



RTA BOARD AGENDA

Wednesday, May 6, 2015
BOARD OF SUPERVISORS' CHAMBERS
COUNTY GOVERNMENT CENTER
1055 Monterey Street, San Luis Obispo, California 93401
RTA starts at 8:30 am

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

President: Debbie Arnold

Vice President: Jan Howell Marx

Board Members:

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

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

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

CALL TO ORDER AND ROLL CALL

PUBLIC COMMENTS: This portion of the agenda is reserved for any members of the public to directly address the San Luis Obispo Regional Transit Authority (RTA) Board on any items not on the agenda and within the jurisdiction of the Board. Comments are limited to three minutes per speaker. The Board will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.

A. INFORMATION AGENDA

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

B. ACTION AGENDA

- B-1 Implement RTA Employee Sick Leave Requirements (Action)
- B-2 Fiscal Year 2015-16 Operating and Capital Budget (Action)

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

- C-1 Executive Committee Meeting Minutes of February 11, 2015 (Approve)
- C-2 RTA Board Meeting Minutes of March 4, 2015 (Approve)
- C-3 Draft RTAC Meeting Minutes of April 16, 2015 (Approve)
- C-4 Resolution Authorizing Executive Director to Apply for FTA funds (Approve)
- C-5 Disadvantaged Business Enterprise Goal Methodology (Approve)
- C-6 Contract with AGP Video Production of Board Meetings (Approve)
- C-7 Estoppel Agreement for 179 Cross Street Lease (Acknowledge)
- C-8 Authorize Executive Director to Submit Letters of Support to:
 - Department of Labor regarding PEPRA and FTA Grants (Approve)
 - SB508 (Beall) Transportation Funds & Transit Operators (Approve)
 - AB1706 (Eng) Bus Axle Weight Restrictions (Approve)
- C-9 Prop 1B Safety and Security: Transit System Safety, Security and Disaster Response Account Program, and Authorized Agent Signature Authority (Approve)
- C-10 Vehicle Procurements: Runabout Vans and Support Vehicles (Approve)
- C-11 Vehicle Hoists Procurement (Approve)
- C-12 Youth Ride Free Summer Promotion (Approve)
- C-13 Amended Contract with Executive Director (Approve)

D. CLOSED SESSION: None

E. BOARD MEMBER COMMENTS

Next regularly-scheduled RTA Board meeting on July 8, 2015

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2015

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Executive Director's Report

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Accept as Information

BACKGROUND/DISCUSSION:

Operations:

RTA will conducted its quarterly Employee of the Quarter barbecue lunch on April 24. Board members Arnold, Gibson and Higginbotham attended the event, and congratulated Larry Bray for selection by his peers at the Employee of the Quarter. Larry is RTA's most-senior Bus Operator, having worked for RTA's previous contractors since December 2007. Larry is considered an important mentor and cadet trainer, and he typically drives the Route 12 service. Larry also serves as a union steward. Please join me in congratulating Larry on a job well done!

I served on the Transportation and Circulation Committee as part of Cal Poly's Master Plan Update since October, and President Armstrong provided a wrap-up presentation of input received from all committees on April 3. The campus subsequently announced a series of public workshops to present their findings and solicit input from the community. Public transportation and other active transportation modes will play a strong part of meeting Cal Poly's travel needs as the campus attempts to grow, including an interesting proposal to provide year-round classes instead of a standard three-quarter academic year.

The Regional Transportation Advisory Committee met on April 16th. The committee recommends that the FY15-16 budget be adopted as presented. The committee also discussed updates on the Short-Range Transit Plans study, including on-board passenger surveys conducted in March and online general public surveys that were collected throughout the month of March. Passenger transfer surveys were subsequently completed the week of April 27th. The first working paper is expected in the first week of May, and staff will solicit input from the Committee via email/phone. This Caltrans-funded study should be completed in April 2016.

Maintenance:

RTA has received delivery of all eight new 2015 40-foot transit buses that are essentially the same as the seven Gillig Low-Floor buses delivered in 2013. Staff is complete the vehicle acceptance process to ensure we received what we paid for, and placed the new buses into revenue service in the middle of April.

A defective turbocharger component in RTA's seven 2013 buses has occasionally red-tagged buses over the past three months. This is a nationwide warranty problem for trucks and buses that use the model year 2013 Cummins ISL diesel engine. The manufacturer of this subcomponent is focusing replacements on larger fleets first before addressing single-orders. We have asked the warranty provider to fix South County Transit's (SCT) buses first, since that system has such a thin spare ratio. It is fortunate that RTA has two 2010 35-foot buses that we could temporarily reassign to SCT during this period. RTA rarely uses those two vehicles due to their limited passenger capacity, and staff plans to propose that these two buses be permanently transferred from RTA to SCT in exchange for FTA Section 5307 funds allocated to the Arroyo Grande – Grover Beach Urbanized Area to purchase one replacement RTA bus. This proposal will likely occur at the July or September meeting after the two 35-foot buses demonstrate their effectiveness in the SCT service area.

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

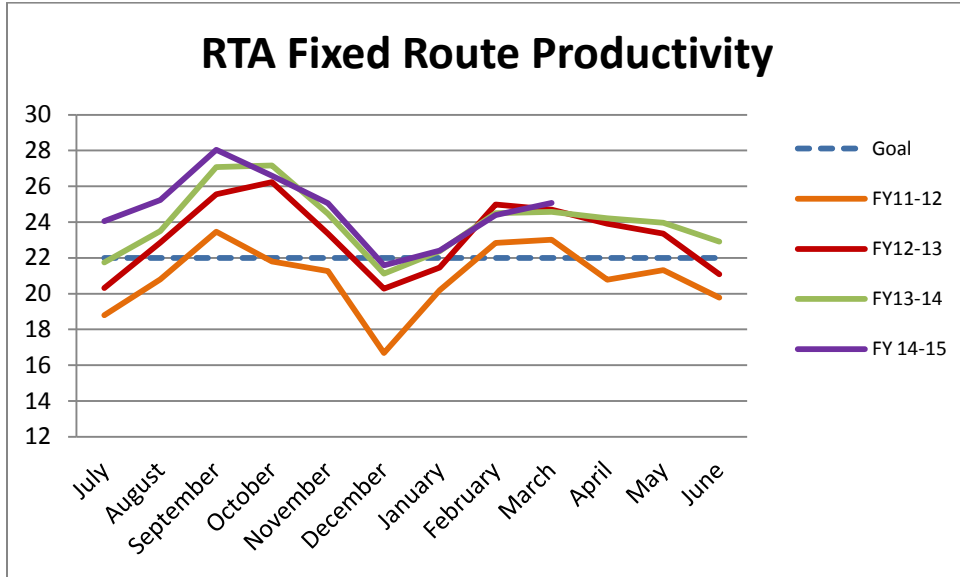
Service Planning & Marketing:

Staff is working with State Parks officials to develop alternatives that could help us address the loss in Jobs Access Reverse Commute funding that currently funds RTA Route 15 along the North Coast. Staff is seeking to have more fully developed ideas ready for the May 6 Board meeting in time for a late-August implementation.

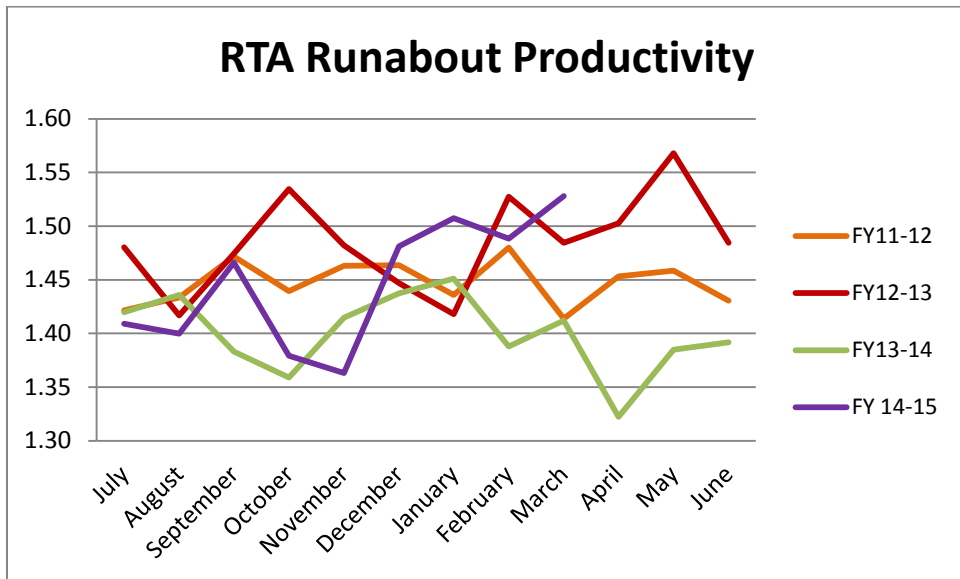
Finance and Administration:

Below are preliminary financial and operating data through March 31st. Tables and graphs depicting RTA's financial and performance measures are provided in the ensuing pages. Several notable findings are provided below:

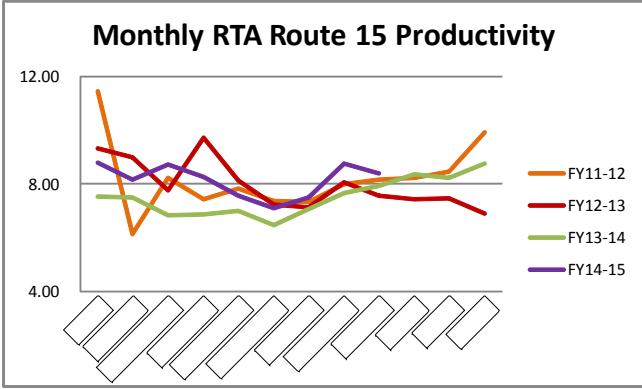
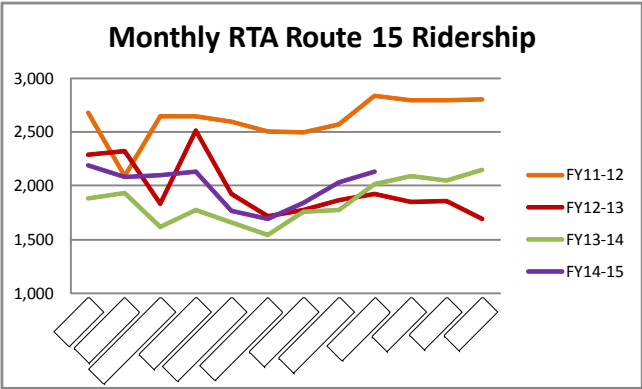
- The financial data shows that we have expended 64.72% of our non-capital budget, although we are through 75% of the fiscal year. The most important variance is in fuel (52.34% vs. 75%) and maintenance parts (60.72% vs. 75%).
- Fixed route services achieved an overall 28.78% farebox recovery ratio, while Runabout achieved a record 3.86% FRR. The improved Runabout FRR is a result of the slightly higher Runabout fare program that was implemented on February 1, 2015, as well as staff's continued focus on improving Runabout efficiencies to reduce the financial strain it has caused RTA.
- Year-to-date FY14-15 RTA core fixed route ridership totaled 582,554 one-way passenger-trips, which is 1.4% higher than ridership in the previous year (574,586). The graphs on the ensuing pages depict monthly ridership by route for the past few years, and the strong seasonal nature of fixed route ridership. The graph directly below depicts monthly fixed route productivity over the past few years, as well as the productivity goal (22.0) identified in the RTA Strategic Business Plan.



- Runabout ridership grew at a relatively slow rate (2.1%) year over year, which is a welcome relief in comparison to the unsustainable double-digit growth rates experienced in previous years. The graph directly below depicts the non-seasonal nature of Runabout productivity over the past few years.



- Route 15 service along the North Coast has experienced declining ridership since its service expansion in August 2011, although the decline has slowed somewhat in FY14-15 and the productivity reached new monthly highs in January, February and March 2015. As shown below, monthly Route 15 ridership was robust during its launch year, when the number of daily bus roundtrips increased from three to five.



SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

		Adopted Budget FY 2014-15	February Actual	March Budget	March Actual	March Variance	Year to Date FY 2014-15	Percent of Total Budget FY 2014-15
	Hours	66,690	4,995	5,558	5,412	146	47,305	70.93%
	Miles	1,678,830	122,560	139,903	132,341	7,561	1,162,345	69.24%
Administration:								
Labor	operations cost	753,890	65,552	62,824	54,425	8,400	553,168	73.38%
Labor - Administration Workers Comp	operations cost	42,830	2,053	3,569	2,053	1,516	27,685	64.64%
Office Space Rental	operations cost	474,900	49,619	39,575	33,640	5,935	338,606	71.30%
Property Insurance	operations cost	16,820	-	-	-	-	15,915	94.62%
Professional Technical Services	operations cost	102,090	-	8,508	12,714	(4,207)	37,386	36.62%
Professional Development	operations cost	25,750	572	2,146	825	1,321	14,987	58.20%
Operating Expense	operations cost	249,000	23,746	20,750	15,886	4,864	174,559	70.10%
Marketing and Reproduction	hourly	115,330	4,687	9,611	5,093	4,517	65,110	56.46%
North County Management Contract	operations cost	(39,720)	(3,310)	(3,310)	(3,310)	-	(29,790)	75.00%
County Management Contract	operations cost	(80,500)	(6,708)	(6,708)	(6,708)	-	(60,375)	75.00%
SCT Management Contract	operations cost	(78,760)	(6,563)	(6,563)	(6,563)	-	(59,070)	75.00%
Total Administration		1,581,630	129,646	130,401	108,055	22,346	1,078,181	68.17%
Service Delivery:								
Labor - Operations	hourly	3,734,110	284,205	311,176	274,221	36,954	2,544,431	68.14%
Labor - Operations Workers Comp	hourly	289,780	13,891	24,148	13,891	10,257	187,309	64.64%
Labor - Maintenance	hourly	889,210	64,797	74,101	66,872	7,229	616,347	69.31%
Labor - Maintenance Workers Comp	hourly	84,810	4,066	7,068	4,066	3,002	54,820	64.64%
Fuel	miles	1,555,560	75,706	129,630	85,083	44,547	814,224	52.34%
Insurance	miles	435,900	36,137	36,325	36,137	188	327,985	75.24%
Special Transportation (includes County programs, Cuesta evenings,)	n/a	134,590	4,312	11,216	4,706	6,509	70,161	52.13%
Avila Trolley	n/a	55,000	-	4,583	674	3,909	24,266	44.12%
Maintenance (parts, supplies, materials)	miles	555,770	27,995	46,314	52,227	(5,912)	337,464	60.72%
Maintenance Contract Costs	miles	94,420	19,916	7,868	7,300	568	90,167	95.50%
Total Operations		7,829,150	531,024	652,429	545,177	107,252	5,067,174	64.72%
Capital/Studies:								
Computer System Maintenance/Upgrades		36,400	1,300	-	-	-	20,914	57.45%
Miscellaneous Capital								
Facility Improvements		15,000	-	-	-	-	6,136	40.91%
Maintenance Software		60,000	-	-	-	-	23,890	39.82%
Wireless Lift		52,000	-	-	-	-	-	0.00%
Specialized Maintenance Tools		52,000	-	-	-	-	-	0.00%
Desks and Office Equipment		1,800	-	1,800	1,902	(102)	1,902	105.64%
Vehicle ITS/Camera System		558,030	-	5,000	4,850	150	4,850	0.87%
Bus Stop Improvements		73,750	5,580	-	-	-	5,580	7.57%
Bus Rehabilitation		185,000	-	-	-	-	-	0.00%
Bus Procurement Reserve/Large Capital Repairs		81,810	-	-	-	-	-	0.00%
RouteMatch Dispatching Software		40,000	-	5,000	4,815	185	39,174	97.94%
Vehicles								
Support Vehicles		62,500	-	-	-	-	63,877	102.20%
40' Coaches		3,865,710	-	1,420,000	1,418,483	1,517	1,418,483	36.69%
One Dial A Ride Vehicle		89,300	-	-	-	-	-	0.00%
Runabout Vehicles		572,200	-	-	-	-	487,210	85.15%
Total Capital Outlay		5,745,500	6,880	1,431,800	1,430,049	1,751	2,072,015	36.06%
Contingency	hourly	132,585	-	11,049	-	11,049	5,558	4.19%
Interest Expense	operations cost	73,690	4,855	6,141	5,376	765	52,717	71.54%
Loan Paydown		543,130	-	-	-	-	271,565	50.00%
Management Contracts		198,980	16,582	16,582	16,582	-	149,235	75.00%
TOTAL FUNDING USES		16,104,665	688,988	2,248,401	2,105,238	143,163	8,696,445	54.00%
TOTAL NON-CAPITAL EXPENDITURES		9,816,035	682,107	816,601	675,189	141,412	6,352,866	64.72%

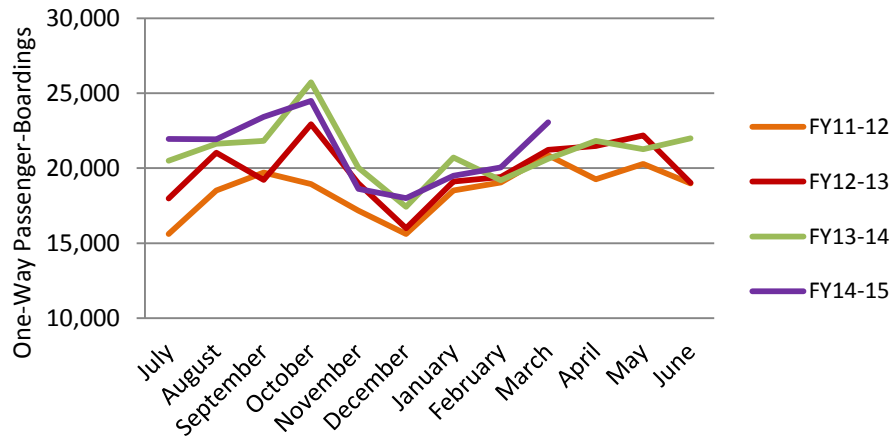
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
YEAR TO DATE THRU MARCH 31, 2015
CURRENT FISCAL YEAR - 2014/2015 (page 1 of 2)**

	RT 9 P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 S.M., NIPOMO, A.G., S.L.O.	RT 12 MORRO BAY, CUESTA, SAN LUIS	RT 14 CUESTA, SAN LUIS TRIPPER	RT 15 SAN SIM., CAMBRIA, CAYUCOS, M.B.	TOTAL RTA CORE WEEKDAY	RT 83 FORT HUNTER LIGGETT	RT 7 PASO EXPRESS ROUTE A	RT 8 PASO EXPRESS ROUTE B	TOTAL PASO EXPRESS FIXED ROUTE	PASO EXPRESS DIAL A RIDE
REVENUES:											
FARES	263,966	272,573	203,464	20,208	21,806	782,017	71,998	45,098	50,167	95,264	5,802
TOTAL ROUTE REVENUES	263,966	272,573	203,464	20,208	21,806	782,017	71,998	45,098	50,167	95,264	5,802
EXPENDITURES:											
ADMINISTRATION	158,405	159,032	104,625	11,066	37,813	470,941	15,800	12,508	12,455	24,963	4,859
MARKETING	18,770	18,854	12,409	1,360	4,488	55,880	0	915	911	1,826	0
OPERATIONS/CONTINGENCY	490,314	497,280	320,062	35,170	119,450	1,462,276	52,887	203,586	203,244	406,830	77,758
FUEL	158,769	170,740	96,456	12,115	42,956	481,036	25,826	20,423	21,251	41,674	3,419
INSURANCE	54,879	58,996	33,353	4,249	14,874	166,351	8,833	8,950	9,314	18,264	2,834
TOTAL EXPENDITURES	881,136	904,902	566,904	63,960	219,582	2,636,484	103,345	246,382	247,175	493,557	88,870
FAREBOX RATIO	29.96%	30.12%	35.89%	31.59%	9.93%	29.66%	69.67%	18.30%	20.30%	19.30%	6.53%
RIDERSHIP	191,001	173,843	139,965	14,940	14,419	534,168	4,666	38,586	43,341	81,927	2,753
SERVICE MILES	214,176.20	230,236.20	130,135.20	16,520.40	58,014.60	649,082.60	34,402.00	34,904.56	36,323.16	71,227.72	11,124.00
SERVICE HOURS	6,999.04	7,025.13	4,619.57	492.63	1,668.11	20,804.48	691.38	2,689.10	2,677.60	5,366.70	1,041.00
RIDERS PER MILE	0.89	0.76	1.08	0.90	0.25	0.82	0.14	1.11	1.19	1.15	0.25
RIDERS PER HOUR	27.29	24.75	30.30	30.33	8.64	25.68	6.75	14.35	16.19	15.27	2.64
COST PER PASSENGER	4.61	5.21	4.05	4.28	15.23	4.94	22.15	6.39	5.70	6.02	32.28
SUBSIDY PER PASSENGER	3.23	3.64	2.60	2.93	13.72	3.47	6.72	5.22	4.55	4.86	30.17

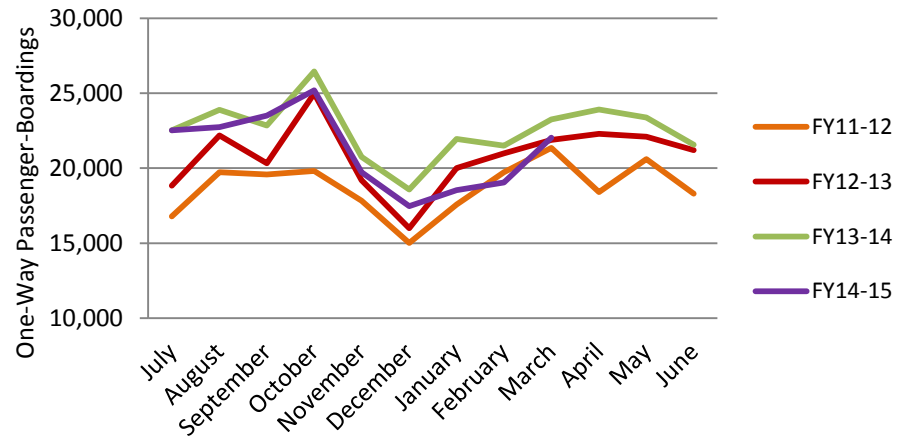
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
YEAR TO DATE THRU MARCH 31, 2015
CURRENT FISCAL YEAR - 2014/2015 (page 2 of 2)**

