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www.slorta.org

RTA BOARD AGENDA

Wednesday, January 7, 2026 at 9:30 AM

(Start time is approximate, immediately following SLOCOG Meeting)

**BOARD OF SUPERVISORS' CHAMBERS
COUNTY GOVERNMENT CENTER
1055 Monterey Street, San Luis Obispo, California 93401**

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

President:

John Peschong (First District – SLO County)
Bruce Gibson (Second District – SLO County)
Dawn Ortiz-Legg (Third District – SLO County)
Jimmy Paulding (Fourth District – SLO County)
Heather Moreno (Fifth District – SLO County)
Aileen Loe (Arroyo Grande)

Board Members:

Vice President:

Heather Newsom (Atascadero)
Cassi Dee (Grover Beach)
Carla Wixom (Morro Bay)
Fred Strong (Paso Robles)
Ed Waage (Pismo Beach)
Erica A. Stewart (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) by contacting the RTA offices at (805)541-2228 x4833. Please note that 48 hours advance notice will be necessary to honor a request.

RTA, de acuerdo con la Ley de Estadounidenses con Discapacidades (ADA), acomodará a las personas que requieran una modificación de la adaptación para participar en esta reunión. RTA también se compromete a ayudar a las personas con dominio limitado del inglés a acceder a los servicios públicos esenciales de la agencia y a la información pública en español. Para solicitar una adaptación, por favor llame al (805)541-2228 x4833. Requerimos al menos 48 horas de anticipación para proporcionar adaptaciones razonables.

CALL MEETING TO ORDER, ROLL CALL

PUBLIC COMMENT: The Board reserves this portion of the agenda for members of the public to address the San Luis Obispo Regional Transit Authority 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.

EMPLOYEE RECOGNITION: 10 Years of Service Certificate of Recognition: Sean Shealy

A. CONSENT AGENDA:

- A-1 RTA Executive Committee Meeting Draft Minutes December 10, 2025 (Information)
- A-2 RTA Board Meeting Minutes of November 5, 2025 (Approve)
- A-3 Annual Single Audit (Accept)
- A-4 FTA 5307, 5339 & CMAQ Grant Programs Administration (Adopt Resolution)
- A-5 FTA 5311 Grant Application (Adopt Resolution)
- A-6 Low-Carbon Transit Operations Program Grant Application (Adopt Resolution)
- A-7 SB-1 State of Good Repair Grant Application (Adopt Resolution)

- A-8 FTA Annual Certifications and Assurances (Authorize)
- A-9 4th Annual Bus Maintenance Facility CEQA Mitigations Monitoring Report (Receive)
- A-10 Award of Auction Services Agreement to JJ Kane (Approve)
- A-11 Award of Dispatch Software Contract to Ecolane (Approve)

B. INFORMATION AGENDA:

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

C. ACTION AGENDA:

- C-1 Agreement between the RTA and Teamsters Local 986 (Approve)

D. CLOSED SESSION:

PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov. Code § 54957(b)):

Title: Executive Director

Agency designated representative: Jenna Morton

Unrepresented employee: Geoff Straw, Executive Director

BOARD MEMBER COMMENTS

The next regularly scheduled RTA Board meeting is scheduled for March 4, 2026



San Luis Obispo Regional Transit Authority

Executive Committee Meeting

Draft Minutes 12/10/2025

A-1

Members Present: Jimmy Paulding, District 4 Supervisor, **President**
Fred Strong, City of Paso Robles, **Past President**

Members Absent: Carla Wixom, City of Morro Bay, **Vice President**

Staff Present: Geoff Straw, RTA Executive Director
Tania Arnold, RTA Deputy Director/CFO
Anthony Kalvans, RTA Administrative Assistant
Jenna Morton, RTA Counsel

Public Present: Aida Nicklin SLOCOG Administrative Assistant

1. **Call to Order and Roll Call:** **President Paulding** called the meeting to order at 11:53 a.m. and roll call was taken. A quorum was present.
2. **Public Comment:**
There was no public comment given.
3. **Closed Session:** Cancelled
4. **Open Session: RTA Legal Counsel Reports Out:** N/A
5. **Consent Items**
A-1 Executive Committee Meeting Minutes of August 13, 2025 (Approve)

Public Comment:

There was no public comment given.

Mr. Strong motioned to approve, seconded by **Mr. Paulding**. There was unanimous consensus of those present to approve the meeting minutes as is.

BOARD MEMBER
JIMMY PAULDING
FRED STRONG
CARLA WIXOM

YES
X
X

NO

ABSENT

X

6. **Information Items:**

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

Mr. Straw said that the next five electric buses have arrived at the RTA facility. He also noted that at a recent conference some transit agencies are pushing back on the California Air Resources Board's Innovative Clean Transit fleet rule because of reliability issues with electric buses.

7. **Action Items:**

There were no actions items for the committee to consider.

8. **Review of Draft January 7, 2026 Draft RTA Board Agenda:**

Mr. Straw presented the draft agenda and said that staff is considering piggybacking on the February 2026 SLOCOG Board Meeting. In addition, Mr. Straw said that item B-2 may get pushed back to the March 2026 RTA Board Meeting.

Public Comment:

There was no public comment given.

Mr. Strong and Mr. Paulding gave consent to approve the draft agenda.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
JIMMY PAULDING	X		
FRED STRONG	X		
CARLA WIXOM			X

9. **Executive Committee Member Comments and Adjournment**

Mr. Strong and **Mr. Paulding** both thanked staff for their hard work.

The meeting was adjourned at 11:59 AM.

Next RTA Executive Committee Meeting: **February 11, 2026**

Respectfully Submitted,

Acknowledged by,

Anthony Kalvans
Administrative Assistant

Jimmy Paulding
RTA Board President 2025

DRAFT
SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
BOARD MEETING MINUTES OF DECEMBER 10, 2025
A-2

BOARD MEMBERS PRESENT:

KASSI DEE, CITY OF GROVER BEACH
AILEEN LOE, CITY OF ARROYO GRANDE
HEATHER MORENO, FIFTH DISTRICT, COUNTY OF SAN LUIS OBISPO
HEATHER NEWSOM, CITY OF ATASCADERO
JIMMY PAULDING, FOURTH DISTRICT, COUNTY OF SAN LUIS OBISPO (President)
DAWN ORTIZ-LEGG, THIRD DISTRICT, COUNTY OF SAN LUIS OBISPO
ERICA A. STEWART, CITY OF SAN LUIS OBISPO
FRED STRONG, CITY OF PASO ROBLES (Past President)
ED WAAGE, CITY OF PISMO BEACH

BOARD MEMBERS ABSENT:

BRUCE GIBSON, SECOND DISTRICT, COUNTY OF SAN LUIS OBISPO
JOHN PESCHONG, FIRST DISTRICT, COUNTY OF SAN LUIS OBISPO
CARLA WIXOM, CITY OF MORRO BAY (Vice President)

STAFF PRESENT:

GEOFF STRAW, EXECUTIVE DIRECTOR
TANIA ARNOLD, DEPUTY DIRECTOR/CFO
JENNA MORTON, SAN LUIS OBISPO COUNTY COUNSEL
ANTHONY KALVANS, ADMINISTRATIVE ASSISTANT

CALL MEETING TO ORDER, ROLL CALL: President Paulding called the meeting to order at 11:36 AM. Roll call was taken, and a quorum was present.

PUBLIC COMMENT:

There were no public comments regarding items not on the agenda.

A. CONSENT AGENDA:

There were no items on the consent agenda.

B. INFORMATION AGENDA:

There were no informational items on the agenda.

C. ACTION AGENDA:

There were no action items on the agenda to consider.

D. CLOSED SESSION ITEMS: CONFERENCE WITH LEGAL COUNSEL

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

Public Comment:

Mr. Eric Greening said he wanted to thank the RTA Bus Operators for getting him to various meetings around the count safely and said they deserve to be well compensated.

The Board adjourned to closed session at 11:39 AM.

The Board reconvened from closed session at 11:49 AM

Ms. Morton said that there was no reportable action.

E. BOARD MEMBER COMMENTS:

There were no Board comments given.

The meeting was adjourned at 11:50 AM.

Next regularly scheduled RTA Board meeting is **January 7, 2026.**

Respectfully Submitted,

Acknowledged by,

Anthony Kalvans, Administrative Assistant

Jimmy Paulding, RTA President 2025

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: A-3

TOPIC: Annual Single Audit

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Review and Accept the FY2024-25 Annual Single Audit Report

BACKGROUND/DISCUSSION:

As noted at the November 5, 2025 Board meeting, the Transportation Development Act (TDA) requires an *Annual Fiscal and Compliance Audit* be completed of each TDA recipient. In addition, based on the amount of Federal funds awarded to the RTA last fiscal year, we are required to complete a *Single Audit*.

At the November meeting, staff provided the *Annual Fiscal and Compliance Audit* report, which was completed by Brown Armstrong Accountancy Corporation. The field work for the *Single Audit* report was completed, but they were unable to complete the report due to the delay in the 2025 Compliance Supplement from the United States Office of Management and Budget. Traditionally the *Annual Fiscal and Compliance Audit* is provided to the Board at the same time as the *Single Audit*, but with the delay in when the audit firm was be able to finalize the *Single Audit*, staff did not want to delay the release of the financial results. Since that time, the OMB released the 2025 Compliance Supplement and the audit firm was able to complete the attached *Single Audit*.

Of particular interest to Board members are the three letters at the beginning of the *Single Audit* report, which include the auditor findings as a result of their field work. They are:

- Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Basic Financial Statements Performed in Accordance with Government Auditing Standards – the results of the audit tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards
- Independent Auditor's Report on State Compliance – the RTA complied, in all material respects, with the compliance requirements that are applicable to the RTA for the fiscal year ended June 30, 2025
- Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance –

the RTA complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2025

Staff Recommendation

Review and accept the Fiscal Year 2024-25 Annual Single Audit report.

**SAN LUIS OBISPO REGIONAL
TRANSIT AUTHORITY**

SINGLE AUDIT REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JUNE 30, 2025

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF THE BASIC FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
San Luis Obispo Regional Transit Authority
San Luis Obispo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the San Luis Obispo Regional Transit Authority (the Authority), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 10, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material

effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
October 10, 2025

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Directors
San Luis Obispo Regional Transit Authority
San Luis Obispo, California

Report on Compliance with Transportation Development Act Requirements

We have audited the San Luis Obispo Regional Transit Authority's (the Authority) compliance with Transportation Development Act (TDA) requirements that funds allocated to and received by the Authority were expended in conformance with applicable statutes, rules, and regulations of the TDA and the allocation instructions and resolutions of San Luis Obispo Council of Governments as required by Section 6667 of Title 21, Division 3, Chapter 2, Article 5.5 of the California Code of Regulations during the fiscal year ended June 30, 2025.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the applicable statutes, rules, and regulations of the TDA.

