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[www.slorta.org](http://www.slorta.org)

**RTA BOARD AGENDA**  
**Wednesday, March 4, 2026 at 9:00 AM**  
**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: Carla Wixom**

**Vice President: Heather Moreno**

Board Members:

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)

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:**

- **Employee of the Quarter: Utility employee Sergio Flores**
- **15 Years of Service Certificate of Recognition: Bus Operator Lori Dean**

**A. CONSENT AGENDA:**

- A-1 Joint SLOCOG/RTA Board Meeting Minutes of January 7, 2026 (Approve)
- A-2 Executive Committee Meeting Minutes of January 14, 2026 (Approve)
- A-3 RTA Board Meeting Minutes of January 7, 2026 (Approve)
- A-4 2026 Summer Youth Ride Free Program (Approve)
- A-5 Procurement of Runabout Vehicles and Declare Vehicle Surplus (Authorize)
- A-6 Mid-Year FY25-26 Strategic Business Plan Results (Receive)

- A-7 AHSC Partnership Letter for Atascadero Paseo Paloma Project (Authorize)
- A-8 Identify RTA Counsel as an RTA Labor Negotiator (Authorize)

**B. INFORMATION AGENDA:**

- B-1 Executive Director's Report (Receive)
- B-2 Update on Electric Bus Operating Results (Receive)
- B-3 Update on Fare Change Implementation & Contactless Fare System (Receive)

**C. ACTION AGENDA:**

- C-1 Fiscal Year 2026-27 Budget Assumptions (Approve)

**D. CLOSED SESSION:**

CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6)  
Agency designated representative: Geoff Straw, Executive Director  
Employee organization: Non-represented employees

**BOARD MEMBER COMMENTS**

The next regularly scheduled RTA Board meeting is scheduled for May 6, 2026

# DRAFT

## SAN LUIS OBISPO COUNCIL OF GOVERNMENTS REGIONAL TRANSIT AUTHORITY

### “Joint Board Meeting” Minutes

Wednesday, January 7, 2026, 9:00 a.m.

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The following action minutes are listed as they were acted upon by the San Luis Obispo Council of Governments (SLOCOG) and Regional Transit Authority (RTA), *and* as listed on the agenda for the Joint Board meeting held on January 7, 2026, together with staff reports and related documents attached thereto and incorporated therein by reference. To see a video of the meeting proceedings, go to the **Linked Agenda**: SLO-SPAN: [SLOCOG & RTA Joint Board Meeting – January 7, 2026](#) (Click the play button on the video window to view from the beginning of the meeting or click on a particular agenda item to go directly to that part of the meeting).

#### **1. FLAG SALUTE CALL, TO ORDER AND ROLL CALL:**

**President Jimmy Paulding** called the January 7<sup>th</sup> Joint SLOCOG & RTA Board meeting to order at **9:01 a.m.** and led the flag salute. **Board Secretary Aida Nicklin** conducted a roll call.

#### **BOARD MEMBERS PRESENT:**

Carla Wixom, City of Morro Bay (Newly elected President)  
Heather Moreno, Fifth District, County of San Luis Obispo (Newly elected Vice President)  
Bruce Gibson, Second District, County of San Luis Obispo  
Aileen Loe, City of Arroyo Grande  
Heather Newsom, City of Atascadero  
Dawn Ortiz-Legg, Third District, County of San Luis Obispo  
Jimmy Paulding, Fourth District, County of San Luis Obispo (2025 President)  
Robert Robert, City of Grover Beach (Alternate)  
Erica A. Stewart, City of San Luis Obispo  
Fred Strong, City of Paso Robles (*arrived @ 9:05 a.m.*)  
Ed Waage, City of Pismo Beach

#### **BOARD MEMBERS ABSENT:**

John Peschong, First District, County of San Luis Obispo

**SLOCOG STAFF PRESENT:** Peter Rodgers, James Worthley, Richard Murphy, Tim Gillham, John DiNunzio, Stephen Hanamaikai, Ashley Kneeland, Annie Bowsky, Aida Nicklin, Jenna Morton (Legal Counsel)

**RTA STAFF PRESENT:** Geoff Straw, Tania Arnold, Anthony Kalvans

**OTHERS PRESENT:** AGP Video Staff

**2. PUBLIC COMMENTS (on any item of interest not on the agenda within the jurisdiction of the Board):** There were no public comments.

**3. JOINT SLOCOG AND SLORTA BOARD ADMINISTRATIVE ITEMS:**

**a. WELCOME NEW BOARD MEMBERS:** There are no new board members and alternates for 2026.

**President Paulding** welcomed Alternate Board Member representing the City of Grover Beach, Mayor Pro Tem Robert Robert (attended in the absence of Board Member Kassi Dee who was out of town).

**b. ELECTION OF OFFICERS: Elect President and Vice President: Outgoing President Paulding** called for any public comments. There were no public comments. He then opened the meeting for nominations for President and Vice President.

**Nomination for President: Board Member Ed Waage** nominated 2025 Vice President Carla Wixom for President. **Board Member Bruce Gibson** seconded; Board members concurred.

**SLOCOG & RTA Board action on a voice vote: Approve Carla Wixom for President.**

**Motion by: Ed Waage** (Board Member) **Second by: Bruce Gibson** (Board Member)

**The motion carried in the absence of Board Members John Peschong and Fred Strong** (arrived later).

**Nomination for Vice President: Board Member Ed Waage** nominated Board Member Heather Moreno for Vice President. **Past President Jimmy Paulding** seconded; Board members concurred.

**SLOCOG & RTA Board action on a voice vote: Approve Heather Moreno for Vice President.**

**Motion by: Ed Waage** (Board Member) **Second by: Jimmy Paulding** (Board Member)

**The motion carried in the absence of Board Members John Peschong and Fred Strong** (arrived later).

**Vice President Heather Moreno:** thanked Past President Paulding for his service as President last year, noting she is looking forward to President Carla Wixom's presidency.

(Board Member Fred Strong arrived at 9:05 a.m.)

**c. EXECUTIVE COMMITTEE ASSIGNMENT:**

**Public comments:** There were no public comments.

**SLOCOG & RTA Board action on a voice vote: Approve the appointment of current President Carla Wixom, Vice President Heather Moreno, and Past President Jimmy Paulding as the 2026 Executive Committee members.**

**Motion by: Carla Wixom** (President) **Second by: Heather Moreno** (Vice President)

**The motion carried in the absence of Board Member John Peschong.**

**d. Presentation of a Resolution of Appreciation to Outgoing President Jimmy Paulding (District 4, County of San Luis Obispo), recognizing his service as President of the SLOCOG and RTA Boards from January 2025 to through January 2026:**

**Past President Paulding** turned the gavel over to President Carla Wixom.

**President Carla Wixom:** thanked Past President Jimmy Paulding for his service as President last year, both on the SLOCOG Board and on the Executive Committee. **Past President Paulding** stated that it is a pleasure serving with President Wixom on this Board and the Executive Committee.

**Board Member Ed Waage:** congratulated and thanked Past President Paulding for his contribution to this Board and the San Luis Obispo region.

**Board Member Erica A. Stewart:** thanked Past President Paulding for being a great leader and for his service as President in 2025, noting that she is looking forward to continuing to serve with him on this Board.

**Board Member Aileen Loe:** thanked Past President Paulding, noting she is very impressed with his leadership and style of governance, handling of issues, and for having a regional approach.

**Board Member Dawn Ortiz-Legg:** echoed all previous Board comments, noting that Past President Paulding really stepped up and has always done a great job as President of this Board; he handles issues very well.

**Past President Paulding:** noted that it has been a pleasure serving the SLOCOG Board as President, and that it helps having amazing staff.

**President Carla Wixom:** read and presented the Plaque of Appreciation to Past President Jimmy Paulding. A photo op followed.

**4. ADJOURNMENT: President Carla Wixom** adjourned the Joint SLOCOG & RTA Board meeting to the SLOCOG Board meeting at **9:11 a.m.**

Respectfully Submitted,

Aida Nicklin  
Executive Secretary

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San Luis Obispo Regional Transit Authority

Executive Committee Meeting

Minutes 1/14/2026

A-2

Members Present: Heather Moreno, District 5 Supervisor, **Vice-President**  
Jimmy Paulding, District 4 Supervisor, **Past President**

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

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

Public Present: Eric Greening

1. **Call to Order and Roll Call:** **Vice President Heather Moreno** called the meeting to order at 10:00 a.m. and roll call was taken. A quorum was present.
2. **Public Comment:**  
**Mr. Eric Greening** noted that the card readers are starting to be installed and is thankful the existing fare media will continue to be accepted for the foreseeable future.
3. **Closed Session:**  
CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code § 54957.6)  
Agency designated representatives: Geoff Straw, Executive Director  
Employee organization: Non-represented employees

Public Comment:

**Mr. Greening** noted that employees deserve every penny.

The Committee adjourned to closed session at 10:01 a.m.

The Committee reconvened from closed session at 10:52 a.m.

**Ms. Jenna Morton** said that there was no reportable action.

4. **Consent Items:** None
5. **Information Items:** None

6. **Action Items:** None

7. **Adjournment**

The meeting was adjourned at 10:53 a.m.

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

Respectfully Submitted,

Acknowledged by,

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Tania Arnold  
Deputy Director/CFO

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Heather Moreno  
RTA Board Vice President 2026

**DRAFT**  
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**BOARD MEETING MINUTES OF January 7, 2026**  
**A-3**

**BOARD MEMBERS PRESENT:**

BRUCE GIBSON, SECOND DISTRICT, COUNTY OF SAN LUIS OBISPO  
AILEEN LOE, CITY OF ARROYO GRANDE  
HEATHER MORENO, FIFTH DISTRICT, COUNTY OF SAN LUIS OBISPO (Vice President)  
HEATHER NEWSOM, CITY OF ATASCADERO  
DAWN ORTIZ-LEGG, THIRD DISTRICT, COUNTY OF SAN LUIS OBISPO  
JIMMY PAULDING, FOURTH DISTRICT, COUNTY OF SAN LUIS OBISPO (Past President)  
ROBERT ROBERT, CITY OF GROVER BEACH  
ERICA A. STEWART, CITY OF SAN LUIS OBISPO  
FRED STRONG, CITY OF PASO ROBLES  
ED WAAGE, CITY OF PISMO BEACH  
CARLA WIXOM, CITY OF MORRO BAY (President)

**BOARD MEMBERS ABSENT:**

JOHN PESCHONG, FIRST DISTRICT, COUNTY OF SAN LUIS OBISPO

**STAFF PRESENT:**

GEOFF STRAW, EXECUTIVE DIRECTOR  
TANIA ARNOLD, DEPUTY DIRECTOR/CFO  
JENNA MORTON, SAN LUIS OBISPO COUNTY COUNSEL  
OMAR MCPHERSON, OPERATIONS MANAGER  
ANDY WYLY, MAINTENANCE AND FACILITIES MANAGER  
MARY GARDNER, MARKETING AND COMMUNITY RELATIONS MANAGER  
ANTHONY KALVANS, ADMINISTRATIVE ASSISTANT  
SEAN SHEALY, BUS OPERATOR  
PETE RODGERS, SLOCOG EXECUTIVE DIRECTOR

**CALL MEETING TO ORDER, ROLL CALL:** President Jimmy Paulding called the meeting to order at 9:36 AM. Roll call was taken, and a quorum was present.

**PUBLIC COMMENT:**

**Mr. Eric Greening** said he continues to be happy with the service. He asked for details about the upcoming Tap2Pay fare collection program and how it will work. He also asked if there would be an RTAC meeting next week.

**EMPLOYEE RECOGNITION:**

**Mr. Geoff Straw** recognized RTA Bus Operator Sean Shealy for his 10 years of service. **Mr. Shealy** said he appreciates the RTA and the synergy between management and staff.

**Board Members Dawn Ortiz-Legg and Paulding** thanked Mr. Shealy for his service and longevity with the organization.

Public Comment:

There was no public comment received regarding this item.

**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 4<sup>th</sup> 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)

Public Comment:

There was no public comment received regarding this item.

**Board Member Fred Strong** made a motion to approve consent agenda item A-1 through A-11 and **Board Member Paulding** seconded the motion. The motion passed unanimously of those present via roll call vote.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
BRUCE GIBSON	X		
AILEEN LOE	X		
HEATHER MORENO (Vice President)	X		
HEATHER NEWSOM	X		
DAWN ORTIZ-LEGG	X		
JIMMY PAULDING (Past President)	X		
JOHN PESCHONG			X
ROBERT ROBERT	X		
ERICA A. STEWART	X		
FRED STRONG	X		
ED WAAGE	X		
CARLA WIXOM (President)	X		

## **B. INFORMATION AGENDA:**

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

**Mr. Straw** presented a slide show highlighting major RTA updates. He said that the primary goal right now is to hire more Bus Operators. He also touched on the recent promotion of James Shafer to the Transit Training Instructor position, new bus stop improvements, and the Tap2Pay contactless fare program. He noted that Anthony Kalvans is testing the benefits and software in preparation for launch.

**Board Member Erica A. Stewart** asked how many miles a year a bus operates. **Mr. Straw** said that it is roughly 60,000 miles a year.

**Board Member Aileen Loe** asked what can be done to support Bus Operator recruitment. **Mr. Straw** said he supported Board members bringing up recruitment at City Council meetings and highlighted that the sign on bonus.

**Board Member Robert Robert** asked about what platforms will the Tap2Pay work on and how much does a farebox cost. **Mr. Straw** said that the Tap2Pay program will work on any chip enabled platform, and that the current GFI fareboxes cost \$20,000 each. **Ms. Tania Arnold** added that the Tap2Pay system costs only \$1,000 a bus.

#### Public Comment:

**Mr. Greening** asked if the upcoming RTAC meeting will be cancelled. **Mr. Straw** said that it may be cancelled and that staff will send out an update to RTAC members.

## **C. ACTION AGENDA:**

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

**Mr. Straw** provided the background for the agreement and noted that due to uncertainties from federal funding this contract is a two-and-a-half-year contract instead of a longer contract. He also noted that there were two minor administrative typos that need to be amended.