	RT 9 SAT P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 9 SUN P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 SAT S.M., NIPOMO, A.G., S.L.O.	RT 10 SUN S.M., NIPOMO, A.G., S.L.O.	RT 12 SAT MORRO BAY, CUESTA, SAN LUIS	RT 12 SUN MORRO BAY, CUESTA, SAN LUIS	RT 15 SAT SAN SIM., MORRO BAY, SAN LUIS	RT 15 SUN SAN SIM., MORRO BAY, SAN LUIS	TOTAL RTA CORE WEEKEND	TOTAL FIXED ROUTE RTA & PASO EXPRESS	RUNABOUT	SYSTEM TOTAL
REVENUES:												
FARES	17,458	10,244	18,426	10,209	11,003	7,772	3,314	2,249	80,677	1,029,957	89,344	1,125,103
TOTAL ROUTE REVENUES	17,458	10,244	18,426	10,209	11,003	7,772	3,314	2,249	80,677	1,029,957	89,344	1,125,103
EXPENDITURES:												
ADMINISTRATION	11,157	7,182	10,429	6,251	7,615	7,138	7,633	4,566	61,971	573,675	523,401	1,101,935
MARKETING	1,340	851	1,253	741	915	846	917	541	7,402	65,108	0	65,108
OPERATIONS/CONTINGENCY	34,350	22,219	32,447	19,464	23,077	21,709	24,031	14,381	191,678	2,113,671	1,509,204	3,700,633
FUEL	10,875	7,234	10,896	6,566	6,623	6,376	8,582	5,149	62,300	610,836	183,008	797,263
INSURANCE	3,811	2,519	3,818	2,288	2,321	2,221	3,007	1,794	21,778	215,226	100,809	318,869
TOTAL EXPENDITURES	61,533	40,006	58,841	35,309	40,551	38,289	44,169	26,431	345,130	3,578,516	2,316,422	5,983,808
FAREBOX RATIO	28.37%	25.61%	31.31%	28.91%	27.13%	20.30%	7.50%	8.51%	23.38%	28.78%	3.86%	18.80%
RIDERSHIP	10,695	6,181	10,916	6,006	6,595	4,459	2,150	1,384	48,386	669,147	33,358	705,258
SERVICE MILES	14,792.70	9,792.90	14,820.00	8,892.00	9,009.00	8,634.60	11,672.70	6,973.20	84,587.10	839,299.42	393,655.00	1,244,078.42
SERVICE HOURS	490.23	315.90	458.25	274.95	334.62	313.95	335.40	200.85	2,724.15	29,586.71	23,072.49	53,700.20
RIDERS PER MILE	0.72	0.63	0.74	0.68	0.73	0.52	0.18	0.20	0.57	0.80	0.08	0.57
RIDERS PER HOUR	21.82	19.57	23.82	21.84	19.71	14.20	6.41	6.89	17.76	22.62	1.45	13.13
COST PER PASSENGER	5.75	6.47	5.39	5.88	6.15	8.59	20.54	19.10	7.13	5.35	69.44	8.48
SUBSIDY PER PASSENGER	4.12	4.81	3.70	4.18	4.48	6.84	19.00	17.47	5.47	3.81	66.76	6.89

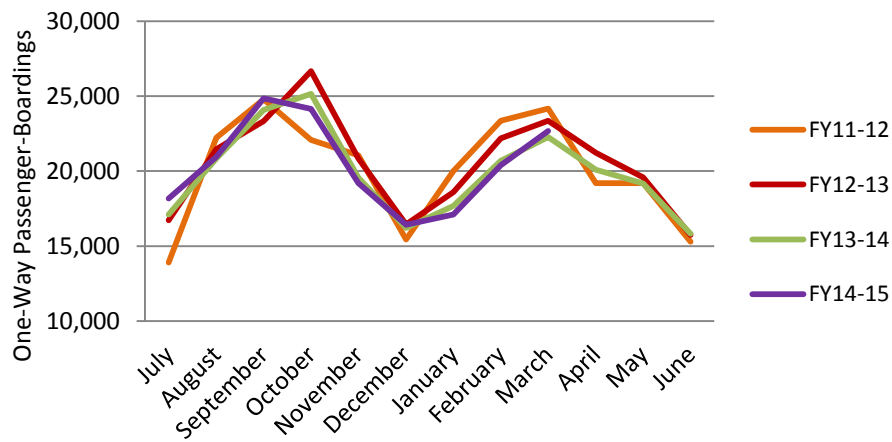
RTA Route 9 Ridership By Month



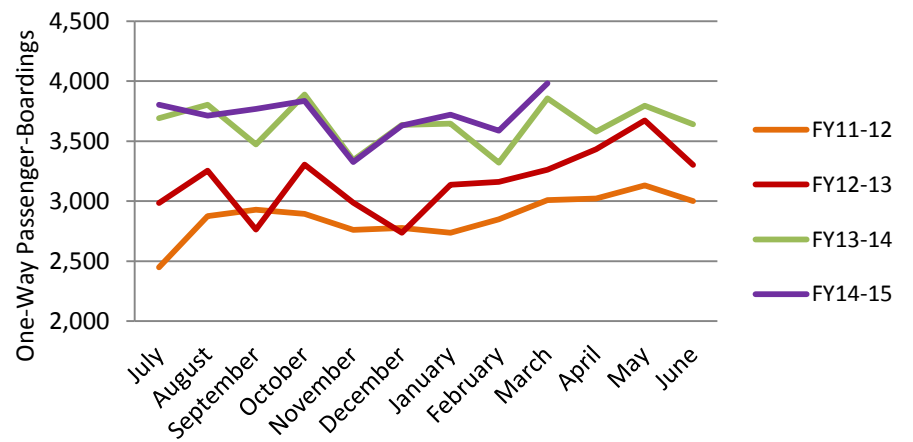
RTA Route 10 Ridership By Month



RTA Other Fixed Rtes. Ridership/Mo.



RTA Runabout Ridership by Mo.



SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2015

STAFF REPORT

AGENDA ITEM: A-2

TOPIC: Strategic Business Plan Results

ACTION: Receive

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Receive Report on Performance Results Through March 31, 2015

BACKGROUND/DISCUSSION:

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

The attached report presents our results from July 1, 2014 through March 31, 2015. These results and the underlying RTA 2015-17 Strategic Business Plan will be used by the Short Range Transit Plan (SRTP) consultants as they suggest possible new goals and objectives as part of the SRTP effort. For measurement purposes, the SRTP sets the base of RTA believes it can achieve, and the SBP sets the goal of RTA strives to achieve. It may be appropriate for the Board to revisit the SBP after adoption of the SRTP in mid-2016.

Staff recommendation:

Receive the attached report on performance results achieved in FY14-15 through the end of March 2015.

Report on RTA Performance Standards

July 2014 through March 2015

Regional Transit Authority Standards of Excellence: Service Quality and Efficiency

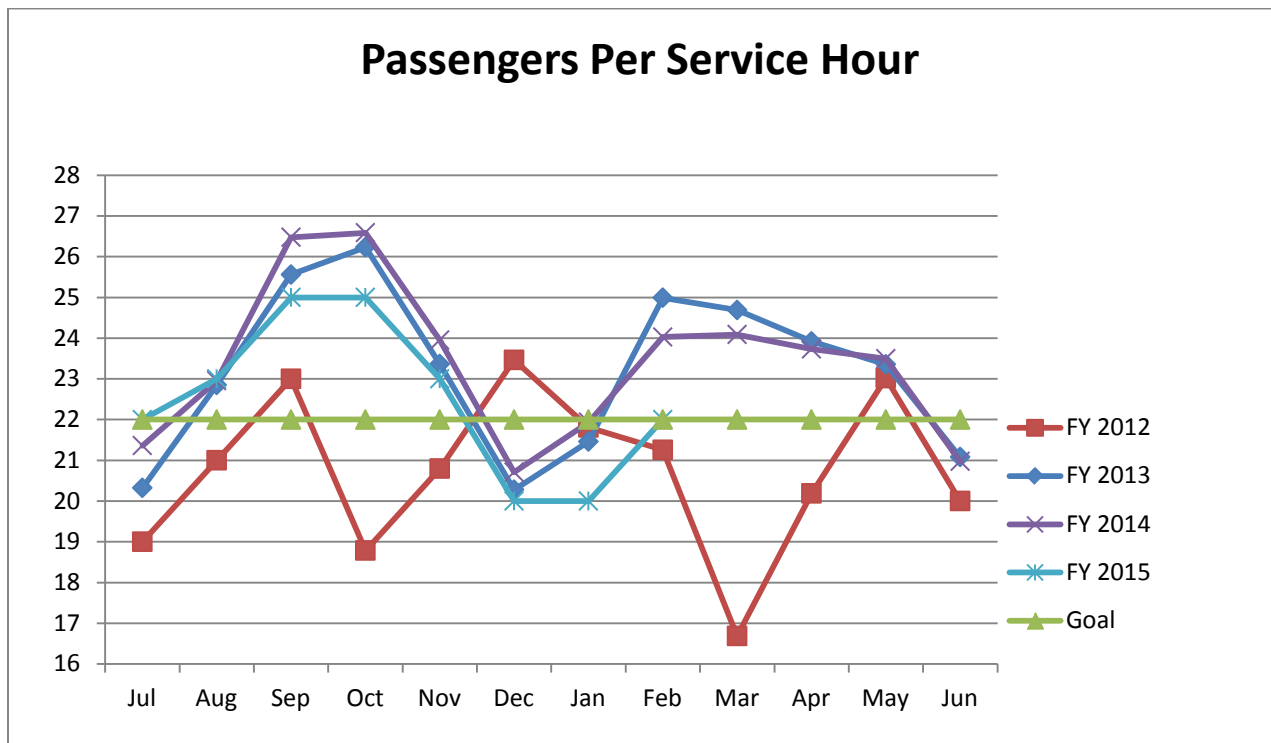
Summary: We will deliver dependable, customer focused and efficient transit services to the communities that we serve. Further, we will look for opportunities to deploy innovative new service within the resources available.

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

Measurement: Objective.

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

In January 2014, the RTA Board increased the standard from 21 passenger boardings per hour to 22. As in each of the two previous years, we experienced a dip below our goal in December and January. February's productivity is down to 22 from last year's 24. Year to date, the fixed route service achieved a productivity figure of 24.7 through February 28, 2015.



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

Measurement: Objective.

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

Report on RTA Performance Standards

July 2014 through March 2015

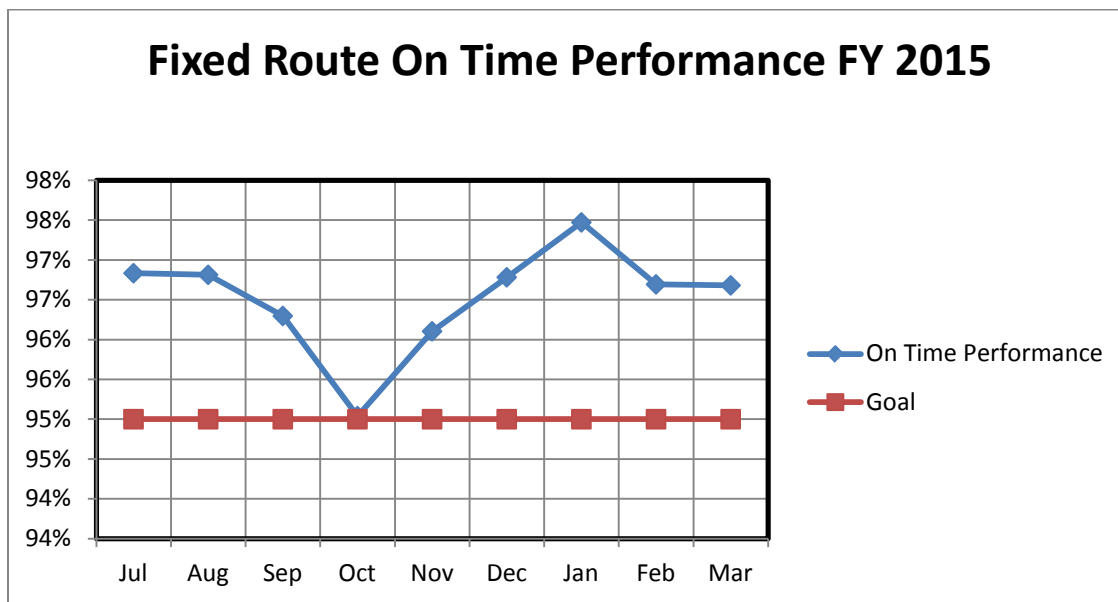
As long as a scheduled fixed route bus trip is delivered ahead of the next scheduled bus trip, then service is considered “delivered” (but that late trip will still be reported under the on-time performance measure discussed below). A typical weekday includes a total of 134 bus trips, while each Saturday includes 50 trips and each Sunday includes 32. The service delivery goal is 99% or greater. RTA missed zero scheduled trips during the previous quarter, or a service delivery achievement of 100%.

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

Measurement: Objective.

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

Fixed route service is considered on-time if at no point the bus is six or more minutes late. The goal is 95% or greater¹. As presented below, RTA has achieved or surpassed the goal during each month of FY14-15.



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

Measurement: Objective.

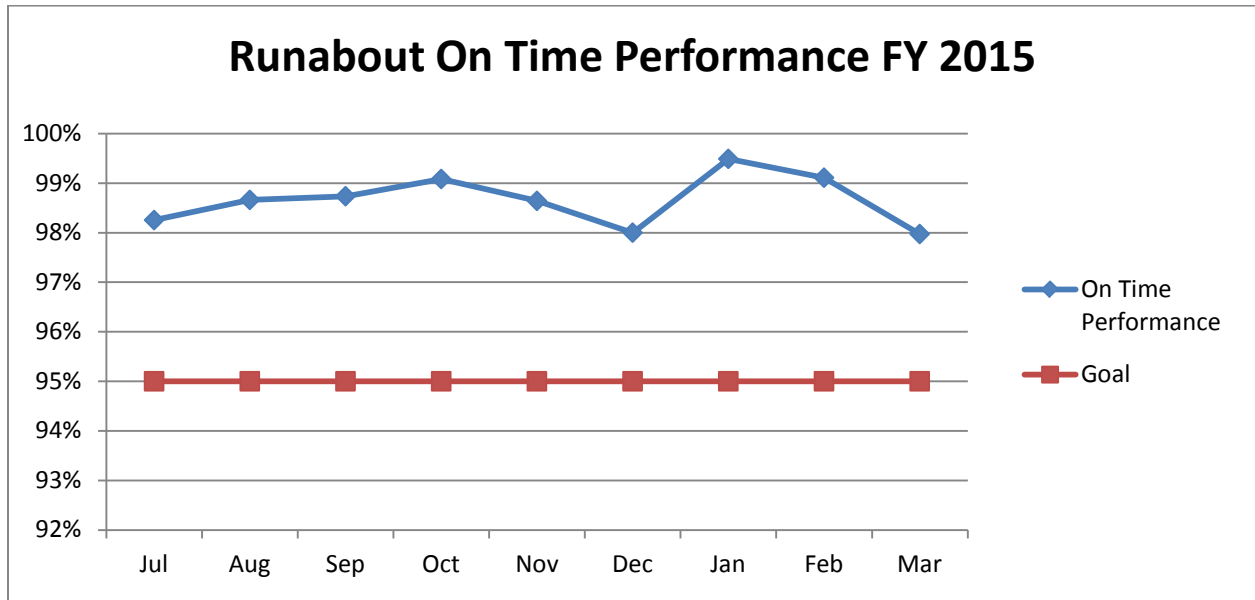
- Reviewed quarterly by Operations, and reported by Executive Director bi-annually to the Board.

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

Report on RTA Performance Standards

July 2014 through March 2015

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



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

Measurement: Subjective.

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

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

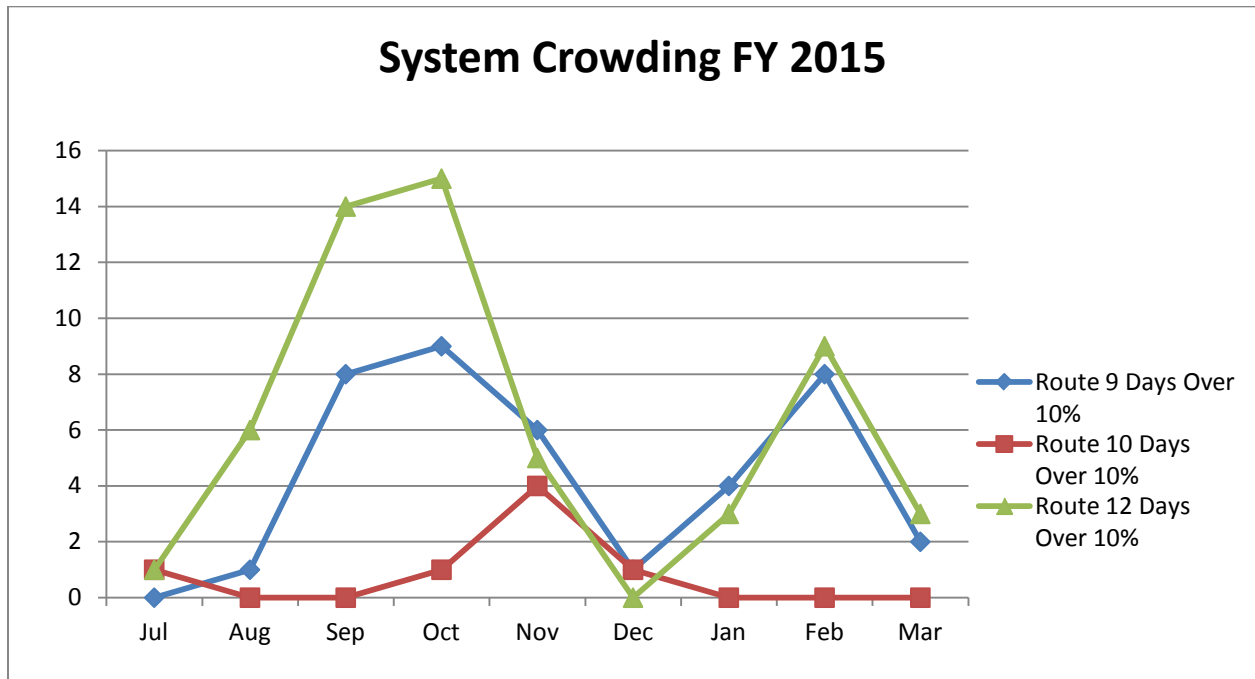
Measurement: Objective.

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

Report on RTA Performance Standards

July 2014 through March 2015

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



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

Regional Transit Authority Standards of Excellence: Revenue and Resources

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

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

Measurement: Objective.

- Monthly financial statements and YTD budget expenses.

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

Report on RTA Performance Standards

July 2014 through March 2015

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

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

Fiscal Year 2015 Result: Operating Costs are 64.72% of the adopted budget through March 31, 2015 (75% of the fiscal year)

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

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

Measurement: Objective.

- Based upon monthly Route Productivity/Performance Report.

Fiscal Year 2012 Result: 28.81%

Fiscal Year 2013 Result: 30.82%

Fiscal Year 2014 Result: 31.50%

Fiscal Year 2015 Result: 28.78% through March 31, 2015 (including Paso Express)

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

Standard 3: No significant financial audit findings.

Measurement: Objective.

- Finance and Administration will report any negative audit findings.

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

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

Measurement: Subjective.

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

The 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.

Regional Transit Authority Standards of Excellence: Safety

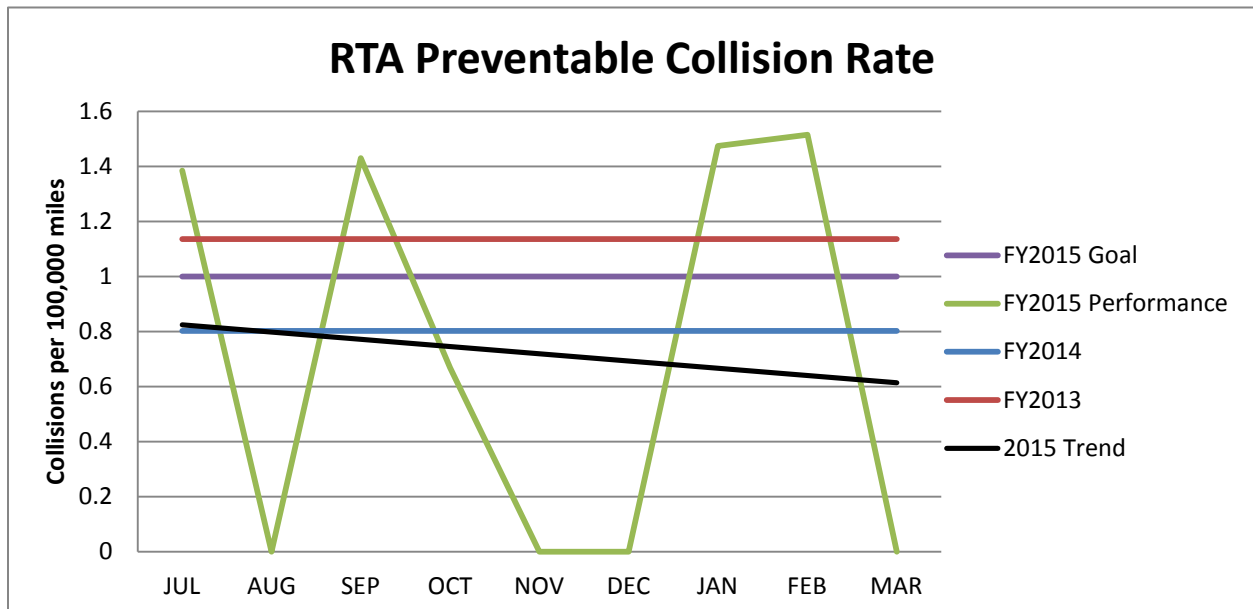
Report on RTA Performance Standards July 2014 through March 2015

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

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

Measurement: Objective.

- Rate shall be reported by Safety and Training.



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

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

Measurement: Objective.

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

The Safety Resource Committee has effectively resolved 18 employee suggestions this quarter, and the next meeting is scheduled for May 13, 2015.

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

Measurement: Objective.

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

Fiscal Year 2010-11 Result: 10

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

Report on RTA Performance Standards

July 2014 through March 2015

Fiscal Year 2012-13 Result: 11

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

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

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

Measurement: Objective.

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

The first comprehensive Customer Perception Survey was completed in 2013. We will complete the next survey as part of the Short Range Transit Plan in March 2015.

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

Measurement: Objective.

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

Fiscal Year 2011 Result: 5.1% of total operating costs

Fiscal Year 2012 Result: 7.5% of total operating costs

Fiscal Year 2013 Result: 7.6% of total operating costs

Fiscal Year 2014 Result: 8.2% of total operating costs

We are well under the goal FY10-11 through FY12-13. Fiscal Year 2013-14 results are higher as a result of significant claims that developed in prior year. This includes property, workers compensation, liability, and auto physical damage insurance costs.

Regional Transit Authority Standards of Excellence: Human Resources

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

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

Measurement: Subjective.

- Annual assessment by Executive Director and Department Heads.

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

2010 – 24%

2011 – 33%

Report on RTA Performance Standards

July 2014 through March 2015

2012 – 20%

2013 – 12%

2014 – 19%

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

Measurement: Objective.

