, ~~SCAT~~SCT, is responsible for local fixed route transit ~~and other local transportation~~ services within the ~~Five Cities area~~Arroyo Grande – Grover Beach Urbanized Area (Pismo Beach, Arroyo Grande, Grover Beach, Shell Beach, ~~and~~ Oceano, and Avila Beach); and

WHEREAS, ~~SCAT~~SCT has determined a need for ~~administrative and financial~~Administration, Finance, Maintenance, and Dispatch services; and

WHEREAS, Contractor is responsible for regional transit and other regional transportation services, and is deemed trained, experienced, expert and competent to perform such services; and

WHEREAS, the ~~SCAT~~SCT Board ~~approved~~approves staff and committee recommendations to engage in ~~administrative and financial~~Administration, Finance, Maintenance and Dispatch services with said Contractor ~~at its April 15, 1997 meeting~~during its annual budget-making process; and

WHEREAS, the Contractor agrees to perform the Administration, Finance, Maintenance and Dispatch tasks ~~identified in the Contractor's proposal~~

~~and dated April 23, 1997~~ included in the SCT Annual Budget report adopted in April of each year in return for the compensation associated with those tasks in each such Annual Budget Report.

NOW, THEREFORE, the parties do mutually agree as follows:

1. Retention of Services. ~~SCAT-SCT~~ hereby engages Contractor and Contractor hereby agrees to perform for ~~SCAT-SCT~~ the services hereinafter set forth for the compensation annually budgeted by the ~~SCAT-SCT~~ Board and agreed to by the Contractor, all pursuant to the terms and conditions herein.

2. Scope of Services. Pursuant to this Contract, Contractor shall provide to ~~SCAT-SCT~~ the Administration, Finance, Maintenance and Dispatch services identified in the ~~Contractor's proposal Annual Budget Report dated April 23, 1997~~ that is prepared annually as part of the budget-making process. The scope of services will be spelled out in sufficient detail within the SCT Annual Budget report for the Board members to make informed decisions. The scope of services included in the SCT Annual Budget report must be ratified separately by the SCT Board and the RTA Board as part of each Agency's budget-adoption process. At a minimum, details will be provided for the following four budget sections: Administration, Finance, Maintenance, and Dispatch services.

3. Compensation. ~~SCAT-SCT~~ shall pay to Contractor as compensation in full for all services performed by Contractor pursuant to this Contract, a sum equal to that annually budgeted by the ~~SCAT-SCT~~ Board and agreed to by the Contractor, to provide all ~~administrative—and financial~~ Administration, Finance, Maintenance, and Dispatch services, and ~~SCAT-SCT~~ hereby warrants that funds are available from which payment may be made. Said compensation shall be paid in the following manner: ~~SCAT-SCT~~ shall pay said compensation to Contractor on a quarterly basis through a San Luis Obispo County Journal Entry.

4. Term of Contract. This Contract shall commence effective on the date of the last signatory and shall continue with automatic annual renewal,

unless terminated earlier as provided herein. Contractor will furnish sufficient personnel to: complete all phases of the tasks ~~according to Contractor's proposal dated April 23, 1997~~included in the SCT Annual Budget report.

5. Termination of Contract for Convenience of Either Party. Either party may terminate this Contract at any time by giving to the other party ~~ten~~ ninety (90) days written notice of such termination. Termination shall have no effect upon the rights and obligations of the parties arising out of the transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of such termination.

6. Termination of Contract for Cause. If, through any cause within its control, Contractor fails to fulfill in a timely and professional manner its obligations under this Contract, or if Contractor violates any of the terms or provisions of this Contract, ~~SCAT-SCT~~ shall have the right to terminate this Contract effective immediately upon ~~SCAT's-SCT's~~ giving written notice thereof to Contractor. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of such termination.

7. Modification. This Contract, together with ~~Attachment A, (the Scope of Work described in Contractor's proposal)~~each year's adopted SCT Annual Budget report, constitutes the entire understanding of the parties hereto and no changes, amendments, or alterations shall be effective unless in writing and signed by both parties.

8. Non-Assignment of Contract. Inasmuch as this Contract is intended to secure the specialized services of the Contractor, Contractor shall not assign, transfer, delegate, or sublet this Contract or any interest herein ~~with the exception of that outlined in the Contractor's proposal dated April 23, 1997,~~ without the prior written consent of the ~~SCAT-SCT~~ Board

~~Secretary~~, and any such assignment, transfer, delegation, or sublet without ~~SCAT's-SCT's~~ prior written consent shall be considered null and void.

9. Covenant. The validity, enforceability and interpretation of any of the clauses of this Contract shall be determined and governed by the laws of the State of California.

10. Enforceability. The invalidity and unenforceability of any terms or provisions hereof shall in no way affect the validity or enforceability of any other terms or provisions.

11. Employment Status. Contractor shall, during the entire term of the Contract, be construed to be an independent Contractor, and shall in no event be construed to be an employee of ~~SCAT-SCT~~. Contractor understands and agrees that he is not, and will not, be eligible for membership in or any benefits from any ~~SCAT-SCT~~ group plan for hospital, surgical or medical insurance, or for membership in any ~~SCAT-SCT~~ retirement program, or for paid vacation, paid sick leave, or other leave, with or without pay, or for any other benefit which accrues to a ~~SCAT-SCT~~ employee.

12. Warranty of Contractor. Contractor warrants that it is properly certified and licensed under the laws and regulations of the State of California to provide the services agreed to herein.

13. Conflicts of Interest. No officer, employee, director or agent of ~~SCAT-SCT~~ shall participate in any decision relating to this Contract which affects his personal interest or the interest of any corporation, partnership, or association in which he is directly or indirectly interested; nor shall any such person have any interest, direct or indirect, in this Contract or the provisions thereof.

14. Indemnification. Contractor shall defend, indemnify and save harmless ~~SCAT-SCT~~, its officers, agents and employees, from any and all claims, demands, damages, costs, expenses, or liability arising out of this contract or occasioned by the performance or attempted performance of the

provisions hereof except those arising from the sole negligence or willful misconduct of SCATSCT, including, but not limited to, any act or omission to act on the part of the Contractor or his agents or employees or other independent contractors directly responsible.

15. Insurance. Contractor and SCT each maintain separate insurance policies in sufficient coverage amounts for the following coverage areas: maintains its Bodily Injury Liability, Property Damage Liability, Public Officials Errors and Omissions Liability, and Personal Injury Liability Insurance with the California Transit Insurance Pool (CalTIP), A Joint Powers Insurance Agency, and its Workers' Compensation Insurance with Employers First Insurance Company, Dishonest Employee Insurance with the Hartford Insurance Company, and Business Personal Property Insurance with the General Insurance Company. Contractor agrees and SCT agree to maintain these insurance policies through the entire term of this Contract.

16. Notices. Any notice required to be given pursuant to the terms and provisions hereof shall be in writing, and shall be sent by certified or registered mail to:

SCATSCT: South County ~~Area~~-Transit
760 Mattie Road, PO Box 3800 Rodeo Drive
Pismo Beach, California 93449 Arroyo Grande,
CA 93420

SLORTA: San Luis Obispo Regional Transit Authority
1150 Osos Street, Suite 206 179 Cross Street,

Suite A

San Luis Obispo, ~~Ca~~-CA 93401

17. Progress Reports. Brief progress reports shall be submitted by Contractor to SCATSCT, as described in the Contractor's proposal dated

~~April 7, 1997.~~ Progress reports accompanied by invoices shall describe the work performed, plus any problems anticipated in performing said work in the future.

18. Copyright. Any reports, maps, documents or other materials produced in whole or part under this Contract shall be the property of ~~SCAT~~SCT, and shall not be subject to any application for copyright by or on behalf of the Contractor.

19. Findings Confidential. To the extent permitted by law. ~~No~~ reports, maps, information, documents, or any other materials given to or prepared by Contractor under this Contract which ~~SCAT~~SCT requests, in writing, to be kept confidential, shall be made available to any individual or organizations by Contractor without the prior written approval of ~~SCAT~~SCT. However, Contractor shall be free to disclose such data as is publicly available, already in its possession, or independently developed.