Auditor's Responsibility

Our responsibility is to express an opinion on each of the Authority's compliance requirements referred to in Section 6667, which requires that for a transit claimant, the independent auditor will perform at least the following tasks:

- a) Determine whether the claimant was an entity eligible to receive the funds allocated to it;
- b) Determine whether the claimant is maintaining its accounts and records on an enterprise fund basis and is otherwise in compliance with the uniform system of accounts and records adopted by the State Controller, pursuant to Public Utilities Code Section 99234;
- c) Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with those sections of the TDA specifying the qualifying purposes, including Public Utilities Code Sections 99262 and 99263 for operators receiving funds under Article 4; Sections 99275, 99275.5, and 99277 for Article 4.5 claimants; Section 99400(c), (d), and (e) for Article 8 claimants for service provided under contract; and Section 99405(d) for transportation services provided by cities and counties with populations of less than 5,000;
- d) Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with the applicable rules, regulations, and procedures of the transportation planning agency and in compliance with the allocation instructions and resolutions;
- e) Determine whether interest earned on funds received by the claimant pursuant to the TDA were expended only for those purposes for which the funds were allocated in accordance with Public Utilities Code Sections 99234.1, 99301, 99301.5, and 99301.6;
- f) Verify the amount of the claimant's operating cost for the fiscal year, the amount of fare revenues required to meet the ratios specified in Sections 6633.2 and 6633.5, and the amount of the sum of fare revenues and local support required to meet the ratios specified in the Section 6633.2;

- g) Verify the amount of the claimant's actual fare revenues for the fiscal year;
- h) Verify the amount of the claimant's actual local support for the fiscal year;
- i) Verify the amount the claimant was eligible to receive under the TDA during the fiscal year in accordance with Sections 6634 and 6649;
- j) Verify, if applicable, the amount of the operator's expenditure limitation in accordance with Section 6633.1;
- k) In the case of an operator, determine whether the operator's employee retirement system or private pension plan is in conformance with the provisions of Public Utilities Code Sections 99271, 99272, and 99273;
- l) In the case of an operator, determine whether the operator has had a certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, as required in Public Utilities Code Section 99251;
- m) In the case of an operator, verify, if applicable, its State Transit Assistance eligibility pursuant to Public Utilities Code Section 99314.6 or 99314.7; and
- n) In the case of a claimant for community transit services, determine whether it is in compliance with Public Utilities Code Sections 99155 and 99155.5.

Compliance with the requirements referred to above is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

Opinion on Transportation Development Act Compliance

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that are applicable to the Authority for the fiscal year ended June 30, 2025.

Purpose of this Report

The purpose of this report on compliance is solely to describe the scope of our testing of compliance and the results of that testing based on the requirements of the TDA, and not to provide an opinion on the effectiveness of the Authority's compliance with the applicable bond act and state accounting requirements. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
October 10, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
San Luis Obispo Regional Transit Authority
San Luis Obispo, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited San Luis Obispo Regional Transit Authority's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the fiscal year ended June 30, 2025. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Authority, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated October 10, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 1, 2025

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Assistance Listing Number	Identifying Number	Total Federal Expenditures
<u>U.S. Department of Transportation</u>			
Direct:			
FTA Section 5307 - Capital Assistance (Vehicle Replacement)	20.507	CA-2016-064-01	\$ 515
FTA Section 5307 - Capital Assistance (Bus Stop Improvements)	20.507	CA-2016-065-13	21,484
FTA Section 5307 - Capital Assistance (Bus Stop Improvements)	20.507	CA-2016-065-11	20,629
FTA Section 5307 - Capital Assistance (Bus Stop Improvements)	20.507	CA-2017-100-11	3,907
FTA Section 5307 - Capital Assistance (Maintenance tools)	20.507	CA-2019-082-03	1,285
FTA Section 5307 - Capital Assistance (ADA Vehicles)	20.507	CA-2020-283-02	58,029
FTA Section 5307 - Capital Assistance (Maintenance tools)	20.507	CA-2020-083-03	8,751
FTA Section 5307 - Capital Assistance (Capital Assistance)	20.507	CA-2020-283-04	6,225
FTA Section 5307 - Capital Assistance (Rolling Stock)	20.507	CA-2021-161-03	77,600
FTA Section 5307 - Capital Assistance (Maintenance tools)	20.507	CA-2021-161-04	5,399
FTA Section 5307 - Capital Assistance (Planning)	20.507	CA-2022-216-05	73,052
FTA Section 5307 - Capital Assistance (Bus Stop Improvements)	20.507	CA-2022-216-06	18,846
FTA Section 5307 - Capital Assistance (Vehicle Replacement)	20.507	CA-2022-216-08	33,642
FTA Section 5307 - Capital Assistance (Vehicle Replacement)	20.507	CA-2022-216-09	7,546
FTA Section 5307 - Capital Assistance (Capital Assistance)	20.507	CA-2023-195-03	9,591
FTA Section 5307 - Capital Assistance (Support Vehicle Replacement)	20.507	CA-2023-205-08	5,073
FTA Section 5307 - Capital Assistance & Ops Assist FY 14/15 (Bus Stop Impr)	20.507	CA-90-Z272	26,298
FTA Section 5307 - Operating Assistance	20.507	CA-2025-071-01	2,083,000
FTA Section 5307 - Operating Assistance	20.507	CA-2025-160-01	840,000
FTA Section 5307 - Operating Assistance	20.507	CA-2025-071-01	356,500
FTA Section 5307 - Operating Assistance	20.507	CA-2025-071-01	944,460
FTA Section 5307 - Operating Assistance	20.507	CA-2024-183-00	35,540
Total FTA Section 5307			4,637,372
Total Federal Transit Cluster			4,637,372
FTA Section 5339 - Capital Assistance (Rolling Stock)	20.509	CA-2022-205-01	52,504
FTA Section 5339 - Capital Assistance (Rolling Stock)	20.509	CA-2023-195-01	171,770
FTA Section 5339 - Capital Assistance (Rolling Stock)	20.509	CA-2023-195-04	61
FTA Section 5339 - Capital Assistance (BMF)	20.509	CA-2020-040-01	42,754
Total FTA Section 5339			267,089
Passed Through the State of California Department of Transportation:			
FTA Section 5311 - Operating Assistance	20.509	64BA24-02492	783,423
Total FTA Section 5311			783,423
Total U.S. Department of Transportation			5,687,884
Total Expenditures of Federal Awards, Excluding Federal Loan Balances			<u>\$ 5,687,884</u>
Federal Loan Balances Carried Forward from Prior Year			
Transportation Infrastructure Finance and Innovation Act (TIFIA) Program	20.223		\$ 11,960,910
Total Federal Loan Balances			11,960,910
Total Expenditures of Federal Awards, Including Federal Loan Balances			<u>\$ 17,648,794</u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 – SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The accompanying Schedule of Expenditures of Federal Awards (Schedule) presents the activity of all Federal award programs of the San Luis Obispo Regional Transit Authority (the Authority). All Federal awards received directly from Federal agencies as well as Federal awards passed through from other government agencies are included on the Schedule.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying Schedule is presented using the accrual basis of accounting, which is described in Note 2 of the Authority's financial statements.

NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS

Federal award monies are reported in the Authority's financial statements as revenues from Federal operating and capital assistance grants.

NOTE 4 – INDIRECT COST RATE

The Authority did not elect to use the 10 percent de minimus indirect cost rate.

NOTE 5 – LOANS OUTSTANDING

The following program had federally-funded loans outstanding at June 30, 2025:

Assistance Listing Number	Program Title	Amount Outstanding					June 30, 2025
		July 1, 2024	New Loans	Loan Payments	Forgiven		
20.223	TIFIA	\$ 11,960,910	\$ -	\$ -	\$ -		\$ 11,960,910

FINDINGS AND QUESTIONED COSTS SECTION

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness identified?

____ Yes X No

Significant deficiencies identified that are not considered
to be material weaknesses?

____ Yes X None reported

Noncompliance material to financial statements noted?

____ Yes X No

Federal Awards

Internal control over major federal programs:

Material weakness identified?

____ Yes X No

Significant deficiencies identified that are not considered
to be material weaknesses?

____ Yes X None reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in
accordance with the Uniform Guidance, under 2 CFR §200.516(a)?

____ Yes X No

Identification of major programs:

Assistance Listing Number

Name of Federal Program or Clusters

20.507

Federal Transit – Formula Grants (Urbanized Areas
Formula Program)

Dollar threshold used to distinguish Type A and B programs:

\$750,000

Auditee qualified as low risk auditee?

X Yes ____ No

II. Findings Relating to Financial Statement Required Under Generally Accepted Government Auditing Standards (GAGAS)

None.

III. Federal Award Findings and Questioned Costs

None.

IV. State Award Findings and Questioned Costs

None.

V. Summary of Prior Audit (June 30, 2024) Findings and Current Status

None.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA)

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: A-4

TOPIC: FTA 5307, 5339 & CMAQ Grant Programs
Administration

PRESENTED BY: Melissa Mudgett, Grants and Financial Manager

STAFF RECOMMENDATION: Adopt Resolution Seeking Continued Access to
TRAMS in Order to Administer FTA Section 5307,
5339 and CMAQ Grants

BACKGROUND/DISCUSSION:

The cities of Atascadero and Paso Robles and certain limited populations of unincorporated northern San Luis Obispo County areas were designated again as an “urbanized area” based upon the results of the 2020 US Census. In addition, the cities of Arroyo Grande, Grover Beach and Pismo Beach and certain limited populations of unincorporated southern San Luis Obispo County areas were designated again as an urbanized area based on the results of the 2020 US Census. The transit agencies in these two small urbanized areas and the San Luis Obispo Council of Governments developed two Operators Agreements relative to the governance and transit planning needs as they relate to Federal Transit Administration (FTA) Sections 5307, 5339 and CMAQ funding eligibility. These Agreements allow the transit agencies to use these FTA funding sources for capital, operating, and planning assistance. However, the FTA requires that there be a single “grant recipient” who will perform grant administration activities for each urbanized area. For the benefit of all transit agencies included in these two small urbanized areas, the RTA has served the role of Grant Recipient.

For the RTA to continue serving as the administrator of FTA Sections 5307, 5339 and CMAQ grant funding on behalf of the cities of Atascadero and Paso Robles, as well as for South County Transit, FTA requires the RTA (serving as the Grant Recipient) to have access to the electronic grants management program known as Transit Award Management System (TrAMS). The attached resolution grants the RTA Executive Director or designee access to TrAMS to administer FTA Sections 5307, 5339 and CMAQ grants based on the Operators Agreement between SLOCOG, the cities of Atascadero and Paso Robles, and the RTA, as well as the Operator Agreement between SLOCOG, South County Transit and the RTA.

STAFF RECOMMENDATION:

Adopt Resolution seeking continued access to TRAMS in order to administer FTA Sections 5307, 5339 and CMAQ grants.

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
RESOLUTION NO. 26-_____**

**A 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 the RTA to provide the local share of the project cost; and

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

WHEREAS, the RTA as the Grantee will file and execute applications on behalf of the cities of Atascadero and El Paso de Robles, the San Luis Obispo Council of Governments (SLOCOG), and for South County Transit, as sub-recipients of FTA Section 5307, 5339, and Congestion Mitigation and Air Quality (CMAQ) 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, 5339, and CMAQ transferred and administered as 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 the RTA.

On 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 at a regular meeting of said Board of Directors held on the 7th day of January 2026.

President of the RTA Board of Directors

ATTEST:

Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
Jenna Morton, RTA Legal Counsel
County of San Luis Obispo

Date: _____

January 7, 2026

DESIGNATION OF SIGNATURE AUTHORITY
for the
TRANSIT AWARD MANAGEMENT SYSTEM
(TrAMS)

The San Luis Obispo Regional Transit Authority hereby authorizes the Executive Director, the Deputy Director/Chief Financial Officer, the Grants and Financial Manager, and the RTA Legal Counsel to be assigned, and to use a Personal Identification Number (PIN) in TrAMS, 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 and on behalf of San Luis Obispo Regional Transit Authority. This Designation of Signature Authority serves only to authorize the above-referenced persons to take actions in TrAMS; original Certifications and Assurances and original FTA grant agreements must be executed by the Recipient's Designated Official, identified in its Authorizing Resolution, and its legal counsel, unless otherwise delegated in accordance with the Recipient's internal procedures.