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

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

- Maintenance 40 Hours per technician annually – below are annual training hour results for the six technicians in FY13-14:
 1. 54 hrs.
 2. 62 hrs.
 3. 54 hrs.
 4. 54 hrs.
 5. 54 hrs.
 6. 62 hrs.
- Operations Supervisors 24 Hours annually – Supervisors averaged 17 annual training hours in FY13-14.
- Bus Operators must complete a State-mandated minimum of 8 hours of Verification of Transit Training annually, which we achieved. However, we have recently implemented mandatory retraining after three months and six months from when new Bus Operators are placed into revenue service.
- Finance and Administration 16 Hours per employee annually – these hours are used by each employee in various ways based on their responsibilities and in consultation with their direct supervisor.

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

Measurement: Subjective.

Report on RTA Performance Standards

July 2014 through March 2015

For the past three years, all employees must participate in a formal training program called Verbal Defense and Influence, which focused us how to communicate more effectively with each other and our customers, including the most recent training in January 2015. RTA staff also has bi-weekly staff meetings where we discuss general items that may affect other departments. Finally, the Executive Director and the three department heads meet weekly to ensure consistency in messaging and direction for the organization.

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

Measurement: Objective.

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

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

Regional Transit Authority Standard of Excellence: Fleet and Facility

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

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

Measurement: Objective.

- As reported by Finance and Administration.

As of March 31, 2015, the average RTA fixed route vehicle age (including new Paso Express fixed route vehicles) is just over 5 years with an average of just under 278,000 miles per vehicle. The design life of a fixed route bus is 12 years/500,000 miles. The average Runabout/Dial-A-Ride vehicle age (including new Paso DAR vans) is just under 3 years with an average of just under 100,000 miles. The design life of a demand response van is 4-years/100,000 miles, so we are currently within the 40% standard. The capital program is scheduled to be updated in 2015 as part of the Short Range Transit Plan update effort (the capital plan adopted by the Board as part of the previous SRTP was in July 2011).

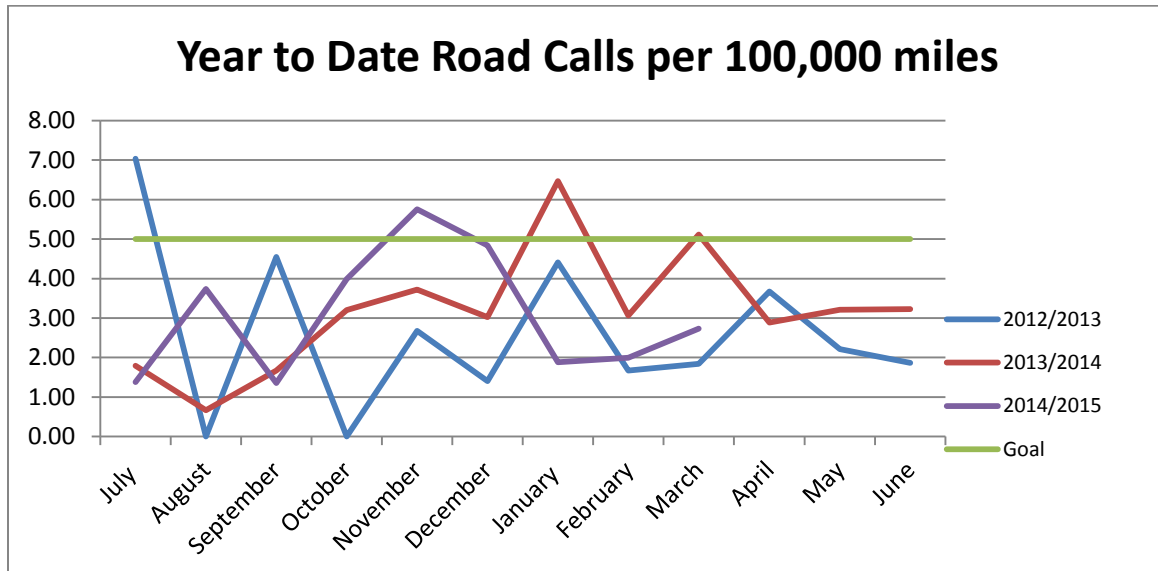
Standard 2: Road calls will not exceed 5 per 100,000 miles of vehicle service miles. A road call is defined as all failures that affect the completion of a scheduled revenue trip or the start of the next scheduled revenue trip, including failures during deadheading and layover.

Measurement: Objective.

Report on RTA Performance Standards July 2014 through March 2015

- As reported by the Maintenance Department.

This standard has been achieved or surpassed in all but two months over the past three fiscal years. The year-end average for FY12-13 was 2.61 and for FY13-14 it was 3.17. FY14-15 is bettering both previous years with an average of 3.07 road calls per 100,000 miles as of March 31, 2015. For over a year now, staff has been reporting road calls to match the definition as required in the National Transit Database. We will closely track this standard as our fleet ages.



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.

To be included in the annual Community Perception Survey conducted as part of the SRTP update in March 2015.

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

Measurement: Objective.

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

To be included in the annual Community Perception Survey conducted as part of the SRTP update in March 2015.

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

Measurement: Objective.

Report on RTA Performance Standards

July 2014 through March 2015

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

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

Regional Transit Authority Standards of Excellence: Leadership

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

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

Measurement: Subjective.

- Will be reviewed by staff and RTA Board.

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

Measurement: Subjective.

- To be evaluated and monitored by RTA Board.

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

Measure: Subjective.

- To be evaluated by Executive Director.

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

Measurement: Subjective.

- To be evaluated by Executive Director and RTA Board.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
May 6, 2015
STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Implementation of California *Healthy Workplaces, Healthy Families Act of 2014 (AB 1522)*

ACTION: Adopt

PRESENTED BY: Tania Arnold, CFO/Director of Administration

BACKGROUND

An employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the beginning of employment, is entitled to paid sick leave. Employees, including part-time, temporary and casual employees, will earn at least one hour of paid leave for every 30 hours worked. Accrual begins on the first day of employment or July 1, 2015, whichever is later.

An employer may limit the amount of paid sick leave an employee can use in one year to 24 hours or three days. Accrued paid sick leave may be carried over to the next year, but it may be capped at 48 hours or six days.

In order to implement the program, the following language has been proposed as a side agreement to the Collective Bargaining Agreement dated February 1, 2014 with Teamsters Local 986 effective July 1, 2015 and will remain in effect, unless otherwise agreed to by both parties, until June 30, 2016:

Sick Leave

Section 1. Beginning July 1, 2015, at the completion of training for all new employees and effective immediately for all current eligible employees (part time health benefited, part time and casual), will become eligible for sick leave accumulated at the rate of one (1) hour for each thirty (30) worked hours up to a maximum of twenty-four (24) hours in a year.

Section 2. Sick leave may be carried over to the following year but may not exceed a maximum of forty-eight (48) hours.

Section 3. To receive sick leave pay the employee shall notify the RTA as early as possible, but no later than one (1) hour prior to the employees scheduled start time. Employees must use and shall use paid earned sick leave for personal sick time off or FMLA leave to care for eligible dependents. Sick leave may be used in four (4) hour blocks.

Section 4. Employee may be required by the RTA to provide a physician's medical certification for sick time off. Unused paid sick time will not be paid at termination of employment.

Staff Recommendation

Adopt the Sick Leave Policy as presented by staff. Authorize the Executive Director to negotiate a side agreement to the existing Collective Bargaining Agreement with Teamsters Local 986.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY VISION STATEMENT, VISION ELEMENTS, MISSION STATEMENT AND STRATEGIC DIRECTION

VISION

The RTA of the future is an integral part of the “SLO lifestyle.” From the vineyards in North County, to the secluded beach towns on the North Coast, to multi-faceted communities in the South County, residents and visitors use public transportation rather than relying on their cars.

Vision Elements

- Continue successful partnerships with jurisdictions, county, other public agencies, businesses and schools.
- Provide excellent, reliable, sustainable seamless service that is effective in getting residents and visitors where they want to travel.
- Secure reliable funding.
- Implement an Intelligent Transportation Systems (ITS) program to improve service quality and provide efficiencies.
- Develop a well-executed image-building campaign with a single face for public transportation.

MISSION

The Mission of RTA is to provide safe, reliable and efficient transportation services that improve and enhance the quality of life for the citizens and visitors of San Luis Obispo County.

STRATEGIC DIRECTION

- Stabilize and grow funding.
- Continue to improve service quality: On-time performance, scheduling and routing, customer amenities on our vehicles and at our bus stops, operating procedures.
- Consolidate and streamline operations to improve efficiency and effectiveness of public transportation throughout the county.
- Include public transportation as part of the lifestyle evolution needed to confront climate change.
- Reduce Vehicle Miles Traveled.
- Embrace technological improvements that will positively impact efficiency and quality of service.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY VALUES

Commitment to Serve

Provide valuable services to the public and direct our energies in strengthening our relationships with our customers and the community while maintaining responsible ethical fiscal management.

Leadership

Be trustworthy, credible, confident, progressive and influential in all we do.

Teamwork

Work together with trust, support and mutual cooperation and respect. Provide an environment that fosters frank and open communication. Have Fun in our daily activities and keep issues in perspective. Have pride in our accomplishments while taking on our challenges with spirit and vigor.

Integrity

Promote honesty, loyalty, dignity, respect, decency, fairness, courtesy, responsibility, and character.

Human Development

Provide the appropriate resources and environment for employees to be successful, motivate individuals to take initiative and to be creative in all of our efforts.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2015

STAFF REPORT

AGENDA ITEM: B-2

TOPIC: Fiscal Year 2015-16 and 2016-17 Operating Budget, and Fiscal Year 2015-16 through 2019-20 Capital Budget

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Adopt Fiscal Year 2015-16 Budget as presented

RTAC RECOMMENDATION: Approve with the possibility of minor adjustments for Worker's Compensation and the Express trips

BACKGROUND/DISCUSSION:

We are pleased to present a balanced fiscal year 2015-16 and projected fiscal year 2016-17 operating budget. In addition, we are presenting a five-year capital program.

We appreciate the Board's support and leadership in these financially constrained times. This year presented staff with a new challenge due to declining local revenue, and increased service demands. Due to those circumstances, we will present this budget with the planned new Express trips separate from the base Routes 9 and 10 summaries should the Board determine that cuts be implemented.

The budget presentation assume the same core levels of service miles and hours for fixed route and Runabout services that are currently being operated. It also assumes a very minimal increase in Runabout service level, which is a welcome relief in comparison to recent years when Runabout demand burgeoned. Staff will continue to monitor the Runabout service and should service demands change to beyond the scope of the budget present, a budget amendment will be presented to the Board. Also, RTA will no longer be operating Line 83 under a highly Monterey Salinas Transit-subsidized contract, which resulted in a small amount of cost savings for RTA.

The highly successful Route 14 service will continue to operate during peak academic year commute times between downtown San Luis Obispo and the main Cuesta College campus, our highest trip generators in the regional system. The North Coast Connector service is projected at very similar levels as to what was operated during the 2014-15 fiscal year, but the service type is projected to change to a deviated fixed route service. Although staff is not projecting that this change will have a significant cost savings in the fixed route service plan, it will reduce Runabout service costs.

In May of 2014 RTA adopted a reserve policy, one for cash flow purposes and one for capital projects. During FY13-14 RTA came in under the projected budget, fare revenue was higher than projected, and the fund balance increased more than original budget projections. In addition, during FY13-14 and FY14-15, RTA has replaced the vast majority of the fleet, which has resulted in a reduction in the amount of capital projects reserves needed in the ensuing years. The result of the savings and decrease in capital reserves required is that staff is projecting a strong fund balance at the beginning of FY15-16.

No Local Transit Fund (LTF) is required for local match for any of the proposed capital projects. The FY15-16 RTA operating budget is proposed at \$8,351,380 and the capital budget is proposed at \$2,553,500.

It should be noted that staff continues to present separate columns in the revenue and expense tables that depicts the consolidation of Paso Robles Express fixed route and dial-a-ride services into RTA on June 1, 2014, as well as the County transit services (SLOCAT).

In summary, RTA staff has done a tremendous job of holding the line on expenses. The major increases in this year's operating budget are costs for insurance, workers compensation, the wage adjustments programmed in the Collective Bargaining Agreement for covered employees, and our health plan. We have managed to make progress on upgrading our fleet in recent years, and the delivery of eight new forty-foot low-floor buses in March 2015 will continue to help reduce a portion of vehicle maintenance costs. The recent downturn in fuel costs has resulted in welcome relief, although we do not expect fuel costs to remain static into the future.

The budget packet contains the following items:

- Our vision and mission statements
- Adopted Budget Assumptions adopted March 4, 2015
- Fiscally-constrained FY15-16 operating and capital budgets
- Fiscally-unconstrained FY16-17 operating budget
- Fiscally-unconstrained FY16-17 through FY19-20 capital budgets

Lastly, we have broken each fixed route service into weekday, Saturday and Sunday sections to better understand the financial commitment necessary to operate these distinct services should service reductions become necessary due to funding or other constraints.

Revised Revenue Assumptions

LTF funds are derived from the statewide ¼ percent sales tax, while STA is derived from the sales tax on diesel fuel. Countywide LTF is projected by SLOCOG to be roughly 23% lower in FY15-16 in comparison to final FY14-15 amounts. However, STA funding is estimated to be relatively flat for RTA, noting that the FY14-15 STA amount included in the budget includes a carryover from the prior year.

We are predicating the revenue stream for the FY15-16 budget on the latest information that we have available on LTF and STA funding for the region. The LTF program is projected to have a dramatic decrease and staff is unsure of what the projection for this revenue stream should be for the coming years. Staff concurs and applauds the principles laid out in the SLOCOG staff report that any future funding formulas include incentive funding for Vehicle Miles Traveled (VMT) and regional integration of the jurisdictional operations with the regional system as part of the regional funding formula. This budget assumes no increase in fare revenue for either FY15-16 or FY16-17, although staff is evaluating fare increase options for pending LTF revenue projections for FY16-17.

Administration and Operations Expenses

The overall Administration Expense for RTA core services is up just 2.64% compared to last fiscal year. This is reflective in the additional part time staff member who will conduct functional assessments of Runabout applicants and fixed route travel training for Runabout eligible riders.

On the operating side, we have maintained current service levels. The service delivery line item for RTA core services is down from what was identified in the FY14-15 budget, as we are reducing previous budget projections associated with Runabout.

As included in the budget assumptions that your Board accepted in March 2015, based on the current projected funding, an annual merit adjustment will be budgeted for non-union employees; the Collective Bargaining Agreement (CBA) identifies annual increases based upon longevity for Bus Operators, Mechanics and Utility Workers. It should be noted that RTA ratified a new CBA in February 2014, which runs through January 31, 2018. Non-CBA employees within the salary range for their position will also be eligible for a step merit increase subject to performance assessments.

On April 14, 2015 staff was notified of a likely increase to the primary workers compensation insurance program for the FY15-16. Staff notified the RTA Executive Committee and RTAC were notified during meetings that week that a change may be needed to account for the revised estimates. Since that time, staff received confirmation that the revised estimates are correct. Additional information was provided by the underwriter, including the factor that rates are calculated based on losses over the last five years, then an experience modification factor for the last three is applied. Staff also received information regarding the effective rates for the primary workers compensation insurance, which is 9.023%. RTA is now rated on an actuarial basis, has five prior years of losses, and has a \$0 self insured retention (SIR). In comparing RTA with a similar sized transit agency that only operates fixed route, their effective rate is 8.256% which is in line with RTA's revised estimates. Although these numbers are significantly higher than expected, staff feels that it is still a reasonable amount for FY15-16. Staff will be getting quotes and analyzing options for FY16-17 to determine if an increase in the SIR or another carrier would be more cost efficient.

Finally, due to the unrest in North Africa and the Middle East, fuel prices have continued to swing wildly over the past few years. Similar to previous years, staff budgeted fuel at a relatively high per gallon cost, but we may need to adjust it if fuel prices rise significantly during the fiscal year. Due to our limited infrastructure, we are unable to purchase fuel in bulk to realize economies of scale.

Ridership Gains, Overcrowding Mitigation

This past year we saw steady ridership increases on all RTA services. Runabout ridership was up 2%, while fixed route ridership was up nearly 1%, for the first eight months of FY14-15.

Pursuant to the language in the SLOCOG Regional Transportation Plan under Transit Policies, we have the ability to periodically adjust transit service parameters with the objective to maximize transit system efficiency, effectiveness and economic feasibility. Under this section there is a provision to review the need to add trips or tandems when the peak load factor consistently exceeds 90 percent of a seated bus load. In the case of all our commute trips on Routes 9, 10 and 12, the load factors consistently range from 100 – 130% of the seated load. Staff will work quickly once the FY15-16 budget is approved to implement planned additional express trips to address overcrowding issues on Route 9 and 10.

Runabout Ridership Leveling Off and New Runabout Eligibility Procedure

Pursuant to the monthly ridership reports, Runabout ridership is now holding steady. Staff is proposing implementing a functional assessment as part of the application process to ensure that the service is being provided to those who truly need it. Staff will also be doing fixed route travel training with Runabout applicants to ensure they understand and feel comfortable and confident using fixed route services when feasible.

Capital Program

The focus of our financially constrained FY15-16 capital program will be funding the procurement of over-the-road coaches, cutaway vehicles used for the North Coast Connector, and Runabout vehicles. We have also programmed the following minor capital projects:

- \$31,500 for shop equipment for our maintenance department to improve efficiencies;
- \$31,100 for facility improvements, which includes \$25,000 for planning a permanent facility in Paso Robles;
- bus stop improvements, including solar lighting;
- miscellaneous computer equipment; and
- ITS improvements to our existing fleet and new fleet, including on-board camera security systems.

It should be noted that a portion of the FY14-15 funds for the fully funded ITS improvements will need to be carried over to FY15-16 but, due to the timing of the

project, staff is unsure of the exact amount that will be carried forward. The carryover will have no financial impact to local jurisdictions.

Also included is a projected five-year capital improvement program as part of the budget plan. While only the first year is financially constrained, the projects identified in the ensuing four years provide a snapshot of future capital needs and potential cost levels. It should be noted that staff has only identified replacement projects and easily identifiable on-going projects (i.e., computer needs and bus stop improvements) in the capital improvement program. With the exception of the two over the road coaches discussed above, no expansion vehicles are included. As the Board provides direction to staff regarding possible expansion vehicles and/or facilities the capital improvement program will be updated.

Staff has adjusted the pay down schedule for the existing loan for the 179 Cross Street building improvements project that began in 2006. Given the recent LTF financial constraints presented above and the revised lease agreement through 2022, staff has extended principal payments out to FY18-19. The loan would still be paid off prior to the extended lease termination date, but provided more funding for operations during tight financial times. Staff will continue to aggressively seek outside funding to plan and develop a long-term operations/maintenance facility.

Conclusion and Staff Recommendation

Fiscal Year 2015-16 will be another challenging year, including financial barriers and continuing to implement a list of long-planned capital projects. We look forward to working with our customers, the Board and other stakeholders in providing the highest quality of transportation services to residents of and visitors to our community. We believe that this budget reflects the path set by your Board in previous years and, although we would like to do more, we believe that this budget provides the optimum levels of service within the confines of existing limited resources.

The Staff recommends that the Board adopt the FY15-16 budget as presented.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2015

(Originally presented March 4, 2015)

STAFF REPORT

AGENDA ITEM:	B-2
TOPIC:	Fiscal Years 2016 and 2017 Budget Assumptions
ACTION:	Approve Budget Assumptions
PRESENTED BY:	Geoff Straw
STAFF RECOMMENDATION:	Approve Budget Assumptions to enable staff to begin development of FY15-16 & FY16-17 Operating Budget

BACKGROUND/DISCUSSION:

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

Objectives

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

Revenue

- SLOCOG is working on State Transit Assistance (STA) funding projections for FY15-16. Once those targets are more firmly established, RTA will assume a proportional change in overall STA funding in our FY15-16 budget, and will budget the same amount for FY16-17.
- Staff is not recommending a fare program change for FY15-16, although we may have to consider changes if TDA or other funding shortfalls emerge.
- Fare revenue is projected to be \$1,225,000 (farebox and pass sales revenue only) for FY15-16 – roughly 4.2% higher than the \$1,175,000 originally projected in the second year of the current two-year operating budget.
- RTA will cease operating two weekday roundtrips on Route 83 service to Fort Hunter-Liggett on March 6, 2015. RTA operated this service under contract for Monterey-Salinas Transit since December 2010, and we budgeted \$105,080 in special events/other revenue (counted as fares) in FY14-15.
- Federal Transit Administration (FTA) Section 5307, 5311 and 5339 operating funding for FY15-16, and capital funding for FY15-16 and FY16-17 will be presented as previously presented. Should authorizations for federal transportation programs under the MAP-21 successor legislation increase or decrease for any of these programs, staff would adjust these assumptions accordingly.
- RTA was awarded a total of \$800,000 in FTA Section 5316 JARC funding for FY14-15 to support Route 10 operations and North Coast services (RTA Route 15 and related Runabout). However, it was the last award of discretionary JARC funds, which have been eliminated. Staff is reviewing service options on Route 15 that would reduce the miles operated by approximately 20%, while revenue hours would remain the same, by operating a deviated fixed route service. The real cost savings would result from the 100% reduction in Runabout services between Morro Bay and Cambria. Staff has been successful in obtaining FTA Section 5307 operating funding from the South County to offset the impact on the Route 10.
- FTA Section 5307 operating funding from the City of Santa Maria for Route 10 will be budgeted based on meetings with SBCAG and the City of Santa Maria. Staff is confident in continued funding for Route 10 operations.
- FY14-15 LTF revenue was budgeted at \$4,133,461. Once the FY15-16 targets are further refined by the County Auditor and SLOCOG, RTA will present a proportional increase/decrease in overall LTF funding in our FY15-16 budget and a similar increase/decrease in the FY16-17 budget. Should there be a budget shortfall due to the loss of funding in either fiscal year, staff would evaluate and make appropriate recommendations on a potential budget amendment or use of reserve funds.

- Staff will continue to explore new revenue resources at the federal, state, and local levels.