20. Legal Representation. Since both RTA and SCT both utilize legal services made available through the County of San Luis Obispo, any potential disagreement regarding this Contract or the provision of services pursuant to it may require the retention of outside counsel. Should any such situation arise as determined jointly by the SCT Board Chairman and the SCT Administrator, the SCT Administrator will solicit proposals for outside counsel services and report back to the full Board for consideration of contracting with the recommended firm at the next regularly-scheduled or special Board meeting.

Comment [g1]: This change was suggested by one of the City Managers after the January 5th Executive Committee meeting. The SCT Administrator chose to include this language for further discussion.

IN WITNESS WHEREOF, ~~SCAT~~SCT and Contractor have executed this Contract effective on the date of the last signatory.

BY: _____ By: _____

~~Mary Ann Reiss, SCAT~~James Guthrie, SCT Chairperson ~~Kateh-~~
~~Achadjian, SLORTA~~ Jan Marx, RTA President

ATTEST:

~~Mike Fuson, SCAT Board Secretary~~ Geoff Straw, Administrator
South County Area Transit

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

BY: _____

~~Jac Crawford, Counsel~~
~~South County Area Transit~~

DATE: _____

ATTEST:

~~David L. Lilly, Regional Transit Manager~~ Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
~~Jac Crawford~~ Timothy McNulty, Counsel
San Luis Obispo Regional Transit Authority

Date: _____

**SOUTH COUNTY TRANSIT
RESOLUTION _____**

**AUTHORIZING A CONTRACT FOR
ADMINISTRATIVE AND FINANCIAL SERVICES
WITH THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

The following resolution is now offered and reads:

WHEREAS, South County Transit is responsible for local fixed route transit services within the Arroyo Grande – Grover Beach Urbanized Area (Pismo Beach, Arroyo Grande, Grover Beach, Shell Beach, Oceano, and Avila Beach); and

WHEREAS, South County Transit has determined a need for Administration, Finance, Maintenance and Dispatch services; and

WHEREAS, South County Transit included \$65,410 for Administration, \$14,420 for Finance, \$110,000 for Maintenance, and \$18,750 for Dispatch services in the FY15-16 SCT Annual Budget; and

WHEREAS, the San Luis Obispo Regional Transit Authority is responsible for regional transit and other regional transportation services; and,

WHEREAS, the San Luis Obispo Regional Transit Authority is trained, experienced, and competent to perform such services; and

WHEREAS, the San Luis Obispo Regional Transit Authority agrees to perform the tasks outlined in their proposal included in the SCT Annual Budget report.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board of Directors enter into a contract with the San Luis Obispo Regional Transit Authority to provide all Administration, Finance, Maintenance and Dispatch functions for South County Transit.

BE IT FURTHER RESOLVED that the Chairperson of South County Transit is hereby directed to sign this resolution on behalf of the Board of Directors, and the SCT Administrator is authorized to sign and administer the contract.

Upon motion of Director _____, seconded by Director _____ and on the following roll call vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted this 2nd day of March 2016.

James Guthrie, Chairperson
South County Transit

ATTEST:

Geoff Straw, Administrator
South County Transit

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
Timothy McNulty, Counsel
South County Transit

Date: _____

**CONTRACT FOR ADMINISTRATIVE AND FINANCIAL SERVICES
BETWEEN
SOUTH COUNTY TRANSIT
AND
THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

THIS CONTRACT is entered into this 2nd day of March 2016, by and between SOUTH COUNTY AREATRANSIT, a joint powers authority formed pursuant to Government Code section 6500 et seq. and doing business as "South County Transit" (hereinafter referred to as "SCT) and the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, a joint powers authority formed pursuant to Government Code section 6500 and doing business as "RTA" (hereinafter referred to as "RTA" and referred to as "Contractor");

WITNESSETH:

WHEREAS, SCT, is responsible for local fixed route transit services within the Arroyo Grande – Grover Beach Urbanized Area (Pismo Beach, Arroyo Grande, Grover Beach, Shell Beach, Oceano, and Avila Beach); and

WHEREAS, SCT has determined a need for Administration, Finance, Maintenance, and Dispatch services; and

WHEREAS, Contractor is responsible for regional transit and other regional transportation services, and is deemed trained, experienced, expert and competent to perform such services; and

WHEREAS, the SCT Board approves staff and committee recommendations to engage in Administration, Finance, Maintenance and Dispatch services with said Contractor during its annual budget-making process; and

WHEREAS, the Contractor agrees to perform the Administration, Finance, Maintenance and Dispatch tasks included in the SCT Annual Budget report adopted in April of each year in return for the compensation associated with those tasks in each such Annual Budget Report.

NOW, THEREFORE, the parties do mutually agree as follows:

1. Retention of Services. SCT hereby engages Contractor and Contractor hereby agrees to perform for SCT the services hereinafter set forth for the compensation annually budgeted by the SCT Board and agreed to by the Contractor, all pursuant to the terms and conditions herein.

2. Scope of Services. Pursuant to this Contract, Contractor shall provide to SCT the Administration, Finance, Maintenance and Dispatch services identified in the Annual Budget Report that is prepared annually as part of the budget-making process. The scope of services will be spelled out in sufficient detail within the SCT Annual Budget report for the Board members to make informed decisions. The scope of services included in the SCT Annual Budget report must be ratified separately by the SCT Board and the RTA Board as part of each Agency's budget-adoption process. At a minimum, details will be provided for the following four budget sections: Administration, Finance, Maintenance, and Dispatch services.

3. Compensation. SCT shall pay to Contractor as compensation in full for all services performed by Contractor pursuant to this Contract, a sum equal to that annually budgeted by the SCT Board and agreed to by the Contractor, to provide all Administration, Finance, Maintenance, and Dispatch services, and SCT hereby warrants that funds are available from which payment may be made. Said compensation shall be paid in the following manner: SCT shall pay said compensation to Contractor on a quarterly basis through a San Luis Obispo County Journal Entry.

4. Term of Contract. This Contract shall commence effective on the date of the last signatory and shall continue with automatic annual renewal, unless terminated earlier as provided herein. Contractor will furnish sufficient personnel to: complete all phases of the tasks included in the SCT Annual Budget report.

5. Termination of Contract for Convenience of Either Party. Either party may terminate this Contract at any time by giving to the other party ninety

(90) days written notice of such termination. Termination shall have no effect upon the rights and obligations of the parties arising out of the transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of such termination.

6. Termination of Contract for Cause. If, through any cause within its control, Contractor fails to fulfill in a timely and professional manner its obligations under this Contract, or if Contractor violates any of the terms or provisions of this Contract, SCT shall have the right to terminate this Contract effective immediately upon SCT's giving written notice thereof to Contractor. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of such termination.

7. Modification. This Contract, together with each year's adopted SCT Annual Budget report, constitutes the entire understanding of the parties hereto and no changes, amendments, or alterations shall be effective unless in writing and signed by both parties.

8. Non-Assignment of Contract. Inasmuch as this Contract is intended to secure the specialized services of the Contractor, Contractor shall not assign, transfer, delegate, or sublet this Contract or any interest herein without the prior written consent of the SCT Board , and any such assignment, transfer, delegation, or sublet without SCT's prior written consent shall be considered null and void.

9. Covenant. The validity, enforceability and interpretation of any of the clauses of this Contract shall be determined and governed by the laws of the State of California.

10. Enforceability. The invalidity and unenforceability of any terms or provisions hereof shall in no way affect the validity or enforceability of any other terms or provisions.

11. Employment Status. Contractor shall, during the entire term of the

Contract, be construed to be an independent Contractor, and shall in no event be construed to be an employee of SCT. Contractor understands and agrees that he is not, and will not, be eligible for membership in or any benefits from any SCT group plan for hospital, surgical or medical insurance, or for membership in any SCT retirement program, or for paid vacation, paid sick leave, or other leave, with or without pay, or for any other benefit which accrues to a SCT employee.

12. Warranty of Contractor. Contractor warrants that it is properly certified and licensed under the laws and regulations of the State of California to provide the services agreed to herein.

13. Conflicts of Interest. No officer, employee, director or agent of SCT shall participate in any decision relating to this Contract which affects his personal interest or the interest of any corporation, partnership, or association in which he is directly or indirectly interested; nor shall any such person have any interest, direct or indirect, in this Contract or the provisions thereof.

