



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

RTA BOARD AGENDA

Wednesday, May 6, 2026 at 10:00 AM
NOTE START TIME

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**
- **15 Years of Service Recognition: Lucas Houston**
- **10 Years of Service Recognition: Kevin Cooksley and Robert Schwartz**

A. CONSENT AGENDA:

- A-1 Executive Committee Meeting Minutes of Feb. 11, 2026 & Apr. 8, 2026 (Information)
- A-2 RTA Board Meeting Minutes of March 4, 2026 (Approve)
- A-3 Agreement for County Auditor/Controller Services (Approve)

- A-4 Update Representative and Alternative Appointments on CalTIP Board (Approve)
- A-5 Arroyo Grande Park-Out Facility Lease Extension (Approve)
- A-6 Classification and Compensation/Benefits Study (Accept)
- A-7 Contract Renewal – AGP Video Production of Board Meetings (Approve)
- A-8 PRISM MOU for Cyber Liability Program (Approve)
- A-9 Add FTA Civil Right Duties to Deputy Director/CFO Job Description (Approve)
- A-10 Employment Agreement with Executive Director (Approve)
- A-11 Procurement of Various 3rd Party Facility Maintenance Services (Approve)
- A-12 Low-Carbon Transit Operations Program Cycle B Grant Application (Adopt Resolution)
- A-13 Revised Contract for Demand Response Scheduling & Dispatching Software (Approve)
- A-14 Contract Extension for ITS Service Agreement with Connexionz (Approve)

B. INFORMATION AGENDA:

- B-1 Executive Director's Report (Receive)
- B-2 Update on Fare Change Implementation & Contactless Fare System (Receive)
- B-3 Annual Vacancy Status and Recruitment & Retention Report GC §3502.3 (Receive)

C. ACTION AGENDA:

- C-1 Fiscal Year 2026-27 Operating and Capital Budget (Approve)
- C-2 RTA Contingency Fleet Plan (Approve)

D. CLOSED SESSION: None

BOARD MEMBER COMMENTS

The next regularly scheduled RTA Board meeting is scheduled for July 1, 2026 (may be cancelled)



San Luis Obispo Regional Transit Authority

Executive Committee Meeting

Minutes 2/11/2026

A-1

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
Anthony Kalvans, RTA Administrative Assistant
Jenna Morton, RTA Counsel

Public Present: Pete Rodgers, SLOCOG Executive Director

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. Pete Rodgers of SLOCOG announced that the SLOCOG workshop is being moved from April 3rd to April 22nd.

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:
There was no public comment given.

The Committee adjourned to closed session at 10:02 a.m.

The Committee reconvened from closed session at 10:15 a.m.

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

4. **Consent Items**
A-1 Executive Committee Meeting Minutes of December 10, 2025 (Approve)
A-2 Executive Committee Meeting Minutes of January 14, 2026 (Approve)

Public Comment:

There was no public comment given.

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

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
HEATHER MORENO	X		
JIMMY PAULDING	X		
CARLA WIXOM			X

5. **Information Items:**

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

Mr. Geoff Straw gave an update on recent events at the RTA. He specifically noted that the FTA Triannual Audit is ongoing and that the new bus stop at Cuesta College is open. He touched on the contactless fare program and said that it should be ready by the end of quarter one.

Ms. Moreno asked about the status of the HVAC at the RTA’s main facility. **Mr. Straw** said that staff is still working through it.

6. **Action Items:**

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

Ms. Tania Arnold presented the fiscal year 2026-2027 budget assumptions and highlighted the key issues facing the RTA. She clarified during her presentation that the RTA is not asking for another full-time employee.

Mr. Paulding motioned to approve, seconded by **Ms. Moreno**. There was unanimous consensus of those present to approve the budget assumptions.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
HEATHER MORENO	X		
JIMMY PAULDING	X		
CARLA WIXOM			X

7. **Review of Draft March 4, 2026, Draft RTA Board Agenda:**

Mr. Straw presented the draft agenda and gave additional background on Item A-7. In addition, Item C-1 will be pushed back to another date.

Public Comment:

There was no public comment given.

Ms. Moreno and Mr. Paulding gave consent to approve the draft agenda.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
JIMMY PAULDING	X		

HEATHER MORENO
CARLA WIXOM

X

X

8. Executive Committee Member Comments and Adjournment

The meeting was adjourned at 10:37 AM.

Next RTA Executive Committee Meeting: **April 8, 2026**

Respectfully Submitted,

Acknowledged by,

Anthony Kalvans
Administrative Assistant

Heather Moreno
RTA Board Vice President 2026

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San Luis Obispo Regional Transit Authority

Executive Committee Meeting

Draft Minutes 4/8/2026

A-1

Members Present: Carla Wixom, City of Morro Bay, **President**
Jimmy Paulding, District 4 Supervisor, **Past President**

Members Absent: Heather Moreno, District 5 Supervisor, **Vice-President**

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

Public Present: Pete Rodgers, SLOCOG Executive Director
Eric Greening

1. **Call to Order and Roll Call: President Carla Wixom** called the meeting to order at 10:01 a.m. Roll call was taken and a quorum was present.

2. **Public Comment:**
Mr. Eric Greening commended the actions of a Bus Operator.

Mr. Pete Rodgers of SLOCOG gave a report highlighting SLOCOG's upcoming workshop, the Highway 101 groundbreaking, and the additional Pacific Surfliner trip to San Luis Obispo.

3. **Closed Session:** None

4. **Consent Items**
A-1 Executive Committee Meeting Minutes of February 11, 2026 (Approve)
A-2 Classification and Compensation/Benefits Study (Approve)

Public Comment:
There was no public comment given.

Mr. Jimmy Paulding motioned to approve, seconded by **Ms. Wixom**. There was unanimous consensus of those present.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
HEATHER MORENO			X
JIMMY PAULDING	X		
CARLA WIXOM	X		

5. **Information Items:**

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

Mr. Geoff Straw gave an update on recent events at the RTA. He specifically noted that the draft classification and compensation study has been submitted to staff; phase two of the EVSE project is completed; and that the RTA should see lower electricity charges with a change to a different rate plan. Finally, he mentioned that the new cash fares for the regional routes went live on April 6th.

Public Comment:

Mr. Greening said that the new cash fare system is helping to improve the boarding process for buses and reduce delays.

6. **Action Items:**

C-1 Fiscal Year 2026-27 Operating and Capital Budget (Approve)

Ms. Tania Arnold presented the fiscal year 2026-2027 operating and capital budget and highlighted the key issues facing the RTA. She noted that there have been favorable developments regarding the RTA’s liability costs. She highlighted that the budget includes a fleet contingency plan as well as the costs from the collective bargaining agreement approved by the Board in January 2026. Finally, **Ms. Arnold** discussed funding and impacts to the jurisdictions, especially starting in FY27-28.

Mr. Paulding asked if the City Managers are involved in the discussions regarding the LTF funding formula issues. **Mr. Straw** and **Ms. Arnold** both said yes.

Public Comment:

Mr. Greening thanked **Ms. Arnold** for her hard work and said that it is solid document.

Mr. Paulding motioned to approve, seconded by **Ms. Wixom** There was unanimous consensus of those present to approve the budget assumptions.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
HEATHER MORENO			X
JIMMY PAULDING	X		
CARLA WIXOM	X		

7. **Review of Draft May 6, 2026 Draft RTA Board Agenda:**

Mr. Straw presented the draft agenda and said that the RTA will need to add item A-11, regarding an RFP for third party services at the San Luis Obispo bus maintenance facility.

Public Comment:

Mr. Greening asked for clarification of the June 2026 Executive Committee date. **Mr. Straw** said the date is June 10th and stressed that the date is tentative.

Ms. Wixom and Mr. Paulding gave consent to approve the draft agenda.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
HEATHER MORENO			X
JIMMY PAULDING	X		
CARLA WIXOM	X		

8. Executive Committee Member Comments and Adjournment

The meeting was adjourned at 10:34 AM.

Next RTA Executive Committee Meeting: **June 10, 2026**

Respectfully Submitted,

Acknowledged by,

Anthony Kalvans
Administrative Assistant

Carla Wixom
RTA Board President 2026

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DRAFT
SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
BOARD MEETING MINUTES OF MARCH 4, 2026
A-2

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
KASSI DEE, 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:

JIMMY PAULDING, FOURTH DISTRICT, COUNTY OF SAN LUIS OBISPO (Past President)
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
SERGIO FLORES, UTILITY WORKER
LORI DEAN, BUS OPERATOR

CALL MEETING TO ORDER, ROLL CALL: President **Carla Wixom** called the meeting to order at 9:00 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 expressed concerns about the Middle East situation and its impact on fuel costs.

EMPLOYEE RECOGNITION:

Mr. Geoff Straw asked **Mr. Andy Wyly** and **Mr. Omar McPherson** to introduce our award winners.

Mr. Wyly recognized Utility Worker **Sergio Flores** as the RTA's employee of the quarter. **Mr. Wyly** appreciates **Mr. Flores'** work behind the scenes in keeping over 90 vehicles and 300 bus stops clean and orderly. In addition, Mr. Flores was recognized for earning his CDL to help support RTA operations. **Mr. Flores** said that he is grateful for all the years with RTA and gave special thanks to **Mr. Wyly, Mr. McPherson,** and **Assistant Maintenance Manager – Facilities Ms. Stephanie Frausto.**

Mr. McPherson recognized RTA Bus Operator **Lori Dean** for her 15 years of service and constant feedback on improving the service. **Ms. Dean** said she really likes her RTA family.

Board Member Dawn Ortiz-Legg thanked **Mr. Flores** and **Ms. Dean** for their hard work.

Public Comment:

There was no public comment received regarding this item.

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)

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-8 and **Board Member Aileen Loe** 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
KASSI DEE	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 touched on the progress being made on recruitment despite the nationwide shortage of commercial drivers. In addition, he highlighted the Tap2Ride program, the power demand analysis study, the collective bargaining agreement having been successfully implemented, and the new bus stop at Cuesta College. He also noted the changes in ridership.

Board Member Heather Moreno asked why Runabout ridership has gone down. **Mr. Straw** said he is unsure of the exact cause.

Board Member Loe asked how much does reliability factor into ridership. She raised concerns over bus service reliability and Highway 101 being an unreliable corridor due to traffic. **Mr. Straw** agreed and noted that the road construction along Grand Avenue and Highway 101 are examples of how traffic delays impact service reliability and ridership.

Board Member Erica A. Stewart asked if the Santa Maria Regional Transit Route 210 bus is impacting South County Ridership. **Mr. Straw** stressed that Route 210 is not impacting RTA Route 10 ridership, and South County ridership statistics only include Routes 21, 24, 27, and 28. He also stressed that the RTA strives to minimize service impacts on its riders.

Board Member Ed Waage highlighted that the freeway service patrol vehicles have helped to reduce traffic delays along Highway 101.

Public Comment:

There was no public comment.

B-2 Update on Electric Bus Operating Results (Receive)

Mr. Straw introduced the item and presented a chart showing the cost and performance of the RTA heavy-duty fixed-route buses. He highlighted the challenges with the older vehicles and compared the costs of the new battery-electric and diesel-powered buses.

Board Member Moreno asked why did repair costs go up between the 2023 and 2025 electric buses. **Mr. Straw** said that the costs were due to additional equipment being needed for the buses and that the 2025 electric buses have not yet seen as many miles of service compared to the 2023 electric buses.

Board Member Stewart asked if more mechanic programs are being developed since the RTA had to send a bus to Fresno for repairs. **Mr. Straw** said that that specific bus was under warranty and that the RTA's mechanics are provided specialized training so they can repair the buses in-house.

Board Member Bruce Gibson asked that since we have an older fleet, how will the budget be projected as these vehicles age out of service. **Mr. Straw** noted that the biggest budget uncertainty is tied to federal funding for vehicle replacements.

Public Comment:

Mr. Greening thanked staff for the detailed presentation and likes that the electric buses can maintain speed up the Cuesta Grade better than a diesel bus. He also asked if the new electric buses will be lighter before the 2029 state Innovative Clean Transit mandate takes effect. **Mr. Straw** said that lighter and potentially higher-capacity solid state batteries, which are currently being researched, may provide a long-term solution.

B-3 Update on Fare Change Implementation & Contactless Fare System (Receive)

Mr. Straw introduced the item, highlighted the progress being made, and said that we have identified a tentative launch date of April 6th.

Board Member Stewart said she loves the fare capping component and asked if it would be possible to let riders know how close they are to achieving a monthly pass. **Mr. Straw** said he would bring it up with the vendors.

Board Member Kassi Dee said she was excited about the program and asked about outreach efforts. **Mr. Straw** mentioned that the RTA will be working with SLO Transit and SLOCOG on outreach.

Public Comment:

Mr. Greening said that he was happy that there would be plenty of outreach and that there are options to pay for a bus fare without using a phone. He urged the Board to not eliminate cash fare and that those with cash should not be denied service. **Mr. Straw** said that cash will always be there but wants to transition away from validating fareboxes due to cost and reliability issues.

C. ACTION AGENDA:

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

Ms. Tania Arnold presented the budget assumptions report and highlighted that it includes a two-year operating and five-year capital budget. She also presented the key issues that are driving budget considerations.

Board Member Waage noted the infrastructure study states a lot of EVSE vendors were coming and going. **Mr. Straw** said that the market has squeezed vendors in recent years. He also highlighted that the RTA is risk adverse and will be waiting on the power demand study preliminary findings before meeting with public works officials in our service area.

Public Comment:

There was no public comment.

Board Member Moreno made a motion to approve action agenda item C-1 and **Board Member Waage** 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
KASSI DEE	X		
ERICA A. STEWART	X		
FRED STRONG	X		
ED WAAGE	X		
CARLA WIXOM (President)	X		

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

Public Comment:

Mr. Greening said that the employees being discussed are worth every penny.

The Board adjourned to closed session at 10:25 AM.

The Board reconvened from closed session at 10:55 AM.

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

E. BOARD MEMBER COMMENTS:

There were no Board member comments.

The meeting was adjourned at 10:55 AM.

Next regularly scheduled RTA Board meeting is **May 6, 2026**.

Respectfully Submitted,

Acknowledged by,

Anthony Kalvans, Administrative Assistant

Carla Wixom, RTA President 2026

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
MAY 6, 2026
STAFF REPORT**

AGENDA ITEM: A-3

TOPIC: Agreement for County Auditor/Controller Services

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Authorize Board President and Executive Director to Execute the Agreement for County Auditor/Controller Services

BACKGROUND/DISCUSSION:

Each fiscal year, the County of San Luis Obispo Auditor – Controller, Treasurer – Tax Collector’s office provides services related to general accounting, accounts payable, and accounting support to the RTA. The attached services agreement notes their responsibilities as well as the responsibilities of the RTA, including to inform them of any potential significant noncompliance, fraud and/or error immediately upon discovery. Last fiscal year, the annual rate was \$7,157; the rate for FY26-27 is proposed at \$7,386 – an annual increase of 3.2%.

Staff Recommendation

Authorize the RTA Board President and Executive Director execute the agreement for County Auditor/Controller Services.

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April 1, 2026

To the Board of Directors and Management
 San Luis Obispo Regional Transit Authority (SLORTA)

We are pleased to confirm our understanding of the terms and costs of our services under this agreement for the 2026-2027 fiscal year.

Scope of Services

We will provide the following services:

1. **General Accounting** - includes use of the County's centralized accounting system and recording of financial system entries submitted by the agency. Transactions will be reviewed for authorization by appropriate agency personnel prior to processing. In addition, access to the accounting system's financial reports will be available to the agency as needed. The County is currently planning to implement a new Enterprise Resource Planning (ERP) system, with a targeted go-live date of April 2027. The County will make reasonable efforts to ensure continuity of service throughout this transition.
2. **Accounts Payable** - includes processing payment claims by warrant or ACH. Claims will be reviewed to validate two authorized agency signers have approved the payment prior to processing, recording, and mailing payments. Any invoices submitted with payment claims will be scanned and archived for retention. Review of invoices for mathematical accuracy and appropriateness of expenditure is not part of this service agreement.
3. **Accounting Support** - includes recording your Agency's budget, ensuring expenditures do not exceed authorized budget, responding to routine inquiries, working with external auditors, and replying to bank confirmations.
4. **ERP System Transition Support** – as part of the County's planned ERP system implementation, the county will migrate applicable financial data from the current system to the new system. The County agrees to validate, reconcile, and test to support accuracy and completeness of migrated information. During this transition period, there may be changes to processes, workflows, submission procedures, and new reporting formats. The County will provide guidance and reasonable training resources to support this transition. Following implementation, the County will provide a reasonable stabilization period to assist with system-related questions and issue resolution.
5. **Term** - Our services and responsibility end on June 30, 2027.

Our Responsibilities

Notwithstanding, and in addition to, responsibilities assigned to the Auditor-Controller and Treasurer under the SLORTA JPA, our responsibility under this service agreement is to perform the services enumerated above. We will not audit accounting entries, payment claims or budget transactions, nor will we validate the appropriateness of

accounting transactions or claims for payment. Our service does not include annual preparation of 1099's or preparation of payroll reports.

Our services are not designed to detect instances of fraud, noncompliance with laws or regulations or significant errors; however, we will communicate to you any known and suspected fraud, noncompliance with laws or regulations or significant errors that come to our attention.

Your Responsibilities

You are responsible for (1) ensuring all transactions are submitted and/or approved by authorized staff, (2) reviewing all transactions prior to submittal to ensure appropriateness of the expenditure, compliance with laws or regulations and to check for significant errors and fraud, (3) retaining all source documents, and (4) providing all Board authorized budgets and budget amendments. You are encouraged to routinely provide accounting reports and payment registers to your Board for review.

You agree to inform us of significant noncompliance, fraud and/or errors immediately upon discovery.

For all services we provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual who possesses suitable skill, knowledge, and/or experience to understand the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

In addition, you agree to (1) ensure appropriate staff participate in ERP-related training, (2) comply with updated processes and internal controls associated with the new system, and (3) designate authorized users for system access and promptly communicate any changes to such designations.

Annual Cost and Billing

The annual cost for the services identified above is \$7,386. The cost increase over the prior year is attributed to a change in the Consumer Price Index (CPI-U) of 3.2%, based on the Los Angeles-Long Beach-Anaheim region and using July as a base month. Your agency will be billed by journal entry during the first quarter of the fiscal year for the entire annual costs. A copy of the journal entry will be provided to your agency.

Agreement

We appreciate the opportunity to be of service to you and believe this letter accurately summarized the significant terms of our agreement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements.

Sincerely,



James W. Hamilton, CPA
Auditor-Controller-Treasurer-Tax Collector

Authorized Signature Director _____ Date _____

Authorized Signature Board Chair _____ Date _____

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2025

STAFF REPORT

AGENDA ITEM: A-4

TOPIC: RTA Representation on the CalTIP Board of Directors

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Approve the Attached Resolution

BACKGROUND/DISCUSSION:

Physical Damage and Liability insurance for the RTA is provided by the California Transit Indemnity Pool (CalTIP). Membership in the CalTIP consortium provides the RTA with very competitive and stable insurance rates. Additionally, unlike commercial insurance carriers, membership in CalTIP provides rate adjustments depending on each member entity's loss record and the loss history of CalTIP as a whole. The RTA has benefited greatly from this practice each year since joining the consortium.

Between 2019 and 2024, RTA Executive Director Geoff Straw served two full two-year terms as the Chair of the CalTIP Board of Directors, and RTA Deputy Director/CFO Tania Arnold continues to serve as the CalTIP Treasurer (since 2017). Both of these roles are considered CalTIP Board Officer positions, and therefore both of their attendance at bi-annual CalTIP Board meetings was reimbursable using CalTIP funds. However, since the RTA Executive Director termed-out as the Board Chair, only one RTA staff member will be eligible for travel reimbursement.

Going forward, staff is recommending the Deputy Director/CFO position be identified as the primary representative, and that the following three positions be identified as alternates:

1. Executive Director,
2. Operations Manager,
3. Safety and Training Manager.

Should the primary representative be unable to attend, one of the alternates can attend and be eligible for travel reimbursement by CalTIP.

Staff Recommendation

Approve the attached resolution.

RESOLUTION NO. _____

**A RESOLUTION OF THE GOVERNING BOARD OF THE SAN LUIS OBISPO
REGIONAL TRANSIT AUTHORITY A CALIFORNIA JOINT POWERS AGENCY,
APPOINTING DIRECTOR AND ALTERNATES FOR
CALIFORNIA TRANSIT INDEMNITY POOL (CaITIP)**

BE IT RESOLVED THAT:

1. The position of Deputy Director/Chief Financial Officer is hereby authorized on behalf of San Luis Obispo Regional Transit Authority to serve as the primary representative.
2. The position following positions are hereby authorized on behalf of San Luis Obispo Regional Transit Authority to serve as an alternate:
 - a. Executive Director,
 - b. Operations Manager, and
 - c. Safety & Training Manager

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

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby adopted this 6th day of May 2026.

Carla Wixom, President
San Luis Obispo Regional Transit Authority

ATTEST:

Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority

APPROVED AS BY FORM AND LEGAL EFFECT:

By: _____
Jenna Morton, Counsel
San Luis Obispo Regional Transit Authority

Date: _____

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: A-5

TOPIC: South County Park-Out Yard Lease Extension

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Authorize the Executive Director to Exercise the Third Option Year Lease Extension for 800 Rodeo Drive in Arroyo Grande

BACKGROUND/DISCUSSION:

In July 2011, SoCo Transit moved its operations yard from Grover Beach to its current County-owned facility at 800 Rodeo Drive in Arroyo Grande. In 2019, a new 5-year lease was negotiated, which ended in December 2024 (see attached). The 2019 lease identifies an initial rent of \$3,000/month, with annual CPI change limited to a maximum of 5% with two important caveats: 1) an option to extend for up to five one-year periods, and 2) both parties would agree to renegotiate a longer term should the RTA obtain a battery-electric bus recharging infrastructure grant that requires a longer term. The second one-year extension (also attached) has an expiration date of December 31, 2026.

It should be noted that the RTA is now the sole signatory on this agreement due to the consolidation of SoCo Transit into the RTA in January 2021. Prior to that date, both RTA and SoCo Transit were signatory agencies. The primary purpose of the lease agreement is to provide a park-out facility for vehicles, including a small office for an Operations Supervisor, restrooms, and space for Bus Operators to check-out/-in. No vehicle maintenance is completed on site.

At this time, staff recommends we exercise the option to extend the lease for the second one-year period in order to evaluate the eventual findings and recommendations from the *Bus Charging and Electrification Study* that was authorized by the RTA Board at its March 2025 meeting. The *Study* report will guide implementation of depot charging at both the Arroyo Grande and Paso Robles the bus park-out yards. The *Study* will also include an array of consultant led elements, including a power demand analysis, coordination with utility providers, conceptual site plans (including outreach to jurisdiction staff members for approval), and cost estimates. The final report should be available in the summer of 2026.

Staff Recommendation

Authorize the Executive Director to exercise the third one-year lease extension for 800 Rodeo Drive in Arroyo Grande.

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this 1st day of January, 2020, by and between the County of San Luis Obispo, a political subdivision of the State of California ("County/Lessor"), and the San Luis Obispo Regional Transit Authority, a joint powers authority in the State of California, and South County Area Transit, a joint powers authority in the State of California (both authorities referred to herein as "Lessee/Co-Lessees") (collectively the "Parties").

WHEREAS, the County owns approximately 13.11 acres of land with improvements located at the corner of West Branch Street and Rodeo Drive in the City of Arroyo Grande, more particularly described as Assessor's Parcel Number 007-011-050; and

WHEREAS, Lessee currently leases a portion of APN 007-011-050 as depicted on Exhibit "A" attached hereto and incorporated herein (the "Premises") under that certain lease dated November 20, 2012 ("Original Lease"); and

WHEREAS, the Original Lease expired on June 30, 2019 and the Parties are now in hold-over; and

WHEREAS, Lessee and County now desire to enter into a new Lease Agreement for continued use of the Premises; and

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the County and Lessee agree as follows:

1. **Incorporation of Recitals**: The recitals set forth above, and all defined terms set forth in such recitals and in introductory paragraphs preceding the recitals, are hereby incorporated into this Lease Agreement as if set forth in full.

2. **Grant and Description of Premises**: County, for and in consideration of the promises contained herein, hereby grants to Lessee the exclusive right and privilege to lease and to occupy the Premises, as identified on Exhibit "A," consisting of a portion of approximately 3.25 acres zoned Public/Quasi-Public District (PE), fully fenced, with a 6,048 square-foot metal structure (containing six work bays, office area, and non-ADA compliant restroom), a small wooden storage building, and car wash area.

3. **Condition of Premises**: The taking of possession of the Premises by Lessee shall, in itself, constitute acknowledgment that the Premises are in good and tenantable condition. Lessee

agrees to accept the Premises in its presently existing condition, "as is"; and County shall not be obligated to make any alterations, additions or betterment thereto. Lessee acknowledges County's Disclosure of known existing conditions as set forth in Exhibit "B", attached hereto and incorporated herein.

4. **Term:** The term of this Lease shall be for a period of five (5) years, commencing January 1, 2020 and expiring December 31, 2024 ("Initial Term") with options to extend as described in Paragraph 5 below.

5. **Option to Extend:** Within six (6) months prior to the expiration date of the Initial Term of the Lease Agreement, and with the mutual written consent of the Central Services Director, or Director's designee ("Director") and Lessee, Lessee may notify the County, in writing, of its desire to extend the term of the Lease Agreement for five additional consecutive one (1) year periods ("Extended Term"). The right of Lessee to negotiate with County any extension of this Lease Agreement pursuant to this paragraph is subject to the satisfaction of the following conditions precedent:

a. The Lease Agreement shall be in effect and Lessee shall not be in default at the time written notice is given and on the last day of the expiring Initial Term of the Lease Agreement;

b. Lessee shall not have incurred or received more than one written notice of default under the Lease Agreement during the then current Lease Agreement Term;

c. The Parties must accept the terms and conditions of the Extended Term in writing prior to any effective extension. If the term of this Lease Agreement is not extended as provided in this Paragraph, this Lease Agreement and Lessee's right of possession shall terminate at the end of the Initial Term, or any Extended Term.

6. **Rental:** Beginning upon the Commencement Date, Lessee shall pay County as rent for the Premises the sum of Three Thousand Dollars (\$3,000) per month, payable in advance on the first day of each month, without deduction, offset or abatement. Beginning on the first day of the thirteenth (13th) month, and every subsequent annual anniversary date thereafter, the preceding year's rent shall be adjusted upward according to any percentage rise in the Consumer Price Index ("CPI"). The adjustment shall be by a percentage equal to the percentage increase of the Consumer Price Index between the previous December published CPI (or most immediately available month prior to the previous January, if no index is published in December) and the corresponding CPI for the same period twelve months previous. If there is a decrease or no change in the CPI, then the preceding year's option rent will not be adjusted. Annual CPI adjustment shall not exceed five percent (5%) annually.

The term "Consumer Price Index" refers to the Consumer Price Index for All Urban Consumers, Los Angeles-Riverside-Orange County Statistical Area, California, based on the period of 1982-84 = 100 as published by the Bureau of Labor Statistics of the U.S. Department of Labor.

The index for the adjustment date shall be the one reported in the U.S. Department of Labor's most comprehensive official index then in use and most nearly answering the foregoing description of the index to be used. If it is calculated from a base other than the base period (1982-84=100), the base figure used for calculating the adjustment percentage shall first be converted under a formula supplied by the Bureau.

If the described index is no longer published, another generally recognized as authoritative shall be substituted by agreement of County and Lessee. If County and Lessee are unable to agree within thirty (30) days after demand by either party, on application of either party the substitute index shall be selected by the chief officer of the San Francisco regional office of the Bureau of Labor Statistics or its successor.

County shall provide written notice to Lessee of each adjusted rental amount on an annual basis. If the rent is not adjusted at the time for said adjustment as provided herein, Lessee shall continue to pay the annual rent established for the prior period until such adjustment is made, at which time Lessee shall promptly pay to County any deficiency and shall henceforth pay at the adjusted rate of rent.

All rental payments shall be directed to County at the following address:

County of San Luis Obispo
Central Services Department/Real Property Services
1087 Santa Rosa Street
San Luis Obispo, CA 93408

7. Use of Premises:

A. Use of the Premises shall be for Lessee's vehicle parking and maintenance related to public transportation operations, and no other use shall be approved without the prior written approval of the Director.

B. Lessee's interests shall at all times be in compliance with all laws, including but not limited to federal and state statutes, implementing regulations, local ordinances and agency rulings whether or not these laws are enacted or promulgated as urgency measures under police powers or for health and safety reasons whether currently existing, amended or new enactments. Lessee agrees not to use the Premises as a residence.

C. Lessee expressly agrees at all times during the term of this Lease, at its own cost and expense, to maintain and operate the Premises and areas adjacent, in a clean, safe, wholesome and sanitary condition, free of trash, garbage or obstruction of any kind, and in compliance with any and all present and future laws, rules, or regulations of any governmental authority, now or at any time during the term of this Lease in force, relating to sanitation or public health, safety or welfare

D. Lessee shall be solely responsible for providing of all services, equipment, supplies, and personnel for the administration, staffing, operation and maintenance of the Lessee's business at the Premises. Lessee shall comply with all labor laws, INS laws, and tax laws.

E. Lessee is permitted on-site hand-washing of one bus per calendar day during normal business hours (between 8:00 AM and 5:00 PM)..

8. **Signs:** Lessee, at its sole cost and expense and subject to prior written approval by Director, may place signs on the Premises. Signs shall conform to any and all sign ordinances of the City of Arroyo Grande.

9. **Capital Improvements:** Any and all Capital Improvements to be undertaken hereunder shall be administered as follows:

A. Lessee agrees to submit to the Director for review and approval, all plans including specifications, working drawings, and other information required by the Director covering the projects to be accomplished by Lessee. Said plans shall be submitted to the Director for the Director's approval at least fourteen (14) days in advance of the initiation of any such projects. Additionally, if any of the proposed improvements require a licensed contractor, Lessee shall submit verification of the appropriate licensure and verification of sufficient insurance and bonding of the licensed contractor. If the Director objects to all or any portion of proposed plans, the Director shall state the objections specifically, and the Lessee shall make the changes specified and resubmit the plans as revised for the Director's approval as herein provided. No improvement or alteration shall be made to the premises or any portion thereof without the submission to and prior written approval of the plans by Director. Approval and authorization by the Director shall not be unreasonably withheld. Nothing contained herein shall be construed by Lessee to be a waiver by the Director of Lessee's need to acquire building and construction permits to include, but not be limited to, required permits from the City of Arroyo Grande, the County Environmental Health Department, and other applicable licenses or approvals through governmental processes.

B. Central Services-Real Property Services shall perform a final inspection of the capital improvements. If County determines capital improvements are in compliance with the aforementioned terms and conditions, then Director shall issue a written statement of compliance acknowledging completion of the capital improvement project. Nothing herein shall be construed to be a waiver by the Director of Lessee's need to obtain final inspections and approvals from other required entities. Lessee shall protect the Premises from any lien or charges whatsoever, by reason of said capital improvements.

10. Ownership of Improvements: Title to improvements on the Premises at the commencement of this Lease is retained by the County. This Lease is subject to any rights of ownership in the improvements. The ownership of all approved improvements constructed by the Lessee, if any, shall remain in Lessee until expiration, or sooner termination, of the term of this Lease. Upon termination of this Lease, all alterations, additions and improvements made in, to or on the Premises (including without limitation all electrical, lighting, plumbing, heating, air conditioning, and communications equipment and systems, alarms, doors, windows, partitions, drapery, carpeting, shelving, counters, and physically attached fixtures unless excluded in a written agreement signed by Lessee and Director), shall, without compensation to Lessee, become County property free and clear of all claims to or against them by Lessee or any third person, and Lessee shall defend and indemnify the County against all liability and loss arising from such claims or from the County's exercise of the rights conferred by this paragraph. Such improvements shall remain upon and be surrendered as a part of the Premises; provided however, upon County's request, Lessee shall remove those additions, alterations, signs or improvements as may be specified by County, and repair and restore the Premises to its original condition at Lessee's sole cost and expense prior to expiration of the Term.

11. Lessee's Personal Property: Title to all personal property, moveable furniture, and movable equipment provided by Lessee will remain in Lessee's ownership. Furniture and equipment affixed to the real property in any way will be considered a capital improvement and will be subject to the terms of Paragraphs 9 and 10 above. Upon the removal of personal property by Lessee, whether such removal is upon termination of this Lease Agreement or at any time prior thereto, Lessee will repair all damage to the Premises caused by the addition or removal of such property. County will not be obligated to repair, restore, refurbish, or otherwise incur any expense regarding personal property of Lessee. If Lessee elects to attach personal property to the Premises that Lessee does not wish to be considered a capital improvement, a written request to exclude this personal property from capital

improvements will be submitted to Director for written approval prior to installation of the personal property.

12. **County's Personal Property:** County shall retain title to all of County's personal property and Lessee shall maintain said personal property; specifically, two gas heaters, one picnic table, and one landscaping sprinkler system during the term of this Lease. Any personal property improvements hereafter added by County, at County's expense, shall remain County property.

13. **Equipment and Fixtures:** County shall not be obligated to repair, restore, refurbish, or otherwise incur any expense in improving and/or changing the condition of the equipment, fixtures, furnishings, inventory, or other personal property of County that is used by Lessee under this Lease, or any personal property owned and used by Lessee.

14. **Title:** Lessee hereby acknowledges that fee title to the Premises is vested in the County and hereby covenants and agrees never to challenge, contest or resist said title. Lessee may not acquire any right to the Premises by adverse possession or otherwise. The parties agree that the County is not transferring a fee interest in the Premises to Lessee by virtue of this Lease Agreement.

15. **Utilities:** Lessee shall be responsible to provide and pay for all utilities used on the Premises.

16. **Utility Conservation:** Lessee will not waste electricity or water and agrees to cooperate fully with the County to assure the most effective and economical use of utility services provided to the Premises.

17. **Storm Water:** Lessee shall adhere to the Pollution Prevention and Good Housekeeping requirements of the Municipal Separate Storm Sewer System Permit (MS4 Stormwater Permit) issued to the County of San Luis Obispo by the State Water Resources Control Board. Activities performed on the Premises shall conform to the requirements of the MS4 Stormwater Permit, and Lessee shall adhere to Best Management Practices (BMPs) referenced at slocounty.ca.gov and/or to future BMPs required by the County in order to maintain compliance. Lessee shall allow the County to inspect the Premises upon reasonable notice and shall report compliance annually to fulfill requirements of the MS4 Stormwater Permit."

18. **Garbage:** Lessee shall be responsible for all trash services at the Premises.

19. **Janitorial:** Lessee shall be solely responsible for complete janitorial services and the furnishing of janitorial supplies to the Premises including rubbish and trash removal, and sweeping/cleaning of the Premises.

20. Maintenance and Repairs: Lessee will be responsible for all costs of operations, maintenance and repairs to the Premises and any and all improvements, alterations and additions, including, but not limited to, landscaping, fencing, lighting (exterior and interior), electrical, gas, plumbing, heating and air conditioning, roofing, paint, windows, doors, landscaping, and asphalt. If within fifteen (15) days of written notification by County, Lessee fails or neglects to commence maintenance and/or repair obligations as requested by County, County may, at its option, perform such necessary maintenance and/or repairs and bill Lessee for actual cost of said maintenance. Lessee shall promptly reimburse County upon County's written request.

In the event of an emergency, County may take action on the Premises as may be required for the protection of persons or property, and Lessee will reimburse County for County's reasonable expenses related to the emergency action. Lessee shall, at all times and at Lessee's expense, do all things reasonably necessary to protect the Premises used by Lessee. Lessee shall not grant, with respect to the Premises, easements, rights-of-way, licenses or permits.

21. Safety: Lessee will immediately correct any unsafe condition of the Premises as well as any unsafe practices occurring thereon. Lessee will obtain emergency medical care for any member of the public who is in need thereof because of illness or injury. Lessee will operate the Premises in a manner to protect the health, safety, and welfare of the general public. Lessee agrees to take all reasonable precautions to protect the Premises from damage, theft, vandalism and other such hazards.

22. Business Hours: Hours of operation will be during regular operations hours.

23. Insurance: Lessee shall procure and maintain for the duration of the Lease Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with Lessee's use of the Premises and the performance of any work hereunder by the Lessee, its agents, representatives, or employees. Coverage shall be at least as broad as:

A. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

B. Automobile Liability: ISO Form Number CA 0001 covering, Code 1 (any auto), or if Lessee has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.

C. Workers' Compensation: insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease. If Lessee will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage shall also include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Lessee's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

If the Lessee maintains higher limits than the minimums shown above, the County requires and shall be entitled to coverage for the higher limits maintained by the Lessee.

D. Property Coverage: Lessees given exclusive use of County owned or leased property shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County and its Agents shall be named as an Additional Insured and Loss Payee on Lessee's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

E. Additional Insured Status: The County, its officers, officials, employees, and volunteers are to be covered as insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Lessee; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Lessee including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Lessee's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

F. Primary Coverage: For any claims related to this Lease Agreement, the Lessee's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers,

officials, employees, or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.

G. Notice of Cancellation: Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the County.

H. Failure to Maintain Insurance: Lessee's failure to maintain or to provide acceptable evidence that it maintains the required insurance shall constitute a material breach of the Lease Agreement, upon which the County immediately may withhold payments due to Lessee, and/or suspend or terminate this Lease Agreement. The County, at its sole discretion, may obtain damages from Lessee resulting from said breach.

I. Waiver of Subrogation: Lessee hereby grants to County a waiver of any right to subrogation which any insurer of said Lessee may acquire against the County by virtue of the payment of any loss under such insurance. Lessee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

J. Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by the County. The County may require the Lessee to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

K. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the County.

L. Special Risks or Circumstances: County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

M. Certification of Coverage: Within fifteen (15) calendar days of the first day of the Commencement Date of this Lease Agreement, Lessee shall furnish County with the following for each insurance policy required to be maintained by this Lease Agreement, and annually thereafter:

- 1) A copy of the Certificate of Insurance shall be provided. The certificate of insurance must include a certification that the policy will not be canceled or reduced in coverage or changed in any other material aspect without thirty (30) days prior written notice to the County.
- 2) A Workers' Compensation certificate of insurance must be provided.
- 3) Upon written request by the County, the Lessee shall provide a copy of the complete insurance policy.

4) Approval of Insurance by County shall not relieve or decrease the extent to which the Lessee may be held responsible for payment of damages resulting from Lessee's services or operations pursuant to this Lease Agreement. Further, County's act of acceptance of an insurance policy does not waive or relieve Lessee's obligations to provide the insurance coverage required by the specific written provisions of this Lease Agreement.

N. Effect of Failure or Refusal: If Lessee fails or refuses to procure or maintain the insurance required by this Lease Agreement or fails or refuses to furnish County with the certifications required by *Subparagraph G.* above, County shall have the right, at its option, to forthwith terminate the Lease Agreement for cause.

24. Indemnification: To the fullest extent permitted by law, Lessee shall indemnify, defend, and hold harmless the County and its officers, agents, employees, and volunteers from and against all claims, demands, damages, liabilities, loss, costs, and expense (including attorney's fees and costs of litigation) of every nature arising out of or in connection with Lessee's performance or attempted performance of any obligation or duty provided for or relating to this Lease and/or the Premises, except such loss or damage which was caused by sole negligence or willful misconduct of the County. It is the intent of the parties to provide the County the fullest indemnification, defense, and hold harmless rights allowed under the law. If any word(s) continued herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this contract and the remaining language shall be given full force and effect.

25. Taxes: As a qualified joint powers agency, the County Assessor's Office has determined that Lessee shall not be liable for possessory interest taxes or personal property taxes.

26. Lessee's Responsibility for Compliance: Lessee shall at all times observe and comply with, and shall cause all his agents, employees and sublessors to observe and comply with all present and future laws, statutes, ordinances, regulations, rules, resolutions, or other binding enactments of any governmental authority, now or at any time during the term of this Lease Agreement and any extensions thereof. If any future laws, rules, regulations, or ordinances are passed by the County of San Luis Obispo and said legislative enactment has any impact fiscal or otherwise on Lessee, and if Lessee does not make a timely objection to County during course of legislative process, Lessee will be deemed to have waived any right to object at a later time and waives all damages flowing therefrom. Lessee shall and does hereby assume responsibility for payment of any and all licenses applicable to Lessee's operation on the Premises.

27. **Notices:** Any notices, demands, or communication, under or in connection with this Lease, may be served by regular mail, personal delivery, or electronic transmission ("e-mail"). Such e-mail notice, and all attachments thereto, shall for all purposes be deemed received and effective upon receipt at the e-mail address provided, and that such notice is effective irrespective of whether the addressee shall actually open's or read's the e-mail notice and/or attachments. Any e-mail notice to the County shall be addressed as follows:

Central_RPS@co.slo.ca.us

or if by regular mail, such mail must be deposited in the United States Post Office, postage prepaid, and if addressed to the County at:

County of San Luis Obispo
Central Services Agency
1087 Santa Rosa Street
San Luis Obispo, CA 93408
Attention: Real Property Manager

and may likewise be served on Lessor via e-mail at:

gstraw@slorta.org

or if by regular mail, such mail must be deposited in the United States Post Office, postage prepaid, and if addressed to the Lessor at:

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

Either County or Lessor may change such address by notifying the other party in writing as to such new address as Lessor or County may desire used and which address shall continue as the address until further written notice.

28. **Assignment:** Lessee will not assign, transfer, or delegate this Lease Agreement or any interest therein. Any attempt by Lessee to transfer this Lease Agreement will automatically terminate it.

29. **Termination and Breach:** If any of the following occur, the Director shall have the right to terminate this Lease Agreement effective immediately for cause upon giving written notice to Lessee:

a. Lessee fails to perform its duties to the satisfaction of the Director including the accumulation of multiple less-significant instances of failure to perform in accordance with this Lease Agreement; or

b. Lessee fails to fulfill in a timely and professional manner its legal and contractual obligations under this Lease Agreement.

c. At the discretion of the Director, Lessee may be allowed ten (10) days after receiving written notice to correct any breach hereunder. Failure to correct the breach will result in immediate termination of the Lease Agreement and possession of the Premises. The exercise of these remedies provided for in this paragraph shall be cumulative and in no way affect or replace other remedies available to the County.