Expenses

- Staff assumed two additional express trips on the Routes 9 and 10 in the latter part of FY14-15. For FY15-16 service levels, the total number of revenue service hours, miles and span of service for RTA Fixed Route services will be budgeted at annualized levels assumed in FY14-15. A caveat is that additional express runs might be necessary on Routes 9 and 10 to meet increasing demand and to reduce overcrowding during peak travel periods. If this additional service becomes necessary, staff would seek a budget amendment to address those service demands during the fiscal year.
- As mentioned above in the Revenue section, RTA will not operate and partially subsidize the Route 83 service to Fort Hunter-Liggett in FY15-16. In FY14-15, we budgeted \$172,310 in operating expenses for this service.
- Runabout service hours and miles are projected to require a minimal increase based on recent demand trends. This reflects a change from the past two fiscal years, which required significant Runabout service level increases due to burgeoning demand. In short, it will be less than what was previously presented during the FY14-15 budget presentation as projected for Runabout in FY15-16.
- Should staff be unable to secure adequate funding to operate core Fixed Route and Runabout service levels, a potential increase in LTF funding would be requested from the RTA jurisdictions without which a reduction of service may have to be implemented.
- Detailed miles/hours and span of service for each fixed route and Runabout will be provided with the draft budget. In addition, detailed budgets based on miles/hours and span of service will be provided separately for SLO County Services and North County Consolidated Services.
- Staff will use the 2015-17 RTA Strategic Business Plan, the 2010 Fixed Route Performance Standards, the 2012-15 RTA Service Improvement Program, as well as the findings from the 2010 Short Range Transit Plan, to evaluate potential efficiencies and with Board concurrence implement efficiencies during the course of the two fiscal years.
- Fuel consumption and price will be budgeted conservatively; diesel fuel will be budgeted at \$4.10 per gallon. Included in the fuel line item will be diesel exhaust fluid (DEF), used to lower diesel exhaust emissions on the newer Fixed Route vehicles.
- CalTIP liability premiums will be increased 10% annually.
- Workers Compensation premiums are projected to increase 18%, with the realization that workers compensation for transit services is especially challenging statewide. Staff will be working with our broker on this in an effort to obtain a better number prior to April. We continue to work with our employee committee that has evaluated work comp injuries and has initiated a proactive

program to address the number of claims and severity of the claims that we have had during the last year. It is expected that this effort will hasten the return of employees back to work following lost-time work-related injuries.

- For FY15-16 core RTA services, the number of budgeted positions will remain essentially the same as FY14-15. To ensure that only those persons truly eligible for the service are initially registered or re-registered, staff will include the additional resources of a part-time staff position to conduct functional assessments as part of the Runabout application process. This person or persons would also provide mobility training for disabled persons who are able to use Fixed Route services for some or all of their travel needs. Prior to beginning the recruitment process, RTA will complete an internal “360 review” of the organizational structure so these new functional assessment responsibilities are assigned to the appropriate position. Should revenue projections in April 2015 indicate that FY15-16 revenue is down, there will be a requisite reduction in the number of FTE’s and service levels based upon projected revenue.
- For FY15-16, the overall number of budgeted positions for the North County and SLO County services will remain the same. It should be noted that the marginal costs and revenues the services will be treated in the budget the same way as FY14-15: as separate and distinct columns.
- Staff is still closely monitoring the anticipated impacts of the Affordable Care Act on both the number of employees and the costs of per-employee healthcare costs. For budget-making purposes, staff is assuming an 8% annual increase for healthcare costs for each of the next two fiscal years.
- Based on the current projected funding, a 2% annual inflationary adjustment will be budgeted for non-union employees; the new four-year Collective Bargaining Agreement has already identified annual increases based upon longevity for Bus Operators and Mechanics. Employees within the salary range for their position will be eligible for a step merit increase subject to performance assessments.
- RTA will work with SLOCOG staff and members of the Regional Efficiencies Committees to evaluate efficiencies in the provision of service throughout the county.

Proposed Budget Calendar

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

April 15 Draft FY15-16 Budget presentation to Executive Committee

April 16 Formal FY15-16 Budget presentation to RTAC

May 6 Final Board Budget presentation; Board adoption of FY15-16 Budget

Staff Recommendation

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

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED OPERATING REVENUE BUDGET FOR 2015/2016**

	2013/2014 COMBINED ACTUAL	2014/2015 ADOPTED OPERATING BUDGET	2014/2015 ADOPTED SLOCAT BUDGET	2014/2015 AMENDED N. COUNTY BUDGET	2015/2016 PROPOSED OPERATING BUDGET	2015/2016 PROPOSED SLOCAT BUDGET	2015/2016 PROPOSED N. COUNTY BUDGET	2016/2017 PROJECTED OPERATING BUDGET	2016/2017 PROJECTED SLOCAT BUDGET	2016/2017 PROJECTED N. COUNTY BUDGET
FUNDING SOURCES:										
GENERAL RESERVES	1,404,282	1,479,337	1,478,492	-	2,357,594	1,118,930	184,523	1,345,803	675,722	200,388
1. ESTIMATED FUND BALANCE	1,404,282	1,479,337	1,478,492	-	2,357,594	1,118,930	184,523	1,345,803	675,722	200,388
2. LESS REQUIRED RESERVES FOR FISCAL YEAR										
CASH FLOW REQUIREMENTS PER TDA	1,404,282	1,295,081	1,101,746	178,685	1,345,803	719,410	200,388	1,444,113	252,982	213,868
OFFSET RESERVE FOR JARC (SECTION 5316) LOSS BEGINNING IN 15/16	-	460,000	-	-	-	-	-	-	-	-
TOTAL	1,404,282	1,755,081	1,101,746	178,685	1,345,803	719,410	200,388	1,444,113	252,982	213,868
3. FUND BALANCE AVAILABLE	-	(275,745)	376,746	(178,685)	1,011,792	399,520	(15,865)	(98,310)	422,740	(13,480)
NON TDA SOURCES										
FARES	1,399,393	1,175,000	26,600	107,970	1,175,000	26,600	92,660	1,175,000	26,600	92,660
SCT MANAGEMENT CONTRACT	77,500	78,760	-	-	79,830	-	-	81,030	-	-
COUNTY MANAGEMENT CONTRACT	80,500	80,500	-	-	80,500	-	-	81,710	-	-
NORTH COUNTY MANAGEMENT CONTRACT	-	39,720	-	-	39,720	-	-	40,320	-	-
INTEREST	3,753	4,000	1,000	-	3,000	1,000	-	3,000	500	-
STATE TRANSIT ASSISTANCE (STA)	-	-	105,219	88,363	-	104,750	85,920	-	104,750	85,920
RURAL TRANSIT FUND (Administration)	25,000	25,000	-	-	30,000	-	-	30,000	-	-
RURAL TRANSIT FUND (Operating Funds)	203,366	197,139	-	-	200,000	-	-	464,930	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	488,459	472,500	-	-	496,130	-	-	496,130	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	519,830	612,880	-	-	626,740	-	-	524,930	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5316) - JARC	250,000	800,000	-	-	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	675,029	681,520	-	213,785	765,600	-	215,565	765,600	-	215,565
FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating	220,349	235,860	-	-	317,160	-	-	326,670	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	-	400,000	-	-	420,000	-	-	420,000	-	-
CUESTA CONTRIBUTION ROUTE 12	54,001	53,855	-	-	54,370	-	-	56,280	-	-
CUESTA CONTRIBUTION NORTH COUNTY	-	8,580	-	32,000	-	-	40,580	-	-	40,580
CMAQ OPERATING FUNDS	-	80,000	-	-	-	-	-	-	-	-
SPECIAL EVENTS REVENUE/OTHER	86,888	105,080	-	45,000	-	-	42,170	-	-	44,280
4. SUB TOTAL	4,084,068	5,050,394	132,819	487,118	4,288,050	132,350	476,895	4,465,600	131,850	479,005
5. TOTAL FUND BALANCE & NON TDA FUNDING	4,084,068	4,774,649	509,565	308,433	5,299,842	531,870	461,031	4,367,290	554,590	465,525

FUNDING SOURCES:

TDA REQUIRED

CITY OF ARROYO GRANDE
CITY OF ATASCADERO
CITY OF GROVER BEACH
CITY OF MORRO BAY
CITY OF PASO ROBLES
CITY OF PISMO BEACH
CITY OF SAN LUIS OBISPO
COUNTY OF SAN LUIS OBISPO

Population
Based

18%
49%

	2013/2014 COMBINED ACTUAL	2014/2015 ADOPTED OPERATING BUDGET	2014/2015 ADOPTED SLOCAT BUDGET	2014/2015 AMENDED N. COUNTY BUDGET	2015/2016 PROPOSED OPERATING BUDGET	2015/2016 PROPOSED SLOCAT BUDGET	2015/2016 PROPOSED N. COUNTY BUDGET	2016/2017 PROJECTED OPERATING BUDGET	2016/2017 PROJECTED SLOCAT BUDGET	2016/2017 PROJECTED N. COUNTY BUDGET
TDA REQUIREMENTS BEFORE 5311 EXCHANGE	4,452,188	4,145,961	-	730,027	3,740,499	-	603,120	4,972,690	-	656,155
LESS: RURAL TRANSIT FUND/5311 EXCHANGE	(519,830)	(612,880)	-	-	(626,740)	-	-	(524,930)	-	-
6. NET TDA REQUIREMENTS	3,932,358	3,533,081	-	730,027	3,113,759	-	603,120	4,447,760	-	656,155
7. TOTAL FUNDING SOURCES	8,016,426	8,307,730	509,565	1,038,460	8,413,600	531,870	1,064,150	8,815,050	554,590	1,121,680
8. FUNDING USES:										
ADMINISTRATION	1,320,241	1,492,720	10,000	118,630	1,542,900	10,000	114,450	1,650,370	10,000	77,370
INTEREST EXPENSE	125,073	73,690	-	-	64,500	-	-	-	-	-
MANAGEMENT CONTRACTS	168,310	118,480	80,500	-	119,550	80,500	-	81,030	81,710	40,320
SERVICE DELIVERY	5,837,169	6,522,840	401,310	905,000	6,612,580	420,350	934,790	7,007,730	441,330	988,710
CONTINGENCY	-	100,000	17,755	14,830	74,070	21,020	14,910	75,920	21,550	15,280
9. TOTAL FUNDING USES	7,450,793	8,307,730	509,565	1,038,460	8,413,600	531,870	1,064,150	8,815,050	554,590	1,121,680

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED CAPITAL REVENUE BUDGET FOR 2015/2016**

	2013/2014 COMBINED ACTUAL	2014/2015 AMENDED CAPITAL BUDGET	2014/2015 ADOPTED SLOCAT BUDGET	2014/2015 ADOPTED N. COUNTY BUDGET	2015/2016 PROPOSED CAPITAL BUDGET	2015/2016 PROPOSED SLOCAT BUDGET	2015/2016 PROPOSED N. COUNTY BUDGET	2016/2017 PROJECTED CAPITAL BUDGET	2016/2017 PROJECTED SLOCAT BUDGET	2016/2017 PROJECTED N. COUNTY BUDGET
FUNDING SOURCES:										
CAPITAL PROJECTS RESERVE	844,380	589,600	109,960	-	262,954	3,476	29,172	121,908	47,164	4,172
1. ESTIMATED FUND BALANCE	844,380	589,600	109,960	-	262,954	3,476	29,172	121,908	47,164	4,172
2. LESS REQUIRED RESERVES FOR FISCAL YEAR										
CAPITAL PROJECTS RESERVE	260,823	363,150	20,660	35,010	227,228	3,476	4,172	133,672	7,164	4,172
TOTAL	260,823	363,150	20,660	35,010	227,228	3,476	4,172	133,672	7,164	4,172
3. FUND BALANCE AVAILABLE	583,557	226,450	89,300	(35,010)	35,726	-	25,000	(11,764)	40,000	-
NON TDA SOURCES										
STATE TRANSIT ASSISTANCE (STA)	670,836	636,640	-	-	561,504	-	-	561,504	-	-
PROPOSITION 1B FUNDING - SAFETY & SECURITY	-	558,030	-	-	173,970	-	-	241,300	-	-
PROPOSITION 1B FUNDING - PROPERTY PURCHASE	1,512,602	-	-	-	-	-	-	-	-	-
PROPOSITION 1B FUNDING - BUS REPLACEMENT	870,166	407,750	-	-	-	-	-	-	-	-
RURAL TRANSIT FUND (Capital)	-	491,240	-	-	229,300	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	50,000	249,000	-	-	782,200	-	-	179,650	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5309) - State of Good Repair	1,454,007	2,336,640	-	-	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5339) - Bus and Bus Facilities	-	35,000	-	-	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311f)	-	336,580	-	-	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5316) - JARC	-	400,000	-	-	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-North County)	-	471,000	-	-	236,600	-	-	479,650	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-South County)	400,000	51,000	-	-	534,200	-	-	280,450	160,000	-
4. SUB TOTAL	4,957,611	5,972,880	-	-	2,517,774	-	-	1,742,554	160,000	-
5. TOTAL FUND BALANCE & NON TDA FUNDING	5,541,168	6,199,330	89,300	-	2,553,500	-	25,000	1,730,790	200,000	-
6. NET TDA REQUIREMENTS	-	-	-	35,010	-	-	-	-	-	-
7. TOTAL FUNDING SOURCES	5,541,168	6,199,330	89,300	35,010	2,553,500	-	25,000	1,730,790	200,000	-
8. FUNDING USES:										
CAPITAL	4,432,291	5,656,200	89,300	-	2,352,900	-	25,000	1,530,190	200,000	-
LOAN PAYDOWN	1,108,877	543,130	-	-	200,600	-	-	200,600	-	-
9. TOTAL FUNDING USES	5,541,168	6,199,330	89,300	-	2,553,500	-	25,000	1,730,790	200,000	-

		Actual Combined FY 2013-14	Adopted Operating Budget FY 2014-15	Proposed Operating Budget FY 2015-16	Projected Operating Budget FY 2016-17
Administration and Service Delivery Totals					
Administration:					
Labor	operations cost	692,156	753,890	789,900	825,090
Labor - Administration Workers Comp	operations cost	24,796	42,830	55,880	64,260
Office Space Rental	operations cost	412,718	474,900	489,360	500,780
Property Insurance	operations cost	15,820	16,820	18,500	19,980
Professional Technical Services	operations cost	44,796	102,090	92,970	94,360
Professional Development	operations cost	14,922	25,750	26,940	26,940
Operating Expense	operations cost	208,234	249,000	255,450	268,220
Marketing and Reproduction	hourly	75,109	115,330	138,400	141,170
North County Management Contract	operations cost	(3,310)	(39,720)	(39,720)	(40,320)
County Management Contract	operations cost	(87,500)	(80,500)	(80,500)	(81,710)
SCT Management Contract	operations cost	(77,500)	(78,760)	(79,830)	(81,030)
	Total Administration	1,320,241	1,581,630	1,667,350	1,737,740
Service Delivery:					
Labor - Operations	hourly	2,809,067	3,734,110	3,865,100	4,055,020
Labor - Operations Workers Comp	hourly	146,400	289,780	378,050	434,760
Labor - Maintenance	hourly	721,561	889,210	904,210	935,650
Labor - Maintenance Workers Comp	hourly	44,319	84,810	110,640	127,240
Fuel	miles	1,205,672	1,555,560	1,502,000	1,539,550
Insurance	miles	360,706	435,900	483,930	532,320
Special Transportation (includes Senior Vans, Lucky Bucks, etc)	n/a	75,041	134,590	118,330	124,180
Avila Trolley	n/a	45,331	55,000	57,750	59,190
Maintenance (parts, supplies, materials)	miles	372,360	555,770	436,560	502,040
Maintenance Contract Costs	miles	56,712	94,420	111,150	127,820
	Total Operations	5,837,169	7,829,150	7,967,720	8,437,770
Contingency	hourly	23,520	132,585	110,000	112,750
Interest Expense	operations cost	125,073	73,690	64,500	64,500
Management Contracts		168,310	198,980	200,050	203,060
TOTAL FUNDING USES		7,474,313	9,816,035	10,009,620	10,555,820

	Actual Capital Expenditures FY 2013-14	Amended Capital Budget FY 2014-15	Proposed Capital Budget FY 2015-16	Projected Capital Budget FY 2016-17	Projected Capital Budget FY 2017-18	Projected Capital Budget FY 2018-19	Projected Capital Budget FY 2019-20
Capital Expenditures							
Capital/Studies:							
Computer System Maintenance/Upgrades	13,416	36,400	37,540	67,420	40,790	42,830	44,970
Miscellaneous Capital	-	-	-	-	-	-	-
Facility Improvements	-	15,000	31,100	-	-	37,250	-
Maintenance Software and Maintenance Equipment	-	60,000	31,500	10,500	36,470	-	-
Tire Lease Buyout	34,767	-	-	-	-	-	-
Marking and Tethering Program	898	-	-	-	-	-	-
Rotary Lift/Wireless Lift	-	52,000	-	-	22,730	-	-
Specialized Maintenance Tools	12,451	52,000	-	15,000	-	15,380	16,150
Maintenance Staff Office/Desks and Office Equipment	25,854	1,800	-	-	-	-	-
Radios	-	-	6,000	-	-	-	-
Vehicle ITS/Camera System	-	558,030	173,970	176,690	-	-	-
Bus Stop Improvements/Bus Stop Solar Lighting	-	73,750	31,500	96,110	33,080	34,730	36,470
Bus Rehabilitation	-	185,000	-	126,000	-	-	-
Bus Procurement Reserve/Large Capital Repairs	9,461	81,810	-	-	-	-	-
RouteMatch Dispatching Software/Call Back System	-	40,000	37,500	-	-	-	-
Vehicles	-	-	-	-	-	-	-
Support Vehicles	98,669	62,500	60,000	-	18,000	-	-
40' Coaches	2,724,173	3,865,710	-	-	1,527,700	-	-
Over the Road Coaches	-	-	1,300,000	-	-	-	-
Trolley replacement vehicles	-	-	-	200,000	-	-	-
Cutaway Vehicles	-	89,300	170,000	-	-	-	-
Runabout Vehicles	-	572,200	311,290	163,480	148,500	630,300	-
Total Capital Outlay	2,919,689	5,745,500	2,190,400	855,200	1,827,270	760,490	97,590
Loan Pay down	1,108,877	543,130	200,600	200,600	200,600	211,670	
Property Purchase/Facility Environmental Planning	1,512,602		187,500	874,990			
TOTAL FUNDING USES	5,541,168	6,288,630	2,578,500	1,930,790	2,027,870	972,160	97,590

		Adopted Budget FY 2014-15	Weekday Proposed Budget FY 2015-16	Saturday Proposed Budget FY 2015-16	Sunday Proposed Budget FY 2015-16	Total Proposed Budget FY 2015-16	Projected Budget FY 2016-17
Route 9							
	Hours	12,620	9,320	670	420	10,410	10,660
	Miles	330,350	288,370	20,310	13,060	321,740	329,770
Administration:							
Total Administration (Net of Contracts)		257,790	236,150	16,840	10,660	263,650	275,540
Service Delivery:							
Labor - Operations	hourly	570,850	461,180	33,150	20,780	515,110	539,870
Labor - Operations Workers Comp	hourly	45,310	46,090	3,310	2,080	51,480	59,150
Labor - Maintenance	hourly	148,360	106,920	7,690	4,820	119,430	123,450
Labor - Maintenance Workers Comp	hourly	13,960	13,450	970	610	15,030	17,260
Fuel	miles	278,240	247,690	17,450	11,220	276,360	283,260
Insurance	miles	79,180	80,480	5,670	3,640	89,790	98,770
Maintenance (parts, supplies, materials)	miles	100,170	71,560	5,040	3,240	79,840	91,810
Maintenance Contract Costs	miles	16,430	18,500	1,300	840	20,640	23,730
Total Operations		1,252,500	1,045,870	74,580	47,230	1,167,680	1,237,300
Capital/Studies:							
Total Capital Outlay		1,510,087	492,730	35,420	22,200	550,350	81,170
Contingency	hourly	19,410	10,950	790	490	12,230	12,530
Interest Expense	operations cost	14,300	9,540	690	430	10,660	10,650
TOTAL FUNDING USES		3,054,087	1,795,240	128,320	81,010	2,004,570	1,617,190
TOTAL NON-CAPITAL EXPENDITURES		1,544,000	1,302,510	92,900	58,810	1,454,220	1,536,020

		Adopted Budget FY 2014-15	Weekday Proposed Budget FY 2015-16	Saturday Proposed Budget FY 2015-16	Sunday Proposed Budget FY 2015-16	Total Proposed Budget FY 2015-16	Projected Budget FY 2016-17
Route 10							
	Hours	10,670	9,390	620	370	10,380	10,640
	Miles	349,270	310,800	20,350	11,860	343,010	351,590
Administration:							
Total Administration (Net of Contracts)		238,400	244,560	16,090	9,510	270,160	282,560
Service Delivery:							
Labor - Operations	hourly	482,640	464,640	30,680	18,310	513,630	538,860
Labor - Operations Workers Comp	hourly	38,300	46,440	3,070	1,830	51,340	59,030
Labor - Maintenance	hourly	125,440	107,720	7,110	4,240	119,070	123,210
Labor - Maintenance Workers Comp	hourly	11,800	13,550	890	530	14,970	17,220
Fuel	miles	294,170	266,960	17,480	10,190	294,630	302,000
Insurance	miles	83,720	86,740	5,680	3,310	95,730	105,300
Maintenance (parts, supplies, materials)	miles	105,900	77,130	5,050	2,940	85,120	97,890
Maintenance Contract Costs	miles	17,370	19,930	1,310	760	22,000	25,300
Total Operations		1,159,340	1,083,110	71,270	42,110	1,196,490	1,268,810
Capital/Studies:							
Total Capital Outlay		1,276,753	496,430	32,780	19,560	548,770	81,010
Contingency	hourly	16,410	11,040	730	440	12,210	12,510
Interest Expense	operations cost	12,090	9,610	630	380	10,620	10,630
TOTAL FUNDING USES		2,702,993	1,844,750	121,500	72,000	2,038,250	1,655,520
TOTAL NON-CAPITAL EXPENDITURES		1,426,240	1,348,320	88,720	52,440	1,489,480	1,574,510

		Adopted Budget FY 2014-15	Weekday Proposed Budget FY 2015-16	Saturday Proposed Budget FY 2015-16	Sunday Proposed Budget FY 2015-16	Total Proposed Budget FY 2015-16	Projected Budget FY 2016-17
Route 12, 14 and 15							
	Hours	10,790	9,050	910	680	10,640	10,910
	Miles	326,540	275,700	28,400	20,820	324,920	333,040
Administration:							
Total Administration (Net of Contracts)		233,790	227,900	23,140	17,160	268,200	280,500
Service Delivery:							
Labor - Operations	hourly	488,070	447,820	45,030	33,650	526,500	552,530
Labor - Operations Workers Comp	hourly	38,730	44,760	4,500	3,360	52,620	60,530
Labor - Maintenance	hourly	126,850	103,820	10,440	7,800	122,060	126,340
Labor - Maintenance Workers Comp	hourly	11,930	13,060	1,310	980	15,350	17,660
Fuel	miles	275,040	236,810	24,390	17,880	279,080	286,070
Insurance	miles	78,270	76,940	7,930	5,810	90,680	99,750
Maintenance (parts, supplies, materials)	miles	99,010	68,420	7,050	5,170	80,640	92,720
Maintenance Contract Costs	miles	16,250	17,680	1,820	1,340	20,840	23,970
Total Operations		1,134,150	1,009,310	102,470	75,990	1,187,770	1,259,570
Capital/Studies:							
Total Capital Outlay		1,291,112	478,450	48,110	35,950	562,510	83,070
Contingency	hourly	16,590	10,640	1,070	800	12,510	12,830
Interest Expense	operations cost	12,230	9,270	930	700	10,900	10,900
TOTAL FUNDING USES		2,687,872	1,735,570	175,720	130,600	2,041,890	1,646,870
TOTAL NON-CAPITAL EXPENDITURES		1,396,760	1,257,120	127,610	94,650	1,479,380	1,563,800