14. Indemnification. Contractor shall defend, indemnify and save harmless SCT, its officers, agents and employees, from any and all claims, demands, damages, costs, expenses, or liability arising out of this contract or occasioned by the performance or attempted performance of the provisions hereof except those arising from the sole negligence or willful misconduct of SCT, including, but not limited to, any act or omission to act on the part of the Contractor or his agents or employees or other independent contractors directly responsible.

15. Insurance. Contractor and SCT each maintain separate insurance policies in sufficient coverage amounts for the following coverage areas: Bodily Injury Liability, Property Damage Liability, **Public Officials Errors and Omissions Liability**, Personal Injury Liability Insurance, Workers' Compensation , **Dishonest Employee** Insurance and **Business Personal Property** Insurance. Contractor and SCT agree to maintain these insurance policies through the entire term of this Contract.

16. Notices. Any notice required to be given pursuant to the terms and provisions hereof shall be in writing, and shall be sent by certified or registered mail to:

SCT: South County Transit
 800 Rodeo Drive
 Arroyo Grande, CA 93420

RTA: San Luis Obispo Regional Transit Authority
 179 Cross Street, Suite A
 San Luis Obispo, CA 93401

17. Progress Reports. Brief progress reports shall be submitted by Contractor to SCT. Progress reports accompanied by invoices shall describe the work performed, plus any problems anticipated in performing said work in the future.

18. Copyright. Any reports, maps, documents or other materials produced in whole or part under this Contract shall be the property of SCT, and shall not be subject to any application for copyright by or on behalf of the Contractor.

19. Findings Confidential. To the extent permitted by law, no reports, maps, information, documents, or any other materials given to or prepared by Contractor under this Contract which SCT requests, in writing, to be kept confidential, shall be made available to any individual or organizations by Contractor without the prior written approval of SCT. However, Contractor shall be free to disclose such data as is publicly available, already in its possession, or independently developed.

20. Legal Representation. Since both RTA and SCT both utilize legal services made available through the County of San Luis Obispo, any disagreement regarding this Contract or the provision of services pursuant to it may require the retention of outside counsel. Should any such

situation arise as determined jointly by the SCT Board Chairman and the SCT Administrator, the SCT Administrator will solicit proposals for outside counsel services and report back to the full Board for consideration of contracting with the recommended firm at the next regularly-scheduled or special Board meeting.

IN WITNESS WHEREOF, SCT and Contractor have executed this Contract effective on the date of the last signatory.

BY: _____ By: _____
James Guthrie, SCT Chairperson Jan Marx, RTA President

ATTEST:

Geoff Straw, Administrator
South County Transit

ATTEST:

Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority

APPROVED AS TO FORM AND LEGAL EFFECT:

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

Date: _____

SOUTH COUNTY TRANSIT
January 20, 2016
STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Fiscal Year 2016-17 SCT Budget Assumptions

ACTION: Review and Approve

PRESENTED BY: Tania Arnold, CFO / Director of Administration

EXECUTIVE COMMITTEE RECOMMENDATION: Receive and file

BACKGROUND:

Each year in connection with the annual budget process, staff reviews SCT operations to determine what operational changes will be recommended for implementation in the following fiscal year. Based on those recommended changes, staff develops the operational data, revenue and cost projections for presentation in the proposed Operating Budget. For Fiscal Year 2016-17, staff is recommending – in conjunction with a slight fare structure change – implementation of a new weekday route and corresponding changes to the existing all-week Route 23 service. These two bi-directional routes – which would be named Route 27 and Route 28 – would improve connectivity between the Oceano / West Grover Beach / West Arroyo Grande area and major activity centers at/near the Wal-Mart shopping center in Arroyo Grande.

The following are the staff recommended FY16-17 Budget Assumptions that will provide staff the necessary policy guidance to prepare the appropriate operating and capital program for presentation to the Board at its April meeting.

Objectives

- Maintain and improve service levels and hours of service that meet the demand of our customers and communities through the effective and efficient delivery of SCT Fixed Route core services, as well as contracted Senior Shuttle and Trolley services.
- Monitor the Strategic Business Plan adopted in October 2014 detailing goals and objectives, as well as performance measures.
- Continue to monitor reserves using the adopted policy from April 2014.

- Continue to work with the SLOCOG Efficiencies Committee in evaluating region-wide service efficiencies, particularly those that will help SCT achieve the required minimum 20% farebox recovery ratio.
- Implement an SCT-focused marketing plan that focuses on the new SCT logo developed by the SCT Board logo subcommittee in late 2015 and will be considered by the full Board in early 2016.
- Work on addressing findings on current transportation options as identified in the Transit Needs Assessment, notably trying to address the long and circuitous route in Oceano.

BUDGET ASSUMPTIONS

Revenue

- To assist SCT in achieving the TDA-mandated 20% minimum farebox recovery ratio, and as approved at the October 2015 Board Meeting, staff will implement a fare program increase. The fare program change includes the following revisions:

SCT REVISED FARE PROGRAM CHANGES			
Fare Type	Current	Potential Future	% Increase
Cash Regular	\$1.25	\$1.50	20.0%
Cash Discounted	\$0.60	\$0.75	25.0%
SCT 31-Day Pass Regular	\$30.00	\$37.00	23.3%
SCT 31-Day Pass Discounted	\$15.00	\$18.50	23.3%
20-Ride Regular	\$20.00	\$24.00	20.0%
20-Ride Discounted	\$8.00	\$12.00	50.0%
Regular SCT Day Pass	Not Applicable	\$3.00	N/A
Discounted SCT Day Pass	Not Applicable	\$1.50	N/A
Transfer	Free	No longer accepted	N/A

The fare program changes would be implemented at the same time that the new Route 27 and Route 28 services are implemented on or around July 1, 2016. Staff anticipates that the overall financial impact will be moderate due to slight ridership losses that typically occur with a fare increase. However, to be fiscally conservative, staff is assuming an overall growth in fare revenues for FY16-17 of 25% over the anticipated FY15-16 results.

- SCT received just over \$104,000 in STA funding in FY15-16. Staff will work with SLOCOG staff to determine a conservative figure for FY16-17.

- Federal Transit Administration (FTA) Section 5307 Urbanized Area Formula Program grant funding will be budgeted at 45% of allowable operating expenditures less farebox revenue.
- To partially fund the new Route 27 (clockwise, 7 days/week) and Route 28 (counterclockwise, weekdays-only) services, SCT will use an existing \$97,348 Low-Carbon Transit Operations Program grant. In addition, staff will submit an LCTOP funding grant application for the next round of funding in February 2016 to also fund Route 28 service on weekends. The Oceano area's demographic profile suggests this new service will rank relatively high in San Luis Obispo County for these LCTOP grant funds.
- TDA revenue will be budgeted at approximately \$380,000 for SCT Routes 21, 24, 25, 27 and 28 operations. Note that Route 25 only operates when Arroyo Grande High School is in full session. In comparison, the FY12-13 budget was \$677,788, prior to SCT receiving FTA Section 5307 funds.
- TDA revenue, net of new fares and LCTOP grant funds for the new Route 27/28 bi-directional pair would be approximately \$20,000.
- Staff will continue to research and evaluate new revenue resources should any potential shortfall in operating revenues arise. If we are unable to secure funding, staff will recommend that the Board consider adjusting the TDA allocation from the three cities and the county.

Expenses

- Service levels, number of revenue service hours, miles and daily span of service for core fixed route and the senior shuttle will be budgeted at essentially current levels. It should be noted that the annual operating costs for proposed new Route 27 (clockwise, all-week) and new Route 28 (counterclockwise, weekday-only) would actually be lower in comparison to those for the current Route 23 and the originally planned peak-period/weekday-only Route 26 service due to the relatively high number of miles each of those routes would operate.
- Assuming SCT is successful in attaining another LCTOP grant of \$150,000 – which is \$50,000 higher than the current LCTOP grant – the counterclockwise Route 28 could be operated on weekends, too.
- The Beach Trolley will operate from late-March through mid-October Thursday through Sunday from 10 a.m. – 6 p.m. From mid-June to mid-October, the Beach Trolley will operate extended evening service on Friday evenings from 6 p.m. until 9 p.m. in order to better serve the Avila Farmer's Market. These services are provided through a contract from RTA and entirely funded through the County. Staff will continue to evaluate service levels based on ITS data for future years.