Geoff Straw
RTA Executive Director

Jenna Morton
RTA Legal Counsel

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
JANUARY 7, 2026
STAFF REPORT**

AGENDA ITEM: A-5

TOPIC: FTA Section 5311 Grant Application

PRESENTED BY: Melissa C. Mudgett, Grants and Financial Manager

STAFF RECOMMENDATION: Adopt Resolution Authorizing the Executive Director to Submit a Grant application for the Entire Amount of FTA Section 5311 Funds Apportioned in FFY2025-26 for San Luis Obispo County

BACKGROUND/DISCUSSION:

The Federal Transit Administration (FTA) Section 5311 Formula Grants for Rural Areas program, under 49 U.S.C. Chapter 53 as reauthorized under the FAST Act, provides capital, planning, and operating assistance to support public transportation in rural areas with populations of less than 50,000 persons. The Section 5311 funds are administered statewide by the California Department of Transportation (Caltrans).

In prior years, the San Luis Obispo Council of Governments (SLOCOG) and the RTA agreed to program all federal funding from the FTA Section 5311 Program to the RTA. In exchange, SLOCOG programmed a similar amount of Transportation Development Act (TDA) funds for rural transit operators in the county. The resulting Rural Transit Funds (RTF) was used by transit operators that provide public transportation services outside of the three small urbanized areas in San Luis Obispo County. However, with the consolidation of Morro Bay Transit into the RTA, only one transit agency in SLO County remains and there is no longer a benefit of continuing with the RTF program.

In order to be eligible for the Section 5311 funds, the RTA must submit an annual grant application to Caltrans. The grant application must include a resolution, approved by the RTA Board, authorizing submittal of the grant application and authorizing the Executive Director to execute and file all assurances and any other documentation required by Caltrans and the FTA.

Staff is seeking the Board's approval to submit a grant application for the entire amount of FTA Section 5311 funds for the purchase of various materials, supplies, equipment, and/or operations costs for rural bus services. Once adopted, the attached resolution will become part of the grant application for FTA Section 5311 funding to reimburse costs incurred in FFY2025-26.

STAFF RECOMMENDATION

Adopt resolution authorizing the Executive Director to submit a grant application for the entire amount of FTA Section 5311 funds apportioned in FFY2025-26 for San Luis Obispo County.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
RESOLUTION NO. 26-_____**

RESOLUTION AUTHORIZING THE FILING OF APPLICATIONS WITH CALIFORNIA DEPARTMENT OF TRANSPORTATION, AN OPERATING ADMINISTRATION OF THE UNITED STATES DEPARTMENT OF TRANSPORTATION, FOR FEDERAL TRANSPORTATION ASSISTANCE (FTA) FUNDING UNDER FTA SECTION 5311 (49 U.S.C. SECTION 5311) FORMULA GRANTS FOR RURAL AREAS.

WHEREAS, the U. S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration to support operating assistance projects for non-urbanized public transportation systems under Section 5311 of the Federal Transit Act (**FTA C 9040.1F**); and

WHEREAS, the California Department of Transportation (Department) has been designated by the Governor of the State of California to administer Section 5311 grants for transportation projects for the general public for the rural transit and intercity bus; and

WHEREAS, the San Luis Obispo Regional Transit Authority desires to apply for said financial assistance to permit operation of service in San Luis Obispo County; and

WHEREAS, the San Luis Obispo Regional Transit Authority has, to the maximum extent feasible, coordinated with other transportation providers and users in the region (including social service agencies).

NOW, THEREFORE, BE IT RESOLVED that the San Luis Obispo Regional Transit Authority does hereby authorize the Executive Director, to file and execute applications on behalf of San Luis Obispo Regional Transit Authority with the Department to aid in the financing of capital/operating assistance projects pursuant to Section 5311 of the Federal Transit Act (**FTA C 9040.1F**) for the maximum funding available, as amended.

That the Executive Director or designee is authorized to execute and file all certification of assurances, contracts or agreements or any other document required by the Department; and

That the Executive Director or designee is authorized to execute and file such applications, assurances or any other documents for the purpose of complying with Title VI of the Civil Rights Act of 1964 required by the Department in connection with the application for the Section 5311 projects; and

That Executive Director is authorized to submit and approve request for reimbursement of funds from the Department for the Section 5311 project(s).

On a 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 Board of Directors at a regular meeting held on the 7th day of January 2026.

President of the RTA Board of Directors

ATTEST:

Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
Jenna Morton, RTA Legal Counsel
County of San Luis Obispo

Date: _____

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: A-6

TOPIC: Low-Carbon Transit Operations Program Grant Application

PRESENTED BY: Melissa C. Mudgett, Grants and Finance Manager

STAFF RECOMMENDATION: Adopt Resolution Authorizing the Executive Director to Submit a LCTOP Grant Application to Fund FY2027 School Tripper Services and to Enhance Transit Operations in Lower-Income and Disadvantaged Communities Throughout the County.

BACKGROUND/DISCUSSION:

California Senate Bill (SB) 862, passed in 2014, established the Low-Carbon Transit Operations Program (LCTOP) as a formulaic program instead of a state-level competitive program and established LCTOP as a continuous appropriation with 5% of the annual auction proceeds from the California Air Resource Board's cap-and-trade program, for LCTOP beginning in 2015. This program was created to provide operating and capital assistance for transit agencies to support new or expanded bus service and to reduce greenhouse gas emissions and improve mobility along with other community benefits, with a priority on serving lower income and disadvantaged communities (DAC).

Eligible recipients of the LCTOP funds include: SLO Transit, and the services operated by the RTA (regional fixed-routes, Runabout, South County Transit, Paso Express, Atascadero Dial-A-Ride, Nipomo Dial-A-Ride and Morro Bay Transit). Eligible projects will support new, enhanced or expanded bus services (for up to five years) or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions.

The passing of SB840 in September 2025 brought changes to the timing and process of allocating Greenhouse Gas Reduction Funds (GGRF) to the LCTOP program. These changes include the reclassification of the LCTOP program from a Tier II to a Tier III funded program, additional Greenhouse Gas (GHG) auction sales throughout the year that will need to be allocated and distributed to the regions, and the date of annual LCTOP Allocation/Call for Project was moved from February to July.

The San Luis Obispo Council of Governments (SLOCOG) staff has always strived to be transparent and flexible, knowing regional planning agencies and transit operators use LCTOP to fund important community transit projects. As agencies wait for the State to

release the revised LCTOP guidelines with the SB840 changes, SLOCOG has directed that the best approach would be for agencies to submit for LCTOP eligible projects in this current programming cycle and list them in priority order. Any funded LCTOP eligible projects not funded in this current cycle could then be reconsidered in the subsequent call for projects planned to be released in July 2026.

The amount of LCTOP available for the San Luis Obispo County regional and operator apportionments in FY2025-26 has not yet been determined by the State Controller's Office. Based on recent estimates, the total amount of available LCTOP funds available to the RTA for FY2026-27 programming is **\$338,945**. This amount includes a reduction of LCTOP Regional Discretionary funding of -\$147,355 which was previously approved by the SLOCOG Board for its *Regional Fare Subsidy Transit Pass* program.

Staff recommends the application of available LCTOP funds to be used towards the operating costs of new and enhanced transit operations for lower-income and disadvantage communities. LCTOP funding will support continued school tripper services in the cities of Paso Robles and Arroyo Grande. A school tripper service is a regularly scheduled public transit service that is designed to accommodate school students and staff during the academic year. Tripper services are added to certain routes during peak travel times to relieve overcrowding. The tripper services are available to the general public and are coordinated with school bell schedules. LCTOP funds will also support expanded and enhanced transit services of the Nipomo Dial-A-Ride program and RTA fixed-routes to lower-income or disadvantaged communities throughout the county. The breakdown of RTA-proposed projects are identified in the table below.

Table 1: LCTOP FY26-27 Operations Application Breakdown

Priority #	Project Description	Eligibility	Amount
1.	Continued Paso Robles School Tripper Service	Continued Service to Low-Income/DAC	\$ 19,000
2.	Continued Arroyo Grande High School Tripper	Continued Service to Low-Income/DAC	\$ 27,000
3.	Continued Sunday service Route B (Paso Robles)	Continued Service to Low-Income/DAC	\$ 37,000
4.	Continued Route 10 (SLO - Santa Maria) Serving Lower-Income & Disadvantaged communities	Continued Service to Low-Income/DAC	\$190,000
5.	Nipomo Dial-A-Ride Service Expansion	New / Expanded Low-Income/DAC	\$ 65,945

Total LCTOP Funding Request \$338,945

RTA staff requests that the Board authorize any unfunded LCTOP eligible projects listed above in Table 1 be reconsidered in the subsequent LCTOP Call for Projects to be released in July 2026. Should the LCTOP eligible projects listed above be fully funded, the RTA seeks authorization to submit projects for LCTOP FY27-28 operations.

The RTA Board will need to authorize specific projects and amounts allowing staff to apply for these LCTOP grant funds. Since LCTOP funding amounts are still unknown for the July 2026 Call for Projects, staff will return to Board in May 2026 to seek authorization.

Applications for the current LCTOP project nominations are due to SLOCOG on February 6, 2026 with the SLOCOG Board of Directors awarding LCTOP funds at its April 1, 2026 meeting.

STAFF RECOMMENDATION:

Adopt resolution authorizing the Executive Director to submit an LCTOP grant application to fund FY2027 school tripper services, and to enhance transit operations in lower-income and disadvantaged communities throughout the county.

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ATTACHMENT A

Resolution No. 26-_____

**A RESOLUTION OF THE SAN LUIS OBISPO REGIONAL TRANSIT
AUTHORITY BOARD OF DIRECTORS, AUTHORIZATION SUBMITTAL OF A
GRANT APPLICATION TO THE STATE OF CALIFORNIA
LOW-CARBON TRANSIT OPERATIONS PROGRAM
FY2025-26**

WHEREAS, The San Luis Obispo Regional Transit Authority, on behalf of the South County Transit Committee, is an eligible applicant for Low-Carbon Transit Operations Program funds; and,

WHEREAS, it is anticipated that a total of **\$338,945** will be available to the RTA in FY2025-26 Low-Carbon Transit Operations Program funds, following the reduction of previously committed funds; and

WHEREAS, the San Luis Obispo Regional Transit Authority continues to be a leading agency in sustainability efforts and has set significant goals to reduce greenhouse gas (GHG); and

WHEREAS, the San Luis Obispo Regional Transit Authority is seeking grant funding to optimize the use of local TDA funds provided by the various agencies included in the Joint Powers Agency Agreement; and

WHEREAS, the San Luis Obispo Regional Transit Authority is requesting up to **\$338,945** from the Low Carbon Transit Operations Program to fund school tripper services and enhanced transit operations to lower-income and disadvantaged communities throughout the county.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the San Luis Obispo Regional Transit Authority Board of Directors authorizes the Executive Director to submit a proposal to the State of California Low-Carbon Transit Operations Program of up to **\$338,945** to fund FY2027 transit operations that include continued school tripper services and enhanced transit operations, Dial-A-Ride and fixed route services, to lower-income and disadvantaged communities throughout the county of San Luis Obspo.

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

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

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

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted this 7th day of January, 2026.