		Adopted Budget FY 2014-15	Total Proposed Budget FY 2015-16	Projected Budget FY 2016-17
Runabout				
	Hours	30,940	31,570	32,360
	Miles	588,030	550,760	564,530
Administration:				
Total Administration (Net of Contracts)		579,140	660,390	689,750
Service Delivery:				
Labor - Operations	hourly	1,399,520	1,562,160	1,638,860
Labor - Operations Workers Comp	hourly	111,070	156,130	179,540
Labor - Maintenance	hourly	363,750	362,160	374,740
Labor - Maintenance Workers Comp	hourly	34,230	45,550	52,380
Fuel	miles	495,270	473,070	484,910
Insurance	miles	140,960	153,710	169,080
Maintenance (parts, supplies, materials)	miles	178,300	136,670	157,170
Maintenance Contract Costs	miles	29,260	35,320	40,630
Total Operations		2,752,360	2,924,770	3,097,310
Capital/Studies:				
Total Capital Outlay		1,151,928	503,770	409,870
Contingency	hourly	47,590	37,120	38,040
Interest Expense	operations cost	35,070	32,320	32,320
TOTAL FUNDING USES		4,566,088	4,158,370	4,267,290
TOTAL NON-CAPITAL EXPENDITURES		3,414,160	3,654,600	3,857,420

		Adopted Budget FY 2014-15	Rt 9 Express Proposed Budget FY 2015-16	Rt 10 Express Proposed Budget FY 2015-16	Total Proposed Budget FY 2015-16	Projected Budget FY 2016-17
Additional Route 9 and 10 Express Trips						
(Line 83 as well as Express Trips included in the Adopted Budget for 2014-15, Line 83 ceased in March 2015)						
	Hours	1,670	550	710	1,260	1,290
	Miles	84,640	17,020	23,500	40,520	41,540
Administration:						
Total Administration (Net of Contracts)		47,230	-	-	-	-
Service Delivery:						
Labor - Operations	hourly	75,540	24,880	32,120	57,000	59,800
Labor - Operations Workers Comp	hourly	6,000	1,970	2,550	4,520	5,200
Labor - Maintenance	hourly	19,630	6,470	8,350	14,820	15,340
Labor - Maintenance Workers Comp	hourly	1,840	610	790	1,400	1,610
Fuel	miles	71,290	14,340	19,790	34,130	34,980
Insurance	miles	20,290	4,080	5,630	9,710	10,680
Maintenance (parts, supplies, materials)	miles	25,660	5,160	7,130	12,290	14,130
Maintenance Contract Costs	miles	4,210	850	1,170	2,020	2,320
Total Operations		224,460	58,360	77,530	135,890	144,060
Capital/Studies:						
Total Capital Outlay		426,320	-	-	-	-
Contingency		-	-	-	-	-
Interest Expense		-	-	-	-	-
TOTAL FUNDING USES		698,010	58,360	77,530	135,890	144,060
TOTAL NON-CAPITAL EXPENDITURES		271,690	58,360	77,530	135,890	144,060

		Adopted Budget FY 2014-15	Total Proposed Budget FY 2015-16	Projected Budget FY 2016-17
County Services				
Administration:				
	Total Administration (Net of Contracts)	90,500	90,500	91,710
Service Delivery:				
	Labor - Operations	159,020	166,970	175,170
	Labor - Operations Workers Comp	8,950	10,740	12,350
	Labor - Maintenance	42,050	44,150	45,690
	Labor - Maintenance Workers Comp	2,790	3,350	3,850
	Fuel	37,000	37,930	38,880
	Insurance	9,000	9,900	10,890
	Special Transportation (includes Senior Vans, Lu n/a	74,300	76,160	79,900
	Avila Trolley	55,000	57,750	59,190
	Maintenance (parts, supplies, materials)	10,810	10,970	12,620
	Maintenance Contract Costs	2,390	2,430	2,790
	Total Operations	401,310	420,350	441,330
Capital/Studies:				
	Total Capital Outlay	89,300	-	200,000
Contingency				
		17,755	21,020	21,550
Interest Expense				
	operations cost	-	-	-
TOTAL FUNDING USES		598,865	531,870	754,590
TOTAL NON-CAPITAL EXPENDITURES		509,565	531,870	554,590

		Adopted Total Budget FY 2014-15	Proposed Route A & B Budget FY 2015-16	Proposed Paso DAR Budget FY 2015-16	Proposed Cuesta Evening FY 2015-16	Total Proposed Budget FY 2015-16	Projected Budget FY 2016-17
North County Services							
	Hours	9,290	7,300	1,410	360	9,070	9,290
	Miles	118,750	96,890	15,520	**	112,410	115,220
Administration:							
Total Administration (Net of Contracts)		118,630	96,490	17,960	-	114,450	117,690
Service Delivery:							
Labor - Operations	hourly	558,480	439,060	84,670	-	523,730	549,430
Labor - Operations Workers Comp	hourly	41,430	42,950	8,280	-	51,230	58,900
Labor - Maintenance	hourly	63,120	102,710	19,810	-	122,520	126,770
Labor - Maintenance Workers Comp	hourly	8,240	12,570	2,420	-	14,990	17,240
Fuel	miles	104,560	92,050	14,750	-	106,800	109,460
Insurance	miles	24,470	29,660	4,750	-	34,410	37,850
Special Transportation	n/a	60,290	-	-	42,170	42,170	44,280
Maintenance (parts, supplies, materials)	miles	35,910	26,750	4,290	-	31,040	35,700
Maintenance Contract Costs	miles	8,500	6,810	1,090	-	7,900	9,080
Total Operations		905,000	752,560	140,060	42,170	934,790	988,710
Capital/Studies:							
Total Capital Outlay		-	25,000	-	-	25,000	-
Contingency		14,830	12,500	2,410	-	14,910	15,280
Interest Expense		-	-	-	-	-	-
TOTAL FUNDING USES		1,038,460	886,550	160,430	42,170	1,089,150	1,121,680
TOTAL NON-CAPITAL EXPENDITURES		1,038,460	861,550	160,430	42,170	1,064,150	1,121,680

** This service is budgeted based on hours only



San Luis Obispo Regional Transit Authority
Executive Committee Meeting
Minutes 2/11/2015
C-1

Members Present: Debbie Arnold, President
Jan Howell Marx, Vice President (*left early*)
Shelly Higginbotham, Past President

Members Absent:

Staff Present: Geoff Straw, Executive Director
Anna Mafort-Lacy, Administrative Assistant
Tania Arnold, CFO & Director of Administration
Rita Neal, County Counsel

Also Present: Pete Rodgers, SLOCOG

1. Call to Order and Roll Call:

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

2. Public Comments:

None

3. Information Items

A. Information Items:

A-1 Executive Director's Report

Mr. Straw began his report by announcing the next Employee of the Quarter BBQ is Friday, April 24. Staff implemented the Runabout fare increase on February 1. So far there are no complaints. He said he is still servicing on the Cal Poly Master Plan update. One of the things

they are discussing alternative transportation and improving access to campus with fixed route service.

Regional Transportation Advisory Committee (RTAC) met in January 15th and discussed the Joint Short Range Transit Plan (SRTP), which kicks off February 27. We will conduct passenger surveys in the first two weeks of March. RTAC and the Metropolitan Transit Committee (MTC) will have three joint meetings over the next 16 months to review components of the SRTP.

RTA sold two more Runabout cutaway vehicles on ebay yesterday. We have the first 90 days of data with the vehicle maintenance software, allowing staff to analyze additional maintenance date. Staff is seeing a 27% increase in fuel economy when comparing the new and older buses, partly because the buses are newer. Maintenance is also closely monitoring the smaller Runabout vans. There is considerable cost savings for using the vans versus the cutaway vehicles. But this doesn't include the depreciation and life cycle costs.

Staff will operate the Saturday service before and after Christmas and New Years Day when they fall on a weekday or Saturday.

As part of the Study Steering Committee, RTA selected LSC Transportation Consultants to conduct the Joint Short Range Transit Plan (SRTP). AECOM was chosen as a sub-consultant that previously did work for the City of San Luis Obispo.

Mr. Straw concluded the Executive Directors report.

4. Action Items

B-1 Budget Assumptions for Fiscal Years 2016 and 2017

Ms. Tania Arnold announced RTA will no longer serve as a contracted operator of two Route 83 service daily runs for Monterey-Salinas Transit (MST) effective in March. We've committed paid driver hours to this bid, but can use the drivers to test new express service. MST will now fully operate the currently published service for Route 83.

We are closely monitoring reserves and working with the SLOCOG efficiencies committee to develop the budgets. Staff will also evaluate options for the five-year capital improvement program. We have overcrowding issues on Routes 9 and 10, and will be looking at ways to reduce this during peak travel periods. Demand for Runabout rose slightly in the last year. This is a significant change from the growth of previous years, when Runabout experienced double-digit percentage annual increases. Finally, she said staff is implementing strategies to develop the long-term facility.

Staff is currently waiting on State Transit Assistance (STA) and Local Transit Funds (LTF) funding projections, which SLOCOG is putting together. Staff is not projecting fare increases, but is expecting higher fare revenue based on current ridership trends. Staff is working with the City of Santa Maria and the FTA 5307 funding for Route 10. We expect these funds to increase over the next three years. The City has asked RTA to extend Route 10 into Orcutt. Staff will be working with them to develop a proposal for express service into Orcutt, contingent on additional Santa Maria area funding.

The Jobs Access Reverse Commute (JARC) funding has been eliminated and staff is looking to find replacement monies. Service options on Route 15 are being reviewed due to the loss of JARC funding, including the possibility of offering a deviated fixed route service, which would also cover Runabout service in the North Coast.

Staff will be implementing additional express trips along Routes 9 and 10 in the current fiscal year using new buses coming this spring. Demand keeps increasing on these routes and additional express runs might be necessary. If this happens, we will present a budget amendment to the Board.

Ms. Arnold clarified that Runabout, Paso Express, and County services will all be separated out of the budget from RTA core services, including reserve funds. Fuel will be budgeted at \$4.10 per gallon. The new vehicles use diesel exhaust fluid (DEF), which is used to lower emissions. This is an additional expense.

CalTIP liability premiums are expected to increase 10%. Workers Compensation premiums are projected to increase 18%. We've had some significant claims and they stay open for a long time. Staff continues to look at ways to mitigate these claims and associated costs.

The number of budgeted positions will remain essentially the same for FY15-16 as the current fiscal year. However, staff is looking to include a part-time staff position to conduct functional assessments as part of the Runabout application process. **Mr. Straw** said RTA will look at the organizational structure and assign the responsibilities to the appropriate position.

Ms. Arnold said staff is assuming roughly an 8% increase in healthcare costs for each of the next two fiscal years.

She reviewed the proposed budget calendar before concluding her report.

Past President Higginbotham clarified that should there be a funding shortfall; RTA will first try to secure LTF funds from local jurisdictions. **Mr. Straw** said yes, to the extent there is capacity. We won't know the numbers for LTF until April.

Vice President Jan Marx observed it is good to have the goal to increase and maintain service levels, while simultaneously reserve the option to reduce service levels in order to stay solvent. It presents a balanced approach.

Mr. Pete Rodgers, SLOCOG, said he does not believe LTF will be affected by sales tax. SLOCOG held back \$2M in revenue reserves. The numbers should be flat. He inquired about the possible Route 10 service expansion into Orcutt and the associated Runabout costs. He suggested working with Santa Maria Area Transit and Santa Barbara County Association of Governments (SBCAG) to do a pass-through account in the grant request.

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

5. Consent Agenda Items

C-1 Executive Committee Meeting Minutes of October 15, 2014

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

6. Agenda Review:

Mr. Straw briefly reviewed the Board agenda for the meeting of March 4, 2015.

7. Closed Session Items:

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

1. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code Sec. 54957.6(a)):

Negotiating Party: Debbie Arnold
Unrepresented Employee: Executive Director

2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code Sec. 54956.8):

Agency Negotiators: Geoff Straw
Under Negotiation/Discussion: Price and Terms of Payment

Property: 179 Cross St., San Luis Obispo, CA APN: 053-041-027
Negotiating Party: Cornerstone Development, LLC

The Executive Committee went into *Closed Session* at 10:46 a.m. and returned to *Open Session* at 10:55 a.m.

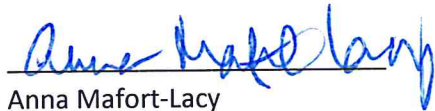
8. **Open Session:**

Ms. Rita Neal, Legal Counsel, reported that the Executive Committee met in closed session, no reportable action was taken.

9. **Adjournment:** President Arnold adjourned the meeting at 11:05 a.m.

Respectfully Submitted,

Acknowledged by,



Anna Mafort-Lacy
Administrative Assistant



Debbie Arnold
RTA President

DRAFT
SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
MINUTES OF March 4, 2015
C-2

BOARD MEMBERS PRESENT:

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

BOARD MEMBERS ABSENT:

STAFF PRESENT:

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

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

Public Comments: **Mr. Eric Greening**, Atascadero, said gossip on the Route 9 express is that additional service will be implemented after RTA's coverage of Route 83 will cease. He inquired as to the status of this. He encouraged everyone to watch what is happening with the Transportation Reauthorization Bill in Washington DC.

A. INFORMATION AGENDA:

A-1 RTA Staff presented a group employee photograph to **Past President Shelly Higginbotham**.

A-2 Executive Director's Report: **Mr. Straw** introduced **Mr. Phil Moores**, Operations Manager. **Mr. Moores** briefly explained RTA's plans to use resources from the expiring Route 83 agreement with Monterey-Salinas Transit (MST) to augment express service on the overcrowded Route 9. He then introduced the new Employee of the Quarter, **Mr. Jorge Hernandez**. Mr. Hernandez said he enjoys working in the community and with people and does the best he can every day. The next BBQ lunch will be on Friday, April 24.

Mr. Straw provided an update about the Runabout fare structure that went into effect February 1. There has been very little negative feedback on the new fare structure.

RTA has sold four Runabout vans and three 40-foot buses through eBay for a total of \$7,521 in gross receipts. Three staff cars are expected to be sold this week as well. RTA is fully utilizing its vehicle maintenance software system. Mr. Straw reviewed the fuel efficiency of the fleet and how the new buses will help save money in fuel costs. Nine new buses are on the line at Gillig Corporation, eight for RTA and one for South County Transit (SCT). They should be in revenue service by May.

Based on input from the public at previous meetings, staff recommends operating a Saturday schedule for the days before and after Christmas and New Years Day.

LSC Transportation Consultants will conduct the Joint SLO Transit/RTA Short Range Transit Plan. The on-bus surveys on all RTA and SLO Transit buses began this week and will continue into next week. We expect to receive the first working paper in early April. The study should be done by May 2016.

As mentioned earlier, RTA will no longer subcontract operations for Route 83. MST will cover the two round trip runs RTA has been doing since 2011. Staff will reallocate those resources on Route 9 and other areas as needed. He noted RTA partially subsidized the Route 83 service.

Most of our jurisdiction partners sell RTA passes at their offices. The 2014 RTA Triennial Performance Audit recommended that passes be sold at all city or county offices. Currently the cities of Morro Bay, Paso Robles and San Luis Obispo do not sell RTA passes at their respective offices. RTA funded and plans to implement a ticket sales kiosk at the Government Center as part of the ITS project. This will reduce demand for sales at the SLO City and SLO County offices.

Year to date, we expended 50.89% of our non-capital budget. Fixed route services achieved an overall farebox recovery ratio (FRR) of 28.37%. Runabout is at 3.59% FRR. The fiscal year-to-date core RTA fixed

route ridership totaled 451,595 one-way passenger-trips, which is a 1.0% increase over the previous year. Runabout ridership slowed to a growth rate of just 1.2%. Route 15 ridership continues to decline. We increased the number of trips from three to five, Monday through Saturday in 2011. This spread out existing riders rather than attracting new riders.

Mr. Straw concluded his Executive Director's report.

President Arnold opened to Board comment.

President Arnold opened public comment.

Mr. Greening congratulated **Mr. Hernandez** for his service to RTA and for keeping passengers safe. He said he looks forward to seeing the first draft of the Joint SRTP working paper at the April Regional Transportation Advisory Committee (RTAC) meeting.

President Arnold closed public comment.

Board Member Jan Marx said she would like to see the downtown Transit Center become a priority as the current facilities are inadequate.

President Arnold closed Board comment.

B. ACTION AGENDA:

B-1 Fiscal Year 2016 and 2017 Budget Assumptions: **Ms. Tania Arnold** began by announcing staff does not anticipate doing a budget amendment as previously forecast for the SRTP. The funds are flowing through the San Luis Obispo Council of Governments (SLOCOG) and therefore the amendment is reflected in their budget.

We expect to present a two-year operating and five-year capital budget in May. The first year is constrained and the second year is advisory. The Paso Robles Transit Services and San Luis Obispo County services are separate from RTA core services. They have their own funding sources and reserves.

Ms. Arnold read the RTA Mission Statement and reviewed the operating and capital reserve policies. She discussed the need to identify in advance the need for operating cash flow and the 20% local match for capital projects.

There is a cost to operate Route 83. With MST taking over sole operation of this service, RTA will see a cost savings of \$105,080 for the current fiscal year and about \$172,310 for the next fiscal year.

Local Transit Fund (LTF) and State Transit Assistance (STA) funding for the next two years is unknown. RTA will recommend budget amendments as needed. Funding for Job Access Reverse Commute (JARC) for Routes 10 and 15 is going away. Staff was able to secure replacement funds for Route 10. One of the options we are considering is a deviated fixed route for Route 15, which would cover Runabout along

the North Coast. Therefore, we would see a 100% reduction in Runabout costs along the corridor north of Morro Bay.

The number of budgeted full-time positions will remain unchanged. We will add one part time position to do Runabout assessments and mobility training. Staff is also reviewing the organizational structure of RTA.

Fuel will be budgeted at \$4.10 per gallon. The new fleet replacements have resulted in better fuel efficiency. We use CalTIP (California Transit Indemnity Pool) for auto damage and liability. The projected increase for FY15-16 will be about 10%. Workers Compensation is also expected to increase. However, we expect to see a drop in FY16-17. She reviewed the budget calendar.

Ms. Arnold concluded her report.

President Arnold opened to Board comment.

Board Member Jim Guthrie asked for clarification regarding the workers compensation expenses. **Ms. Arnold** said RTA was rated very favorably when the agency first went in-house in 2009. Since then, we had some particularly bad incidents, such as an unavoidable fatality accident along South Bay Boulevard in Los Osos.

President Arnold opened public comment.

Mr. Greening thanked **Ms. Arnold** for her presentation. He appreciated staff taking the resources freed up from the Route 83 and applying them to address overcrowding issues on Route 9. He said he hoped if funding becomes an issue, that core services will be maintained. It is important to forestall service cuts. He suggested a rewording under the fourth bullet on page B-1-3 that would better reflect that service cuts would be considered as a last resort. "Should staff be unable to secure adequate funding to operate core fixed route and Runabout service levels, an increase in LTF funding could be requested, without which service reductions may have to be implemented." **Mr. Straw** responded by saying the Cities of Morro Bay and San Luis Obispo are currently using 100% of their LTF. They also operate separate transit systems. There is no capacity to ask for more LTF from these jurisdictions. He agreed service cuts should be avoided if at all possible. Staff continues to look for ways to increase efficiencies.

President Arnold closed public comment.

Board Member Bruce Gibson said he has been speaking with staff at Hearst Castle. There will be an impact if Route 15 ceases service to the Castle. Is this drop in service necessary? He asked staff to reach out to California State Parks and their transit operator. He asked for detailed numbers in terms of savings if services between San Simeon and Hearst Castle before final decisions are made on that route.

President Arnold closed Board comment.

Board Member Tom O'Malley moved to approve Action Agenda Item B-1. **Board Member Adam Hill** seconded, and the motion unanimously carried on a roll call vote with all members present.

B-2 Extend Lease for RTA Operating Facility at 179 Cross St., San Luis Obispo through 2022 With One Additional Amendment: **Mr. Straw** said the current lease ends February 28, 2017. The facility has some shortcoming in terms of our long term needs, but a new facility will not be ready by this time. In order to ensure no interruption to regional service, the RTA Property Subcommittee created guidelines for the negotiations. The Executive Director worked with the property owner to develop lease extension terms and conditions.

Staff negotiated a lease extension through February 28, 2022. There is a buyout penalty. After 2020, RTA can buy out of the lease for a five-month rent penalty. **Mr. Timothy McNulty**, County Council, clarified the contract requires a 13-month notice of intent to vacate. This buyout notification would have to be given to the property owner as early as January 1, 2019.

Board Member Steve Martin moved to approve Action Agenda Item B-2. **Board Member Shelly Higginbotham** seconded, and the motion unanimously carried on a roll call vote with all members present.

C. CONSENT AGENDA:

- C-1 Executive Committee Meeting Minutes of October 15, 2014 (Approve)
- C-2 RTA Board Meeting Minutes of January 7, 2015 (Approve)
- C-3 Draft RTAC Meeting Minutes of January 15, 2015 (Approve)
- C-4 Contract with Sunrise Consulting for ITS Project Management (Approve)
- C-5 Resolution Authorizing Executive Director to Submit Application for FTA 5311 Funds (Approve)
- C-6 Transfer of RTA Vehicle Number 1106 to SLO Transit

Board Member Marx moved to approve Consent Agenda Items. **Board Member Shoals** seconded, and the motion unanimously carried on a roll call vote.

D. CLOSED SESSION:

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

Conference with Labor Negotiator (CA Government Code Section 54957.6(a))

- Negotiating Party: Debbie Arnold
- Unrepresented Employee: Executive Director

RTA went into *Closed Session* at **9:38 a.m.** and returned to *Open Session* at **9:50 a.m.**

Open Session: Mr. Tim McNulty, Legal Counsel, reported that the Board met in closed session. As a result of that meeting, Counsel will prepare a contract amendment for a 2.5% salary increase to be discussed in open session at the next Board meeting.

BOARD MEMBER COMMENTS:

None

ADJOURNMENT: President Arnold adjourned the RTA meeting at **9:52 a.m.**

Respectfully Submitted,

Anna Mafort-Lacy
RTA, Administrative Assistant

DRAFT
SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
REGIONAL TRANSIT ADVISORY COMMITTEE
April 16, 2015
MINUTES
C-3

Members Present: Michael Seden-Hansen (*Chair*) City of Paso Robles
Eric Greening (*Vice Chair*) Fixed Route Representative
Anthony Gutierrez Cuesta College
Dawn Patterson Atascadero Transit
Dominique Bonino Cal Poly
Janeen Burlingame Morro Bay Transit
Mark Dariz Runabout/DAR Representative
Phil Moores South County Transit (SCT)

Members Absent: Gamaliel Anguiano SLO Transit
John Diodati County of San Luis Obispo
Todd Katz Fixed Route Alternate Rep.