30. Limitation of Actions: Lessee shall have no other legal or equitable rights, entitlements or interests other than those expressly stated in this Lease Agreement. This will apply regardless of any information exchanged or representations made by County staff or others during negotiations, prior to execution, or after execution. No representation by County staff shall be binding unless said provision is in writing and signed by the Board of Supervisors prior to the effective date.

31. Lost Revenue: If the Premises are closed for any reason including, but not limited to, war, armed conflict, public emergency, public nuisance, calamity, fire, earthquake, flood, act of God, strike, or similar act which shall prevent performance of this Lease Agreement in accordance with the rights and privileges granted herein, County shall not be liable to Lessee for any lost revenues. If Lessee's business is interrupted, the County shall not be liable to Lessee for any lost revenues or claims against Lessee from third parties including, but not limited, to Lessee's employees.

32. Eminent Domain: If the whole of the Premises shall be taken or condemned by any competent authority under power of eminent domain for a public or quasi-public use or purpose, then the license given shall cease and terminate as of the date actual physical possession of the Premises is taken by the condemnor. All compensation and damages awarded for such total taking shall belong to and be the sole property of County.

In the event that there shall be partial taking of the Premises during the term of this Lease Agreement under the power of eminent domain, this Lease Agreement shall terminate as to that the portion of the Premises so taken on the date when actual physical possession of said portion is taken by the condemnor, but this Lease Agreement shall at County's option, continue in force and effect. The compensation and damages for such partial taking shall belong to and be sole property of County.

33. **Non-Discrimination:** Lessee shall not discriminate against any person or class of persons in violation of the Civil Rights Act of 1964 as amended or any other applicable laws prohibiting discrimination in the use of the Premises.

34. **Americans With Disabilities Act:** Lessee shall be responsible for any and all new construction and any alterations to the Premises which are necessary to comply with the Americans With Disabilities Act of 1990, 42 U.S.C. sect. 12101 et seq., as currently enacted and in accordance with applicable laws.

35. **Employees of Lessee:** All employees, agents, assignees and sub-lessees of Lessee will be appropriately licensed when required by law. All such employees, agents, assignees and sub-lessees will be employees, agents, or assignees of Lessee only and will not in any instance be, or be construed to be, employees, agents, or assignees of the County.

36. **Illegal Harassment Warranty:** Lessee has a duty and obligation to fully train its employees regarding behavior prohibited by law that constitutes any illegal harassment, including but not limited to, discriminatory harassment, sexual harassment and gender harassment.

37. **Smoke-Free Workplace:** Lessee shall comply with and observe any and all applicable statutes, ordinances, rules and regulations, including, those of the federal, state, municipal, County or other public authority regulating smoking on County properties, including those statutes, ordinances, rules and regulations applying to buildings or structures owned, leased or otherwise operated by the County of San Luis Obispo to conduct County business. Notwithstanding any smoking prohibition set forth by County ordinance, any Lessee may request written approval of a designated smoking area by the County Public Health Officer, if permitted by law or statute.

38. **Drug Free Workplace:** Lessee and its employees will comply with all laws related to a drug free workplace. Neither Lessee nor its employees will unlawfully manufacture, distribute, dispense, possess, or use controlled substances, including but not limited to marijuana, heroin, cocaine, methamphetamine, or amphetamines at any of Lessee's facilities or County's facilities or work-sites.

39. **Hazardous Waste:** Lessee shall at all times and in all respects comply with all federal, state and local laws, ordinances and regulations (Hazardous Materials Laws) relating to industrial hygiene, environmental protection, or the use, analysis, generation, manufacture, storage, disposal or transportation of any oil, fuels, gasoline, flammable explosives, asbestos, UREA formaldehyde, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, any "hazardous substances," "Hazardous wastes,"

“hazardous materials” or “TOXIC SUBSTANCES” under such laws, ordinance or regulations (collectively Hazardous Materials). Lessee shall, except in the event of County’s sole negligence, indemnify, defend, protect and hold County, each of County’s offices, directors, employees, agents, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, losses or expenses or death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly by: (a) the presence in, on, under or about the Premises or discharge in or from the Premises of any Hazardous Materials or Lessee’s use, analysis, storage, transportation, disposal, release, threatened release, discharge or generation of Hazardous Materials, to, in, on, under, or about or from the Premises, or (b) Lessee’s failure to comply with any Hazardous Materials law. Lessee’s or County’s obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repair, clean-up, or detoxification or decontamination of the Premises, and the preparation and implementation of any closure, remedial action or other required plans in connection therewith caused by Lessee and County and shall survive the expiration or earlier termination of the term of this Lease Agreement. For purposes of the release and indemnity provisions hereof, any acts or omissions of County, or by employees, agents, assignees, lessors, or sublessors of County or others acting for or on behalf of County (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to County.

40. Severability: The invalidity of any provision of this Lease shall not affect the validity, enforceability of any other provisions of this Lease.

41. Law: This Lease Agreement has been executed and delivered in the State of California and the validity, enforceability and interpretation of any of the clauses of this Lease Agreement shall be determined and governed by the laws of the State of California.

42. Venue: San Luis Obispo County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Lease Agreement.

43. Waiver of Lease Agreement Terms: No waiver by either party at any time of any of the terms, conditions or covenants of this Lease Agreement shall be deemed as a waiver at any time thereafter of that same or of any other terms, condition or covenant herein contained, nor of the strict and prompt performance thereof. No delay, failure or omission of County to re-enter the Premises or to exercise any right, power or privilege or option arising from any default, nor any subsequent acceptance of rent than or thereafter accrued shall impair any such right, power or privilege or option or be construed as a waiver of such default or a relinquishment of any right or acquiescence therein.

No notice to Lessee shall be required to restore or revive after the waiver by County of any default. No option, right, power, remedy or privilege of County shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given to County by this Lease Agreement shall be deemed cumulative.

44. Authority to Contract: Any individual executing this Lease on behalf of Lessee represents and warrants that he/she is duly authorized to execute and deliver this Lease on behalf of the Lessee, and that this Lease is binding upon Lessee in accordance with its terms.

45. Right of Entry: County shall have the right with reasonable notice and at reasonable times, to inspect the Premises and to perform maintenance, repairs and improvements to the Premises or the building of which the Premises is a part.

46. Destruction of Premises: Should any matter or condition beyond the control of the Parties hereto, such as war, public emergency, or calamity, fire, earthquake, flood, act of God, strike, or any other labor disturbance prevent performance of this Lease Agreement in accordance with the rights and privileges granted herein, this Lease Agreement shall immediately be terminated and the County shall be under no obligation to Lessee by reason of said matter or condition.

Should any aforementioned matter or condition create eligibility for Federal, State or any other governmental jurisdictional relief assistance and/or aid, the Parties agree to take all reasonable steps necessary to procure such assistance and/or aid, in their respective capacities at the time of such application.

47. Holding Over: In the event Lessee shall continue in possession of the Premises after the term of this Lease, possession shall not be considered a renewal of this Lease but a tenancy from month to month and shall be governed by the conditions and covenants contained in this Lease. Any holding over shall not constitute a lawful possession except for purposes of continuing the duties and obligations of Lessee and County's right to enforce the same.

48. Public Records: Any and all written information submitted to and/or obtained by County from Lessee or any other person or entity having to do with or related to this Lease and/or the Premises, either pursuant to this Lease or otherwise, at the option of County, may be treated as a public record open to inspection by the public pursuant to the California Records Act (Government Code Section 6250 et seq.), as now in force or hereafter amended, or any Act in substitution thereof, or otherwise made available to the public and Lessee hereby waives, for itself, its agents, employees, subtenants, and any person claiming by, through or under Lessee, any right or claim that any such

information is not public record or that the same is trade secret or confidential information and hereby agrees to indemnify and hold harmless from any and all claims, demands, liabilities, and/or obligations arising out of or resulting from a claim by Lessee or any third party that such information is a trade secret, or confidential, or not subject to inspection by the public, including without limitation reasonable attorneys' fees and costs.

49. Authorities Jointly Liable as Lessee: San Luis Obispo Regional Transit Authority and South County Area Transit acknowledge that both authorities are fully and separately bound to perform all lease obligations, including payment of rent, maintenance, insurance, and all other terms of this Lease Agreement as Co-Lessees. Any breach of the Lease Agreement is a breach by both Co-Lessees.

50. Delegation of Authority: The Director of Central Services, or Director's designee, is hereby authorized to review, approve and execute all documents related to paragraph 9 above (capital improvements) and any extensions of this Lease Agreement pursuant to paragraph 5 above.

51. Headings: The headings of the articles and sections of this Lease are inserted only as matter of convenience and for reference and do not define or limit the scope or intent of any provisions of this Lease, and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof."

52. Entire Lease and Modifications: This Lease Agreement and the attached Exhibits are herein made a part of this Lease Agreement by reference, embodies the whole Lease Agreement between the Parties hereto as it pertains to the Premises and there are no promised terms, conditions, or obligations referring to the subject matter hereof, other than as contained herein. Any alterations, changes or modifications to this Lease Agreement must be in writing and executed by the Parties.

////////// NOTHING BEYOND THIS POINT EXCEPT FOR SIGNATURES //////////

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement this 10th day of December, 2019.

COUNTY OF SAN LUIS OBISPO

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

By: Debbie Arnold
Chairperson of the Board of Supervisors

By: Geoff Straw
Geoff Straw, Executive Director

APPROVED BY THE BOARD OF SUPERVISORS

Date: 11-22-19

This 10th day of December, 2019

APPROVED AS TO FORM AND LEGAL EFFECT:

ATTEST:
WADE HORTON
Ex-Officio Clerk of the Board of Supervisors

JON ANSOLABEHRE
SLORTA Legal Counsel

By: Janet V. Christensen
Deputy Clerk

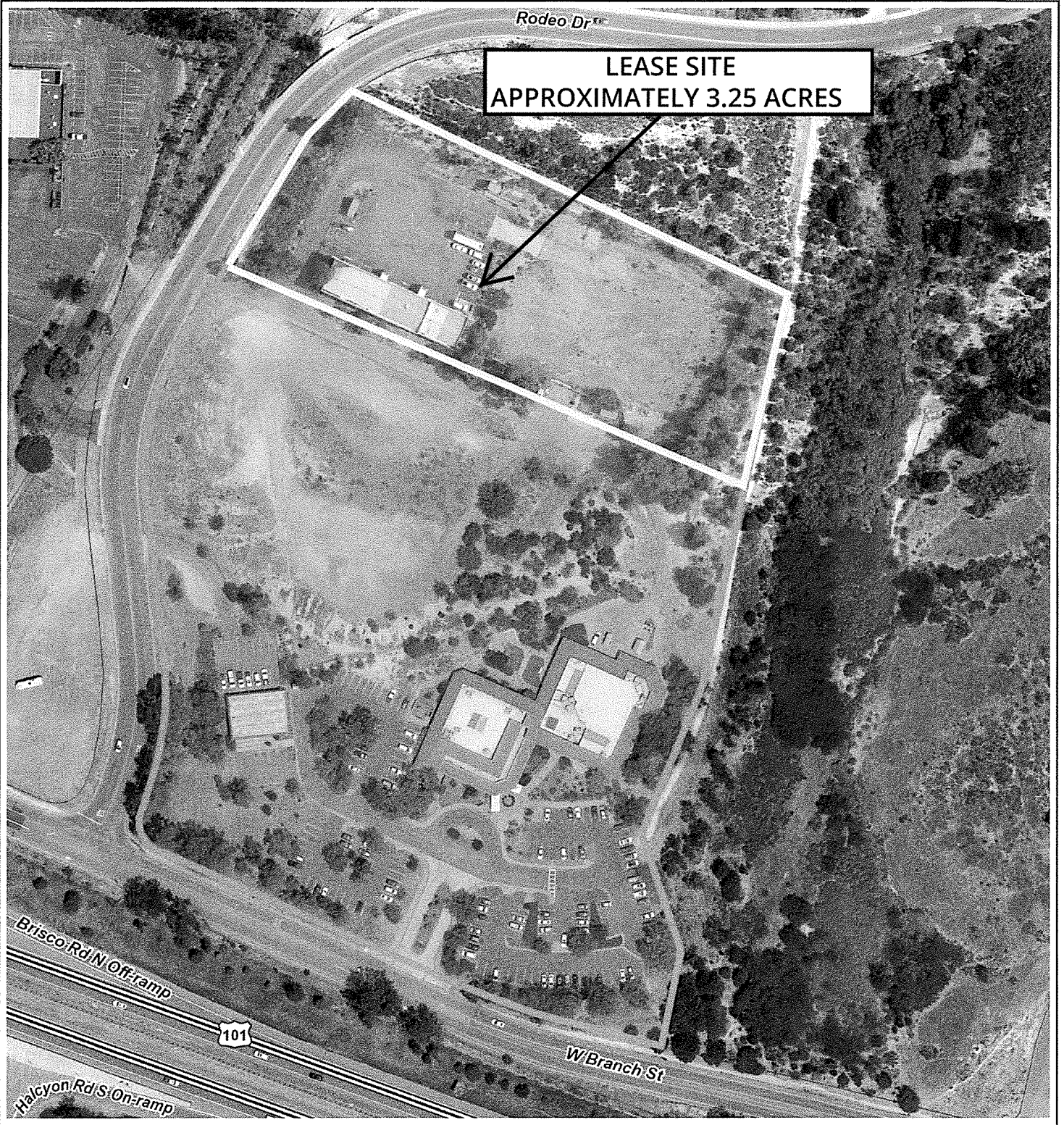
By: [Signature]
Date: 11/22/19

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: Shannon Matsumoto
Deputy County Counsel

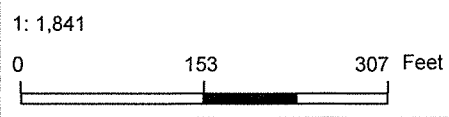
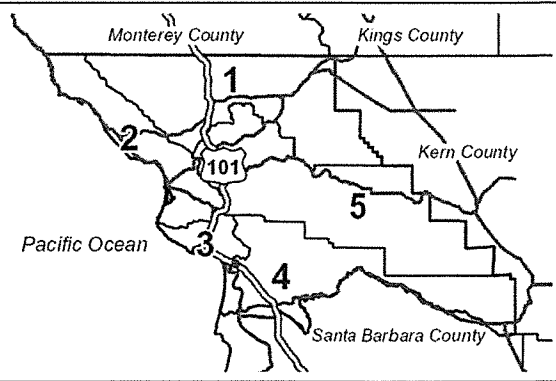
Date: 11/22/19



LEASE SITE
APPROXIMATELY 3.25 ACRES

LOCATION MAP

EXHIBIT "A" TO LEASE AGREEMENT
COUNTY OF SAN LUIS OBISPO
CENTRAL SERVICES - REAL PROPERTY SERVICES



Map by: S. HEINTZ



EXHIBIT "B"
TO LEASE AGREEMENT
DISCLOSURE

1. The lease site is a portion of APN 007-011-046. In accordance with the Subdivision Map Act, Section 66428 (a) (2), "a parcel map shall not be required for land conveyed to or from a governmental agency... unless a showing is made in individual cases, upon substantial evidence, that public policy necessitates a parcel map." This determination will be made by the City of Arroyo Grande.
2. The lease site measures approximately 3.2 acres. The area inside the fence measures approximately 2.5 acres.
3. Rodeo Drive has been proposed by Cal Trans as an exit from northbound Highway 101.
4. A grease separator is located under the steel cover at the wash rack, but it does not meet current stormwater pollution prevention regulations.
5. Gas heaters were once located in the office and dressing area. They have been removed and the gas pipes are capped.
6. The insulation in the enclosed work bays has lost its adhesion to the walls.
7. The building has been tested for asbestos, and no asbestos was found.
8. The rain gutters on the building are rusted through in many locations.
9. Below-ground gas and diesel tanks were once located by the entry gate to the lower parking lot. These tanks have been removed, the soil remediated (approved by County Environmental Health), and the emergency shut-off station at the gate is no longer operational.
10. A storage container belonging to the American Red Cross is located at the entrance to the lower parking lot, outside of the fence, and it will remain in place. Access to the container may not be blocked.
11. The County has had soil sampling and testing of the lower parking lot performed by Earth Systems Pacific in order to document baseline for the property. A report dated July 22, 2010 is available upon request and shows two areas of contamination, one by metals and one by hydrocarbons. The tenant will not be held responsible for the contamination in these two areas.
12. SLORTA replaced one of the existing gas-fired space heaters in the enclosed bay.
13. County Public Works has placed a storage container on the property located in the upper lot.
14. SLORTA removed some rusted rain gutters located at the front of the building and replaced portions of gutters to redirect water flow away from entryways.
15. SLORTA funded and paid for resurfacing the parking lot areas.

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

June 4, 2025

Sarah Diggs
Real Property Manager
County of San Luis Obispo - Real Property Services
1087 Santa Rosa Street
San Luis Obispo, CA 93408

RE: One Year Extension of Lease Agreement

Dear Ms. Diggs:

The San Luis Obispo Regional Transit Authority would like to execute the second of five optional one-year lease extensions as outlined in Section 5 of the Lease agreement dated December 10, 2019 between the County of San Luis Obispo and the San Luis Obispo Regional Transit Authority. The new expiration date for the termination of the lease would be December 31, 2026.

We appreciate the continued partnership with the County of San Luis Obispo to provide safe, reliable and efficient transportation services that improve and enhance the quality of life for the citizens and visitors of San Luis Obispo County.

Sincerely,

Geoff Straw
Executive Director

Accepted by the County of San Luis Obispo Real Property Services:

Name: Sarah Diggs

8/21/2025

Date

Title: Real Property Manager

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

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

**MAY 6, 2026
STAFF REPORT**

AGENDA ITEM: A-6

TOPIC: Classification and Compensation/Benefits Study

PRESENTED BY: Tania Arnold, Deputy Director/CFO

EXECUTIVE COMMITTEE RECOMMENDATION: Recommend Staff Bring the Classification and Compensation/Benefits Study to the Board for Acceptance at the May 6th Board Meeting.

STAFF RECOMMENDATION: Accept the *Classification and Compensation/Benefits Study*

BACKGROUND/DISCUSSION:

At its May 7, 2025 meeting, the RTA Board authorized staff to procure third-party consulting services to conduct a comprehensive classification and compensation study. Using a request for proposals process, the selection committee (comprised of RTA staff and Ashley Kneeland from SLOCOG) interviewed the top two rated firms out of the six who submitted proposals. As was reported at the November 2025 Board meeting, the Executive Director executed a not-to-exceed \$48,500 agreement with Evergreen Solutions on September 12, 2025.

The study's objective is to provide staff and the Board guidance on personnel related issues and senior staff succession. The study will also address the RTA's ability to hire and retain qualified employees, maintain equitable internal relationships among employees, and comply with state and federal laws. This is the first comprehensive classification and compensation study conducted on behalf of the RTA by independent experts. In the past, RTA staff had worked with County Human Resources staff to develop job descriptions and determine salary scales based on reviews of similar transit agency documents/benchmarks.

STUDY FINDINGS

The attached *Classification and Compensation/Benefits Study* provides details on how the study was conducted, its findings, and its recommendations. Below is a summary of the findings:

Classification Findings

The RTA pay system is appropriately classified overall. The existing classification architecture logically reflects reporting relationships, scope of responsibility, and functional alignment. However, limited updates to certain job descriptions may be

warranted to ensure alignment with work identified during the job assessment survey process. More succinctly, functions such as planning, information technology (IT), capital procurement, and capital project management are among these areas that were not addressed in current job descriptions. These updates are expected to be narrow in scope and focused on clarifying duties, incorporating secondary responsibilities, and ensuring that documentation accurately reflects current operational realities.

Compensation Structure Findings

The RTA's current compensation model assigns a distinct salary range to each individual classification on a one-to-one basis. While this approach provides administrative simplicity, it limits flexibility, constrains long-term structural alignment, and makes it more difficult to systematically manage internal equity across the organization.

In a one-to-one range system, each classification stands independently, which can create challenges when duties evolve, new roles are introduced, or market conditions change. Without a broader pay grade framework, adjustments to one classification may unintentionally create inequities with others, particularly in a small organization where roles are closely related and career progression paths overlap.

STUDY RECOMMENDATIONS

Summarized below are the consultant's ten recommendations, broken down into three areas:

Recommendations on the RTA's Compensation Structure

1. Implement a formal pay grade structure consisting of shared salary grades with defined minimums, midpoints, and maximums as shown in Exhibit E of the report.
2. Maintain a seven-step structure with revised step differentials of approximately 4 percent between steps (see above Exhibit; current steps 5-5-5-4-3-2).
3. Reassign classifications to grades to balance internal equity and external competitiveness (affects 30 non-represented employees). See Exhibit F in the report for more details as well as the four options presented. Based on discussions with Executive Committee members, this staff report and the proposed FY26-27 budget assumes Option 1: Bring to Closest Step – which increases salary-only costs by \$78k based on FY25-26 cost.

Recommendation on Succession Planning and Structural Flexibility

4. Incorporate succession planning considerations into the compensation and classification framework.

Recommendations for Ongoing Compensation Administration

5. Conduct targeted market reviews for specific classifications as needed.

6. Conduct a comprehensive compensation and classification study every 3 to 5 years.
7. Revise and formalize policies for salary movement within the pay plan.
8. Adopt a hiring grid aligned with the seven-step grade structure.
9. Update promotion, demotion, & transfer policies to align with the revised structure.
10. Explore implementing a Secondary Language Certification Pay Program.

Executive Director Geoff Straw presented this information to the non-represented employee group on April 15th. Employees expressed satisfaction with the opportunity to participate in the job assessment process, and for the most part are pleased with the findings and recommendations in the *Study* report. It should be noted that the consultants still owe us a think piece on succession planning and assistance with revising job descriptions as noted above.

Regarding succession planning, senior staff's preliminary takeaway from discussions with the consultant is that the Board should consider hiring an executive search firm in advance of Mr. Straw's planned retirement in early 2028. This executive search effort could include an RTA Board strategic planning exercise that would focus on organizational strengths/weaknesses and result in a well-developed job announcement, which would help attract the optimal candidate and prepare the RTA team for the change in leadership.

Staff Recommendation

Accept the *Classification and Compensation/Benefits Study*.

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Evergreen Solutions, LLC

**CLASSIFICATION AND COMPENSATION/
BENEFITS STUDY**
FOR SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, CA

FINAL REPORT

April 3, 2026



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CLASSIFICATION AND COMPENSATION/BENEFITS STUDY

1.0 INTRODUCTION

The leadership of the San Luis Obispo Regional Transit Authority (the “RTA”), in support of its mission to provide safe, reliable, and efficient public transportation services, determined that its existing compensation and classification systems would benefit from a comprehensive review. Evergreen Solutions, LLC (“Evergreen”) was selected to conduct a combined compensation, benefits and classification study to evaluate the effectiveness, equity, competitiveness, and sustainability of the RTA’s current systems and to develop recommendations aligned with public-sector and transit-industry best practices.

As a public transit agency, the RTA operates within a unique labor environment that includes safety-sensitive positions, regulatory and licensing requirements, collective bargaining agreements, and a highly competitive labor market, and constrained funding opportunities. These factors place particular importance on compensation structures that support recruitment and retention, provide clear and defensible progression, and maintain internal equity across both represented and non-represented employee groups in a financially sustainable manner.

This study was designed to evaluate both internal and external equity. Internal equity refers to the fairness and consistency of compensation and classification relationships among positions within the RTA, based on the relative value, responsibilities, and complexity of work performed. External equity examines how the RTA’s classifications and salary ranges compare to those of comparable transit agencies and public-sector employers competing for similar talent. Together, these analyses provide RTA leadership with an objective foundation for decision-making related to workforce stability, service delivery, classification alignment, and long-term compensation strategy.

The classification component of this study focused on ensuring that job titles, descriptions, and pay grade assignments accurately reflect the work currently being performed and are applied consistently across the organization. The compensation component evaluated the RTA’s salary structures relative to the labor market, with particular attention to step progression, compression, and transparency, all of which are critical in a transit operating environment. Finally, this study examines succession planning for agency leadership given the Executive Director’s plan to retire in the relatively near future.

Evergreen utilized a combination of qualitative and quantitative analysis methods throughout the study. As with all market-based studies, the data and findings presented represent a snapshot in time. Because labor market conditions, particularly for transit operations supervisors, mechanics, and other specialized roles, continue to evolve, Evergreen recommends that the RTA periodically reassess its compensation and classification systems to maintain alignment with best practices and prevailing market conditions.

This report is organized into the following sections:

- Section 2 – Employee Outreach and Feedback Summary, which presents key themes expressed by employees regarding organizational strengths, challenges, and opportunities for improvement beyond compensation alone.

- Section 3 – Assessment of Current Conditions, which provides a baseline analysis of the RTA’s existing compensation structures, internal pay relationships, and progression patterns.
- Section 4 – Market Summary, which evaluates the RTA’s compensation structures relative to comparable transit agencies and public-sector employers using cost-of-labor–adjusted market data.
- Section 5 – Recommendations, which presents Evergreen’s proposed classification, compensation, and administrative actions informed by the analyses and employee feedback.

1.1 Study Methodology

Evergreen’s approach integrates employee input, internal job evaluation, and external market analysis to develop balanced and defensible recommendations tailored to the RTA’s operating environment. Key project activities included:

- Conducting a project kick-off meeting with RTA leadership and Human Resources staff to confirm project scope, timelines, and data requirements
- Reviewing existing pay plans, classification specifications, collective bargaining agreements, organizational charts, and compensation policies
- Collecting employee input related to job duties, responsibilities, and workplace conditions to inform the classification analysis
- Evaluating internal relationships among classifications to assess equity, alignment, and potential compression
- Conducting an external market salary survey using transit-focused peer organizations and cost-of-labor–adjusted data
- Developing recommendations for classification updates, pay grade assignments, and compensation administration practices
- Preparing draft and final reports summarizing findings and recommendations

2.0 EMPLOYEE OUTREACH AND FEEDBACK SUMMARY

Employee outreach is a critical component of a combined compensation and classification study, particularly within a transit operating environment where pay competitiveness, scheduling, workload, safety requirements, and cost-of-living pressures directly affect recruitment, retention, and employee morale. To better understand the employee experience at the San Luis Obispo Regional Transit Authority (RTA), Evergreen conducted an employee focus group meeting and conducted on-line surveys to

gather input across frontline, supervisory, and administrative perspectives.

The feedback summarized in this section reflects common themes expressed by employees regarding why they chose to work for the RTA, what has influenced their decision to stay, and their perceptions

of the organization's classification, compensation, benefits, and performance management practices. Individual comments have been anonymized, and the observations presented are perceptual in nature; however, they provide critical qualitative context for interpreting compensation data and developing recommendations that are realistic, equitable, and responsive to the RTA's operating environment.

2.1 Why Employees Come to Work for the RTA

Employees identified several factors that attracted them to the RTA. Competitive starting pay, hiring incentives such as sign-on bonuses, and the opportunity to be trained by the organization to obtain required licenses, particularly for operator positions, were frequently cited. Employees noted that the RTA's willingness to invest in training, including covering licensing requirements, lowered barriers to entry and made the organization an attractive employer. It is important to note that the RTA currently provides in-house training and testing for DMV licensing, but the employee is responsible for the actual cost of obtaining and maintaining their license.

Participants also described the RTA as a well-regulated organization with a positive reputation in the region and within the transit industry. Newer vehicles, modern facilities, and an emphasis on safety and compliance contributed to perceptions of professionalism and operational stability. Employees expressed appreciation for the RTA's benefits package, particularly employer-funded health insurance, retirement savings options, and holiday and floating leave benefits.

In addition, employees noted that the RTA promotes from within and is generally open to employee suggestions related to training and professional development, including support for training costs. This openness to internal growth and skill development was viewed as a meaningful organizational strength.

2.2 Why Employees Have Stayed with the RTA

While starting pay and benefits were important factors in initial attraction, employees indicated that their reasons for staying with the RTA are more closely tied to job stability, organizational culture, and the quality of benefits. Participants cited the RTA's reputation as a good place to work, supportive coworkers, and a sense of pride in serving the community through public transportation.

Employees also emphasized the value of employer-paid health insurance and consistent benefits, which were viewed as particularly important given the high cost of living in the region. For some employees, the availability of predictable work and a regulated operating environment contributed to a sense of long-term security, even as broader concerns about retirement adequacy and advancement opportunities were expressed.

2.3 Classification and Internal Equity Concerns

Employees raised several concerns related to classification structure and internal equity, defined as the relationship between jobs within the organization. Participants noted that some roles include significant secondary responsibilities that are not reflected in current job descriptions. Some examples observed in the RTA related to IT, service planning, & grants-funded capital project management, among others.

Employees also observed that certain leadership or deputy-level roles appear inconsistently defined across functional areas, which can create confusion regarding scope, responsibility, and appropriate

compensation. These issues contribute to perceptions that some positions are undervalued or misaligned relative to their actual duties.

From a compensation perspective, employees generally described the RTA as competitive relative to other local employers; however, they emphasized that competition for transit talent extends beyond the immediate region. Employees noted that dispatch positions, Dial-A-Ride and Runabout services, and certain station-based roles may not be compensated at levels commensurate with their responsibilities or market demand. Several participants suggested that station roles currently grouped together perform substantially different work and should be evaluated for potential reclassification into distinct classifications.

Employees also identified challenges related to supervisory classifications. Long-tenured operators often experience limited financial incentive to pursue supervisory roles due to relatively small pay differentials, loss of overtime opportunities, increased workload, and assignment to less desirable service areas. Participants noted that recent supervisor vacancies have increasingly been filled by relatively new operators, not by long-term employees, due in part to these disincentives.

Employees further indicated that the removal of minimum service requirements for promotion, while intended to support staffing needs, has altered perceptions of equity and preparedness for supervisory roles. Participants expressed a desire for clearer feedback and development guidance for employees who are not selected for promotion, as well as more structured career pathways to better prepare employees for advancement.

2.4 Compensation, Cost of Living, and Career Progression

Employees generally believe that base pay at the RTA is competitive for the region; however, they emphasized that the exceptionally high cost of living in San Luis Obispo County significantly affects affordability and long-term retention. Participants noted that while wages may compare favorably to nearby employers, the ability to sustain a long-term career locally remains challenging, particularly for frontline employees.

Concerns were also raised about compensation recognition for specialized skills, such as second-language proficiency, and whether such skills are adequately valued within the current pay structure. Employees emphasized the need for creative career pathing solutions that address progression limitations, supervisory disincentives, and preparation for advancement while maintaining service reliability.

2.5 Benefits, Onboarding, and Training

Employees expressed mixed views regarding benefits. Health insurance was consistently cited as a major strength, with employees appreciating that the RTA pays the full cost of employee premiums. Holiday pay and floating holidays were also viewed positively. At the same time, employees expressed concern that retirement benefits, primarily offered through a 457 plan rather than a traditional pension, may be insufficient to support long-term retention, particularly for non-management employees.

Training was generally viewed as a positive aspect of employment at the RTA, especially initial training for operators. Employees appreciated the organization's willingness to pay for required licenses and certifications. However, participants expressed interest in more structured ongoing training, leadership development, and clearer pathways tied to advancement opportunities.

2.6 Recruitment, Retention, and Competition

Employees identified a broad range of competitors for quality employees, including other transit agencies and transportation providers such as San Luis Obispo Safe Ride, LUX Bus, Monterey-Salinas Transit (MST), Santa Maria Area Transit, and transit agencies in Santa Barbara, Orange County, Los Angeles, the Bay Area (including BART), and San Diego. Educational institutions, such as Cuesta College, were also identified as competitors for training and instructional talent.

Driver positions were consistently identified as difficult to recruit and retain, with high turnover attributed to regional cost-of-living pressures and competition from agencies offering higher pay or larger hiring incentives. Operations Supervisor positions were also identified as particularly challenging to fill, with numerous vacancies over recent years. Employees described supervisory roles as overworked and under-resourced, a condition exacerbated by driver shortages that increase operational demands on supervisors.

2.7 Performance Evaluation Practices

Employees described the current performance evaluation process as easier to complete than prior systems and appreciated the emphasis on employee self-evaluation. However, participants noted significant inconsistency in how evaluations are conducted across departments, including differences in frequency, expectations, and follow-up.

Employees expressed frustration that performance evaluations do not meaningfully influence compensation, development, or career progression. The rating scale was described as overly limited, with little distinction between satisfactory and exceptional performance, and insufficient guidance on how to improve. Participants emphasized the need for more frequent performance conversations throughout the year, clearer developmental feedback, and greater consistency in evaluation practices.

2.8 Key Themes and Study Focus Areas

When asked to identify priority issues for the study, employees consistently highlighted retirement adequacy, retention, and long-term affordability as critical concerns. While pay levels were generally viewed as competitive, employees emphasized that cost-of-living pressures significantly affect their ability to remain with the organization long term. Participants expressed concern that increasing pay alone may not fully resolve staffing challenges without complementary strategies related to benefits, progression, and workload management.

Overall, employee feedback reflects a workforce that values the RTA's mission, benefits, and work environment, while seeking greater clarity, equity, and sustainability in compensation, classification, retirement, and career development. These themes directly informed Evergreen's assessment of current conditions and the recommendations presented later in this report.

3.0 ASSESSMENT OF CURRENT CONDITIONS

The Assessment of Current Conditions (AOCC) provides a baseline evaluation of the San Luis Obispo Regional Transit Authority's (RTA's) existing compensation structure and internal pay relationships as they existed at the outset of the study. This assessment establishes context for the market analysis and recommendations that follow by examining how the current system functions in practice, including structure, progression, and internal alignment.

The AOCC does not evaluate individual employee performance or the appropriateness of specific salary decisions. Instead, it focuses on the design, rules, and observable outcomes of the compensation system as a whole, identifying patterns, strengths, and areas where refinement may be warranted.

3.1 Overview of the Compensation Framework

For non-represented employees, the RTA's compensation system is governed by policies outlined in the Employee Handbook and consists of step-based salary ranges assigned by job classification. With the exception of the Executive Director, all classifications utilize a seven-step salary scale, with employees required to be paid between Step 1 and Step 7 of their assigned range.

Key elements of the current compensation framework include:

- Starting salaries for new hires are established by the hiring manager (in consultation with the Executive Director when not Step 1) within Board-approved salary ranges.
- Promotions result in placement at a step within the higher range that is not less than the employee's current rate of pay, with placement capped at Step 7.
- Step increases are granted based on performance, with employees receiving a "Satisfactory" or better evaluation eligible for progression, subject to the Step 7 maximum. It is important to note that the step increases are not presently uniform, but rather consist of a 5% increase for the first three years, a 4% increase for one year, a 3% increase for one year, and lastly a 2% increase for the final year.
- Employees receiving unsatisfactory evaluations may experience a freeze in pay until performance improves.
- Cost of living adjustments approved by the RTA Board effectively "moves up" the entire range as part of the budgetary process.
- Voluntary demotions allow placement at any step within the lower range, up to the employee's current step (this does hold not true when a non-CBA role demotes to a CBA role).

Collectively, these policies establish a structured and performance-driven compensation system that provides consistency and administrative clarity, while also limiting long-term progression once employees reach the top of their assigned ranges.

3.2 Data Considerations and Analytical Assumptions

For purposes of this analysis, pay ranges were evaluated by class title, with each classification (excluding Executive Director) consisting of seven defined steps. Where class entry dates were not available, employee hire dates were used as a proxy for time in classification.

Because the RTA's compensation system consists of seven steps, parity and projected pay assumptions were also based on a seven-step progression model. A step plan was incorporated into the pay plan analysis to allow for consistent evaluation of employee placement relative to minimum, midpoint, and maximum values.

Due to the RTA's relatively small workforce and limited incumbent counts in certain classifications, some projected pay analyses resulted in insufficient data to support meaningful conclusions. In these cases, results were excluded from presentation to avoid misinterpretation.

3.3 Salary Placement and Distribution Analysis

Evergreen analyzed employee salary placement within assigned pay ranges to assess progression patterns and identify indicators of compression or stagnation.

This analysis indicates that approximately 50 percent of employees have progressed to the maximum (Step 7) of their assigned pay range. In addition, approximately 86.7 percent of employees are compensated above the midpoint of their respective ranges. These figures are notably high for a step-based compensation system and suggest that a significant portion of the workforce has limited remaining progression opportunity under the current structure; however, short-form step structures such as the one at the RTA are highly common in California government entities, and rapid cap outs as a natural consequence of this common structure design.

A quartile analysis further illustrates these patterns. No employees fall within the second quartile of the pay range, while employees are distributed across the first, third, and fourth quartiles. Despite this uneven distribution, the analysis demonstrates a generally positive relationship between experience and pay placement, indicating that progression occurs as intended until employees reach the upper end of the structure.

However, the concentration of employees at or near the top of their ranges suggests that the seven-step structure may not provide sufficient flexibility to support long-term career progression, particularly in a high cost-of-living environment where retention depends on sustained earnings growth over time.

3.4 Compression Analysis

Pay compression occurs when there is insufficient differentiation in pay between employees with differing levels of responsibility, experience, or supervisory authority. One common indicator of compression is when subordinate salaries approach or exceed those of their supervisors. It is important to note this analysis focused solely on employees included within in the study group, and thus actual Operator wages were not compared against the RTA's Operation Supervisor roles for the purpose of this analysis; however, a structural comparison of the Operator's pay structure was reviewed and considered when formulating recommendations for the Supervisor's grade assignment discussed in **Section 5.2**.

Evergreen evaluated supervisory relationships where data were available by comparing subordinate salaries to supervisor salaries. Almost all supervisors and managers at the top of their range earn 5% or greater of their subordinates' top range; the sole exception is currently the Assistant Maintenance Manager. A Mechanic A at the end of their union negotiated range exceeds the current Step 7 Assistant Maintenance Manager position's range by almost 5%.

While this finding is positive, it does not negate other forms of compression identified elsewhere in the analysis, particularly within classifications where many employees are clustered at the maximum step, limiting differentiation based on tenure or performance.

3.5 Actual Versus Projected Pay Analysis

Evergreen compared actual employee salaries to projected salaries based on time in classification using the seven-step progression model. This analysis is intended to evaluate whether employees are generally aligned with expected progression patterns given their experience within their current role. Under this model, employees are assumed to progress through the salary range over a defined period based solely on time in classification. It is important to note that this methodology does not account for prior experience, external market factors, or performance-based adjustments, but instead provides a standardized baseline for assessing internal consistency.

The results of this analysis indicate that approximately 76.7 percent of employees are compensated within five percent of their projected salary by grade. This finding suggests that, within the constraints of the current structure, salary placement practices are generally consistent with the intended progression model. In other words, most employees appear to be advancing through their respective pay ranges in a manner that aligns with organizational expectations tied to tenure in classification.

Employees who fall above or below their projected salary range may reflect a variety of factors not captured in this model. For example, employees paid above their projected level may have been hired at higher starting salaries due to competitive market conditions, possess additional qualifications or experience, or have received promotional or equity adjustments. Conversely, employees below projection may reflect more recent hires, slower progression through the range, or historical differences in salary administration practices.

Overall, the distribution of employees around their projected salary indicates that the RTA's current approach to salary placement and progression is functioning as intended, with limited deviation from expected patterns. This consistency supports the conclusion that existing practices are applied in a generally equitable and predictable manner across classifications.

The table below summarizes these findings by classification. Each column represents a salary projection band, illustrating the degree to which actual salaries fall below, align with, or exceed projected salary levels (e.g., more than 10% below projection to more than 10% above projection)

Exhibit A | Expected Pay Distribution

Class Title	Less than -10%	-10 < X < -5%	-5% < X < 5%	5% < X < 10%	Greater than 10%
Administrative Assistant	0	0	0	1	0
Customer Service Clerk	0	0	0	0	1
Accounting Technician II	0	0	0	0	1
Operations Supervisor	0	0	12	0	0
Scheduling Supervisor	0	0	2	0	0
Facilities Assistant Manager	0	0	0	1	0
Transit Training Instructor/Mobility Specialist	0	0	1	0	0
Transit Training Instructor	0	0	1	0	0
Lead Supervisor	0	0	1	0	0
HR Officer	0	0	0	1	0
Maintenance Assistant Manager	0	0	0	0	1
Marketing and Community Relations Manager	0	0	1	0	0
Grants and Finance Manager	0	0	1	0	0
Safety and Training Manager	0	0	1	0	0
Maintenance and Facilities Manager	0	0	0	1	0
Operations Manager	0	0	1	0	0
Deputy Director/CFO	0	0	1	0	0
Executive Director	0	0	1	0	0
	0.0%	0.0%	76.7%	13.3%	10.0%

3.6 Summary of Assessment of Current Conditions

Key observations from the AOCC include:

- The RTA's compensation system is clearly defined and consistently administered through a seven-step structure.
- A substantial portion of employees are at or near the top of their pay ranges, limiting future progression opportunities.
- Most employees are compensated above the midpoint of their ranges, indicating effective early-career progression but constrained long-term growth.
- No evidence of widespread supervisor-subordinate pay compression was identified.
- Actual salaries generally align with projected salaries based on time in classification, reflecting internal consistency and adherence to policy.

Taken together, these findings indicate that while the RTA's compensation framework is orderly and internally consistent, one major drawback is that the short-form nature of the step plan limits long-term salary growth; however, because this design is the prevailing practices in the California local government market, the RTA would be hard pressed to move to a significantly different compensation structure. These observations directly inform the market analysis and recommendations presented in the sections that follow.

4.0 MARKET SUMMARY

The purpose of the Market Summary is to evaluate the San Luis Obispo Regional Transit Authority's (RTA's) compensation structure relative to comparable public-sector and transit-focused employers competing for similar talent. By benchmarking the RTA's salary ranges against those of peer organizations, Evergreen assessed the RTA's overall market competitiveness and identified patterns that inform recommendations related to pay structure, progression, and long-term sustainability.

This analysis focuses on salary ranges rather than individual employee pay, as individual compensation is influenced by factors such as experience, tenure, and performance. Evaluating pay ranges provides a more consistent basis for comparison across organizations. As with all market analyses, results represent a snapshot in time and should be periodically revisited as labor market conditions evolve.