- Fuel consumption and price will be budgeted conservatively; diesel fuel will be budgeted at \$3.75 per gallon (which is lower than the \$4.00 amount budgeted in the current fiscal year) and miles per gallon figures for each vehicle type will be derived from RTA's computerized maintenance software program.
- SCT staff will continue to work with other transit agency staff to achieve feasible economies of scale in providing transit services.
- CalTIP liability insurance premiums may increase by up to 10%. The exact amount is not known at this time as CalTIP actuaries are still working on May 1, 2016 through April 30, 2017 rates. Estimates should be received from CalTIP in time to include in the SCT April 2016 draft budget. Although the number of SCT losses based on mileage has been lower than the pool average, the pool has experienced some negative claims development.
- Health insurance premiums are projected to increase 5% in comparison to current rates. This will have a minimal impact on the budget due to the low number of employees under the plan. At this time, the Affordable Care Act has no impact on the budget, since SCT employs fewer than 50 employees. Nonetheless, staff will continue to monitor legislation should that provision change.
- Operations facility rental costs are assumed to not increase in FY16-17. The current five-year agreement with SLO County was executed on July 1, 2011 and expires on June 30, 2016. Staff will explore exercising lease extension options as well as alternative locations.
- Based on draft language included in a new draft agreement between SCT and RTA for oversight services, the SCT annual budget would serve as the de facto scope of services. Staff will provide sufficient detail in the budget document for the SCT Board to make informed decisions. In particular, the budget document will provide details on Administration, Finance, Maintenance and Dispatch expenses – including projected number of annual staff hours in each area, per-mile cost estimates for Maintenance services, as well as narrative on any special projects that will be carried out in the fiscal year that will require RTA resources. For example, to meet SCT Strategic Business Plan requirements, staff will conduct a comprehensive community survey in FY16-17 (likely October 2016) that will require additional staff time to coordinate, conduct and evaluate the data.

CAPITAL

- Staff will carry forward some capital projects that cannot be completed during the current fiscal year, including the facility improvements/bus stop amenities line item.

- Staff will develop a capital budget that includes a projection for FY16-17 and the ensuing four fiscal years to help identify upcoming capital projects.

BUDGET CALENDAR

January 20	Board review and approval of FY16-17 budget assumptions
April 12	Draft FY16-17 Budget presentation to Executive Committee
April 20	Final Board Budget presentation and Board consideration of FY16-17 Budget
May - June	SLOCOG notifies all JPA members of TDA allotment for member agency budget consideration
July 1	Start of new fiscal year

Staff Recommendation

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

SOUTH COUNTY TRANSIT
January 20, 2016
STAFF REPORT

AGENDA ITEM: B-2

TOPIC: Adopt New South County Transit Logo

ACTION: Adopt a New SCT Logo

PRESENTED BY: Geoff Straw, SCT Administrator

STAFF RECOMMENDATION: Select the preferred logo and direct staff to finalize the design with the graphic artist

BACKGROUND/DISCUSSION:

At its April 2013 meeting, the Board shortened its moniker from “South County Area Transit” to “South County Transit.” The Board directed staff to only begin using the new name on SCT items as replacement of equipment and materials was necessary; it was decided that a full-fledge rebranding effort would not be necessary.

Staff secured a Federal Transit Administration Section 5339 Capital Program grant in 2014 to replace the badly faded bus stop signs used throughout the SCT service area with new ones that would also meet ADA requirements. The picture to the right depicts a typical SCT bus stop sign. As shown, the RTA logo is used at the top of the sign, along with the text “SCAT Information” near the bottom of the sign. Neither of these is applicable to current SCT services.



Following the Board’s April 2014 rejection of the initial range of logos that were developed by staff/interns, the Board appointed Directors Lynn Compton and Barbara Nicolls to serve on a Logo Subcommittee at its September 11, 2015 special meeting. The Subcommittee met in October and December 2015 with Pierre Rademaker and RTA Marketing Manager Mary Gardner to develop a new logo. After several iterations, the Subcommittee is recommending the series of logos below be considered. They feature a Western Snowy Plover, which is a small shore bird that is especially prevalent in the Five Cities area as well as at other beach communities along the Pacific Coast. It is an athletic little bird that thrives using its unique “run-pause-snatch” routine – sort of like a bus picking up passengers along its route. The logos also feature the term “SoCo Transit,” which is slight departure from “South County Transit” and “SCT”. If this concept is agreeable to the Board, staff would further refine the logo and begin production of the bus stop signs.

Staff Recommendation

Staff recommends that the Board select one of the attached snowy plover-themed logos for SCT and direct staff to finalize the design with the contracted graphic artist.







SoCo

TRANSIT

21

23

24

BUS STOP

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SoCoTransit

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23

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BUS STOP

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SOUTH COUNTY TRANSIT
January 20, 2016
STAFF REPORT

AGENDA ITEM: B-3

TOPIC: SCT Service Revisions

PRESENTED BY: Geoff Straw, SCT Administrator

STAFF RECOMMENDATION: Receive Report. Schedule an April 20, 2016 Public Hearing to Consider the Proposed Service Changes to Route 23 That Could be Implemented on July 31, 2016.

BACKGROUND/DISCUSSION:

With the implementation of the Intelligent Transportation System (ITS) beginning in September 2015, staff now has access to robust passenger activity data (by route, by bus stop, by time of day, by day of week, etc.), as well as actual travel times between each published timepoint. Based on this new information, staff is recommending that changes to the SCT service plan be considered in a public hearing setting at the Board's April 20, 2016 meeting. This report provides summary information and preliminary recommendations.

Slight Schedule Changes on February 14, 2016

The current SCT schedule was implemented on August 31, 2015, with the primary change being to move the layover point on Routes 21 and 24 from the Ramona Garden Park passenger facility to the Pismo Premium Outlets passenger facility. The intent of the that move was to facilitate transfers between the SCT Route 21/24 bidirectional pair with RTA Route 10 North/South buses; formerly, Routes 21 and 24 encountered delays caused when one of more of the four buses was running late. The Route 23 bus still lays over at the Ramona Garden facility, where it can make timed-transfers with Routes 21 and 24. As a result of these changes, SCT also eliminated the interlining of the three routes. Interlining routes means changing the sequence of what a bus does throughout the service day. In SCT's case, one bus would first operate a Route 21 loop, then a Route 23 loop and then a Route 24 loop, and then repeat the sequence.

Based on a trip segment analysis using the ITS data, we have discovered that the published timepoints should be adjusted slightly. In summary, we found that many segments were too tight, while others were too loose and required a bus to wait at a timepoint bus stop until the published departure time. A summary of the existing and new timepoints are provided in Appendix A. Note that in all cases, the departure times are moved to a later time and none are moved earlier. This is significant because, even if a passenger did not get the message that the scheduled departure time changed, the bus would not depart earlier than the passenger anticipated. These slight schedule changes do not meet the threshold requiring a public

hearing, and will be implemented on February 14, 2016 following a robust public information campaign. That campaign will include notices at the Ramona Garden and Premium Outlets passenger facilities, as well as on each SCT bus and at every affected bus stop. We will also post these changes on the SCT website.

Oceano Area Service Changes on July 31, 2016

The following discussion centers on a proposed new bi-directional route plan for the Oceano area. This proposed new service plan will require a public hearing to solicit input from the community because – if conceptually supported by the Board – it would represent a major service change.

It should be noted that the FY15-16 budget includes implementation of Route 26 in late February that would provide a one-way loop linking the Oceano area, the shopping centers along West Branch in Arroyo Grande anchored by Wal-Mart and K-Mart, the Shell Beach Road corridor, and the Ramona Garden and Premium Outlets passenger facilities. It was planned to operate on weekdays, providing three mid-morning trips and three afternoon trips. We ran it experimentally on December 10, 2014 and discovered the original schedule was too tight, and heard from some constituents that it would not meet typical work schedules for jobs along the Shell Beach Road corridor. So staff began investigating service alternatives that would be both reliable from a schedule standpoint and meet the travel needs of employees working along the planned route.