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

Guest: John Osumi, San Luis Obispo
Erik Gregoire, San Luis Obispo
Tim Gillham, SLOCOG

1. Call Meeting to Order, Roll Call:

Mr. Michael Seden-Hansen called the meeting to order at 2:00 p.m. Roll call was taken; a quorum was present.

2. Public Comments:

Mr. Erik Gregoire, San Luis Obispo, talked about a gap in bus service along Los Osos Valley Road and wanted a transfer center for SLO Transit routes 2-3 and 4-5. **Mr. Geoff Straw** said he will present these suggestions to the consultants of the Joint Short Range Transit Plan.

A. Information Agenda Items

A1. Manager's Report (Verbal):

Mr. Straw distributed a copy of the joint Short Range Transit Plan (SRTP) schedule, which is a planning document for both the RTA and San Luis Obispo Transit. RTA just finished a huge data dump, reviewing current services, maps, data, miles traveled and recommendations from past plans completed. Surveyors rode the buses and collected information from bus users in early March. We hope to have the first working paper in early May and will send it out to the committee as soon as we receive it. Mr. Straw outlined the content and anticipated release dates for SRTP Working Papers 2 and 3—approximately in July and December 2015, respectively. RTAC will meet jointly with the Mass Transportation Committee (MTC) at those times.

RTA has received eight new buses which are now in revenue service. At least six older vehicles will soon be sold on EBay.

We are in final negotiations with the finalist bidder for the ITS project. We hope to have the kick-off meeting in the next 3-4 weeks.

RTA will provide shuttle service from the Cuesta parking lot to the Earth Day festivities at El Chorro Park. SLO Transit will offer rides on the Double Decker bus between the San Luis Obispo Transit Center and Cuesta campus.

Mr. Straw concluded his report.

A2. Member Comments/ Reports from Jurisdictions (Receive):

Ms. Janeen Burlingame said the Morro Bay Public Services department was broken up to Public Works and Community Development. With the large increase in LTF funds over the past couple of years, they have been able to fund the deviated fixed route and trolley service and still have a surplus to put into roads. Morro Bay has also been setting aside some money into a contingency fund. However, next fiscal year's shortfall will erase much of that balance. We will be purchasing a new vehicle in the next few months using Rural Transit Fund (RTF) grant money. Morro Bay Transit will also be initiating a Short Range Transit Plan that will be carried into (taking place in?) the next fiscal year.

Mr. Eric Greening provided an overview of the concerns raised at the RTA Executive Committee meeting regarding lack of shelter from the hot summer sun. As the temperature rises, the RTA bus shelters at the downtown transit center act as "solar ovens". He was happy to hear riders may have temporary shade where people can sit.

Ms. Dawn Patterson said all is well in Atascadero.

Ms. Dominique Bonino said Cal Poly will have open house this weekend. We will have two Bike Month events scheduled, on May 6 and May 28 from 10 a.m. to 1 p.m.

Mr. Phil Moores said the South County Transit (SCT) drivers are taking steps to unionize. There may be some potential route changes that will benefit passengers and expand transfer opportunities with the RTA Route 10. Route 26 will be put on hold for now.

Mr. Seden-Hansen said the Park and Ride is being expanded at the North County Transportation Center.

B. Action Items

B1. FY15-16 Budget: **Mr. Straw** said a big challenge this year is a 23% cut to the Local Transit Fund (LTF). Staff had to juggle things around in order to prevent any potential core service cuts.

Mr. Tania Arnold noted there was a typo in the TDA table for the City of Morro Bay LTF that was listed on page B-1-15. This number has been amended and other city contributions (allocations?) will go down as a result. She reviewed the corrected numbers with the committee members. She said she would resend the corrected documents to the committee members and city managers.

She addressed the need to move forward with additional express trips on Routes 9 and 10 beginning in mid August 2015. Core services will remain the same. Monterey-Salinas Transit (MST) now operates all Route 83 service, which provides a small savings to RTA. Runabout ridership grew just two percent, substantially lower than the increases experienced over the last several years. A part-time staff position will be added to do functional assessments and travel training. This will help address overcrowding and Runabout service demand issues we are experiencing.

Mr. Straw noted the RTAC serves as a formal Runabout appeals review board. The bylaws will likely be revised to allow for a subcommittee to serve on this panel, rather than involve the entire group.

Ms. Arnold discussed the loss of Job Access Reverse Commute (JARC) funding for Route 15 along the North Coast. As a result, the route will likely become a deviated fixed-route service. This change will eliminate the requirement for Runabout service in that area.

RTA came in under budget by about \$600,000 for FY13-14. Those cost savings rolled into the current year. Based upon current numbers, the 14-15 fiscal year will also be under budget. We are coming into FY15-16 with a fund balance of nearly \$1M, which will help offset reductions in LTF.

Fuel expenses are budgeted at \$4.15 per gallon. Administration expenses will rise 2.64%. The five-year capital budget projection identifies some needs in future years that will require funding.

The ITS project is underway but will not be completed by June 30. Staff will bring to the RTA Board a budget amendment for this project at the September meeting.

Ms. Arnold reviewed the proposed operating budget on page B-1-13, noting the County and Paso Robles/North County budgets are listed in separate columns. The estimated fund balance going into the next fiscal year is \$2.3M, less the required cash reserves, for a total fund balance available at about \$1M. Local jurisdictions can use State Transit Assistance (STA) funds for operating costs for one more year.

Page B-1-14 addressed the LTF required by various jurisdictions. It indicates an 11.5% drop in LTF from FY14-15. Page B-1-15 is the proposed Capital budget, which begins the 15-16 fiscal year with an estimated fund balance of \$262,000. After the required reserves are set aside, the fund balance available is projected to be \$227,228. Because RTA was able to extend its lease at the current facility, the loan pay-down was adjusted to the minimum amount for the next fiscal year. This frees up some cash flow and will still allow RTA to pay it off the loan by the time the lease is up.

Page B-1-16 covers administration and service delivery expenses. Ms. Arnold noted that the Worker's Compensation numbers are not yet settled. B-1-17 shows the Capital Expenditures and addresses the immediate need for maintenance, IT and computer upgrades.

Pages B-1-18 through 21 shows the budget by route. Page B-1-22 presents the additional express trips for Routes 9 and 10 set to begin in August. Page B-1-23 is the budget for County Services and B-1-24 addresses North County Services, including Paso Dial-A-Ride, Paso Express Service and Cuesta Evening services.

Ms. Arnold concluded her report.

Mr. Straw noted the Runabout budget was revised downward from \$3.1 Million to \$2.88 Million. He warned that we are kicking the can down the road and anticipate a very small fund balance next year due to budget constraints. However, we are presenting a balanced budget.

Mr. Tim Gillham, San Luis Obispo Council of Governments (SLOCOG), inquired about the breakdown of North County Transit between fixed route and Dial-A-Ride (DAR), or for the County services. **Mr. Straw** said the County breaks down their service in their budget, while the RTA Board doesn't address this. **Ms. Arnold** pointed to page B-1-24 for a breakdown for the North County services.

Mr. Greening asked about the subsidy per passenger trip for the Paso DAR. **Ms. Arnold** said it is \$29. The service only operates within city limits for a limited number of hours per day.

Mr. Greening moved to recommend the Board approve Action Agenda Item B-1 with the possibility of minor adjustments for Worker's Compensation and the Express trips. **Ms. Dawn Patterson** seconded. The motion carried with a voice vote with no abstentions or oppositions.

C. CONSENT AGENDA ITEMS:

C-1 RTAC Minutes of 1-15-15 (approve)

Mr. Phil Moores moved to approve the minutes and **Mr. Eric Greening** seconded. The motion carried with a voice vote with **Ms. Janeen Burlingame** abstaining and no oppositions.

D. ADJOURNMENT:

Mr. Seden-Hansen adjourned the meeting at 3:14 p.m.

Next RTAC Meeting: **TBD (July 16?), 2015**

Respectfully Submitted:

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

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA)

May 6, 2015

STAFF REPORT

AGENDA ITEM: C-4

TOPIC: 5307 Grant Administration

ACTION: Approve

PRESENTED BY: Omar McPherson, Grants Manager

STAFF RECOMMENDATION: Authorize Executive Director to Administer FTA Grants on Behalf of North County and South County Area Transit Agencies

BACKGROUND/DISCUSSION:

The cities of Atascadero and Paso Robles and certain limited populations of northern San Luis Obispo County are designated as an “urbanized area” based upon the results of the 2000 US Census. In addition, the cities of Arroyo Grande, Grover Beach and Pismo Beach and certain limited populations of southern San Luis Obispo County area designated as an urbanized area based on the results of the 2010 US Census. The Transit Operators and San Luis Obispo Council of Governments developed two Operators Agreements relative to the governance and transit planning needs of these two urbanized areas as they relate to Federal Transit Administration (FTA) Section 5307 funding eligibility. These Agreements allow the transit agencies to use FTA 5307 funding for capital, operating, and planning assistance. However, the FTA requires that there be a single “grantee recipient” who will perform grant administration activities for each urbanized area. For the benefit of all transit operators included in these two urbanized areas, the RTA has served the role of grantee recipient.

For RTA to continue serving as the administrator of FTA Section 5307 grant funding on behalf of the cities of Atascadero and Paso Robles, as well as for South County Transit, FTA requires the Grant Recipient (RTA) to have access to two existing electronic grants management programs: Transportation Electronic Award and Maintenance (TEAM), and Transit Award Management System (TrAMS). For this reason the attached resolution is required.

Staff Recommendation

Approve the attached resolution requesting FTA to give RTA representative access to TEAM and TrAMs to administer Section 5307 grants based on the Operators Agreement between SLOCOG, the cities of Atascadero and Paso Robles, and RTA, as well as the Operator Agreement between SLOCOG, South County Transit and RTA.

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

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

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

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

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

WHEREAS, RTA as the Grantee will file and execute applications on behalf of the cities of Atascadero and Paso Robles, as well for South County Transit, as sub-recipients of FTA Section 5307 funds required for the identified projects.

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

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

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

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

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby passed and adopted by the San Luis Obispo Regional Transit Authority of San Luis Obispo County, State of California, at a regular meeting of said Board of Directors held on the 6th day of May, 2015.

Debbie Arnold
President of the RTA Board of Directors

ATTEST:

Geoff Straw
RTA Executive Director

APPROVED AS TO FORM AND LEGAL EFFECT:

Timothy McNulty
County Counsel

By: _____
RTA Legal Counsel

Dated: _____

May 6, 2015

DESIGNATION OF SIGNATURE AUTHORITY FOR TEAM and TrAMS

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

Geoff Straw
RTA Executive Director

Tim McNulty
RTA Counsel

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2015

STAFF REPORT

AGENDA ITEM: C-5

TOPIC: Disadvantaged Business Enterprise Goal Methodology Updates

PRESENTED BY: Geoff Straw, Executive Director

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

BACKGROUND/DISCUSSION:

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

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

Staff Recommendation

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



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

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

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

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

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

RTA's goal will be reached through race neutral means by doing the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry DBE goals; DBE participation on prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contract that did not consider a firm's DBE status in making the award. RTA will not reach its goal through race conscious contract goals.

To calculate RTA's proposed FFY15 through FFY17 DBE Goal, staff used data from the proposed RTA FY14-15 budget, the latest (2008) US Bureau of Census County Business Patterns (CBP) database, and the California Department of Transportation (Caltrans) database of all statewide certified DBE vendors. Both the CBP and Caltrans DBE vendor database offer vendor groupings according to the type of work they perform as categorized by the North American Industry Classification System (NAICS), which provides a two to six-digit number corresponding to every

known type of work performed by businesses in North America. In order to compare data from all three data sources using a common classification, staff identified all of the goods and services that RTA typically contracts by a corresponding NAICS code. The following text and tables describe the steps taken to calculate the goal.

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

Step 1: RTA FY15 Operating & Capital Budget Contract Opportunities

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

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

Step 2. RTA's FY15 Operating & Capital Budget Contract Opportunities by Procurement Group

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

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

- Alameda County
- Contra Costa County
- Marin County
- Monterey County

- Napa County
- San Benito County
- San Francisco County
- San Luis Obispo County
- San Mateo County
- Santa Barbara County
- Santa Clara County
- Santa Cruz County
- Solano County
- Sonoma County

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

Step 3. RTA’s Market Area Firms by NAICS in Procurement Groups
Total Firms and Certified DBEs

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

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

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

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

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

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

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

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

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2015

STAFF REPORT

AGENDA ITEM: C-6

TOPIC: Contract Renewal - AGP Video Production of Board Meetings

ACTION: Approve

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Approve Contract Renewal

BACKGROUND/DISCUSSION:

In April 2015, the SLOCOG Board approved a contract with AGP Video to televise all SLOCOG and RTA meetings with costs shared on a pro-rata basis. The terms of the existing contract provide video services for \$715/meeting (8:30 to 12:00), plus \$132/hour overtime for all overtime hours beyond the 3^{1/2}-hour length, and \$45/hour for additional technical consulting. RTA will pay \$150 per meeting for the Key Point Indexing (KPI) service with the renewed contract. The effective date of the existing contract is through June 30, 2015. The proposed new contract will run from July 2015 to June 2016 with an increase of \$35 in the base rate for meetings held at locations other than the County Board of Supervisors Chambers.

The contract reflects the existing agreement made by AGP Video. The annual cost of six (6) RTA meetings that are filmed is approximately \$5,225 (at \$715/mtg – 5 mtgs, 1 mtg at \$750 and KPI service of 6 meetings – with no overtime).

The meetings will continue to be broadcasted live and replayed on Channel 21 as well as being webcast on the Internet at www.slospan.org. The SLO-SPAN network, produced by AGP Video, is a public service of Charter Communications and provides televised access of government and other meetings held throughout the county. For schedule updates, check www.slospan.org, additional replays of meetings are cablecast as the schedule permits. Meeting tapes are available through local libraries.

Staff Recommendation

Approve contract with AGP Video to televise all RTA and SLOCOG meetings with costs shared on a pro-rata basis for FY15-16.

**AGREEMENT TO PROVIDE VIDEO PRODUCTION AND DISTRIBUTION SERVICES
FOR SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA) BOARD MEETINGS
FOR FISCAL YEAR 2015/2016**

THIS AGREEMENT is entered into by and between the San Luis Obispo Regional Transit Authority (hereinafter referred to as "RTA") and AGP Video, a California Corporation (hereinafter referred to as "Contractor").

Witnesseth:

WHEREAS, RTA has a need for special services to provide video production services to document the RTA Board meetings and to distribute copies of the video as needed; and

WHEREAS, AGP Video is specially trained, experienced and competent to perform such services;

NOW THEREFORE, the parties mutually agree as follows:

I. SCOPE OF WORK

- A. Without exception Contractor will provide gavel-to-gavel, unedited coverage of all regular RTA meetings held from July 1, 2015, through June 30, 2016. RTA shall provide Contractor with current calendar of scheduled meetings when the calendar is approved;
- B. The agenda item number and description will be presented, whenever possible
- C. Contractor will videotape special meetings of the RTA Board as requested by appropriate representatives of RTA.
- D. Contractor will archive all meetings with Key Point Indexing (KPI) within three business days of the meeting date.
- E. Contractor will distribute in a timely manner two (2) copies each of the Board meetings to the RTA offices and one (1) copy to the San Luis Obispo City County Library;
- F. Contractor will provide one (1) copy to Charter Channel 21, the Countywide Government and access channel for cablecast. The initial replay of the meeting will be at 6 pm on the day it is held. The meeting will be scheduled to replay at a variety of times a minimum of six (6) times in the week after the meeting date, and may stay in the program schedule up until the next meeting is held.
- G. Contractor may provide additional copies of the meeting tapes to the public, upon request, at a cost not to exceed \$25 per DVD. RTA or other agencies requesting copies of additional DVDs will pay \$15 per DVD.
- H. The work to be done by the contractor pursuant to this Agreement shall include the furnishing of all labor, supervision, equipment, materials, supplies and all other items necessary to perform the services required.
- I. The Contractor may provide videotaping, cable casting, or other related services for "special" meetings upon request of RTA.

II. CONTRACT PERFORMANCE

- A. The Contractor shall at all times during the term of this Agreement provide high quality, efficient, technically-competent and professional service in accordance with the standards of the industry and to the reasonable satisfaction of RTA.
- B. All equipment used by the Contractor to perform work under this Agreement shall conform to reasonable industry standards and shall be maintained and kept in good repair at all times.

- C. Contractor shall, at all times during the contracted events, have at least one employee in the production facility (control room) who has a minimum of two years video production experience in environments similar to that of RTA or the County of San Luis Obispo.
- D. Contractor will ensure that all production employees involved in providing services under this Agreement have been thoroughly trained on use of the County of San Luis Obispo's control room equipment prior to working on an event at the County Government Center.
- E. RTA strongly prefers that Contractor production employees assigned to work on any event under this Agreement have experience in working on video production of at least four (4) live government meetings prior to working on any event covered under this Agreement.
- F. Contractor will act with due diligence to meet the following quality production expectations:
 - Camera Takes are to be cut or fade away. There will be no "wipes."
 - Picture in Picture is employed when appropriate.
 - Camera takes are to follow the speaker as quickly as possible.
 - Captioning slates are to be displayed as quickly as possible following a subject change.
 - Sound levels are to be kept consistent within the best possible range.
- G. Contractor will meet with RTA on a biannual basis to discuss performance and operational issues. RTA will schedule such meetings and notify Contractor in writing of the established schedule. The frequency of such performance reviews may be reduced at the RTA's discretion.
- H. Contractor will not make any hardware configuration changes to County-owned equipment nor remove *any* County-owned property from the Board Chambers control room without prior written consent or involvement of the County's Information Technology Department staff.
- I. Contractor will not modify nor upgrade any software used on County owned equipment, including the installation of new releases or patches, without prior consent or involvement of the County's Information Technology Department support staff.
- J. At the conclusion of any/all meetings at the facilities of all other agencies or organizations, Contractor shall return all equipment to predefined, default states. As these states may change from time-to-time, they are not specified within this Agreement.
- K. Production primary recordings are to be digital with an analog back up.
- L. Master copies are to be digital where possible.

III. EMPLOYMENT STATUS

Contractor shall, during the entire term of the Agreement, be construed to be an independent Contractor and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship.

IV. OWNERSHIP

DVDs or other materials produced in whole or part under this agreement shall be the property of RTA. Any copies of meetings or other materials produced in whole or part under this agreement shall be the property of RTA and none shall be subject to an application for copyright by or on behalf of Contractor

V. COMPENSATION

RTA shall pay Contractor per meeting compensation of \$715 per meeting for all regular RTA Board meetings that extend from 2.0 to 3.5 hours in length. RTA shall pay \$150 per meeting for the Key Point Indexing (KPI) service. RTA shall pay Contractor \$132 per hour overtime for all overtime hours beyond the 3.5 hour length billed in 15-minute increments, rounded-up. For Meetings of RTA that are 2 hours or less, RTA shall pay Contractor a reduced per meeting rate of \$500. For "special" meetings, the same rates, as above, shall apply, depending on the length of the meeting. Meetings held at locations other than the County Board of Supervisors Chambers will be billed at a base rate of \$750 per meeting.

VI. INVOICES

Contractor shall submit to RTA an invoice detailing the services performed during the preceding period. Contractor shall specify the length of time of the RTA sessions separately on each invoice.

VII. PAYMENTS

RTA shall pay within twenty (20) days after receipt of a complete and accurate invoice of video production/tape distribution activities.

VIII. INSURANCE

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

- A. Minimum Scope of Insurance - Coverage shall be at least as broad as:
 - 1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
 - 2. Insurance Services Office Business Auto Coverage Form Number CA 0001. Code 1 (any auto).
 - 3. Worker's Compensation insurance as required by the State of California and Employer's Liability Insurance.
 - 4. Errors and Omissions liability insurance appropriate to the Contractor's profession. Architects and engineers' coverage is to be endorsed to include contractual liability.

- B. Minimum Limits of Insurance - Contractor shall maintain limits no less than:
 - 1. General Liability - \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

 - 2. Automobile Liability - \$1,000,000 per accident for bodily injury and property damage.

IX INDEMNIFICATION

The Contractor shall defend, indemnify and hold harmless the County, its officers and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, liabilities or other losses that may be asserted by any person or entity, and that arise out of or are made in connection with the acts or omissions relating to the performance of any duty, obligation, or work hereunder. The obligation to indemnify shall be effective and shall extend to all such claims and losses, in their entirety, even when such claims or losses arise from the comparative negligence of the County, its officers, and employees. However, this indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers and employees.

The preceding paragraph applies to any theory of recovery relating to said act or omission by the Contractor, or its agents, employees, or other independent contractors directly responsible to Contractor, including, but not limited to the following:

- 1. Violation of statute, ordinance, or regulation.
- 2. Professional malpractice.
- 3. Willful, intentional or other wrongful acts, or failures to act.
- 4. Negligence or recklessness.
- 5. Furnishing of defective or dangerous products.
- 6. Premises liability.
- 7. Strict liability.

8. Inverse condemnation.
9. Violation of civil rights.
10. Violation of any federal or state statute, regulation, or ruling resulting in a determination by the Internal Revenue Service, California Franchise Tax Board or any other California public entity responsible for collecting payroll taxes, when the Contractor is not an independent contractor.

It is the intent of the parties to provide RTA the fullest indemnification, defense, and "hold harmless" rights allowed under the law. If any word(s) contained herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this contract and the remaining language shall be given full force and effect

X. TERMINATION OF AGREEMENT

RTA reserves the right to terminate this agreement for convenience, without cause, by the Executive Director at the instruction of the San Luis Obispo Council of Governments, on one week written notice.

XI. TERM OF AGREEMENT

The effective date of this agreement shall be May 6, 2015. The term of the agreement shall be for the entire fiscal year 2015/2016 (July 1, 2015 – June 30, 2016), with the option of an extension of the contract. RTA shall contact the Contractor two months prior to the end of each fiscal year to discuss potential contract modifications for the upcoming year.

XII. NOTICES

All notices and communications with respect to this Agreement shall be in writing and served as follows:

San Luis Obispo Regional Transit Authority
179 Cross Street, Ste. A
San Luis Obispo, CA 93401
Attn: RTA Executive Director

CONTRACTOR
AGP Video
1600 Preston Lane
Morro Bay, CA 93442
Attn: Steve Mathieu and Nancy Castle

XIII. EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this contract, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, and hereby promises to comply with the provision on contractor agreements contained in Presidential Executive Order Number 11246.

IX. ENTIRE AGREEMENT AND MODIFICATION

This Contract supersedes all previous contracts and constitutes the entire understanding of the parties hereto. Contractor shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both parties. Contractor specifically acknowledges that in entering into and executing this Contract, Contractor relies solely upon the provisions contained in this Contract and no others.

XV. NON-ASSIGNMENT OF CONTRACT

Inasmuch as this Contract is intended to secure the specialized services of the Contractor, Contractor may not assign, transfer, delegate or sublet any interest therein without the prior written consent of County and any such assignment, transfer, delegation or sublease without the County's prior written consent shall be considered null and void.