President of the RTA Board of Directors

ATTEST:

Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
Jenna Morton, RTA Legal Counsel
County of San Luis Obispo

Date: _____

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: A-7

TOPIC: SB-1 State of Good Repair Grant Application

PRESENTED BY: Melissa C. Mudgett, Grants and Financial Manager

STAFF RECOMMENDATION: **Adopt Resolution Authorizing the Executive Director to Submit an SGR Grant Application for \$502,700 to Partially Fund the Replacement of Paratransit ADA Runabout Vehicles and Heavy-Duty Diesel Buses**

BACKGROUND/DISCUSSION:

California Senate Bill 1 (SB-1) is a 2017 transportation measure that provides over \$50 billion through 2027 to maintain and improve California's transportation system. SB-1's State of Good Repair (SGR) program will provide approximately \$105 million annually to transit operators in California for eligible transit maintenance, rehabilitation and capital projects. The SGR is funded from Transportation Improvement Fees on vehicle registrations, as permitted under Public Utilities Code (PUC) Section 99312.1 and according to population and transit operator revenues. The SGR Program benefits the public by providing public transportation agencies with a consistent and dependable revenue source to invest in the upgrade, repair and improvement of their agency's transportation infrastructure, and in turn to improve transportation services.

As a recipient agency and pursuant to Public Utilities Code 99312.1(d)(1), the RTA reports annually on all activities completed with SGR funds to Caltrans and includes the SGR revenues and expenditures in its annual Transportation Development Act fiscal and compliance audit submittal.

The exact amount of regional discretionary and operator SGR are unknown at this time as the State Controller's Office has yet to release the FY2026-27 allocation list. However, based upon previous year allocations, the San Luis Obispo Council of Governments (SLOCOG) anticipates **\$521,890** in SGR regional discretionary funding will be available for programming in FY2026-27.

The RTA Board will need to authorize specific projects and amounts, which will allow staff to apply for these SGR grant funds. The RTA intends to apply **\$502,700** of available SGR funds to serve as the required local match towards the replacement of two (2) 2020 ADA Paratransit Runabout program minivans and three (3) 2015 heavy-duty 40-ft diesel buses that have surpassed their economically useful lives. The SGR regional discretionary funds are a critical funding source necessary to support these planned vehicle replacements.

Priority #	Project Description	Federal 5307	SGR Request (Local Match)	Total
1	Two (2) 2020 ADA Paratransit Minivans	\$148,200	\$37,000	\$185,200
2	Three (3) 2015 heavy-duty 40-ft diesel buses	\$1,863,100	\$465,700	\$2,328,800
Total			\$502,700	

Applications for SGR funding are due to SLOCOG by February 6, 2026. SLOCOG will provide draft recommendations for SGR fund awards in March, with SLOCOG Board adoption scheduled for April 1, 2026.

STAFF RECOMMENDATION:

Adopt Resolution authorizing the Executive Director to submit an SGR grant application for \$502,700 to partially fund two paratransit ADA Runabout vehicles and three 40-ft heavy-duty diesel buses.

Attachment A

San Luis Obispo Regional Transit Authority Resolution No. 26-_____

AUTHORIZATION FOR THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA) PROJECT LIST FOR THE CALIFORNIA STATE OF GOOD REPAIR (SGR) FY2026-27 PROGRAM

WHEREAS, The San Luis Obispo Regional Transit Authority, hereinafter referred to as the RTA, is an eligible recipient of SGR funds in the San Luis Obispo region; and

WHEREAS, it is anticipated that **\$521,890** in SGR regional discretionary funding will be available for programs in FY2026-27 and

WHEREAS, the RTA is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair (SGR) Account now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administrative agency for the SGR; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing SGR funds to eligible project sponsors; and

WHEREAS, the Department requires eligible SGR recipient agencies to submit an annual list of proposed SGR projects; and

WHEREAS, the RTA continues to be a leading agency in sustainability efforts and has set significant goals to reduce greenhouse gas (GHG); and

WHEREAS, the RTA is requesting up to **\$502,700** from the SGR FY2026-27 regional discretionary program funds to partially fund the required local match for two (2) paratransit ADA Runabout vehicles and three (3) 40-ft heavy-duty diesel buses.

NOW, THEREFORE, BE IT RESOLVED that the RTA acting as the recipient, does hereby authorize the FY 2026-27 SGR Project List to include this local vehicle match project.

On a motion by Delegate_____, seconded by Delegate _____, and on the following roll call vote, to wit: the foregoing resolution is hereby adopted this 7th day of January 2026.

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted this 7th day of January 2026.

President of the RTA Board of Directors

ATTEST:

Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
Jenna Morton, RTA Legal Counsel
County of San Luis Obispo

Date: _____

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: A-8

TOPIC: FTA Annual Certifications and Assurances

PRESENTED BY: Melissa Mudgett, Grants and Finance Manager

STAFF RECOMMENDATION: Authorize the Executive Director and RTA Counsel to Execute and Submit the Federal Fiscal Year 2026 Certifications and Assurances

BACKGROUND/DISCUSSION:

Each year, the RTA and the California Department of Transportation (Caltrans) must recertify to the Federal Transit Administration (FTA) that all applicable Federal requirements are adhered to when administering Federal grants. Caltrans serves as the recipient of all formula grants, which are apportioned to grantees like the RTA. To ensure continued compliance and eligibility as a sub-recipient and grantee, the RTA is required to execute and submit the attached Federal Fiscal Year 2026 Certifications and Assurances documentation to both Caltrans and FTA. The RTA fulfills this requirement annually and ensures that these Federal requirements are followed.

Attached to this staff report are the draft letters authorizing the delegation of certain duties to RTA staff members, justification for this delegation, legal opinion of counsel, and the annual certifications and assurances document.

STAFF RECOMMENDATION

Authorize the Executive Director and RTA Counsel to execute and submit the Federal Fiscal Year 2026 Certifications and Assurances.

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253 Elks Lane
San Luis Obispo, CA 93401
(805) 541-2228 Fax (805) 781-1291
www.slorta.org

January 7, 2026

U.S. Department of Transportation
Federal Transit Administration, TRO-9
Attention: Mr. Ray Tellis, Regional Administrator
90 Seventh Street, Suite 15-300
San Francisco, CA 94103-6701

Re: FFY 2026 LEGAL COUNSEL AUTHORIZATION TO PIN IN TRAMS

Dear Mr. Tellis:

I, Jenna Morton, serving as the Legal Counsel for the San Luis Obispo Regional Transit Authority (RTA), authorize Melissa Mudgett (Grants and Finance Manager) and Tania Arnold (Deputy Director/Chief Financial Officer) to PIN Certification and Assurances on my behalf for the RTA as it relates to the administering Federal Transit Administration (FTA) Sections 5307, 5339, 5311 and CMAQ in the TrAMS system.

I have reviewed the FFY2026 Certifications and Assurances submitted by the grantee and apprised the grantee of the FTA's regulatory requirements as described in the Certifications and Assurances.

Please do not hesitate to contact me if you have any further questions.

Sincerely,

Jenna Morton
RTA Legal Counsel



253 Elks Lane
San Luis Obispo, CA 93401
(805) 541-2228 Fax (805) 781-1291
www.slorta.org

January 7, 2026

Federal Transit Administration (FTA)
Mr. Ray Tellis, Regional Administrator
90 Seventh Street, Suite 15-300
San Francisco, CA 94103-6701

Re: RTA EXECUTIVE AUTHORIZATION TO PIN IN TRAMS FFY25

Dear Mr. Tellis:

I, Geoff Straw, serving as the Executive Director for San Luis Obispo Regional Transit Authority (RTA), authorize Melissa Mudgett (Grants & Finance Manager) and Tania Arnold (Deputy Director/Chief Financial Officer) to pin the Federal Fiscal Year 2026 Certification and Assurances on my behalf for the RTA as it relates to the administering Federal Transit Administration (FTA) Sections 5307, 5339, 5311 and CMAQ in the TrAMS system.

I have reviewed the FFY 2026 Certifications and Assurances submitted by the grantee and apprised the grantee of FTA's regulatory requirements as described in the Certifications and Assurances.

Please do not hesitate to contact me if you have any further questions.

Sincerely,

Geoff Straw
RTA Executive Director



253 Elks Lane
San Luis Obispo, CA 93401-5410
(805) 541-2228 Fax (805) 781-1291
www.slorta.org

January 7, 2026

U.S. Department of Transportation
Federal Transit Administration, TRO-9
Attention: Mr. Ray Tellis, Regional Administrator
90 Seventh Street, Suite 15-300
San Francisco, CA 94103-6701

FFY 2026 JUSTIFICATION FOR THE DELEGATION OF AUTHORIZATION TO PIN IN TRAMS

Dear Mr. Tellis:

On January 7, 2026 the Board representing the San Luis Obispo Regional Transit Authority (RTA) authorized the Legal Counsel and the RTA Official to delegate the authority to PIN in TrAMS to the Deputy Director/Chief Financial Officer and the Grants and Finance Manager for the RTA.

The RTA is a small joint-powers authority that provides transit services throughout the county. As a small agency, the RTA contracts with the county of San Luis Obispo for outside legal attorney services. A financial burden of additional legal fees would be incurred by having the attorney set up to PIN in TrAMS. Additionally, the Deputy Director/Chief Financial Officer serves as the RTA Official in his absence and is the primary executive staff responsible for financial matters relating to the RTA.

The RTA respectfully requests the Federal Transportation Administration consider this information and accept this statement and the Board Authorization as valid justification for the delegation of authority to PIN in TrAMS.

Regards,

Geoff Straw,
Executive Director

FORM OF
OPINION OF COUNSEL

January 7, 2026

Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority
253 Elks Lane
San Luis Obispo, CA 93401

RE: Opinion of Counsel - Federal Transit Administration grant applications

Dear Mr. Straw:

As you know, the undersigned below is an attorney at law admitted to practice in the state of California and is legal counsel to San Luis Obispo Regional Transit Authority (the "Applicant"). This communication will serve as the requisite opinion of counsel to be filed with the Federal Transit Administration (FTA), United States Department of Transportation, in connection with the application of the Applicant for Federal transportation assistance authorized by Chapter 53 of title 49, United States Code and other Federal statutes authorizing activities administered by the Federal Transit Administration.

1. The Applicant is authorized by the San Luis Obispo Regional Transit Authority Joint Powers Agreement to own, operate and administer a county-wide public transportation system within the boundaries of the seven incorporated cities and unincorporated County of San Luis Obispo with the concurrence of the metropolitan planning organization (San Luis Obispo Council of Governments).
2. The authority of the Applicant to provide funds for the non-Federal share of Federal assistance for eligible transportation-related activities is set forth in Article IV, Section 1 of the San Luis Obispo Regional Transit Authority Joint Powers Agreement dated April 16, 2013.
3. I have reviewed the pertinent Federal, State, and local laws, and I have concluded that there is no legal impediment to your filing an application for Federal financial assistance for eligible transportation activities. Furthermore, as a result of my examination, I find that there is currently no pending or threatened litigation or other action which might in any way adversely affect the capability of the Applicant to carry out transportation-related activities.
4. The Applicant has received authority from the Designated Recipient (California State Department of Transportation) to apply for and receive Urbanized Area Formula Program assistance authorized by 49 U.S.C. 5307, 5339, 5311, CMAQ and any FTA discretionary funding.

5. The Applicant is hereby advised to seek and file with FTA a new Opinion of Counsel if there is a material change in circumstances affecting the matters contained herein and upon which this Opinion of Counsel is based.