As shown in Appendix B, the current Route 23 serves Oceano, the western Grover Beach area, and the western portion of Arroyo Grande on hourly “loops.” The route is best described as circuitous with several mid-route one-way loops – what transit planners deem a “coverage” route that is typically used in rural settings where lifeline access to a nearby bus stop is more important than direct or frequent service. However, the current Route 23 service plan requires considerable out-of-direction travel, and it results in a significant amount of miles traveled on every 60-minute route.

After analyzing passenger activity at every SCT bus stop, we discovered that there is very little passenger activity at some Route 23 bus stops. This provides an opportunity to streamline service in the entire Oceano area, as well as provide direct service to the Wal-Mart/K-Mart corridor. Appendix B also shows the ranking of passenger boardings by each Route 23 bus stop, with “1” having the highest number of average daily boardings and “35” having the lowest. This data was collected during the months of October and November, and represents over 12,000 data points. Not surprisingly, the Ramona Garden bus stop is ranked number one, followed by the Oceano Community Center at 19th & Wilmar, and then the Halcyon Park-n-Ride (which provides transfers to RTA Route 10). Staff was somewhat surprised that the Arroyo Grande High School bus stop was ranked fifth highest – especially since it excludes Route 25 School Tripper passenger activity during the school bell times. Staff reviewed this data with SCT Bus Operators on December 18th and they agreed that the rankings are representative of the passenger activity they encounter on the street.

Appendix C depicts the suggested new clockwise Route 27 and counterclockwise Route 28 services. These two new routes would replace the current Route 23 and the planned Route 26 services. As shown, it provides service in both directions to current Route 23 bus stops that demonstrate the highest passenger activity. It also provides bi-directional service to the Wal-Mart/K-Mart corridor. However, the new routes would eliminate service to the following nine Route 23 bus stops:

1. Elm & Elm Park – ranked 10th (0.13 miles, or 690 feet)
2. Farroll & 13th – ranked 17th (0.04 miles, or 200 feet)
3. El Camino & Oak Park¹ – ranked 23rd (0.08 miles, or 400 feet)
4. Farroll & 8th – ranked 24th (0.38 miles)
5. The Pike & Oak Park – ranked 25th (0.46 miles)
6. El Camino & Stonecrest² – ranked 29th in passenger activity (0.56 miles to nearest stop)
7. The Pike & Avenida Pelicanos – ranked 33rd (0.09 miles, or 500 feet)
8. Oak Park & Monaco – ranked 34th (0.44 miles)
9. Soto Sports Complex – ranked 35th (0.46 miles)

These nine bus stops represent average boardings ranging from a low of 0.2 passengers per day (Soto Sports Complex, ranked 35th highest) to a high of 6.2 per day (Elm Street Park, ranked 10th highest). Of these nine bus stops that would be eliminated, only the Elm Street Park location currently has a passenger shelter, although at less than seven passenger boardings per day it does not meet SCT's threshold for a passenger shelter³. Passengers that formerly used the nine eliminated bus stops could still access bus service at a nearby existing or new bus stop, which ranges from less than 200 feet to a little more than one-half mile. As shown, the three highest ranked bus stops that would be eliminated will be within one urban block of an existing or new Routes 27/28 bus stop.

This new bidirectional route pair would require implementation of 15 new bus stops, as depicted by the red stars in Appendix C. Staff is suggesting that only placement of a new bus stop sign be considered initially, and that we monitor passenger activity to determine if the new bus stop merits further improvements (i.e., bench or shelter) according to adopted SCT passenger amenity standards. Staff would work with each affected jurisdiction to install the bus stop sign, ITS sign, and small kiosk-sign (which provides an 8-1/2" x 11" route schedule information sign). All of the new bus stop signs would be placed within the public right-of-way.

In terms of cost impacts, it is important to start with the status quo scenario. Under the current plan (including the originally planned Route 26), the annualized operating cost would be \$1,248,350 for Routes 21, 23, 24 and 26. The proposed new service plan would provide Monday-Sunday service on Routes 21, 24 and 27, while the counterclockwise Route 28 would only operate on weekdays. This would actually cost slightly less than the current service plan, requiring \$1,243,050 in operating revenues. However, the ideal solution would be to operate all

¹ Although this bus stop is located relatively near to a signalized intersection, the bus stop is not ADA-compliant.

² This bus stop is located on the freeway side of El Camino, which requires passengers to cross (no crosswalk) a 45 mph street to get to/from the bus stop. The bus stop itself is also not ADA-compliant.

³ The 2011 Short Range Transit Plan suggests that bus stops with 20 or more boardings per day should be considered for a passenger shelter.

four (Routes 21, 24, 27 and 28) Monday-Sunday, which would cost an additional \$54,370 and require a total of \$1,297,420. SCT will submit a *Low-Carbon Transit Operations Program* grant application in February for the higher amount; the LCTOP grant will fund a new service for up to three full fiscal years.

STAFF RECOMMENDATION:

Receive this report as an information item. Schedule an April 20, 2016 Public Hearing to consider the proposed service changes that could be implemented on July 31, 2016.

Route 21 Segment Study									
Origin	Destination	Timepoints	Avg Layover	Avg Scheduled Travel	Avg Actual Travel	Diff	Timepoints	Current Schedule	Proposed Schedule
Premium Outlets	Walmart	672	9.6	10.0	8.6	1.4	Premium Outlets	:05	:07
Walmart	Grand & Elm	672	1.2	6.0	7.4	-1.4	Walmart Shopping Center	:15	:15
Grand & Elm	Ramona Garden Park	672	0.5	8.0	4.5	3.5	Grand & Elm	:21	:23
Ramona Garden Park	Dolliver & Pomeroy	670	3.3	6.0	6.1	-0.1	Ramona Garden Park	:29	:29
Dolliver & Pomeroy	Pismo Beach City Hall	670	0.8	5.0	4.4	0.6	Dolliver & Pomeroy	:35	:35
Pismo Beach City Hall	Shell Beach & Pier	670	0.3	8.0	6.3	1.7	Pismo Beach City Hall	:40	:39
Shell Beach & Pier	Premium Outlets	670	0.8	8.0	7.2	0.8	Shell Beach & Pier	:48	No TP
Grand Total		4,696	6.8	51.0	44.7		Premium Outlets	:56	:51
							Layover Time	:09	:16
Route 24 Segment Study									
Origin	Destination	Timepoints	Avg Layover	Avg Scheduled Travel	Avg Actual Travel	Diff	Timepoints	Current Schedule	Proposed Schedule
Premium Outlets	Dolliver & Hinds	393	8.5	10.0	8.2	1.8	Premium Outlets	:04	:16
Dolliver & Hinds	Ramona Garden Park	393	1.0	15.0	6.9	8.1	Dolliver & Hinds	:14	No TP
Ramona Garden Park	Grand & Oak Park	397	7.9	3.0	4.0	-1.0	Ramona Garden Park	:29	:29
Grand & Oak Park	AG City Hall	397	0.7	8.0	7.4	0.6	Grand & Oak Park	:32	No TP
AG City Hall	Walmart	397	0.7	7.0	5.3	1.7	Arroyo Grande City Hall	:40	:40
Walmart	Premium Outlets	397	1.2	8.9	8.6	0.3	Walmart Shopping Center	:47	:46
Grand Total		4,072	3.6	51.9	40.4		Premium Outlets	:56	:55
							Layover Time	:08	:21
Route 23 Segment Study									
Origin	Destination	Timepoints	Avg Layover	Avg Scheduled Travel	Avg Actual Travel	diff	Timepoints	Current Schedule	Proposed Schedule
Ramona Garden Park	Wilmar & 19th	829	8.8	5.0	6.9	-1.9	Ramona Garden Park	:29	:29
Wilmar & 19th	AGHS	392	0.6	7.0	7.8	-0.8	Wilmar & 19th	:34	:35
AGHS	Halcyon Park & Ride	392	0.6	8.0	4.5	3.5	Arroyo Grande High School	:41	:42
Halcyon Park & Ride	Oak Park & Long Branch	412	1.3	6.0	6.4	-0.4	Halcyon Park & Ride	:49	:47
Oak Park & Long Branch	Oceano Airport	419	0.7	10.0	11.0	-1.0	Oak Park & Long Branch	:55	:53
Oceano Airport	Oak Park & Monaco	419	0.5	5.0	5.1	-0.1	Oceano Airport	:05	:04
Oak Park & Monaco	Ramona Garden Park	419	0.3	11.0	6.5	4.5	Oak Park & Monaco	:10	:09
Grand Total		4,631	4.2	52.0	48.2		Ramona Garden Park	:21	:16
							Layover Time	:08	:13