XVI. COVENANT

This Contract has been executed and delivered in the State of California and 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. All duties and obligations of the parties created hereunder are performable in San Luis Obispo County and such County shall be the venue for any

action or proceeding that may be brought or arise out of, in connection with or by reason of this Contract.

XVII. ENFORCEABILITY

If any term, covenant, condition or provision of this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

XVIII. WARRANTY OF CONTRACTOR

Contractor warrants that Contractor and each of the personnel employed or otherwise retained by Contractor are properly certified and licensed under the laws and regulations of the State of California to provide the special services herein agreed to.

IXX. RECORDS

- a. Contractor shall keep complete and accurate records for the services performed pursuant to this Contract and any records required by law or government regulation and shall make such records available to County upon request.
- b. Contractor shall assure the confidentiality of any records that are required by law to be so maintained.
- c. Contractor shall prepare and forward such additional or supplementary records as County may reasonably request.

ACCEPTED BY:

Debbie Arnold
 President, San Luis Obispo Regional Transit Authority (RTA)
 179 Cross Street, San Luis Obispo CA 93401 (805) 781-4472

Date

Nancy Castle
 AGP Video
 1600 Preston Lane, Morro Bay, CA 93442 (805) 772-2715

Date

APPROVED AS TO FORM AND LEGAL EFFECT:

Timothy McNulty
 RTA Legal Counsel

Date

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA)

May 6, 2015

STAFF REPORT

AGENDA ITEM: C-7

TOPIC: Transit Legislation

ACTION: Approve

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Authorize Executive Director to Submit Letters of Support for Three Legislative Issues

BACKGROUND/DISCUSSION:

Three legislative issues currently face RTA, which could impact funding of transit services and our ability to purchase full-size buses in California. Below is a brief analysis of each of these issues. Staff will work closely with our partners at the California Transit Association to develop final letters of support and submit these to the appropriate recipients. The legislation discussed below have no budget impact at this time.

Department of Labor Ruling on PEPRA and FTA Grants

On September 12, 2012, the Governor signed the Public Employees' Pension Reform Act of 2013 (PEPRA). Subsequently, the United States Department of Labor (DOL) began reviewing Federal Transit Administration (FTA) grants of California transit agencies based on objections raised by transit labor unions (including the Teamsters, who represent RTA operations employees) that the recently-enacted PEPRA in California violates the 13(c) provisions of federal transit law. In their review, the DOL determined that PEPRA:

- Constitutes a change in legal or factual circumstances that may materially affect the rights or interests of employees represented by unions;
- Appears to have removed mandatory and/or traditional subjects of collective bargaining from the consideration of the parties; and,
- May prevent transit operators in the state of California from continuing the collective bargaining rights of employees, as required by Section 13(c)(2) of the Federal Transit Act.

As a result of this determination, all transit agencies in the state of California with workers represented by the ATU, UTU and Teamsters were subject to having billions of

dollars in federal capital and/or operating funding withheld because of the implementation of PEPRA. Federal grants for the Sacramento Regional Transit District and California Department of Transportation were officially decertified in September of 2013.

In response, the California Legislature passed and the Governor signed AB 1222 (Bloom and Dickinson) to ensure that \$1.6 billion in federal grants continue to flow to transit districts while litigation is pursued to defend California's bipartisan pension reforms.

AB 1222 provided a temporary exemption for public transit workers from PEPRA through December 31, 2014, while a lawsuit, filed by the State of California and Sacramento Regional Transit District against the DOL, was resolved in court. In 2014, CTA sponsored AB 1783 (Jones-Sawyer), which extends the exemption originally provided by AB 1222 until January 1, 2016, allowing additional time for the outcome of the lawsuit.

A draft letter developed by Sacramento RTD counsel has been shared with other CTA members that will likely be impacted by DOL's examination of grant applications, and staff will work with RTA Counsel McNulty to tailor it to RTA's needs. It should be noted that RTA has developed a draft FTA Section 5307 grant application based on the program of projects included in the STIP, and we intend to submit it in the coming weeks. SLOCOG already has a CMAQ grant that has been held up by DOL due to a PEPRA-related review.

SB508 Transportation Funds and Transit Operations

The TDA requires transit operators to meet certain farebox recovery and operating cost criteria, irrespective of external cost pressures, in order to receive funds, for specified purposes, from the Local Transportation Fund and the State Transit Assistance program. This bill would address the challenges posed by this rigid funding mechanism by creating more flexible farebox recovery and operating cost criteria, and by rationalizing the penalties for non-compliance.

AB1706 Bus Axle Weight Restrictions

In 2012 and 2014, the California Transit Association (CTA) sponsored legislation which provided transit agencies with temporary relief from California's decades-old bus axle weight limits. The temporary provisions of the most recent measure, AB 1720 (Bloom, Chapter 263, Statutes of 2014), are now set to expire at the end of 2015, reinstating an unworkable 20,500 lb. per axle limit and impacting various stakeholders, including cities, counties, public transit agencies, and private sector bus suppliers. The CTA continues to work with impacted stakeholders to craft a long-term solution, acceptable to all parties, that recognizes the challenges of the current axle weight limit. The replacement legislation will serve as the vehicle for such a solution, if and when one emerges.

The majority of RTA's fleet, along with those of most, if not all, transit agencies across the state, exceeds this over quarter century old statute. The weight increases are primarily due to advances in bus technology to satisfy mandated clean air, safety, ADA laws. This bill will continue to protect RTA from being subject to citations and costly permits until a reasonable solution can be determined.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA)

May 6, 2015

STAFF REPORT

AGENDA ITEM: C-8

TOPIC: Change of Ownership of RTA Operating Facility

ACTION: Approve

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Acknowledge Executive Director's Timely Execution of Estoppel Agreement as Requested by Landlord of 179 Cross Street Facility

BACKGROUND/DISCUSSION:

At its March 4, 2015 meeting, the RTA Board authorized the Executive Director to execute a lease extension for the RTA Operating Facility located at 179 Cross Street in San Luis Obispo. On April 3, 2015, staff was notified by the landlord that the property would be transferred to a reformed company. As part of that transfer, the owner group refinanced the property, and the lending company required a timely execution of an *Estoppel, Subordination, Non-Disturbance and Attornment Agreement* be completed.

The Executive Director and RTA Counsel closely reviewed the Estoppel Agreement, and we believe that it does not materially affect the existing lease amendment except that the name of the owner group is different. The Executive Director informed Board President Arnold of his intent to sign the Agreement in order to meet the lending company's deadlines. A copy of the RTA-executed document is attached hereto.

Staff Recommendation

Acknowledge that the Executive Director signed the landlord's Estoppel Agreement.

RECORDATION REQUESTED BY AND
WHEN RECORDED MAIL TO:

RABOBANK, N.A.
2415 La Brucherie Road
Imperial, CA 92251
Attn: Commercial Loan Administration Services

Space above this line for Recorder's Use

Cross Street 179, LLC 2015
Real Estate Term Loan: 460230

ESTOPPEL, SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

This agreement is dated March 26, 2015. It is by and between SLO Regional Transit Authority, a Joint Powers Agency ("Lessee"), Cross Street 179, LLC, a California limited liability company ("Lessor"), and RABOBANK, N.A., a national banking association ("Lender").

Lender has extended or will extend credit or other financial accommodations (the "Loan") to Cross Street 179, LLC, a California limited liability company, under the terms and conditions of the Credit Agreement between Borrower and Lender dated on or about the date of this agreement (the "Credit Agreement"). The obligations under the Credit Agreement are secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "Deed of Trust") on the real property described in EXHIBIT A which is attached hereto and incorporated herein by reference (the "Property").

Lessee is the lessee under a Commercial Single Tenant Lease dated September 6, 2006, as amended on March 5, 2015, demising all or a portion of the Property (the "Lease") with that portion of the Property affected by the Lease being referred to herein as the "Leased Premises".

To induce Lender to make the Loan to Borrower, and in consideration thereof, the parties agree as follows:

1. **Estoppel.** Lessee hereby certifies to Lender that:

(a) The Lease which has been duly executed and accepted by Lessor and Lessee and delivered to Lender constitutes the entire agreement between Lessor and Lessee as it pertains to the lease of the Leased Premises and has not been modified either in writing or orally, except as reflected in the copy of the Lease provided to Lender; and

(b) As of the date of this agreement, (i) all conditions and obligations to be performed by either Lessor or Lessee under the Lease have been satisfied; (ii) there exists no breach, default or event or condition which currently, or which with notice or lapse of time, would constitute such a breach or default under the Lease; (iii) there are no existing claims, defenses or offsets against obligations of either Lessor or Lessee under the Lease, including any against rents due or to become due under the terms of the Lease; and (iv) no deposits or prepayments of rent have been made in connection with the Lease except as may be described in the Lease.

2. **Subordination.** Subject to the terms and conditions hereinafter set forth, Lessee hereby irrevocably and unconditionally subordinates and subjects the Lease and the rights of Lessee in, to and under the Lease and the Leased Premises (including but not limited to any options or rights of first refusal to purchase the Property (or any portion thereof) to the lien of the Deed of Trust and all extensions, renewals, modifications and additions thereto and consolidations and restatements thereof. The Deed of Trust shall be and remain, at all times, prior and superior to Lessee's interests in the Lease and the Property. Without

limiting the generality of the foregoing, Lessee agrees that Lessee's exercise of any option or right of first refusal to purchase the Property or any portion thereof shall not extinguish, defeat or render invalid the lien of the Deed of Trust.

3. **Lessee Not To Be Disturbed.** So long as Lessee is not in default (beyond any period given Lessee by the terms of the Lease to cure such default) in the payment of rent or additional rent or of any of the terms, covenants or conditions of the Lease on Lessee's part to be performed:

(a) In the event of a judicial or non-judicial foreclosure of the Deed of Trust, or upon a transfer of the Property or any portion thereof that affects the Leased Premises by a deed-in-lieu of foreclosure of the Deed of Trust, the Lease shall continue in full force and effect as a direct lease between Lender or any other party acquiring the Property as a result of such foreclosure or deed-in-lieu (with any such other party being referred to herein as the "other successor owner") and Lessee and Lessee's possession of the Leased Premises, and its rights and privileges under the Lease, including but not limited to any extension or renewal rights, and application of insurance proceeds and condemnation awards shall not be diminished or interfered with by Lender or the other successor owner; and

(b) Lender will not join Lessee as a party defendant in any action or proceeding foreclosing the Deed of Trust unless such joinder is necessary to foreclose the Deed of Trust and then only for such purpose and not for the purpose of terminating the Lease.

4. **Lessee to Attorn To Lender.** In the event of a judicial or non-judicial foreclosure of the Deed of Trust, or upon a transfer of the Property or any portion thereof that affects the Leased Premises by a deed-in-lieu of foreclosure, Lender or the other successor owner who shall succeed to the rights and duties of Lessor, as landlord under the Lease and Lessee shall attorn to Lender or any such other successor owner as its landlord, such attornment to be effective and self-operative without the execution of any further instruments; provided, however, that Lessee agrees that in the event Lender or any such other successor owner succeeds to the interest of Lessor under the Lease, Lender or the other successor owner:

(a) shall not be liable for any act or omission, including any monetary defaults, of any prior lessor (including Lessor) or subject to any offsets of defenses Lessee might have against any prior lessor (including Lessor);

(b) shall not be bound by any amendment or modification of the Lease made without the consent of Lender;

(c) shall not be liable or responsible for or with respect to the retention, application and/or the return to Lessee of any security deposit paid to any prior lessor (including Lessor) whether or not still held by such prior lessor unless Lender or such other successor owner has actually received;

(d) shall not be bound by any rent or additional rent which Lessee might have prepaid for more than one (1) month in advance under the Lease and Lessor agrees not to accept any rent or additional rent more than one (1) month in advance;

(e) shall not be responsible for indemnification obligations undertaken by any prior lessor (including Lessor) with respect to the presence of hazardous substances; and

(f) shall not be bound by any provision under the Lease or any other agreement between Lessee and any prior lessor (including Lessor) obligating the landlord to construct or pay for the cost of construction of any improvements to the Leased Premises.

5. **Lease Assignment.** Lessee acknowledges that Lessor has assigned or will assign the Lease to Lender pursuant to the terms of the Deed of Trust as additional security for the indebtedness secured by the Deed of Trust. Lessee hereby agrees that if Lender gives Lessee written notice of a default and demands that Lessee pay its rent and other sums due under the Lease to Lender, Lessee will pay such rent and other sums due under the Lease directly to Lender. Lessor hereby (a) consents to said payment or payments and releases Lessee from any and all liability, damages, or claims in connection with any such payment or payments and (b) agrees that the receipt by Lessee of any such written notice shall be conclusive evidence of the right of Lender to the receipt of such rental payments.

6. **Lender's Option To Cure Lessor's Default.** Lessee agrees that Lessor shall not be in default under the Lease unless written notice specifying such default is given to Lender. Lessee agrees that Lender shall have the right but not the obligation to cure such default on behalf of Lessor within 60 days after the receipt of such notice; provided, however, that said 60-day period shall be further extended so long as within said 60-day period Lender has commenced to cure and is proceeding diligently to cure said default or defaults. Lessee further agrees not to invoke any of its remedies against Lessor under the Lease (except any emergency repair clause contained therein) until said 60 days have elapsed. Lessee shall not be exonerated from the Lease by reason of any default by Lessor of any provisions of the Lease which have been amended without Lender's express written approval.

7. **Notices.** Any notice required to be given under this agreement shall be given in writing, and shall be effective when actually delivered, if hand delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown next to the party's signature below. Any party may change its address for notices under this agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address.

8. **Binding Effect; Successors and Assigns.** This agreement will inure to the benefit of and be binding upon the parties and their respective successors and assigns; provided, however, that in the event of the assignment or transfer of the interest of Lender, all obligations and liabilities shall be the responsibility of the party to whom Lender's interest is assigned or transferred; provided, further, that the interest of Lessee under this agreement may not be assigned or transferred by Lessee without the prior written consent of Lender and any attempt at an unauthorized assignment shall be null and void.

9. **Severability.** Any provision of this agreement which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this agreement or affecting the validity or enforceability of that provision in any other jurisdiction; except that if such provision relates to the payment of any monetary sum, then Lender may, at their option declare all Obligations in their favor immediately due and payable.

10. **Time is of the Essence.** Time is of the essence in the performance of this agreement.

11. **Amendments.** This agreement constitutes the entire understanding and agreement of the parties as to the matters set forth herein. This agreement may not be amended, changed, modified, altered or terminated without prior written consent of all parties to the agreement.

12. **Relationship to Lease and Deed of Trust.** This agreement supersedes any inconsistent provision of the Lease. Lessee agrees that this agreement satisfies any condition or requirement in the Lease relating to the granting of a non-disturbance agreement. Nothing contained in this agreement shall be construed to derogate from or in any way impair or affect the lien and charge or provisions of the Deed of Trust, except as specifically set forth herein.

13. **Caption Headings.** Caption headings in this agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this agreement.

14. **Governing Law.** This agreement shall be governed exclusively by the applicable laws of the State of California without regard or reference to its conflict of law principles.

15. **Jurisdiction and Venue.** LESSOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE STATE OF CALIFORNIA FOR THE PURPOSES OF ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT TO WHICH IT IS A PARTY OR ANY INSTRUMENT OR DOCUMENT DELIVERED THEREUNDER, WITH VENUE TO BE IN THE SUPERIOR COURT OF CALIFORNIA, FRESNO COUNTY, CALIFORNIA, OR THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF CALIFORNIA.

16. **Waiver of Jury Trial.** THE PARTIES WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS AGREEMENT.

17. **Counterpart Execution.** This agreement may be executed in counterparts, each of which will be an original and all of which together are deemed one and the same instrument.

NOTICE: THIS AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON THE LEASE TO OBTAIN A LOAN OR OTHER FINANCIAL ACCOMMODATION, A PORTION OF WHICH MAY BE EXPENDED FOR PURPOSES OTHER THAN IMPROVEMENT OF THE PROPERTY.

IT IS RECOMMENDED THAT PRIOR TO THE EXECUTION OF THIS AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO

IN WITNESS WHEREOF, the parties hereto have each caused this agreement to be executed as of the date first above written.

LESSEE

SLO REGIONAL TRANSIT AUTHORITY, a Joint Powers Authority

By: Geoff Straw
GEOFF STRAW
Executive Director

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

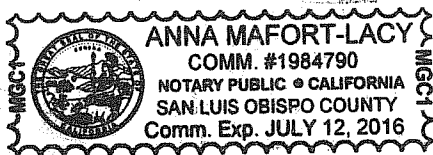
STATE OF CALIFORNIA)
) ss
COUNTY OF San Luis Obispo

On April 7, 2015, before me, Anna Mafort Lacy, a notary public, personally appeared Geoff Straw, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Anna Mafort Lacy



LESSOR

CROSS STREET 179, LLC, a California limited liability company

BY: LTC/SLO, LTD. L.P., a California limited partnership, Manager

By: Cornerstone Development - llc, a California limited liability company
General Partner

By: _____
RICHARD H. PAUL, Manager

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF _____)

On _____, 20__, before me, _____, a notary public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

LENDER

Address for notices:

45 E. River Park Place West, Suite 401
Fresno, CA 93720
Attention: Commercial Loan Administration Services

RABOBANK, N.A.

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF _____)

On _____, 20__, before me, _____, a notary public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

EXHIBIT A

to Estoppel, Subordination, Non-Disturbance and Attornment Agreement

PARCEL 3 OF PARCEL MAP NO. 04-0119, RECORDED AS BOOK 65, PAGE 89 AND SEE MAP CORRECTION RECORDED APRIL 6, 2006 AS INSTRUMENT NO. 06-24065 OF OFFICIAL RECORDS, IN THE CITY OF SAN LUIS OBISPO, COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA.

APN: 053-257-032

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2015

STAFF REPORT

AGENDA ITEM: C-9

TOPIC: Resolution Authorizing RTA Executive Director to Execute State Proposition 1B Safety & Security Funds Agreement

ACTION: Approve

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Adopt Resolution

BACKGROUND/DISCUSSION:

Proposition 1B was passed in November 2006 by California voters. Based on statewide estimates, approximately \$12.1 million will be apportioned to San Luis Obispo County for transit capital projects over the next five years. RTA is an eligible recipient of this funding.

In FY14-15 RTA applied for and was awarded \$176,690 in Proposition 1B Safety and Security Funds for adding on-bus security camera systems for Runabout (ADA) and Dial-A-Ride vehicles. RTA also applied for and was awarded \$64,612 in Proposition 1B Safety and Security Funds for adding solar lights to various bus stops in the county of San Luis Obispo. However, the California Governor's Office of Emergency Services (Cal OES) requires the attached Authorizing Agent Signature Authority and Governing Body Resolution in order to execute funding agreements.

Staff Recommendation

Staff recommends approval of the resolutions authorizing the RTA Executive Director, Chief Financial Officer or Grants Manager to execute for and on behalf of RTA, any actions necessary for the purpose of obtaining financial assistance provided by Cal OES.



179 Cross Street, Suite A
San Luis Obispo, CA 93401
(805) 781-4472 Fax (805) 781-1291
www.slorta.org

Authorized Agent Signature Authority

AS THE President
(Chief Executive Officer / Director / President / Secretary)

OF THE San Luis Obispo Regional Transit Authority
(Name of State Organization)

I hereby authorize the following individual(s) to execute for and on behalf of the named state organization, any actions necessary for the purpose of obtaining state financial assistance provided by the California Emergency Management Agency.

Executive Director, OR
(Name or Title of Authorized Agent)

Grants Manager, OR
(Name or Title of Authorized Agent)

CFO/Director of Administration.
(Name or Title of Authorized Agent)

Signed and approved this 6th day of May, 2015.

President's (Signature)



Governing Body Resolution

Resolution No: _____

WHEREAS, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 authorizes the issuance of general obligation bonds for specified purposes, including, but not limited to, funding made available for capital projects that provide increased protection against security and safety threats, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems; and

WHEREAS, the California Governor's Office of Emergency Services (Cal OES) administers such funds deposited in the Transit System Safety, Security, and Disaster Response Account under the California Transit Security Grant Program (CTSGP); and

WHEREAS, the San Luis Obispo Regional Transit Authority (RTA) is eligible to receive CTSGP funds; and

WHEREAS, the San Luis Obispo Regional Transit Authority (RTA) will apply for FY14-15 CTSGP funds in an amount up to \$250,000 for Purchase and install Camera System on Runabout and Dial-A-Ride vehicles and adding solar lights to various bus stops in the county of San Luis Obispo; and

WHEREAS, San Luis Obispo Regional Transit Authority recognizes that it is responsible for compliance with all Cal OES CTSGP grant assurances, and state and federal laws, including, but not limited to, laws governing the use of bond funds; and

WHEREAS, Cal OES requires San Luis Obispo Regional Transit Authority to complete and submit a Governing Body Resolution for the purposes of identifying agent(s) authorized to act on behalf of San Luis Obispo Regional Transit Authority to execute actions necessary to obtain CTSGP funds from Cal OES and ensure continued compliance with Cal OES CTSGP assurances, and state and federal laws.

THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY THAT GEOFF STRAW, EXECUTIVE DIRECTOR, AND/OR HER DESIGNEE, is hereby authorized to execute for and on behalf of San Luis Obispo Regional Transit Authority (RTA), a public entity established under the laws of the State of California, any actions necessary for the purpose of obtaining financial assistance provided by the California Governor's Office of Emergency Services under the CTSGP.

Passed and approved this 6th day of May, 2015.



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APPENDIX E – Governing Body Resolution

Certification

I, Debbie Arnold, duly appointed and
(Name)

President of the RTA Board of Director
(Title) (Governing Body)

do hereby certify that the above is a true and correct copy of a resolution passed and approved by

the RTA Board of Directors of the RTA on the
(Governing body) (Name of Applicant)

6th day of May, 2015.

President of the RTA Board of Directors
(Official Position)

(Signature)

May 6, 2015
(Date)

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

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

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
MAY 6, 2015
STAFF REPORT

AGENDA ITEM: C-10

TOPIC: Vehicle Procurement

ACTION: Approve

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Authorize Executive Director to Procure Five Runabout Cutaway Vehicles, Two Support Vehicles, and Two Fixed Route Cutaway Vehicles at a Cost Not to Exceed \$541,300

BACKGROUND/DISCUSSION:

RTA secured \$264,600 in FTA 5307 to fund five (5) Runabout Cutaway replacement vehicles. These funds will be matched with \$46,700 in Rural Transportation Funds. These five wheelchair-accessible vehicles will be purchased from the CalACT procurement list approved by FTA and Caltrans. Once the Purchase Order is issued, it will take approximately 4-6 months for delivery.

RTA has also been awarded funding to purchase two replacement support vehicles. These vehicles will be funded by \$48,000 in FTA Section 5307 funds and will be matched with \$12,000 in TDA funds. RTA will request quotes from local dealerships for these two vehicles.