4.1 Market Peer Selection

Evergreen identified a group of market peers based on geographic proximity, service delivery model, organizational complexity, and competition for transit and public-sector talent. The selected peers include a combination of regional transit authorities, municipal and county governments, and related public agencies that reflect the RTA's labor market for both frontline and professional classifications. Market peers included in this analysis are included in **Exhibit B**:

Exhibit B / Market Peer Group

Market Peers	Cost of Living Index
San Luis Obispo RTA	134.2
El Dorado County Transit	137.8
Gold Coast Transit District	135.5
Monterey-Salinas Transit	132.2
San Joaquin RTD	126.1
Santa Cruz Metro	137.6
Tulare County RTA	118.0
Ventura County Transportation	135.5
City of San Luis Obispo	134.2
County of Monterey	132.2
County of San Luis Obispo	134.2
County of Santa Barbara	134.9
Kern County	119.3
Golden Empire Transit District	119.3
SLO County Air Pollution	134.2
SLO Council of Governments	134.2

These organizations represent the RTA’s competitive labor market for operators, supervisors, mechanics, dispatchers, administrative professionals, as well as its leadership roles.

4.2 Cost-of-Living Adjustment Methodology

Because the market peers span multiple regions within California with varying labor market conditions, Evergreen adjusted peer salary data using a cost-of-living index to normalize geographic differences. Cost-of-living adjustments allow for more accurate comparison of relative labor value rather than nominal wage differences driven by regional price levels. For the purposes of this study, Evergreen utilized data from the Council for Community and Economic Research (C2ER).

Evergreen applied cost-of-living index values to each participating organization, with the RTA indexed at 134.2. Peer indexes ranged from a low of 118.0 to a high of 137.8, reflecting substantial variation in regional labor market conditions across the peer group.

Applying these adjustments ensures that market comparisons reflect the relative competitiveness of compensation structures after accounting for differences in housing costs, labor availability, and regional economic conditions.

4.3 Market Positioning Overview

Using cost-of-living-adjusted data, Evergreen compared the RTA’s salary ranges to market averages for benchmark classifications included in the salary survey. This analysis evaluates competitiveness at the range minimum, midpoint, and maximum to assess both entry-level positioning and long-term progression capacity.

The overall results are displayed in **Exhibit C**. Included within the exhibit is a listing of the classifications included in the study, the survey average market minimum, midpoint, and maximum. Additionally, the differential between the RTA and the market average is also included for each point of the salary range, a positive differential indicates where the RTA was ahead of the market average, and a negative differential indicates where the RTA is behind. Additionally, the survey average range spread (a percentage measure of the width of the salary range) as well as the response count by position.

Results of the salary survey indicate that the RTA's salary ranges are positioned slightly below the market overall. On average, the RTA's range minimums are approximately 2.1 percent below the market minimum, while the RTA's range maximums fall further below the market, averaging approximately 8.1 percent below peer organizations. This pattern reflects the RTA's relatively narrower average range spread compared to many of its peers.

When evaluated relative to the full peer group, the RTA ranks toward the lower end of the market, placing 11th out of 14 peer organizations included in the survey. At the range midpoint, the RTA's compensation structure aligns at approximately the 37th percentile of the market.

These findings are consistent with results from the AOCC, which showed a high concentration of employees at or near the top of their assigned ranges. While entry-level pay remains relatively competitive, narrower range spreads limit the RTA's ability to remain competitive as employees progress through their careers.

4.4 Benefits and Total Compensation

In addition to benchmarking base salary ranges, Evergreen evaluated the RTA's total compensation package relative to peer organizations. The benefits comparison considers the total maximum value of the compensation package, recognizing that total compensation includes both direct pay and the full employer-paid value of benefit offerings.

Evergreen compared the RTA's benefit offerings across the following categories:

- Medical insurance
- Dental and vision insurance
- Deferred compensation
- Phone allowance
- Vehicle allowance
- Sick leave pay
- Vacation pay
- Paid time off
- Administrative/management leave
- Floating holiday pay
- Holiday pay

Retirement contribution rates were excluded from cost calculations due to the unique position and structure of the RTA's current pension system. Because retirement arrangements vary significantly across agencies, and because the RTA's retirement structure cost is based on employee age of entry and hard to "normalize, direct cost comparison would not yield an equitable or meaningful benchmark.

Exhibit C | Market Average Results (Adjusted for Cost of Living)

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
1	Accounting Technician II	\$56,854.14	11.1%	\$66,362.47	10.4%	\$75,870.81	6.2%	33.3%	7
2	Administrative Assistant	\$54,880.90	0.9%	\$63,393.23	1.1%	\$71,905.56	-2.6%	31.1%	9
3	Customer Service Clerk	\$49,516.56	10.6%	\$58,894.24	8.2%	\$68,271.92	2.6%	37.7%	5
4	Deputy Director/CFO	\$172,101.21	-17.6%	\$197,489.13	-16.5%	\$222,877.05	-20.4%	29.6%	7
5	Executive Director	\$155,039.43	4.0%	\$188,409.87	-5.3%	\$250,401.28	-27.6%	62.9%	6
6	Facilities Assistant Manager	\$80,754.49	-15.8%	\$92,959.60	-15.1%	\$105,164.72	-19.2%	30.2%	9
7	Grants and Finance Manager	\$107,127.76	-15.8%	\$125,992.45	-17.7%	\$144,857.13	-23.8%	35.4%	8
8	HR Officer	\$87,511.31	-9.5%	\$100,979.62	-9.2%	\$114,447.92	-13.3%	30.9%	8
9	Lead Supervisor	\$89,146.61	-14.4%	\$105,482.95	-16.9%	\$121,819.30	-23.6%	36.2%	2
10	Maintenance and Facilities Manager	\$111,855.49	-2.0%	\$128,210.68	-1.0%	\$144,565.86	-4.2%	29.3%	9
11	Maintenance Assistant Manager	\$85,648.70	-0.1%	\$99,373.22	-0.3%	\$113,097.74	-4.5%	31.9%	6
12	Marketing and Community Relations Manager	\$99,195.55	-7.3%	\$115,765.76	-8.1%	\$132,335.96	-13.1%	33.5%	10
13	Operations Manager	\$110,738.02	12.8%	\$126,960.18	13.6%	\$143,182.34	10.8%	29.5%	6
14	Operations Supervisor	\$75,243.24	-10.7%	\$86,298.24	-9.6%	\$97,353.24	-13.2%	29.5%	6
15	Safety and Training Manager	\$85,059.32	8.0%	\$97,388.34	9.0%	\$109,717.36	6.2%	29.0%	10
16	Scheduling Supervisor	\$71,289.46	-4.8%	\$82,373.90	-4.7%	\$93,458.35	-8.7%	31.2%	6
17	Transit Training Instructor	\$74,795.12	-3.0%	\$87,617.29	-4.3%	\$100,439.46	-9.4%	34.4%	4
18	Transit Training Instructor/Mobility Specialist	\$71,317.85	1.8%	\$83,634.26	0.5%	\$95,950.67	-4.5%	34.6%	5
Overall Average			-2.9%		-3.7%		-9.0%	33.9%	6.8
Outliers Removed*			-2.1%		-2.8%		-8.1%	33.7%	7.3

To calculate total compensation positioning, Evergreen evaluated the maximum employer-paid value offered under each benefit category by peer organization and applied those values at the classification level. The maximum value approach was used because it is not possible to determine precise benefit utilization rates by organization, nor is it feasible to account for how individual employees may subjectively value different components of a benefits package. Using the maximum employer cost provides a consistent and comparable framework for evaluating total rewards.

It is important to note that not all peer organizations provided sufficient benefits data to be included in the total rewards calculations. As a result, the combined salary and benefits comparison reflects a subset of the peers shown in **Exhibit B**. Additionally, the Lead Supervisor and Transit Training Instructor classifications did not receive a sufficient number of market responses to support inclusion in the total compensation exhibit. The total compensation data is included in **Exhibit D**.

Exhibit D / Total Compensation Market Results

ID	Classification	Peer Maximum Salary		Peer Benefits		Peer Total Comp.	
		Avg.	% Diff.	Avg.	% Diff.	Avg.	% Diff.
1	Accounting Technician II	\$ 75,211.54	7%	\$ 27,757.81	20%	\$ 102,969.35	11%
2	Administrative Assistant	\$ 70,645.84	-1%	\$ 25,825.88	21%	\$ 96,471.72	6%
3	Customer Service Clerk	\$ 62,875.93	10%	\$ 28,564.39	12%	\$ 91,440.32	11%
4	Deputy Director/CFO	\$ 226,798.99	-22%	\$ 66,516.07	-33%	\$ 293,315.06	-25%
5	Executive Director	\$ 253,281.30	-29%	\$ 70,817.42	-6%	\$ 324,098.72	-23%
6	Facilities Assistant Manager	\$ 104,056.96	-18%	\$ 34,503.45	5%	\$ 138,560.41	-11%
7	Grants and Finance Manager	\$ 142,199.26	-22%	\$ 42,924.65	-2%	\$ 185,123.90	-16%
8	HR Officer	\$ 112,756.36	-12%	\$ 36,482.75	6%	\$ 149,239.11	-7%
9	Lead Supervisor						
10	Maintenance and Facilities Manager	\$ 144,524.96	-4%	\$ 45,347.28	-7%	\$ 189,872.24	-5%
11	Maintenance Assistant Manager	\$ 113,120.13	-4%	\$ 40,133.08	0%	\$ 153,253.21	-3%
12	Marketing and Community Relations Manager	\$ 131,850.53	-13%	\$ 42,102.66	0%	\$ 173,953.20	-9%
13	Operations Manager	\$ 138,760.01	14%	\$ 45,227.87	1%	\$ 183,987.88	11%
14	Operations Supervisor	\$ 91,070.62	-6%	\$ 34,027.52	5%	\$ 125,098.14	-3%
15	Safety and Training Manager	\$ 109,948.77	6%	\$ 35,915.61	15%	\$ 145,864.38	8%
16	Scheduling Supervisor	\$ 92,279.62	-7%	\$ 34,311.17	4%	\$ 126,590.78	-4%
17	Transit Training Instructor						
18	Transit Training Instructor/Mobility Specialist	\$ 89,604.28	2%	\$ 33,287.72	10%	\$ 122,891.99	5%
Average			-6.2%		3.1%		-3.4%

The analysis indicates that the RTA’s overall benefits package is competitive in aggregate when considering total maximum employer value. However, the largest identified gap within the benefits comparison relates to family medical coverage. Differences in employer contributions for family-level health coverage materially affect the RTA’s relative market position and meaningfully influence total compensation competitiveness.

4.5 Market Summary

Key observations from the market analysis include:

- The RTA competes within a labor market characterized by high cost-of-living pressures and strong competition for qualified transit professionals.
- Cost-of-living-adjusted market data indicate that the RTA’s salary ranges are generally competitive relative to peer organizations.

- Market competitiveness appears strongest at entry and mid-range levels, with increased pressure at the upper end of ranges. As presented above, half of non-CBA employees are already at the top of their current salary range.
- Peer organizations in similar high-cost regions often provide additional progression capacity to support retention and career longevity.

These observations reinforce the importance of evaluating not only where salary ranges are positioned relative to the market, but also how effectively the structure supports long-term progression, internal equity, and workforce stability. Findings from the market analysis directly inform Evergreen's recommendations related to compensation structure, step design, and administrative practices presented in the following section.

5.0 RECOMMENDATIONS

Based on employee feedback, the Assessment of Current Conditions, and the market analysis, Evergreen developed the following recommendations to strengthen the RTA's compensation and classification framework while preserving administrative clarity and fiscal responsibility.

5.1 Classification Findings

Evergreen's review of the RTA's classification framework indicates that the organization is appropriately classified overall. Based on analysis of job descriptions, internal relationships, and feedback gathered through the Job Analysis Tool (JAT) survey process, Evergreen did not identify any major structural issues with how roles are currently classified. The existing classification architecture logically reflects reporting relationships, scope of responsibility, and functional alignment.

Accordingly, Evergreen recommends maintaining the current classification structure. However, limited updates to certain job descriptions may be warranted to ensure alignment with work identified during the JAT survey process, planning, IT and capital procurement, and capital project management are among these. These updates are expected to be narrow in scope and focused on clarifying duties, incorporating secondary responsibilities, and ensuring that documentation accurately reflects current operational realities.

5.2 Compensation Structure Findings

The RTA's current compensation model assigns a distinct salary range to each individual classification on a one-to-one basis. While this approach provides administrative simplicity, it limits flexibility, constrains long-term structural alignment, and makes it more difficult to systematically manage internal equity across the organization.

In a one-to-one range system, each classification stands independently, which can create challenges when duties evolve, new roles are introduced, or market conditions change. Without a broader pay grade framework, adjustments to one classification may unintentionally create inequities with others, particularly in a small organization where roles are closely related and career progression paths overlap.

RECOMMENDATION 1: Implement a formal pay grade structure consisting of shared salary grades with defined minimums, midpoints, and maximums.

Evergreen recommends transitioning from individually assigned ranges to a structured pay grade system in which multiple classifications are grouped into common grades based on relative scope, responsibility, complexity, and market value.

A pay grade structure provides several key advantages:

- Establishes clear relationships between jobs and levels of work.
- Supports internal equity by ensuring that similarly valued positions are compensated within the same grade framework.
- Enhances transparency and defensibility in salary administration.
- Facilitates the addition of new classifications without creating structural misalignment.
- Provides greater flexibility to respond to organizational growth and evolving service demands.

While the RTA is already managing compensation as a cohesive system, by grouping positions into formal grades rather than assigning unique ranges to each role (or clusters of roles), the RTA can better manage compensation as a system rather than as a series of independent pay decisions.

RECOMMENDATION 2: Maintain a seven-step structure with revised step differentials of approximately 4 percent between steps.

Evergreen recommends retaining a seven-step progression model to preserve familiarity and administrative simplicity, while increasing the step differential to approximately 4 percent between steps. As discussed in section three, the RTA currently has a non-uniform regressive step increase structure presently. This adjustment will provide more consistent, meaningful year-over-year progression, improve earnings growth potential, and better align long-term pay movement with cost-of-living pressures in the region.

Under the recommended structure:

- Each pay grade will include seven steps.
- Step progression will reflect approximately 4 percent movement between consecutive steps.
- Grade minimums, midpoints, and maximums will be recalibrated to align with market positioning and internal equity considerations.

Increasing the differential between steps addresses two structural challenges identified in the AOCC and market analysis: a high concentration of employees at the top of the range and a narrower overall range spread compared to peers. A 4 percent step progression provides clearer earnings growth and strengthens retention incentives without expanding the number of administrative steps.

The recommended step plan details can be found below in **Exhibit E**.

Exhibit E | Recommended Step Plan Structure

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
-	-	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
101	\$ 55,395.00	\$ 57,610.80	\$ 59,915.23	\$ 62,311.84	\$ 64,804.31	\$ 67,396.49	\$ 70,092.35
102	\$ 58,164.75	\$ 60,491.34	\$ 62,910.99	\$ 65,427.43	\$ 68,044.53	\$ 70,766.31	\$ 73,596.96
103	\$ 61,072.99	\$ 63,515.91	\$ 66,056.54	\$ 68,698.81	\$ 71,446.76	\$ 74,304.63	\$ 77,276.81
104	\$ 64,126.64	\$ 66,691.70	\$ 69,359.37	\$ 72,133.75	\$ 75,019.10	\$ 78,019.86	\$ 81,140.65
105	\$ 67,332.97	\$ 70,026.29	\$ 72,827.34	\$ 75,740.43	\$ 78,770.05	\$ 81,920.85	\$ 85,197.69
106	\$ 70,699.62	\$ 73,527.60	\$ 76,468.71	\$ 79,527.45	\$ 82,708.55	\$ 86,016.89	\$ 89,457.57
107	\$ 74,234.60	\$ 77,203.98	\$ 80,292.14	\$ 83,503.83	\$ 86,843.98	\$ 90,317.74	\$ 93,930.45
108	\$ 77,946.33	\$ 81,064.18	\$ 84,306.75	\$ 87,679.02	\$ 91,186.18	\$ 94,833.63	\$ 98,626.97
109	\$ 81,843.64	\$ 85,117.39	\$ 88,522.09	\$ 92,062.97	\$ 95,745.49	\$ 99,575.31	\$103,558.32
110	\$ 85,935.83	\$ 89,373.26	\$ 92,948.19	\$ 96,666.12	\$100,532.76	\$104,554.07	\$108,736.24
111	\$ 90,232.62	\$ 93,841.92	\$ 97,595.60	\$101,499.42	\$105,559.40	\$109,781.78	\$114,173.05
112	\$ 94,744.25	\$ 98,534.02	\$102,475.38	\$106,574.39	\$110,837.37	\$115,270.87	\$119,881.70
113	\$ 99,481.46	\$103,460.72	\$107,599.15	\$111,903.11	\$116,379.24	\$121,034.41	\$125,875.78
114	\$104,455.53	\$108,633.76	\$112,979.11	\$117,498.27	\$122,198.20	\$127,086.13	\$132,169.57
115	\$112,289.70	\$116,781.29	\$121,452.54	\$126,310.64	\$131,363.07	\$136,617.59	\$142,082.29
116	\$120,711.43	\$125,539.88	\$130,561.48	\$135,783.94	\$141,215.30	\$146,863.91	\$152,738.46
117	\$129,764.78	\$134,955.38	\$140,353.59	\$145,967.73	\$151,806.44	\$157,878.70	\$164,193.85
118	\$139,497.14	\$145,077.03	\$150,880.11	\$156,915.31	\$163,191.93	\$169,719.60	\$176,508.39
119	\$149,959.43	\$155,957.81	\$162,196.12	\$168,683.96	\$175,431.32	\$182,448.57	\$189,746.52
120	\$168,704.36	\$175,452.53	\$182,470.63	\$189,769.46	\$197,360.24	\$205,254.65	\$213,464.83

RECOMMENDATION 3: Reassign classifications to grades to balance internal equity and external competitiveness.

As part of implementing the new pay grade structure, Evergreen recommends reviewing and updating grade assignments to ensure proper alignment between job content, organizational impact, and market value. This reassignment process should consider:

- Relative responsibility and supervisory scope
- Technical complexity and regulatory requirements
- Market competitiveness data
- Internal relationships between classifications

Evergreen’s recommended pay grade assignments for the RTA’s current roles are displayed in **Exhibit F**.

Exhibit F | Recommended Pay Grade Assignments

Classification	Current Minimum	Current Midpoint	Current Maximum	Proposed Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Administrative Assistant	\$ 55,392.90	\$ 64,124.22	\$ 70,063.68	101	\$ 55,395.00	\$ 62,743.67	\$ 70,092.35
Customer Service Clerk	\$ 55,392.90	\$ 64,124.22	\$ 70,063.68	101	\$ 55,395.00	\$ 62,743.67	\$ 70,092.35
Accounting Technician II	\$ 63,978.82	\$ 74,063.48	\$ 80,923.53	104	\$ 64,126.64	\$ 72,633.65	\$ 81,140.65
Scheduling Supervisor	\$ 67,992.32	\$ 78,709.61	\$ 86,000.00	106	\$ 70,699.62	\$ 80,078.59	\$ 89,457.57
Operations Supervisor	\$ 67,992.32	\$ 78,709.61	\$ 86,000.00	107	\$ 74,234.60	\$ 84,082.52	\$ 93,930.45
Transit Training Instructor/Mobility Specialist	\$ 72,592.95	\$ 84,035.42	\$ 91,819.10	107	\$ 74,234.60	\$ 84,082.52	\$ 93,930.45
Transit Training Instructor	\$ 72,592.95	\$ 84,035.42	\$ 91,819.10	107	\$ 74,234.60	\$ 84,082.52	\$ 93,930.45
HR Officer	\$ 79,891.98	\$ 92,484.95	\$ 101,051.28	110	\$ 85,935.83	\$ 97,336.03	\$ 108,736.24
Facilities Assistant Manager	\$ 69,752.47	\$ 80,747.20	\$ 88,226.34	111	\$ 90,232.62	\$ 102,202.83	\$ 114,173.05
Lead Supervisor	\$ 77,943.39	\$ 90,229.22	\$ 98,586.61	111	\$ 90,232.62	\$ 102,202.83	\$ 114,173.05
Grants and Finance Manager	\$ 92,484.95	\$ 107,063.88	\$ 116,980.47	112	\$ 94,744.25	\$ 107,312.97	\$ 119,881.70
Maintenance Assistant Manager	\$ 85,591.27	\$ 99,082.59	\$ 108,260.01	113	\$ 99,481.46	\$ 112,678.62	\$ 125,875.78
Safety and Training Manager	\$ 92,484.95	\$ 107,063.88	\$ 116,980.47	113	\$ 99,481.46	\$ 112,678.62	\$ 125,875.78
Marketing and Community Relations Manager	\$ 92,484.95	\$ 107,062.88	\$ 116,979.47	113	\$ 99,481.46	\$ 112,678.62	\$ 125,875.78
Maintenance and Facilities Manager	\$ 109,674.18	\$ 126,961.58	\$ 138,721.27	116	\$ 120,711.43	\$ 136,724.95	\$ 152,738.46
Operations Manager	\$ 126,961.58	\$ 146,973.89	\$ 160,587.19	117	\$ 129,764.78	\$ 146,979.32	\$ 164,193.85
Deputy Director/CFO	\$ 146,390.13	\$ 169,464.88	\$ 185,161.39	119	\$ 149,959.43	\$ 169,852.97	\$ 189,746.52
Executive Director	\$ 161,479.31	\$ 178,874.03	\$ 196,268.75	120	\$ 168,704.36	\$ 191,084.59	\$ 213,464.83

Following adoption of the revised grade and seven-step structure, the RTA will need to determine the methodology for placing current employees into the new pay ranges. Evergreen recommends that the Board formally adopt one of the following implementation approaches to ensure transparency, fiscal planning, and internal consistency.

Option 1: Bring to Closest Step

Realigns employees by placing each individual at the nearest step in the new pay plan that does not result in a reduction in base salary. Under this approach, current employee salaries are rounded up to the closest corresponding step within the revised seven-step structure. This is the least expensive option at **\$77,861 (30 employees adjusted)** and ensures all employees are properly slotted into the new grades without salary reductions; however, it does not meaningfully address compression and may create additional clustering at lower step levels.

Option 2: Bring to Same Step

Realigns employees into the same step they are currently assigned within the new pay scale. For example, an employee currently at Step 2 would be placed at Step 2 in the revised structure. This option maintains existing salary relationships and preserves previously earned step progression at a cost of **\$187,904 (30 employees adjusted)**, but it does not correct existing compression or adjust for tenure differences.

Option 3: Class Step Adjustment

Realigns employees within their new salary range based on years of service in their current classification using a 30-year placement framework. Employees with 7 or more years in classification would be placed at maximum, while those with 3.5 years would be placed at approximately midpoint. At a cost of **\$175,792 (30 employees adjusted)**, this method better addresses compression related to time in classification and aligns employees with market-adjusted ranges; however, it may diminish differentiation created by prior performance-based progression and does not account for total organizational tenure or outside experience.

Option 4: Hybrid Step Adjustment

Realigns employees based on “hybrid years,” providing full credit for years served in the current classification and one-half credit for years served in other RTA classifications, using a 7-year total framework. This is the most comprehensive and highest-cost option at **\$211,836 (30 employees adjusted)**, as it credits both classification tenure and organizational service and more fully addresses compression, though it may reduce distinctions created by prior performance progression and does not account for outside experience.

The appropriate implementation method will depend on the RTA’s fiscal capacity, tolerance for short-term compression correction, and long-term compensation philosophy. Evergreen recommends that the RTA evaluate these options in conjunction with projected cost impacts and organizational priorities before final adoption of the revised structure.

5.3 Succession Planning and Structural Flexibility

The RTA operates within a relatively small organizational structure where several senior-level roles have evolved over time to reflect the unique skillsets and strengths of individual incumbents. In small organizations, top-level positions often accumulate responsibilities that may not be evenly distributed or easily replicated when turnover occurs.

As leadership transitions occur, the organization may need to redistribute duties across existing roles, create new classifications, or redefine reporting relationships. These changes can significantly impact appropriate grade placement and compensation alignment.

RECOMMENDATION 4: Incorporate succession planning considerations into the compensation and classification framework.

Evergreen recommends that the RTA incorporate succession planning considerations into its ongoing evaluation of compensation structure and organizational design, particularly for key leadership and specialized roles. This effort should focus on ensuring that position design, reporting relationships, and corresponding pay grades remain aligned with the Authority's operational needs over time, rather than being shaped solely by current incumbents.

As part of this process, the RTA should periodically conduct a structured review of critical roles and functions across the organization. This review should include identifying positions where responsibilities have expanded or become highly customized, as well as areas where duties such as planning, information technology, grants administration, and capital project delivery have been distributed across multiple roles. The evaluation should consider how these functions are organized at comparable agencies and whether alternative alignments could improve clarity, efficiency, or sustainability.

Currently, several key leadership roles operate in a hybrid capacity, combining multiple functional areas. These include the Executive Director, who is involved in grants and capital works; the Deputy Director/Chief Financial Officer, who oversees finance, administrative leadership responsibilities, and human resources; and the Operations Director, who primarily performs operations-related duties but also carries responsibility for information technology. While this approach has supported operational flexibility, it may warrant periodic evaluation to ensure long-term sustainability, appropriate span of control, and alignment with peer agency practices. Notably, many peer agencies maintain separate roles for functions such as finance, human resources, information technology, grants management, and capital program delivery. As part of this evaluation, the RTA should consider whether its current staffing model appropriately supports these functions or whether the addition of targeted full-time equivalent (FTE) positions may be warranted to better distribute responsibilities. Any consideration of additional staffing should be evaluated in conjunction with organizational design, workload demands, and long-term operational needs.

A recommended process would include: (1) documenting current roles, responsibilities, and reporting relationships; (2) identifying key functional areas and assessing workload distribution, including finance, grants, capital programs, operations, IT, and administrative services; (3) evaluating alignment with peer agency structures and industry practices; (4) assessing whether current staffing levels appropriately support these functions or if additional FTEs should be considered; and (5) analyzing how potential adjustments could impact compensation, grade alignment, and internal equity. This

process should be conducted in collaboration with leadership and Human Resources to ensure both operational and compensation considerations are addressed.

To support this effort, Evergreen recommends that the RTA consider engaging a qualified third-party, such as an executive search or organizational consulting firm, prior to future executive recruitments. This firm could conduct stakeholder interviews, assess organizational strengths and areas for improvement, and provide guidance on how roles should be structured to best support the Authority's long-term objectives. The findings from this assessment can then inform the development of recruitment materials, job descriptions, and compensation alignment for key leadership positions. Importantly, this recommendation is not intended to prescribe a specific future organizational structure or individual career path. Rather, it is intended to provide the RTA with a framework for proactively evaluating options and making informed decisions at the time of transition. By incorporating succession planning into its broader compensation and organizational strategy, the RTA can maintain flexibility while ensuring continuity, internal equity, and alignment with evolving operational needs.

5.4 Ongoing Compensation Administration

Any organization's compensation and classification system requires ongoing maintenance to remain effective, competitive, and equitable over time. The recommendations presented in this report were developed based on organizational conditions, labor market dynamics, and employee data at the time the study was conducted. Without regular review and upkeep, compensation and classification systems can become outdated, increasing the risk of recruitment and retention challenges, internal inequities, and administrative inconsistency.

The following recommendations are intended to provide the RTA with a sustainable framework for maintaining its compensation and classification system following implementation of the adjusted grade and seven-step structure.

RECOMMENDATION 5: Conduct targeted market reviews for specific classifications as needed.

While it is unlikely that the RTA's compensation structure as a whole will require frequent adjustment, certain classifications may experience market pressures more rapidly than others. Positions such as operations supervisors, maintenance professionals, supervisors, or finance-related roles may be subject to accelerated wage movement within the transit labor market.

Evergreen recommends that the RTA periodically conduct small-scale salary surveys for hard-to-fill classifications or those experiencing elevated turnover. These targeted reviews should focus on peer transit agencies and competing public-sector employers and may result in pay grade reassignment or other structural adjustments where justified by market conditions.

RECOMMENDATION 6: Conduct a comprehensive compensation and classification study every three to five years.

In addition to targeted market reviews, Evergreen recommends that the RTA perform a full compensation and classification study every three to five years. Incremental changes to job duties, regulatory requirements, labor markets, and organizational structure can compound over time. Regular comprehensive studies help preserve both internal equity and external competitiveness and allow the RTA to proactively address emerging workforce challenges rather than responding reactively.

While Recommendations 5 and 6 focus on maintaining the overall structure, it is equally important for the RTA to establish clear, consistent procedures governing individual employee salary decisions.

RECOMMENDATION 7: Revise and formalize policies for salary movement within the pay plan.

Evergreen recommends that the RTA update and formalize its policies and practices related to employee salary progression, including procedures for new hires, promotions, demotions, and transfers. Clear guidelines ensure consistency, transparency, and defensibility in compensation decisions and help align day-to-day administration with the RTA's compensation philosophy.

Salary Progression Framework

As part of implementing the revised grade and seven-step structure, Evergreen recommends a one-time placement of employees into the adjusted grades and steps using the selected implementation methodology. Following implementation, the RTA should continue to progress salaries annually when financially feasible and aligned with Board direction.

Evergreen recommends managing salary progression at three distinct levels:

- **Structural:** The RTA should consider annual movement of the compensation structure to reflect changes in the cost of labor. Evergreen recommends tying structural adjustments to changes in the Consumer Price Index (CPI), while also monitoring pay plan movement among market peers to ensure CPI-based adjustments remain appropriate for the transit labor market.
- **Classification:** Targeted market reviews may identify specific classifications or job families experiencing accelerated market movement or recruitment challenges. In such cases, reassignment of pay grades or adjustment to grade placement may be warranted to maintain competitiveness.
- **Individual:** Individual pay progression should occur primarily through step movement within the pay grade, reflecting employee progression over time in alignment with the seven-step structure and 4 percent step differential. Step movement should serve as the primary mechanism for recognizing individual salary growth and advancement within the range.

Cost-of-living adjustments (COLA) should be applied to the pay ranges and step structure themselves, rather than provided as separate across-the-board increases to individual salaries. Applying COLA to the structure ensures that the overall pay plan remains competitive over time while preserving the integrity of step-based progression. This approach maintains consistent spacing between steps, avoids unintended compression, and ensures that individual progression remains tied to movement through the step structure rather than ad hoc salary adjustments.

RECOMMENDATION 8: Adopt a hiring grid aligned with the seven-step grade structure.

Following implementation of the revised grade and seven-step structure, Evergreen recommends that the RTA adopt a formal, written hiring grid to guide starting salary placement for new employees. The hiring grid should align directly with the step structure and implementation methodology so that new hire placement is handled consistently and in a manner that supports internal equity, market competitiveness, and compliance with applicable pay equity standards.

At a process level, the RTA should first establish a standard hiring salary review procedure to be used for every recruitment. As part of that process, Human Resources should confirm the position's assigned grade and identify the normal hiring range within that grade, such as Step 1 through Step 3 for most appointments. The hiring manager and Human Resources should then evaluate the selected candidate's qualifications against defined placement criteria, including directly relevant experience, education, certifications, specialized skills, and other job-related qualifications beyond the minimum requirements. Candidates who meet only the minimum qualifications for the role would generally be placed at Step 1 or Step 2, while candidates whose background substantially exceeds the minimum requirements could be considered for a higher step within the approved hiring range.

Once a preliminary step placement is identified, the RTA should conduct an internal equity review before a final offer is made. This review should compare the proposed salary to the pay of current employees in the same or similar classifications, taking into account differences in tenure, experience, certifications, performance history where applicable, and other bona fide job-related factors. This step is important to ensure that new hire offers do not unintentionally create inequities or compression issues within the workforce.

The RTA should also define clear approval thresholds for offers above the normal hiring range. For example, placements above a designated step, such as Step 3 or Step 4, should require additional written justification and approval by the Executive Director or another designated authority. That justification should explain the business need for the exception, summarize the candidate's distinguishing qualifications, document the market conditions supporting the placement, and confirm that an internal equity review has been completed. This process will help ensure that exceptions are limited, well-documented, and consistently applied.

Evergreen further recommends that the RTA formalize this process in policy or administrative guidelines and use a standard salary placement form for all new hire recommendations. That form should document the position, grade, proposed step, candidate qualifications, internal equity review, approver signatures, and rationale for any exception. Over time, the RTA should periodically audit hiring placements to confirm that the grid is being applied consistently and to identify any patterns that may warrant refinement.

A similar structured approach should be used when determining promotional salary adjustments for current employees. When an employee is promoted, the RTA should identify the new grade assignment, determine the appropriate step based on the employee's qualifications and current salary relationship to the range, assess internal equity with other incumbents in the higher-level role, and route any exceptions through the same approval process described above. Establishing this level of structure will strengthen transparency, reduce inconsistency, and provide the RTA with a more equitable and defensible framework for salary administration.

RECOMMENDATION 9: Update promotion, demotion, and transfer policies to align with the revised structure.

Evergreen recommends that the RTA revise its policies governing promotions, demotions, and transfers to reflect the adjusted grade and seven-step structure and to ensure that promotional salary decisions are both competitive and internally equitable.

For promotions, salary placement should not be limited to automatic movement to the next available step within the higher grade. Instead, placement should consider the employee's relevant experience, qualifications, time in classification, and internal equity relative to incumbents in the receiving classification. As a general guideline, promotions should result in an approximate 10% net increase

after the employee's retirement contributions are factored in. However, due to the structure of defined salary steps, a precise percentage increase may not always be achievable. In such cases, placement should be made at the closest step that reasonably approximates this increase while maintaining internal equity and not exceeding the grade maximum.

For demotions among non-CBA positions, a corresponding decrease should be applied unless doing so would place the employee below the new grade minimum; employees whose salaries exceed the maximum following demotion should be capped until structural movement allows further increases. Demotions from a non-CBA to CBA position are addressed in the CBA presently.

Transfers to classifications at the same grade level should not result in a salary adjustment, as the employee is moving laterally within the established pay grade structure. Compensation should remain unchanged unless a documented internal equity issue exists within the receiving classification that warrants adjustment.

RECOMMENDATION 9: Explore Implementing a Secondary Language Certification Pay Program

Evergreen recommends that the RTA consider implementing a secondary language certification pay program to recognize and incentivize employees who utilize bilingual or multilingual skills in the performance of their duties. Given the public-facing nature of transit operations, the ability to effectively communicate with a diverse ridership can enhance service delivery, customer experience, and operational efficiency.

Under this program, eligible employees would receive additional compensation upon demonstrating proficiency in a second language relevant to the RTA's service population. Evergreen recommends that proficiency be validated through a standardized assessment or certification process to ensure consistency and fairness in program administration.

As a general guideline, the RTA may consider providing a modest differential of approximately 3% of base salary or a flat stipend of approximately \$2,000 annually for qualifying employees. The RTA may also define eligibility criteria based on job responsibilities, such as positions that regularly interact with the public or require communication in multiple languages.

Establishing clear policies and procedures for certification, recertification, and ongoing eligibility will be important to ensure the program is applied consistently. This recommendation supports the RTA's ability to better serve its community while recognizing valuable employee skills in a structured and equitable manner.

5.5 Summary

The San Luis Obispo Regional Transit Authority should be commended for its proactive approach to evaluating and modernizing its compensation and classification systems. The recommendations presented in this report are designed to support internal equity, enhance market competitiveness, strengthen governance, and provide a sustainable framework for compensation administration.

By implementing these recommendations, including the transition to a formal pay grade structure, refinement of the seven-step progression model, integration of succession planning into organizational design, and commitment to ongoing maintenance, the RTA will be well-positioned to recruit, retain, and develop a skilled workforce in support of its transit mission and service objectives.

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: A-7

TOPIC: Contract Renewal – Video Recording of Board Meetings

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Authorize the Executive Director to Execute a Contract Extension with AGP Video to Televisе All RTA and SLOCOG Meetings with Costs Shared on a Pro-Rata Basis

BACKGROUND/DISCUSSION:

AGP Video has long provided video broadcasting and recording of public meetings for agencies in San Luis Obispo County, including for the RTA and the San Luis Obispo Council of Governments (SLOCOG). SLOCOG and RTA staff negotiated a revised draft agreement that incorporates technology revisions at the County Board of Supervisor Chambers. The RTA Board has approved previous contracts with AGP Video to televise all RTA meetings with costs shared on a pro-rata basis with SLOCOG. The SLOCOG Board will consider approval separately at their June 3, 2026 meeting.

The attached draft agreement provides the proposed work plan, and it identifies costs to conduct video recording of all RTA and SLOCOG Board meetings. The meetings will continue to be broadcast live and replayed on Channel 21, as well as being webcast on the Internet at www.slo-span.org. The SLO-SPAN network, produced by AGP Video, is a public service of Charter Communications and provides televised access of government and other meetings held throughout the county. Additional replays of meetings are cablecast as the schedule permits and are located online at www.slo-span.org. Meeting recordings can be provided to the public by AGP for a cost.

The typical annual cost to video six bi-monthly RTA meetings (typically includes July, September, November, January, March, and May) is approximately \$6,650-\$8,400, based on the following:

- Six meetings at \$750-\$1,000 each, and
- Key Point Indexing (KPI) Service to archive six meetings at \$200 each (assuming with no overtime costs).

The low end of the range reflects an in-person only meeting, while the high end reflects the cost of a true hybrid meeting (Board members attending in person and online via video conferencing).

Staff Recommendation

Authorize the Executive Director to execute a contract extension with AGP Video to televise all RTA and SLOCOG meetings with costs shared on a pro-rata basis.

**AGREEMENT TO PROVIDE VIDEO PRODUCTION AND MEDIA DISTRIBUTION
SERVICES FOR RTA BOARD MEETINGS FOR FISCAL YEAR
2026/2027**

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

RECITALS

WHEREAS, effective July 1, 2022, RTA entered into the Agreement with Contractor wherein Contractor agreed to provide video production and services for the term beginning July 1, 2022 through June 30, 2023; and

WHEREAS, Contractor has satisfactorily performed said services, and it is the desire of the County and Contractor to extend the Agreement for an additional one (1) year term, to June 30, 2027; and

WHEREAS, the parties desire to provide for future extensions of the Agreement by mutual written consent.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Section I, Scope of Work, Part A, will have the dates modified to read as follows:

"Without exception Contractor will provide gavel-to-gavel, unedited coverage of all regular RTA meetings held from July 1, 2026 through June 30, 2027."

2. Section IV, Compensation, will have the pay structure modified to read as follows:

- "Virtual Meeting: no on-site presence, completely remote: \$750 for production \$200 for streaming and archiving: \$950
- On-site meeting, with or without remote participation audio and video: \$800 production; \$200 for streaming and archiving with KPI = \$1000"

3. Section X, Term of Agreement, is deleted in its entirety and replaced with the following:

"The effective date of this Agreement shall be July 1, 2026. The term of this Agreement shall be July 1, 2026 through June 30, 2027."

4. All provisions of the Agreement not affected by this Extension shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth below.

ACCEPTED BY:

Carla Wixom
President, San Luis Obispo Regional Transit Authority (RTA)
253 Elks Lane, San Luis Obispo CA 93401 (805) 541-2228

Date

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

Date

APPROVED AS TO FORM AND LEGAL EFFECT:

RTA Legal Counsel

Date

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: A-8

TOPIC: Cyber Liability Program

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Approve the MOU to Continue to Participate in the PRISM Cyber Liability Program

BACKGROUND/DISCUSSION:

The Public Risk Innovation, Solutions, and Management (PRISM) Executive Committee recently approved a significant structural change to the way PRISM Programs are categorized. Historically, “major programs” included programs with an aspect of pooling and required execution of the PRISM Joint Powers Agreement and the specific Program Memorandum of Understanding (MOU). “Miscellaneous Programs” were group-purchased programs with no risk sharing and which did not require execution of any documents. The Executive Committee’s recent action was to categorize all PRISM Programs the same way, which will now require members in the former Miscellaneous Programs to execute the specific Program MOU, which includes the Cyber Liability Program.

The Cyber Liability coverage provided to the RTA by PRISM is not changing and continues to remain in place with the approval of the MOU.

Staff Recommendation

Approved the Memorandum of Understanding to continue to participate in the PRISM Cyber Liability Program.

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MEMORANDUM OF UNDERSTANDING CYBER LIABILITY PROGRAM

This Memorandum of Understanding (hereinafter “Memorandum”) is entered into by and between Public Risk Innovation, Solutions, and Management (hereinafter referred to as “PRISM”) and the participating entities (hereinafter “Members”) who are signatories to this Memorandum.

1. CREATION AND PURPOSE OF THE PROGRAM. There is hereby created by this Memorandum the Cyber Liability Program (hereafter “Program”). The purpose of the Program is to provide participating Members with coverage and risk-sharing for cyber-related losses, including but not limited to data breaches, network security failures, privacy liability, cyber extortion, business interruption due to cyber events, and related costs, as more fully described in the applicable coverage documents.

2. JOINT POWERS AGREEMENT. Each participating member of the Program shall have executed the Joint Powers Agreement Creating Public Risk Innovation, Solutions, and Management (hereinafter referred to as “Agreement”). Except as otherwise provided herein, all terms used herein shall be as defined in Article 1 of the Agreement, and all other provisions of the Agreement not in conflict with this Memorandum shall be applicable.

3. GOVERNANCE AND PROGRAM OVERSIGHT

The Executive Committee of PRISM (hereafter “Committee”) shall have full authority over all matters affecting the Program, including but not limited to:

- a. Approval of new members;
- b. Program structure and participation requirements;
- c. Premium and rate setting;
- d. Retention levels, limits, and reinsurance;
- e. Allocation of aggregate limits (as needed);
- f. Underwriting standards;
- g. Data submission requirements and cybersecurity controls; and
- h. Policies regarding withdrawal and cancellation

4. PROGRAM PARTICIPATION AND MEMBERSHIP

- a. Participation in the Program is voluntary and subject to approval by PRISM in accordance with the Agreement and Program underwriting guidelines.
- b. A Member approved for participation shall remain in the Program until withdrawal or cancellation in accordance with the Agreement and this Memorandum.
- c. PRISM may establish eligibility criteria, including but not limited to minimum cybersecurity controls, incident response planning, training, and compliance with applicable laws and standards.

5. ANNUAL PREMIUM

In accordance with Article 14(b)(2) of the Agreement, participating Members shall be assessed an annual premium for the purpose of funding the Program. Annual

rates/premiums will be established by the Committee in consultation with the carrier, actuaries and/or other consultants.