APPENDIX B

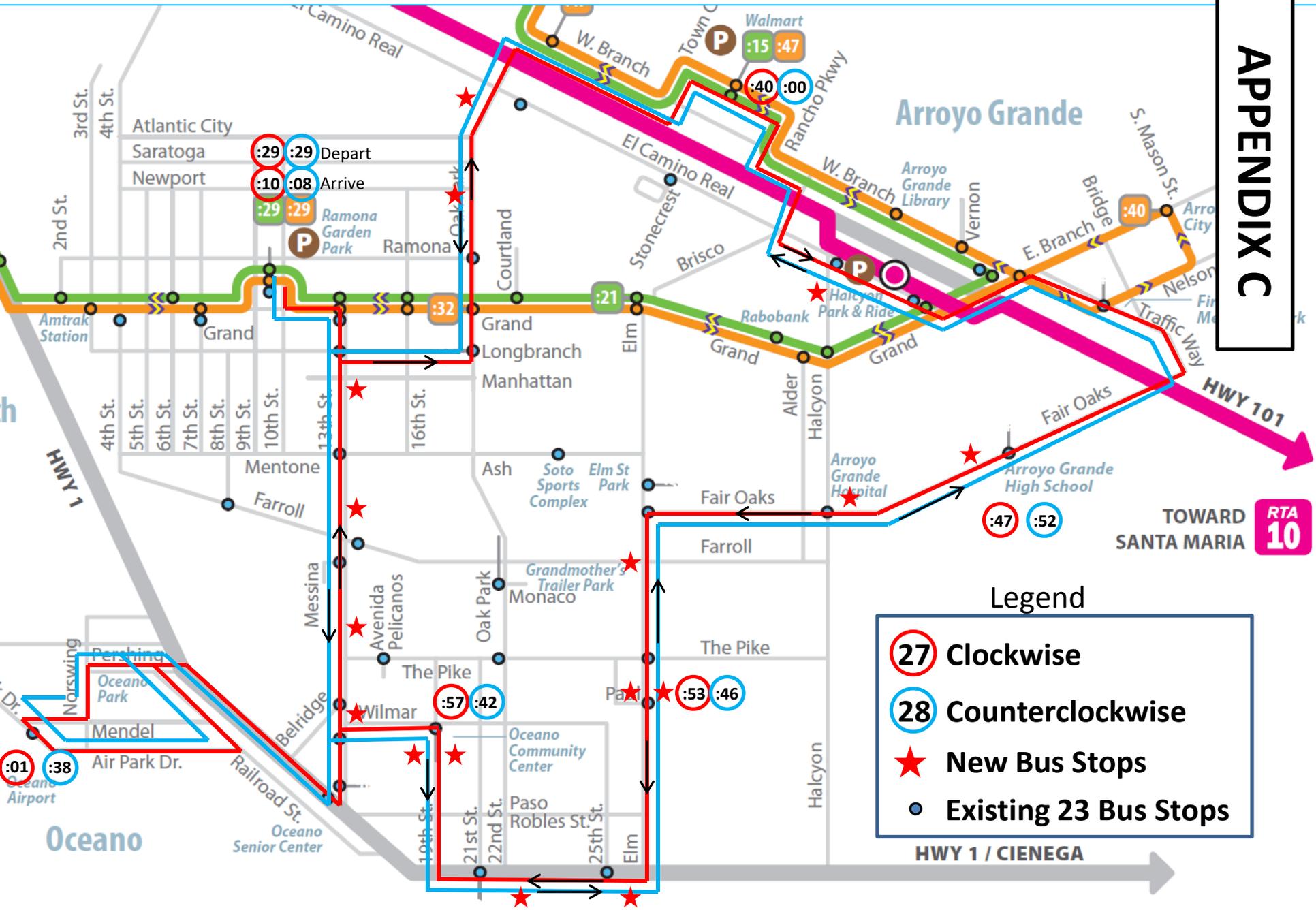


TOWARD SANTA MARIA **RTA 10**

Route 23 Stops Ranked by Demand

HWY 1 / CIENEGA

Routes 27 and 28 Proposed



**SOUTH COUNTY TRANSIT
MINUTES OF OCTOBER 21, 2015 BOARD MEETING
City Council Chamber, Arroyo Grande
C-1**

Directors Present:	Jim Guthrie, Chairperson	City Council Member, Arroyo Grande
	Lynn Compton, Vice Chair	County Supervisor, District 4
	Shelly Higginbotham	Mayor, Pismo Beach
	Barbara Nicolls	City Council Member, Grover Beach

Directors Absent:

Staff Present:	Geoff Straw	Administrator
	Phil Moores	Manager, Operations
	Tim McNulty	County Counsel
	Coleen Kubel	SCT Supervisor
	Jon Mackenzie	SCT Operations Supervisor
	Anna Mafort-Lacy	RTA Administrative Assistant
	Rod Pappas	SCT Bus Operator
	Sonja Pappas	SCT & RTA Bus Operator

CALL TO ORDER AND ROLL CALL: Chairperson Jim Guthrie called the meeting to order at 1:34 p.m. Roll call was taken; a quorum was present.

PUBLIC COMMENT: Chairperson Guthrie asked for public comment on non-agenda items.

Chairperson Guthrie closed public comment.

A. ACTION AGENDA:

A-1 Administrator's Report: Mr. Geoff Straw announced the company held a Bus Roadeo on September 20 for both RTA and SCT. Four teams were established based upon the tryout results. The SCT team won the overall award. Ms. Sonja Pappas received the plaque on behalf of the winning team. The top individual driver, Mr. Rod Pappas, is also from SCT and received an award. Mr. Straw talked about the other team members and the obstacles that participants navigated during the event. He thanked Chairperson Guthrie and Director Shelly Higginbotham for serving as judges on the hot day. Ms. Pappas began working for us in October 2009 and Mr. Pappas was hired on October 2010.

Staff continues to work with the property manager of the Wal-Mart shopping center. We have a contractor ready to go. Once they pour the concrete pad, we will install the shelter.

The Collective Bargaining Agreement was ratified last month and staff has implemented new bus operator paddles. The Route 21 schedule is too tight and will need to be revised. Staff is looking at possible changes.

The GPS-based Intelligent Transportation System (ITS) on all fixed route buses is now providing robust information. We will use this data to help make future schedule changes and help identify trouble spots. Staff is also finalizing elements to be included in Phase 2 of this program, which will likely include staff time-saving measures for reporting information to the National Transit Database. It will also include LED/LCD screens at high-impact bus stops and terminals. We plan to publicly roll it out at the November RTA Board meeting.

Staff continues to work with our vendor to finalize new websites for both SCT and RTA. **Ms. Mary Gardner**, Marketing Manager, will be meeting with the content manager later this week. The new sites will be ready in the next few weeks. The SCT Logo Subcommittee met on October 19, but here is nothing to report yet.

SCT recently completed the annual fiscal and compliance audit. There were no material weaknesses or findings. Thank you to **Ms. Tania Arnold** and her team for all their hard work. Legal services expenses have been higher than the annual budgeted amount of \$500. The first quarter of the current fiscal year equaled \$2,717.

Ridership is down slightly from last year, about 3.2%. We carried 43,043 riders during the first two months of the current fiscal year, compared with 44,460 in the previous year. Year-to-date productivity is essentially unchanged. Current farebox recovery ratio is about 19%. In terms of overall financial performance, SCT is at about 14% of budgeted operating expenses. We are staying within budget.