Very truly yours,

Jenna Morton

By: Jenna Morton
RTA Legal Counsel

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: A-9

TOPIC: Bus Maintenance Facility CEQA Mitigations 4th
Annual Monitoring Report

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Receive and File

BACKGROUND/DISCUSSION:

The RTA Board of Directors adopted a Mitigated Negative Declaration (MND) report for the *RTA Bus Maintenance Facility* project on September 6, 2017. The Board also adopted a Mitigation Monitoring/Reporting Program at the same meeting. The City of San Luis Obispo subsequently required the RTA to re-examine the MND due to slight changes to the project that were identified during the design development phase, as well as the need to address the City's Water Resources Status Report that was updated after the RTA certified its MND in 2017. The amended report was submitted to the City in June 2019; no changes to the mitigations monitoring process were included. By issuing building permits, the City accepted the amendments to the RTA's MND.

The MND identified four *Pre-Construction* mitigation measures, ten *During Construction* mitigation measures, and one *Post-Construction/Operations* mitigation measure. As reported to the Board in January 2023, all four *Pre-Construction* and all ten *During Construction* mitigations measures were appropriately implemented, and no further annual reporting is necessary.

Staff also identified at the January 2023 RTA Board meeting that the sole *Post-Construction/Operations* mitigation (see below) was in the process of being fully implemented, and the "No Diesel Idling" signs were posted in February 2023 near the parts delivery door so that delivery drivers are sufficiently notified.

Post-Construction / Operations

AQ-3 Measures to Reduce Operational Idling Emissions

To help reduce the emissions impact from diesel buses and equipment at the proposed facility, RTA will implement the following idling control techniques:

1. *California Diesel Idling Regulations*
 - a. *On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of Regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for*

operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:

- 1. Shall not idle the vehicle's primary diesel engine for greater than 5-minutes at any location, except as noted in Subsection (d) of the regulation; and*
 - 2. Shall not operate a diesel-fueled auxiliary power system (APS) to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when within 1,000 feet of a restricted area, except as noted in Subsection (d) of the regulation.*
- b. Signs must be posted in the designated queuing areas and job sites to remind drivers and operators of the state's 5-minute idling limit.*
 - c. The specific requirements and exceptions in the regulations can be reviewed at the following web sites: <https://ww2.arb.ca.gov/our-work/programs/atcm-to-limit-vehicle-idling> and <https://ww2.arb.ca.gov/sites/default/files/barcu/regact/sbidling/fro.pdf>.*
- 2. Diesel Idling Restrictions Near Sensitive Receptors. In addition to the state required diesel idling requirements, the RTA shall comply with these more restrictive requirements to minimize impacts to nearby sensitive receptors:*
 - a. Diesel idling within 1,000 feet of sensitive receptors shall not be permitted;*
 - b. Use of alternative fueled or electric equipment is recommended as feasible; and Signs that specify the no idling areas must be posted and enforced at the site.*

The RTA continues to fully adhere to the mitigations identified in the *Post-Construction/Operations* section.

As required by our *Policy and Procedures for Environmental Evaluation of RTA Projects* adopted in May 2016, staff will report our compliance with mitigations monitoring annually to the RTA Board for a period of five years. This report represents the fourth required annual report.

STAFF RECOMMENDATION

Receive and file this fourth annual Mitigations Monitoring Report as an information item.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: A-10

TOPIC: Auction Services for Disposal of Surplus Property

PRESENTED BY: Andy Wyly, Maintenance/Facilities Manager

STAFF RECOMMENDATION: Authorize the Executive Director to Execute the Contract for Auction Services to JJ Kane Associates, Inc. at a Price Not-to-Exceed \$50,000.00

BACKGROUND/DISCUSSION:

At its November 5, 2025 meeting, the RTA Board of Directors authorized the RTA Executive Director to solicit proposals from qualified firms to provide third-party auction services for the disposal of surplus property. Following the Board's approval, staff solicited proposals from qualified firms to provide off-site "as-needed" auction services (RFP #2025-06) for the sale of property declared as surplus by Board of Directors through an online RFP/Bidding process (PlanetBids) linked on the RTA's website at <http://www.slorta.org/about-rta/request-for-proposals/>.

The project scope of work included furnishing live auction services for the sale of surplus goods and equipment, including 40' transit buses, cutaway buses, transit vans, pick-up trucks, vehicles, parts, materials, equipment, unclaimed property and related miscellaneous items. Auction services include full-service pickup, transportation, storage, and public auction services (including marketing and advertising, transportation, storage, and preparation of items), and sale/after-sale administration of the following surplus property. Net proceeds from each auction are paid to the RTA within fifteen business days following the auction.

On December 5, 2025, the RTA received two proposals and both were deemed responsive. The RTA's evaluation team determined responsiveness of the proposals to the RTA's expressed needs and then assigned a point score according to the following grading schedule. The individual team member points were then averaged to determine a total quality points score for each proposer, based on the following criteria:

1. Responsiveness to RFP (10 pts). Overall quality and completeness of the proposal.
2. Workplan Approach (30 pts). Bidder's experience in performing the work as described in the scope of work. Technical understanding of requirements, and

compliance with applicable laws, regulations, policies and guidelines governing contracts performed by the Bidder.

3. References (30 pts). At least three references, to include recent experience, similar contract size, duration of the relationship.
4. Commission Schedule/Fees (30 pts). Reasonableness and competitiveness with other offers received. The RTA shall use the cost as a criterion in selecting the most qualified proposal and the RTA is, therefore, not required to accept the lowest bid if the other criteria are not met.

All bid results and follow-up submittal documents are posted on the RTA website.

RANK	BIDDER	DETERMINATION	SCORE (100 pts)
1	JJ Kane Associates, Inc.	Responsive & Responsible	92
2	Liquidation Solutions, LLC (dba 777 Auctions)	Responsive & Responsible	83

JJ Kane Associates, Inc. provided a proposal that was within the available budget and evidence that it can perform the duties as prescribed in the scope of work, and comply with all federal, state, county, and city laws, codes, ordinances, rules and regulations in accomplishing auction services for the RTA. On December 15, 2025, staff informed both bidders of the evaluation results and that JJ Kane Associates, Inc. was deemed lowest responsive and responsible bidder.

It is staff's recommendation that the RTA award a revenue contract for a period of four base years with the option to extend the contract annually for three additional single-year periods, for a total possible contract term of seven years. Staff asks that the Board authorize the Executive Director to award the revenue contract, in an amount not-to-exceed \$50,000, to JJ Kane Associates, Inc. as the highest-scoring bidder. The draft Agreement was published as part of the RFP process. The final Agreement will be updated with the pricing identified herein, include a copy of the successful bidder's proposal, and will be reviewed by RTA Counsel prior to execution by the Executive Director.

Staff Recommendation

Authorize the Executive Director to execute the contract for Auction Services to JJ Kane Associates, Inc. at a Price Not-to-Exceed \$50,000.00

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: A-11

TOPIC: Demand Response Scheduling and Dispatching Software

PRESENTED BY: Omar McPherson, Operations Manager

STAFF RECOMMENDATION: Authorize the Executive Director to Execute the Contract for Demand Response Scheduling and Dispatching Software to Ecolane USA, Inc. in an Amount Not to Exceed \$228,728.44.

BACKGROUND/DISCUSSION:

At its March 5, 2025 board meeting, the RTA Board of Directors authorized the RTA Executive Director to solicit proposals from qualified firms to provide computer-aided dispatch / automatic vehicle location software and hardware to replace our current scheduling system used for the demand response services we operate (Runabout and the various dial-a-rides in the county). The current software (RouteMatch) was originally awarded in 2009. On October 30, 2025, staff solicited proposals from qualified firms to provide demand-response scheduling and dispatching software (RFP #2025-07) through an online RFP/Bidding process (PlanetBids) linked on the RTA's website at <http://www.slorta.org/about-rta/request-for-proposals/>.

The project scope of work includes a software and scheduling system that automates the daily operations and management functions, advanced scheduling and routing capabilities to reduce operating expenses through automated efficiencies, improves customer service, and automates the billing and reporting process.

On December 8, 2025, the RTA received four responsive proposals. The RTA's evaluation team determined responsiveness of the proposals to the RTA's expressed needs and then assigned a point score according to the following grading schedule. The individual team member points were then averaged to determine a total quality points score for each proposer, based on the following criteria:

1. Responsiveness to RFP (5 pts). Overall quality and completeness of the proposal.
2. Technical Platform (30 points). Bidder's understanding of requirements, technical ability and licensing.
3. Management Plan (10 pts.) Bidder's approach and ability to perform the work.

4. Past Performance (20 pts). Bidder's experience in performing the work as described in the scope of work.
5. References (5 pts). At least three (3) references, to include recent experience, contract sizes, duration of the relationship.
6. Price Proposal (30 pts). Reasonableness and competitiveness with other offers received. The RTA shall use the cost as a criterion in selecting the most qualified proposal and the RTA is, therefore, not required to accept the lowest bid if the other criteria are not met.

Ecolane USA scored the highest, as shown in the table below. The company provided a bid within the available budget, provided evidence that it can observe and comply with all federal, state, county, and city laws, codes, ordinances, rules and regulations in accomplishing the work. On December 17, 2025, staff informed the bidders that Ecolane USA's bid was deemed responsive and was deemed staff's recommended awardee, and that the protest period ends on December 24, 2025.

RANK	BIDDER NAME	DETERMINATION	Amount	SCORE (100 pts)
1	Ecolane USA, Inc	Responsive	\$228,728.44	85
2	Via Transportation	Responsive	\$218,077.50	80
3	Trapeze / TripSpark	Responsive	\$297,767.28	64
4	HBSS Connect	Responsive	\$314,185.37	56

All bid results and follow-up submittal documents are posted on the RTA's PlanetBids web portal.

Presuming no protest is lodged before the December 24th deadline, staff is asking that the Board authorize the Executive Director to execute the contract to Ecolane USA, Inc., as the highest-scoring responsive and responsible bidder, in an amount not to exceed \$228,728.44 (including options). The draft form of the Agreement was published as part of the RFP process. The final Agreement will be updated with the pricing identified herein, will include a copy of the successful bidder's proposal, and will be reviewed by RTA Counsel prior to execution by the Executive Director.

Staff Recommendation

Authorize the Executive Director to execute the contract for Demand Response Scheduling and Dispatching Software to Ecolane USA, Inc. in an amount not to exceed \$228,728.44.

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Executive Director's Report

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Receive and File

BACKGROUND/DISCUSSION:

Employee Recognition:

If we can cover his shift, we will recognize Bus Operator Sean Shealy at the beginning of the Board meeting for 10 Years of service.

Operations:

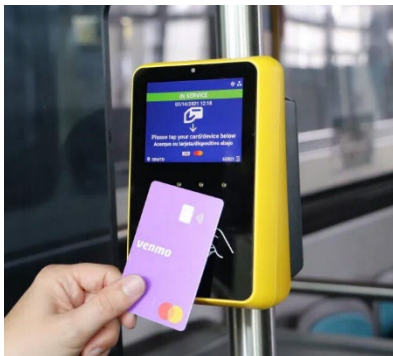
Since the previous regular Board meeting in November, one Bus Operator candidate that was in training (Christopher) has begun operating in revenue service. Four Bus Operator candidates are currently completing training (David, Jason, Kelly and Shuo). Four Bus Operators are on extended leave. Five candidates are in the permitting / background check phase, and they should begin training before the end of January. In total, we have nine open Bus Operator bids – eight full-time, and one part-time for the existing bid; we have planned a bid “shake-up” on January 10th that reduces the number of Bus Operator positions by two. I will report the results of the shake-up and open bids at the Board's March meeting. The runs in those open bids continue to be covered by Bus Operators who chose Extra-Board shifts, as well as by Casual employees, other employees who choose to work overtime, or Operations Supervisors. While we must occasionally abandon a run due to extreme traffic delays or a vehicle malfunction, it is extremely rare that we miss runs due to lack of an available employee.