#### Public Comment:

**Mr. Greening** said that he believes that an honorable effort was made by the RTA for the employees and urged the Board to ratify the agreement. He asked about the status of RTA employees during emergencies. **Mr. Straw** mentioned that the RTA works closely with the County Office of Emergency Services.

**Board Member Paulding** made a motion to approve action agenda item C-1 with the two amendments and **Board Member Strong** seconded the motion. The motion passed unanimously of those present via roll call vote.

<b><u>BOARD MEMBER</u></b>	<b><u>YES</u></b>	<b><u>NO</u></b>	<b><u>ABSENT</u></b>
BRUCE GIBSON	X		
AILEEN LOE	X		
HEATHER MORENO (Vice President)	X		
HEATHER NEWSOM	X		
DAWN ORTIZ-LEGG	X		
JIMMY PAULDING (Past President)	X		
JOHN PESCHONG			X
ROBERT ROBERT	X		
ERICA A. STEWART	X		
FRED STRONG	X		
ED WAAGE	X		
CARLA WIXOM (President)	X		

**D. CLOSED SESSION ITEMS: CONFERENCE WITH LEGAL COUNSEL**

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

Title: Executive Director

Agency designated representative: Jenna Morton

Unrepresented employee: Geoff Straw, Executive Director

Public Comment:

**Mr. Greening** highlighted the working respect inside the RTA.

**Mr. Pete Rodgers** said that Mr. Straw is the best RTA manager that he has ever worked with. He highlighted that Mr. Straw is a team player and has been great to work with.

The Board adjourned to closed session at 10:13 AM.

The Board reconvened from closed session at 10:21 AM.

**Ms. Morton** said that there was no reportable action.

**E. BOARD MEMBER COMMENTS:**

There were no Board member comments.

The meeting was adjourned at 10:22 AM.

Next regularly scheduled RTA Board meeting is **March 4, 2026**.

Respectfully Submitted,

Acknowledged by,

\_\_\_\_\_  
Anthony Kalvans, Administrative Assistant

\_\_\_\_\_  
Carla Wixom, RTA President 2026

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
MARCH 4, 2026  
STAFF REPORT**

**AGENDA ITEM:** A-4

**TOPIC:** 2026 Summer Youth Ride Free Program

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

**STAFF RECOMMENDATION:** Participate in the 2026 Summer *Youth Ride Free Program* and Require Payment for Larger Youth Groups Traveling Together

**BACKGROUND/DISCUSSION:**

Direction is needed from the Board on whether or not to continue the RTA's participation in the countywide summer *Youth Ride Free* (YRF) program. SLOCOG's *Regional Rideshare* program, the agency that promotes YRF in SLO County, has asked that the RTA honor the YRF program from mid-June 2026 through mid-August 2026.

Since summer 2014, with the exception of 2020 and 2021 (due to the COVID-19 pandemic), the RTA participated in the YRF program from middle-of-June through middle-of-August period in order to avoid an overlap with the academic year. In addition, each group size is limited so that a bus will not become overloaded and dissuade fare-paying passengers from riding; if the YRF group is greater than the agency-identified fare-free maximum, the remaining group members are required to pay. Staff has worked closely with the YMCA and other youth camp officials to train their on-bus chaperones to minimize service disruptions and to handle any fare responsibilities. This helped address the overcrowding issues that occurred in 2012 and 2013.

It is difficult to track the longer-term ridership impact of participating in the YRF program, since it is not possible to determine the number of students boarding throughout the year in the absence of periodic surveys.

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

1. Easy to communicate.
2. Gets youth to try using transit and it instills an ethic of using transit in the future.
3. Increases access for kids to travel independently (and reduce parent taxiing).

Disadvantages include:

1. Small loss of cash fare revenue for non-group riders.

2. Increased passenger loads on some bus trips can degrade the riding experience for non-youth riders.
3. In the past, two or more unrelated groups occasionally attempted to board the bus on the same bus trip, which resulted in an overcrowding situation. However, the number of instances where that became a problem has greatly abated due to better coordination with youth activity agencies, and we expect the same cooperation this summer.

The RTA will require YMCA and other youth groups to pay when more than fifteen YRF persons are traveling together (plus two adult chaperones); for the four local fixed-routes in South County, the limit is ten YRF riders due to the smaller bus size (26-foot or 35-foot vs. 40-foot) used. For ease of boarding, and for budget and cash control issues, organizers for groups such as YMCA camps are encouraged to pre-purchase passes.

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

1. Ridership is already tracked using a specific farebox key.
2. Customer feedback from youth and families taking advantage of the program (face-to-face interviews, Facebook and social media programs, texts, etc.).

**Staff Recommendation**

Participate in the 2026 summer *Youth Ride Free* program and require payment for larger youth groups traveling together.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**MARCH 4, 2026**

**STAFF REPORT**

**AGENDA ITEM:** A-5

**TOPIC:** Procurement of Runabout Vehicles and Declare Vehicle Surplus

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

**STAFF RECOMMENDATION:** Authorize Executive Director to: 1) Issue a Purchase Order with Model 1 Commercial Vehicles to Procure Four Gasoline-Powered MobilityTransit High Roof Vans at a Cost Not-to-Exceed \$546,643.23, and 2) Declare Four Vehicles Surplus, Authorizing the Executive Director to Transfer Them to Another Transportation Agency or Educational Institution or Dispose of the Vehicle Remains Through Auction Services or Salvage.

**BACKGROUND/DISCUSSION:**

The RTA secured \$520,464 in FY2024 Federal Transit Administration (FTA) Section 5307 Urbanized Area (UZA) Formula Program to replace Demand Response vehicles used for Runabout and local dial-a-ride services. These grant funds will support the replacement of four light-duty mid-sized cutaway vans with a more compact MobilityTransit High Roof van for the Runabout and other local demand response services. These smaller wheelchair accessible vans can be purchased and operated at a lower cost and are more maneuverable than the larger cutaway vans being replaced. These four new vehicles will be purchased from the California Association for Coordinated Transportation's MBTA Bid Vehicle Purchasing Cooperative (Contract No. 20-01) procurement list approved by FTA and Caltrans. Manufacturing and delivery are expected to take approximately seven months following the issuance of the purchase order.

The total project cost to replace four vehicles is \$546,643.23, and will be funded 85% (\$464,646) with FTA Section 5307 funds and the 15% required local match of \$81,997.23 will be funded with FY25/26 Rural Transit Funds (RTF) and State Transit Assistance (STA) funds. The RTA will ensure that this procurement complies with all Buy America and other applicable FTA procurement and regulations.

FTA guidelines state that light-duty mid-sized transit vehicles are eligible for replacement after five years or 150,000 miles. By these criteria, the vehicles shown in the table below have surpassed their FTA useful life in both years and miles at the expected time of replacement in Fall 2026.

ID#	Mileage	Make	Model	Seating	Year	VIN	License
1903	167,354	Ford E450	Starcraft Allstar	8+2 WC	2019	1FDFE4FS9KDC26301	1451313
1904	165,150	Ford E450	Starcraft Allstar	8+2 WC	2019	1FDFE4FS0KDC26302	1451311
1906	154,090	Ford E450	Starcraft Allstar	8+2 WC	2019	1FDFE4FS4KDC26304	1451171
1908	156,819	Ford E450	Starcraft Allstar	8+2 WC	2019	1FDFE4FS8KDC26306	1451172

*\*Mileage as of 2/1/2026*

## **Declaration of Surplus**

Staff has determined that the RTA would have no practical, efficient or appropriate use for the aged-out demand response vehicles, nor will it have such use for these vehicles in the near future. Due to the advanced age and/or mileage, the above vehicles are regularly experiencing mechanical failures and the higher-cost repairs do not make it economically prudent to keep these vehicles as part of the active fleet.

The RTA Purchasing Policy requires staff to determine if surplus vehicles or equipment have a per-unit fair market value greater than \$10,000 at the time of disposal. Should the vehicles have a value greater than \$10,000 and were originally purchased using FTA funds, staff is required to return any remaining federal interest back to the FTA. Based on discussions with used bus vendors, these four vehicles have a value of no more than \$7,000 each.

Staff recommends that once the replacement vehicles are delivered and commissioned, the surplus vehicles be transferred to another transportation agency or educational institution should there be a need per our Procurement Policy. If area specialized transportation providers are not interested, then the vehicles will be disposed through an existing contract with JJ Kane Auctions or salvaged – whichever provides the greatest net proceeds. Staff will seek letters of interest from area specialized transportation providers in the coming months and seek the Board’s authority to transfer based on the order the requests are received.

## **Staff Recommendation**

Authorize Executive Director to: 1) Issue a Purchase Order with Model 1 Commercial Vehicles to procure four Gasoline-Powered MobilityTransit High Roof Vans at a cost not-to-exceed \$546,643.23, and 2) declare four vehicles surplus, authorizing the Executive Director to transfer them to another transportation agency or educational institution or dispose of vehicle remains through auction services or salvage.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**MARCH 4, 2026**

**STAFF REPORT**

**AGENDA ITEM:** A-6

**TOPIC:** Strategic Business Plan Results

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Receive and File the SBP Results through December 2025

**BACKGROUND/DISCUSSION:**

In October 2008, the RTA Board, RTA staff, SLOCOG staff and members of the general public met in a day-long workshop to craft the elements of the first *RTA Strategic Plan*. The result of this workshop was a draft outline that contained the major sections and components of the plan. During the development of the FY09-10 Operating and Capital Program, staff developed the four key sections of the plan and this was approved by the Board during the budget process. The major components of the plan are the RTA Vision, Vision Elements, Mission of the Organization, and Strategies in achieving the Mission.

The 2012-14 Strategic Business Plan (SBP) was subsequently adopted in October 2011, and it incorporated goals and objectives developed as part of the *2010 RTA Short Range Transit Plan*. Staff used the measurable standards in the SBP to help guide the organization toward meeting the agency's goals and objectives. The subsequent 2015-2017 SBP was adopted in July 2014, and the most recent 2018-20 SBP was adopted in March 2018.

The 2018-20 SBP incorporated both new and revised standards developed in the 2016 *RTA Short Range Transit Plan*, as well as information gleaned from a customer perception survey completed in October 2017. Finally, the 2018-20 SBP examined real-time data gleaned from our comprehensive GPS-based Intelligent Transportation System (ITS), which helped determine appropriate new performance standards.

With the adoption of the Short-Range Transit Plan (SRTP) at the May 7, 2025 RTA Board meeting, staff incorporated the recommended revised performance standards that we can use to measure progress. In addition, staff streamlined the references to the various services the RTA operates on behalf of area jurisdictions. Below is a summary of the updates incorporated starting for FY24-25:

**Standards of Excellence Section 1: Service Quality and Efficiency**

1. Standard 1 – updated the productivity standards to peer average

## **Standards of Excellence Section 2: Revenue and Resources**

1. Add Standard 5 – the cost-per-passenger for all regularly scheduled/year-round services

The SRTP peer agencies did not report this information by service type so the standard was added based on current performance.

2. Add Standard 6 – the cost-per-vehicle revenue hour for all regularly scheduled/year-round services

The SRTP peer agencies did not report this information by service type so the standard was added based on current performance.

It should be noted that with the update to the *Service Quality and Efficiency Standard 1*, the services the RTA operates are now more in line with peer averages. Previously the standards were established based on overly ambitious staff goals, and are now unattainable after the impacts on ridership behavior caused by the COVID-19 pandemic.

Staff also worked with the fiscal auditor on the farebox recovery ratio calculation. As was previously reported, the RTA struggled to meet the standard. Due to the global pandemic and its impact on ridership behavior, the California legislature passed AB 149 which authorizes transit operators to include federal operating grant funds as local funds for the purpose of computing farebox recovery ratios. Beginning in FY23-24, the RTA included the FTA 5307 operating funds as part of the other local support for the farebox calculation. This has resulted in the farebox recovery ratio for all regularly scheduled/year-round services being greater than the minimum standard required by SLOCOG to meet TDA requirements.

### **Staff Recommendation:**

Receive and file the SBP results through December 31, 2025.

## RTA Strategic Business Plan Standards of Excellence

**Standards of Excellence Section 1: Service Quality and Efficiency** – We will deliver dependable, customer focused and efficient transit services to the communities that we serve. Further, we will look for opportunities to deploy innovative new service within budgetary constraints.

**Standard 1:** The Productivity (one-way passenger-boardings per vehicle service hour) standards are presented below for regularly-scheduled / year-round services:

- A. Regional intercity fixed-route (RTA Routes 9, 10, 12 & 14) services shall be 10 or greater.
- B. Route deviation services (such as RTA Route 15) will be 2 or greater.
- C. Local fixed-route (Paso Robles Routes A & B, and South County Routes 21, 24, 27 & 28) shall be 10 or greater.
- D. Runabout and other demand response services will be 2 or greater.

Any recommended changes to seasonal or lifeline services (i.e., Shandon Dial-A-Ride) will include target productivity standards that must be met in order to qualify for continued funding.

*Measurement:* Objective.

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

<b>FY 25 Productivity</b>													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
RTA Fixed	14.1	16.6	17.4	17.2	16.6	14.5	14	14.8	14.8	15.9	15.7	14.2	15.49
Route Deviation	3.1	4.4	3.3	3.8	3.7	3.3	3.4	3	3.4	3.3	2.9	3.7	3.4
Paso Express	18.8	23.7	28	27.5	24.5	25.4	24.4	22.7	24.1	23.6	28	21.7	24.4
SCT Fixed	12.5	13.1	13.1	13	12.4	12.3	12	11.4	12.4	13.1	12.8	12.2	12.5
Runabout	1.3	1.6	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.2	1.1	1.2	1.3
Paso DAR	1.7	1.7	2	2	1.7	1.6	1.7	1.7	1.4	1.7	1.7	1.4	1.7
Nipomo DAR	1.8	2.4	3	2.9	2.8	2.6	2.3	2.4	2.5	2.2	2.9	1.8	2.5

<b>FY 26 Productivity</b>													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
RTA Fixed	14.7	16.6	15.9	23.1	14.5	11.5							15.5
Route Deviation	3.1	3.4	2.6	4.3	2.8	2.6							3.1
Paso Express	19.6	22.8	22.2	32.3	24	19.4							23.8
SCT Fixed	11.4	11.8	11.3	12.9	11.6	11.1							11.6
Runabout	1.1	1.2	1.1	1.4	1.1	1.3							1.2
Paso DAR	1.9	1.9	1.6	1.9	1.2	1.4							1.6
Nipomo DAR	1.5	2.6	3.5	3	3	2.5							3.3

The tables above show that RTA intercity fixed-routes, Route 15 deviated fixed-route, Paso Robles local fixed-routes, and Nipomo DAR and Paso DAR met the standards for FY25 and FY26 through December 2025. However, we did not meet the standards for Runabout and Paso DAR for both periods. Overall ridership is modestly trending the same for these periods, and staff will continue to evaluate alternatives to improve results.