Mr. Straw discussed the purpose of Runabout and how it serves all agencies in the county. He talked about the subsidy per passenger trip and thanked SCT staff for working closely with Runabout to help these riders take the fixed routes free of charge. Last year, Runabout Riders took 9,238 rides on RTA and SCT (combined) fixed route buses in Fiscal Year 14-15.

Next he presented and reviewed an outline of updates needed to SCT Joint Powers Agreement (JPA) and RTA Services Agreement. The proposed revisions will be brought back to the Board for formal adoption at a future meeting.

For Maintenance, it appears the warranty provider fixed the fleet-wide defective turbocharger problem in SCT's three 2013 Gillig buses. Staff will continue to monitor the performance of these vehicles. There is no sign that the 2015 vehicles are experiencing the same problem. Two 2011 Eldorado coaches transferred to SCT from RTA are working well.

He reviewed the year-to-date operating statements by route.

Mr. Straw concluded his report.

Chairperson Guthrie opened Board comment.

Director Higginbotham inquired about the operator paddles and tight Route 21 schedule. Does this mean we are non-compliant with breaks and lunches? Will there be penalties? How are we addressing this? **Mr. Straw** said staff negotiated with the Teamsters to include cumulative 50 minutes' break time per day when working at

least six hours. We have some layover time, but if we know they are not getting their 50 minutes, we pay incremental time at the end of the shift. We do have an investigation process if people feel they are not getting their breaks. The ITS system is a great tool to determine times and routing information.

Chairperson Guthrie asked why Route 21 has so much difficulty. **Mr. Straw** said Routes 21 and 24 are almost mirror images of each other, but Route 21 has a longer segment along Spyglass that isn't covered by 24. It often encounters traffic delays, and has many bus stops in this area. He said some of the turns also cause slow-downs.

Chairperson Guthrie opened public comment.

Mr. Fred Overby, Pismo Beach, said he rides 40-50 times per month and enjoys the senior discounted fare. He asked what is considered a break from work. **Mr. Straw** said breaks are layover time between runs. **Mr. Overby** said incremental breaks are not breaks at all. To him, a break allows the employee to get away from their work for an allotted time. He said he doesn't see this other than 5-6 minutes at any given time. Is that considered a break or lunch? Is this in compliance with any labor laws? It makes no sense to me from what I observe. **Mr. Straw** said SCT is governed by Wage Order 9, which is a California Statute for transit driver meal and rest breaks. We do meet those requirements. **Mr. Overby** said his observation is that management is squeezing drivers into less and less time, which is hazardous to riders. The concept of incremental breaks is nonsense, as employees cannot get away from work. It harms drivers, and in the long-run impacts passengers.

Chairperson Guthrie closed Board and public comment.

A-2 FY14-15 Fiscal and Compliance Audit Report: **Mr. Geoff Straw** said staff noticed this incorrectly on the Agenda, as both Information Item A-2 and Consent Item C-4. He briefly addressed the annual fiscal and compliance audit required by the Transportation Development Act (TDA) and administered by San Luis Obispo Council of Governments (SLOCOG). The auditor found our financial position and cash flows to be in accordance with generally accepted accounting principles. Further, they found no deficiencies of internal control or compliance with federal programs that might be considered material weaknesses or significant deficiencies. Staff recommends the Board review and accept this Fiscal and Compliance Audit Report.

Mr. Straw pointed to page 11 in the report—Note 5—Operating Subsidies from Local Transportation and State Transit Assistance Funds. Staff needs to do some investigating on the TDA fund allocation as reported. We believe the City of Arroyo Grande is correct. However, it appears the percentages for the Cities of Grover Beach and Pismo Beach may be flip flopped. We will report back as soon as we get confirmation of these numbers.

Chairperson Guthrie opened Board and public comment.

Ms. Eliane Wilson, SLOCOG, pointed to the statement at the bottom of the page indicating 3.47% and 4.03% not being in compliance. She said this is not correct. We have a five-year exception to the 20% ratio. Currently SCT is in compliance.

Chairperson Guthrie closed Board and public comment.

B. ACTION AGENDA:

B-1 Budget Amendment: **Mr. Geoff Straw** reviewed six items that we are carrying over from the previous fiscal year, primarily due to the incorporation of Route 26 and capital funding for the ITS system. Next he reviewed 8 expenditure changes listed in the staff report. He noted there is no net impact on the jurisdictions for these budget amendments. Staff recommends the Board adopt this amendment.

Chairperson Guthrie opened Board and public comment.

Chairperson Guthrie closed Board and public comment.

Director Lynn Compton moved to approve Action Agenda Item B-1. **Director Barbara Nicolls** seconded and the motion carried on a roll call vote.

B-2 Public Hearing to Consider New Fare Program & Route 26 Implementation: **Mr. Geoff Straw** presented a public hearing on proposed fare and service changes. He provided a brief background summary, observing the SCT Board accepted staff's recommended "Strategies to Improve Farebox Recovery Ratio" report on April 23, 2014. The report presented three broad solutions to raise the farebox recovery ratio and either eliminate or minimize a financial penalty. Today's hearing is related to raising the SCT fares. **Mr. Straw** discussed previous outreach efforts to raise the fares, which occurred during spring 2015.

Staff is proposing the elimination of the free transfers between SCT routes, and bringing back the SCT day pass for \$3. We also suggest increases to the cash fares and other SCT passes.

SCT identified a need to provide more direct service during peak commute times. Staff tested a pilot Route 26 on December 3, 2014, which coincided with the SLOCOG Special Meeting at the Grover Beach Council Chambers. We know from this pilot the timing is a little tight and minor adjustments must be made. This route will operate three times in the morning and three times in the afternoon to catch commuters and employees. Staff recommends the Board adopt the fare increases and Route 26, both to be effective February 29, 2016.

Mr. Straw concluded his report.

Chairperson Guthrie opened Board comment.

Director Higginbotham asked how staff determined the 31-day passes 23.3% compared with the cash fare increase of 20.0% and 25.0%. **Mr. Straw** said we did an analysis of what other comparable transit agencies charge. SCT offers very high discounts. The goal is to have more equity with similar markets and to generate more fare revenue. **Director Higginbotham** said she thought the 20% compliance penalty window resets after the time Route 26 is implemented. **Mr. Straw** said that is correct. **Ms. Wilson** said Route 26 will not have a significant impact on revenue and the Farebox Recovery Ratio. **Chairperson Guthrie** said SCT attempted to temporarily soften the blow for transit dependent riders during the last fare increase. **Mr. Straw** observed the

last fare increase occurred in 2010. **Mr. Guthrie** recollected that people were not inclined to buy passes and thus, take advantage of this “break” the year following the previous fare increase. **Director Higginbotham** said she believes pass sales will increase considerably with the availability and ease of purchasing passes online and via the ticket vending machine.

Chairperson Guthrie inquired about the 8 a.m. trip on Route 26. It seems like we should be getting people to work by 8 a.m., rather than starting the run. And how about the 10 a.m. run? **Mr. Straw** said these times were based upon comments we received from people. The later morning run also targets people going to shopping centers.

Chairperson Guthrie opened public comment.

Mr. Overby said the fare increase from his point of view is fine. However, many people transfer from Route 23 to Routes 21 and 24. They cannot get very far without having to pay another fee, which does not seem reasonable. It seems unreasonable to have to pay two fares in order to get across town. **Mr. Straw** discussed the possibility of offering transfers only to and from Route 23.

Ms. Wilson asked if SCT passes will be available to the Department of Social Services and other organizations. **Mr. Straw** said yes. **Ms. Wilson** queried if SCT will offer a youth fare. **Mr. Straw** said it does not and is not recommending to do so.

Director Higginbotham voiced concerns that having a conditional free transfer will cause a lot of confusion among riders and drivers.

Chairperson Guthrie agreed, suggesting that having a discounted SCT Day Pass of \$1.50 is much more straightforward. **Mr. Straw** said staff would be looking into the GFI programming and see if it’s an option.

Director Higginbotham recommended we push back this item to the January meeting, which would allow time to investigate the feasibility of offering a discounted day pass. **Mr. Straw** said our policy would allow us to do that. **Director Higginbotham** suggested getting feedback from drivers and riders.

Chairperson Guthrie closed Board and public comment.