I also want to congratulate James Shafer for his promotion to Training Instructor. James is a long-time RTA Operations Supervisor, and is now filling the vacancy that arose when Luke Houston was promoted to Training and Safety Manager in October. Along with fellow Training Instructor Carol Woodard, we are looking forward to great progress from the team in training and licensing a greater number of Bus Operators in the months ahead. This promotion has resulted in a new opening in the Operations Supervisor ranks, for which we are currently in the recruitment phase.

Update on Cal-ITP Contactless Fare System Implementation

As noted in previous Board meetings, the California Integrated Travel Project (Cal-ITP) is a contactless fare-capping system that makes buying a fixed-route ride fast and simple, while moving away from the costly GenFare validating farebox system that our region currently uses. Under the Cal-ITP system, a rider can pay using their contactless bank card or smart device, which reduces dwell time and improves on-time performance. Riders also do not need to learn the fare policies prior to boarding, as the Cal-ITP system will automatically calculate the fare and cap payments per adopted fare policies. Transit fare capping sets a maximum amount a rider pays for fares over a specific period, such as a day, week, or longer. Once this cap is reached, the rider does not pay for additional trips taken during that period. The rider is also charged as you go, eliminating the need to pay for the full cost of a 31-Day Pass in advance.



The region (RTA and SLO Transit) are using the following vendors for this SLOCOG-funded project:

- On-Bus Payment Acceptance Device – agreement with Kuba, Inc.
- Transit Processor Services – agreement with Littlepay, Inc.
- Payment Acceptance Services – agreement with Elavon, Inc.

Unfortunately, the vendors have experienced staffing and other resource challenges that have pushed back the installation of the on-bus readers shown above by about four weeks – until the second week of January. We are still holding out hope that the new system can be “soft-launched” on February 1st, but that window is quickly closing and any setbacks during the “production testing” will require a delay beyond February 1st. As soon as we have more information, we will share the launch date with the public.

Update on Discount Eligibility Verification Program

Related to the Cal-ITP system presented above, staff has purchased the mobile equipment to produce photo identification cards in the field. However, we are experiencing difficulty with printing the two-sided cards and we are working with the vendor to develop a solution. We have worked with Cal-ITP staff to develop and are currently testing the “benefits” web portal that persons eligible for a discounted fare can register their contactless fare card. We are confident that once the

Marketing & Communications:

Since we last reported at the November RTA Board meeting, our primary focus was on developing and distributing marketing materials for the holiday service levels, followed by on-going Bus Operator recruitment efforts.

Other marketing campaigns included:

- Preparing marketing materials for the “BIG 3” changes coming early 2026: 1) contactless fare-capping, 2) new cash fares for RTA regional routes, and 3) discount fare eligibility verification. This set of changes affects just about everything: Schedules, bus stops, on-board materials, our website, etc.
- South County replacement bus stop signs: working with our bus stop improvements vendor to install and replace faded signs
- Notifying the public about two new replacement bus shelters: two in Nipomo (Tefft @ Carillo) and one in Los Osos (10th @ LOVR). Both of these shelters were aged out and frequent targets of graffiti/vandalism. The new shelters are much less prone to intentional damage due to improved surface treatments.



In September, I reported that we are working with Cuesta College to improve the bus rider experience at their main campus in SLO. The campus originally planned to complete the site improvements in October, but various supply chain and other issues have pushed the grand opening out to January. Once a firm date is established, we will launch a marketing blitz to promote the passenger amenities at the new site and to inform riders of the new location – at the front the campus and no longer at the rear.

Maintenance & Facilities:

RTA Maintenance Manager Andy Wyly is serving as the project manager on the Phase 2 Electric Vehicle Servicing Equipment design/build project. The design was completed by Above Grade Engineering, and the City of SLO issued the permit on December 2nd. The prime contractor and its subcontractor (Electricraft and JG Contracting, respectively) mobilized on-site on December 11th. The schedule calls for 17-25 workdays of construction, depending upon weather; fortunately, the crew was able to pour the concrete pads within the utility yard on December 22nd before the storms arrived. The project includes seven direct-current fast-chargers suspended from the canopy, as well as twelve Level 2 dispensers surrounding the utility yard and eight more along the northern van parking area. Below are pictures depicting the trenching and

existing conduit banks within the utility yard, placement of the new conduits for the two new DC power blocks, and a December 23rd picture from the roof of our Bus Maintenance Facility.





With our acceptance of five more battery-electric buses (BEBs) from GILLIG in late-November, our zero-emission bus fleet now totals seven. These five new BEBs have experienced implementation “teething” challenges not unlike those of new diesel-powered buses, but in recent weeks they are becoming the sturdy workhorses we expect. For the most part, our fleet of BEBs have been as reliable as our diesel-powered fleet. However, when a BEB is red-tagged we are experiencing long delays in our vendors’ scheduling and completing lasting corrections. To wit, BEB 2302 has been red-tagged since October 8th due to a battery charging fault code that the vendor was unable to solve, despite many attempted reprogramming efforts. The latest news is that a new battery equalizer is scheduled for delivery on January 11th. On a related note, new buses were placed into revenue service at roughly the same time in summer 2024, yet as of December 1st diesel bus 2401 accumulated 86,845 miles, while BEB 2301 has accumulated only 72,662 miles and BEB 2302 only 50,351 miles. Our maintenance staff has established a new red-tag tracking protocol so that we can monitor and report reliability measures over time as we transition to a zero-emission fleet required under California Air Resources Board rules.

Finance and Administration:

The current collective bargaining agreement with Teamsters Local 986 expires December 31, 2025, but we have reached tentative agreement. Their members have scheduled a ratification vote on Sunday January 4th. The CBA covers Bus Operators, the Parts Clerk, Mechanics and Utility employees. If ratified by the Union, the Board will consider the CBA under Agenda Item C-1.

A summary of our unaudited year-to-date operating results through November 30th is provided below. Graphs showing ridership trends are provided at the end of this report.

- Year-to-date RTA core fixed-route annual ridership totaled 199,119 in FY25-26, which is a decline of 4.2% compared to last year (207,795). Overall, Route 9

SLO-Paso is down 7.1%, Route 10 SLO-Santa Maria is essentially unchanged (down 0.2%), and the North Coast routes (Route 12 SLO-Morro Bay-Los and Route 15 Morro Bay – San Simeon) are down 4.1% compared to the same period last year. Saturday ridership is actually higher, while weekday ridership fell – particularly on Route 9 (8.3%), Route 12 (5%), and Route 15 (16.6%). Remember that the service into Santa Maria was actually cut on August 10th as a result of the City of Santa Maria eliminating the pass-through of FTA funds.

- According to passenger boarding information shared with us, the new pilot weekday Santa Maria Regional Transit Route 210 between the Crossroads Center in Santa Maria and downtown SLO is averaging fewer than one boarding per roundtrip, equating to productivity¹ of roughly 0.5. SMRT currently operates four roundtrips in the morning and the afternoon. In comparison, the overall weekday productivity of RTA Route 10 between September 1st and November 30th is 17.3 boardings per hour², while our Express trips achieved a productivity of 12.7.
- When looking at non-core local fixed-route services operated by the RTA, the Paso Express ridership in the first five months of FY25-26 was actually up 35.3% in comparison to pre-pandemic levels (62,519 vs. 46,194), while also up 8.6% in comparison to FY23-24 (57,586). A large part of the increase is due to boardings by K-12 students, whose yellow school bus travel options have dwindled in recent years.
- South County ridership is 5.4% below pre-pandemic levels (73,060 vs. 77,203), and is down 4.1% compared to FY24-25 (76,174).
- Runabout ridership totaled 10,303 through the first five months of FY25-26, which is a 17.5% decline compared to FY24-25 (12,481). The pre-pandemic total was 17,136, which was 38% higher than in FY25-26.
- Trends over the past five years for ridership and productivity, which is defined as the average number of passenger-boardings per service hour, are shown in graphs at the end of this report. The graphs illustrate growing ridership year over year for all RTA core fixed-route and Runabout services. We will keep a close eye on Runabout ridership, which does not follow the same relatively predictive seasonal patterns experienced on the fixed-routes.

¹ SMRT Route 210 boarded 177 passengers in October, divided by 23 weekday and 16 revenue hours per day equates to 0.5 boardings per hour.

² RTA Route 10 weekday boardings of 38,668 are divided by 2,237.69 hours for September through November. For the Route 10 Express service (which is subset of the information above), 1,913 boardings are divided by 150.77 hours.

The tables at the end of this report depict unaudited financial and operating results for the first five months of the fiscal year. Note that the farebox recovery information presented below does not include funds allowable under AB149, so the draft information below is drastically underreported. The AB149 fare information will be included in the annual audit report that will be presented at a later meeting. Some important takeaways include:

- In terms of overall non-capital expenses, we expended 37.3% of the annual Administration budget and 34.1% of the annual Operations budget through 41.6% of the fiscal year. Overall, non-capital expenses are at 34.4%.
- Not surprisingly, the farebox recovery ratio (FRR) for core RTA fixed-route services continues to suffer due to lower ridership compared to pre-pandemic periods at only 8.8%. The FRR was 13.9% for Paso Robles local fixed-route services, and 4.1% for South County fixed-route services. Runabout's FRR remains low at 3.2%. The results will remain below our standards until such time that recent high inflation abates and/or ridership fully recovers.
- The subsidy per passenger-trip on RTA core fixed-route services was \$13.19, while the Runabout result was \$142.32. The subsidy per passenger-trip was \$6.61 for Paso Robles services and \$13.12 for South County services.

With Humility:

Lastly, I wish to express my gratitude to our staff and the Board for freeing me up to attend the annual California Transit Association meeting in lieu of the November 5th RTA Board meeting. As you know, I was honored with the Small Operators' Distinguished

Service Award, which is a crowning achievement of my 40-year career in public transit. The CTA invited my wife Nancy to accompany me as a guest, but she was much more impressed with the Keynote Speaker...