**Standard 2:** The Service Delivery rate for all regularly-scheduled / year-round services shall be 99% or greater.

*Measurement:* Objective.

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

As long as a scheduled fixed-route bus trip is delivered ahead of the next scheduled bus trip, then service is considered “delivered” (but that late trip will still be reported under the on-time performance measure discussed below). The service delivery goal is 99% or greater. The RTA delivers about 2,594 trips per month. In FY25-26 through December 2025, the RTA missed 11 trips, Paso Robles missed 64 trips, Morro Bay missed 4 and South County missed 12 trips, resulting in an overall 97% delivery rate. This delivery rate dropped due to driver shortage for the Paso Robles service. However, it should be noted that there was still service in the opposite direction, so passengers still had service – albeit at a lower level.

**Standard 3:** “On-time” is defined as no later than six minutes from any time point in the published schedule. We recognize that making scheduled transfers between buses is vitally important to riders, and staff will explore methods of regularly measuring missed transfers. The following On-Time Performance (OTP) standards shall apply to regularly-scheduled / year-round services:

- Regional intercity fixed-route and Express runs shall be 85% or greater.
- Local fixed-route shall be 90% or greater.
- Route deviation services shall be 70% or greater.

*Measurement:* Objective.

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

		FY 2025												
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
RTA		86%	83%	85%	82%	82%	82%	87%	90%	91%	86%	88%	87%	86%
Paso		90%	88%	87%	92%	89%	89%	89%	93%	94%	94%	93%	95%	91%
Route 15		84%	83%	84%	87%	85%	88%	87%	93%	92%	91%	94%	94%	88%
South County		85%	83%	83%	85%	86%	89%	89%	86%	90%	89%	87%	89%	87%

**FY 2026**

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
RTA	89%	84%	82%	83%	83%	81%							84%
Paso	95%	89%	82%	80%	82%	84%							85%
Route 15	92%	93%	92%	87%	92%	91%							91%
South County	88%	89%	92%	90%	91%	89%							90%
Morro Bay	98%	95%	98%	98%	98%	97%							97%

For FY24, RTA intercity and Paso Robles local fixed-route services did not meet standards, but the Route 15 and South County local fixed-routes met the standard with a result of 85%. For FY25 all standards were met. Although all standards were met, Staff will continue to look for ways to improve this result.

**Standard 4:** The On-Time Performance (OTP) for Runabout and other demand response services shall be 95% or greater.

*Measurement:* Objective.

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

Runabout service is considered on-time if the van arrives within 30 minutes of the appointed pick-up time. The goal is 95% or greater, and Runabout surpassed this goal in each month of FY26 YTD, with a 99.25% on-time average. Staff will continue to monitor Runabout’s OTP to ensure we continue to achieve strong results.

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

*Measurement:* Subjective.

- Reported by the Executive Director and Division Heads annually.
  1. Schedule revisions and minor route alignment changes are evaluated routinely to improve service delivery.
  2. Staff monitors ridership and customer comments looking for system improvements.

**Standard 6:** The RTA will measure overcrowding as the frequency of instances that the number of passengers on a bus exceeds the number of seats (i.e., 34 passengers on a 34-seat bus equates to a Load Factor of 1.00), as well as the duration of exceedances. The Overcrowding standards are as follows:

- A. The standard for regular fixed-route services is no more than 10% of the monthly total number of bus trips that exceed a Load Factor of 1.25 for greater than 20 minutes.
- B. The standard for Express services is no more than 10% of the monthly total number of bus trips exceeds a Load Factor of 1.00 for greater than 20 minutes.

If the Load Factor standards are exceeded, staff will assign a larger vehicle (if possible); otherwise, the Board will direct staff to evaluate adding scheduled bus trips to spread out the passenger loads.

*Measurement:* Objective.

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

For FY25-26, there was one trip that experienced overcrowding. This was the Paso Robles local Route A in the afternoon due to the large number of high school and junior high students riding. Staff will continue to monitor the service for overcrowding as it relates to riders' comfort levels.

**Standards of Excellence Section 2: Revenue and Resources** – While providing excellent service to our customers and communities, we will do so within the financial resources available to us. The financial health of the organization will not be compromised, and we will work to deliver good value for the taxpayers' investment in the RTA.

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

*Measurement:* Objective.

- Tracked monthly in financial statements and reported bimonthly to the RTA Board. Below are results for the past five fiscal years, plus YTD for FY23-24:

FY21-22 Result: Operating Costs were 95% of the adopted budget

FY22-23 Result: Operating Costs were 92% of the adopted budget (net of depreciation and pension expense/GASB 68 adjustment)

FY23-24 Result: Operating Cost are 95.6% of the adopted budget (net of depreciation and pension expense/GASB 68 adjustment)

FY24-25 Result: Operating Costs are 92.0% of the adopted budget (net of depreciation and pension expense/GASB 68 adjustment)

FY25-26 Result: Operating Costs are 43.8% of the adopted budget through December 2025 (unaudited)

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

**Standard 2:** The Farebox Recovery Ratio for all regularly scheduled / year-round services shall be 16% greater than the minimum standard required by SLOCOG to meet TDA requirements.

*Measurement:* Objective.

- Tracked monthly and reported bimonthly to the RTA Board.

FY21-22 Result: 8.2% (including Paso Robles local routes and South County local routes)

FY22-23 Result: 8.7% (including Paso Robles local routes and South County local routes) (net of depreciation and pension expense/GASB 68 adjustment)

FY23-24 Result: 8.9% (including Paso Robles local routes and South County local routes) (net of depreciation and pension expense/GASB 68 adjustment) – 44.2% after factoring in FTA 5307 operating funds

FY24-25 Result: 9.1% (including Paso Robles local routes and South County local routes), (net of depreciation and pension expense/GASB 68 adjustment) unaudited, – 38.8% after factoring in FTA 5307 operating funds

FY24-25 Result: 7.5% (including local and inter-city routes) through December 2025, unaudited, before adjustments

In recent years, the RTA has struggled to meet this standard. Due to the global pandemic, the California legislature passed AB149 which authorized transit operators to include federal grant funds as local funds for the purpose of computing fare revenue ratios. In FY23-24 and FY24-25 the RTA noted the FTA 5307 operating funds as part of the other local support for the farebox calculation.

**Standard 3:** No significant annual fiscal and compliance audit findings.

*Measurement:* Objective.

- Finance and Administration will report any negative audit findings to the RTA Board.

The RTA consistently achieves positive annual fiscal and compliance reports with no significant financial audit findings. Staff strives to improve transparency and continues to implement procedures that exceed the auditors' expectations.

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

*Measurement:* Subjective.

- Evaluated through the Marketing Department's biannual Community Perception Survey, feedback from communities, and review of the annual 5-year capital program by the RTA Board.

The annual capital program is developed by staff and presented to the Board as part of the annual budget-making process. In addition, staff presents budget revision recommendations if conditions change.

**Standard 5:** The cost-per-passenger for all regularly scheduled / year-round services shall be:

- A. Regional intercity fixed-route (RTA Routes 9, 10, 12 & 14) services shall be \$16 or less.
- B. Route deviation services (such as RTA Route 15) will be \$80 or less.
- C. Local fixed-route (Paso Robles Routes A & B, and South County Routes 21, 24, 27 & 28) shall be \$12 or less.
- D. Runabout and other demand response services will be \$140 or less.

Measurement: Objective.

- Tracked monthly and reported bimonthly to the RTA Board. All yellow-highlighted measures below exceeded the standard.

Cost-Per-Passenger, \$			
Service	FY23-24	FY24-25	FY25-26
RTA Fixed	15.20	15.07	14.44
Route Deviation	63.13	71.26	77.05
Paso Robles	7.01	5.97	7.29
South County	12.51	12.38	14.94
Runabout	138.73	145.15	152.86
Paso DAR	71.87	75.98	95.02
Nipomo DAR	67.26	57.00	52.54

**Standard 6:** The cost-per-vehicle revenue hour for all regularly scheduled / year-round services shall be:

- Regional intercity fixed-route (RTA Routes 9, 10, 12 & 14) services shall be \$225 or less.
- Route deviation services (such as RTA Route 15) will be \$235 or less.
- Local fixed-route (Paso Routes A & B, and South County Routes 21, 24, 27 & 28) shall be \$165 or less.
- Runabout and other demand response services will be \$185 or less.

Measurement: Objective.

- Tracked monthly and reported bimonthly to the RTA Board. All yellow-highlighted measures below exceeded the standard.

Cost-Per-Vehicle Revenue Hour			
Service	FY23-24	FY24-25	FY25-26
RTA Fixed	225.53	233.45	228.14
Route Deviation	235.76	244.94	239.36
Paso Robles	157.17	145.60	174.38
South County	164.20	154.91	175.26
Runabout	187.38	181.97	183.12
Paso DAR	140.64	129.59	153.14
Nipomo DAR	158.69	141.98	143.24

**Standards of Excellence Section 3: Safety** – We recognize the tremendous importance of safety in the operation of RTA service to our customers and communities. Therefore, the safety of our customers and employees will be an organizational priority and we will be proactive in promoting system safety.

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

*Measurement:* Objective.

- Rate shall be tracked by the Safety and Training Manager and reported annually to the RTA Board. Below are results for the past five fiscal years:
  - FY20-21 Result: 1.65 RTA-only, and 1.48 combined RTA/South County
  - FY22-23 Result: 1.75 Combined
  - FY23-24 Result: 0.77 Combined
  - FY24-25 Result: 1.22 Combined
  - FY25-26 Result: 0.76 Combined

Bus Operators are held to a higher safety standard than general public drivers. Staff continues to track this KPI closely. We have assembled an internal team to monitor causative factors, including trends by route, years of experience, location, type of collision, etc. New Bus Operators return for refresher training after three months after graduating from the training program.

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

*Measurement:* Objective.

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

Employees are engaged in the Safety Resource and Employee Committee by submitting suggestions. Suggestions that are not directly related to the Committee's mission are forwarded to the appropriate department for resolution.

In FY25-26, the Safety Resource Committee closed 32 action items, with 3 open action items and two recurring items remaining. The action items included:

1. Maintenance on AC system for all buses
2. Reprogramming the kneeler switches on the ARBOCs so drivers can kneel the vehicle before opening the doors to reduce the risk of passengers tripping while stepping into vehicle.
3. The Committee continues to address requests concerning areas where the weeds or tree limbs are blocking the view of traffic. The requests are sent to appropriate jurisdictions to have them trimmed to improve visibility.
4. A few bus stop lights were added so passengers are visible to Bus Operators during hours of darkness.
5. RTA employees continue to demonstrate attentiveness and communication in mitigating hazards and engage in improving the quality of our work environment.

6. The Committee continues to address difficult locations on fixed route services by working with the jurisdictions to ensure bus stops are safe and easily accessible.
7. The Committee also continues to address difficult locations on the demand response services, particularly those areas that require navigating around or away from hazards at customer pick-up/drop-off locations.

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

*Measurement:* Objective.

- All work comp claims shall be duly investigated and immediately reported by Finance and Administration staff to our carrier. Below are results for the past five fiscal years:

FY21-22 Result: 3 lost-time claims (all have closed) and 5 first aid/incidents/medical-only (they are all closed)

FY22-23 Result: 7 lost-time claims (two are open as of December 31, 2025), and 8 first aid/incidents/medical-only (they are all closed)

FY23-24 Result: 9 lost-time claims (two are open as of December 31, 2025) and 9 first aid/incidents/medical-only (they are all closed)

FY24-25 Result: 6 lost-time claims (two are open as of December 31, 2025) and 12 first aid/incidents/medical-only (they are all closed)

FY25-26 Results: 2 lost-time claims (one is open as of December 31, 2025) and 3 first aid/incidents/medical-only (they are all closed)

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

*Measurement:* Objective.

- As measured in biannual Community Perception Survey.

Based on the Short-Range Transit Plan passenger surveys conducted in October 2023, customer perception of system safety/security was rated 4.4 out of 5, which equates to 88%. Staff strives to improve satisfaction regarding this standard. A follow up survey is anticipated to be completed in the fall of 2026.

**Standard 5:** Total risk management costs shall not exceed industry norms. Staff will undertake alternating market surveys every four years for vehicle liability / physical damage coverage and for workers compensation coverage.

*Measurement:* Objective.

- Tracked monthly by Finance and Administration and reported bimonthly to the RTA Board. Reported monthly by Finance and Administration in financials and YTD budget reports. Below are results for the past five fiscal years:

FY21-22 Result: 7.6% of total operating costs

FY22-23 Result: 10.2% of total operating costs (net of depreciation and pension expense/GASB 68 adjustment)

FY23-24 Result: 9.7% of total operating cost (net of depreciation and pension expense/GASB 68 adjustment)

FY24-25 Result: 10.7% of total operating costs (net of depreciation and pension expense/GASB 68 adjustment)

FY25-26 Result: 11.7% of total operating costs through December 2025 (unaudited)

Staff has worked hard to close claims opened in prior years. Although this is good news, due to the tightening market in California, staff expects risk management costs to continue to escalate unless tort reform or other adjustments are made by the Legislature that could reduce transit agencies' exposure to frivolous lawsuits. If exposure could be reduced, it would likely increase competition in the market and reduce our risk management costs. Staff closely monitors this issue and will report developments back to the Board as information is collected.