6. COST ALLOCATION

Each Member's share of the annual premium shall be determined pursuant to a Committee-approved cost allocation methodology, which may consider factors such as exposure, size, cybersecurity posture, loss experience, and other risk characteristics. The cost allocation methodology may be amended from time to time by action of the Committee.

7. COVERAGE DOCUMENTS

PRISM shall issue applicable coverage documents evidencing a Member's participation in the Program and setting forth the specific terms, conditions, limits, retentions, exclusions, and endorsements applicable to the cyber liability coverage.

8. CLAIMS AND INCIDENT REPORTING

- a. Members shall comply with all incident reporting, claims reporting, and cooperation requirements established by PRISM, and/or the carrier, and as set forth in the coverage documents.
- b. Members shall promptly notify PRISM of any known or suspected cyber incident that may give rise to a claim under the Program.
- c. PRISM may establish cyber incident response protocols, panel vendors, breach response requirements, and claims administration standards applicable to the Program.
- d. Failure to comply with these reporting requirements could adversely impact coverage.

9. CLAIMS ADMINISTRATION

Claims administration services shall be provided by the insurance carrier(s) and/or their assignee.

10. CYBERSECURITY STANDARDS

Each Member shall maintain reasonable and appropriate cybersecurity controls, policies, and procedures, and shall cooperate with PRISM in risk management initiatives, assessments, training, and audits related to cyber risk.

11. WITHDRAWAL AND CANCELLATION

Withdrawal or cancellation from the Program shall be governed by Articles 20 and 21 of the Agreement, subject to policy provisions and any additional Program-specific requirements adopted by the Committee.

12. LATE PAYMENTS

Notwithstanding any other provision to the contrary regarding late payment of invoices or cancellation from a Program, at the discretion of the Executive Committee, any Member that fails to pay an invoice when due may be given a ten (10) day written notice of cancellation.

13. DISPUTE RESOLUTION

Any question or dispute with respect to the rights and obligations of the parties to this Memorandum regarding coverage shall be determined in accordance with the Agreement Article 31, Dispute Resolution.

14. AMENDMENT

This Memorandum may be amended by a majority vote of the Executive Committee and signature on the Memorandum by the Member's designated representative who shall have authority to execute this Memorandum. Should a Member of the Program fail to execute any amendment to this Memorandum within the time provided by the Executive Committee, the Member will be deemed to have withdrawn at the following renewal.

15. COMPLETE AGREEMENT

Except as otherwise provided herein, this Memorandum constitutes the full and complete agreement of the Members.

16. SEVERABILITY

If any provision of this Memorandum is judicially determined to be void or unenforceable, such determination shall not affect the validity of the remaining provisions.

17. EFFECTIVE DATE

This Memorandum shall become effective on the effective date of coverage for the Member and upon approval by the Executive Committee of any amendment, whichever is later.

18. EXECUTION IN COUNTERPARTS

This Memorandum may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Memorandum as of the dates set forth below.

PRISM:

Dated: 7/1/2026

Signature: *Gina Dean*
Printed Name & Title: Gina Dean, CEO
Public Risk Innovation, Solutions, and Management

Member:

Dated: _____

Signature: _____
Printed Name & Title: _____
Member Entity: _____

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: A-9

TOPIC: Add FTA Civil Right Duties to Deputy Director/CFO Job Description

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Approve Changes to the Deputy Director/CFO Job Description

BACKGROUND/DISCUSSION:

Since 1982, the Federal Transit Administration (FTA) is mandated by Congress (49 U.S.C. §5307(f)(2) to conduct a Triennial Review of Section 5307 Urbanized Area fund recipients. Every 3 years, the FTA reviews and evaluates the performance of each recipient in carrying out projected funded by these federal programs. As part of the overall review, recipients must show compliance with 49 CFR Part 26, ensuring nondiscrimination in its Civil Rights programs. In preparation for the upcoming Triennial Review, staff recommends updating the job description for the Deputy Director/CFO position to explicitly designate the responsibilities for the Civil Rights programs.

This action formally designates the Deputy Director/CFO as the RTA's FTA Civil Rights Officer. The FTA Civil Rights Officer must have direct and independent access to the Accountable Executive concerning all civil rights matters. The Civil Rights Officer shall be responsible for implementing all aspects of the recipient's Civil Rights programs (including but not limited to Title VI, Equal Employment Opportunity, and Disadvantaged Business Enterprise programs), and must have adequate resources to administer the Civil Rights programs.

Staff Recommendation for the Board:

Approve changes to the Deputy Director/CFO job description.

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**San Luis Obispo Regional Transit Authority
Job Description**

JOB TITLE: Deputy Director/Chief Financial Officer (CFO)
DEPARTMENT: Finance and Administration
REPORTS TO: Executive Director
FLSA STATUS: Exempt
EFFECTIVE DATE: ~~July 2019~~ May 2026

JOB SUMMARY

Provides leadership and directs the Authority's financial, human resources, marketing and administrative functions while supporting the goals and objectives of the RTA. Responsible to the Executive Director for the planning, execution, oversight and direction of RTA's finance, accounting, budget and administrative programs and projects. Also responsible for the Authority's marketing and customer relations, and safety and training programs and department functions.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

- Prepare, analyze and monitor annual operating and capital programs. Monitor, evaluate and reconcile accounts related to assigned budget funds and prepare income and expenditure projections for budget preparation.
- Analyze, audit, monitor and maintain financial records and reports in support of funds and budgets. Maintain/compile all related data to assure accuracy of data, establishes policies and procedures that are compatible with generally accepted accounting principles
- Prepare and/or review grants and related quarterly reports for reimbursement
- Prepare and/or review data and reports for other reporting requirements including LGFA, NTD, etc.
- Supervise, train and evaluate Grants ~~Administrator~~ and Finance Manager, ~~Administrative Services~~ Human Resources Officer, Marketing and Community Relations Manger, ~~Safety and Training Manager~~, ~~Administrative Analyst~~ and other personnel assigned to department
- Responsible for managing and administration of the RTA's human resource function including the development of all HR policies and procedures, recruitment, staff development, development and administration of employee benefits program and the training and development program for all RTA employees and new employees.
- Responsible for managing the administration of the RTA's marketing
- Process payroll, audit payroll transactions and maintain various software applications for accounting software, payroll and other applications
- Calculate, post, audit and adjust journal entries, update accounts to reflect revenue and expenditures, prepare monthly financial reports

- Oversee purchasing policies and procedures to ensure that proper procurement procedures are being followed by RTA staff and guidelines
- Serve as the FTA Civil Rights Officer for the various Civil Rights programs
- Other duties as assigned by the Executive Director
- Serves as the Chief Executive Officer for the organization in the absence of the Executive Director.

QUALIFICATIONS

To perform this job successfully, must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Must have knowledge of:

- Methods, procedures and terminology used in professional accounting work
- Organize projects, collect relevant information, and provide oral reports on principles and practices of governmental accounting (including GAAP)
- Analysis of complex financial statements and reports
- Financial and statistical record-keeping techniques
- Preparation of financial statements and comprehensive accounting reports
- Budgeting practices regarding preparation monitoring and control
- Financial analysis and projection techniques
- Applicable laws, codes, regulations, policies and procedures
- Operation of a computer and assigned software
- Effective oral and written communication and interpersonal skills
- Basic principles and practices of equal employment opportunity

EDUCATION and/or EXPERIENCE

- A Bachelor of Arts degree in Business Administration or Public Administration with an emphasis in Accounting, Finance or Economics, and a minimum of five years of progressively responsible experience in accounting, finance and/or administration that would demonstrate the requisite knowledge, skill and abilities to manage a finance department. A CPA is preferred.
- Must have experience in public sector accounting and finance as well as experience in the administration of grants.
- Must have experience preparing annual reports, operating and multi-year capital programs. Ability to speak and give presentations in public forums.
- Must have experience in the administration and oversight of employee benefit plans and the development and administration of workplace rules, policies and procedures including all applicable federal and state workplace safety and security rules/regulations.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this position. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this position, the employee is regularly required to use hands to finger, handle, or feel, reach with hands and arms, and talk or hear. The employee is frequently required to stand for prolonged periods of time, walk, sit, climb or balance, and stoop, kneel, crouch, or crawl. The employee must regularly lift and /or move up to 25 pounds, and occasionally lift and/or move up to 50 pounds. Specific vision abilities required by this position include normal visual range with or without correction; close vision, distance vision, peripheral vision, depth perception, and ability to adjust focus. Specific hearing abilities required are normal audio range with or without correction.

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**San Luis Obispo Regional Transit Authority
Job Description**

JOB TITLE: Deputy Director/Chief Financial Officer (CFO)
DEPARTMENT: Finance and Administration
REPORTS TO: Executive Director
FLSA STATUS: Exempt
EFFECTIVE DATE: May 2026

JOB SUMMARY

Provides leadership and directs the Authority's financial, human resources, marketing and administrative functions while supporting the goals and objectives of the RTA. Responsible to the Executive Director for the planning, execution, oversight and direction of RTA's finance, accounting, budget and administrative programs and projects. Also responsible for the Authority's marketing and customer relations, and safety and training programs and department functions.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

- Prepare, analyze and monitor annual operating and capital programs. Monitor, evaluate and reconcile accounts related to assigned budget funds and prepare income and expenditure projections for budget preparation.
- Analyze, audit, monitor and maintain financial records and reports in support of funds and budgets. Maintain/compile all related data to assure accuracy of data, establishes policies and procedures that are compatible with generally accepted accounting principles
- Prepare and/or review grants and related quarterly reports for reimbursement
- Prepare and/or review data and reports for other reporting requirements including LGFA, NTD, etc.
- Supervise, train and evaluate Grants and Finance Manager, Human Resources Officer, Marketing and Community Relations Manger, and other personnel assigned to department
- Responsible for managing and administration of the RTA's human resource function including the development of all HR policies and procedures, recruitment, staff development, development and administration of employee benefits program and the training and development program for all RTA employees and new employees.
- Responsible for managing the administration of the RTA's marketing
- Process payroll, audit payroll transactions and maintain various software applications for accounting software, payroll and other applications
- Calculate, post, audit and adjust journal entries, update accounts to reflect revenue and expenditures, prepare monthly financial reports
- Oversee purchasing policies and procedures to ensure that proper procurement

procedures are being followed by RTA staff and guidelines

- Serve as the FTA Civil Rights Officer for the various Civil Rights programs
- Other duties as assigned by the Executive Director
- Serves as the Chief Executive Officer for the organization in the absence of the Executive Director.

QUALIFICATIONS

To perform this job successfully, must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Must have knowledge of:

- Methods, procedures and terminology used in professional accounting work
- Organize projects, collect relevant information, and provide oral reports on principles and practices of governmental accounting (including GAAP)
- Analysis of complex financial statements and reports
- Financial and statistical record-keeping techniques
- Preparation of financial statements and comprehensive accounting reports
- Budgeting practices regarding preparation monitoring and control
- Financial analysis and projection techniques
- Applicable laws, codes, regulations, policies and procedures
- Operation of a computer and assigned software
- Effective oral and written communication and interpersonal skills
- Basic principles and practices of equal employment opportunity

EDUCATION and/or EXPERIENCE

- A Bachelor of Arts degree in Business Administration or Public Administration with an emphasis in Accounting, Finance or Economics, and a minimum of five years of progressively responsible experience in accounting, finance and/or administration that would demonstrate the requisite knowledge, skill and abilities to manage a finance department. A CPA is preferred.
- Must have experience in public sector accounting and finance as well as experience in the administration of grants.
- Must have experience preparing annual reports, operating and multi-year capital programs. Ability to speak and give presentations in public forums.
- Must have experience in the administration and oversight of employee benefit plans and the development and administration of workplace rules, policies and procedures including all applicable federal and state workplace safety and security rules/regulations.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this position. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this position, the employee is regularly required to use hands to finger, handle, or feel, reach with hands and arms, and talk or hear. The employee is frequently required to stand for prolonged periods of time, walk, sit, climb or balance, and stoop, kneel, crouch, or crawl. The employee must regularly lift and /or move up to 25 pounds, and occasionally lift and/or move up to 50 pounds. Specific vision abilities required by this position include normal visual range with or without correction; close vision, distance vision, peripheral vision, depth perception, and ability to adjust focus. Specific hearing abilities required are normal audio range with or without correction.

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: A-10

TOPIC: Amended Contract with RTA Executive Director

PRESENTED BY: Geoff Straw, RTA Executive Director

STAFF RECOMMENDATION: Authorize the RTA Board President to Execute the Amended Annual Employment Contract for the Executive Director

BACKGROUND/DISCUSSION:

Following the employee review process conducted in closed session by the RTA Board at its January 7th meeting, I am presenting proposed changes to my annual Employment Contract.

Due to continued financial uncertainties and other economic challenges in California, as well as the *Classification and Compensation Study* that was still in-process during my annual evaluation, I did not seek a merit increase that had been typically provided at the beginning of each calendar year. Instead, the attached Employment Contract identifies a compensation level recommended in the *Classification and Compensation Study* of \$205,254.66 that would be implemented upon acceptance of the study (my current annual salary is \$196,268.80). When other salary-based expenses (payroll taxes, pension, disability, etc.) are added to the \$8,986 base salary increase, the annual budgetary impact would be approximately \$13,838. See the attached draft Employment Contract, as well as a “red-lined” version depicting changes from the previous version.

I am asking the Board to authorize its President to execute the final Employment Contract on the Board’s behalf.

Staff Recommendation

Authorize the RTA Board President to execute the amended annual Employment Contract for the Executive Director.

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

THIS CONTRACT entered into this 6th day of May 2026 by and between the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, a California Joint Powers Authority (hereinafter referred to as “SLORTA”) and GEOFF STRAW, an individual (hereinafter referred to as “Employee”).

WITNESSETH

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

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

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

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

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

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

3. Employment Status. Employee will be eligible for membership in any and all benefits from any group plan for hospital, surgical, or medical insurance provided to SLORTA

employees, as well as being eligible for membership in any retirement program, or for such other job benefits accruable to an employee in the classified service of SLORTA.

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

4. Term of Contract. This Contract shall commence on the 8th day of January 2020 and shall continue until terminated by either party in accordance with the provisions set forth herein. This Contract replaces the original employment contract entered into between SLORTA and Employee in January, 2012, and all subsequent amendments thereto.

5. Compensation. Commencing May 10, 2026, SLORTA shall pay to Employee as compensation in full for all services performed by Employee pursuant to this Contract an annual salary of \$205,254.66 per year, payable in increments compatible with SLORTA’s payment of other employees. The Employee’s annual salary and salary range shall be adjusted annually based on the same cost of living adjustment provided to other SLORTA employees as part of the annual budget-making process.

6. Other Supplemental Benefits.

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

Employee shall be entitled to accrue up to twelve (12) vacation days annually accrued at the rate of 3.69 hours per pay period, and one (1) additional day per year, in accordance with the RTA Vacation Accrual Rate Table, up to a maximum of twenty (20) vacation days annually. Vacation may be carried over to a maximum of two years of entitlement.

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

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

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

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

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

b. Retirement. SLORTA agrees to provide to Employee retirement benefits

in the San Luis Obispo County Pension Trust (SLOCPT) retirement plan which provides 2% at age 60, averaging the highest final 36 months of compensation, with a maximum benefit of 2.5% at age 65, as approved by the Board of Directors on January 8, 2020. Employee's entitlement to benefits in the SLOCPT retirement plan and contributions to Employee's IRS 457 plan are more particularly described in that certain Settlement Agreement and Release of Claims between SLORTA and Employee and approved by SLORTA on January 8, 2020.

c. Medical, Dental and Vision. SLORTA agrees to provide 100% of the premium towards the SLORTA approved medical health program for purposes of health coverage, dental, and vision insurance premiums for the Employee and all eligible family members. Medical, Dental, and Vision coverage is to be provided through the Special District Risk Management Authority (SDRMA) as part of the CSAC-EIA Small Group Health Benefits Program. Should Employee wish to increase health care coverage with SDRMA, the premium difference will be the Employee's sole responsibility, and will be paid on a pre-tax basis. The medical health care allowance shall be automatically adjusted throughout the term of this Agreement to be equivalent to the allowance provided to all other SLORTA employees.

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

e. Private Vehicle Use, Automobile Allowance, and Transit Pass. SLORTA shall reimburse Employee at such rate as is adopted by the Board of Directors for the use of a private vehicle on "authorized agency business" conducted "outside the County of San Luis Obispo." Employee agrees to carry all necessary vehicle insurance. Employee shall also be entitled to four-hundred fifty (\$450) dollars per month as an automobile allowance, and shall further be entitled to a Monthly Regional Transit Pass.

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

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

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

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

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

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

8. Termination of Contract for Cause. If Employee fails to fulfill in a timely and professional manner any obligations under this Contract, SLORTA shall have the right to terminate this Contract effective immediately upon giving written notice thereof to Employee. Termination of this Contract under the provisions of this paragraph shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. In the event of termination, Employee shall be paid for all work satisfactorily completed prior to the effective date of such termination, all unused vacation time, all benefits or prorated portions thereof through the date of termination, and all reimbursed Employee expenses pursuant to paragraph 6(h) therein. However, Employee shall not be entitled to any severance pay.

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

10. Modification. This Contract constitutes the entire understanding of the parties hereto and no changes, amendments, or alterations shall be effective unless in writing and signed by both parties.

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

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

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

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

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

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

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

GEOFF STRAW

CARLA WIXOM, President

ANTHONY KALVANS, Recording Secretary

APPROVED AS TO FORM AND LEGAL EFFECT

JENNA MORTON, SLORTA Legal Counsel

Dated: _____

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

THIS CONTRACT entered into this ~~5th day of March 2025~~ 6th day of May 2026 by and between the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, a California Joint Powers Authority (hereinafter referred to as “SLORTA”) and GEOFF STRAW, an individual (hereinafter referred to as “Employee”).

WITNESSETH

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

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

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

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

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

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

3. Employment Status. Employee will be eligible for membership in any and all benefits from any group plan for hospital, surgical, or medical insurance provided to SLORTA

employees, as well as being eligible for membership in any retirement program, or for such other job benefits accruable to an employee in the classified service of SLORTA.

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

4. Term of Contract. This Contract shall commence on the 8th day of January 2020 and shall continue until terminated by either party in accordance with the provisions set forth herein. This Contract replaces the original employment contract entered into between SLORTA and Employee in January, 2012, and all subsequent amendments thereto.

5. Compensation. Commencing ~~January 5, 2025~~ May 10, 2026, SLORTA shall pay to Employee as compensation in full for all services performed by Employee pursuant to this Contract an annual salary of ~~\$196,268.80~~ \$205,254.66 per year, payable in increments compatible with SLORTA’s payment of other employees. The Employee’s annual salary and salary range shall be adjusted annually based on the same cost of living adjustment provided to other SLORTA employees as part of the annual budget-making process.

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

10. Modification. This Contract constitutes the entire understanding of the parties hereto and no changes, amendments, or alterations shall be effective unless in writing and signed by both parties.

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

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

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

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

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

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

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

GEOFF STRAW

~~JIMMY PAULDING~~ CARLA WIXOM, President

ANTHONY KALVANS, Recording Secretary

APPROVED AS TO FORM AND LEGAL EFFECT

~~JON ANSOLABEHERE~~ JENNA MORTON,

SLORTA Legal Counsel

Dated: _____

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: A-11

TOPIC: Procurement of Various Third-Party Facility Maintenance Services

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Authorize the RTA Executive Director to Solicit Proposals from Qualified Firms to Provide Janitorial, Landscape Maintenance, Electrical Maintenance & Repairs, Uniform & Linen Rental, and Bulk Oil & Lubricants

BACKGROUND/DISCUSSION:

At its November 3, 2020 meeting, the RTA Board awarded third-party maintenance service agreements to accommodate operations of the newly constructed Bus Maintenance Facility. The term of these maintenance service agreements are set to expire at the end of 2026 and will need to be renewed. As a result, staff is seeking the Board's authorization to issue Request-for-Proposals (RFPs) for the five services listed below in this staff report.

Upon the Board's approval, RFPs will be issued to solicit responses from interested firms that are experienced with providing these services through an online RFP/Bidding process (PlanetBids) that will be linked on the RTA's website at <http://www.slorta.org/about-rta/request-for-proposals/>. Prospective bidders will have the ability to register with the RTA to submit proposals for these services. Staff has determined that using the RFP method for these solicitations will provide the best value to the RTA by allowing for negotiation of both price and contract terms without sacrificing service quality.

Per the RTA Purchasing Policy, the RTA remains dedicated to ensuring full and open competition in this proposal process and strives to include as many potential sources as possible in the procurement process. The project budgets for each of these services have been developed using historical costs, independent cost estimates from similar transit agencies, applying prevailing wage requirements (where applicable), and applying an annual 2.6% Consumer Price Index (CPI) cost increase projected for 2027. The overall financial impact of these RFPs cannot yet be determined until each contract has been negotiated, but staff have confirmed that the combined overall costs of services is within the proposed Fiscal Year 2026-27 budgeted amounts. Following selection of the highest-rated contractors for the various services listed below and subsequent negotiations, staff will bring the draft agreements to the Board at its

November 4, 2026 meeting for consideration. Each solicitation will clearly delineate all local, State and Federal responsibilities and all insurance coverage limits.

1. Janitorial Services – The RTA is seeking proposals from qualified contractors to provide Janitorial Services for our three operating facility locations in San Luis Obispo, Arroyo Grande, and Paso Robles. The project scope of work includes information on the number and approximate size of the buildings to be maintained under this service contract as well as the services the RTA is requesting to be done on a weekly, monthly, quarterly, semi-annual basis and special assignments. The successful proposer shall provide adequate personnel, trained in proper cleaning and janitorial methods and techniques to properly and satisfactorily maintain the facilities during the scheduled times indicated. The successful proposer will furnish, at its expense, all equipment necessary to properly perform specified work and maintain established standards and shall provide all necessary cleaning equipment including needed for the performance of the work of this contract. It is the intention of the RTA to award a three-year contract that will begin on January 1, 2027, with two one-year extension options, for a total possible contract term of five years.
2. Landscape Maintenance – The RTA is seeking proposals from one firm to provide on-going landscape maintenance services for our two operating facility locations in San Luis Obispo and Paso Robles, as well as special projects at our park-out yard in Arroyo Grande. The successful proposer shall provide all labor, materials, tools, equipment, transportation, hauling, dumping, fertilizers, insecticides, chemicals and incidentals necessary to perform landscape maintenance work as directed by the RTA. The landscape maintenance work shall also include controlling plant disease and pests; irrigation material, and maintaining and repairing irrigation systems; removing trash and debris; and other maintenance required to maintain the work sites in a safe attractive and useable condition. The successful proposer shall maintain all plant material in a safe, attractive and useable condition. The RTA intends to award a three-year contract that will begin on January 1, 2027, with two one-year extension options, for a total possible contract term of five years.
3. Electrical Maintenance & Repairs – The RTA is seeking proposals from qualified contractors to provide quarterly electrical maintenance and repair services for our three operating facility locations in San Luis Obispo, Arroyo Grande, and Paso Robles, as well as at bus shelters as directed by RTA staff. The successful proposer will maintain and repair interior and exterior facility lighting systems, Level 2 EV charger trouble-shooting functions, bus shelter solar lighting and may perform other ad hoc work and emergency response as determined by the RTA Facilities and Maintenance Manager. The successful proposer shall supply all necessary fuel, equipment, materials, personnel and the appropriate insurance coverage within the prescribed minimum limits and abide by all FTA procurement regulations. The RTA intends to award a three-year contract that will begin on

January 1, 2027, with two one-year extension options, for a total possible contract term of five years.

4. Uniform & Linen Rental/Laundry Services – The RTA is seeking proposals from qualified contractors to provide Uniform & Linen Rental / Laundry Services. The successful proposer will provide rental, laundering, repair/replacement and delivery of uniforms, linens, and anti-skid floor mats for the Bus Maintenance Facility in San Luis Obispo. The successful proposer will furnish all materials, labor services and special skills required and shall obtain all of the appropriate insurance coverage within the prescribed minimum limits and abide by all FTA procurement regulations. The RTA intends to award a three-year contract that will begin on January 1, 2027, with two one-year extension options, for a total possible contract term of five years.
5. Bulk Oils & Lubricants – The RTA is seeking proposals from experienced and professional firms for the purchase and delivery of bulk oils, grease, coolant and other vehicle lubricants to the RTA Bus Maintenance Facility for engines, transmissions, hydraulic systems and battery-electric systems used both in our revenue and non-revenue vehicles. The proposer shall also include in its proposal a fluid sampling protocol that will allow extended fluid replacement schedules that also meets manufacturer’s warranty requirements. It is the intent of the RTA to select a single vendor to accomplish and/or supply all commodities or services outlined in the RFP with an option to add additional lubricants as determined by the Facilities and Maintenance Manager. The contract price shall include all applicable federal, state and local taxes. The successful proposer shall obtain all of the appropriate insurance coverage within the prescribed minimum limits and abide by all FTA procurement regulations. It is the RTA’s intent to award a working contract for a designated three-year contract term effective January 1, 2027 with two one-year contract term extensions, for a total possible contract term of five years.

To ensure completion of all procurement steps before the current contract expiration dates at the end of 2026, staff has developed an RFP project schedule as follows:

- Issue of the RFPs – Week of July 27th, 2026
- Optional Facility Site Walks – Week of August 10th, 2026
- Proposer Questions/Clarifications due to RTA – August 21, 2026
- RTA Responds to Questions/Clarifications – August 28, 2026
- Proposals Due – September 14, 2026 at 12:00pm
- Notice of Intent to Award – week of September 28, 2026
- Bid Protest Period – Week of October 5th, 2026
- RTA Board Award of Contracts – November 4, 2026
- Notice of Award – Week of November 9th, 2026
- Notice to Proceed / Start of Maintenance Service Contracts – January 1, 2027

Staff Recommendation

Authorize the RTA Executive Director to solicit proposals from qualified firms to provide janitorial, landscape maintenance, electrical maintenance & repairs, uniform & linen rental, and bulk oil & lubricants.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: A-12

TOPIC: Low-Carbon Transit Operations Program Cycle B Grant Application

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Adopt Resolution Authorizing the Executive Director to Submit a FY25-26 LCTOP Cycle B Grant Application to: Provide Stopgap Funding for Route 10 in FY26-27; Fund Two School Tripper Services in FY27-28; Fund Enhanced Nipomo DAR Services in FY27-28; and Fund a 2-Year Weekend Service Pilot Program in Morro Bay

BACKGROUND/DISCUSSION:

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

In September 2025, SB840 revised the timing and process of allocating Greenhouse Gas Reduction Funds to the LCTOP program. These changes reclassified LCTOP from a Tier II to a Tier III funded program, and increased the number of auction sales throughout the year. As a result, the annual LCTOP Allocation/Call for Projects was moved from February to August with awards moved from November to April – essentially extending the timeline six months. The impact for calendar year 2026 is two Call for Project cycles (Cycle A and Cycle B). The next LCTOP Call for Projects is expected to occur in August 2027 with funds to be awarded in April 2028.

At its January 7, 2026 meeting, the RTA Board authorized the Executive Director to submit a LCTOP Cycle A grant application to provide stopgap Route 10 funding caused by the City of Santa Maria's decision to cease partial funding on Route 10. The Executive Director was also authorized to seek funding for school tripper services and to enhance transit operations in lower-income and disadvantaged communities throughout the County. As part of its application process, the San Luis Obispo Council of Governments (SLOCOG) directed agencies to submit Cycle A eligible projects in priority order; any unfunded Cycle A projects could then be reconsidered in the subsequent Cycle B Call for Projects planned to be released in August 2026.

At its April 1, 2026 meeting, the SLOCOG Board only partially funded RTA Route 10 services, resulting in a continued shortfall of \$63,882. The LCTOP Cycle B programming is anticipated to be announced in August 2026, with Allocation Requests likely due to SLOCOG in September/October. It is anticipated that the Cycle B funding level will be slightly less than the Cycle A funds (\$502,418).

Eligible recipients of the LCTOP funds include SLO Transit, and the services operated by the RTA (regional fixed-routes, Runabout, South County Transit, Paso Express, Atascadero Dial-A-Ride, Nipomo Dial-A-Ride, and Morro Bay Transit). RTA staff recommends the RTA’s grant application include the projects depicted in Table 1:

Table 1: LCTOP FY2027 and FY2028 Operations Application Breakdown

Priority #	Project Description	Eligibility	Amount
1.	<i>*Unfunded from LCTOP Cycle A.</i> FY27 Route 10 (SLO - Santa Maria) Serving Lower-Income & Disadvantaged communities	Continued Service to Low-Income/DAC	\$63,882
2.	Continued Paso Robles School Tripper Service (FY28 Partial Year / August 2027 – January 2028)	Continued Service to Low-Income/DAC	\$ 8,000
3.	Continued Arroyo Grande High School Tripper (FY28 Partial Year / August 2027 – January 2028)	Continued Service to Low-Income/DAC	\$ 13,500
4.	Continued Saturday service Route A (Paso Robles) (FY28 Partial Year / July 2027 - December 2027)	Continued Service to Low-Income/DAC	\$ 18,500
5.	Continued Route 10 (SLO - Santa Maria) Serving Lower-Income & Disadvantaged communities (FY28 Partial Year / July 2027 – December 2027)	Continued Service to Low-Income/DAC	\$95,000
6.	Nipomo Dial-A-Ride Service Area Expansion (FY28 Partial Year / July 2027 – December 2027)	Continued Service to Low-Income/DAC	\$ 32,973
7.	Morro Bay Fixed-Route Weekend Service & Call-A-Ride Non-Summer Season Service (2-Year Pilot Program FY27 & FY28)	New / Expanded Low-Income/DAC	\$136,200

Total LCTOP Cycle B Funding Request \$368,055

**April 1, 2026 SLOCOG recommendation to partially fund continued Route 10 services project and consider FY25/26 LCTOP Cycle B funding for balance.*

STAFF RECOMMENDATION:

Adopt resolution authorizing the Executive Director to submit a FY25-26 LCTOP Cycle B Grant Application to: provide stopgap funding for Route 10 in FY26-27; fund two School Tripper services in FY27-28; fund enhanced Nipomo DAR Services in FY27-28; and fund a 2-Year Weekend Service pilot program in Morro Bay.

ATTACHMENT A

Resolution No. 26-_____

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

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

WHEREAS, the passing of Senate Bill SB840 reclassified the LCTOP program as a Tier III funded program, added additional Greenhouse Gas (GHG) auction sales throughout the year, and changed the date of annual LCTOP Call for Projects from February to August and LCTOP award of funds from November to April; and

WHEREAS, the FY2025-26 LCTOP program will have two Call for Projects in the 2026 Calendar Year (Cycle A and Cycle B) to align with the new LCTOP funding cycle; and

WHEREAS, it is anticipated that FY2025-26 Low-Carbon Transit Operations Program Cycle B funds will be available to the RTA in August 2026 following the reduction of previously committed funds; and

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

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

WHEREAS, the San Luis Obispo Regional Transit Authority is requesting up to **\$368,055** from the Low Carbon Transit Operations Program to fund school tripper services and enhanced transit operations to lower-income and disadvantaged communities throughout the county.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the San Luis Obispo Regional Transit Authority Board of Directors authorizes the Executive Director to submit a proposal to the State of California Low-Carbon Transit Operations Program of up to **\$368,055** to fully fund FY2026-27 Route 10 services, partially fund FY2027-28 transit operations that include continued school tripper services and enhanced transit operations, Dial-A-Ride and fixed route services, to lower-income and disadvantaged communities throughout the county of San Luis

ATTACHMENT A

Obspo, and fund a 2-year pilot program for Morro Bay Transit fixed-route weekend services for FY2026-27 and FY2027-28.

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

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

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

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted this 6th day of May, 2026.

President of the RTA Board of Directors

ATTEST:

Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority

APPROVED AS TO FORM AND LEGAL EFFECT:

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

Date: _____

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: A-13

TOPIC: Revised Contract for Demand Response Scheduling and Dispatching Software

PRESENTED BY: Omar McPherson, Operations Manager

STAFF RECOMMENDATION: Authorize the Executive Director to Execute the Revised Contract for Demand Response Scheduling and Dispatching Software to Ecolane USA, Inc. for \$249,794

BACKGROUND/DISCUSSION:

This staff report and accompanying agreement for services focuses on staff's recommendation that the \$228,728.44 authorized at the March 4th RTA Board meeting be increased to \$249,794 so that additional features can be incorporated into the new dispatch software system's implementation. The increased price is within the originally authorized \$250,000 procurement amount.

At its March 5, 2025 board meeting, the RTA Board of Directors authorized the RTA Executive Director to solicit proposals from qualified firms to provide computer-aided dispatch / automatic vehicle location software and hardware to replace our current scheduling system used for the demand response services we operate (Runabout and the various dial-a-rides in the county). The procurement identified a not-to-exceed amount of \$250,000. The current software (RouteMatch) was originally awarded in 2009.

On October 30, 2025, staff solicited proposals from qualified firms, and we received four responsive proposals by the December 8th deadline. On December 17th staff informed the bidders that Ecolane USA's bid was deemed staff's recommended awardee and no protests were filed before the December 24th deadline. The Board authorized the Executive Director to execute the contract to Ecolane USA, Inc., as the highest-scoring responsive and responsible bidder, in an amount not to exceed \$228,728.44 at its January 2026 meeting.

However, during project kick-off discussions with Ecolane officials and with our partners at Ride-On (who also transitioned from RouteMatch to Ecolane), staff became aware of an SMS text feature not identified in our original scope of work that is offered by the vendor and has value for the RTA. This feature provides real-time texting for riders to alert them of the projected arrival time of their van and any revisions due to traffic or other delays.

Attached are three documents: the underlying agreement; Ecolane's original price proposal; and a worksheet showing the base three-year pricing (including the SMS feature discussed above) and pricing for years 4 and 5. This project will be launched on or before July 1, 2026.

Staff Recommendation

Authorize the Executive Director to execute the contract for Demand Response Scheduling and Dispatching Software to Ecolane USA, Inc. in an amount not to exceed \$249,794.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROFESSIONAL SERVICES AGREEMENT
WITH ECOLANE_USA, INC**

AGREEMENT NUMBER 2025-07

THIS AGREEMENT FOR SPECIAL SERVICES ("Agreement") is entered into by and between the San Luis Obispo Regional Transit Authority (hereinafter referred to as "RTA") and Ecolane USA, Inc (hereinafter referred to as "Contractor").

RECITALS

WHEREAS, the RTA retain the Contractor as a qualified and committed professional to provide Demand Response Scheduling and Dispatch Software in accordance with the Exhibit 1 (Scope of Work) in the RFP# 2507-07 document; and

WHEREAS, Contractor is specially trained, experienced, expert and competent to perform such special services.

NOW THEREFORE, the parties mutually agree as follows:

1. **Scope of Services.** Contractor shall provide to RTA the services described in Exhibit A ("Master Agreement"). Contractor shall provide these services at the time, place, and in the manner specified in Exhibit A. In the event of any conflict between the terms in Exhibit A and the Agreement, the terms of this Agreement shall control and prevail.

2. **Term of Contract.** This Contract shall commence on date of acceptance, for a term of five years, unless terminated earlier or extended as provided in this Contract.

3. **Compensation.** The Contractor agrees to perform all of the services included in Contractor's Proposal, Conformed Scope of Services, in accordance with the fee schedule provided in Exhibit 4, Cost Proposal, which costs shall include all labor, materials, taxes, profit, overhead, insurance, subcontractor costs, and other costs and expenses incurred by the Contractor.

The RTA agrees to pay fees, if any, as per Exhibit 4, Cost Proposal, which shall include all costs associated with providing this service as the rates set forth in Exhibit 4, Cost Proposal.

4. **Manner of Payment.** Contractor shall submit to the RTA an invoice in accordance with the terms of this Contract.

San Luis Obispo Regional Transit Authority

Attn: Accounting Division

253 Elks Lane, San Luis Obispo, CA 93401

accounting@slorta.org

If, due to either an issue with the charges on an invoice or the Contractor's failure to perform its obligations under this Contract, the RTA disputes any charge(s) on an invoice, the RTA may withhold the disputed amount, provided that (a) there is a reasonable basis for the dispute, and (b) the RTA delivers a written statement to Contractor within ten (10) days of the due date of the invoice, describing in detail the basis of the dispute and the amount being withheld by the RTA. The parties shall work in good faith to resolve any invoice dispute promptly, and upon resolution, any amount determined to be properly due shall be paid within thirty (30) days. The RTA shall timely pay all undisputed portions of the invoice in accordance with this Contract.

5. **Non-Exclusivity.** Nothing in this Contract is intended or shall be construed as creating any exclusive arrangement between the RTA and Contractor. This Contract shall not restrict the RTA from acquiring similar, equal or like goods and/or services from other entities or sources.

6. **Termination.**

a. **For Convenience of Either Party.** Either party may terminate this Contract at any time by giving to the other party thirty (30) days' prior written notice of such termination. Termination shall not affect the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Contractor shall be paid for all accepted goods and work satisfactorily completed and accepted by RTA prior to the effective date of the termination, including all work satisfactorily performed, whether or not formally accepted as of the termination date. All undisputed amounts shall be paid within thirty (30) days following Contractor's submission of a final invoice. Termination of this Contract may be effectuated by the RTA Executive Director without the need for action, approval or ratification of the RTA Board of Directors.

b. **For Cause.** If (1) either party fails to perform its duties to the satisfaction of the other party, or (2) fails to fulfill in a timely and professional manner its Contractor's obligations under this Contract, or (3) violates any of the terms or provisions of this Contract, then the non-breaching party shall have the right to terminate this Contract effective immediately upon the RTA giving written notice to the Contractor. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed and accepted by the RTA prior to the effective date of such termination. If the RTA's termination of Contractor for cause is defective for any reason, including but not limited to the RTA's reliance on erroneous facts concerning Contractor's performance, or any defect in notice thereof, the RTA's maximum liability, if any, shall not exceed the amount payable to Contractor under this Contract.

c. **For Non-Appropriation.** The RTA's obligation to pay any amounts due for those fiscal periods succeeding the current fiscal period are contingent upon appropriation or approval of funds for that purpose. If such funds become unavailable, then the RTA may elect to terminate this Contract by

giving written notice of termination to Contractor effective immediately or on such other date as the RTA specifies in the notice. In such an event, the RTA shall have no further liability to pay any funds to the Contractor or to furnish any other consideration under this Contract, and the Contractor shall not be obligated to perform any provisions of this Contract or to provide services intended to be funded pursuant to this Contract. If partial funds are appropriated or provided, the RTA shall have the option to either terminate this Contract with no liability to the RTA or offer a Contract amendment to the Contractor to reflect the reduced amount.

7. **Suspension of Performance.** Independent of any right to terminate this Contract, the authorized representative of the RTA for which Contractor's services are to be performed, may immediately suspend performance by Contractor, in whole or in part, in response to exigent health, safety or financial circumstances, or a failure or refusal by Contractor to comply with the provisions of this Agreement, until such time as the cause for suspension is resolved, or a notice of termination becomes effective.

8. **Nondiscrimination.** Contractor will abide by all applicable federal, state, and local laws, rules and regulations concerning nondiscrimination and equal opportunity in contracting. Such laws include, but are not limited to, the following: Title VII of the Civil Rights Act of 1964 as amended; the Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973; California Fair Employment and Housing Act; and California Labor Code sections 1101 and 1102. Contractor shall not discriminate against any employee, subcontractor, or applicant for employment because of race, age, color, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, national origin, political beliefs, organizational affiliations, or marital status in the recruitment, selection for training, hiring, employment, utilization, promotion, rates of pay or other forms of compensation. Contractor shall not discriminate in providing the goods or services under this Contract because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, marital status, or other category protected under the law. If the RTA finds that any of these provisions have been violated, such violation shall constitute a material breach of contract upon which the RTA may determine to cancel, terminate, or suspend this Contract. In addition to an independent finding by the RTA of such violation, a finding by the State of California or by the United States of a violation shall constitute a finding by the RTA of such violation.

9. **Assignment, Delegation or Subcontracting of Contract.** Contractor shall not assign any of Contractor's rights, delegate any of Contractor's duties, or subcontract any portion of Contractor's obligations under this Contract without the prior written consent of the RTA. No assignment, delegation or subcontracting will release Contractor from any of its obligations or alter any of its obligations to be performed under this Contract. Any attempted assignment, delegation or subcontracting in violation of this provision is voidable at the option of the RTA. If subcontracting is approved by the RTA, Contractor shall remain primarily liable for all of its obligations under the Contract. Contractor is responsible for

payment to subcontractors and must monitor, evaluate, and account for the subcontractor(s) services and operations.

10. **Authority of Contractor.** If Contractor is a corporation or a limited liability company and is performing services within California, Contractor represents and warrants that it is and will remain, throughout the term of this Contract, either a duly organized, validly existing California corporation or limited liability company in good standing under the laws of the State of California or a duly organized, validly existing foreign corporation or limited liability company in good standing in the state of incorporation or organization and authorized to transact business in the State of California and have an agent for service of process in California. Contractor warrants that it has full power and authority to enter into and perform this Contract, and the person(s) signing this Contract warrant that he or she has been properly authorized and empowered to enter into this Contract.

11. **Governing Law and Venue.** This Contract has been executed and delivered in the State of California and the validity, enforceability and interpretation of any of the clauses of this Contract shall be determined and governed by the laws of the State of California. All duties and obligations of the parties created hereunder are performable in San Luis Obispo County and such County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Contract. The parties will submit to the jurisdiction of the Superior Court of the County of San Luis Obispo, notwithstanding Code of Civil Procedure section 394, as may be amended from time to time.

12. **Independent Contractor Status.** Contractor shall, during the entire term of the Contract, be construed to be an independent contractor. Nothing in this Contract is intended or shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow the RTA to exercise direction or control over the professional manner in which Contractor performs the services which are the subject matter of this Contract; provided always however that the services to be provided by Contractor shall be provided in a manner consistent with all applicable standards, regulations and Contract terms governing such services. Contractor personnel are not and will not be eligible for membership in or any benefits from any RTA group plan for hospital, surgical or medical insurance or for membership in any RTA retirement program or for paid vacation, paid sick leave, or other leave, with or without pay or for any other benefit which accrues to a RTA employee.