STAFF RECOMMENDATION

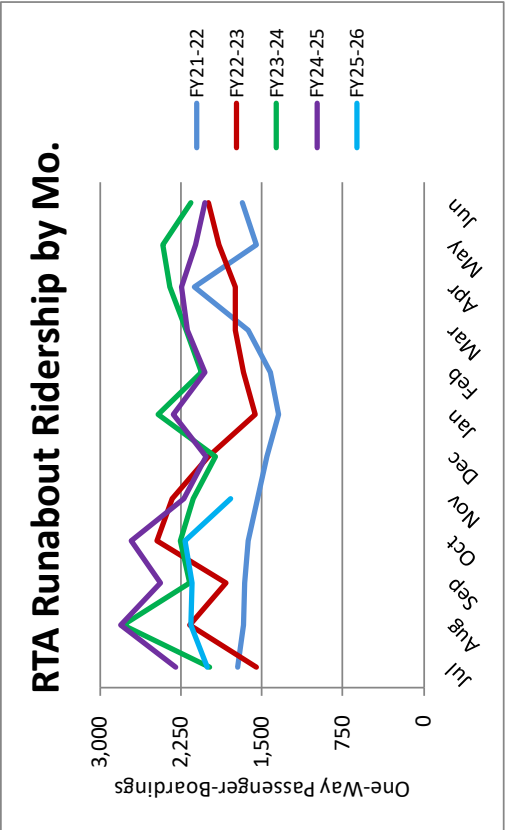
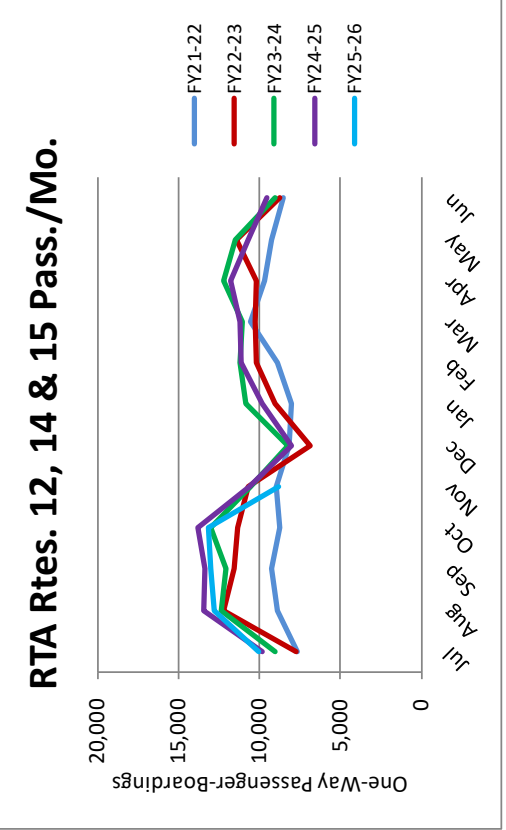
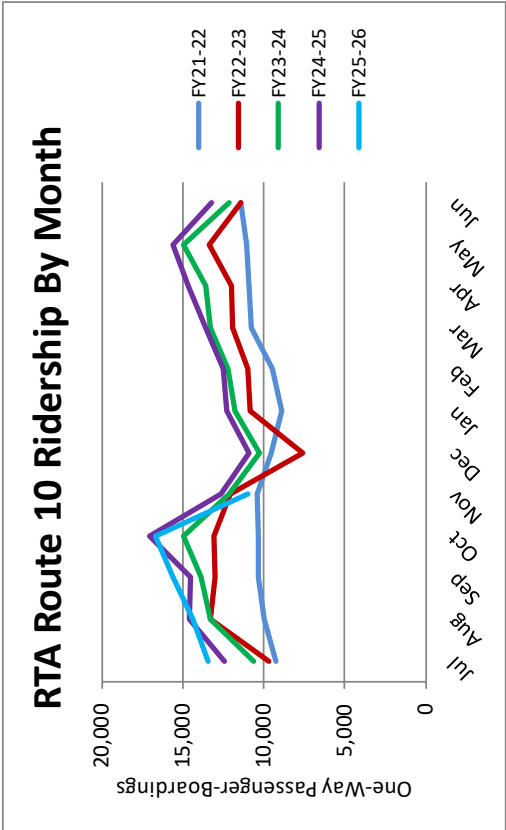
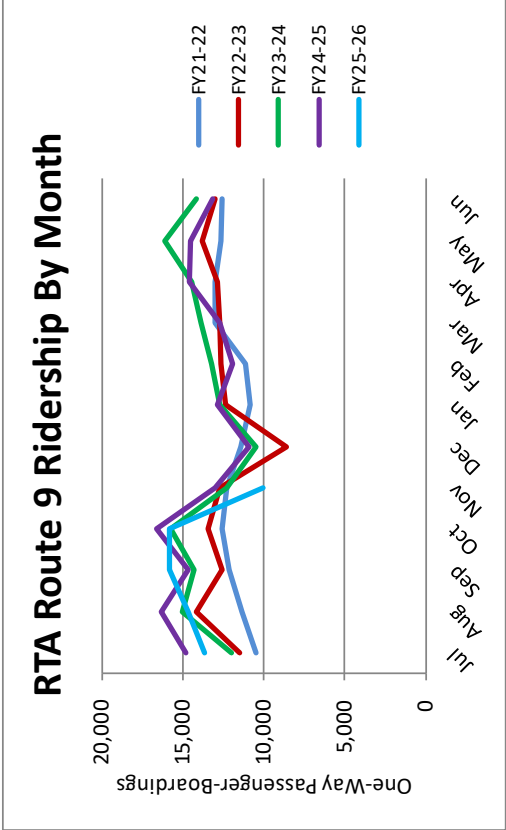
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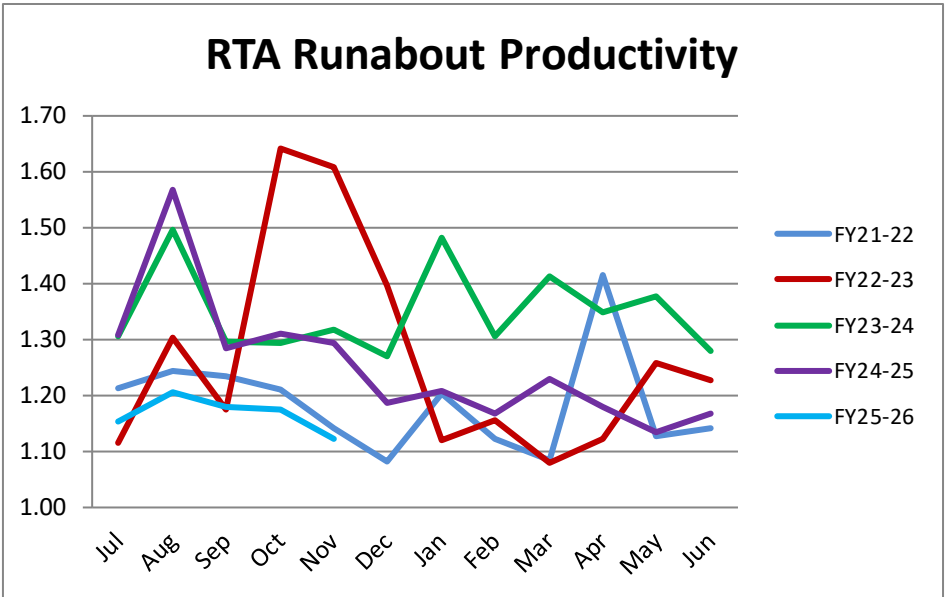
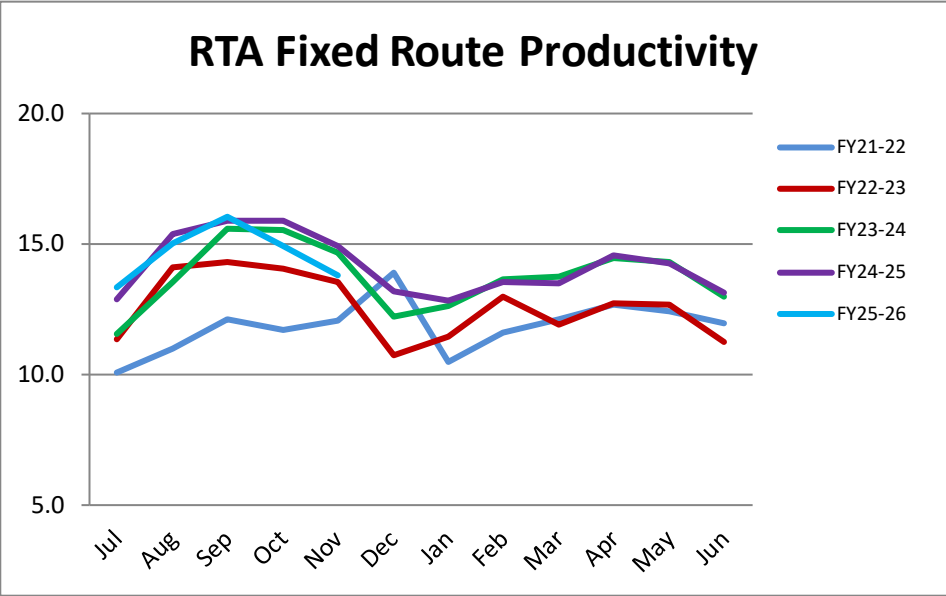
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
YEAR TO DATE THRU NOVEMBER 30, 2025
CURRENT FISCAL YEAR - 2025/2026**

	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 SERVICES	RUNABOUT	SERVICES PROVIDED FOR THE CITY OF PASO ROBLES	SERVICES PROVIDED FOR SOUTH COUNTY	SERVICES PROVIDED FOR THE COUNTY OF SLO	SERVICES PROVIDED FOR THE CITY OF MORRO BAY	SERVICES PROVIDED FOR THE CITY OF ATASCADERO	SYSTEM TOTAL
REVENUES:													
FARES	\$ 94,123	\$ 107,516	\$ 47,290	\$ 13	\$ 5,967	\$ 254,909	\$ 47,806	\$ 67,585	\$ 40,610	\$ 10,912	\$ 6,904	\$ 4,873	\$ 433,599
TOTAL ROUTE REVENUES	\$ 94,123	\$ 107,516	\$ 47,290	\$ 13	\$ 5,967	\$ 254,909	\$ 47,806	\$ 67,585	\$ 40,610	\$ 10,912	\$ 6,904	\$ 4,873	\$ 433,599
EXPENDITURES:													
ADMINISTRATION	\$ 166,886	\$ 143,389	\$ 99,467	\$ 756	\$ 49,878	\$ 460,377	\$ 297,754	\$ 84,411	\$ 175,283	\$ 43,736	\$ 39,552	\$ 27,363	\$ 1,128,476
MARKETING	-	-	-	-	-	-	-	-	-	-	-	-	-
OPERATIONS/CONTINGENCY	658,143	596,223	393,281	3,238	209,151	1,860,037	1,022,683	340,846	691,923	180,551	156,571	113,218	4,365,829
FUEL	102,345	103,399	61,965	587	36,198	304,493	104,833	32,964	71,438	12,459	13,431	8,781	548,399
INSURANCE	86,376	87,316	52,296	494	30,627	257,109	88,860	28,046	60,701	10,425	11,286	7,402	463,828
TOTAL EXPENDITURES	\$ 1,013,750	\$ 930,327	\$ 607,010	\$ 5,075	\$ 325,854	\$ 2,882,016	\$ 1,514,130	\$ 486,267	\$ 999,345	\$ 247,171	\$ 220,840	\$ 156,764	\$ 6,506,532
FAREBOX RATIO	9.3%	11.6%	7.8%	0.3%	1.8%	8.8%	3.2%	13.9%	4.1%	4.4%	3.1%	3.1%	6.7%
SERVICE MILES	126,839.6	128,177.5	76,795.9	727.2	44,857.5	377,397.8	129,889.0	40,849.6	88,535.0	15,436.0	16,631.6	10,875.0	679,614.0
SERVICE HOURS	4,927.5	4,230.1	2,927.6	22.5	1,477.0	13,584.7	8,813.8	3,096.7	6,174.3	1,766.0	1,459.0	1,082.9	35,977.4
RIDERSHIP (Automatic Counters)	70,118	71,106	52,897	294	4,704	199,119	10,303	63,372	73,059	6,497	7,116	2,123	361,589
RIDERS PER MILE	0.55	0.55	0.69	0.40	0.10	0.53	0.08	1.55	0.83	0.42	0.43	0.20	0.53
RIDERS PER HOUR	14.2	16.8	18.1	13.1	3.2	14.7	1.2	20.5	11.8	3.7	4.9	2.0	10.1
COST PER PASSENGER	\$ 14.46	\$ 13.08	\$ 11.48	\$ 17.26	\$ 69.27	\$ 14.47	\$ 146.96	\$ 7.67	\$ 13.68	\$ 38.04	\$ 31.03	\$ 73.84	\$ 17.99
SUBSIDY PER PASSENGER	\$ 13.12	\$ 11.57	\$ 10.58	\$ 17.22	\$ 68.00	\$ 13.19	\$ 142.32	\$ 6.61	\$ 13.12	\$ 36.36	\$ 30.06	\$ 71.55	\$ 16.80