**Standards of Excellence Section 4: Human Resources** – Our employees are the foundation of the organization. We will support our employees in achieving excellence through training and development, teamwork, and continuous efforts at effective communication while treating each with integrity and dignity.

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

*Measurement:* Subjective.

- Annual assessment by Executive Director and Department Heads.

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

2021 – 19%

2022 – 16%

2023 – 17%

2024 – 18%

2025 – 20%

**Standard 2:** Provide continuous development of skills and capabilities through ongoing training and development programs that foster personal and professional growth. Department Heads develop training plans as part of annual budget-making process, according to the following minimum standards:

- A. Maintenance: 30 Hours per technician annually.
- B. Operations Supervisors: 24 Hours annually.
- C. Bus Operators: 8 Hours Annually.
- D. Finance and Administration: 16 Hours per employee annually.

*Measurement:* Objective.

- Department Heads evaluated annually for achievement of training objectives.

Staff appreciates the Board's commitment to funding a relatively robust training budget. It should be noted that ongoing training is a major part of what staff does daily to help both the organization and staff grow professionally and enhance safe operations.

- Maintenance: In FY25-26, our Mechanics have averaged 5 hours per person as of December 31, 2025. Training provided covered the Hunter alignment rack, fork and scissor lifts, and emergency evacuations.

In FY24-25, our Mechanics averaged 29.25 hours per person, including training for Lift-U, Thermo-King, Allison HUB, Electric Vehicle HVAC, CHP Inspection, CARB Compliance, and Rules of the Road.

- Operations Supervisors: In FY25-26 YTD, the average was 17 training hours per Operations Supervisor; standard is 24 hours annually. Our Training staff and our third-party trainers have conducted 226 total training hours. These training modules include the following:
  - ChargePoint EV training,
  - Supervisor Training
  - Reasonable Suspicion,
  - Fire evacuation plan
  - New vehicle type Ford Transit training,
  - Classroom and Behind-the-Wheel training completed for EV Buses,
  - Transportation Safety Institute Instructor's Course,
  - Wheelchair securement on newer buses,
  - Violence in the workplace,
  - Crisis communication for transit managers
  - TSI Transit Trainer course (two Supervisors), and
  - Customer service skills training
- Bus Operator training: Besides the required 8 hours of annual Verification of Transit Training, Bus Operators have received a combined total of 259 additional training hours conducted by our training department for topics listed below, but not limited to:
  - New Bus Operator Trainees receive a 6-week training program, plus additional training with a qualified Line Instructor operating in revenue service before working alone
  - Bus Fleet Orientation for three new vehicles types and refresher training as needed
  - Seven Bus Operators completed new hire training through December 2025
  - Seven applicants attended DMV Permit Study Classes with the Training staff
  - Four Bus Operators participated in the five-day TSI Instructor's Course hosted regionally at the RTA BMF.
- Finance and Administration: These training hours are used by each employee in various ways based on their responsibilities and in consultation with his or her direct supervisor. As of December 31, 2025, FY25-26 trainings have included the

CalPELRA Human Resources Conference, LCTOP Office Hours, CARB CalFleet Webinar, EnergiIZE webinar, FTA DBE webinar hosted by Caltrans, FTA Charter Bus Regulations, and the CalTIP Board of Directors strategic planning and Board meetings. In FY24-25, these included the CALPELRA Human Resources Conference, NTD Understanding GTFS Data Requirements, LCTOP Allocation Request Workshops, CSFMO lunch and learn, Insight Studio Workshop - Celebrating Inclusive Business Practices, and the CalTIP Board of Directors Meetings.

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

*Measurement:* Subjective.

- Employees provided opportunity to provide feedback on organizational communication as part of the Executive Director's annual evaluation.

We continually stress the tenets of *Verbal Defense and Influence*, which focuses on how to communicate more effectively with each other and our customers – particularly in difficult or threatening situations. All employees have completed de-escalation and implicit bias training to enhance employee customer service. The Executive Director and the three RTA department heads meet weekly to ensure consistency in messaging and direction for the organization. The Executive Director and the three department heads also conducted an annual manager retreat focusing on strategic initiatives.

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

*Measurement:* Objective.

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

Employees in the Bus Operator, Mechanic, Parts Clerk, and Utility classifications are evaluated based on the requirements of the Collective Bargaining Agreement (CBA) and to ensure the public's safety. CBA employees are also evaluated as part of the RTA Safety Awards program on their individual anniversary dates. The RTA also completes formal annual evaluations for administration and management staff not covered by the CBA.

**Standards of Excellence Section 5: Fleet and Facility** – We will operate and maintain a modern and clean fleet and facilities that will be pleasing to our customers and a source of pride for our employees and our communities.

**Standard 1:** If funding permits, the RTA will match SLO Transit’s standard of replacing revenue vehicles when they reach the FTA-defined useful life minimums in terms of service years or miles. If funding remains constrained, negotiate with SLO Transit to ensure neither agency’s buses surpass 40% beyond the FTA standards.

*Measurement:* Objective.

As of December 31, 2025 the average age of our 35 fixed-route vehicles is 8.5 years with an average of 378,908 miles per vehicle. The average age of our 42 demand-response vehicles (including Runabout, Trolley, and other Dial-A-Ride vans) is 5.7 years with an average of 83,087 miles. We are currently within the RTA’s vehicle life standards.

Staff worked closely with our Short-Range Transit Plan consultants and partner agencies to update the SRTP, which was adopted in May 2025. The fleet plan was updated partially (primarily for heavy-duty buses and larger cutaway vans) as part of the ICT Rollout Plan in 2023. In addition, a five-year capital program is included in each annual budget document.

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

*Measurement:* Objective.

- As tracked and reported by the Maintenance Department and reported biannually to the RTA Board.

We experienced 5 major mechanical system failures and 17 other mechanical system failures in FY25-26 as of December 31, 2025. This equates to 3.31 failures per 100,000 vehicle revenue miles for fixed-route buses and 1.04 for demand response vans.

As a comparison, we experienced 10 major mechanical system failures and 19 other mechanical system failures in FY24-25. This equates to 2.44 failures per 100,000 vehicle revenue miles for fixed-route buses and 0.27 for demand response vans.

**Standard 3:** Maintain a clean, attractive fleet. Maintain our facilities so that they are safe and appealing to customers and employees.

*Measurement:* Subjective.

- As measured by employee and customer feedback.

Based on the results of the SRTP survey that was conducted in October 2023, cleanliness of buses ranked 4.4 out of 5, which equates to 88%. A follow up survey is anticipated to be completed in the fall of 2026.

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

*Measurement:* Objective.

- As measured in the biannual Community Perception Survey.

Bus stop appearance was included in the SRTP passenger survey conducted in October 2023, and we achieved a ranking of 3.8 out of 5, which equates to 74%. Although this does not meet the 80% standard, staff is developing a strategy to address this standard, including updating/replacing the bus stop signs in South County and repairing/enhancing bus stop lighting.

Bus stop location was also included in the October 2023 SRTP survey, and we achieved a ranking of 4 out of 5, which equates to 80%.

A follow up survey is anticipated to be completed in the fall of 2026.

**Standard 5:** Achieve all federal- and state-mandated maintenance minimums, as well as vendor recommended maintenance schedules, for our fleet and facilities. The following standards apply:

- A. No negative CHP Annual Terminal Inspection, FTA Triennial Review or TDA Triennial Performance Audit findings.
- B. Preventative maintenance schedules for all equipment shall be carried out on a timely basis (3,000-mile intervals or as mandated by equipment OEM vendor).

*Measurement:* Objective.

- As tracked by the Maintenance Department and reported annually to the RTA Board.

There were no negative findings in the 2023 TDA Triennial Performance Audit or in the 2023 FTA Triennial Review, nor in the most recent CHP Terminal Inspection completed in August 2025. Preventive maintenance has been completed on a timely basis, with no CHP findings. Staff is working on the 2026 TDA Triennial Performance Audit and FTA Triennial Review and will share status updates with the Board.

**Standards of Excellence Section 6: Leadership** – We will strive to be one of the nation’s leading small transit operators. We will work to maintain collaborative relationships within the industry, within our community, and with our stakeholders. We will develop future leaders from within our organization.

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

*Measurement:* Subjective.

- Will be reviewed by staff and RTA Board.

Staff continues to build upon an already strong relationship with our partners at the federal, state and local levels. The Executive Director serves on the CTA Small Operators Committee. The SLOCOG – Santa Maria interlocal agreement that allows SMRT express

buses to operate into SLO includes a provision that our Regional Passes be accepted on SMRT buses. To date, no SMRT trips using our Regional Pass have been provided. Staff is working with City of SLO officials to develop a mutual aid agreement, primarily addressing use of equipment during emergencies and BEB recharging.

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

*Measurement:* Subjective.

- To be evaluated and monitored by RTA Board.

The agency's partnership successes are formally discussed by the Board during the Executive Director's annual evaluation. In addition, issues and ideas are also forwarded by community members to both the Board and staff throughout the year. The Executive Director also attends City Council and other public meetings in each RTA jurisdiction throughout the year. The Executive Director also actively participates as a member of Rotary SLO de Tolosa, which provides an important link to thought leaders and prominent community members throughout our county.

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

*Measure:* Subjective.

- To be evaluated by Executive Director.

Promoting effective internal communication is a task that always requires high- and mid-level nurturing, which is especially important now that we have embarked on an intensive capital program to electrify our buses. Senior staff members meet weekly to discuss effective communications and our organizational values, while a broader group meets monthly to strive to ensure messaging is consistent and useful. The Executive Director also informs the Board President of on-going efforts to improve communications and employee morale within our organization. While we believe we are making strides in improving internal communications, this is an area in which the work is never "done."

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

*Measurement:* Subjective.

- To be evaluated by Executive Director and RTA Board.

Similar to the discussion on Standard 3 above, the Executive Director's leadership is evaluated annually as part of his review. The Executive Director also discusses leadership successes and goals with his three department heads as part of their annual evaluation. Finally, the Executive Director and other senior RTA staff discuss direction with other transit agency staff during quarterly RTAC meetings and other transit-focused meetings (i.e., FTA 5307 planning, UZA MOU discussions, SSTAC, etc.) throughout the year.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**MARCH 4, 2026**

**STAFF REPORT**

**AGENDA ITEM:** A-7

**TOPIC:** Atascadero AHSC Grant Application Support Letter

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

**STAFF RECOMMENDATION:** Authorize Executive Director to Submit Support Letter

**BACKGROUND/DISCUSSION:**

The City of Atascadero is contemplating submittal of an application to the California Department of Housing and Community Development (HCD) for an Affordable Housing and Sustainable Communities (AHSC) program grant. The proposed Paseo Paloma project would be located along the El Camino Real corridor, which is served by RTA Route 9 and the City-funded Atascadero Dial-A-Ride program that is operated by the RTA. For the past several weeks, RTA staff has been meeting virtually with the City and other interested parties to support an application that might include transit enhancements in the project's vicinity.

The AHSC program is administered by the Strategic Growth Council and implemented by the HCD to fund land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas ("GHG") emissions. Funding for the AHSC Program is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds. The project might include transit enhancements such as the purchase passenger amenities at nearby bus stops.

As indicated in the attached draft support letter, no new funds would be committed by the RTA member jurisdictions to operate existing or enhanced transit services. The letter merely commits the RTA to work in earnest with the City of Atascadero to secure any agreements necessary to facilitate deployment of the grant funds, implementation of any new services, and purchase of new passenger shelters and related infrastructure in the event the project is successful in attaining an AHSC grant award. The RTA submitted a similar support letter in May 2021 for a project in Paso Robles.

**Staff Recommendation**

Authorize the Executive Director to finalize and submit the AHSC agreement letter to AHSC officials.



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

March 4, 2026

Samuel Assefa  
Chair, Strategic Growth Council  
1400 Tenth Street  
Sacramento, CA

RE: **City of Astacadero AHSC Application**

Dear Ms. Gordon,

The San Luis Obispo Regional Transit Authority understands that the City of Atascadero and (\*\*list other applicants here\*\*\*) are applying for grant funding through Round 10 of the State's Affordable Housing and Sustainable Communities (AHSC) program. Included within the application is a request for funding to implement passenger amenities at and adjacent to the Paseo Paloma development along the El Camino Real corridor. Under the AHSC grant proposal, neither the RTA nor any of its member jurisdictions are formal applicants or required to provide local funding commitments.

Should the City's application for AHSC funding be successful, the RTA agrees to work in earnest with awarded applicants to secure any agreements necessary to facilitate deployment of the grant funds, implementation of RTA Route 9 changes, and purchase of new passenger shelters and related infrastructure described in the application .

Sincerely,

Geoff Straw  
Executive Director

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

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

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**MARCH 4, 2026**

**STAFF REPORT**

**AGENDA ITEM:** A-8

**TOPIC:** Identify RTA Counsel as RTA Labor Negotiator

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

**STAFF RECOMMENDATION:** Identify RTA Legal Counsel Jenna Morton as a Designated Representative for RTA for Labor Negotiations Pursuant to California Government Code Section 54957.6(a).

**BACKGROUND/DISCUSSION:**

California Government Code Section 54957.6(a) allows the RTA Board to identify one or more designated representatives to receive direction in closed session regarding employee salaries, salary schedules, and compensation paid in the form of fringe benefits. The designated representative may then negotiate on behalf of the RTA Board and return to open session with compensation adjustments, such as contract amendments or a revised salary schedule. This item is to designate RTA Legal Counsel Jenna Morton as a representative for RTA labor negotiations.

**Staff Recommendation**

Identify RTA Legal Counsel Jenna Morton as a designated representative for RTA for labor negotiations pursuant to California Government Code Section 54957.6(a).

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**MARCH 4, 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:**

We will recognize Sergio Flores as the Employee of the Quarter at the beginning of the Board meeting. Sergio serves as a Lead Utility employee on the bus wash rack and for bus stop maintenance. Sergio also recently obtained a Commercial Driver's License so that he can assist with bus exchanges when needed. We will also acknowledge Bus Operator Jenni Fields for being recommended by her co-workers for an Outstanding Achievement Award, and Lori Dean for a 15 Years of Service award.