Director Higginbotham moved to approve Action Agenda Item B-2 with the recommendation staff consider a discounted day pass, to be reviewed and discussed at the January meeting. **Director Nicolls** seconded and the motion carried on a roll call vote.

C. CONSENT AGENDA:

Chairperson Guthrie opened Board and public comment on any items listed on Consent.

- C-1 SCT Minutes of September 29, 2015 (Approve)
- C-2 Resolution Authorizing Administrator to Submit Application for State Prop 1B funds

- C-3 Resolution Authorizing Administrator to Submit Application for Continued LCTOP Funding
- C-4 Annual Fiscal and Compliance Audit Report

Director Higginbotham moved to approve Consent Agenda Item C-1. **Director Nicolls** seconded and the motion carried on a voice vote.

D. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL: It is the intention of the Board to meet in closed session concerning the following items:

- D-1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov. Code Sec. 54957, (b)(1).)
Title: Administrator

SCT went into *Closed Session* at 2:36 p.m. and returned to *Open Session* at 3:04 p.m.

Open Session: **Mr. Tim McNulty**, Legal Counsel, reported that the Board met in closed session and no reportable action was taken.

E. DIRECTORS' COMMENTS:

Director Higginbotham proclaimed the City of Pismo Beach is installing a light by the Spyglass bus stop.

F. EXECUTIVE COMMITTEE MEMBERS' COMMENTS:

Mr. Jim Lewis said he appreciated the comments about Route 26 and looks forward to the roll out. He also said the Pismo Beach Traffic Safety Committee approved moving the stop at the Chamber of Commerce about 100 feet south, toward Stinson. This should not impact SCT service and will allow for two visitor parking spots.

ADJOURNMENT: The meeting was adjourned at 3:04 p.m.

Respectfully submitted, Anna Mafort-Lacy, Administrative Assistant

**SOUTH COUNTY TRANSIT
JANUARY 20, 2016
STAFF REPORT**

AGENDA ITEM: C-2

TOPIC: Revised Resolution Authorizing SCT Administrator to Submit Application for State Proposition 1B Safety and Security Funds

ACTION: Approve

PRESENTED BY: Geoff Straw, SCT Administrator

STAFF RECOMMENDATION: Adopt Resolution

Proposition 1B bond funding was passed November 2006 by the voters. Staff estimates that **\$213,000** remains in the San Luis Obispo County for capital projects over the next two years; this reflects a revised amount that was incorrectly identified at the October 21, 2015 SCT Board meeting. SCT is an eligible recipient of this funding.

Besides SCT, eligible recipients of the Proposition 1B funds include RTA, the City of Morro Bay, the City of San Luis Obispo, the City of Atascadero, the City of Paso Robles and San Luis Obispo County. The San Luis Obispo Council of Governments has issued a call for projects that are due February 1, 2016. Projects must be transit-related capital projects and have a life span minimum of 10 years.

Staff recommends approval of the resolutions authorizing the SCT Administrator to submit Proposition 1B safety and security grant applications up to \$213,000 for various transit capital needs for the 2015-16 funding year.

**SOUTH COUNTY TRANSIT
RESOLUTION NO. 16-__**

**A RESOLUTION OF THE SOUTH COUNTY TRANSIT
BOARD OF DIRECTORS, AUTHORIZING SUBMITTAL OF A GRANT
APPLICATION TO THE SAN LUIS OBISPO COUNCIL OF GOVERNMENTS
FOR CALIFORNIA PROPOSITION 1B FUNDS**

WHEREAS, South County Transit is an eligible applicant for California Proposition 1B Program funds; and,

WHEREAS, South County Transit is in need of various materials, supplies, and equipment, all of which are eligible for purchase under the California Proposition 1B Fund Program Policies and Procedures; and

WHEREAS, South County Transit will continue to provide fixed route public transportation services in the Arroyo Grande-Grover Beach Urbanized Area; and

WHEREAS, South County Transit is seeking grant funding to maximize the use of local TDA funds provided by the various agencies included in the Joint Powers Authority Agreement; and

WHEREAS, South County Transit is requesting up to **\$213,000** from the Proposition 1B Safety and Security Fund Program for the purchase of various materials, supplies and equipment.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the South County Transit Board of Directors authorizes the Administrator or his Designee to submit a proposal to the San Luis Obispo Council of Governments from the California Proposition 1B Fund Program of up to **\$213,000** for the purchase of various materials, supplies and equipment.

BE IT FURTHER RESOLVED, that the Chairman of the Board is directed to sign this resolution to authorize the submittal of said funding requests.

BE IT FURTHER RESOLVED, that the Administrator or his Designee is hereby authorized to submit said funding requests.

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 20th day of January 2016.

James Guthrie, Chairman
South County Transit

ATTEST:

Geoff Straw, Administrator
South County Transit

APPROVED AS TO FORM AND LEGAL EFFECT:

Rita L. Neal
County Counsel

By: _____
Timothy McNulty, Counsel
South County Transit

Date: _____

**SOUTH COUNTY TRANSIT
JANUARY 20, 2015
STAFF REPORT**

AGENDA ITEM: C-3

TOPIC: State of California Low-Carbon Transit Grant Program

ACTION: Approve

PRESENTED BY: Geoff Straw, SCT Administrator

STAFF RECOMMENDATION: Revised Resolution Authorizing the Administrator to Submit an Application for Low-Carbon Transit Grant Program Funds

The Low-Carbon Transit Operations Program is one of several programs funded as part of State of California budget which have a goal of reduced greenhouse gas emissions and achievement of other benefits. These programs are funded by auction proceeds from the California Air Resource Board's Cap-and-Trade Program, with proceeds deposited into the Greenhouse Gas Reduction Fund. Senate Bill 862 continuously appropriates five percent of the annual auction proceeds in the Greenhouse Gas Reduction Fund (Fund) for LCTOP, beginning in 2015-16.

There is an estimated \$291,000 available in the County in FY16-17; this reflects a revision to the amount discussed at the October 21, 2015 SCT Board meeting. Eligible recipients of the Low Carbon Transit Operations funds include South County Transit, RTA, SLO Transit, Paso Express, Atascadero Dial-A-Ride, Morro Bay Transit and SLOCAT. Eligible projects will support new or expanded bus services, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions.

Staff is requesting authorization to submit a grant application of up to \$291,000 for the purchase of various materials, supplies, equipment, and/or operations costs. Staff recommends approval of the attached resolution.

**SOUTH COUNTY TRANSIT
RESOLUTION NO. 16-__**

**A RESOLUTION OF THE SOUTH COUNTY TRANSIT BOARD OF
DIRECTORS, AUTHORIZING SUBMITTAL OF A GRANT APPLICATION
TO THE STATE OF CALIFORNIA
LOW-CARBON TRANSIT OPERATIONS PROGRAM**

WHEREAS, South County Transit is an eligible applicant for Low-Carbon Transit Operations funds; and,

WHEREAS, South County Transit is in need of various materials, supplies, and equipment, all of which are eligible for purchase under the Low-Carbon Transit Operations Program; and

WHEREAS, South County Transit will continue to provide fixed route and complementary ADA services in the southern portion of San Luis Obispo County; and

WHEREAS, South County Transit is seeking grant funding to optimize the use of local TDA funds provided by the various agencies included in the Joint Powers Agency Agreement; and

WHEREAS, South County Transit is requesting up to **\$291,000** from the Low Carbon Transit Operations Program to support new or expanded bus services with the goal of reducing greenhouse gas emissions.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the South County Transit Board of Directors authorizes the Administrator to submit a proposal to the State of California Low Carbon Transit Operations Program of up to **\$291,000** for the purchase of various materials, supplies and equipment.

BE IT FURTHER RESOLVED, that the President of the Board is directed to sign this resolution to authorize the submittal of said funding requests.

BE IT FURTHER RESOLVED, that the Administrator is hereby authorized to submit said funding requests.

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 20th day of January 2016.

Jim Guthrie, Chairman
South County Transit

ATTEST:

Geoff Straw, Administrator
South County Transit

APPROVED AS TO FORM AND LEGAL EFFECT:

Rita L. Neal
County Counsel

By: _____
Timothy McNulty, Counsel
South County Transit

Date: _____