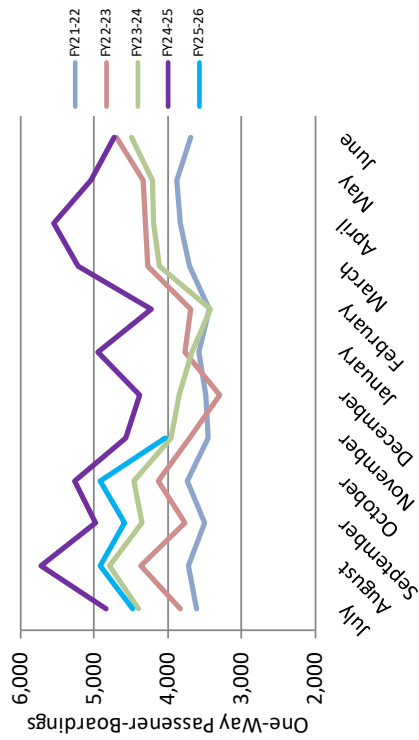
RTA FY24-25 Budget vs. Actual Expenses (unaudited)

		Adopted Budget FY 2025-26	Year to Date FY 2025-26	Percent of Total Budget FY 2025-26
	Hours	89,900	34,211	38.1%
	Miles	1,735,020	664,178	38.3%
Administration:				
Labor	operations cost	1,539,550	581,443	37.8%
Labor - Administration Workers Comp	operations cost	52,720	18,008	34.2%
Office Space Rental	operations cost	59,670	24,298	40.7%
Property Insurance	operations cost	323,370	192,846	59.6%
Professional Technical Services	operations cost	458,710	123,115	26.8%
Professional Development	operations cost	93,290	15,354	16.5%
Operating Expense	operations cost	368,030	146,354	39.8%
Marketing and Reproduction	hourly	164,730	39,103	23.7%
Total Administration		3,060,070	1,140,522	37.3%
Service Delivery:				
Labor - Operations - Bus Operators	hourly	6,531,680	2,112,057	32.3%
Labor - Operations - Training Staff	hourly	443,360	154,475	34.8%
Labor - Operations - Operations Supervisors/Schedulers	hourly	1,595,710	587,917	36.8%
Labor - Operations - Ops Mgt./Oversight	hourly	506,310	186,404	36.8%
Labor - Operations Workers Comp	hourly	399,810	136,569	34.2%
Labor - Maintenance	miles	2,055,710	731,115	35.6%
Labor - Maintenance Workers Comp	miles	109,470	37,393	34.2%
Fuel	miles	1,629,970	548,398	33.6%
Insurance	miles	1,191,000	463,827	38.9%
Special Transportation (for SLOCAT)	n/a	32,070	9,778	30.5%
Maintenance (parts, supplies, materials)	miles	961,580	291,166	30.3%
Maintenance Contract Costs	miles	149,840	55,004	36.7%
Total Operations		15,606,510	5,314,102	34.1%
Capital/Studies:				
Computer System Maintenance/Upgrades		504,040	170,545	33.8%
Miscellaneous Capital				
Maintenance Equipment		188,650	62,770	33.3%
Vehicle ITS/Camera System		-	6,662	#DIV/0!
Bus Stop Improvements		147,000	50,212	34.2%
Large Capital Repairs		586,820	607,483	103.5%
Vehicles				
Support Vehicles		353,010	209,209	59.3%
Fixed Route Vehicles		13,843,000	4,972,345	35.9%
Trolley Vehicles		251,150	-	0.0%
Cutaway and Dial A Ride Vehicles		586,970	750	0.1%
Runabout Vehicles		1,140,100	-	0.0%
Total Capital Outlay		17,600,740	6,079,976	34.5%
Contingency	hourly	224,000	-	0.0%
PERS Buyout		178,310	74,295	41.7%
Loan Repayments		458,060	-	0.0%
Short Range Transit Plan and Planning		67,100	-	0.0%
Regional Contactless Fare Payment System		388,000	49,826	12.8%
Regional Contactless Charging		2,266,000	31,696	1.4%
Regional Bus Charging Projects		4,000,000	9,875	0.2%
Master Planning & Implementation - Offsite fast charging		2,000,000	-	0.0%
TOTAL FUNDING USES		45,848,790	12,690,417	27.7%
TOTAL NON-CAPITAL EXPENDITURES		19,068,890	6,560,615	34.4%

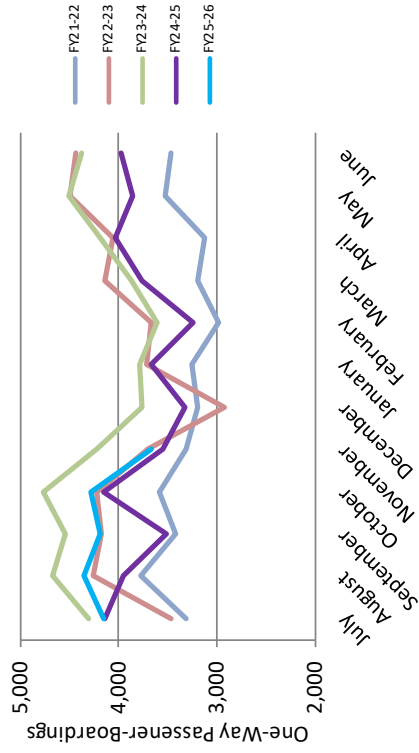




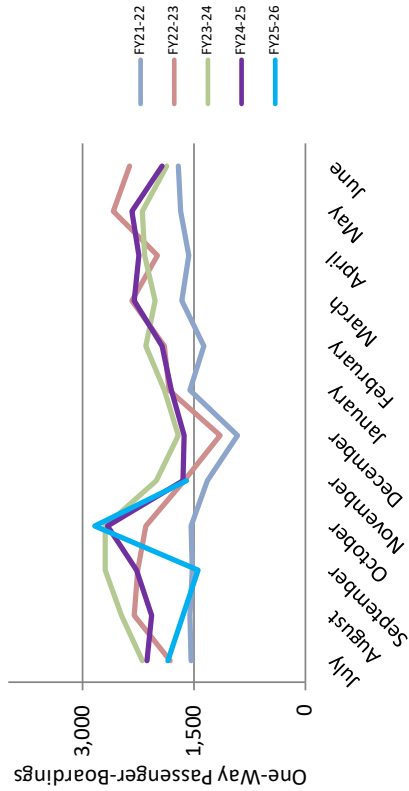
Route 21 Ridership By Month



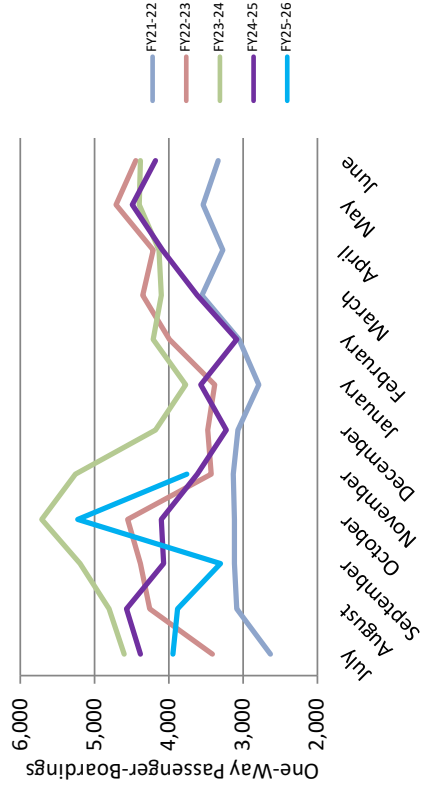
Route 24 Ridership By Month

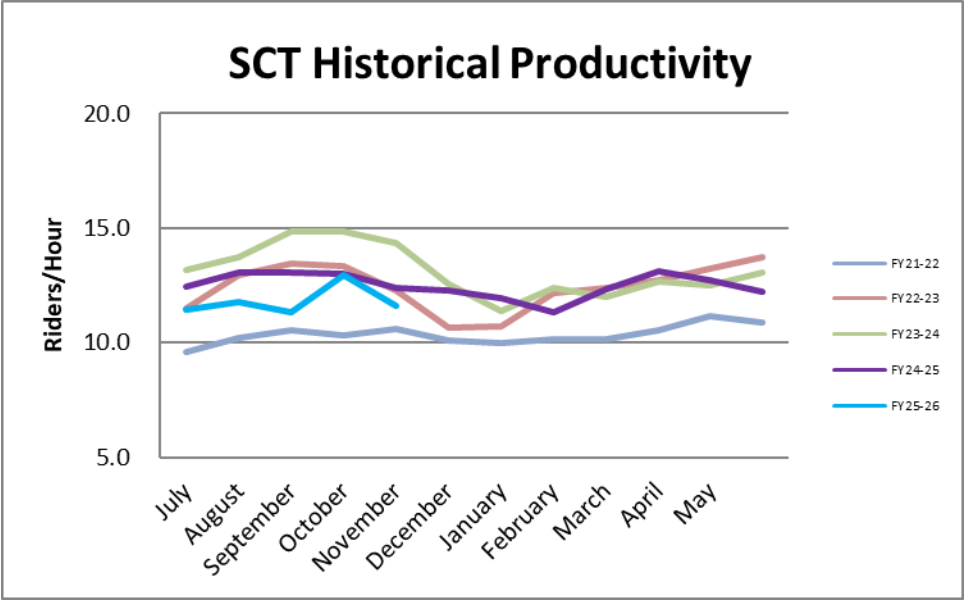


Route 27 Ridership By Month



Route 28 Ridership By Month





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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JANUARY 7, 2026

STAFF REPORT

AGENDA ITEM: C-1

TOPIC: Agreement between the RTA and Teamsters Local 986

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Approve Collective Bargaining Agreement between the RTA and Teamsters Local 986

BACKGROUND/DISCUSSION:

Teamsters Local 986 represents the Bus Operators, Mechanics, Utility Workers and the Parts Clerk employed by the RTA. A tentative agreement was reached after the RTA and Teamsters met, conferred and negotiated in good faith concerning wages, benefits and other conditions of employment required by the Meyers-Milias Brown Act, as well as the RTA Employer-Employee Relations Policy. The contract term would take effect on January 1, 2026 and would expire on June 30, 2028. Note that the term of this tentative agreement better coincides with future July 1 to June 30 fiscal years.

The tentative agreement will be considered by the employees that are represented by the Teamsters on January 4, 2026. If ratified, RTA staff will post a copy of the Collective Bargaining Agreement on the RTA's website and email a copy to each RTA Board member prior to the January 7, 2026 meeting.

Staff Recommendation

Approve Collective Bargaining Agreement between the RTA and Teamsters Local 986.

(If ratified by Teamsters Local 986 members on January 4th, the CBA document will be distributed under separate cover prior to the January 7th Board meeting)