**Operations:**

Since the previous regular Board meeting in January, four Bus Operators that were in training (David, Shuo, Jason, Kelly) have begun operating in revenue service. Two Bus Operator candidates are currently completing training (Christopher and Gilbert). Three Bus Operators are on extended leave. Four candidates are in the permitting / background check phase, and we are hopeful they will begin training before the end of March. In total, we have five open Bus Operator bids – four full-time, and one part-time. 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.



We also wish to acknowledge Deana Wilkinson, who was promoted into an Operations Supervisor position. She is filling the shoes of long-time Supervisor James Shafer, who filled the Training Instructor position vacated when Luke Houston was promoted into the Safety and Training Manager position. We expect great things from them all in their new positions.

## **Update on Bus Charging & Electrification Study**

We contracted with Stantec Engineering in March 2025 to complete an SB125 funded study to define our electric bus charging needs at the three overnight park-out yards and at up to four busy layover locations to “top up” the batteries of our zero emission buses. The first phase (Power Demand Analysis) has required more time so that a more intense BEB Route Profile Modeling effort could be completed. The Power Demand Analysis draft report will be presented at the May 2026 RTA Board meeting.

## **Marketing & Communications:**

Since we last reported at the January RTA Board meeting, our primary focus has been planning for the new simpler cash fare program and the launch of the *Tap2Ride* system. Below are some details on those efforts:

- Testing on-bus *Tap2Ride* equipment using an array of payment instruments (Visa, MasterCard, Discovery, iPhone, etc.). We have already begun sharing information on the *Tap2Ride* system with Bus Operators and other customer facing employees. See Agenda Item B-3 for more information.
- Developing mock website pages and other marketing materials, such as updated RTA Routes 9,10,12 and15 maps/schedules.
- Preparing a new driver recruitment campaign, including a new set of YouTube ads.

## **Maintenance & Facilities:**

RTA Maintenance Manager Andy Wyly has substantially completed the Phase 2 Electric Vehicle Servicing Equipment design/build project, with vendor commissioning and SLO City inspections completed in early February. The project includes seven new ChargePoint direct-current fast-charger dispensers suspended from the overhead canopy, as well as twelve Blink Charging level 2 dispensers surrounding the utility yard and eight more along the northern van parking area. This brings our total number of DC fast-charging dispensers to eleven – which will match our zero-emission fleet once the four new BEBs currently on order are delivered in late 2026. When the system testing is completed in early March, ChargePoint will provide training on the new computer-aided VeriCiti charge management system that will help the RTA avoid future PG&E demand charges.

Mr. Wyly is also serving as the project manager for the Photovoltaic design-build project, which is in permitting review at the City. The Buy America compliant PV panels were ordered in August 2025, but they are delayed due to supply chain issues. Once the PV system is fully commissioned, we will seek the Board’s authority to subsequently implement a state-funded battery-energy storage system to both serve as an emergency power source and to “shave” peak power demands. We expect to save on the order of \$10k/month in electricity charges, and for our campus to be a net zero energy facility.



Route 12 service to the jointly funded new bus stop at Cuesta College was officially launched on February 9<sup>th</sup>, and the feedback from riders and Bus Operators is positive. The three large passenger shelters feature new passenger information kiosks, trash receptacles and an LED bus arrival sign. The next time you are riding Route 12 or pass the campus while driving on Highway 1, be sure to check them out.

### **Finance and Administration:**

The new collective bargaining agreement with Teamsters Local 986 authorized by the RTA Board at its January 7<sup>th</sup> meeting has been fully executed. This is the first time during my 13-year tenure that we were able to negotiate the next CBA before the previous one expired – which thankfully meant that no retroactive pay transactions had to be implemented. We also worked with our healthcare plan provider to temporarily re-open the enrollment period (normally in November) so that the changes to spouse/dependent coverage amounts included in the CBA could be incorporated without having to wait a full year for implementation.

A summary of our unaudited year-to-date operating results through December 31<sup>st</sup> 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 228,455 through the first six months of FY25-26, which is a decline of 3.9% compared to last year (237,696). Overall, Route 9 SLO-Paso is down 6.7%, 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 3.6% compared to the same period last year. Route 10 weekday ridership is actually up slightly compared to the same period last year. This is encouraging news, since the service into Santa Maria was actually cut on August 10<sup>th</sup> as a result of the City of Santa Maria eliminating the pass-through of FTA funds.
- When looking at non-core local fixed-route services operated by the RTA, the Paso Express ridership in the first six months of FY25-26 was actually up 36.9% in comparison to pre-pandemic levels (73,654 vs. 53,809), while also up 9.7% in comparison to FY24-25 (57,586). A large part of the increase is due to boardings by K-12 students and the reintroduction of Saturday service in August 2025.
- South County ridership is 31.5% below pre-pandemic levels (84,888 vs. 111,588), and is down 4.3% compared to FY24-25 (88,745).

- Runabout ridership totaled 12,508 through the first six months of FY25-26, which is a 13.7% decline compared to FY24-25 (14,501). The pre-pandemic total was 20,103, which was 37.8% 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.

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 43.2% of the annual Administration budget and 41.7% of the annual Operations budget through 50% of the fiscal year. Overall, non-capital expenses are at 34.3%.
- 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 8.1%. The FRR was 12.8% for Paso Robles local fixed-route services, and 3.7% for South County fixed-route services. Runabout's FRR remains low at 3.0%. 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 \$14.64, while the Runabout result was \$148.33. The subsidy per passenger-trip was \$7.36 for Paso Robles services and \$14.39 for South County services.

## **STAFF RECOMMENDATION**

Receive and file.

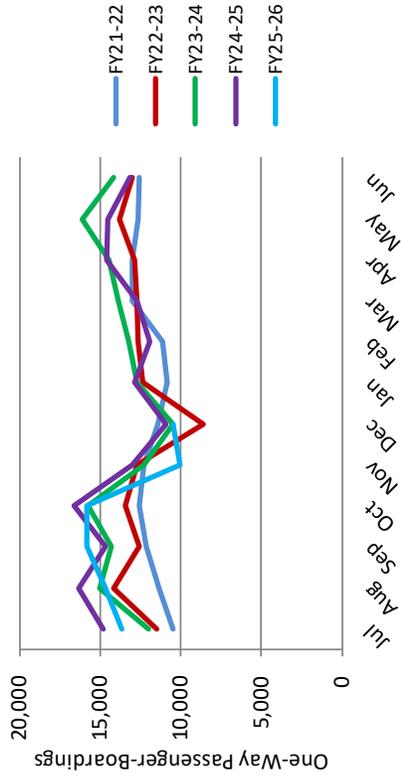
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
YEAR TO DATE THRU DECEMBER 31, 2025  
CURRENT FISCAL YEAR - 2025/2026**

	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 THE COUNTY OF SLO	SERVICES PROVIDED FOR THE CITY OF MORRO BAY	SERVICES PROVIDED FOR THE CITY OF ATASCADERO	SYSTEM TOTAL
<b>REVENUES:</b>												
FARES	\$ 108,987	\$ 125,024	\$ 54,366	\$ 13	\$ 7,018	\$ 295,408	\$ 56,686	\$ 80,559	\$ 12,170	\$ 7,668	\$ 6,088	\$ 505,724
<b>TOTAL ROUTE REVENUES</b>	\$ 108,987	\$ 125,024	\$ 54,366	\$ 13	\$ 7,018	\$ 295,408	\$ 56,686	\$ 80,559	\$ 12,170	\$ 7,668	\$ 6,088	\$ 505,724
<b>EXPENDITURES:</b>												
ADMINISTRATION	\$ 219,711	\$ 189,104	\$ 130,145	\$ 948	\$ 67,930	\$ 607,838	\$ 349,517	\$ 109,495	\$ 56,893	\$ 48,049	\$ 35,674	\$ 1,429,726
MARKETING	-	-	-	-	-	-	-	-	-	-	-	-
OPERATIONS/CONTINGENCY	837,575	760,250	498,441	3,972	273,128	2,373,367	1,331,379	447,980	238,830	193,264	149,764	5,624,794
FUEL	117,815	119,337	71,229	667	42,260	351,307	122,747	38,478	14,352	15,106	10,106	634,983
INSURANCE	103,196	104,647	62,369	581	37,219	308,011	108,339	34,041	12,483	13,107	8,842	557,973
<b>TOTAL EXPENDITURES</b>	\$ 1,278,297	\$ 1,173,339	\$ 762,183	\$ 6,167	\$ 420,538	\$ 3,640,524	\$ 1,911,982	\$ 629,984	\$ 322,558	\$ 269,527	\$ 204,386	\$ 8,247,476
<b>FAREBOX RATIO</b>	8.5%	10.7%	7.1%	0.2%	1.7%	8.1%	3.0%	12.8%	3.8%	2.8%	3.0%	6.1%
<b>SERVICE MILES</b>	147,750.5	149,722.6	89,317.7	835.2	53,052.9	440,678.9	154,105.0	48,302.6	17,995.0	18,896.0	12,666.0	796,654.6
<b>SERVICE HOURS</b>	5,746.7	4,939.0	3,403.2	25.5	1,756.9	15,871.3	10,441.9	3,686.9	2,112.0	1,666.0	1,296.9	42,313.1
<b>RIDERSHIP (Automatic Counters)</b>	80,607	81,998	60,070	322	5,458	228,455	12,508	74,634	84,888	7,703	2,492	418,214
<b>RIDERS PER MILE</b>	0.55	0.55	0.67	0.39	0.10	0.52	0.08	1.55	0.82	0.41	0.20	0.52
<b>RIDERS PER HOUR</b>	14.0	16.6	17.7	12.6	3.1	14.4	1.2	20.2	11.7	3.6	4.6	9.9
<b>COST PER PASSENGER</b>	\$ 15.86	\$ 14.31	\$ 12.69	\$ 19.15	\$ 77.05	\$ 15.94	\$ 152.86	\$ 8.44	\$ 14.94	\$ 42.81	\$ 34.99	\$ 82.02
<b>SUBSIDY PER PASSENGER</b>	\$ 14.51	\$ 12.78	\$ 11.78	\$ 19.11	\$ 75.76	\$ 14.64	\$ 148.33	\$ 7.36	\$ 14.39	\$ 41.20	\$ 33.99	\$ 18.51

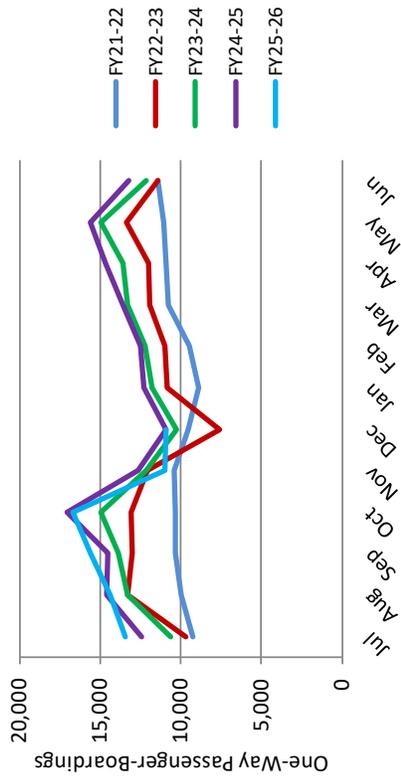
## RTA FY25-26 Budget vs. Actual Expenses (unaudited)

		Adopted Budget	Year to Date	Percent of Total Budget
		FY 2025-26	FY 2025-26	FY 2025-26
	Hours	89,900	40,201	44.7%
	Miles	1,735,020	778,660	44.9%
<b>Administration:</b>				
Labor	operations cost	1,539,550	752,054	48.8%
Labor - Administration Workers Comp	operations cost	52,720	21,460	40.7%
Office Space Rental	operations cost	59,670	29,158	48.9%
Property Insurance	operations cost	323,370	192,846	59.6%
Professional Technical Services	operations cost	458,710	172,945	37.7%
Professional Development	operations cost	93,290	24,390	26.1%
Operating Expense	operations cost	368,030	200,490	54.5%
Marketing and Reproduction	hourly	164,730	49,004	29.7%
<b>Total Administration</b>		<b>3,060,070</b>	<b>1,442,347</b>	<b>47.1%</b>
<b>Service Delivery:</b>				
Labor - Operations - Bus Operators	hourly	6,531,680	2,721,020	41.7%
Labor - Operations - Training Staff	hourly	443,360	189,642	42.8%
Labor - Operations - Operations Supervisors/Schedulers	hourly	1,595,710	799,889	50.1%
Labor - Operations - Ops Mgt./Oversight	hourly	506,310	251,463	49.7%
Labor - Operations Workers Comp	hourly	399,810	162,743	40.7%
Labor - Maintenance	miles	2,055,710	948,620	46.1%
Labor - Maintenance Workers Comp	miles	109,470	44,560	40.7%
Fuel	miles	1,629,970	634,982	39.0%
Insurance	miles	1,191,000	557,973	46.8%
Special Transportation (for SLOCAT)	n/a	32,070	12,496	39.0%
Maintenance (parts, supplies, materials)	miles	961,580	350,041	36.4%
Maintenance Contract Costs	miles	149,840	68,226	45.5%
<b>Total Operations</b>		<b>15,606,510</b>	<b>6,741,654</b>	<b>43.2%</b>
<b>Capital/Studies:</b>				
Computer System Maintenance/Upgrades		504,040	170,545	33.8%
Miscellaneous Capital				
Maintenance Equipment		188,650	64,845	34.4%
Vehicle ITS/Camera System		-	6,662	-
Bus Stop Improvements		147,000	56,289	38.3%
Large Capital Repairs		586,820	607,483	103.5%
Vehicles				
Support Vehicles		353,010	218,065	61.8%
Fixed Route Vehicles		13,843,000	6,207,092	44.8%
Trolley Vehicles		251,150	-	0.0%
Cutaway and Dial A Ride Vehicles		586,970	750	0.1%
Runabout Vehicles		1,140,100	-	0.0%
<b>Total Capital Outlay</b>		<b>17,600,740</b>	<b>7,331,731</b>	<b>41.7%</b>
<b>Contingency</b>	hourly	<b>224,000</b>	-	0.0%
<b>PERS Buyout</b>		<b>178,310</b>	89,154	50.0%
<b>Loan Repayments</b>		<b>458,060</b>	42,207	9.2%
<b>Short Range Transit Plan and Planning</b>		<b>67,100</b>	-	0.0%
<b>Regional Contactless Fare Payment System</b>		<b>388,000</b>	68,372	17.6%
<b>Regional Contactless Charging</b>		<b>2,266,000</b>	31,696	1.4%
<b>Regional Bus Charging Projects</b>		<b>4,000,000</b>	459,500	11.5%
<b>Master Planning &amp; Implementation - Offsite fast charging</b>		<b>2,000,000</b>	66,376	3.3%
<b>TOTAL FUNDING USES</b>		<b>45,848,790</b>	<b>15,747,162</b>	<b>34.3%</b>
<b>TOTAL NON-CAPITAL EXPENDITURES</b>		<b>19,068,890</b>	<b>8,347,058</b>	<b>43.8%</b>