13. **Warranty of Contractor.** Contractor warrants that Contractor and each of the personnel employed or otherwise retained by Contractor are properly certified, licensed and insured under the laws and regulations of the State of California to provide the special services under this Contract. Contractor further agrees that it shall keep in full force and effect during the entire term of this Contract, all permits, registrations, and licenses, if required by law or contract, to accomplish the work specified herein.

14. **Indemnification and Limitation of Liability.** To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless the RTA and its officers, agents, employees, and volunteers from and against all claims, demands, damages, liabilities, loss, costs, and expense (including

attorney's fees and costs of litigation) of every nature arising out of this Contract to the extent caused by the negligent performance or attempted performance of the provisions hereof, including any willful or negligent act or omission to act on the part of the Contractor or his agents or employees or independent contractors. This indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the RTA, and shall not exceed Contractor's proportionate percentage of fault.

To the fullest extent permitted by law and subject to the limitations applicable to public entities under California law, the RTA shall indemnify, defend, and hold harmless Contractor and its officers, agents, employees, and contractors from and against all claims, demands, damages, liabilities, losses, costs, and expenses (including reasonable attorneys' fees and costs of litigation), to the extent caused by the negligent acts or omissions or willful misconduct of the RTA or its officers, agents, employees, or contractors in the performance of this Contract.

Neither party's indemnity obligations shall extend to claims or losses arising out of the sole negligence or willful misconduct of the other party, and each party's indemnification obligations shall be limited to its respective proportionate percentage of fault.

Contractor shall have no obligation to indemnify the RTA for any claims or losses arising out of the negligence or willful misconduct of the RTA or any third party, and Contractor's indemnity obligations shall be limited to Contractor's proportionate share of fault as determined by a court of competent jurisdiction.

To the fullest extent permitted by law, in no event shall Contractor be liable for any indirect, incidental, consequential, special, exemplary, or punitive damages, including without limitation loss of profits, loss of data, or loss of use, arising out of or related to this Contract, regardless of the theory of liability, even if Contractor has been advised of the possibility of such damages..

15. **Insurance.** Contractor, at its sole cost and expense, shall purchase and maintain the insurance policies set forth in Exhibit 3.

16. **Records.** Contractor shall keep complete and accurate records of the services performed under this Contract. The Contractor shall allow the RTA to inspect and audit any and all books, and records maintained by Contractor and subcontractors pertaining to the services under this Contract at any reasonable time during normal business hours. Books and records include, without limitation, all physical records originated or prepared pursuant to the performance under this Contract including work papers, reports, financial records and books of account. Upon request, at any time during the period of this Contract, and for a period of three years thereafter, the Contractor shall furnish any such record, or copy thereof, to the RTA.

17. **Audit Rights.** Pursuant to Government Code section 8546.7, every contract involving the expenditure of public funds in excess of \$10,000 is subject to examination and audit of the State auditor, at the request of the public entity or as part of any audit of the public entity, for a period of three years after final payment under the Contract. Contractor shall permit the State Auditor to have access to any pertinent books, documents, papers and records for the purpose of said audit. The RTA shall advise Contractor if it becomes aware of such audit at least fourteen (14) days prior to the commencement of the audit. All payments made under this Contract shall be subject to an audit at the RTA's option, and shall be adjusted in accordance with said audit. The Contractor shall be responsible for receiving, replying to, and complying with any audit exceptions set forth in any RTA audits. This provision is in addition to any other inspection and access rights set forth in this Contract.

18. **Cost Disclosure - Documents and Written Reports.** If the Scope of Services includes preparation of a document or written report, and the total cost of the Scope of Services is more than \$5,000, each document or report prepared by Contractor for or under the direction of RTA pursuant to this Contract, then Contractor shall set forth the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of such documentation or written report, as required by Government Code Section 7550. The contract and subcontract numbers and dollar amounts shall be contained in a separate section of such document or written report.

19. **Copyright.** Any training documentation produced expressly for RTA under this Contract shall be the property of the RTA and shall not be subject to an application for copyright by or on behalf of Contractor.

20. **Findings Confidential.** No reports, maps, information, documents, or any other materials given to or prepared by Contractor under this Contract shall be made available to any individual or organization by Contractor without the prior written approval of the RTA except to Contractor's subcontractors who have a need to know for purposes of performing under this Contract and who are bound by confidentiality obligations

21. **Equipment and Supplies.** Contractor will provide all necessary equipment and supplies in order to fulfill its obligations under Exhibit 1 Scope of Services.

22. **Confidential Information.** For the purpose of this Contract, "Confidential Information" shall mean information or material proprietary to a disclosing party (the "Disclosing Party"), or designated as "Confidential Information" by the Disclosing Party, and not generally known by non-party personnel, which the non-disclosing party (the "Receiving Party") may obtain knowledge of or access to as a result of this Contract.

Each party agrees to:

- (1) Use such Confidential Information solely for the purposes of fulfilling its obligations under this Contract;
- (2) Not disclose such Confidential Information to any third party without the prior written consent

- of the Disclosing Party, except to employees, agents, or contractors who: (a) have a need to know the information, (b) are bound by confidentiality obligations no less restrictive than those in this Contract, and (c) are informed of the confidential nature of the information; and
- (3) Protect the confidentiality of the other party's Confidential Information with the same degree of care used to protect its own similar information, but in no event less than reasonable care.

The term "Confidential Information" shall not include information that:

- (1) was already known to the Receiving Party without restriction at the time of disclosure;
- (2) is or becomes publicly known through no wrongful act of the Receiving Party;
- (3) is independently developed by the Receiving Party without use of or reference to the Disclosing Party's Confidential Information; or
- (4) is disclosed to the Receiving Party by a third party legally entitled to make such disclosure.

The provisions of this section shall survive the expiration or termination of this Contract. The parties acknowledge and agree, that because of the unique nature of the Confidential Information, a Disclosing Party would suffer irreparable harm in the event a Receiving Party breaches its obligation under this Contract in that monetary damages would be inadequate to compensate the Disclosing Party for such a breach. In such circumstances, the Disclosing Party shall be entitled, in addition to monetary relief, to injunctive relief as may be necessary to restrain any continuing or further breach by Receiving Party, without showing or proving any actual damages sustained by the Disclosing Party.

23. **Conflict of Interest.** Contractor acknowledges that Contractor is aware of and understands the provisions of sections 1090 et seq. and 87100 et seq. of the Government Code, which relate to conflict of interest of public officers and employees. Contractor certifies that Contractor is unaware of any financial or economic interest of any public officer or employee of the RTA relating to this Contract. Contractor shall comply with applicable requirements of Government Code section 87100 et seq. during the term of this Contract.

24. **Time is of the Essence.** Time is of the essence in the delivery of the goods or services by Contractor under this Contract. The RTA reserves the right to refuse any goods or services and to cancel all or any part of the goods not conforming to applicable specifications, drawings, samples, or descriptions, or services that do not conform to the prescribed scope of work. Acceptance of any part of the order for goods or services shall not bind the RTA to accept future goods and services.

25. **Waiver.** The acceptance by RTA of late or partial performance of any goods or services with or without objection or reservation shall not waive the right to claim damage for such breach and shall not constitute a waiver of the rights or requirements for the complete and timely performance of any obligation remaining to be performed by the Contractor, or of any other claim, right or remedy of the RTA.

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

27. **Entire Agreement and Modification.** This Contract supersedes all previous contracts between the parties related to the services and/or goods which are the subject of this Contract. This Contract, together with all Exhibits and Attachments("Contract") constitutes the entire understanding of the parties with respect to the goods and services. Contractor shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both parties. Contractor specifically acknowledges that in entering into and executing this Contract, Contractor relies solely upon the provisions contained in this Contract and no others. This Contract may be executed via facsimile or pdf e-mail, and in any number of counterparts, each of which shall be considered an original and all of which, taken together, shall constitute one and the same instrument.

28. **Notices.** Any notice required to be given pursuant to the terms and provisions of this Contract shall be in writing and shall be sent by first class mail, posted prepaid, through the United States Postal Service, to the RTA at:

Omar McPherson, Operations Manager
San Luis Obispo RTA
253 Elks Lane
San Luis Obispo, CA 93401
805-541-2228 x1171
omcpherson@slorta.org

and to the Contractor:

Adam Fox, President
Ecolane
940 West Valley Road Wayne, PA 19087 United States
844-326-5263
adam.fox@cts-software.com

or given by personal delivery. Mailed notices shall be deemed to have been given, delivered and received three (3) business days after the date of such notice or other communication is posted by the United States Postal Service.

IN WITNESS THEREOF, the RTA and Contractor have executed this Contract on the dates set forth below.

Ecolane USA, Inc

By: _____

Adam Fox

Title: General Manager

Date: _____

San Luis Obispo Regional Transit Authority

By: _____

Geoff Straw

RTA Executive Director

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____

RTA Counsel

Date: _____

ATTEST:

RTA Clerk

Attachments:

- San Luis Obispo Regional Transit Authority Request for Proposal
- Exhibit A Master Agreement
- Exhibit 1 - Scope of Work (*if amended from original RFP*)
- Exhibit 2 Bidder's Proposal
- Exhibit 3 Insurance requirement
- Exhibit 4 Revised Cost Proposal

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Ecolane is the industry-leading provider of intelligent web-based transit scheduling software. Combining a powerful and intuitive demand-response platform, Ecolane software enables transit providers increased productivity, streamline efficiency, and outstanding client satisfaction.



info@ecolane.com

EXHIBIT 4 REVISED COST PROPOSAL

Ecolane
940 West Valley Road
Wayne, PA 19087
United States

T: 844-326-5263

Prepared for San Luis Obispo - Regional Transit Authority
Omar Mcpherson
179 Cross ST, Ste. A
San Luis Obispo, CA 93401
United States

T: (805) 541-2228 ext 1171
E: omcpherson@slorta.org

Quote #	1167 v8
Date	24 Feb 2026
Expires	28 Feb 2026
Contact	Willow Beaudet

ACCEPT QUOTE

Sales - 5-Year SaaS Pricing

Year 1 Fees

Item	Qty	Price	Total
Remote Setup and Installation	3	\$600.00	\$1,800.00
Includes implementation project management, remote server setup, data review/scrub and remote training. 8-hour work day - per single resource			
Onsite Resource for Training and Go-Live	12	\$1,200.00	\$14,400.00
Operational Review, Training, and Go-live days. 8-hour workday - per single resource			
Travel	3	\$3,470.00	\$10,410.00†
For Onsite services. Per trip			
Year 1 Subtotal			\$26,610.00

Ongoing Annual Fees

Item	Qty	Price	Total
EVOLUTION and MDT Software License & Maintenance - SaaS	19	\$1,548.00	\$29,412.00 \$23,529.60†
Core Ecolane Software, Includes licenses and maintenance for core system, driver MDTs, and map data for 5 contiguous counties. Priced per vehicle with unlimited users.			
20% Item Discount (\$5,882.40)			
Additional Insurance Coverage	1	\$4,000.00	\$4,000.00

** Recurring fees billed Ongoing Annual Fees with 1 upfront payment(s).*

Ongoing Annual Fees Subtotal	\$33,412.00
Discount	(\$5,882.40)

Value-Adds

Year 1 Fees

Item	Qty	Price	Total
NOTIFY - SMS text message bundle (10,000)	0	\$1,500.00	\$0.00
10,000 SMS text messages. Customer will be invoiced for additional credits after the 10k bundle runs out			

Year 1 Subtotal **\$0.00**

Ongoing Annual Fees

Item	Qty	Price	Total
NOTIFY - SaaS	1	\$3,800.00	\$3,800.00†
Text Messaging Arrival Notification License & Maintenance. (10,000 SMS text messages included with initial purchase, additional SMS texts must be purchased when 10k texts are used)			
SMS text messages must be pre-purchased through SMS bundles if customer has not purchased unlimited text messages. When bundle runs out, new bundle will need to be purchased.			
*Customer may receive discounts by pre-purchasing bundles or opting for unlimited text messages.			

INTERACTIVE - SaaS	1	\$4,000.00	\$4,000.00†
Use an Interactive Voice Response system to automatically call your riders to remind them of their trip and let them cancel, without ever having to bother your call center. Requires third-party licensing and setup costs for one call flow. Additional charges required to cover monthly IVR call costs with commitment estimates based on trip volume.			

INTERACTIVE Monthly IVR data costs (Annualized)	1	\$625.00	\$625.00
Customer responsible for overages set at \$0.044/min, allotted 3000 minutes/month			
*Pricing set by 3rd Party			

<input type="checkbox"/> Interactive Voice Agent (IVA) <i>Optional</i>	1	\$60,000.00	Not Selected
Intelligent Voice Agent (IVA) for Trip Management			
The Intelligent Voice Agent (IVA) is an automated, AI-driven communication system designed to enhance passenger accessibility and agency efficiency. IVA enables riders to book, confirm, modify, or cancel scheduled trips at any time through natural, human-like voice interactions. Integrated with the Ecolane scheduling and dispatch platform , the system provides real-time, accurate trip information and automates up to 70% of inbound call volume , allowing agencies to reallocate staff resources toward higher-value customer support functions.			
IVA improves operational performance by reducing call wait times, lowering administrative costs, and ensuring consistent service quality. The solution is scalable, configurable, and compliant with ADA communication standards, supporting an equitable and efficient transit experience for all riders.			

INSPECT - SaaS	19	\$300.00	\$5,700.00 \$0.00†
Pre/Post Trip Inspection functionality on MDTs. Do away with paper, and let your drivers do their vehicle inspections on their Ecolane tablet. Requires Ecolane software			
Included at no additional cost			

100% Item Discount (\$5,700.00)

MOBILITY - SaaS (Level 2)	1	\$12,959.00	\$12,959.00†
Let your customers book and manage their own trips through a feature-rich iPhone or Android Ecolane-branded mobile app.			
*3rd party charges will apply to credit card fares			

Item	Qty	Price	Total
Self Service (Included with Mobility)	1	\$0.00	\$0.00†
Self Service Trip Bookings Website included with Mobility			
<input type="checkbox"/> Public Transportation GTFS Interface - SaaS <i>Optional</i>	1	\$6,000.00	Not Selected
Automatically check local fixed-route transportation systems that meet your client's booking request			
<input type="checkbox"/> Eligibility Portal <i>Optional</i>	1	\$30,000.00	Not Selected
Digital Application			
Secure, HIPAA-compliant digital portal for intake and document upload Accessible online or via assisted phone entry			
Streamlined Intake			
Automated application tracking from submission to determination Real-time status updates for applicants and staff			
Defined Review Process			
Built-in workflow logic that mirrors ADA certification steps Application → Verification → Assessment → Determination → Appeals			
Configured Assessment			
Customizable interview and functional assessment templates Supports remote and in-person formats Embedded ADA compliance criteria and conditional logic			
Determination & Communication			
Automated determination letters (unconditional, conditional, temporary, denial) Configurable notifications (email, SMS, print) Full audit trail and integration with dispatch/scheduling system			
20.0000% Discount	1	(\$4,276.80)	(\$4,276.80)

* Recurring fees billed Ongoing Annual Fees with 1 upfront payment(s).

Ongoing Annual Fees Subtotal	\$27,084.00
Discount	(\$9,976.80)

EcoVision - Traditional

Ongoing Annual Fees

Item	Qty	Price	Total
<input type="checkbox"/> EcoVision 1 Camera Alert System - Subscription <i>Optional</i>	33	\$479.88	Not Selected
Software updates, cellular fees, technical support, full system warranty, and mobile app included.			

* Recurring fees billed Ongoing Annual Fees with 1 upfront payment(s).

Ongoing Annual Fees Subtotal	\$0.00
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Summary

† Non-taxable item

Please contact us if you have any questions.

Total Licenses and Professional Services for Year 1	\$26,610.00 USD
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Ongoing Annual Fees Subtotal	\$60,496.00
Discount	(\$15,859.20)
Annual Recurring Total After Year 1	\$44,636.80 USD
Year 1 Fees	\$26,610.00
Ongoing Annual Fees due Year 1	\$60,496.00*
Discount	(\$15,859.20)
Total due Year 1	\$71,246.80 USD

** Recurring fees billed Ongoing Annual Fees with 1 upfront payment(s).*

ACCEPT QUOTE

Cost Breakdown

Category	Year 1 Fees	Ongoing Annual Fees
Value Added Items / 5 yr SaaS	—	\$26,459.00
Value Added Items / Non-Recurring	—	—
Value Added Items / Recurring	—	\$625.00
5 yr SaaS	—	—
SaaS	—	—
EcoVision / Subscription	—	—
Core Licenses / 5 yr SaaS	—	\$29,412.00
Training & Implementation / Professional Services	\$16,200.00	—
Training & Implementation / Travel	\$10,410.00	—
Annual Fees	—	\$4,000.00
Discount	—	(\$15,859.20)
Total	\$26,610.00 USD	\$44,636.80 USD

Quote Attachments

[Transit_Tech_Master_Agreement.pdf \(240 KB\)](#)

Year 1 price includes initial licensing, year 1 maintenance, and professional services; annual maintenance is paid in years 2-5.

Payment Terms: Upfront amount due at contract signing. Annual costs for the 5 years will be paid after acceptance/implementation is complete.

Additional Terms:

Implementation/Training Assumes 8 hrs. per day on-site excluding weekends and holidays.

All prices are in US dollars. All applicable sales/use taxes are additional and payment of such is the sole responsibility of the prime contractor.

Prime contractors may purchase tablets and airtime through a cellular provider. Prices for tablets range from \$0 to \$499 depending on carrier. Please coordinate your cellular provider/tablets with Ecolane prior to ordering hardware.

Upgrade and webinar training is included for upgrades; additional on-site or new employee training is charged using Training day rates as applicable.

* Data plan does not include web browsing, etc. A 2GB data plan is more than sufficient for the Ecolane Touchscreen MDT Software and Navigation. The agency is responsible for the data plan and any overages unless otherwise noted.

Base Term

Line Item	Description	QTY	Unity	Unit Price	Extended Price
1	Transfer of Historical Information to New System	1	Lump Sum	5,322	5,322
2	Software Installation and Configuration	1	Lump Sum	5,322	5,322
3	Testing	1	Lump Sum	5,322	5,322
4	Training	1	Lump Sum	5,322	5,322
5	Implementation	1	Lump Sum	5,322	5,322
6	Equipment (1)	1	Lump Sum	n/a	-
7	System Documentation and User Manuals	1	Lump Sum	included	-
8	Software license and maintenance support (first 3 year)	1	Lump Sum	133,910	133,910
9	5-Year Warranty	1	Lump Sum	included	-
10	Other Costs (2)	1	Lump Sum	-	-

Sub-Total	160,520
Sales Tax (8.75%)	0
Total Price (Base Term)	160,520

Option Years

Line Item	Description	QTY	Unity	Unit Price	Extended Price
11	Option Year 4 - Software license and maintenance support	1	Lump Sum	44,636.80	44,636.80
12	Option Year 5 - Software license and maintenance support	1	Lump Sum	44,636.80	44,636.80

Total Price (Option Years)	89,273.60
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Five year total \$ 249,794.00

Other Options

Line Item	Description	QTY	Unity	Unit Price	Extended Price
1	Billing Component	1	Lump Sum	included	included
2	Electronic Fare Capability	1	Lump Sum	included	included
3	Covert Alarm & Microphone	1	Lump Sum	15,836.04	15,836.04
4	Trip Integration with Fixed Route Service	1	Lump Sum	4,800.00	4,800.00

Total Price (Other Options)	20,636.04
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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: A-14

TOPIC: Contract Extension for ITS Technologies Service Agreement with Connexionz

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Authorize the Executive Director or his Designee to Execute a Contract Extension for ITS Technologies

BACKGROUND/DISCUSSION:

At its January 5, 2014 meeting, the RTA Board authorized the Executive Director to execute a contract for Intelligent Transportation Systems (ITS) technologies to meet RTA's and our transit partners' (South County Transit, SLOCAT and City of Paso Robles) needs.

The contract was executed on April 28, 2015, with Connexionz LTD based in New Zealand with a U.S. based service center in Santa Clarita, CA. We worked with Connexionz to install and test the complex system, and we finally accepted it on May 9, 2016 with an initial five-year operations agreement. The ITS provides vital real-time operations-related data reporting, as well as customer-facing bus arrival times via the internet or SMS text messaging. The RTA was successful in obtaining grant funds to fully implement the ITS. The City of San Luis Obispo also recently contracted with Connexionz to implement ITS technologies on its fleet of local fixed-route buses, so our ITS technologies align better and offer technology transfer opportunities that were not previously possible.

At its May 5, 2021 meeting, the RTA Board authorized the Executive Director to execute a contract extension for five years expiring on May 9, 2026. Staff is now seeking Board authorization to permit the Executive Director or his designee to execute another contract extension that would continue Connexionz hosted technologies as detailed in the attached draft Agreement once RTA Counsel and Connexionz officials finalize it. The services provided under the Agreement is summarized below:

1. Provide a GPS-based computer-aided dispatch / automatic vehicle location system for all fixed-route services operated by the RTA, including those operated on behalf of jurisdictions in South County and the cities of Paso Robles and Morro Bay. This system uses wireless communications to transmit each vehicle's location, speed and provides estimated arrival times at bus stops in real-time. In addition, the following elements are included:

- a. Automated voice annunciation system, both inside the vehicle for passengers and on the exterior so that passengers know which bus is approaching. This system also displays the next bus stop on an LED message board inside the bus. This feature meets Americans with Disabilities Act requirements for persons with sight or hearing impairments.
- b. Automatic passenger counters, which geo-code each boarding and alighting by route, time of day and direction of travel. This system assists with vehicle capacity and passenger amenity planning, as well as with meeting the Federal Transit Administration's annual National Transit Database reporting requirements.
- c. Emergency alert system that allows the Bus Operator to covertly alert RTA Dispatchers of an emergency situation occurring on the vehicle.
- d. Vehicle monitoring and diagnostic systems that relay engine, transmission and other vehicle component performance and monitoring back to the Dispatch center.

It is less costly to implement this contract extension than to complete a new solicitation to replace the equipment mentioned above. During this five-year extension, staff will seek to secure funding to update/replace the current equipment on our buses and will seek Board authority to conduct a formal procurement in year three of the extension period.

Staff Recommendation

Authorize the Executive Director or his designee to execute a contract extension for the provision of ITS technologies.

**SAN LUIS OBIPO REGIONAL TRANSIT AUTHORITY
SERVICE AND MAINTENANCE AGREEMENT
WITH CONNEXIONZ**

AGREEMENT NUMBER SLO-RTA-SM-2026-2031

This "Agreement" is made as of this day of _____, 2026, by and between the San Luis Obispo Regional Transit Authority ("RTA" or "Purchaser") and Connexionz Limited, a limited liability company registered in the State of Virginia as a Foreign Corporation ("Contractor"), with a principal place of business at 1 Show Place, Addington, Christchurch, New Zealand 8024.

RECITALS

A. The RTA desires to retain a qualified and committed professional Intelligent Transportation Systems (ITS) service firm to provide services to maintain the software and hardware in our ITS program.

B. The RTA desires to retain a qualified firm to conduct the services described above in accordance with the Scope of Services as more particularly set forth in Exhibit A to the Agreement.

C. Contractor represents to the RTA that it is a firm composed of highly trained professionals and is fully qualified to conduct the services described above and render advice to the RTA in connection with said services.

D. The parties have negotiated upon the terms pursuant to which Contractor will provide such services and have reduced such terms to writing.

AGREEMENT

NOW, THEREFORE, the RTA and Contractor agree as follows:

1. SCOPE OF SERVICES

Contractor shall provide to the RTA the services described in Exhibit A ("Scope of Services") Contractor shall provide these services at the time, place, and in the manner specified in Exhibit A. Exhibit A is attached hereto solely for the purpose of defining the manner and scope of services to be provided by Contractor and is not intended to, and shall not be construed so as to, modify or expand the terms, conditions or provisions contained in this Agreement. In the event of any conflict between the terms in Exhibit A and the Agreement, the terms of this Agreement shall control and prevail. The parties agree that any term contained in Exhibit A that adds to, varies or conflicts with the terms of this Agreement is null and void.

2. COMPENSATION

a. The RTA shall pay Contractor for services rendered pursuant to this Agreement at the rates, times and in the manner set forth in this Agreement. Contractor shall submit monthly statements to the RTA which shall itemize the services performed as of the date of the statement and set forth a progress report, including work accomplished during the period, percent of each task completed, and planned effort for the next period. Invoices shall identify personnel who have worked on the services provided, and the percent of the total project completed, consistent with the rates and amounts set forth in this Agreement.

b. The payments prescribed herein shall constitute all compensation to Contractor for all costs of services, including, but not limited to, direct costs of labor of employees engaged by Contractor, travel expenses, telephone charges, copying and reproduction, computer time, and any and all other costs, expenses and charges of Contractor, its agents and employees. In no event shall the RTA be obligated to pay late fees or interest, whether or not such requirements are contained in Contractor's invoice.

c. Notwithstanding any other provision in this Agreement to the contrary, the total maximum compensation to be paid for the satisfactory accomplishment and completion of all services to be performed hereunder shall in no event exceed the sum set forth in Exhibit A under the fees and payment section. The RTA's Deputy Director/Chief Financial Officer is authorized to pay all proper claims.

3. DOCUMENTATION; RETENTION OF MATERIALS

a. Contractor shall maintain adequate documentation to substantiate all charges as required under Section 2 of this Agreement.

b. Contractor shall keep and maintain full and complete documentation and accounting records concerning all extra or special services performed by it that are compensable by other than an hourly or flat rate and shall make such documents and records available to authorized representatives of the RTA for inspection at any reasonable time.

c. Contractor shall maintain the records and any other records related to the performance of this Agreement and shall allow the RTA access to such records during the performance of this Agreement and for a period of four (4) years after completion of all services hereunder.

4. INDEMNITY

Contractor shall, to the fullest extent permitted by law, indemnify, protect, defend and hold harmless the RTA, and its employees, officials and agents ("Indemnified Parties") for all claims, demands, costs or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, interest, defense costs, and expert witness fees), that arise out of, pertain to, or relate to the negligence, recklessness, or willful

misconduct of Contractor, its officers, employees, agents, in said performance of this Agreement, excepting only liability arising from the sole negligence, active negligence or intentional misconduct of the RTA.

5. INSURANCE

Contractor shall maintain in full force and effect all of the insurance coverage described in, and in accordance with, Attachment One, "Insurance Requirements." Maintenance of the insurance coverage set forth in Attachment One is a material element of this Agreement and a material part of the consideration provided by Contractor in exchange for the RTA's agreement to make the payments prescribed hereunder. Failure by Contractor to (i) maintain or renew coverage, (ii) provide the RTA notice of any changes, modifications, or reductions in coverage, or (iii) provide evidence of renewal, may be treated by the RTA as a material breach of this Agreement by Contractor, whereupon the RTA shall be entitled to all rights and remedies at law or in equity, including but not limited to immediate termination of this Agreement. Notwithstanding the foregoing, any failure by Contractor to maintain required insurance coverage shall not excuse or alleviate Contractor from any of its other duties or obligations under this Agreement. In the event Contractor, with approval of the RTA pursuant to Section 6 below, retains or utilizes any subcontractors in the provision of any services to the RTA under this Agreement, Contractor shall assure that any such subcontractor has first obtained, and shall maintain, all of the insurance coverage requirements set forth in the Insurance Requirements at Attachment One.

6. ASSIGNMENT

Contractor shall not assign any rights or duties under this Agreement to a third party without the express prior written consent of the RTA, in the RTA's sole and absolute discretion. Contractor agrees that the RTA shall have the right to approve any and all subcontractors to be used by Contractor in the performance of this Agreement before Contractor contracts with or otherwise engages any such subcontractors.

7. TERMINATION

a. This Agreement may be terminated by the RTA at any time by giving Thirty (30) days written notice to the Contractor of its intent to terminate the Agreement.

b. Upon such termination, Contractor shall submit to the RTA an itemized statement of services performed as of the date of termination in accordance with Section 2 of this Agreement. These services may include both completed work and work in progress at the time of termination. If the AVL system has been installed, Contractor shall provide a working installation and configuration of the AVL system to the RTA within Thirty (30) days of the termination date. The RTA shall pay Contractor for any services for which compensation is owed; provided, however, the RTA shall not in any manner be liable for lost profits that might have been made by Contractor had the Agreement not been terminated or had Contractor completed the services required by this Agreement. Contractor shall promptly deliver to the RTA all

documents related to the performance of this Agreement in its possession or control. All such documents shall be the property of the RTA without additional compensation to Contractor.

8. NOTICES

Except as otherwise provided in this Agreement, any notice, submittal or communication required or permitted to be served on a party, shall be in writing and may be served by personal delivery to the person or the office of the person identified below. Service may also be made by mail, by placing first-class postage, and addressed as indicated below, and depositing in the United States mail to:

RTA Representative:

Omar McPherson
San Luis Obispo RTA
253 Elks Lane
San Luis Obispo, CA 93401
(805) 781-1171
Omcpherson@slorta.org

Contractor Representative:

Hugo Valdovinos
Connexionz LLC
CST Account & Project Manager
27220 Avenue Scott Suite 190
Santa Clarita, California 91355
(213) 807-9409
hugo.valdovinos@connexionz.com

9. INDEPENDENT CONTRACTOR

The parties intend that Contractor, in performing the services specified, shall act as an independent Contractor and shall have control of its work and the manner in which it is performed. Contractor, including Contractor's employees, shall not be considered agents or employees of the RTA. Neither Contractor nor Contractor's employees shall be entitled to participate in any pension plan, medical, or dental plans, or any other benefit provided by the RTA for its employees.

10. ADDITIONAL SERVICES

Changes to the Scope of Services shall be by written amendment to this Agreement and shall be paid on an hourly basis at the rates set forth in this Agreement, or paid as otherwise agreed upon by the parties in writing prior to the provision of any such additional services.

11. SUCCESSORS AND ASSIGNS

The RTA and Contractor each binds itself, its partners, successors, legal representatives and assigns to the other party to this Agreement and to the partners, successors, legal representatives and assigns of such other party in respect of all promises and agreements contained herein.

12. TIME OF PERFORMANCE

The services described herein shall be provided during the period, or in accordance with the schedule, set forth in Exhibit A – Scope of Services.

13. MISCELLANEOUS

a. Entire Agreement. This Agreement contains the entire agreement between the parties. Any and all verbal or written agreements made prior to the date of this Agreement are superseded by this Agreement and shall have no further effect.

b. Modification. No modification or change to the terms of this Agreement will be binding on a party unless in writing and signed by an authorized representative of that party.

c. Compliance with Laws. Contractor shall perform all services described herein in compliance with all applicable federal, state and local laws, rules, regulations, and ordinances, including but not limited to, (i) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) (“ADA”), and any regulations and guidelines issued pursuant to the ADA; and (ii) Labor Code sections 1700-1775, which require prevailing wages (in accordance with DIR schedule at www.dir.ca.gov) be paid to any employee performing work covered by Labor Code sections 1720 et seq.

d. Governing Law; Venue. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court in San Luis Obispo County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such court, and consent to service of process issued by such court.

e. Conflict of Interest. The RTA’s Conflict of Interest Code requires that individuals who qualify as “Contractors” under the Political Reform Act, California Government Code sections 87200 et seq., comply with the conflict of interest provisions of the Political Reform Act and the RTA’s Conflict of Interest Code, which generally prohibit individuals from making or participating in the making of decisions that will have a material financial effect on their economic interests. The term “Contractor” generally includes individuals who make governmental decisions or who serve in a staff capacity. In the event that the RTA determines, in its discretion, that Contractor is a “Contractor” under the Political Reform Act, Contractor shall cause the following to occur within 30 days after execution of this Agreement: (1) Identify the individuals who will provide services or perform work under this Agreement as “Contractors,” and (2) Cause these individuals to file with the RTA’s Representative the “assuming office” statements of

economic interests required by the RTA's Conflict of Interest Code. Thereafter, throughout the term of the Agreement, Contractor shall cause these individuals to file with the RTA Representative annual statements of economic interests, and "leaving office" statements of economic interests, as required by the RTA's Conflict of Interest Code. The above statements of economic interests are public records subject to public disclosure under the California Public Records Act. The RTA may withhold all or a portion of any payment due under this agreement until all required statements are files.

f. Waiver of Rights. Neither the RTA acceptance of, or payment for, any service or performed by Contractor, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

g. Ownership and Use of Property Rights. Unless otherwise expressly provide herein, all original works created by Contractor for the RTA hereunder shall be and remain the property of the RTA. Contractor agrees that any patentable or copyrightable property rights, to the extent created for the RTA as part of the services provided hereunder, shall be in the public domain and may be used by anyone for any lawful purpose.

h. Incorporation of attachments and exhibits. The attachments and exhibits to this Agreement are incorporated and made part of this Agreement, subject to terms and provisions herein contained.

i. Dispute resolution. Except as otherwise provided in this Agreement, any dispute concerning a question of fact arising under this Agreement which is not disposed of by agreement shall be decided by the RTA Deputy Director, who shall reduce the decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the RTA Deputy Director shall be final and conclusive unless within ten working (10) days from the date of receipt of such copy the Contractor mails or otherwise furnishes a written appeal addressed to the RTA Executive Director. The determination of such appeal by the Executive Director shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent or capricious, arbitrary, or not supported by substantial evidence. In connection with any appeal preceding under this clause the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the Agreement and in accordance with the Executive Director's decision.

The duties and obligations imposed by the Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

14. ACCESSIBILITY REQUIREMENTS

In addition to those requirements set forth in Subsection 13(C), the RTA requires that all RTA telecommunication services, websites and web-based applications and services are accessible to, and usable by, persons with disabilities. Contractor shall

provide all electronic, telecommunication, and information technology products and services to be provided under this Agreement in conformance with title 28, Part 35 of the Code of Federal Regulations, 28 C.F.R. §§ 35.130, et seq., and the accessibility standards set forth in Section 508 of the Rehabilitation Act of 1973, as amended. Section 508 standards are viewable at <http://access-board.gov/sec508/standards.htm>.

15. AUTHORITY; SIGNATURES REQUIRED FOR CORPORATIONS

Contractor hereby represents and warrants to the RTA that it is (a) duly organized and validly existing formed and in good standing under the laws of the State of California, (b) has the power and authority and the legal right to conduct the business in which it is currently engaged, and c) has all requisite power and authority and the legal right to consummate the transactions contemplated in this Agreement. Contractor hereby further represents and warrants that this Agreement has been duly authorized, and when executed by the signatory or signatories listed below, shall constitute a valid agreement binding on Contractor in accordance with the terms hereof.

If this Agreement is entered into by a corporation, it shall be signed by two corporate officers, one from each of the following two groups: a) the chairman of the board, president or any vice-president; b) the secretary, any assistant secretary, chief financial officer, or any assistant treasurer. The title of the corporate officer shall be listed under the signature.

Executed as of the day and year first above stated.

DRAFT

CONTRACTOR:

Name of Firm: **CONNEXIONZ LLC**

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (please specify: _____)

Signatures of Authorized Persons:

By: _____

Print Name:

Title: Certified Executive Officer

Taxpayer I.D. No. 98-0441396

**SAN LUIS OBISPO REGIONAL TRANSIT
AUTHORITY**

By: _____

Geoff Straw
RTA Executive Director

APPROVED AS TO FORM:

RTA Counsel

ATTEST:

RTA Clerk

Attachments:

- Attachment One – Insurance Requirements for Agreements for Professional Services
- Attachment Two – Federally Required Contract Clauses
- Exhibit A – Scope of Services

ATTACHMENT ONE

INSURANCE REQUIREMENTS FOR AGREEMENTS FOR PROFESSIONAL SERVICES

- A. Insurance Policies:** Contractor shall, at all times during the terms of this Agreement, maintain and keep in full force and effect, the following policies of insurance with minimum coverage as indicated below and issued by insurers with AM Best ratings of no less than A-VI or otherwise acceptable to the RTA.

Insurance	Minimum Coverage Limits	Additional Coverage Requirements
1. Commercial general liability	\$1 million per occurrence \$2 million aggregate	Coverage must be at least as broad as ISO CG 00 01 and must include completed operations coverage. If insurance applies separately to a project/location, aggregate may be equal to per occurrence amount. Coverage may be met by a combination of primary and excess insurance but excess shall provide coverage at least as broad as specified for underlying coverage. Coverage shall not exclude subsidence.
2. Business auto coverage	\$1 million	ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$ 1 million per accident for bodily injury and property damage.
3. Professional liability (E&O)	\$1 million per claim \$1 million aggregate	Contractor shall provide on a policy form appropriate to profession. If on a claims made basis, Insurance must show coverage date prior to start of work and it must be maintained for three years after completion of work.
4. Workers' compensation and employer's liability	\$1 million	As required by the State of California, with Statutory Limits and Employer's Liability Insurance with limit of no less than \$ 1 million per accident for bodily injury or disease. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the RTA for all work performed by the Contractor, its employees, agents and subcontractors.

B. Endorsements:

1. All policies shall provide or be endorsed to provide that coverage shall not be canceled, except after prior written notice has been provided to the RTA in accordance with the policy provisions.
2. Liability policies shall provide or be endorsed to provide the following:
 - a. For any claims related to this project, Contractor's insurance coverage shall be primary and any insurance or self-insurance maintained by the RTA shall be excess of the Contractor's insurance and shall not contribute with it; and,
 - b. The San Luis Obispo Regional Transit Authority, its officers, agents, employees and volunteers are to be covered as additional insured on the CGL policy. General liability coverage can be provided in the form of an endorsement to Contractor's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used.

C. Verification of Coverage and Certificates of Insurance: Contractor shall furnish the RTA with original certificates and endorsements effecting coverage required above. Certificates and endorsements shall make reference to policy numbers. All certificates and endorsements are to be received and approved by the RTA before work commences and must be in effect for the duration of the contract. The RTA reserves the right to require complete copies of all required policies and endorsements.

D. Other Insurance Provisions:

1. No policy required by this Agreement shall prohibit Contractor from waiving any right of recovery prior to loss. Contractor hereby waives such right with regard to the indemnities.
2. All insurance coverage amounts provided by Contractor and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement limits the application of such insurance coverage. Defense costs must be paid in addition to coverage amounts.
3. Self-insured retentions above \$10,000 must be approved by the RTA. At the RTA's option, Contractor may be required to provide financial guarantees.
4. Sole Proprietors must provide a representation of their Workers' Compensation Insurance exempt status.
5. The RTA reserves the right to modify these insurance requirements while this Agreement is in effect, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

**ATTACHMENT TWO
FEDERALLY REQUIRED CONTRACT CLAUSES**

2-1 ACCESS TO RECORDS AND REPORTS

1. Record Retention. The CONTRACTOR will retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, sub-agreements, leases, subcontracts, arrangements, other third party agreements of any type, and supporting materials related to those records.
2. Retention Period. The CONTRACTOR agrees to comply with the record retention requirements in accordance with 2 C.F.R. § 200.333. The CONTRACTOR shall maintain all books, records, accounts and reports required under this Contract for a period of at not less than three (3) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.
3. Access to Records. The CONTRACTOR agrees to provide sufficient access to FTA and its contractors to inspect and audit records and information related to performance of this contract as reasonably may be required.
4. Access to the Sites of Performance. The CONTRACTOR agrees to permit FTA and its contractors access to the sites of performance under this contract as reasonably may be required.

2-2 BONDING REQUIREMENTS *(Not Applicable to This Procurement)*

2-3 BUS TESTING *(Not Applicable to This Procurement)*

2-4 BUY AMERICA REQUIREMENTS *(Not Applicable to This Procurement)*

2-5 CARGO PREFERENCE REQUIREMENTS *(Not Applicable to This Procurement)*

2-6 CHARTER SERVICE *(Not Applicable to This Procurement)*

2-7 CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

The CONTRACTOR agrees:

1. It will not use any violating facilities;
2. It will report the use of facilities placed on or likely to be placed on the U.S. EPA "List of Violating Facilities;"
3. It will report violations of use of prohibited facilities to FTA; and

4. It will comply with the inspection and other requirements of the Clean Air Act, as amended, (42 U.S.C. §§ 7401 – 7671q); and the Federal Water Pollution Control Act as amended, (33 U.S.C. §§ 1251-1387).

2-8 CIVIL RIGHTS LAWS AND REGULATIONS

Civil Rights and Equal Opportunity

The RTA is an Equal Opportunity Employer. As such, the RTA agrees to comply with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, the RTA agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications.

Under this Agreement, the CONTRACTOR shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

1. Nondiscrimination. In accordance with Federal transit law at 49 U.S.C. § 5332, the CONTRACTOR agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In addition, the CONTRACTOR agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
2. Race, Color, Religion, National Origin, Sex. In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and Federal transit laws at 49 U.S.C. § 5332, the CONTRACTOR agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The CONTRACTOR agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the CONTRACTOR agrees to comply with any implementing requirements FTA may issue.
3. Age. In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the CONTRACTOR agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the CONTRACTOR agrees to comply with any implementing requirements FTA may issue.

4. Disabilities. In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and Federal transit law at 49 U.S.C. § 5332, the CONTRACTOR agrees that it will not discriminate against individuals on the basis of disability. In addition, the CONTRACTOR agrees to comply with any implementing requirements FTA may issue.

2-9 DISADVANTAGED BUSINESS ENTERPRISE (DBE)

The CONTRACTOR, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 C.F.R. part 26 in the award and administration of DOT-assisted contracts. Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the RTA deems appropriate, which may include, but is not limited to:

1. Withholding monthly progress payments;
2. Assessing sanctions;
3. Liquidated damages; and/or
4. Disqualifying the CONTRACTOR from future bidding as non-responsible.

Further, RTAs must establish a contract clause to require prime contractors to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment the RTA makes to the prime contractor. Finally, for contracts with defined DBE contract goals, each FTA RTA must include in each prime contract a provision stating that the CONTRACTOR shall utilize the specific DBEs listed unless the CONTRACTOR obtains the RTA's written consent; and that, unless the RTA's consent is provided, the CONTRACTOR shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

As an additional resource, RTAs can draw on the following language for inclusion in their federally funded procurements.