RTA also secured \$149,600 in Rural Transit Funds to fund two wheelchair-accessible Cutaway vehicles for RTA Route 15 fixed route service along the North Coast. These funds will be matched with \$20,400 in TDA funds. These two wheelchair-accessible vehicles will be purchased from the CalACT procurement list approved by FTA and Caltrans. Once the Purchase Order is issued, it will take approximately 5-7 months for delivery.

Staff Recommendation

Authorize the Executive Director to procure five Runabout Cutaway replacement vehicles, two replacement support vehicles, and two fixed route Cutaway vehicles at a total cost not to exceed \$541,300.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2015

STAFF REPORT

AGENDA ITEM: C-11

TOPIC: Vehicle Hoists Procurement

ACTION: Approve

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Authorize Executive Director to Negotiate Purchase of Two Vehicle Hoist Systems and Related Equipment

BACKGROUND/DISCUSSION:

As presented at the July 9, 2014 Board meeting, RTA secured \$24,000 in Federal Transit Administration funds and \$85,000 in Rural Transit Funds to procure vehicle maintenance equipment that includes vehicle hoists, a portable bus washing system and related equipment. The Board authorized the Executive Director to solicit bids at the July 9th meeting to implement these efficiency projects.

Staff requested that vendors demonstrate their portable four-post vehicle hoists on-site so that we could be assured those systems could work in our operating environment. Staff also asked a prospective vendor to demonstrate its portable bus washing system on-site, and we quickly realized that it would not work in our environment. Specifically, it could not generate enough pressure to wash behind the front/rear bike racks (the Utility Workers still had to manually scrub those areas). In addition, this system used significantly more water than the amount used to manually scrub the buses. As such, we worked with our funding partners to realign the funding for the bus washing system to instead permit the purchase of a second vehicle hoist that could be dedicated to the smaller vehicles used for Runabout. Our funding partners agreed to permit us to repurpose the funds for this need.

Bids for the two vehicle hoists were submitted by the April 23rd deadline, and the project can be delivered within the authorized budget. Staff expects the two new hoists to be delivered within two months of the contract award.

Staff Recommendation

Staff requests the Board's concurrence to authorize the Executive Director to negotiate purchase of two vehicle hoists and related equipment. No additional funds are being requested.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2015

STAFF REPORT

AGENDA ITEM: C-12

TOPIC: Youth Ride Free Summer Promotion

PRESENTED BY: Geoff Straw

ACTION: Adopt Staff's recommendation that Summer Youth Ride Free Program be provided in Summer 2015

BACKGROUND/DISCUSSION: Direction is needed from the Board on whether or not to continue RTA's participation in the countywide Summer Youth Ride Free (YRF) program for another year. Regional Rideshare, the agency that is promoting this program, has asked that transit agencies in the county implement the YRF program from June 15 through August 16, 2015.

The attached summary table at the end of this report includes pertinent discounted and fare-free rides provided by each of the four largest fixed route transit agencies in the county (RTA, SLO Transit and Paso Express) over the past three full fiscal years. As noted in previous Board meetings, the YRF program has been curtailed over time to address overcrowding issues during the summer months. Specifically, beginning in Summer 2014 the overall span was reduced from a beginning-of-June through the end-of-August period to a more moderate middle-of-June through middle-of-August period in order to avoid an overlap with the local school system academic year. In addition, the group size was limited so that a bus would not be overloaded and drive away fare-paying passengers; if the group was greater than the agency-identified fare-free maximum (15 at RTA), the remaining group members were required to pay. Staff worked closely with the YMCA and other youth camp officials to train their on-bus chaperones to minimize service disruptions and to handle any fare responsibilities.

As shown in the two tables below, all five fixed route operators experienced a large increase in YRF ridership in Summer 2013 in comparison to Summer 2012, although all five operators also experienced a decline in Summer 2014. It should be noted that the tables below reflect YRF ridership for the YRF Summer period and not by fiscal year, as shown in the attached summary table. The average monthly YRF ridership on RTA, RTA and Paso Express declined in 2014, while it increased on SLO Transit and Morro Bay Transit. RTA's YRF ridership numbers far surpass the ridership experience of the other four fixed route operators.

Overall YRF Ridership				Average Monthly YRF Ridership			
Provider	2012	2013	2014	Provider	2012	2013	2014
SLO Transit	14,021	14,898	13,555	SLO Transit	4,673	4,966	6,778
RTA	30,820	39,058	25,835	RTA	10,273	13,019	12,918
Paso Express	N/A	10,517	6,725	Paso Express	N/A	3,506	3,363
SCT	19,657	20,051	10,285	SCT	6,552	6,683	5,142
Morro Bay Transit	819	1,147	842	Morro Bay Transit	273	382	421

When looking more globally at the fiscal year results in the attached table at the end of this report, you will see that all free rides provided on RTA combined (ADA, VIP Aged 80+, and YRF) remained fairly steady over time, yet it is currently the lowest of the four transit agencies (4.8% of total). All discounted rides combined has increased at RTA and SLO Transit, ranging from 23.9% to 27.1% on RTA over the three year period¹. It should be noted that RTA, SLO Transit and Paso Express offer discounts to student-age riders, while SCT does not – and that impacts SCT’s relative year-over-year proportions.

Benefits of extending the summer free ride program to K-12 youth have proven to be the following:

1. Easy to communicate.
2. Increased youth ridership: 57,242 Summer Youth Free Rides in the County in Summer 2014. RTA carried 25,825 youth riders last summer.
3. Gets youth to try using transit and it instills an ethic of using transit in the future.
4. Increases access for kids to travel independently (and reduce parent taxiing).

Disadvantages include:

1. Small loss of cash fare revenue for non-group youth riders.
2. Increased passenger loads on some bus trips can degrade the riding experience for non-youth riders.
3. There remains the possibility that two or more unrelated groups attempt to board the bus on the same run, which would result in an overcrowding situation. However, the number of instances where that was a problem was greatly reduced last summer due to focused training for YMCA staff, and we expect the same cooperation from youth groups this summer.

¹ During the evaluation period, Paso Express tracked discounted rides in a way that makes it difficult to compare with the experience at other transit agencies. As of June 2014, Paso Express began using the same methodology as RTA.

Staff Recommendation

RTA should continue to participate in this popular program with proven ridership results and educational benefits for a fourth summer, providing a similar reduced travel period that was provided last summer, and a group policy requiring payment for more than ten youth traveling together.

Staff will continue to track the response to the program by measuring:

1. Ridership is already tracked using a specific farebox key. Staff will work to differentiate between group rider counts and individual youth riders. Staff is working with the farebox manufacturer to more easily manage multiple-rides for groups larger than fifteen on RTA buses.
2. Free press generated by the program.
3. Customer feedback from youth and families taking advantage of the program (face-to-face interviews, Facebook and social media programs, texts, etc.).

Year-by-Year Comparison of Free/Discounted Fares for SCT, RTA, SLO Transit & Paso Express												
Measure	FY11-12				FY12-13				FY13-14			
	SCT	RTA	SLO Transit ¹	Paso Express ¹	SCT	RTA	SLO Transit ¹	Paso Express ¹	SCT	RTA	SLO Transit ¹	Paso Express ¹
Total Boardings	213,620	687,936	1,118,563	159,581	234,690	734,743	1,109,569	164,100	239,101	763,614	1,142,749	151,217
Cal Poly-Paid Fare-Free Access	N/A	N/A	61.4%	N/A	N/A	N/A	59.6%	N/A	N/A	N/A	57.0%	N/A
Runabout ADA (free)	0.8%	0.6%	N/A	N/A	1.0%	0.8%	N/A	N/A	1.0%	0.8%	N/A	N/A
VIP Age 80+ (free) ²	3.3%	0.6%	0.8%	3.3%	2.8%	0.5%	0.8%	2.5%	2.9%	0.6%	0.9%	2.4%
Summer Youth Ride Free	9.2%	4.5%	0.6%	N/A	8.5%	5.3%	1.3%	6.4%	4.3%	3.4%	1.3%	4.4%
Combined Free	13.3%	5.7%	5.4%	3.3%	12.4%	6.7%	6.1%	8.9%	8.2%	4.8%	6.6%	6.9%
Combined Discount Fares	20.0%	23.9%	8.9%	0.0%	19.4%	25.9%	12.5%	0.0%	20.3%	27.1%	13.6%	0.0%
Combined Free & Discounted	33.3%	29.6%	14.3%	3.3%	31.8%	32.6%	18.6%	8.9%	28.5%	31.9%	20.2%	6.9%

Note 1: Neither SLO Transit nor Paso Express recorded Discounted 31-Day Regional Passes vs. Regular 31-Day Regional Passes separately. Paso Express also added very young children (that ride free with paying adult) in the VIP total.

Note 2: Paso Express added very young children (that ride free with paying adult) in the VIP total.

OVERVIEW //

The goal of annual Youth Ride Free program is to give a positive exposure to transit services for youth 18 years old and under. Last year, there were over 57,000 youth rides during the summer months. The Group Policy creates communication between operators and youth programs to allow buses to successfully accommodate all riders' needs. The Group Policy provides solutions to:

- Slow boarding times (causing delayed trips and difficulty to meet important transfer points)
- Overcrowding and standees on the buses
- Lack of seating for all riders and occasional inability to accommodate all riders
- Additional noise and crowding, leading to some customer complaints

The Group Policy addresses these issues by specifying group sizes and educating participants in behavior etiquette.

GROUP SIZE //

A "group" is defined as **ten or more** passengers traveling together from one origin to one destination. Please note that attempts to get around group sizes by boarding at 2 different stops will not be accepted. RTA routes (RTA) will accept up to **15 free passengers** (including 2 chaperones). SLO Transit, Morro Bay Transit, and South County Transit (SCT) will accept up to **10 free passengers** (including 2 chaperones). If numbers exceed size limits please inform the transit provider using the below contact information.

PROVIDER:	SCT	PASO	RTA	SLO	MB
Dates	June 15th - August 16th			June 1st - August 31st	
Size Limit	25	10	Numbers larger than 20 are discouraged due to capacity restraints.	10	
Free group (first riders free)	10	10	15	10	10
Fare	Please Call 781-4472			\$20 for 16-ride card	\$15 for 11-ride pass
Chaperones (up to 2)	Pay when the group exceeds the free size.				

ADVANCE NOTICE //

To ease communication and manage passenger loads, we ask that groups give advance notice in these possible ways:

- Summer Camps provide transportation plans to Rideshare by **4/22/15** in writing. Plans must include origin, destination, travel times, transit operator(s) to be used and estimate of number of individuals traveling in the group. Group leaders should also notify the transit agency if they plan to make changes to their calendar after such date.
- Contact the transit operator(s) and let them know if they wish to use the transit service at least **5 business days** in advance.
- If there has been any trip changes that deviate from the transportation plan related to origin, destination, travel times, transit operator(s) to be used and group size, please call the transit operator you will be using at least **1 hour** prior to boarding the bus.

CONTACT INFORMATION FOR ALL OPERATORS:

- **RTA/Paso Express/South County Transit:** 541-2228
- **SLO Transit:** 541-2877
- **Morro Bay Transit:** 772-2744 *between 8-10 AM*

TRAINING //

Rideshare and all transit providers ask groups planning to use the Youth Ride Free program to attend two (2) travel/trip planning trainings – one for their staff and another for youth participants to ensure successful participation in the program. Training will cover key actions: *Bus etiquette* such as letting seniors/persons with disabilities have a space off the passageway and at the front of the bus, how to signal a bus when waiting at a stop, how/when to notify the driver of the plan to get off the bus, how to use fare media, boarding and exiting and how/when to ask the driver destination questions, etc.

Contact Sara Sanders, Rideshare Program Coordinator, with questions and travel plans at 781-1385 or ssanders@rideshare.org.

Year-by-Year Comparison of Free/Discounted Fares for SCT, RTA, SLO Transit & Paso Express

Measure	FY11-12				FY12-13				FY13-14			
	SCT	RTA	SLO Transit ¹	Paso Express ¹	SCT	RTA	SLO Transit ¹	Paso Express ¹	SCT	RTA	SLO Transit ¹	Paso Express ¹
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Runabout ADA (free)	0.8%	0.6%	N/A	N/A	1.0%	0.8%	N/A	N/A	1.0%	0.8%	N/A	N/A
VIP Age 80+ (free) ²	3.3%	0.6%	0.8%	3.3%	2.8%	0.5%	0.8%	2.5%	2.9%	0.6%	0.9%	2.4%
Summer Youth Ride Free	9.2%	4.5%	0.6%	N/A	8.5%	5.3%	1.3%	6.4%	4.3%	3.4%	1.3%	4.4%
Combined Free	13.3%	5.7%	5.4%	3.3%	12.4%	6.7%	6.1%	8.9%	8.2%	4.8%	6.6%	6.9%
Combined Discount Fares	20.0%	23.9%	8.9%	0.0%	19.4%	25.9%	12.5%	0.0%	20.3%	27.1%	13.6%	0.0%
Combined Free & Discounted	33.3%	29.6%	14.3%	3.3%	31.8%	32.6%	18.6%	8.9%	28.5%	31.9%	20.2%	6.9%

Note 1: Neither SLO Transit nor Paso Express recorded Discounted 31-Day Regional Passes vs. Regular 31-Day Regional Passes separately. Paso Express also added very young children (that ride free with paying adult) in the VIP total.
 Note 2: Paso Express added very young children (that ride free with paying adult) in the VIP total.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2014

STAFF REPORT

AGENDA ITEM: C-13

TOPIC: Amended Contract with Executive Director

ACTION: Approve

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Adopt

BACKGROUND/DISCUSSION:

During the recent employee review process, the Executive Director met with the Executive Committee and RTA Board. The amended contract is attached.

Staff Recommendation

Staff recommends authorizing the RTA Board to approve the amended the contract for the Executive Director.

**EXECUTIVE DIRECTOR EMPLOYMENT CONTRACT
BETWEEN SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
AND GEOFF STRAW**

THIS CONTRACT entered into this ____ day of ~~June, 2014~~ May, 2015 by and between the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (hereinafter referred to as “SLORTA”) and GEOFF STRAW (hereinafter referred to as “Employee”).

WITNESSETH

WHEREAS, SLORTA desires to continue the employment of Geoff Straw as Executive Director of the San Luis Obispo Regional Transit Authority; and

WHEREAS, Geoff Straw desires to serve as the Executive Director of the San Luis Obispo Regional Transit Authority pursuant to the provisions of this Contract; and

WHEREAS, the Board of Directors, as appointing authority, and Geoff Straw desire to specify in a contract as to the terms and conditions of Geoff Straw’s continuing employment as Executive Director.

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

1. Employment. SLORTA hereby engages Employee as Executive Director of SLORTA, and Employee hereby agrees to perform for SLORTA the services hereinafter set forth for the compensation and benefits hereinafter set forth, all pursuant to the terms and conditions herein.

2. Scope of Services. Pursuant to this Contract, Employee shall perform all functions and duties of the Executive Director, as specified in the SLORTA Joint Powers Agreement, and such other legally permissible and proper duties and functions as may be assigned by the Board of Directors.

3. Employment Status. Employee will be eligible for membership in any and all benefits from any group plan for hospital, surgical, or medical insurance provided to SLORTA employees, as well as being eligible for membership in any retirement program, or for such other job benefits accruable to an employee in the classified service of SLORTA.

Employee understands and agrees that his term of employment is governed only by this Contract, that no right of tenure is created hereby, that he serves SLORTA as an “at-will” employee, and is exempt from the provisions of the Federal Fair Labor Standards Act (FLSA).

4. Term of Contract. This Contract shall commence on the ~~30th~~^{6th} day of ~~June,~~ ~~2014~~ May 2015 and shall continue until terminated by either party in accordance with the provisions set forth herein. This Contract replaces the original employment contract entered into between SLORTA and Employee in January, 2012, and all subsequent amendments thereto.

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5. Compensation. SLORTA shall pay to Employee as compensation in full for all services performed by Employee pursuant to this Contract an annual salary of ~~\$124,512~~ \$127,625 per year, consisting of ~~a \$120,885 base salary and a 3.25%~~ merit increase over the existing contract of ~~\$3,627~~ \$3,113, payable in increments compatible with SLORTA’s payment of other employees. The effective date of this salary shall be January 4, ~~2014~~ 2015. ~~Thereafter, any annual salary adjustment shall be effective the last pay period of July.~~ A salary adjustment shall be determined by the SLORTA Board of Directors ~~considering the results of an initial six month performance evaluation, as specified in Section 9, and~~ annually thereafter.

6. Other Supplemental Benefits.

a. Vacation, Holidays, Sick, Administrative Leave, and Jury Duty.

Employee shall be entitled to accrue up to twelve (12) vacation days annually accrued at the rate of 3.69 hours per pay period, and one (1) additional day per year, in accordance with the RTA

Vacation Accrual Rate Table, up to a maximum of twenty (20) vacation days annually. Vacation may be carried over to a maximum of two years of entitlement.

Employee shall be entitled to thirteen (13) holidays per year as specified in accordance with a holiday schedule for the San Luis Obispo Regional Transportation Authority as approved by the Board of Directors.

Employee shall be entitled to accrue up to twelve (12) sick days of paid sick leave per year, at an accrual rate of 3.69 hours per pay period, with a maximum accrual of 260 days.

Employee shall further be entitled to compensation at the end of employment for all unused vacation time and for 1/2 of the accrued sick leave up to a maximum of 180 days.

Employee is also entitled to paid administrative leave of up to six (6) days per year.

Employee shall be further entitled to leave of absence with pay for jury duty, provided all jury fees shall be paid to the County Treasurer on behalf of SLORTA.

b. Retirement. SLORTA agrees to provide to Employee the California Public Employees Retirement Systems's (CALPERS) "2% at Age 55" Plan, and "One-Year Final Compensation" provision, as approved by the Board of Directors for all SLORTA employees. SLORTA further agrees to pay the Employee's full contribution to PERS. These amounts paid by SLORTA are the Employee contributions and are paid by SLORTA to satisfy the Employee's obligation to contribute the current percentage of salary to PERS.

c. Medical, Dental and Vision. SLORTA agrees to provide 100% of the premium towards the SLORTA approved medical health program for purposes of health coverage, dental, and vision insurance premiums for the Employee and all eligible family members. Medical coverage is to be provided through the PERS Health Care Services Division; and Dental and Vision is to be provided privately. Should Employee wish to increase health care coverage with CALPERS, the premium difference will be the Employee's sole responsibility,

and will be paid on a pre-tax basis. The medical health care allowance shall be automatically adjusted throughout the term of this Agreement to be equivalent to the allowance provided to all other SLORTA employees.

d. Disability and Life Insurance. SLORTA shall provide the following insurance benefits: (1) Long-term disability insurance providing 2/3 of gross monthly salary to age 65 for any sickness or accident after a 90-day waiting period up to a maximum salary of \$4,500; and (2) \$100,000 term life insurance.

e. Private Vehicle Use, Automobile Allowance, and Transit Pass. SLORTA shall reimburse Employee at such rate as is adopted by the Board of Directors for the use of a private vehicle on “authorized agency business” conducted “outside the County of San Luis Obispo.” Employee agrees to carry all necessary vehicle insurance. Employee shall also be entitled to four-hundred (\$400) dollars per month as an automobile allowance, and shall further be entitled to a Monthly Regional Transit Pass.

f. Severance pay. If Employee is terminated by the Board of Directors while still willing and able to perform the duties of Executive Director, SLORTA agrees to pay Employee, in addition to any other amounts that may be due Employee at the time of separation of employment, a lump sum cash payment equal to three (3) months salary, retirement and insurance benefits covered by this Contract, or a continuation of salary and benefits for a period of three (3) months, the particular method to be negotiated at the time of separation.

However, if Employee is terminated pursuant to the provisions of Paragraph 8 of this Contract, then SLORTA shall have no obligation to pay the severance set forth herein.

g. Social Security and Deferred Compensation. SLORTA shall provide the employer contribution to the federal Social Security Program, and shall also provide \$200 per pay period into a private deferred compensation program established by SLORTA for Employee.

h. General Expenses. Employee shall be permitted to attend relevant conferences, seminars, and other such meetings, the reasonable cost of which shall be paid by SLORTA. SLORTA shall reimburse Employee in accordance with its customary expense reimbursement policies and procedures for expenses incurred by Employee in the execution of his duties under this Contract.

i. Other Benefits. Employee, as Executive Director, shall be entitled to an agency cell phone for continual access in the execution of his duties under this Contract. Employee shall also be entitled to enjoy such other benefits that SLORTA may establish in the future for its employees.

7. Termination of Contract for Convenience. Either party may terminate this Contract at any time by giving to the other party fourteen (14) days written notice of such termination specifying the effective date of such termination. Termination shall have no effect upon the rights and obligations of the parties arising out of transactions occurring prior to the effective date of such termination. Employee shall be paid for all work satisfactorily completed prior to the effective date of such termination and for all unused vacation time, and ½ of accrued sick leave accrued to date of termination as specified in section 6(a). However, employee shall only be entitled to Severance Pay, as identified in paragraph 6f, upon “Termination of Contract for Convenience” by action taken by the SLORTA Board of Directors.

8. Termination of Contract for Cause. If Employee fails to fulfill in a timely and professional manner any obligations under this Contract, SLORTA shall have the right to terminate this Contract effective immediately upon giving written notice thereof to Employee. Termination of this Contract under the provisions of this paragraph 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. In the event of termination, Employee shall be paid for all

work satisfactorily completed prior to the effective date of such termination, all unused vacation time, all benefits or prorated portions thereof through the date of termination, and all reimbursed Employee expenses pursuant to paragraph 6(h) therein. However, Employee shall not be entitled to any severance pay.

9. Performance Evaluation. SLORTA shall evaluate Employee's performance annually as set forth in the adopted Executive Director Performance Evaluation Process, and described in Section 5, and shall establish, with the Employee, performance goals, and objectives for the ensuing year. The performance evaluation shall be facilitated with the assistance of legal counsel and shall be performed by the SLORTA Board of Directors and SLORTA staff.

10. Modification. This Contract 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.

11. Non-Assignment of Contract. This Contract is intended to secure the unique and individual services of the Employee and thus Employee shall not assign, transfer, delegate, or sublet this Contract or any interest herein.

12. 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.

13. 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.

14. Nondiscrimination. There shall be no discrimination against any person employed pursuant to this Contract in any manner forbidden by law.

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

16. Findings Confidential. No reports, maps, information, documents, or any other materials given to or prepared by Employee under this Contract shall become the property of Employee, nor shall be made available to any individual or organization by Employee without the approval of the SLORTA.

IN WITNESS WHEREOF, SLORTA and Employee have executed this Contract on the day and year first hereinabove set forth.

GEOFF STRAW

~~SHELLY HIGGINBOTHAM~~ DEBBIE ARNOLD, President

ANNA MAFORD-LACY, Recording Secretary

APPROVED AS TO FORM AND LEGAL EFFECT

TIMOTHY McNULTY, SLORTA Legal Counsel

Dated: _____