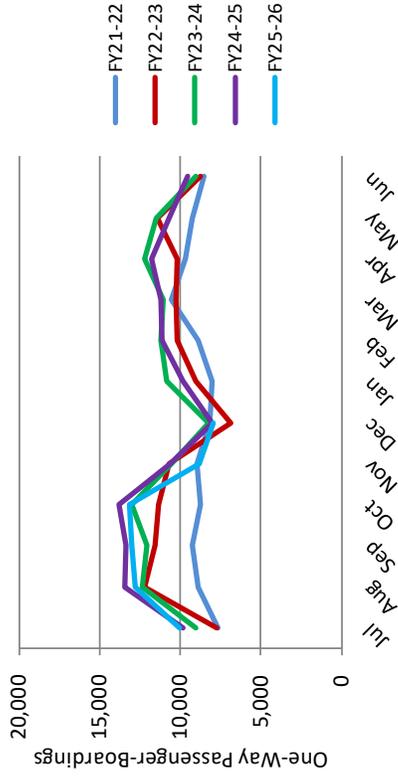
**RTA Route 9 Ridership By Month**



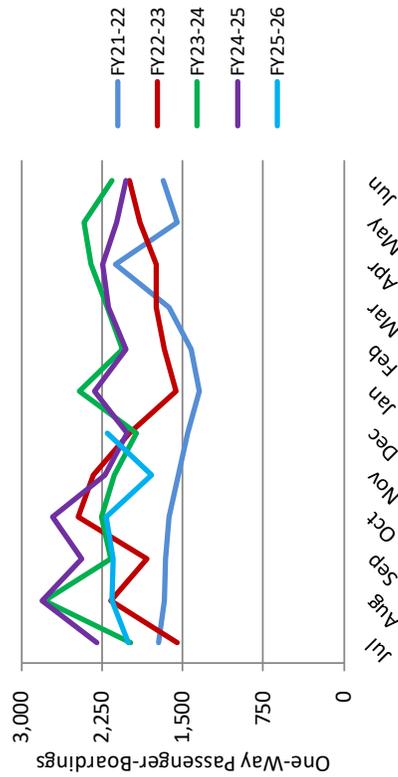
**RTA Route 10 Ridership By Month**

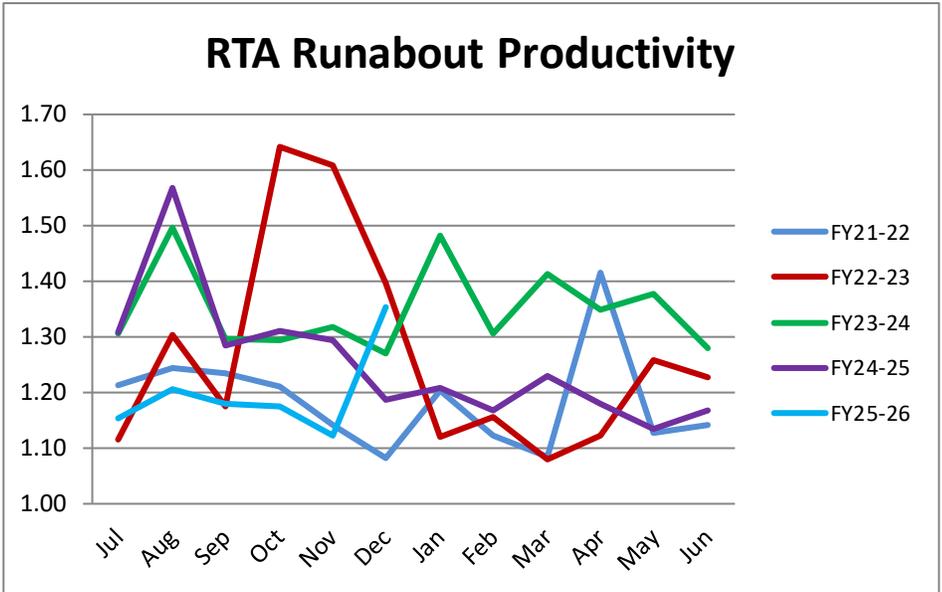
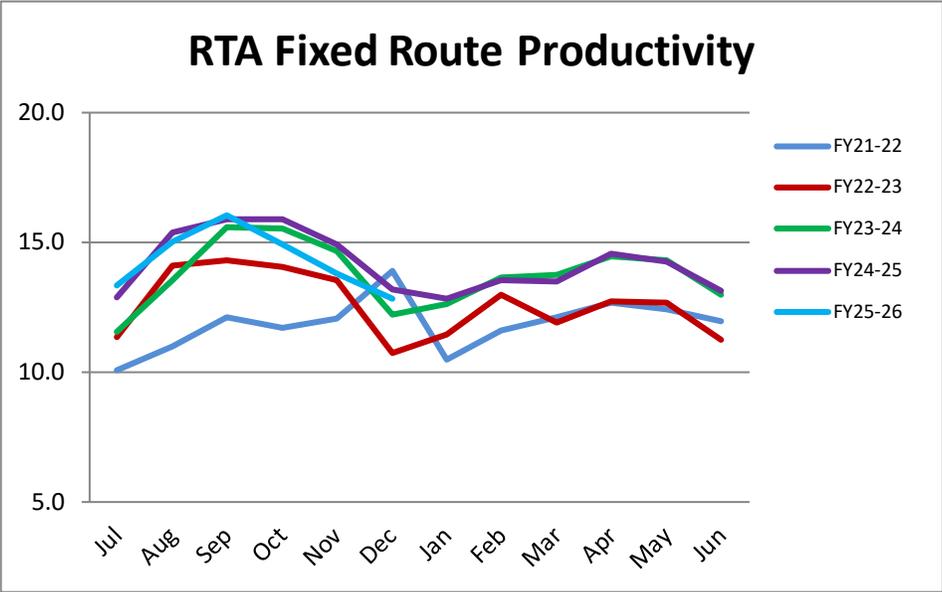


**RTA Rtes. 12, 14 & 15 Pass./Mo.**

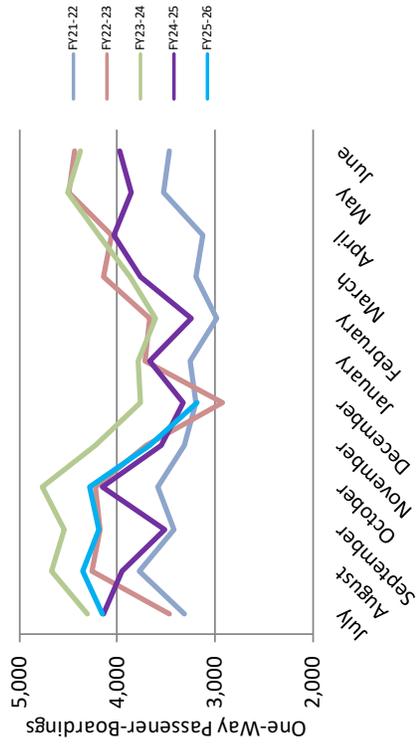


**RTA Runabout Ridership by Mo.**

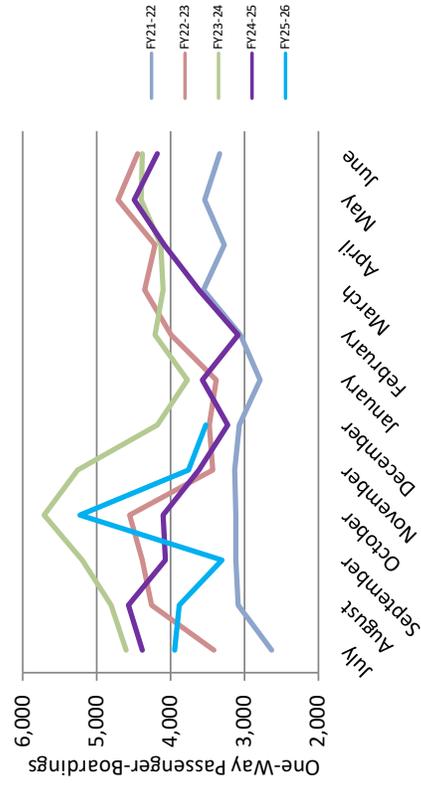




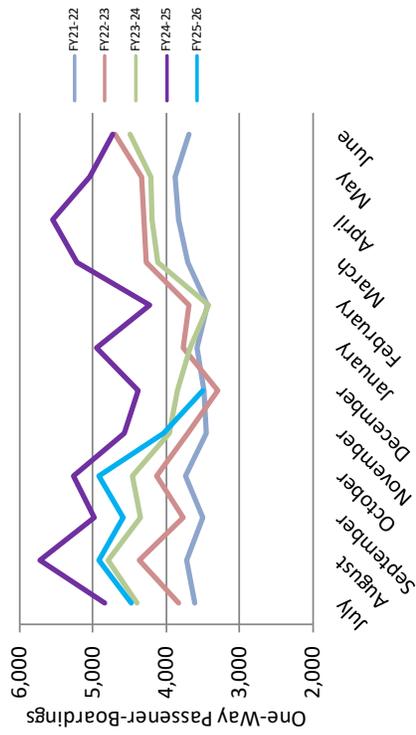
**Route 24 Ridership By Month**



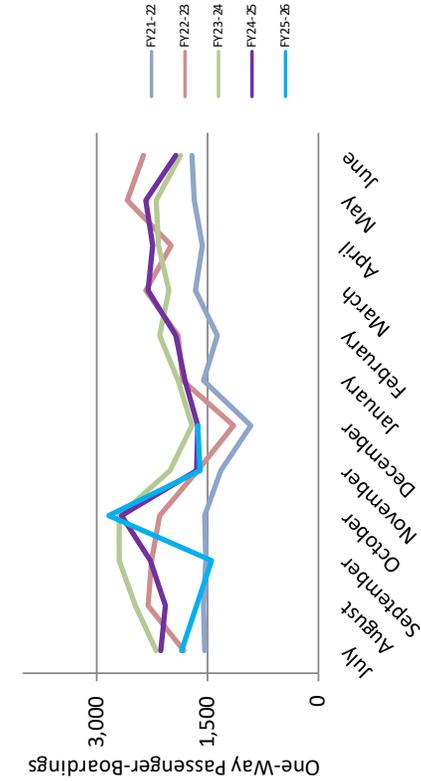
**Route 28 Ridership By Month**

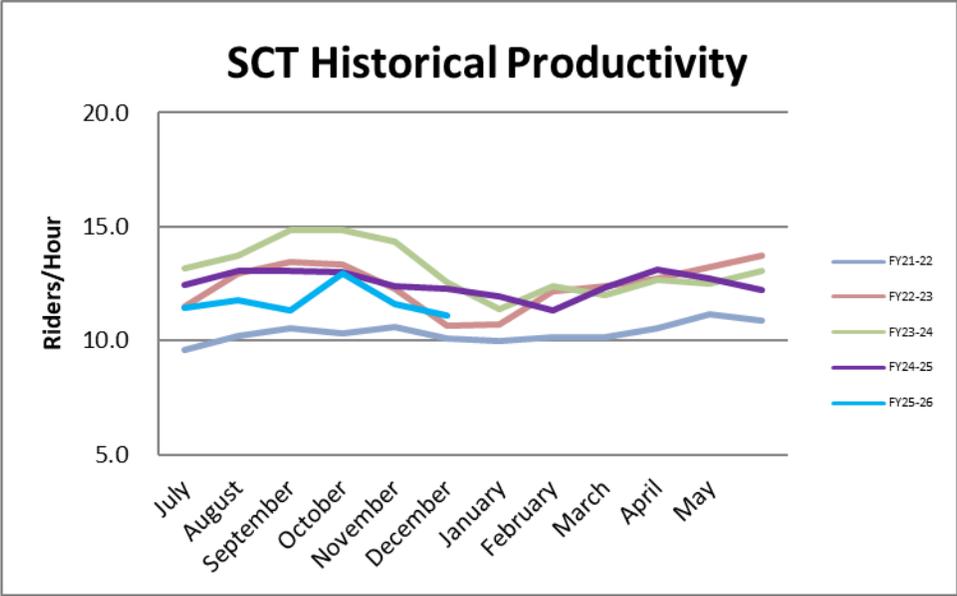


**Route 21 Ridership By Month**



**Route 27 Ridership By Month**





**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**MARCH 4, 2026**

**STAFF REPORT**

**AGENDA ITEM:** B-2

**TOPIC:** Update on Electric Bus Operating Results

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

**STAFF RECOMMENDATION:** Receive and File

**BACKGROUND/DISCUSSION:**

As noted at previous RTA Board meetings, staff is closely monitoring the cost to operate our new battery-electric buses (BEBs) in comparison to our heavy-duty diesel-powered fleet. We are also tracking the comparative reliability of the two sub-fleets. This report provides an update on recent operating and financial results.

The RTA began operating its first two BEBs (fleet numbers 2301 and 2302) in July 2024, and we accepted delivery of five more BEBs (2501 through 2505) in November 2025. Four more BEBs will be delivered in late 2026, amounting to a total of eleven BEBs – or nearly one-third of our current fleet of 34 heavy-duty fixed-route buses<sup>1</sup>. All of our current diesel-powered and battery-electric heavy-duty buses were manufactured by GILLIG Corporation in Livermore, CA.