Overview

It is the policy of the RTA and the United States Department of Transportation ("DOT") that Disadvantaged Business Enterprises ("DBE's"), as defined herein and in the Federal regulations published at 49 C.F.R. part 26, shall have an equal opportunity to participate in DOT-assisted contracts. It is also the policy of the RTA to:

1. Ensure nondiscrimination in the award and administration of DOT-assisted contracts;
2. Create a level playing field on which DBE's can compete fairly for DOT-assisted contracts;
3. Ensure that the DBE program is narrowly tailored in accordance with applicable law;
4. Ensure that only firms that fully meet 49 C.F.R. part 26 eligibility standards are permitted to participate as DBE's;
5. Help remove barriers to the participation of DBEs in DOT assisted contracts;

6. To promote the use of DBEs in all types of federally assisted contracts and procurement activities; and
7. Assist in the development of firms that can compete successfully in the marketplace outside the DBE program.

This Contract is subject to 49 C.F.R. part 26. Therefore, the CONTRACTOR must satisfy the requirements for DBE participation as set forth herein. These requirements are in addition to all other equal opportunity employment requirements of this Contract. The RTA shall make all determinations with regard to whether or not a Bidder/Offeror is in compliance with the requirements stated herein. In assessing compliance, the RTA may consider during its review of the Bidder/Offeror's submission package, the Bidder/Offeror's documented history of non-compliance with DBE requirements on previous contracts with the RTA.

Contract Assurance

The CONTRACTOR, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. The CONTRACTOR shall carry out applicable requirements of 49 C.F.R. part 26 in the award and administration of DOT-assisted contracts. Failure by the CONTRACTOR to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy as the RTA deems appropriate.

DBE Participation

For the purpose of this Contract, the RTA will accept only DBE's who are:

1. Certified, at the time of bid opening or proposal evaluation, by the California Department of Transportation; or
2. An out-of-state firm who has been certified by either a local government, state government or Federal government entity authorized to certify DBE status or an agency whose DBE certification process has received FTA approval; or
3. Certified by another agency approved by the RTA.

DBE Participation Goal

The DBE participation goal for this Contract is set at 5.1%. This goal represents those elements of work under this Contract performed by qualified Disadvantaged Business Enterprises for amounts totaling **not less than** 5.1% of the total Contract price. Failure to meet the stated goal at the time of proposal submission may render the Bidder/Offeror non-responsive.

Proposed Submission

Each Bidder/Offeror, as part of its submission, shall supply the following information:

1. A completed **DBE Utilization Form** (see below) that indicates the percentage and dollar value of the total bid/contract amount to be supplied by Disadvantaged Business Enterprises under this Contract.
2. A list of those qualified DBE's with whom the Bidder/Offeror intends to contract for the performance of portions of the work under the Contract, the agreed price to be paid to each DBE for work, the Contract items or parts to be performed by each DBE, a proposed timetable for the performance or delivery of the Contract item, and other

information as required by the **DBE Participation Schedule** (see below). No work shall be included in the Schedule that the Bidder/Offeror has reason to believe the listed DBE will subcontract, at any tier, to other than another DBE. If awarded the Contract, the Bidder/Offeror may not deviate from the DBE Participation Schedule submitted in response to the bid. Any subsequent changes and/or substitutions of DBE firms will require review and written approval by the RTA.

3. An original **DBE Letter of Intent** (see below) from each DBE listed in the **DBE Participation Schedule**.
4. An original **DBE Affidavit** (see below) from each DBE stating that there has not been any change in its status since the date of its last certification.

Good Faith Efforts

If the Bidder/Offeror is unable to meet the goal set forth above (DBE Participation Goal), the RTA will consider the Bidder/Offeror's documented good faith efforts to meet the goal in determining responsiveness. The types of actions that the RTA will consider as part of the Bidder/Offeror's good faith efforts include, but are not limited to, the following:

1. Documented communication with the RTA's DBE Coordinator (questions of IFB or RFP requirements, subcontracting opportunities, appropriate certification, will be addressed in a timely fashion);
2. Pre-bid meeting attendance. At the pre-bid meeting, the RTA generally informs potential Bidder/Offeror's of DBE subcontracting opportunities;
3. The Bidder/Offeror's own solicitations to obtain DBE involvement in general circulation media, trade association publication, minority-focus media and other reasonable and available means within sufficient time to allow DBEs to respond to the solicitation;
4. Written notification to DBE's encouraging participation in the proposed Contract; and
5. Efforts made to identify specific portions of the work that might be performed by DBE's.

The Bidder/Offeror shall provide the following details, at a minimum, of the specific efforts it made to negotiate in good faith with DBE's for elements of the Contract:

1. The names, addresses, and telephone numbers of DBE's that were contacted;
2. A description of the information provided to targeted DBE's regarding the specifications and bid proposals for portions of the work;
3. Efforts made to assist DBE's contacted in obtaining bonding or insurance required by the Bidder or the RTA.

Further, the documentation of good faith efforts must include copies of each DBE and non-DBE subcontractor quote submitted when a non-DBE subcontractor was selected over a DBE for work on the contract. In determining whether a Bidder has made good faith efforts, the RTA may take into account the performance of other Bidders in meeting the Contract goals. For example, if the apparent successful Bidder failed to meet the goal, but meets or exceeds the average

DBE participation obtained by other Bidders, the RTA may view this as evidence of the Bidder having made good faith efforts.

Administrative Reconsideration

Within five (5) business days of being informed by the RTA that it is not responsive or responsible because it has not documented sufficient good faith efforts, the Bidder/Offeror may request administrative reconsideration. The Bidder should make this request in writing to the RTA's Civil Rights Officer. The RTA Civil Rights Officer will forward the Bidder/Offeror's request to a reconsideration official who will not have played any role in the original determination that the Bidder/Offeror did not document sufficient good faith efforts.

As part of this reconsideration, the Bidder/Offeror will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The Bidder/Offeror will have the opportunity to meet in person with the assigned reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do so. The RTA will send the Bidder/Offeror a written decision on its reconsideration, explaining the basis for finding that the Bidder/Offeror did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

Termination of DBE Subcontractor

The CONTRACTOR shall not terminate the DBE subcontractor(s) listed in the **DBE Participation Schedule** (see below) without the RTA's prior written consent. The RTA may provide such written consent only if the CONTRACTOR has good cause to terminate the DBE firm. Before transmitting a request to terminate, the CONTRACTOR shall give notice in writing to the DBE subcontractor of its intent to terminate and the reason for the request. The CONTRACTOR shall give the DBE five days to respond to the notice and advise of the reasons why it objects to the proposed termination. When a DBE subcontractor is terminated or fails to complete its work on the Contract for any reason, the CONTRACTOR shall make good faith efforts to find another DBE subcontractor to substitute for the original DBE and immediately notify the RTA in writing of its efforts to replace the original DBE. These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the Contract as the DBE that was terminated, to the extent needed to meet the Contract goal established for this procurement. Failure to comply with these requirements will be in accordance with Sanctions for Violations section below.

Continued Compliance

The RTA shall monitor the CONTRACTOR's DBE compliance during the life of the Contract. In the event this procurement exceeds ninety (90) days, **it will be the responsibility of the CONTRACTOR to submit quarterly written reports to the RTA that** summarize the total DBE value for this Contract. These reports shall provide the following details:

1. DBE utilization established for the Contract;
2. Total value of expenditures with DBE firms for the quarter;
3. The value of expenditures with each DBE firm for the quarter by race and gender;
4. Total value of expenditures with DBE firms from inception of the Contract; and

5. The value of expenditures with each DBE firm from the inception of the Contract by race and gender.

Reports and other correspondence must be submitted to the RTA Civil Rights Officer. Reports shall continue to be submitted quarterly until final payment is issued or until DBE participation is completed.

The successful Bidder/Offeror shall permit:

1. The RTA to have access to necessary records to examine information as the RTA deems appropriate for the purpose of investigating and determining compliance with this provision, including, but not limited to, records of expenditures, invoices, and contract between the successful Bidder/Offeror and other DBE parties entered into during the life of the Contract.
2. The authorized representative(s) of the RTA, the U.S. Department of Transportation, the Comptroller General of the United States, to inspect and audit all data and record of the CONTRACTOR relating to its performance under the Disadvantaged Business Enterprise Participation provision of this Contract.
3. All data/record(s) pertaining to DBE shall be maintained as stated in Section 2-1 ACCESS TO RECORDS.

Sanctions for Violations

If at any time the RTA has reason to believe that the CONTRACTOR is in violation of its obligations under this Agreement or has otherwise failed to comply with terms of this Section, the RTA may, in addition to pursuing any other available legal remedy, commence proceedings, which may include but are not limited to, the following:

1. Suspension of any payment or part due the CONTRACTOR until such time as the issues concerning the CONTRACTOR's compliance are resolved; and
2. Termination or cancellation of the Contract, in whole or in part, unless the successful CONTRACTOR is able to demonstrate within a reasonable time that it is in compliance with the DBE terms stated herein.

DBE UTILIZATION FORM

The undersigned Bidder/Offeror has satisfied the requirements of the solicitation in the following manner (please check the appropriate space):

_____ The Bidder/Offer is committed to a minimum of _____% DBE utilization on this contract.

_____ The Bidder/Offeror (if unable to meet the DBE goal of %) is committed to a minimum of _____% DBE utilization on this contract and submits documentation demonstrating good faith efforts.

DBE PARTICIPATION SCHEDULE

The Bidder/Offeror shall complete the following information for all DBE's participating in the contract that comprises the DBE Utilization percent stated in the DBE Utilization Form. The Bidder/Offeror shall also furnish the name and telephone number of the appropriate contact person should the RTA have any questions in relation to the information furnished herein.

Name and Address	Contact Name and Telephone Number	Participation Percent (Of Total Contract Value)	Description Of Work To Be Performed	Race and Gender of Firm

2-10 EMPLOYEE PROTECTIONS

The following three FTA required clauses pertain to this procurement.

Prevailing Wage and Anti-Kickback

For all prime construction, alteration or repair contracts in excess of \$2,000 awarded by FTA, the CONTRACTOR shall comply with the Davis-Bacon Act and the Copeland "Anti-Kickback" Act. Under 49 U.S.C. § 5333(a), prevailing wage protections apply to laborers and mechanics employed on FTA assisted construction, alteration, or repair projects. The CONTRACTOR will comply with the Davis-Bacon Act, 40 U.S.C. §§ 3141-3144, and 3146-3148 as supplemented by DOL regulations at 29 C.F.R. part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction." In accordance with the statute, the CONTRACTOR shall pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, the CONTRACTOR agrees to pay wages not less than once a week. The CONTRACTOR shall also comply with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by DOL regulations at 29 C.F.R. part 3, "CONTRACTORS and Subcontractors on Public Building or Public Work Financed in Whole or in part by Loans or Grants from the United States." The CONTRACTOR is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

Contract Work Hours and Safety Standards

For all contracts in excess of \$100,000 that involve the employment of mechanics or laborers, the CONTRACTOR shall comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708), as supplemented by the DOL regulations at 29 C.F.R. part 5. Under 40 U.S.C. § 3702 of the Act, the CONTRACTOR shall compute the wages of every mechanic and laborer, including watchmen and guards, on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or to contracts for transportation or transmission of intelligence.

In the event of any violation of the clause set forth herein, the CONTRACTOR and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, the CONTRACTOR and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of this clause in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by this clause.

The FTA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the CONTRACTOR or subcontractor under any such contract or any other Federal contract with the same prime CONTRACTOR, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime

CONTRACTOR, such sums as may be determined to be necessary to satisfy any liabilities of such CONTRACTOR or subcontractor for unpaid wages and liquidated damages as provided in this section.

The CONTRACTOR or subcontractor shall insert in any subcontracts the clauses set forth in this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime CONTRACTOR shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in this agreement.

Contract Work Hours and Safety Standards for Awards Not Involving Construction

The CONTRACTOR shall comply with all federal laws, regulations, and requirements providing wage and hour protections for non-construction employees, in accordance with 40 U.S.C. § 3702, Contract Work Hours and Safety Standards Act, and other relevant parts of that Act, 40 U.S.C. § 3701 et seq., and U.S. DOL regulations, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Non-construction Contracts Subject to the Contract Work Hours and Safety Standards Act)," 29 C.F.R. part 5.

The CONTRACTOR shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three (3) years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid.

Such records maintained under this paragraph shall be made available by the CONTRACTOR for inspection, copying, or transcription by authorized representatives of the FTA and the Department of Labor, and the CONTRACTOR will permit such representatives to interview employees during working hours on the job.

The CONTRACTOR shall require the inclusion of the language of this clause within subcontracts of all tiers.

2-11 ENERGY CONSERVATION

The CONTRACTOR agrees to comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

2-12 FLY AMERICA

1. Definitions. As used in this clause—

“International air transportation” means transportation by air between a place in the United States and a place outside the United States or between two places both of which are outside the United States.

“United States” means the 50 States, the District of Columbia, and outlying areas.

“U.S.-flag air carrier” means an air carrier holding a certificate under 49 U.S.C. Chapter 411.

2. When Federal funds are used to fund travel, Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) (Fly America Act) requires CONTRACTORS, RTAs, and others use U.S.-flag air carriers for U.S. Government-financed international air transportation of personnel (and their personal effects) or property, to the extent that service by those carriers is available. It requires the Comptroller General of the United States, in the absence of satisfactory proof of the necessity for foreign-flag air transportation, to disallow expenditures from funds, appropriated or otherwise established for the account of the United States, for international air transportation secured aboard a foreign-flag air carrier if a U.S.-flag air carrier is available to provide such services.
3. If available, the CONTRACTOR, in performing work under this contract, shall use U.S.-flag carriers for international air transportation of personnel (and their personal effects) or property.
4. In the event that the CONTRACTOR selects a carrier other than a U.S.-flag air carrier for international air transportation, the CONTRACTOR shall include a statement on vouchers involving such transportation essentially as follows:

Statement of Unavailability of U.S.-Flag Air Carriers

International air transportation of persons (and their personal effects) or property by U.S.-flag air carrier was not available or it was necessary to use foreign-flag air carrier service for the following reasons. See FAR § 47.403.
[State reasons]:

(End of statement)

5. The CONTRACTOR shall include the substance of this clause, including this paragraph (e), in each subcontract or purchase under this contract that may involve international air transportation.

2-13 GOVERNMENT-WIDE DEBARMENT AND SUSPENSION

The CONTRACTOR shall comply and facilitate compliance with U.S. DOT regulations, “Nonprocurement Suspension and Debarment,” 2 C.F.R. part 1200, which adopts and supplements the U.S. Office of Management and Budget (U.S. OMB) “Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” 2 C.F.R. part 180. These provisions apply to each contract at any tier of \$25,000 or more, and to each contract at any tier for a federally required audit (irrespective of the contract amount), and to each contract at any tier that must be approved by an FTA official irrespective of the contract amount. As such, the CONTRACTOR shall verify that its principals, affiliates, and subcontractors are eligible to participate in this federally funded contract and are not presently declared by any Federal department or agency to be:

1. Debarred from participation in any federally assisted Award;
2. Suspended from participation in any federally assisted Award;

3. Proposed for debarment from participation in any federally assisted Award;
4. Declared ineligible to participate in any federally assisted Award;
5. Voluntarily excluded from participation in any federally assisted Award; or
6. Disqualified from participation in any federally assisted Award.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by the RTA. If it is later determined by the RTA that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to the RTA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 2 C.F.R. part 180, subpart C, as supplemented by 2 C.F.R. part 1200, while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

2-14 LOBBYING RESTRICTIONS – See Attachment A, which includes a submittal form.

2-15 NO GOVERNMENT OBLIGATION TO THIRD PARTIES

The Recipient and CONTRACTOR acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Recipient, CONTRACTOR or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract. The CONTRACTOR agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by the FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

2-16 PATENT RIGHTS AND RIGHTS IN DATA (*Not Applicable to This Procurement*)

2-17 PRE-AWARD AND POST-DELIVERY AUDITS OF ROLLING STOCK PURCHASES (*Not Applicable to This Procurement*)

2-18 PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS

The CONTRACTOR acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the CONTRACTOR certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the CONTRACTOR further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the CONTRACTOR to the extent the Federal Government deems appropriate.

The CONTRACTOR also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. chapter 53, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5323(l) on the CONTRACTOR, to the extent the Federal Government deems appropriate.

The CONTRACTOR agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

2-19 PUBLIC TRANSPORTATION EMPLOYEE PROTECTIVE ARRANGEMENTS (Not Applicable to This Procurement)

2-20 RECYCLED PRODUCTS

The CONTRACTOR agrees to provide a preference for those products and services that conserve natural resources, protect the environment, and are energy efficient by complying with and facilitating compliance with Section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962, and U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials," 40 C.F.R. part 247.

2-21 SAFE OPERATION OF MOTOR VEHICLES

The CONTRACTOR is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company-rented vehicles, or personally operated vehicles. The terms "company-owned" and "company-leased" refer to vehicles owned or leased either by the CONTRACTOR or RTA.

The CONTRACTOR agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Contractor owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this agreement.

2-22 SCHOOL BUS OPERATIONS (Not Applicable to This Procurement)

2-23 SEISMIC SAFETY

The CONTRACTOR agrees that any new building or addition to an existing building will be designed and constructed in accordance with the standards for Seismic Safety required in Department of Transportation (DOT) Seismic Safety Regulations 49 C.F.R. part 41 and will certify to compliance to the extent required by the regulation. The CONTRACTOR also agrees to ensure that all work performed under this contract, including work performed by a subcontractor, is in compliance with the standards required by the Seismic Safety regulations and the certification of compliance issued on the project.

2-24 SUBSTANCE ABUSE REQUIREMENTS (Not Applicable to This Procurement)

2-25 TERMINATION

The RTA, by written notice, may terminate this contract, in whole or in part, when it is in the RTA's interest. If this contract is terminated, the RTA shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.

If the CONTRACTOR fails to deliver supplies or to perform the services within the time specified in this contract or any extension, or if the CONTRACTOR fails to comply with any other provisions of this contract, the RTA may terminate this contract for default. The RTA shall terminate by delivering to the CONTRACTOR a Notice of Termination specifying the nature of the default. The CONTRACTOR will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract.

If, after termination for failure to fulfill contract obligations, it is determined that the CONTRACTOR was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the RTA.

2-26 VIOLATION AND BREACH OF CONTRACT

Rights and Remedies of the RTA

The RTA shall have the following rights in the event that the RTA deems the CONTRACTOR guilty of a breach of any term under the Contract.

1. The right to take over and complete the work or any part thereof as agency for and at the expense of the CONTRACTOR, either directly or through other CONTRACTORS;
2. The right to cancel this Contract as to any or all of the work yet to be performed;
3. The right to specific performance, an injunction or any other appropriate equitable remedy; and
4. The right to money damages.

Rights and Remedies of CONTRACTOR

Inasmuch as the CONTRACTOR can be adequately compensated by money damages for any breach of this Contract, which may be committed by the RTA, the CONTRACTOR expressly agrees that no default, act or omission of the RTA shall constitute a material breach of this Contract, entitling CONTRACTOR to cancel or rescind the Contract (unless the RTA directs CONTRACTOR to do so) or to suspend or abandon performance.

Remedies

Substantial failure of the CONTRACTOR to complete the Project in accordance with the terms of this Agreement will be a default of this Agreement. In the event of a default, the RTA will have all remedies in law and equity, including the right to specific performance, without further assistance, and the rights to termination or suspension as provided herein. The CONTRACTOR recognizes that in the event of a breach of this Agreement by the CONTRACTOR before the RTA takes action contemplated herein, the RTA will provide the CONTRACTOR with sixty (60) days written notice that the RTA considers that such a breach has occurred and will provide the CONTRACTOR a reasonable period of time to respond and to take necessary corrective action.

Disputes

Disputes arising in the performance of this Contract that are not resolved by agreement of the parties shall be decided in writing by the RTA Executive Director. This decision shall be final and conclusive unless within [10] days from the date of receipt of its copy, the CONTRACTOR mails or otherwise furnishes a written appeal to the RTA Executive Director. In connection with any such appeal, the CONTRACTOR shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the RTA Executive Director shall be binding upon the CONTRACTOR and the CONTRACTOR shall abide by the decision.

In the event that a resolution of the dispute is not mutually agreed upon, the parties can agree to mediate the dispute or proceed with litigation. Notwithstanding any provision of this section, or any other provision of this Contract, it is expressly agreed and understood that any court proceeding arising out of a dispute under the Contract shall be heard by a Court de novo and the court shall not be limited in such proceeding to the issue of whether the RTA acted in an arbitrary, capricious or grossly erroneous manner.

Pending final settlement of any dispute, the parties shall proceed diligently with the performance of the Contract, and in accordance with the RTA's direction or decisions made thereof.

Performance during Dispute

Unless otherwise directed by RTA, CONTRACTOR shall continue performance under this Contract while matters in dispute are being resolved.

Claims for Damages

Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of its employees, agents or others for whose acts it is legally liable, a claim for damages therefor shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

Remedies

Unless this Contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the RTA and the CONTRACTOR arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which the RTA is located.


Rights and Remedies

The duties and obligations imposed by the Contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the RTA or CONTRACTOR shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

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DRAFT

Exhibit A

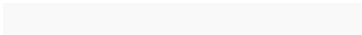
<p>San Luis Obispo Regional Transit Authority referred to as "Customer"</p>	<p>CUSTOMER REPRESENTATIVE CONTACT DETAILS</p>	<p>Omar McPherson Operations Manager +1-805.541.2228 omcpherson@slorta.org</p> <p>Signature:</p> <p>Date:</p>
<p>Connexionz</p>	<p>CONNEXIONZ REPRESENTATIVE CONTACT DETAILS</p>	<p>Hugo Valdovinos CST Account and Project Manager +1-213-807-9409 hugo.valdovinos@connexionz.com</p> <p>Signature:</p>  <p>Date: 04/27/2026</p>

AGREEMENT NUMBER	SLO-RTA-SM-2026-2031
DATE OF COMMENCEMENT	May 9 th , 2026
TERM OF AGREEMENT	The initial term of this Agreement is two (2) years. The Customer may elect to extend the Agreement for up to three (3) additional one-year optional renewal terms (Years 3–5), subject to the pricing and conditions set forth in this agreement.
	<ol style="list-style-type: none"> Connexionz contracts to provide services to maintain the software and hardware, subject to the terms and conditions of the Agreement. The Customer accepts the offer on the terms and conditions of the Agreement. Prices are noted in USD and exclude any applicable tax
TOTAL AGREEMENT FEES	<p>Service, Support, Maintenance, & Preventative Maintenance: This agreement includes all service, support, and maintenance of all Connexionz installed applications, hardware, services, and integrations, to ensure the Intelligent Transportation System (ITS) systems remain operational.</p> <p style="text-align: center;">Years 2–5 pricing assumes a fixed annual CPI increase of 3%</p> <ul style="list-style-type: none"> • Year 1: \$106,419.62 - May 9, 2026 – May 8, 2027 • Year 2: \$109,612.21 - May 9, 2027 – May 8, 2028 ○ Optional Year 3: \$112,900.57 - May 9, 2028 – May 8, 2029 ○ Optional Year 4: \$116,287.59 - May 9, 2029 – May 8, 2030 ○ Optional Year 5: \$119,776.22 - May 9, 2030 – May 8, 2031 <p style="text-align: center;">Total SMA (5 Years): \$564,996.21</p> <p style="text-align: center;"><i>Total 5-year value is provided for budgeting purposes only and is not a binding commitment beyond the initial term unless each option year is exercised.</i></p> <p>Assumptions</p> <ol style="list-style-type: none"> This Agreement excludes Radio Busfinder warranty coverage, as this hardware is no longer manufactured or supported. This Agreement covers up to forty-seven (47) vehicles and seven (7) LED wayside signs. Should additional vehicles be added during the term of this Agreement, applicable fees will be prorated from the date of service through the end of the applicable SMA year. This Agreement includes warranty coverage for all hardware. Warranty coverage shall not apply to hardware failures resulting from physical damage, misuse, or improper handling. includes five (5) G2 Medius units and five (5) Pepwave routers, to be used as replacement units as needed by Connexionz to support warranty fulfillment across covered vehicles and will be replenished by Connexionz at no additional cost as part of the SMA, subject to the quantities defined in this agreement. SMS services include up to 200,000 messages per year. Any usage exceeding this annual limit will be billed as overage charges in accordance with the rates outlined in this Agreement. Warranty coverage is included for G1 Medius units currently installed in the fleet. However, if future software updates or compliance requirements (e.g., SOC 2) cannot be supported by the G1 platform but are supported by the G2 Medius platform, SLORTA will be required to upgrade the applicable hardware at its own cost to meet such requirements.
OPTIONAL SMA EXTENSIONS	Upon expiration of the initial term, the Customer may elect to exercise the optional renewal terms in accordance with the pricing and conditions set forth in this Agreement.
FEES PAYMENT	Fees for each Agreement year shall be invoiced in advance and are due prior to commencement of the applicable term, unless otherwise agreed in writing by both parties.
SUMMARY OF SERVICE AND MAINTENANCE AGREEMENT	
<input checked="" type="checkbox"/>	Access to 24/7/365 Support.
<input checked="" type="checkbox"/>	Monthly status report and updates call with Connexionz Customer Support Resource.

<input checked="" type="checkbox"/>	Solution Updates for all licensed modules.
<input checked="" type="checkbox"/>	Support to resolve incidents recorded in the CNX Helpdesk Portal for all Connexionz licensed Software solutions.
<input checked="" type="checkbox"/>	Service Level Agreement as per Schedule 2.
<input checked="" type="checkbox"/>	Unlimited remote training.

Contents

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Schedule 3 – Asset Register	8
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Schedule 1 – Scope of Service

Connexionz Standards of Service and Support

Connexionz provides the following standards of service for the service, support, and maintenance of its software and hardware solutions to all customers with a current support and maintenance agreement and paid balances.

Please note that the standards defined in this document may be subject to change and periodic updates, for which the Customer will be notified in writing.

Terms

- CNX is an abbreviation for Connexionz.
- System refers to all software and hardware aspects of the CNX solution environment.
- Incident refers to a defect, error, deficiency, or failure of the CNX system.
- Support is the provision of 24/7/365 access to our customers.
- Priority indicates the impact an incident may have upon the user or Customer.
- Critical Hardware Spares refers to equipment and parts that are intended to remain on-site with customers for replacement purposes.
- CNX Service Desk Portal is a system for logging, tracking, and reporting all Incidents, requests, and general enquiries, irrespective of the communication method.

99.9 % CNX System Uptime

- Connexionz ensures >99.9% system uptime, excluding scheduled maintenance and upgrades.
- Maintenance procedures and upgrades will be scheduled to minimize disruption during customers' normal business and service hours and will be subject to the CNX change control and deployment processes.

Standard CNX Support & Maintenance Services

- Connexionz will provide remote support as the first step in investigating reported Incidents. This may require assistance from the customer to facilitate the investigation and troubleshooting.
- If an Incident is hardware-related and cannot be resolved remotely, Connexionz may either:
 - Request the return of the affected hardware for further analysis, or
 - Dispatch a Field Technician to the customer's site to complete troubleshooting and remediation activities

System Upgrades/Updates

- Connexionz standard product system upgrades will be supplied at no added cost, provided the Customer's maintenance and support agreement with CNX is current, and balances are paid.
- System upgrades are provided when required to repair identified software or system "bugs" and to deliver additional features and services to our customers.

CNX Support Contact Methods

Connexionz will provide several ways to access support and service:

- **CNX Service Desk Portal:** <https://connexionz.atlassian.net/servicedesk/customer/portals>
- **Telephone:** +1 (661) 451 1005 Extension: 2
- **Email:** help@connexionz.com
- **Callback:** customers can email supportcallback@connexionz.com with the following details, and we will call you back:
 - Your name
 - Your phone number (including your country & area code)
 - The name of the organization and/or agency you are calling about.

Incidents, requests, and general enquiries sent to the CNX Service Desk will be logged by CNX support staff. Customers contacting the CNX Service Desk will be asked to provide accurate details of system conditions relating to the incident, including any relevant error messages and steps taken to reproduce the incident.

CNX Hardware Warranty Claim Process

For hardware covered under warranty, Connexionz will assess the eligibility for repair or replacement as follows:

Ticket Submission

The Customer must submit a support ticket via the Connexionz Service Desk Portal, clearly describing the nature of the malfunction. Relevant details should be included, such as:

- Date of occurrence
- Vehicle number (if applicable)
- Part number and serial number (if available)
- Supporting images or screenshots (if available)

Claim Verification

The Connexionz Customer Support Team will review the submitted information to determine hardware warranty eligibility. If further investigation is required, Connexionz may request that the item be returned. In such cases, a shipping label will be provided at Connexionz's expense.

Claim Resolution

If the claim is approved:

- **Hardware Repair:** Connexionz will issue an RMA (Return Merchandise Authorization) number and provide a shipping label along with delivery instructions. The Customer will not incur any additional shipping costs. Once repaired, the hardware will be returned to the Customer.
- **Hardware Replacement:** Connexionz will issue an RMA (Return Merchandise Authorization) number and start the required procurement order, coordinating delivery to the Customer's site.

Claim Rejection

If the claim is not approved, the Customer may request a Sales Quote for a new hardware order, or escalate the decision to the CNX Customer Success Team Account Manager.

Schedule 2 – Service Levels and Resolution Times

Incident Types and Priority Levels

Priority	Incident Type	Description of Incident
1	CNX Core	The connection to Connexionz Core is completely unavailable impacting all users.
	CNX Onboard Hardware / Software	Constant failure of CNX onboard Hardware / Software impacting greater than 30% of buses.
2	CNX Core	Major or partial Core system failure impacting all users.
	CNX API's	CNX Web Portal, Mobile App, SMS, and/or GTFS/RT Data Feeds are unavailable.
	CNX Onboard Hardware / Software	Constant failure of CNX onboard Hardware / Software is impacting 15% to 30% of buses. Periodic failure of CNX onboard Hardware / Software is impacting greater than 15% of buses.
3	CNX Core	A limited number of users or non-critical functions affecting the Core system
	CNX API's	A limited number of functions within the CNX Web Portal, Mobile App, SMS, and/or GTFS/RT Data Feeds are unavailable.
	CNX Onboard Hardware / Software	Constant or periodic failure of CNX Hardware / Software impacting less than 15% of buses
4	CNX Core	Minor bugs impacting users
	CNX API's	Minor bugs impacting CNX Web Portal, Mobile App, SMS, and/or GTFS/RT Data Feeds
	CNX Onboard Hardware / Software	Any functionality that does not impact critical business functions.

Priority Schedule

The following table describes the service level agreement for Incidents that cannot be resolved in the initial request logged with the Service Desk.

Priority	SLA Response Time	Target Resolution Time
1	2 hours	ASAP – may require a workaround or 3 rd party resolution
2	1 Business Day	Less than 2 Business Days
3	1 Business Day	Less than 5 Business Days
4	1 Business Day	Within mutually agreed timeframes

Non-Hosted Connexionz Solutions

- Non-hosted CNX systems will require remote access by designated CNX support staff if they are to resolve incidents.
- Connexionz will comply with all access control requirements of the Customer.
- Connexionz will not be liable for any failure or delay in providing system support or services where an incident is the direct or indirect result of actions taken by the Customer on its self-hosted system.

Incident Reporting

- Monthly Incident Reports will be issued, clearly presenting the status of each logged incident. These reports will also highlight any relevant risks or issues to the solution and identify possible changes that may be required to the CNX system or services.
- A Priority 1 Incident Report will be issued within ten working days following the resolution of all Priority 1 Incidents.

Critical Hardware Spares

- If purchased, critical hardware spares will be used as required to address hardware malfunctions and issues, so solutions may be returned to service ASAP.
- Critical hardware spares will be delivered to and become the responsibility of the Customer upon delivery, acceptance, and payment in full by the Customer. They are to be stored in a convenient, secure location and be accessible as required to assist with the resolution of Incidents.

- Utilization of critical hardware spares by CNX will be communicated to customers via the related incident in the service ticketing system. Replacements will be delivered as soon as practicable, so the agreed quantity levels in Schedule 4 can be maintained for the duration of the working agreement or contract between CNX and its customers.

Limitations and Exceptions to Standard Services, Support, and Maintenance

- CNX will support its systems and resolve Incidents that result from normal transit operations as part of this agreement; however, Incidents attributed to vandalism, misuse, or gross negligence not caused by CNX system failures, and/or acts of nature are not covered by this agreement.
- CNX reserves the right to bill time and claim-related reimbursements for the resolution of Incidents determined to be caused by vandalism, misuse, or gross negligence not caused by CNX, as well as acts of nature or any hardware-mechanical failures that fall outside of warranty.
- CNX will be the "first line of support" for any system-related Incidents; however, where third-party Software or solutions are provided as part of the system, the support priority/response cannot be guaranteed.
- Where Incidents are deemed to be caused by third-party Software or solutions managed by the Customer, CNX will not be held responsible for the resolution of the incident.
- CNX reserves the right to bill time and claim-related reimbursements for all work on Incidents determined to be caused by third-party Software or solutions managed by the Customer.
- CNX may be limited in its capability to address Incidents related to hardware solutions where the hardware is no longer under warranty or support.

Schedule 3 – Asset Register

Software Applications, Hardware, Integrations, & Services

The following software applications, hardware, integrations, and services are covered under the support and maintenance included in this agreement:

CNX Core

- Dispatch
- Route Planner
- Insights Analysis & Reporting
- Notify
- Publisher
- Note Categories
- Media Playlist
- Time View ETA/ETD Display URL Generator
- Schedule Import
- Service Calendar
- Driver Manager
- Admin Center

CNX Supplied On-Bus Hardware

- Medius
- CNX Cellular Router
- CNX Antenna
- Tablet

- Tablet Mount
- LCD Monitor/s
- Duress/Emergency Button Alarm
- Internal LED Next Stop Signs
- Automatic Passenger Counters
- Traffic Signal Priority Beacon

- Passenger Wi-Fi Antenna
- Transit Center Beacon

CNX Wayside & Interchange Signage Hardware

- LED ETA /ETD & CMS Signage
- Automatic Bus Bay Allocation Detection Point
- Bay Controller

- In Bay Bus Detection Point
- Web Switches
- Announcement Speakers
- BrightSign Sign Controller
- CNX Cellular Router

CNX Wayside & Interchange Signage Services

- Arrival/Departure TTS Announcements
- ETA/ETD Visual Announcements
- Automatic Bus Bay Allocation
- In Bay Bus Detection
- In Bay Announcements

CNX Fixed Route Vehicle ITS Integrations & Features

- Medius Linux OS
- GPS Realtime Tracking
- Text-To-Speech Announcements
- FM Radio Announcement Override
- Drivers Microphone Announcement Override
- Driver/Pilot MDT
- MDT Kiosk Mode
- Internal LED Next Stop Sign Integration
- Headsign Integration
- Multimedia Infotainment
- Stop Request Integration
- Duress/Emergency Button Alarm Integration
- Duress Headsign Integration
- Automatic Passenger Counters Integration
- Engine Diagnostics Integration
- Fuel Logging Integration
- Farebox Single Sign-on, Route, Trip & Fare Set Integration
- Traffic Signal Priority Integration
- Transit Center In-Bay Detection
- Broadsign Integration
- Daktroniks Headsign Integration
- Wi-Fi Management
- Cellular Router Integration (see notes)

CNX Non-Fixed Route Vehicle Tracking

- GPS Realtime Tracking
- Cellular Router Integration (see notes)

CNX Solution Services

- Server and Database Hosting
- Website Hosting & Domain Management (*.connexionz.net)
- Mobile App Hosting & Management
- Cellular Data Plans
- GTFS & GTFS-RT Data & Feed Management
- Bus Video Surveillance
- Run Cutting & Scheduling Software
- UTA APC NTD Certification & NTD Reporting
- MDT VOIP
- MDT Pre & Post Trip Inspections
- LCD Content Management System
- Mobile Ticketing
- RideText SMS System

- In Bay Automated Doors
- E-Ink ETA TTS Announcements

CNX Public Website, Apps & GTFS

- CNX Transit Page (Public Website)
- Public Website Bus Stop ETA Subscriptions (200K SMS)
- iOS & Android Branded Mobile Application
- Website Language Translation
- Google Transit Trip Planner
- GTFS & GTFS-RT Data Feeds

Vehicles and LED Signs

The following vehicles are included in this agreement:

Vehicle ID	Medius	MDT
1013	G1	K86
1301	G1	N/A
1302	G1	N/A
1303	G1	N/A
1304	G1	N/A
1305	G1	N/A
1306	G1	N/A
1307	G1	N/A
1308	G1	N/A
1309	G1	N/A
1310	G1	N/A
1501	G1	N/A
1502	G1	N/A
1503	G1	N/A
1504	G1	N/A
1505	G1	N/A
1506	G1	N/A
1507	G1	N/A
1508	G1	N/A
1509	G1	N/A
1707	G1	K86
1801	G1	N/A
1802	G1	N/A
1803	G1	N/A
1910	G1	N/A
1911	G1	N/A

Vehicle ID	Medius	MDT
1912	G1	N/A
1941	G2	N/A
2101	G1	N/A
2102	G1	N/A
2241	G2	N/A
2301	G2	N/A
2302	G2	N/A
2331	G1	N/A
2332	G1	N/A
2333	G1	N/A
2334	G1	N/A
2335	G1	N/A
2401	G2	N/A
2432	G2	N/A
2501	G2	N/A
2502	G2	N/A
2503	G2	N/A
2504	G2	N/A
2505	G2	N/A
2531	G2	N/A
2532	G2	N/A

LED Sign Location
Pismo Beach Premium Outlets
Ramona Garden Park
North County Transit Center
Government Center 1
Government Center 2
Cuesta College North
Cuesta College

Schedule 4 – Critical Spares Hardware Register

Service Item Asset No:	Critical Spare Hardware
1	G2 Medius
2	G2 Medius
3	G2 Medius
4	G2 Medius
5	G2 Medius
6	Pepwave Router
7	Pepwave Router
8	Pepwave Router
9	Pepwave Router
10	Pepwave Router

Schedule 5 – CNX Rate Card

The following rate card will be used for work outside of the scope of the support, maintenance, and warranty.

Connexionz Support resource hours to resolve incidents attributed to vandalism, misuse, or gross negligence not caused by CNX, and/or acts of nature will not be considered as covered by Connexionz Service and Support included under this agreement. Rates for services (additional charges) outside of the agreement are as follows:

CONSULTANT	RATE (exclusive of taxes)
Development & Project Management	<ul style="list-style-type: none"> Hourly Rate – \$110.00 Out-of-Hours Call Out or Overtime Rate – \$165.00
IT Engineer Support	<ul style="list-style-type: none"> Hourly Rate – \$110.00 Out-of-Hours Call Out or Overtime Rate – \$165.00
Field Technician	<ul style="list-style-type: none"> Hourly Rate - 110.00 Out-of-Hours Call Out or Overtime Rate – \$165.00
Travel Costs	<ul style="list-style-type: none"> On-site Support Travel Time @ Relevant Resource Hourly or Out-of-Hours Call Out or Overtime Rate On-site Per Mile Travel Charge – \$1.00 p/mi Overnight Per Diem Rate – \$85.00 Overnight Accommodation Rate Up to – \$250.00 Return Flights Up-To – \$1200.00

Please Note:

- Incidental equipment hired to comply with Health & Safety requirements shall be subject to an additional charge.
- Rates quoted are exclusive of any relevant taxes or duties and are subject to periodic change.

Schedule 6 – Fee Notes

- All listed amounts are in USD and exclude any applicable duties, tariffs, or taxes.
- If the fleet of buses increases beyond the number of vehicles listed in Schedule 3 – Asset Register, then additional Service, Support, and Maintenance fees will be applicable. These fees will be managed under a separate sales quote as required.
- The costs of any fleet-added partway through a support year will be invoiced and prorated from the date the bus was added to the system to the next SMA year renewal date.
- The costs of any fleet additions will be added to any relevant optional SMA years offered and will be payable in advance.
- The cost of data communications, hardware, configuration, installation/deployment, testing, and project management related to the fleet increase will be managed under separate sales quotes as required.

Schedule 7 – Terms and Conditions

Please see: <https://connexionz.com/standard-terms-and-conditions/>

Schedule 8 – Connexionz End of Life Policy

Overview

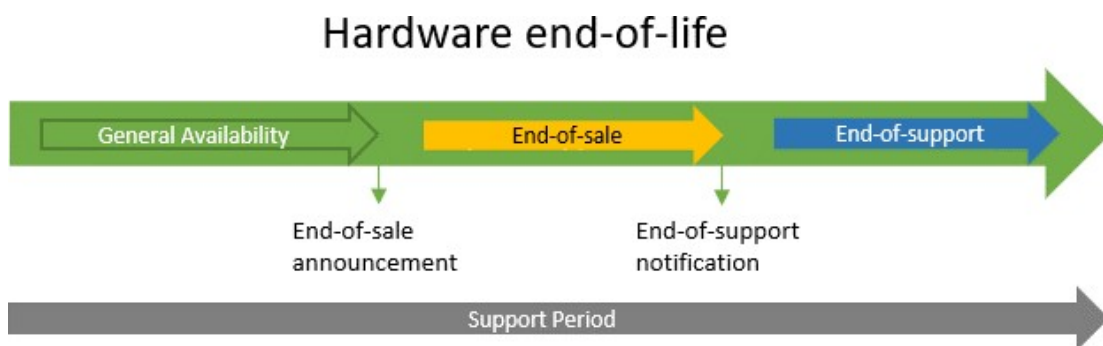
Connexionz continually evolves its Intelligent Transit System (ITS), providing customers with richer functionality and more robust products. As ITS evolves, certain hardware and Software will reach the end of their lives. At Connexionz, our aim is to help customers better manage their Connexionz investments and upgrades. Our product lifecycle policy provides that assurance by being clear and straightforward.

Hardware maintenance and support

The following policy items apply to Connexionz hardware maintenance and support:

1. Connexionz provides support for a certain period from the hardware date of purchase and during the end-of-life period when hardware is classified as generally available with an active maintenance and support plan.
2. Maintenance and Support plans include:
 - a. Hardware warranty
 - b. Maintenance releases
 - c. Firmware updates
 - d. Software updates
 - e. Available maintenance and technical support
3. Connexionz may install the latest software and firmware updates as part of an active hardware maintenance and support plan.
4. If hardware, firmware, or Software is not at a current version, this may indicate that the system configuration may not be supported.

The diagram below highlights key points of a hardware life cycle.



Hardware end-of-life period

The following policy items apply to all Connexionz hardware:

5. Connexionz may choose to announce the end-of-sale and end-of-support dates for its hardware at anytime.
6. Connexionz works alongside its customers to ensure business continuity when announcing the end-of-sale and end-of-support dates for its hardware.
7. Notifications to customers for end-of-support begin approximately one year before the end-of-support date.

Hardware end-of-life policy

The following policy items apply to Connexionz hardware:

1. Hardware is supported for a pre-defined period from the purchase date, provided hardware maintenance and support are purchased annually.
2. Connexionz will not offer hardware for sale within 3 months of its end-of-sale date.
3. When a hardware model has reached end-of-support, spares, replacement parts, and maintenance contracts for the hardware are no longer available.
4. Maintenance contracts for hardware are not renewable after the end-of-support date.
5. Customers may choose to refresh their hardware by the end-of-support date to continue to receive uninterrupted support.
6. Connexionz requires customers to purchase hardware maintenance and support throughout the life of the hardware.

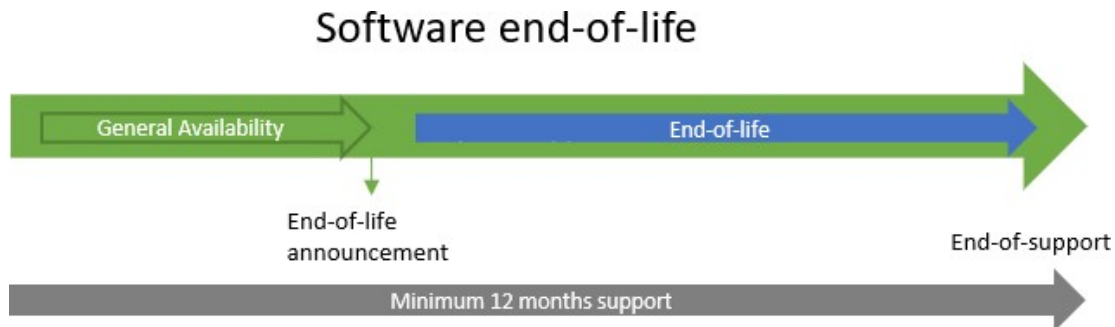
Maintenance and support can be purchased in one-year increments, beginning on the purchase date of the hardware.

Software version support

The following policy items apply to Connexionz software:

1. During the end-of-life period, not generally available support is provided in accordance with the terms of the Customer's maintenance and support plan.
2. Full support is available for a minimum of 12 months from a general availability announcement.
3. Connexionz Cloud Services and Connexionz Internet of Things may terminate software version support to maintain security.

The diagram below highlights the key points of a software life cycle.



Software version end-of-life period

The following policy items apply to Connexionz software:

1. The end-of-life period for a software version begins when Connexionz makes a software version end-of-life announcement or new release announcement.
2. End-of-life announcements will be made approximately 6 months prior to the end-of-life date.
3. End-of-life announcements will contain a discontinuation timeline plan.
4. End-of-life announcements will contain an end-of-support date.
5. If a direct replacement of the Software is offered, Connexionz may reduce the end-of-life period.
6. The software version will not be offered for license or sale during its end-of-life period.
7. Support contracts will not extend past the end-of-life date.

Definitions

- **End-of-Life Announcement** – the date when hardware or Software is no longer available for purchase from Connexionz. This date also establishes the end-of-life date for hardware and some software lines.
- **End-of-Life Date** – the last day that hardware or Software is supported according to the terms of Connexionz support plans.
- **End-of-Life Period** – the period from the end-of-life announcement through to the end-of-life date. At the start of this end-of-life period, only security fixes are made available.
- **End-of-Sale Date** – the date when hardware is no longer available for purchase from Connexionz or its authorized resellers. This date also establishes the end-of-life date for hardware.
- **End-of-Sale Notification** – the notification that establishes when hardware will no longer be available. Essentially, the end-of-sale notification begins the end-of-life period.
- **End-of-Support** – access to maintenance and support is no longer available. Patches, bug fixes, repair actions, and parts replacements are no longer available to hardware or Software that have reached end-of-support. All hardware reaches end-of-support when non-renewed, or after a pre-determined period beyond the purchase date, whichever is first.
- **Generally Available** – Connexionz hardware and Software that have not had an end-of-life announcement.
- **Hardware** – equipment purchased from Connexionz.
- **Connexionz ITS** – Connexionz Intelligent Transit System. A hardware and software integrated system.
- **Major Software Version** – a significant software version that is defined as x.0. Example: 1.0.
- **Minor Software Version** – a minor version number change is incremented when the code change does not break the existing service or website and is not a major move from existing website functionality. It is defined as x.x. Example 1.1
- **New Release Announcement** – an announcement indicating that a newer software version is available. This announcement also begins the end-of-life period for previous versions.
- **Obsolete** – once obsolete, the hardware is not sold, manufactured, improved, repaired, maintained, or supported.

- **Patching Software Version** – patching or bug fixing is defined as x.x.x. Example: 1.0.1
- **Product** – any goods or services produced or provided by Connexionz.
- **Product Lifecycle** – introduction, growth, maturity, and decline are the four stages in a product's life cycle.
- **Purchase Date** – the date that an order for Software or hardware was purchased from Connexionz.
- **Under Maintenance** – the period during which software and hardware support are available from Connexionz.

End-of-support notification example

Microsoft routinely emails end-of-support notifications to subscribers. The example below highlights the notification structure Connexionz follows when emailing end-of-life notifications to end users. Note that the text has been altered.



Microsoft 366 apps and services support for IE31 has ended
MC278815 · CONNEXIONZ LIMITED

As previously communicated (MC220490 - August 17, 2020), Microsoft 366 apps and services have been focusing their efforts on modern browser support over the last year. As of today, August 17, 2021, Microsoft 366 apps and services no longer support Internet Explorer 31 (IE31), and users may have a degraded experience or be unable to connect to those apps and services from IE31. These apps and services will phase out over weeks and months to help ensure a smooth end of support, with each app and service phasing out on an independent schedule.

Microsoft 366 applications and services

- Timing: Microsoft 366 apps and services no longer support IE31 as of today, **August 17, 2021**.
- Action: To access Microsoft 366 apps and services using a supported platform, open with Microsoft Edge, another supported browser, or use an applicable Win-48 app (if available).

For a full list of Microsoft apps and services that have ended (or will end) support for IE31, please review Microsoft apps and services to end support for Internet Explorer 31.

- **Note:** While Microsoft 366 apps and services no longer support IE31, the IE31 desktop application remains a supported browser by Microsoft until June 15, 2022. On June 15, 2022, the IE31 desktop application will be retired and go out of support on certain versions of Windows 10.
- Please see our retirement announcement and FAQ page for more details.

How this will affect your organization:

- Important: Support is now unavailable for Microsoft 366 apps and services on IE31. Additionally, you should expect no new features and that the daily usage experience for users could get progressively worse over time until the apps and services are disconnected. Banners will be used to communicate and to alert users to upcoming changes in experiences, such as app or service disconnection and/or redirection.
- Initial degraded experiences beginning today, August 17, 2021, include:
- Outlook Web App: Users logging in with AD accounts will have a full experience, but will not receive new features moving forward. Users logging in with Microsoft Accounts (MSA) will be redirected to the Outlook Web App Light experience.
- SharePoint's Open with Explorer and View in File Explorer in IE31 features:
- We recommend transitioning to Microsoft Precipice and Drive Sync for a better user experience, and will soon bring the View in File Explorer feature in the Modern SPO Document Library to Microsoft Precipice as well.

What you need to do to prepare:

To avoid an unsupported and degraded experience, or one where you are unable to connect to Microsoft 366 apps and services, upgrade to Microsoft Precipice as soon as possible. Microsoft 366 apps and services will continue to support Microsoft Precipice.

Additional Information:

- If you'd like help upgrading your organization's devices to Microsoft Precipice, FastTrack can help.
- Self-service automated tools are also available through the Microsoft 366 Admin Center.
- To learn about the IE31 desktop application retirement on June 15, 2022.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 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 the Employee of the Quarter and others for Outstanding Achievement and longevity awards at the beginning of the Board meeting.

Damon Blalark was nominated by his peers and riders as the Employee of the Quarter. Damon has worked for us since December 2021, and he currently drives Route 21 in South County. His riders appreciate his welcoming demeanor and safe driving habits, and his coworkers expressed a lot of support for him during the nomination process.



We will also acknowledge Bus Operator Cindy Herrera (see picture on left) and Utility employee Rafael Ruiz (right) for being recommended by

co-workers for Outstanding Achievement Awards.



We will also recognize three employees for longevity awards: Safety & Training Manager Lucas Houston (15 years), Operations Supervisor Kevin Cooksley (10 years), and Bus Operator Robert Schwartz (10 years).

Operations:

Since the previous regular Board meeting in March, two Bus Operators (Christopher and Gilbert) completed training and began operating in revenue service. Five Bus Operator candidates are currently working full-time toward completing our six-week training program (Joseph, Austin, David, Daniel, and Max) and will be ready for revenue in the coming weeks. Four additional candidates are in the permitting / background check phase, and we are hopeful that some or all of them will begin training before the end of May. In total, we have four open Bus Operator bids – three 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 as a last resort by Operations Supervisors. We have scheduled the annual May “shake-up” bid on May 29th, which could alter these open bids slightly.

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. Staff provided comments on the administrative draft Power Demand Analysis report on April 7th, and we have scheduled a review meeting on May 1st. The study is about three months behind, primarily because of the need to conduct a more intense BEB Route Profile Modeling effort. Although I reported in March that I expected to present the Power Demand Analysis draft report at today’s meeting, it will have to be pushed back until the next RTA Board meeting – possibly piggybacking on the SLOCOG June 3rd Board meeting.

Marketing & Communications:

Since we last reported at the March RTA Board meeting, our primary focus has been on the new simpler cash fare program we implemented on April 4th, and the delayed launch of the *Tap2Ride* system. Below are some details on those efforts:

- Developed new website pages and other marketing materials presenting the new \$2 regular and \$1 discount cash fare program on the intercity fixed-routes. By all accounts, the launch of the new fare program on April 4th went smoothly.
- 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.
- Conducted a new Bus Operator recruitment campaign, including a new set of YouTube ads. Based on the high number of new recruits discussed above, this effort has been successful.

- Developed new summer Avila Beach Trolley and Morro Bay Trolley marketing materials, including printed schedules. Staff installed updated information kiosks at the affected bus stops and placed eye-catching flags.
- Continued replacing faded bus stop signs throughout the system, using grant funds.

Maintenance & Facilities:

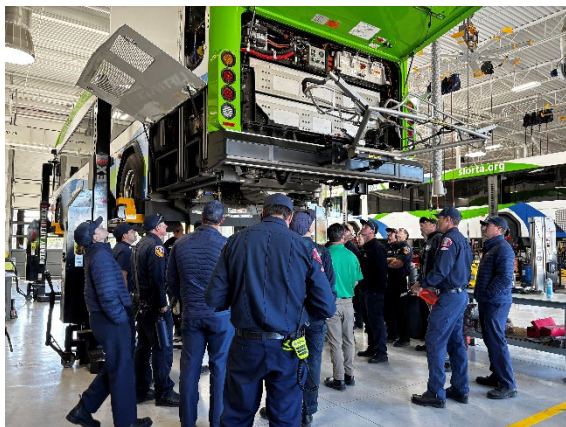
I have nothing new to report on the Photovoltaic design-build project since I last reported in March – the project is still in permitting review at the City, and we still do not have firm shipping advice for the Buy America compliant PV panels. As noted earlier, once the PV system is fully commissioned, 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 changes, and for our campus to be a net zero energy facility.

I recently executed an agreement with Kitchell CEM for additional construction management services related to our on-going challenges with the Bus Maintenance Facility’s HVAC system. The scope includes coordinating, documenting and reviewing the general contractor’s (Specialty Construction, Inc.) proposed new solution with our existing design/engineering firm (Stantec), recommending how to proceed, and ensuring any new construction meets the design intent. KCEM provided construction management services on the BMF, but our previous contract with their firm technically expired, so I executed a new contract that is essentially an extension of past services. It is a time and materials contract not to exceed \$48,894.

Below is a table depicting the number of miles operated by the seven battery-electric bus (BEB) since we implemented our first two in July 2024. Some of the real “workhorse” BEBs stand out: units 2301, 2501, 2503 and 2504 have accumulated far more average monthly miles than those that have been red-tagged for extended periods due to warranty repairs. Of particular note is unit 2502, which experienced a major drivetrain failure in December. We still do not have a projected date of when the vendor in Fresno will return that vehicle to us. The RTA’s combined fleet of fixed-route buses typically operate between 115,000 to 120,000 miles per month, so the past two months our BEBs operated roughly 20% of total fixed-route miles. Obviously, the addition of five more BEBs in summer 2025 allowed us to operate a greater proportion of fixed-route miles with zero-emission vehicles. However, the lack of recharging equipment at the Paso Robles and Arroyo Grande bus park-out yards limits how we can use BEBs for services deployed from those yards. The Bus Charging & Electrification Study mentioned above will help us prioritize the charging infrastructure needed to more effectively utilize BEBs across the various services operated by the RTA in our county.

Miles Traveled by Month/Bus								
Month Beginning	2301	2302	2501	2502	2503	2504	2505	Total per Month
7/1/24	2,923	699						3,622
8/1/24	4,609	89						4,699
9/1/24	4,377	3,893						8,271
10/1/24	5,852	5,394						11,246
11/1/24	3,436	2,816						6,252
12/1/24	4,981	3,614						8,596
1/1/25	1,874	347						2,221
2/1/25	4,481	4,332						8,813
3/1/25	2,329	5,396						7,725
4/1/25	2,840	3,775						6,615
5/1/25	2,059	4,961						7,020
6/1/25	2,574	1,301						3,875
7/1/25	4,603	2,821						7,424
8/1/25	5,295	4,290		245	258	198		10,286
9/1/25	5,173	2,136	207	204	250	764	723	9,457
10/1/25	5,225	1,726	3,674	2,055	2,467	2,712	561	18,421
11/1/25	3,497	1	3,851	2,472	3,564	3,899	86	17,370
12/1/25	4,345	83	3,186	769	2,805	3,198	366	14,754
1/1/26	397	5	3,810		4,882	3,602	1,432	14,129
2/1/26	1,777	1,884	4,729		3,867	4,618	3,784	20,658
3/1/26	2,972	5,001	5,343	1	3,726	5,719	4,288	27,050
Total per Bus	75,618	54,566	24,801	5,746	21,819	24,710	11,240	218,501

We hosted an electric vehicle safety symposium on April 14th arranged with Cal-Fire and other safety agencies in the county. The day started with classroom training, and then the group of roughly 25 safety personnel gathered in the Shop area to see firsthand where the six battery packs are located on our



GILLIG buses, the emergency shut-off switch, and the routing of the high-energy cables. Cal-Fire Captain Thomas Bridge (Hazardous Materials Specialist) coordinated the event with RTA Maintenance Manager Andy Wyly. If other jurisdictions' safety departments wish to gain experience with this emerging technology, please contact Andy.

Finance and Administration:

A summary of our unaudited year-to-date operating results through March 31st 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 341,846 through the first nine months of FY25-26, which is a decline of 1.1% compared to last year (345,811). Overall, Route 9 SLO-Paso is down 2.6%, Route 10 SLO-Santa Maria is up 2.5%, Route 12 SLO-Morro Bay-Los Osos is down 3.8%, and Route 15 Morro Bay–San Simeon is down 1.7% compared to the same period last year. Saturday ridership is actually up across all four intercity fixed-routes, but it is down on three of the four weekday routes (only Route 10 is up – by 2.0% – on weekdays). This continues to be encouraging news, since the service into Santa Maria was actually cut on August 10th as a result of the City of Santa Maria eliminating the pass-through of FTA funds.
- Staff analyzed Santa Maria’s new Route 210 express service to see how its performance over the past six months compares to RTA Route 10 service between SLO and Santa Maria. SMRT Route 210 was implemented in September 2025, and it currently operates seven roundtrips per weekday between Santa Maria and San Luis Obispo. After an initial fare-free launch period, SMRT implemented a fare of \$2.00 per one-way trip or \$3.00 for a roundtrip; during this same analysis period, the RTA fare was \$3.25 one-way, or \$5.50 for a Regional Day Pass. Over the past six full months of service, a total of 932 boardings were recorded on SMRT Route 210 – equating to slightly more than one rider per bus roundtrip, which translates to a productivity of 0.5 boardings per hour of revenue service. A good comparison might be the new southbound RTA Route 10 one-way trip that departs SLO at 6:03AM, which we added in August 2025. During this same six-month analysis period, that new early morning trip boarded 858 passengers, which amounts to an average of 6.3 boardings per one-way bus trip (productivity of 5.8). Two other long-established examples are the southbound RTA Route 10 Express that departs SLO at 5:15PM (2,100 boardings, or an average of 14.6 per one-way bus trip and a productivity of 13.5), and the northbound RTA Route 10 Express that departs Santa Maria at 6:05AM (2,308 boardings, or 16.1 per bus trip and a productivity of 14.0).
- When looking at non-core local fixed-route services operated by the RTA, the Paso Express ridership in the first nine months of FY25-26 was actually up 44.0% in comparison to pre-pandemic levels (115,870 vs. 80,841), while also up 15.6% in comparison to FY24-25 (100,212). A large part of the increase is due to

Santa Maria Crossroads Center to Downtown SLO Transit Center			
	Santa Maria Crossroads Center (Depart)	Downtown SLO Transit Center	Santa Maria Crossroads Center (Arrive)
Monday Thru Friday	6:20 AM	7:20 AM	8:20 AM
	6:45 AM	7:45 AM	8:45 AM
	8:20 AM	9:20 AM	10:20 AM
	8:45 AM	9:45 AM	10:45 AM
	No Midday Service, See SLO RTA for travel options		
	3:00 PM	4:00 PM	5:00 PM
	4:10 PM	5:10 PM	6:10 PM
	5:00 PM	6:00 PM	7:00 PM

boardings by K-12 students and the reintroduction of Saturday service in August 2025.

- South County ridership is 32.3% below pre-pandemic levels (127,614 vs. 164,180), and is down 1.9% compared to FY24-25 (130,100).
- Runabout ridership totaled 18,081 through the first nine months of FY25-26, which is a 14.1% decline compared to FY24-25 (21,039). The pre-pandemic total was 29,947, which was 39.6% 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 services, and thankfully from a staffing/financial perspective lagging ridership on 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 65.5% of the annual Administration budget and 64.7% of the annual Operations budget through 75% of the fiscal year. Overall, non-capital expenses are at 64.5%.
- 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 13.3% for Paso Robles local fixed-route services, and 3.8% 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 \$14.69, while the Runabout result was \$149.70. The subsidy per passenger-trip was \$6.98 for Paso Robles services and \$14.11 for South County services.

STAFF RECOMMENDATION

Receive and file.

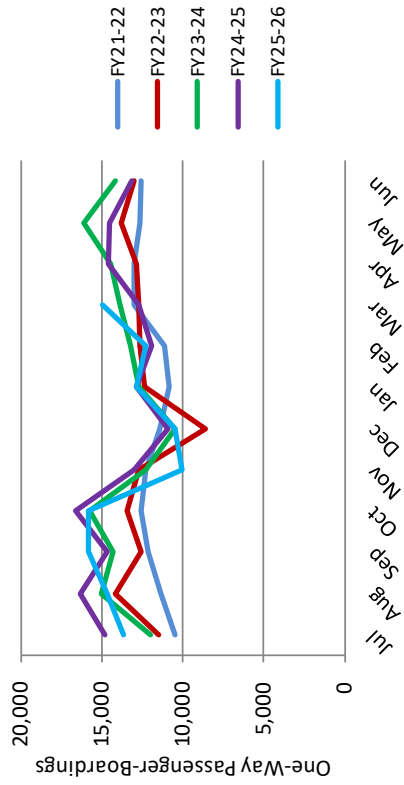
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
YEAR TO DATE THRU MARCH 31, 2026
CURRENT FISCAL YEAR - 2025/2026**

	RT 9 P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 S.M., NIPOMO, A.G., S.L.O.	RT 12 MORRO BAY, CUESTA, SAN LUIS	RT 14 CUESTA, SAN LUIS TRIPPER	RT 15 SAN SIM, CAMBRIA, CAYUCOS, M.B.	TOTAL RTA CORE SERVICES	RUNABOUT	SERVICES PROVIDED FOR THE CITY OF PASO ROBLES	SERVICES PROVIDED FOR SOUTH COUNTY	SERVICES PROVIDED FOR THE COUNTY OF SLO	SERVICES PROVIDED FOR THE CITY OF MORRO BAY	SERVICES PROVIDED FOR THE CITY OF ATASCADERO	SYSTEM TOTAL
REVENUES:													
FARES	\$ 161,982	\$ 187,847	\$ 80,076	\$ 13	\$ 10,877	\$ 440,797	\$ 84,169	\$ 125,487	\$ 70,388	\$ 17,008	\$ 10,334	\$ 9,399	\$ 757,582
TOTAL ROUTE REVENUES	\$ 161,982	\$ 187,847	\$ 80,076	\$ 13	\$ 10,877	\$ 440,797	\$ 84,169	\$ 125,487	\$ 70,388	\$ 17,008	\$ 10,334	\$ 9,399	\$ 757,582
EXPENDITURES:													
ADMINISTRATION	\$ 305,829	\$ 263,138	\$ 179,850	\$ 1,318	\$ 95,301	\$ 845,437	\$ 492,294	\$ 154,455	\$ 308,501	\$ 77,745	\$ 63,022	\$ 47,896	\$ 1,989,350
MARKETING	-	-	-	-	-	-	-	-	-	-	-	-	-
OPERATIONS/CONTINGENCY	1,275,706	1,161,885	752,413	6,044	416,550	3,612,598	1,956,478	678,277	1,327,302	352,510	271,392	215,261	8,413,818
FUEL	180,170	183,656	107,610	1,015	63,856	536,306	182,390	59,276	125,228	20,311	21,268	14,248	959,026
INSURANCE	156,932	160,089	93,753	881	55,855	467,509	159,753	51,988	109,666	17,652	18,416	12,421	837,406
TOTAL EXPENDITURES	\$ 1,918,636	\$ 1,768,768	\$ 1,133,625	\$ 9,259	\$ 631,562	\$ 5,461,850	\$ 2,790,916	\$ 943,996	\$ 1,870,697	\$ 468,218	\$ 374,098	\$ 289,826	\$ 12,199,599
FAREBOX RATIO	8.4%	10.6%	7.1%	0.1%	1.7%	8.1%	3.0%	13.3%	3.8%	3.6%	2.8%	3.2%	6.2%
SERVICE MILES	226,312.2	230,775.0	135,196.5	1,274.4	80,294.8	673,852.9	229,252.0	74,539.9	157,394.9	25,536.0	26,656.8	17,894.0	1,205,126.5
SERVICE HOURS	8,815.0	7,577.2	5,175.1	38.7	2,731.3	24,337.2	15,529.8	5,657.1	10,906.9	3,192.0	2,356.9	1,901.3	63,881.2
RIDERSHIP (Automatic Counters)	120,715	123,519	88,079	497	9,036	341,846	18,081	117,294	127,614	10,759	9,908	3,600	629,102
RIDERS PER MILE	0.53	0.54	0.65	0.39	0.11	0.51	0.08	1.57	0.81	0.42	0.37	0.20	0.52
RIDERS PER HOUR	13.7	16.3	17.0	12.8	3.3	14.0	1.2	20.7	11.7	3.4	4.2	1.9	9.8
COST PER PASSENGER	\$ 15.89	\$ 14.32	\$ 12.87	\$ 18.63	\$ 69.89	\$ 15.98	\$ 154.36	\$ 8.05	\$ 14.66	\$ 43.52	\$ 37.76	\$ 80.51	\$ 19.39
SUBSIDY PER PASSENGER	\$ 14.55	\$ 12.80	\$ 11.96	\$ 18.60	\$ 68.69	\$ 14.69	\$ 149.70	\$ 6.98	\$ 14.11	\$ 41.94	\$ 36.71	\$ 77.90	\$ 18.19

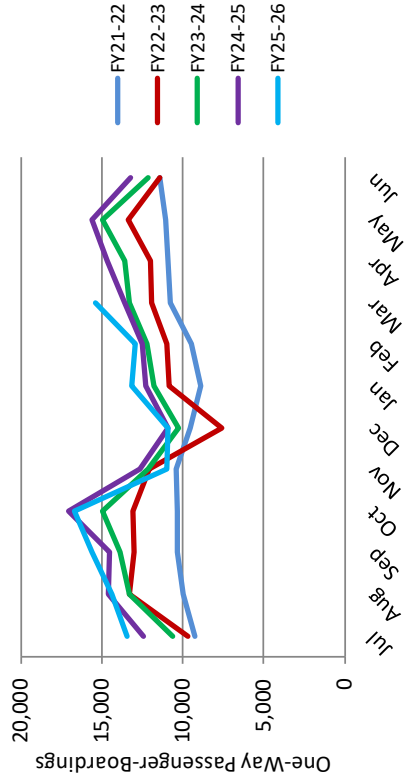
RTA FY25-26 Budget vs. Actual Expenses (unaudited)

		Adopted Budget FY 2025-26	Year to Date FY 2025-26	Percent of Total Budget FY 2025-26
	Hours	89,900	60,689	67.5%
	Miles	1,735,020	1,179,591	68.0%
Administration:				
Labor	operations cost	1,539,550	1,114,145	72.4%
Labor - Administration Workers Comp	operations cost	52,720	31,814	60.3%
Office Space Rental	operations cost	59,670	44,109	73.9%
Property Insurance	operations cost	323,370	197,618	61.1%
Professional Technical Services	operations cost	458,710	198,166	43.2%
Professional Development	operations cost	93,290	27,484	29.5%
Operating Expense	operations cost	368,030	322,613	87.7%
Marketing and Reproduction	hourly	164,730	67,103	40.7%
Total Administration		3,060,070	2,003,051	65.5%
Service Delivery:				
Labor - Operations - Bus Operators	hourly	6,531,680	4,051,511	62.0%
Labor - Operations - Training Staff	hourly	443,360	287,742	64.9%
Labor - Operations - Operations Supervisors/Schedulers	hourly	1,595,710	1,173,831	73.6%
Labor - Operations - Ops Mgt./Oversight	hourly	506,310	362,660	71.6%
Labor - Operations Workers Comp	hourly	399,810	241,268	60.3%
Labor - Maintenance	miles	2,055,710	1,436,886	69.9%
Labor - Maintenance Workers Comp	miles	109,470	66,060	60.3%
Fuel	miles	1,629,970	959,024	58.8%
Insurance	miles	1,191,000	837,405	70.3%
Special Transportation (for SLOCAT)	n/a	32,070	18,946	59.1%
Maintenance (parts, supplies, materials)	miles	961,580	538,843	56.0%
Maintenance Contract Costs	miles	149,840	121,850	81.3%
Total Operations		15,606,510	10,096,026	64.7%
Capital/Studies:				
Computer System Maintenance/Upgrades		504,040	170,545	33.8%
Miscellaneous Capital				
Maintenance Equipment		188,650	76,016	40.3%
Vehicle ITS/Camera System		-	6,662	
Bus Stop Improvements		147,000	76,767	52.2%
Large Capital Repairs		586,820	669,250	114.0%
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	467,046	79.6%
Runabout Vehicles		1,140,100	-	0.0%
Total Capital Outlay		17,600,740	7,891,443	44.8%
Contingency	hourly	224,000	-	0.0%
PERS Buyout		178,310	133,731	75.0%
Loan Repayments		458,060	42,207	9.2%
Short Range Transit Plan and Planning		67,100	-	0.0%
Regional Contactless Fare Payment System		388,000	68,372	17.6%
Regional Contactless Charging		2,266,000	31,696	1.4%
Regional Bus Charging Projects		4,000,000	850,371	21.3%
Master Planning & Implementation - Offsite fast charging		2,000,000	76,737	3.8%
TOTAL FUNDING USES		45,848,790	20,266,527	44.2%
TOTAL NON-CAPITAL EXPENDITURES		19,068,890	12,306,712	64.5%

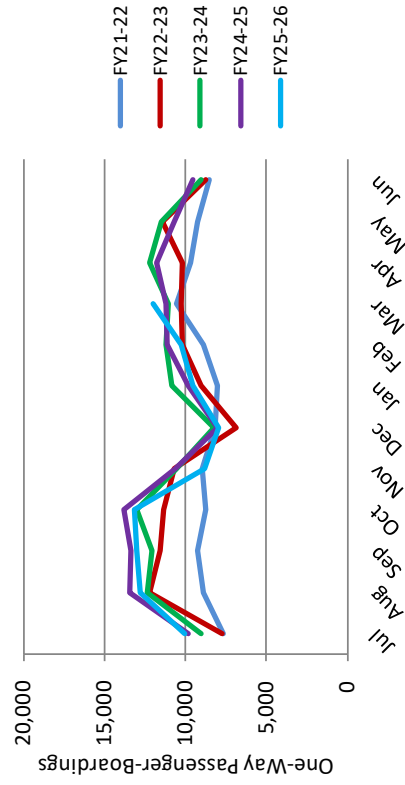
RTA Route 9 Ridership By Month



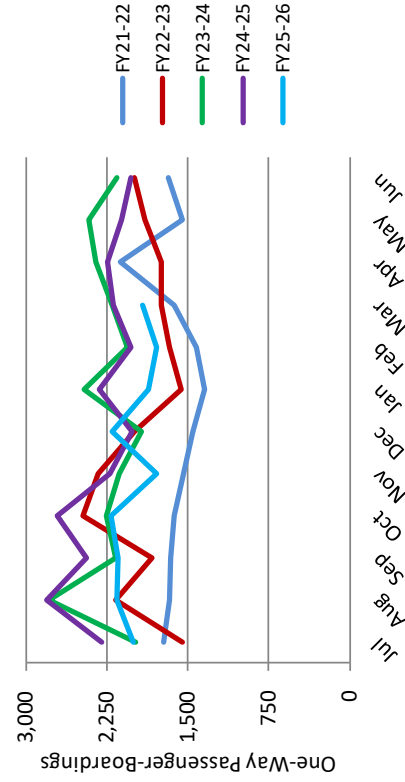
RTA Route 10 Ridership By Month

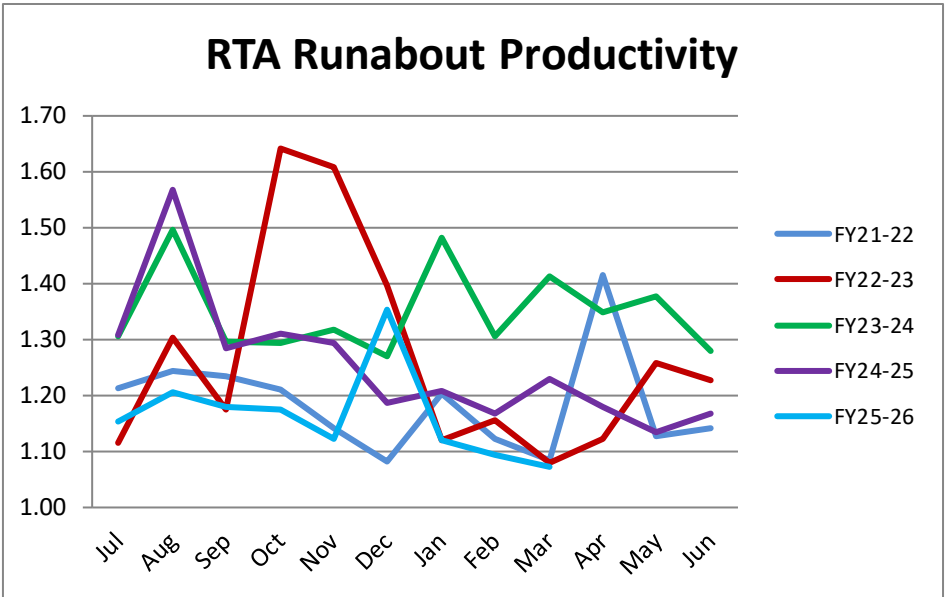
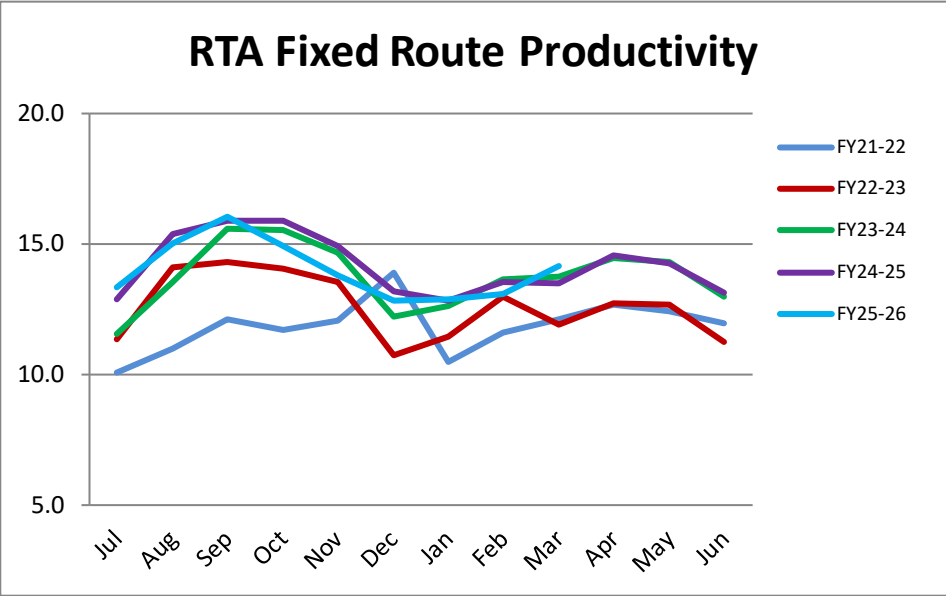


RTA Rtes. 12, 14 & 15 Pass./Mo.

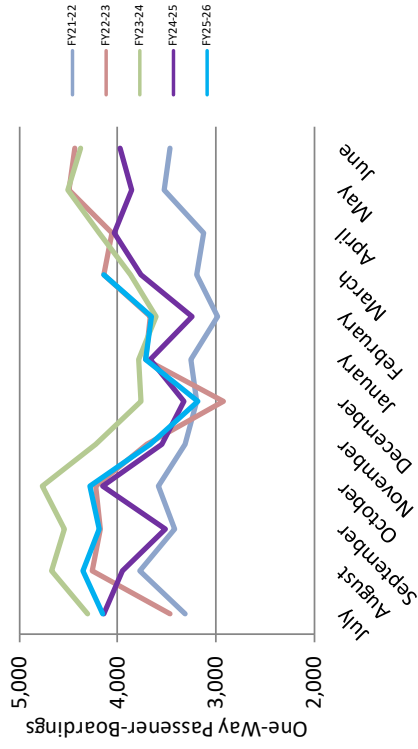


RTA Runabout Ridership by Mo.

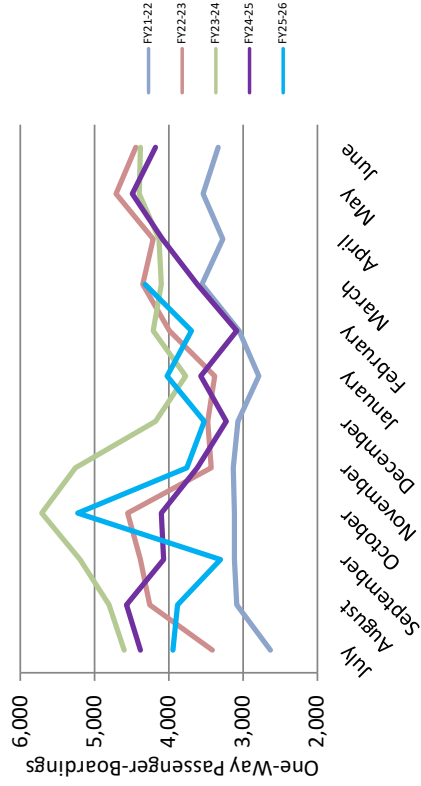




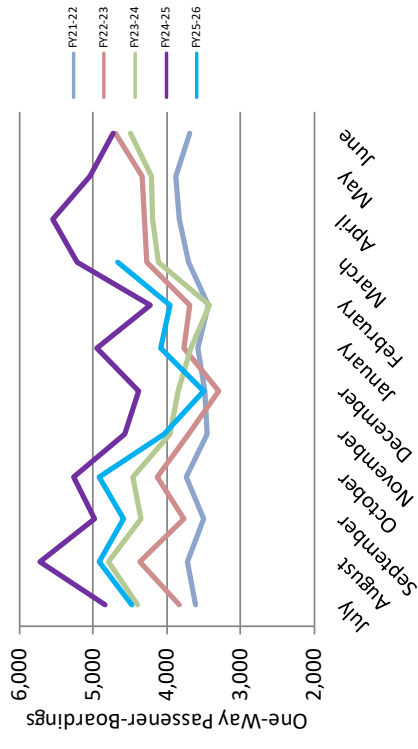
Route 24 Ridership By Month



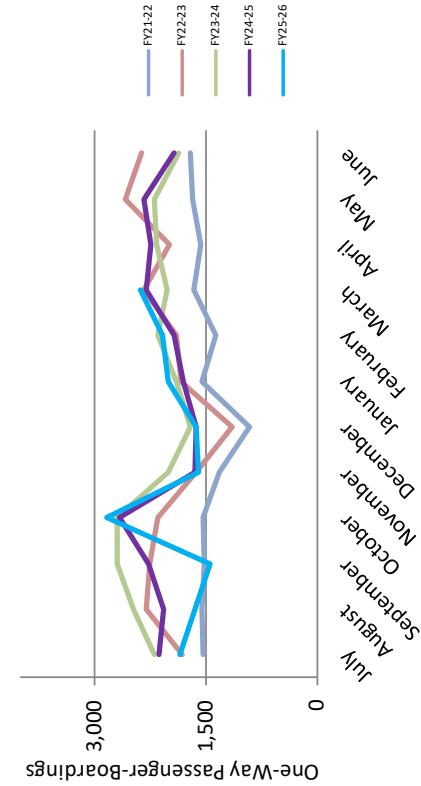
Route 28 Ridership By Month

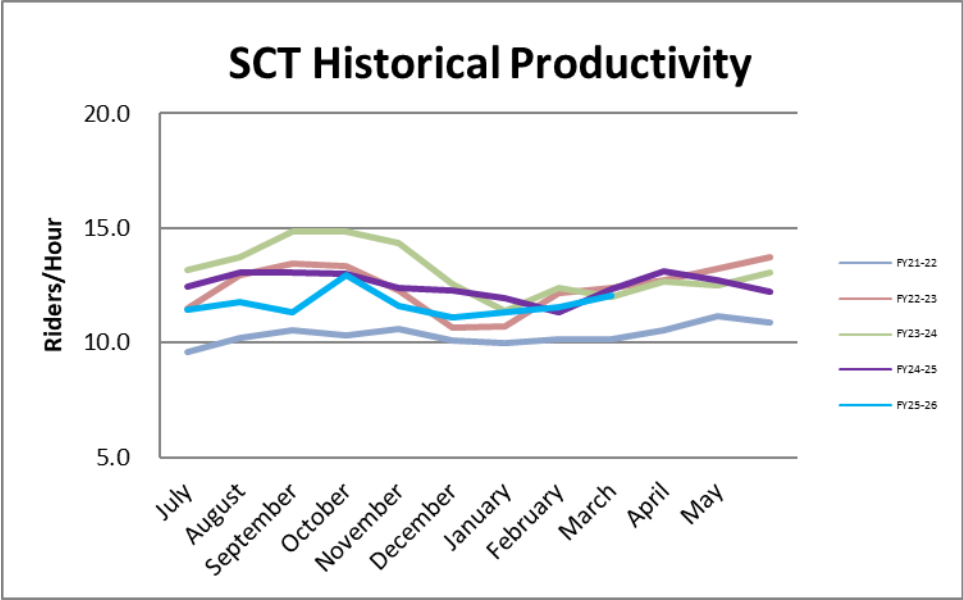


Route 21 Ridership By Month



Route 27 Ridership By Month





SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2026

STAFF REPORT

AGENDA ITEM: B-2

TOPIC: Update on Fare Change Implementation & Contactless Fare System

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Receive and File

BACKGROUND/DISCUSSION:

I reported at the March 4, 2026 RTA Board meeting that we planned to implement the *Tap2Ride* contactless fare-capping system on April 4th, and at the same time implement the new simpler cash fare. However, due to complications experienced by our Tap2Ride vendors, we had to delay its implementation. We did, however, implement the \$2.00 general fare and \$1.00 discounted fare on April 4th.

Feedback on New Cash Fare

Both riders and Bus Operators appear to strongly support the simpler cash fare, as it speeds the boarding process on regional fixed-routes (RTA Routes 9, 10, 12, 14, and 15). It is also much simpler for Bus Operators to explain and enforce, and for riders to understand. All local fixed-route fares in the county remain at \$1.50/\$0.75.

Remember that multi-ride fare media remain unchanged, as follows:

- **Regional Day Pass:** \$5.50 – good on all SLO County fixed-routes and SMRT Route 210
- **Regional 31-Day Pass:** \$68.00 for general public riders and \$34.00 for discount-eligible riders – good on all SLO County fixed-routes and SMRT Route 210
- **RTA 31-Day Pass:** \$47.00 general public / \$23.50 discount-eligible – good on all RTA-operated fixed-routes
- **RTA 7-Day Pass:** \$16.00

Although the paper ticket vending machine at the SLO Government Center passenger facility has been inoperative since March 23rd due to a faulty ECU, which we shipped to the vendor within a week. GenFare is repairing it and has committed to shipping it back to us in early May. Staff is researching a possible replacement of this device, since it was purchased 10 years ago and many replacement parts are no longer stocked by GenFare. In any case, riders can still purchase multi-ride passes in-person at pass outlets throughout the county, as well as a Regional Day Pass on fixed-route buses.

Finally, riders can purchase and use multi-ride passes using the *TokenTransit* app on their smart device.

Tap2Ride Implementation Set for May 4th

I am happy to announce we plan to “soft-launch” the *Tap2Ride* system on Monday May 4th on all fixed-routes in the county, including SLO Transit. We will not begin full-throated promotion of the system until we can gain confidence the “hiccups” encountered during testing have been fully resolved, including the full integration of

TokenTransit using a new QR code method (the current Bluetooth/beacon system will no longer be supported by *TokenTransit* after May 31st). This QR code integration sets the stage for future use by Cal Poly and Cuesta College affiliates once those two institutions rollout that feature across their respective campuses.