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 completion of lasting corrections. For example, BEB 2302 has been red-tagged since September 14<sup>th</sup> due to a battery charging fault that the vendor has been unable to solve, despite many attempted reprogramming efforts and component replacements. In addition, last week BEB 2502 was towed to a warranty provider's shop in Fresno because their previous on-site repairs have failed. To help us better monitor and report reliability measures, our maintenance staff established a new red-tag tracking protocol in January 2026. I plan to provide an update on the results of this tracking at the May 2026 RTA Board meeting.

The table below depicts a snapshot of our heavy-duty bus fleet's operating costs for calendar year 2025. Please note the five BEBs delivered in November 2025 have traveled relatively few miles in 2025, and much of the costs shown reflect maintenance staff time and vendors' charges to commission the buses and ready them for service.

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<sup>1</sup> We actually have 35 heavy-duty buses, but bus 1308 requires body repairs that exceed the vehicle's salvage value. Because it has surpassed its economically useful life, it was pulled from revenue service in early 2025 and our staff has "harvested" parts to keep other buses operating. It will be sold at auction once its worth as a parts vehicle is exhausted.

Description	Diesel Bus by Year						BEB by Year	
	2013	2015	2018	2019	2021	2024	2023	2025
MPG or kW/Mile	5.20	5.49	5.63	5.79	6.22	6.28	1.99	1.93
Average Annual Miles per Bus	27,734	39,775	39,222	38,996	46,601	59,294	39,790	7,618
Fuel Cost/Mile	\$0.72	\$0.67	\$0.66	\$0.64	\$0.60	\$0.59	\$1.18	\$0.91
Fuel Cost/Gallon or kilowatt	\$3.73	\$3.71	\$3.70	\$3.69	\$3.72	\$3.73	\$0.59	\$0.47
Repair Cost/Mile	\$0.66	\$0.59	\$0.57	\$0.74	\$0.54	\$0.27	\$0.27	\$0.42
<i>Tire Cost/1000 miles (embedded in repair costs above)</i>	\$51.46	\$57.44	\$36.89	\$61.59	\$55.37	\$52.48	\$91.46	N/A
<b>Overall Cost (Repair + Fuel)/Mile</b>	<b>\$1.39</b>	<b>\$1.29</b>	<b>\$1.25</b>	<b>\$1.40</b>	<b>\$1.16</b>	<b>\$0.90</b>	<b>\$1.54</b>	<b>\$1.43</b>
<i>Number of buses in model year fleet</i>	10	9	3	3	2	1	2	5

Some key takeaways from this table:

- As any vehicle ages, normal wear and tear requires increasingly more maintenance staff time and repair parts to remain safe and ready for revenue service. As such, our newer buses accumulate greater annual revenue miles per bus than the oldest ones. The table above demonstrates that the newest diesel-powered bus (2401) traveled almost 60,000 miles in 2025, while the fleet of 2013 buses averaged fewer than 30,000 miles per bus.
- Not surprisingly, the *Overall Cost/Mile* to operate older diesel buses is higher than that of newer buses due to the higher rate of repairs needed but also due to the improved fuel efficiency of newer buses. As shown in the table:
  - The *MPG* of the diesel buses ranges from 5.20 for the 2013 buses to greater than 6.0 for the 2021 and 2024 diesel buses – greater than a 15% difference. This obviously affects the *Fuel Cost/Mile*: the 2013 buses averaged \$0.72/mile while the 2024 bus only required \$0.59/mile.
  - The *Repair Cost/Mile* includes mechanic wages, parts and materials, and vendor repairs. The results are a low of \$0.27/mile for our newest bus, and the cost/mile generally increases as buses age. It should be noted that the *Repair Cost/Mile* for the three model year 2019 buses was relatively high in 2025 because we implemented an FTA-funded mid-life engine replacement program, so it is an outlier at \$0.74/mile.
- The two 2023 BEBs had the same *Repair Cost/Mile* of \$0.27 as the 2024 diesel bus – all three of which were placed into revenue service at the same time in July 2024. We will continue to monitor this measure closely as the BEBs age, since early prognosticators suggested the operating cost of BEBs would be lower than

diesel-powered buses due to fewer moving parts, less vibration and lower operating temperatures. One aspect we are closely watching is the balance between observed higher tire wear and expected longer life of the brake components on the BEBs due to regenerative braking.

- The BEB cost per mile for “fuel” (kilowatts of electricity) was considerably higher than that for diesel buses. When all diesel fuel costs and total miles (\$718,821 and 1,077,561 miles, respectively) and BEB figures (\$128,222 and 117,158 miles) are tallied, the average *Fuel Cost/Mile* is \$0.67 for diesel buses and \$1.09 for BEBS – or roughly 64% higher per mile for BEBs.
- One reason the BEB fuel cost is higher is that I have directed staff to run the BEBs as much as possible, in order to gather the data needed for our on-going *Bus Charging and Infrastructure Study* and to work out the “bugs” during the BEB manufacturer’s warranty period. This is important because:
  - We have proven we can extend a BEB in intercity fixed-route service when our bus blocking allows roughly 45 minutes of recharging time at our Bus Maintenance Facility in SLO. To do so, we are recharging the BEB between a morning Route 10 Bus Operator shift and an afternoon Route 12 shift. This bus block surpasses 350 miles in a service day; this is achievable by any of our diesel buses without having to return to a park-out yard.
  - Mid-day recharging is an important proxy for the opportunity charging solution envisioned in our *CARB ICT Zero-Emission Rollout Plan*. Opportunity charging can “top-up” batteries during scheduled bus layovers at our passenger facilities. A related goal is to possibly even reduce the number of batteries (and the resulting weight and price of the vehicle) needed for future BEB purchases. Opportunity charging is especially important on intercity Route 9 runs that regularly traverse the Cuesta Grade.
  - However, mid-day recharging occurs during the peak PG&E electricity rate period and often causes us to incur demand charges. Demand charges are measured in 15-minute increments and, if the contracted limit is exceeded, the entire billing period is charged at the higher demand rate – which can be as much as \$6,000 in a single billing period.

The new VeriCiti software that I mentioned in my Executive Director report – along with a new PG&E rate plan we requested as part of the recently completed Phase 2 EVSE project – will allow us to better manage maximum kilowatt usage to avoid future demand charges. The VeriCiti system will also ensure that BEBs can be sequentially charged overnight without overloading our electrical system yet still ensuring enough fully-charged BEBs are ready to make the next morning’s pull-out.

- The table also shows the *Tire Cost/1,000 Miles*, (which is a subset of the *Repair Cost/Mile*). As shown, the tire costs per mile for diesel buses are significantly lower than that of BEBs, particularly since we can use lower cost RTA-owned recapped rear tires on diesel buses (that is not an option for the BEBs that require new/leased tires at all four corners). As noted during previous RTA Board meetings, the life of the four rear tires used on BEBs is significantly shorter, due to the higher weight of BEBs as well as greater wear caused by propulsion and regenerative braking.
- The *Overall Cost/Mile* of the BEBs is currently greater than that of even the highest-cost diesel buses. As shown, the two “workhorse” 2023 BEBs required \$1.54/mile for maintenance-related costs, while even the 2013 buses only required \$1.39/mile.

Finally, it is worth noting that all ten of our model year 2013 buses have reached their FTA defined economically useful life of either 12 years or 500,000 miles. In addition, six of the nine model year 2015 buses have exceeded the 500,000-mile minimum. The *RTA Strategic Business Plan* (SBP) further refines this vehicle replacement standard to allow for greater miles before being eligible for replacement due to capital funding constraints in the county as well as the long length of our intercity routes, as follows:

*If funding permits, the RTA will match SLO Transit’s standard of replacing revenue vehicles when they reach the FTA-defined useful life minimums in terms of service years or miles. If funding remains constrained, negotiate with SLO Transit to ensure neither agency’s buses surpass 40% beyond the FTA standards.*

This effectively raises the limit to 16.8 years or 700,000 miles, so all our heavy-duty buses are within the SBP’s “funding constraint” scenario limit.

As demonstrated above, the older a vehicle becomes the more it costs to operate in revenue service. Staff will continue to seek capital funding to replace RTA buses at or shortly after the FTA limits. Our CARB-approved *ICT Zero-Emission Rollout Plan* also allows us to continue to purchase a mix of BEBs and internal combustion engine powered vehicles – and I intend to seek another 3-year exemption from CARB when our current exemption expires in April 2026. In addition, staff will place diesel buses that have been retired – but still have useful life – into a contingency fleet as we continue to test whether or not BEBs can work effectively in our county.

#### **STAFF RECOMMENDATION**

Receive and file.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**MARCH 4, 2026**

**STAFF REPORT**

**AGENDA ITEM:** B-3

**TOPIC:** Update on Fare Change Implementation & Contactless Fare System

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

**STAFF RECOMMENDATION:** Receive and File

**BACKGROUND/DISCUSSION:**

At its May 7, 2025 meeting, the RTA Board authorized implementation of a new and simpler cash fare system for intercity fixed-route services, as well as a contactless fare-capping system being administered as part of the California Integrated Travel Project (Cal-ITP). Working with our SLO Transit and SLOCOG partners, we have designated the new contactless system as *Tap2Ride*.



Under the *Tap2Ride* program, a rider can pay using their contactless bank card or smart device, and the fare-capping feature sets a maximum amount a rider pays for fares over a specified period corresponding with our paper multiride fare media. We intend to launch the *Tap2Ride* system at the same time that the Board-authorized cash fare change – \$2.00 per boarding for general public riders and \$1.00 for those eligible for a discount – is formally launched on RTA Routes 9, 10, 12, 14, and 15.

To provide an example of fare-capping, a rider might board a local Route A fixed-route bus in Paso Robles, and their tap when boarding will charge \$1.50 against their credit card. That rider then makes a timed-transfer to a southbound Route 9 at the North County Transit Center, and their tap will charge an additional \$2.00. Upon arriving at the Government Center in SLO, the rider then transfers to a SLO Transit Route 1A bus to French Hospital, and their tap will charge an additional \$1.50. When done at French Hospital, the rider boards a SLO Transit Route 1B bus back to the Government Center – but that last tap will cap-out at \$0.50 because the rider has met the \$5.50 Regional Day Pass cost. In other words, the rider will not be charged for any additional *Tap2Ride* transaction that day. If the rider continues to cap-out at \$5.50 each day, on the 13<sup>th</sup> day the rider will have capped-out at the \$68.00 Regional 31-Day Pass price and can *Tap2Ride* for 18 more days on any fixed-route in SLO County without being charged.

Unfortunately, our selected Cal-ITP vendors have continued to experience technical setbacks, which has delayed the original February 1<sup>st</sup> launch date. We are now targeting an April 6, 2026 launch for both the regional *Tap2Ride* program and the RTA's new intercity fixed-routes cash fare implementation. Once our Cal-ITP vendors can more firmly establish a "go-live" date, we will use a wide range of methods to inform our riders.

Similar to how the existing Regional passes are administered, the RTA is serving as the lead agency for both the RTA and SLO Transit so that the revenues can be proportionally shared depending on whose system the rider boarded. This covers the following Regional passes on the *Tap2Ride* system:

- Regional Regular Day Pass,
- Regional Regular 31-Day Pass, and
- Regional Discount 31-Day Pass.

The RTA will also administer SLO Transit's various *Tap2Ride* multiride pass media, since it will simplify how revenues are collected and deposited within our county.



Also at its May 2025 meeting, the RTA Board directed staff to implement a new discount fare verification program to address suspected fare evasion by riders who likely are not eligible for the lower Discount fares – whether on-bus cash fares or multiride fare media. Staff has acquired new software and portable equipment to issue Discount Eligibility Cards on durable plastic stock that includes the person's photo. Staff has begun testing the mobile equipment, and an example Discount Eligibility Card is shown to the left.

So far, staff has participated in one senior citizens event in early February to test the system, and we are scheduling additional outreach opportunities throughout the county. This Discount Eligibility Card must be shown to the Bus Operator upon bus entry so that the lower-priced discount cash fare can be paid or so a paper multiride fare media can be used. Our partner jurisdictions that sell our in-person 31-Day passes will be instructed to only sell Discount passes to those who have a Discount Eligible Card or who are registered on the Cal-ITP benefits web portal.

We also use the same equipment at our office to produce our new Runabout Eligibility Cards, which now feature a photograph of the rider and an expiration date for fixed-term eligibility (i.e., temporary use of a wheelchair) so that the Runabout cards cannot be used by non-eligible riders to ride fare-free on fixed-routes.

### **STAFF RECOMMENDATION**

Receive and file.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
MARCH 4, 2026  
STAFF REPORT**

**AGENDA ITEM:** C-1

**TOPIC:** Fiscal Year 2026-27 Budget Assumptions

**ACTION:** Approve FY26-27 Budget Assumptions

**PRESENTED BY:** Tania Arnold, Deputy Director/CFO

**STAFF RECOMMENDATION:** Approve the Budget Assumptions and Budget Calendar to the Board So That a Detailed Work Plan and Budget May Be Developed

**STAFF RECOMMENDATION FOR EXECUTIVE COMMITTEE:** Bring the Budget Assumptions and Budget Calendar to the Board So That a Detailed Work Plan and Budget May Be Developed

**BACKGROUND/DISCUSSION:**

The following report outlines staff's recommended budget assumptions for the RTA's Fiscal Year 2026-27 Operating and Capital Budget, and it is the first step in the development of our operating budget and capital program. It should be noted that the RTA is again developing a two-year operating budget and five-year capital budget. As in past years, only the first year would be financially constrained, while the out-years should be considered advisory. These budget assumptions were presented to the RTA Executive Committee for review and they approved the staff recommendation that staff bring the assumptions to the RTA Board at its March 4<sup>th</sup> meeting. Upon the Board's guidance and approval, staff will prepare a detailed report along with preliminary budget numbers for presentation to the Executive Committee at their April 8<sup>th</sup> meeting and the Regional Transit Advisory Committee (RTAC) at their April 9<sup>th</sup> meeting prior to the final draft budget presentation to the full Board on May 6<sup>th</sup>.

**KEY ISSUES**

1. Address the uncertainties the agency currently faces, including state and federal funding uncertainty. Impacts of these uncertainties include:
  - a. Impacts of the pending construction on US-101 in the Pismo Beach area, including supporting congestion mitigation efforts.
  - b. Liability costs, which have recently stabilized due to the RTA's good safety record, but the market continues to be extremely volatile due to the increasing number of catastrophic events globally.

- c. Continuing to focus on containment of Runabout subsidies, especially as ridership continues to increase.
  - d. Address staffing and retention, particularly in the Bus Operator classification.
- 2. Continue efforts to implement Zero-Emission Bus technologies, including commissioning of four battery-electric buses (BEBs) that will be delivered in late 2026 and expansion of recharging infrastructure, including opportunity charging, for planned additional BEBs in the coming years.
- 3. State Transit Assistance (STA) funds are projected to be down in the region compared to the original FY25-26 allocation.
- 4. Local Transportation Funds (LTF), which are used primarily for operating purposes, are anticipated to be flat for the region. The RTA will continue to maximize all other funding sources first before determining the need for LTF.
- 5. Federal Transit Administration (FTA) formula funds (Sections 5307, 5339 and 5311) for Federal Fiscal Year 2026 are projected to be in line with the amount projected for FY26-27 when the FY25-26 budget was adopted in May 2025. However, recent actions at the federal level suggest that changes in both the scale of project funding and scope of the projects that remain eligible will be changed during the fiscal year and beyond.
- 6. Implementation of the RTA's Joint Short-Range Transit Plan (SRTP) constrained recommendations, including fare structure adjustments and enforcement of the discounted fare policy. The latter will require a temporary increase in operating staff resources, either through direct employment or through a temporary employment agency agreement, equivalent to one full-time equivalent position for up to twelve months. The previous system-wide fare change was implemented on December 31, 2017, both on RTA Fixed-Route and Runabout services.
- 7. Assist SLOCOG officials in addressing Senior-WAV service levels in the County.

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### **Mission Statement**

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

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## Objectives and Revenue Impacts

- 1) Maintain existing service levels and hours of service, including the financially constrained recommendations from the SRTP that were implemented in August 2025. As feasible, increase service, including other recommendations from the SRTP and other regional plans, that meet the standards of productivity and demand of our customers and communities through the effective and efficient delivery of core<sup>1</sup> Intercity Fixed-Route and Runabout services:
  - a) The RTA received \$777,928 in STA funding in FY25-26 for RTA core services. Staff will work with SLOCOG staff to determine a realistic estimate for FY26-27 but do anticipate this funding to be down.
  - b) Implement the contactless fare payment program through the California Integrated Travel Project (Cal-ITP) to make travel simpler and more cost-effective for all, including the discount eligibility verification process.
  - c) The FY25-26 budget adopted in May 2025 included \$5,775,900 in LTF operating revenues. Also at the May 2025 Board meeting, the advisory FY26-27 LTF projection was \$8,009,820. Staff is still developing an updated annual FY25-26 revenue and expense projection, which impacts the carryover amount that could reasonably be identified for the FY26-27 budget.
  - d) FTA Sections 5307, 5311 and 5339 operating funding and capital funding for FY26-27 will be based on feedback received as staff works with SLOCOG and our other transit partners through the programming of projects process. Monies for FTA-funded projects are reimbursed either as progress payments or as full payment at the end of the project and/or fiscal year, which requires focused care by staff to ensure adequate cash flow.
  - e) Detailed miles/hours and span of service for each RTA core Intercity Fixed-Route and for Runabout will be provided with the draft budget. For context, detailed budgets based on miles/hours and span of service will also be provided separately for Local Services in Atascadero, Morro Bay, Paso Robles, South County, and rural SLO County. The budget will have summary pages that include revenue and expenditure information for each service.
  - f) Productivity of each RTA-operated Local Services during lower-demand holiday periods, specifically associated with the service provided during the weeks of

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<sup>1</sup> Core Intercity Fixed-Route services are defined as:

1. Hourly weekday services on RTA Routes 9, 10 and 12;
2. Five trips/day on Saturdays for Routes 9, 10, 12, and Monday-Saturday on Route 15;
3. Three trips/day on Sundays for Routes 9, 10, 12 and 15;
4. Peak period weekday service on Route 14 during open session of Cuesta College;
5. Peak period commuter Express services on Routes 9, 10 and 12; and

Core services also include Runabout service that matches the fixed-route service days operated in each community.

Thanksgiving, Christmas and New Years, will be reviewed to determine appropriate service levels. Additionally, staff is reviewing service levels on several holidays that have lower productivity for possibly lower-cost service levels. These additional holidays include Veteran's Day, Martin Luther King Junior Day, and President's Day. It is anticipated that a Saturday level of service will be proposed for these three days during FY26-27. Staff will work with the cities of Morro Bay and Atascadero to reflect their service levels during holidays in their respective budgets as we continue to adjust service levels following consolidation into the RTA in June 2025.

- g) Staff will continue to research and evaluate new revenue sources should any potential shortfall in operating revenues arise. If we are unable to secure funding, staff would recommend that the Board consider adjusting service levels and/or the TDA allocation from the RTA jurisdictions, if time and budgetary authority permits.
- 2) Work with SLOCOG and our transit agency partners in the region to evaluate region-wide service efficiencies:
- a) The RTA will work with SLOCOG staff and other transit providers to evaluate efficiencies in the provision of service throughout the county through both the SLOCOG Social Services Transportation Advisory Committee and through the RTAC.
  - b) Staff will use the *RTA Strategic Business Plan* to evaluate potential efficiencies. With Board concurrence, staff will develop a timeline to implement efficiencies as appropriate. Additionally, the RTA will address the Zero Emission Bus requirements of our *Innovative Clean Transit* (ICT) Rollout Plan. The ICT Rollout Plan was adopted at the March 2023 Board meeting.
- 3) Evaluate options and provide analysis on the 5-year capital improvement program and methods to fund these needs:
- a) Staff will work with SLOCOG to prioritize SB125 funded capital projects, particularly those related to depot and opportunity charging of battery-electric buses. The RTA has completed or is near completion on two of the twelve SB125 projects awarded by the SLOCOG Board at its December 2023 meeting, as follows:
    - i) RTA-1 – funding gap for five BEB replacement buses (\$1,220k in FY23-24 SB125 funds), which were delivered in Q4 of 2025;
    - ii) RTA-2 – second phase of BEB DC fast-charging system (\$500k in FY23-24 SB125 funds), which was completed mid-FY25-26;

Three projects are currently in either the implementation phase or the procurement phase:

- iii) RTA-3 – bus charging and infrastructure study (\$200k in FY23-24 SB125 funds), which will be completed in Q2 of 2026; and
- iv) RTA-4 – funding gap for four BEB replacement buses (\$2,500,000 in FY24-25 SB125 funds), which are projected to be delivered in Q3 of 2026; and
- v) SLOCOG-5 – regional contactless fare system implementation (\$388k in FY23-24 SB125 funds), which will be fully implemented in Q2 of 2026.

Pending the results of RTA-3 Bus Charging and Infrastructure Study, staff will move forward with additional charging infrastructure projects (RTA-7, RTA-9, RTA-10, RTA-11, RTA-12, and RTA-13), presuming they are supported by the study's recommendations. Staff is evaluating the timeline for additional BEB replacement buses (RTA-6 and RTA-8).

- b) Staff will also continue to work with SLOCOG to prioritize capital projects using the STA State of Good Repair (SGR) portion of SB-1 funds. These SB-1 funds are an important source of revenues for the RTA and the other transit operators in our region. It directly impacts the RTA's need for LTF to fund operations and the local match for capital projects by reducing local match needed for federal funds, and interest when financing for capital projects is needed.
  - c) Other potential capital funds intended to support our transition to zero-emission buses include AB617 Clean Air Program, Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), and LCTOP. Staff will continue to leverage all grant funds to the greatest extent possible in order to conserve local funds.
- 4) Address projected changes in demand for Runabout service:
- a) Runabout service hours and miles are slightly lower than were originally projected for FY25-26, and staff is closely monitoring service needs to determine when service will return to pre-pandemic levels. Staff will seek the Board's direction as demand is anticipated to increase over time.
  - b) Staff suspended in-person Runabout service eligibility assessments during the pandemic, and we have continued focusing training staff resources on training newly hired Bus Operator candidates. Staff plans to reinstitute this Runabout eligibility assessments program to ensure that only those persons truly eligible for Runabout service are initially registered or re-registered as part of the Runabout application process. This will be completed using by new staff resources that will be added during FY25-26 in conjunction with launching the discount eligibility process. Staff will also provide mobility training for disabled persons who are able to occasionally use Fixed-Route services for some or all of their travel needs.

## Expenses Impacts

- 1) Fuel prices continue to be volatile; fuel will be budgeted at \$4.65 per gallon in FY26-27. Included in the Fuel line-item will be diesel exhaust fluid (DEF), which is used to lower diesel exhaust emissions on model year 2015 and newer Fixed-Route vehicles. Although prices have stabilized as a result of the agreement for fuel services with Easy Fuel approved in May 2024, should fuel prices substantially increase or decrease to such a degree that it would have a profound effect on the overall budget, staff will address the change in a budget amendment.
- 2) Related, as we implement BEBs in revenue service in July 2024, we are getting a better handle on per-mile operational costs. Although the overall impact is relatively small it is increasing notably each year as we increase the proportion of BEB miles operated. In FY25-26, the fleet increased from two BEBs to seven with the arrival of five additional BEBs in Q4 2025. In FY26-27, the BEB fleet will increase again with an additional four more BEBs anticipated to arrive in Q4 of 2026, bringing the total BEB fleet to eleven – or roughly 1/3 of the heavy-duty bus fleet.
- 3) Insurance Expenses:
  - a) Staff worked with an actuarial to complete a review of the self-insured retentions for the various lines of insurance. Although staff does not recommend a change to the self-insured retentions currently, staff is reviewing options to fund a reserve increase to fund the self-insured retentions for the general liability policy and a reserve for the employment practices policy, respectively.
  - b) A review of the pooled reinsurance programs in which the RTA participates was conducted in conjunction with our insurance broker, and the RTA is confident that the policies continue to be well placed in the pooled reinsurance market.
  - c) CalTIP liability reinsurance premiums are projected to increase. The exact amount is not known at this time, as CalTIP actuaries are still finalizing the May 1, 2026 through April 30, 2027 rates. Although the experience modification factor of RTA is in line with the statewide pool average, the RTA did experience large claims in February 2019 and January 2021, which continue to impact current and future premiums.
  - d) CalTIP vehicle physical damage will increase due to the added asset value of newer vehicles, which have risen dramatically in recent years and with the additional cost of electric vehicles. In addition, recent property damage claims seen in the market, namely the increasing number of other disasters across the globe.
  - e) Our annual Employment Risk Management Authority premium is estimated at \$50,000, with a \$50,000 self-insured retention. This self-insured retention does not currently have a reserve in place to cover it should a loss develop.

- f) Workers compensation premiums charged by our carrier (Public Risk Innovation, Solutions, and Management, or PRISM) are projected to increase, with the realization that workers compensation for transit services is especially challenging statewide as loss development trends in the state are not favorable. We continue to work with our employee Safety Committee, which evaluates workplace safety and initiates proactive programs to address the number of claims and severity of the claims. Although premiums are expected to rise, a significant portion of that increase is attributable to the increase in wages identified in the collective bargaining agreement.
- g) Property insurance will increase due to the significant losses in the property insurance market. Additionally, we are required to maintain flood insurance for our Bus Maintenance Facility because its construction was federally funded.
- h) For budget-making purposes, staff is assuming a 10% annual increase for healthcare costs for each of the next two fiscal years. This will include the paid family leave program that was implemented in July 2022, which brought the leave benefits closer to those offered under the state disability insurance program.

#### 4) Staffing Expenses:

- a) In January 2026 the Board approved a two and a half year Collective Bargaining Agreement (CBA) that will expire on June 30, 2028. Staff notes the fiscal impact that the agreement will have on the FY26-27 information that will be included in the budget presentation.
- b) Staff continues to work with Evergreen Solutions on the Classification and Compensation study, which will include a review of the organizational structure and recommend a succession planning program. As noted above, the Short-Range Transit Plan recommends that additional staff resources (equivalent to one full-time equivalent) be secured to more effectively enforce the discount fare program and help roll-out the new Cal-ITP contactless fare-capping system. This will be completed using temporary help and will not be an ongoing expenditure. Should additional adjustments – beyond the one temporary FTE mentioned above – to the number of FY25-26 budgeted FTE positions be recommended or needed, staff will bring that proposal to the Board along with any new or revised job descriptions, if applicable.
- c) An annual inflationary wage adjustment based on December 2024 to December 2025 Consumer Price Index (CPI) of 3.0% will be implemented in July 2026 for those employees not covered by the collective bargaining agreement. Employees within the salary range for their position will be eligible for a step merit increase subject to performance assessments and budgetary authority.

- d) The RTA Board of Directors took action at its September 3, 2025 meeting to implement the increase in contribution percentage of 1.00% for the retirement plan with San Luis Obispo County Pension Trust (SLOCPT) in July 2026 rather than January 2026, and the RTA will assume the 1.00% pickup. This is related to management, administration and confidential employees, and does not include the employees who are covered by the CBA with Teamsters Local 986.

### **Proposed Budget Calendar**

- February 11 Detailed budget assumptions and revenue forecast to Executive Committee.
- March 4 Obtain Board concurrence on proposed draft budget assumptions.
- March 31 Based on feedback from Executive Committee draft FY27 Budget Draft complete.
- April 8 Draft FY27 Budget presentation to Executive Committee
- April 9 Formal FY27 Budget presentation to RTAC
- May 6 Final Board Budget presentation; Board adoption of FY27 Budget

### **Staff Recommendation for Executive Committee:**

Recommend staff provide the FY26-27 budget assumptions and budget calendar to the Board for approval at the March 4<sup>th</sup> Board meeting, so that a detailed work plan and budget may be developed.

*The Committee approved the staff recommendation.*

### **Staff Recommendation for the Board:**

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