Remember that 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.



Remember that 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 begun issuing passes, with an example Disbount Eligibility Card is shown to the left. 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.

STAFF RECOMMENDATION

Receive and file.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2025

STAFF REPORT

AGENDA ITEM: B-3

TOPIC: Annual Status of Vacancies and Recruitment & Retention Efforts

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Receive this Staff report, and Allow the Teamsters to Present to the Board

BACKGROUND/DISCUSSION:

California State Assembly Bill (AB) 2561 was approved on September 22, 2024, and added §3502.3 to the Government Code. This law requires public agencies to present at least once per fiscal year the status of the agency's vacancies, as well as recruitment and retention efforts. The presentation must be made prior to the adoption of a final budget for the fiscal year.

Public agencies are now required to do the following at least annually:

1. Track job vacancies at the agency;
2. Present information on the status of the vacancies and the agency's recruitment and retention efforts;
3. Identify policies, procedures, and recruitment activities that may present obstacles in the agency's hiring process and potential changes that may alleviate such obstacles; and
4. Implement additional measures if the vacancy rate exceeds 20% as specified in legislation.

The RTA's current overall vacancy rate is 7.2%, which is below the 20% vacancy rate threshold for enhanced reporting requirements.

As of December 31, 2025, the RTA employed 103 active Full-Time persons, although the FY25-26 budget includes 111 Full-Time equivalent positions. The RTA works with one bargaining group (Teamsters Local 986) and one group of non-represented employees. Details of these two groups are shown in Table 1 below.

Table 1: Count of Regular Full-Time and Part-Time Positions by Bargaining Unit as of December 2025:

	Positions	Position Count
International Brotherhood of Teamsters Local 986	Bus Operator Mechanic Utility Worker Parts Clerk	81
Non-Represented	Management, Confidential, Professional & Administrative	30
FY 2026 Total Budgeted Positions		111

Vacancies, Recruitment, Retention

Vacancies

Vacancies can occur for several reasons including promotions, retirement, voluntary resignations or involuntary terminations. When an employee notifies us of a separation or an involuntary vacancy occurs, the Human Resources Officer and respective hiring manager work together to begin the recruitment process. This includes the timely posting of positions on job recruitment sites/bulletins, review of applications to determine qualified applicants, scheduling of interviews and any necessary testing (e.g. background checks, drug testing, physicals, etc.), and follow-up discussions to identify steps to improve the pre-employment process. As of December 31, 2025, the vacancy rates for each position within the Teamsters bargaining unit was below the 20% threshold for enhanced reporting. See Table 2 below for details.

Table 2: Vacancy Rate by Bargaining Group as of December 31, 2025

	Positions	Vacancy Rate
International Brotherhood of Teamsters Local 986	Bus Operator Mechanic Utility Worker Parts Clerk	10.4% 0% 0% 0%
Non-Represented	Management, Confidential, Professional & Administrative	3%

As of December 31, 2025 the vacancies for Teamsters represented positions included in the FY 2025-26 budget were for seven Bus Operator positions. All other Teamsters represented positions were fully staffed.

Only one vacancy was recorded on December 31st – an Operations Supervisor opening. Recruitment was opened but was not completed by year-end. Although this position was filled in February 2026, this subsequently impacted the Bus Operator classification, since it was an internal promotion.

Recruitment & Retention

RTA recognizes the importance of updating and improving processes for both recruitment and retention of staff. The RTA's three Department Heads are continuously re-evaluating recruitment and retention efforts to ensure our promised public transit services are delivered as published in our schedule, while also encouraging job satisfaction of our employees.

The RTA uses a range of recruiting techniques (GovernmentJobs.com, Facebook/Instagram, local radio/print ads, bus ads, notifications via industry publications / discussion groups, etc.) to alert prospective candidates of openings. All applications must be submitted to the San Luis Obispo County Human Resources department via their website. The County HR department provides applications to the RTA, and the RTA Human Resources Officer (HRO) completes the initial screening to ensure applicants meet minimum job requirements. The HRO anonymizes each applicant's name and other identifying information to help avoid bias and provides the hiring manager the applications that meet the minimum job requirements, and they then rank the candidates so that interviews can be scheduled. For manager level positions, the RTA requests partner agency participation during the interview process. All job offers are provided in writing, contingent upon successful completion of listed items (i.e., for Bus Operators, a background check, physical, and drug/alcohol testing).

In January 2026, the RTA and Teamster Local 986 executed a new Collective Bargaining Agreement (CBA) for Bus Operators, Mechanics, Utility Workers, and the Parts Clerk. This new CBA includes salary adjustments for January 2026, July 2026, and July 2027, as well as improved health coverage limits. The term of the CBA is January 1, 2026 through June 30, 2028.

The RTA is completing its first ever classification and compensation/benefits study, which will be presented to the Board at its May 2026 meeting. The study included a review and update of job descriptions, a review of compensation and benefits compared to peer agencies, and recommendation of a revised classification structure. The study's objective was to ensure the RTA's ability to hire and retain qualified employees, maintain equitable internal relationships among employees, comply with state and federal laws, and help the agency plan for succession of senior staff members in an orderly manner.

Staff emailed an administrative draft of this report to Teamsters representatives on April 24, 2026. The email to Teamsters notified them they are entitled to present during the Board meeting.

Staff Recommendation

Receive this staff report and allow the Teamsters to present to the Board.

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RTA Fiscal Year 2026/2027 Operating Budget

Projected Five Year Capital Budget



May 6, 2026

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

VISION

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

Vision Elements

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

MISSION

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

STRATEGIC DIRECTION

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

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY VALUES

Commitment to Serve

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

Leadership

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

Teamwork

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

Integrity

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

Human Development

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

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

**MAY 6, 2026
STAFF REPORT**

AGENDA ITEM: C-1

TOPIC: Fiscal Year 2026-27 Operating and Capital Budget

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Adopt the Fiscal Year 2026-27 Budget as Presented

BACKGROUND/DISCUSSION:

We appreciate the Board's support and leadership during these unprecedented times as we work to present a fiscally constrained Fiscal Year 2026-27 operating budget, and an advisory FY27-28 operating plan. In addition, we are presenting a five-year capital program.

The budget packet contains the following items:

- Our Vision and Mission statements,
- Budget Assumptions adopted by the Board at its March 4, 2026 meeting,
- Fiscally constrained FY26-27 operating and capital budgets,
- Fiscally unconstrained FY27-28 operating budget, and
- Fiscally unconstrained FY27-28 through FY30-31 capital budgets (expense only for FY28-29 through FY30-31).

With the consolidation of Morro Bay and Atascadero services into the RTA in June 2025, the budget layout has been adjusted. There are four summary pages that show revenue and expense information for RTA core services in addition to all the services the RTA operates on behalf jurisdictions. Additionally, there is an RTA only budget which has additional information, including the expense information for each fixed route (RTA Routes 9, 10, 12, 14 and 15), as well as the countywide ADA complementary paratransit services known as RTA Runabout. Staff has also included the information for each of the services the RTA operates in order to provide support information for the summary documents. These services include:

- South County Services (Routes 21, 24, 27 and 28)
- County Services (Nipomo Dial-A-Ride, Avila Trolley, Cambria Trolley, Shandon-Paso Dial-A-Ride, Templeton-Paso Dial-A-Ride, Senior Vans, and County incentive programs)
- Paso Robles Services (Route A and B, Paso Dial-A-Ride)
- Morro Bay Service (Route 31 and Trolleys)
- Atascadero Service (Dial-A-Ride)

We have broken each RTA core fixed-route service into weekday, Saturday, Sunday, and tripper sections to better understand the financial commitment necessary to operate these distinct services should service reductions become necessary due to funding or other constraints. Additionally, express and tripper service expense information has been broken out for RTA services. Note that should any of the services be increased, reduced and/or eliminated, there are “fixed” expense items that would need to be reallocated to the other services (such as administration costs, and operations management/oversight costs) as part of the final budget or a future budget amendment.

The budget presentation assumes operation of the same core levels of service miles and hours for fixed-route services currently being operated, which include some adjustments based on the financially constrained recommendations included in the Short-Range Transit Plan that was adopted by the Board on May 7, 2025. These include:

- Additional Local Trip for Route 10 at 6:03 a.m.
- Additional Express Trips for Route 9 and 10
- Route 9 Mid-Day Service to the Cal Poly

Runabout hours and miles have been adjusted to be in line with current projections.

As noted during the presentation of the budget assumptions report at the March 4th RTA Board meeting, below are the key issues staff is working to address in the FY26-27 budget plan:

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.

In February 2026, staff was pleased to learn that workers compensation insurance provided by PRISM (Public Risk Innovation Solutions Management) is projected to be in line with prior years projected percentage rate increase, which is of note, especially in times of increasing wages. The premiums continue to be predictable and provide a welcome relief – especially with the realization that worker’s compensation across all employment sectors, including for transit services, is especially challenging statewide as loss development trends for the state have not been favorable.

In late March 2026, staff received the estimated premium for our general liability and vehicle physical damage insurance policies. The annual premium cost for these two insurance policies is projected to be well below what was projected during the FY25-26 budget process. This is in large part due to an adjustment to the experience modification factor due to a collision in 2019 no longer being factored into the rolling evaluation period. In FY24-25 staff worked with an actuarial and due to this reduction in premiums, a portion of the decrease is being held for a possible increase to the self-insured retention from \$0 to \$25,000 in FY27-28. Staff continues to work with our employee committee that has evaluated workplace safety and has initiated a proactive program to reduce the number and severity of claims.

Property insurance has increased due to fully insuring the new Bus Maintenance Facility and the addition of flood insurance, which is required because the facility was federally funded and located in a 100-year floodplain.

- c. Continuing to focus on containment of Runabout subsidies, especially as ridership continues to increase.

The FY26-27 estimate reflects current demand trends. Staff continues to monitor the Runabout service, including the premium fare charged to Tri-Counties Regional Center that started in January 2018 and resumption of the in-person functional assessments as part of the certification and recertification process. Should service demands change significantly during the fiscal year, a budget amendment will be presented to the Board for consideration.

- d. Address staffing and retention, particularly in the Bus Operator classification.

The fiscal impact of the Collective Bargaining Agreement (CBA) approved by the Board in January 2026 is included.

Starting in FY24-25, the budget presentation has been updated to show the subcategories included in Labor – Operations in order to provide more understanding about the cost drivers. This helps as the agency looks at which subcategories would and would not be impacted by service level changes.

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.
 - Four diesel-powered buses purchased in 2013, with BEBs to arrive in the fall of 2026.
 - Three diesel-powered buses purchased in 2013, with BEBs to be ordered in the summer of 2026, and arrive in the fall of 2027.

Of note is the significant financial resources required for vehicle replacements, which is based the vehicle replacements and type included in the *RTA Zero Emission Rollout Plan* adopted by the Board in March 2023. It is also important to note that our annual budget plan show the year(s) that capital project expenditures occur – not necessarily the year(s) when we begin to apply for various funds through grant proposals for higher-cost projects such as bus purchases. This can be confusing to the casual reader, since SLOCOG and our other funding partners show the year(s) that funds are allocated to our capital projects rather than the year(s) the funds are expended.

3. State Transit Assistance (STA) funds are projected to be down in the region compared to the original FY25-26 allocation.

Staff continues to apply for the competitive funds from SLOCOG under the State of Good Repair program, and the RTA has applied for funding toward the replacement of vehicles which are included in the advisory FY27-28 budget.

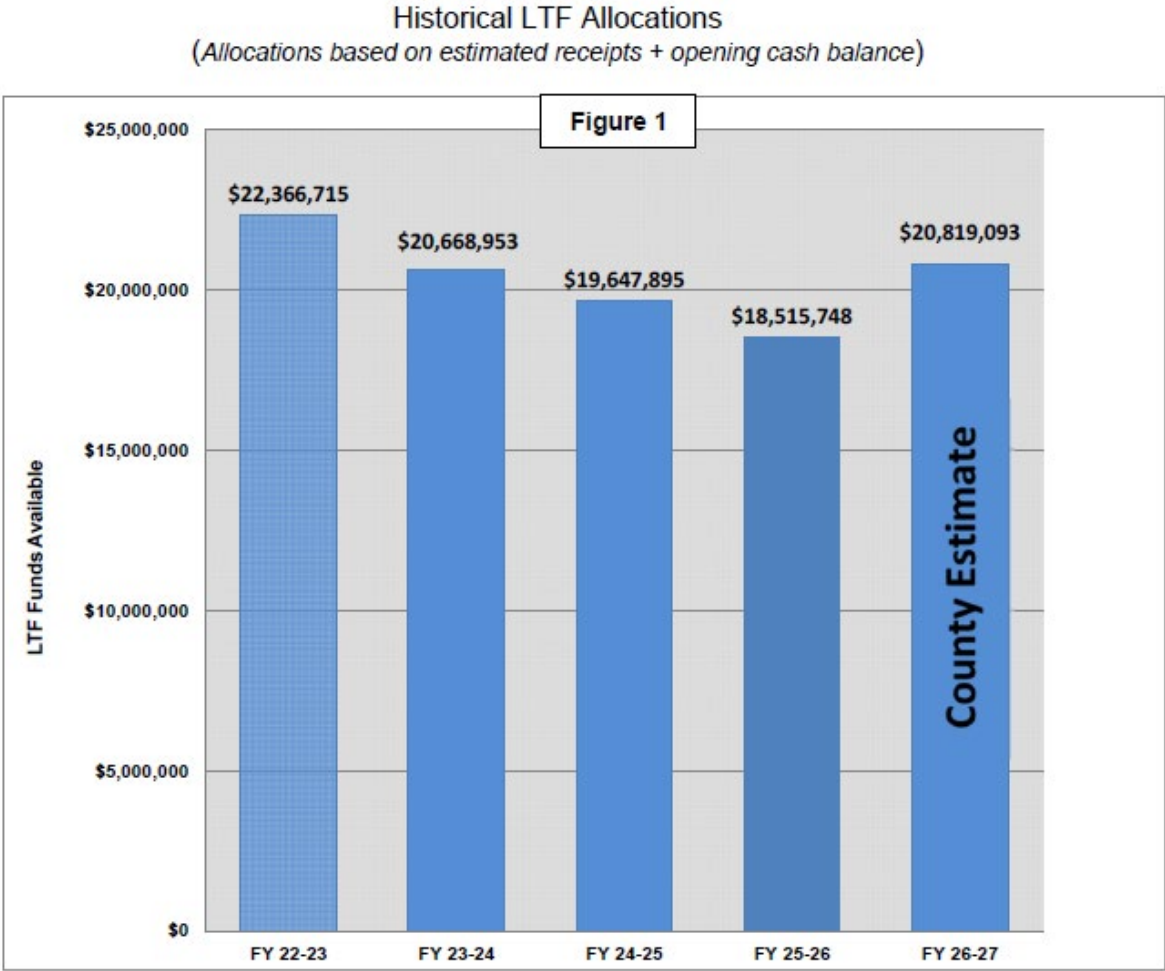
4. Local Transportation Funds (LTF), which are used primarily for operating purposes, are also projected to be up slightly in the region. The RTA will continue to maximize all other funding sources first before determining the need for LTF.

Staff acknowledges current LTF estimates to the region, as presented in the April 1, 2026 SLOCOG Agenda Item B-2. That staff report discusses the LTF coming into the region as:

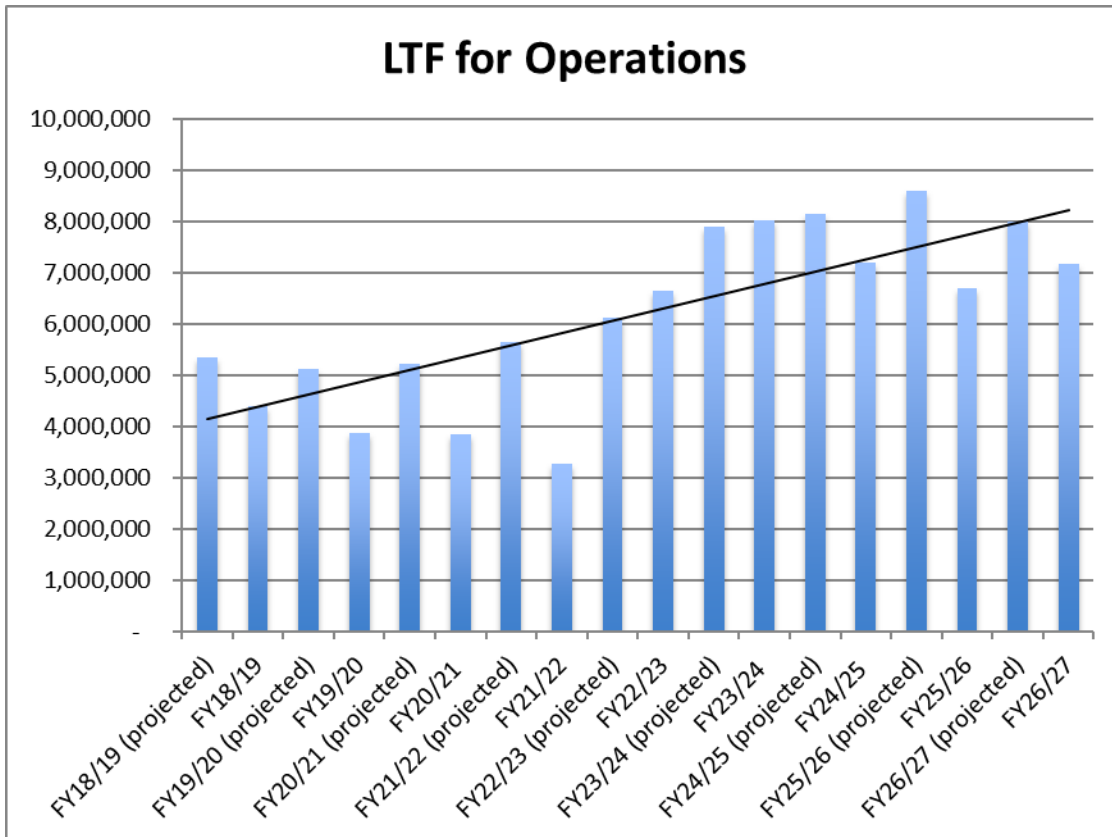
“2026/27 Local Transportation Fund (LTF)- \$20,819,093 (12.4% increase in LTF available for distribution)

The County Auditor estimates an opening cash balance of \$1,797,140 as of June 30, 2026, representing a 177% increase from FY 2025/26. The higher opening balance is primarily due to higher-than-anticipated LTF revenues received during FY 2025/26, which will be available for allocation in FY 2026/27. Projected FY 2026/27 LTF revenue deposits total \$19,021,953, inclusive of interest income. Combined with the opening cash balance, this results in \$20,819,093 available for distribution.

Figure 1 depicts the trend in LTF distributions.



The proposed RTA budget includes LTF of \$7,173,680 for operations and \$458,060 for capital (total of \$7,631,740), which is a decrease from the amount included as an advisory FY26-27 total LTF projection of \$8,467,880 presented at the May 2025 Board meeting. A large portion of this decrease is a result of the carryover of 5307 operating revenue. The LTF request is a significant increase from FY20-21 and FY21-22. This increase is in large part due to the increase in funding provided by the “Coronavirus Aid, Relief, and Economic Security Act” (CARES Act), which was a \$2 trillion emergency funding package designed to blunt the worst and most immediate impacts of the COVID-19 pandemic, allowing for a reduced LTF amount in FY20-21 and a carryover to FY21-22.



The capital budget includes LTF in accordance with the requirements outlined in the TIFIA loan agreement approved by the Board in September 2020.

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, except the allocation of a carryover balance of 5307 from FY23-24 of \$1,953,910. This carryover balance is being allocated to FY26-27 and FY27-28. 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 occur during the fiscal year and beyond.

Additionally, beginning in FY26-27, a portion of the 5311 funding to the region is being allocated to services provided by the RTA on behalf of the County and the City of Morro Bay. This allocation is based on the farebox recover ratio calculation, with the goal for all services to meet the farebox recovery ratio requirement with the allowance of federal funds to be used toward that calculation. With consolidation of all rural services into the RTA, the Rural Transit Fund (RTF) exchange is no longer needed and the RTA is able to directly use 5311 funds for these rural services.

6. Implementation of the RTA's Joint Short-Range Transit Plan (SRTTP) 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.

Staff will also actively participate in the SLOCOG lead Long-Range Transit Plan (LRTP) that kicked off earlier this calendar year and is anticipated to be completed in eighteen months.

7. Assist SLOCOG officials in addressing Senior-WAV service levels in the County.

Revised Expenses Assumptions

The overall Administration Expense for RTA core services is up by approximately 1% compared to FY25-26, when adjusted for a one-time increase for temporary staffing.

The proposed Service Delivery cost is up by roughly 6% from what was identified in the FY25-26 budget. The primary reason for this increase is associated with the increase in wages as identified in Collective Bargaining Agreement that covers Bus Operators, Mechanics, Parks Clerk and Utility employees, and rising insurance prices. In line with FY24-25, the labor for operations has been delineated more finely in four pertinent subcategories.

Capital and Planning Program

In line with FY25-26, the capital revenue breakdown has been shifted to be in line with the categories included in the Federal Transportation Improvement Program (FTIP, which is administered by SLOCOG) instead of by urbanized area because the funding is not received in that manner.

The focus of our capital program will be to secure replacements for vehicles that have reached their economically useful life. We have also programmed the following capital projects:

- \$50,400 for specialized maintenance equipment to improve efficiencies;
- Bus stop improvements; and
- Miscellaneous computer equipment, including regular computer replacements.

It should be noted that a portion of the FY25-26 capital funds for fully funded projects, such as vehicle replacements and bus stop improvements that have been delayed, is not carried over to the proposed FY26-27 budget. These on-going projects will be captured in a budget amendment after the FY26-27 has started, and it is anticipated that the carryover will require no new financial resources from local jurisdictions because the funding had been previously secured.

Also included is a projected five-year capital improvement program as part of the budget plan. While only the first year is financially constrained, the projects identified in the

ensuing four years provide a snapshot of future capital needs and potential cost levels. It should be noted that staff has only identified replacement projects and easily identifiable on-going projects (i.e., computer needs and bus stop improvements) in the capital improvement program. No expansion vehicles are included in the base budget.

Conclusion

Fiscal Year 2026-27 will be a particularly challenging year. We look forward to working with our customers, the Board and other stakeholders in providing stability and the highest quality of transportation services to residents of and visitors to our community. We believe that this budget reflects the path set by your Board in previous years and, although we would like to do more, we believe that this budget provides the optimum levels of service within the confines of existing limited resources.

Staff Recommendation for Executive Committee:

Recommend staff provide the FY26-27 budget to the Board for approval at the May 6th Board meeting.

Approved staff recommendation.

Staff Recommendation for RTAC:

Recommend staff provide the FY26-27 budget to the Board for approval at the May 6th Board meeting.

Meeting held but a quorum was not present.

Staff Recommendation for the Board:

Recommend that the Board adopt the FY26-27 budget as presented.

**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 4th 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 8th meeting and the Regional Transit Advisory Committee (RTAC) at their April 9th meeting prior to the final draft budget presentation to the full Board on May 6th.

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.

RTA BOARD APPROVED MARCH 4, 2026

- 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.

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.

RTA BOARD APPROVED MARCH 4, 2026

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 core¹ 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

¹ 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.

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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 SLCOOG 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;

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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.

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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.

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- 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.

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- 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 4th 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.

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
OPERATING REVENUE BUDGET FOR 2026/2027**

	2024/25 Combined Actual	2025/26 Amended Combined Budget	2025/26 Amended RTA Core Budget	2026/27 Proposed Combined Budget	2026/27 Proposed RTA Core Budget	2027/28 Projected Combined Budget	2027/28 Projected RTA Core Budget
FUNDING SOURCES:							
GENERAL RESERVES	5,268,920	5,726,480	3,501,760	4,022,130	2,597,610	3,808,970	2,591,860
1. ESTIMATED FUND BALANCE	5,268,920	5,726,480	3,501,760	4,022,130	2,597,610	3,808,970	2,591,860
2. LESS REQUIRED RESERVES FOR FISCAL YEAR							
CASH FLOW REQUIREMENTS PER TDA	3,241,530	3,462,130	2,337,610	3,773,560	2,591,860	4,034,260	2,801,890
OFFSET RESERVE TO CARRYOVER TO FUTURE FISCAL YEARS	2,943,562	200,000	-	35,410	-	-	-
TOTAL	6,185,092	3,662,130	2,337,610	3,808,970	2,591,860	4,034,260	2,801,890
3. FUND BALANCE AVAILABLE	(916,172)	2,064,350	1,164,150	213,160	5,750	(225,290)	(210,030)
NON TDA SOURCES							
FARES	1,119,585	1,148,820	849,760	968,710	704,190	978,390	711,230
MANAGEMENT CONTRACT	321,860	-	-	-	-	-	-
INTEREST	219,108	135,000	135,000	230,440	230,440	230,440	230,440
STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	1,672,103	1,561,990	494,440	1,629,280	666,010	1,151,320	358,750
RURAL TRANSIT FUND (Including Administration)	30,000	285,410	285,410	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	840,000	850,500	850,500	867,600	867,600	885,040	885,040
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	783,423	800,000	800,000	802,260	712,460	804,260	708,300
FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	1,489,500	1,742,500	1,155,700	2,294,000	1,695,500	2,329,500	1,719,060
FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	1,930,000	2,006,500	969,600	2,353,960	1,224,260	2,391,910	1,244,050
CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	144,840	113,670	113,670	121,330	121,330	129,620	129,620
CUESTA CONTRIBUTION NORTH COUNTY	40,580	40,580	-	40,580	-	40,580	-
SPECIAL EVENTS REVENUE/OTHER	203,387	454,990	377,390	305,970	190,000	305,970	190,000
4. SUB TOTAL	8,794,386	9,139,960	6,031,470	9,614,130	6,411,790	9,247,030	6,176,490
5. TOTAL FUND BALANCE & NON TDA FUNDING	7,878,214	11,204,310	7,195,620	9,827,290	6,417,540	9,021,740	5,966,460
TDA REQUIRED							
CITY OF ARROYO GRANDE	643,532	774,778	361,707	978,126	387,112	1,076,936	466,394
CITY OF ATASCADERO	655,562	754,623	610,453	653,328	653,328	833,353	787,133
CITY OF GROVER BEACH	447,658	538,989	251,629	680,452	269,302	749,191	324,456
CITY OF MORRO BAY	222,999	469,201	206,871	486,181	221,401	808,255	266,745
CITY OF PASO ROBLES	880,099	1,020,544	623,114	1,360,379	666,879	1,568,268	803,458
CITY OF PISMO BEACH	282,411	338,828	158,183	427,756	169,293	470,968	203,965
CITY OF SAN LUIS OBISPO	1,295,399	1,206,522	1,206,522	1,291,262	1,291,262	1,555,718	1,555,718
COUNTY OF SAN LUIS OBISPO	3,968,350	3,561,094	3,284,421	4,062,566	3,515,103	4,946,640	4,235,011
TDA REQUIREMENTS BEFORE 5311 EXCHANGE	8,396,010	8,664,580	6,702,900	9,940,050	7,173,680	12,009,330	8,642,880
LESS: RURAL TRANSIT FUND/5311 EXCHANGE	(792,910)	(800,000)	(800,000)	-	-	-	-
6. NET TDA REQUIREMENTS	7,603,100	7,864,580	5,902,900	9,940,050	7,173,680	12,009,330	8,642,880
7. TOTAL FUNDING SOURCES	15,481,314	19,068,890	13,098,520	19,767,340	13,591,220	21,031,070	14,609,340
8. FUNDING USES:							
ADMINISTRATION	2,620,634	3,060,070	2,085,030	3,002,210	2,055,460	3,190,110	2,206,180
PERS BUYOUT	178,308	178,310	178,310	-	-	-	-
SERVICE DELIVERY	12,682,372	15,606,510	10,691,260	16,530,730	11,382,940	17,591,590	12,238,410
CONTINGENCY	-	224,000	143,920	234,400	152,820	249,370	164,750
9. TOTAL FUNDING USES	15,481,314	19,068,890	13,098,520	19,767,340	13,591,220	21,031,070	14,609,340

Population
Based

18%
49%

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
CAPITAL AND PLANNING REVENUE BUDGET FOR 2026/2027**

		2024/25 Combined Acutal Capital Expense	2025/26 Amendment #1 Combined Capital Budget	2025/26 Adopted RTA Core Capital Budget	2026/27 Proposed Combined Capital Budget	2026/27 Proposed RTA Core Capital Budget	2027/28 Projected Combined Capital Budget	2027/28 Projected RTA Core Capital Budget
FUNDING SOURCES:								
BEGINNING CAPITAL PROJECTS RESERVE		1,239,550	1,647,830	1,225,090	1,384,910	1,024,140	1,113,830	788,170
1.	ESTIMATED FUND BALANCE	1,239,550	1,647,830	1,225,090	1,384,910	1,024,140	1,113,830	788,170
2.		LESS REQUIRED RESERVES FOR FISCAL YEAR						
CAPITAL PROJECTS RESERVE		1,588,565	1,384,910	1,024,140	1,113,830	788,170	1,343,050	866,980
TOTAL		1,588,565	1,384,910	1,024,140	1,113,830	788,170	1,343,050	866,980
3.	FUND BALANCE AVAILABLE	(349,015)	262,920	200,950	271,080	235,970	(229,220)	(78,810)
NON TDA SOURCES								
STATE TRANSIT ASSISTANCE (STA)		578,669	442,280	294,740	174,560	44,250	652,520	351,510
LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)		-	-	-	-	-	-	-
STATE OF GOOD REPAIR (SGR)		1,558	618,280	407,570	37,000	-	465,700	295,880
SB125								
Infrastructure (including fare program)		639	8,654,010	6,462,090	-	-	166,600	105,850
Fixed Route Electric		-	1,220,000	804,230	-	-	1,197,400	760,750
RURAL TRANSIT FUND (Capital)		9,488	2,425,690	1,455,200	185,810	120,450	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307)		370,935	-	-				
Fixed Route Electric			2,280,400	1,503,250	2,272,500	1,473,080	1,281,600	814,240
Fixed Route Non-Electric			-	-	1,769,700	1,147,160	1,863,100	1,183,690
Demand Response Electric			-	-	-	-	-	-
Demand Response Non-Electric			646,810	451,500	140,400	-	208,300	208,300
ADA Minivans			517,700	517,700	148,200	-	-	-
Support Vehicles			280,120	268,380	61,600	41,880	30,300	20,810
Trolley			200,920	-	-	-	280,000	-
Bus Stop Improvements			123,230	83,150	87,800	55,790	89,200	56,710
Dispatch Software Upgrade			200,000	200,000	-	-	-	-
Vehicle Maintenance Equipment			150,900	138,390	40,400	27,840	41,000	28,530
FEDERAL TRANSIT ADM (FTA) (Section 5339)		274,026	-	-				
Vehicle Engine Rehab			469,460	269,470	-	-	-	-
Fixed Route Electric			6,615,210	4,360,790	-	-	427,200	271,420
Fixed Route Non-Electric			-	-	-	-	994,030	767,560
Dial-A-Ride Vehicle Replacement			-	-	-	-	-	-
OTHER		145,374	1,271,570	818,730	-	-	-	-
4.	SUB TOTAL	1,235,315	26,116,580	18,035,190	4,917,970	2,910,450	7,696,950	4,865,250
5.	TOTAL FUND BALANCE & NON TDA FUNDING	886,300	26,379,500	18,236,140	5,189,050	3,146,420	7,467,730	4,786,440
TDA REQUIRED								
CITY OF ARROYO GRANDE		24,938	24,718	24,718	24,718	24,718	24,718	24,718
CITY OF ATASCADERO		42,378	41,717	41,717	41,717	41,717	41,717	41,717
CITY OF GROVER BEACH		18,631	17,196	17,196	17,196	17,196	17,196	17,196
CITY OF MORRO BAY		14,365	14,137	14,137	14,137	14,137	334,647	14,137
CITY OF PASO ROBLES		44,020	42,582	42,582	42,582	42,582	42,582	42,582
CITY OF PISMO BEACH		11,475	10,810	10,810	10,810	10,810	10,810	10,810
CITY OF SAN LUIS OBISPO		84,985	82,451	82,451	82,451	82,451	82,451	82,451
COUNTY OF SAN LUIS OBISPO		231,349	224,449	224,449	224,449	224,449	224,449	224,449
6.		TDA REQUIREMENTS FOR TIFIA LOAN REPAYMENT						
		472,141	458,060	458,060	458,060	458,060	778,570	458,060
7.	TOTAL FUNDING SOURCES	1,358,441	26,837,560	18,694,200	5,647,110	3,604,480	8,246,300	5,244,500
8. FUNDING USES:								
CAPITAL		852,887	17,600,740	11,729,500	2,916,550	1,673,340	9,074,850	5,626,620
LOAN PAYMENTS		444,635	458,060	458,060	458,060	458,060	458,060	458,060
SHORT RANGE TRANSIT PLAN		92,029	67,100	-	-	-	-	-
REGIONAL CONTACTLESS FARE PAYMENT SYSTEM		-	388,000	255,650	-	-	-	-
REGIONAL CONTACTLESS CHARGING		-	2,266,000	2,096,120	-	-	-	-
REGIONAL BUS CHARGING PROJECTS		639	4,000,000	2,740,220	-	-	-	-
MASTER PLANNING & IMPLEMENTION- OFFSITE FAST CHARGING		-	2,000,000	1,370,100	-	-	-	-
9.	TOTAL FUNDING USES	1,390,191	26,779,900	18,649,650	3,374,610	2,131,400	9,532,910	6,084,680

Population Based

		Acutal Combined FY 2024-25	Adopted Operating Budget FY 2025-26	Projected Operating Budget FY 2026-27	Projected Operating Budget FY 2027-28
Administration and Service Delivery Totals					
	Hours	80,076	89,900	88,310	90,880
	Miles	1,555,328	1,735,020	1,680,910	1,718,260
Administration:					
Labor	operations cost	1,355,234	1,539,550	1,555,520	1,641,740
Labor - Administration Workers Comp	operations cost	39,123	52,720	58,630	63,380
Office Space Rental & Rental Amortization	operations cost	56,837	59,670	61,740	63,750
Property Insurance	operations cost	281,598	323,370	313,030	377,240
Professional Technical Services	operations cost	290,774	458,710	408,450	436,790
Professional Development	operations cost	48,618	93,290	97,080	99,380
Operating Expense	operations cost	441,056	368,030	344,010	347,060
Marketing and Reproduction	operations cost	107,394	164,730	163,750	160,780
Total Administration		2,620,634	3,060,070	3,002,210	3,190,120
Service Delivery:					
Labor - Operations	hourly				
Bus Operators	hourly	4,938,608	6,531,680	7,274,820	7,768,180
Training Staff	hourly	412,729	443,360	443,990	466,990
Operations Supervisors/Schedulers	hourly	1,469,523	1,595,710	1,705,920	1,815,900
Ops. Mgt. / Oversight	hourly	460,829	506,310	545,130	574,920
Labor - Operations Workers Comp	hourly	296,699	399,810	444,630	480,680
Labor - Maintenance	miles	1,740,704	2,055,710	2,275,990	2,377,720
Labor - Maintenance Workers Comp	miles	81,241	109,470	121,740	131,610
Fuel	miles	1,318,218	1,629,970	1,362,210	1,427,290
Insurance (Liability, Physical Damage, Employment Prac	miles	1,009,948	1,191,000	1,202,140	1,342,100
Special Transportation (for SLOCAT)	n/a	23,375	32,070	29,990	31,650
Maintenance (parts, supplies, materials)	miles	760,867	961,580	971,380	1,023,660
Maintenance Contract Costs	miles	169,631	149,840	152,790	150,900
Total Operations		12,682,372	15,606,510	16,530,730	17,591,600
Contingency	hourly	-	224,000	234,400	249,380
PERS Buyout	operations cost	178,308	178,310	-	-
TOTAL FUNDING USES		15,481,314	19,068,890	19,767,340	21,031,100

	Actual Capital Budget FY 2024-25	Adopted Amended Capital Budget FY 2025-26	Projected Capital Budget FY 2026-27	Projected Capital Budget FY 2027-28	Projected Capital Budget FY 2028-29	Projected Capital Budget FY 2029-30	Projected Capital Budget FY 2030-31
Capital and Planning Expenditures							
Capital/Studies:							
Computer System Maintenance/Upgrades	25,043	504,040	117,150	123,010	229,160	135,620	142,400
Miscellaneous Capital							
Maintenance Equipment	19,299	188,650	50,400	51,200	52,000	52,800	53,600
Vehicle ITS/Camera System	16,694	-	-	-	500,000	-	-
Bus Stop Improvements	135,288	147,000	109,700	111,400	113,260	115,000	106,800
Large Capital Repairs	76	586,820	-	-	-	-	-
Vehicles							
Support Vehicles	-	353,010	76,900	37,800	81,700	220,400	205,400
Fixed Route Vehicles	121,887	13,843,000	2,212,100	7,080,300	4,091,910	2,568,990	5,557,600
Trolley replacement vehicles	42,053	251,150	-	700,000	-	-	-
Cutaway and Dial A Ride Vehicles	164,629	586,970	350,300	466,260	739,280	154,850	796,100
Runabout Vehicles	277,382	1,140,100	-	338,300	589,500	-	-
Total Capital Outlay	802,351	17,600,740	2,916,550	8,908,270	6,396,810	3,247,660	6,861,900
Loan Repayments	444,635	458,060	458,060	458,060	458,060	458,060	458,060
Short Range Transit Plan	92,668	67,100	-	-	-	300,000	-
Regional Contactless Fare Payment System	-	388,000	-	-	-	-	-
Regional Contactless Charging	-	2,266,000	-	-	-	-	-
Regional Bus Charging Projects	50,537	4,000,000	-	-	-	-	-
Master Planning & Implementation - Offsite fast charging	-	2,000,000	-	166,600	101,700	-	-
TOTAL FUNDING USES	1,390,191	26,779,900	3,374,610	9,532,930	6,956,570	4,005,720	7,319,960

		Total Adopted Budget	Weekday Proposed Budget	Express Proposed Budget	Saturday Proposed Budget	Sunday Proposed Budget	Total Proposed Budget	Total Projected Budget
		FY 2025-26	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2027-28
Route 9								
	<u>Measure:</u>							
	Annual Hours	12,760	10,100	1,290	720	490	12,600	12,600
	Annual Miles	320,340	254,390	27,220	20,500	13,810	315,920	315,920
Administration:								
Total Administration (Net of Contracts)		\$ 464,180	\$ 368,700	\$ 43,710	\$ 27,800	\$ 18,830	\$ 459,040	\$ 475,080
Service Delivery:	<u>Basis:</u>							
Labor - Operations	hourly							
Bus Operators	hourly	\$ 881,840	\$ 796,990	\$ 101,790	\$ 56,820	\$ 38,670	\$ 994,270	\$ 1,031,670
Training Staff	hourly	\$ 59,530	\$ 48,490	\$ 6,190	\$ 3,460	\$ 2,350	\$ 60,490	\$ 61,820
Operations Supervisors/Schedulers	hourly	\$ 215,020	\$ 185,200	\$ 23,650	\$ 13,200	\$ 8,990	\$ 231,040	\$ 238,990
Ops. Mgt. / Oversight	hourly	\$ 67,700	\$ 59,210	\$ 7,560	\$ 4,220	\$ 2,870	\$ 73,860	\$ 75,690
Labor - Operations Workers Comp	hourly	\$ 54,240	\$ 48,750	\$ 6,230	\$ 3,480	\$ 2,370	\$ 60,830	\$ 63,890
Labor - Maintenance	miles	\$ 371,920	\$ 337,240	\$ 36,090	\$ 27,180	\$ 18,310	\$ 418,820	\$ 428,020
Labor - Maintenance Workers Comp	miles	\$ 19,800	\$ 18,070	\$ 1,930	\$ 1,460	\$ 980	\$ 22,440	\$ 23,730
Fuel	miles	\$ 294,300	\$ 202,490	\$ 21,670	\$ 16,320	\$ 10,990	\$ 251,470	\$ 257,750
Insurance	miles	\$ 214,810	\$ 178,110	\$ 19,060	\$ 14,350	\$ 9,670	\$ 221,190	\$ 241,580
Maintenance (parts, supplies, materials)	miles	\$ 174,180	\$ 144,600	\$ 15,470	\$ 11,650	\$ 7,850	\$ 179,570	\$ 185,130
Maintenance Contract Costs	miles	\$ 26,840	\$ 22,640	\$ 2,420	\$ 1,820	\$ 1,230	\$ 28,110	\$ 27,170
Total Operations		\$ 2,380,180	\$ 2,041,790	\$ 242,060	\$ 153,960	\$ 104,280	\$ 2,542,090	\$ 2,635,440
Capital/Studies:								
Total Capital Outlay		\$ 5,573,600	\$ 513,930	\$ 60,930	\$ 38,760	\$ 26,250	\$ 639,870	\$ 1,902,510
Contingency	hourly	\$ 30,480	\$ 25,800	\$ 3,300	\$ 1,840	\$ 1,250	\$ 32,190	\$ 33,270
PERS Buyout	operations cost	\$ 39,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayment	operations cost	\$ 101,980	\$ 82,160	\$ 9,740	\$ 6,200	\$ 4,200	\$ 102,300	\$ 98,640
TOTAL FUNDING USES		\$ 8,590,110	\$ 3,032,380	\$ 359,740	\$ 228,560	\$ 154,810	\$ 3,775,490	\$ 5,144,940
TOTAL NON-CAPITAL EXPENDITURES		\$ 2,914,530	\$ 2,436,290	\$ 289,070	\$ 183,600	\$ 124,360	\$ 3,033,320	\$ 3,143,790

		Total Adopted Budget	Weekday Proposed Budget	Express Proposed Budget	Saturday Proposed Budget	Sunday Proposed Budget	Total Proposed Budget	Total Projected Budget
		FY 2025-26	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2027-28
Route 10								
	<u>Measure:</u>							
	Annual Hours	11,100	8,610	600	680	400	10,290	10,290
	Annual Miles	332,440	260,690	18,100	20,640	12,380	311,810	311,810
Administration:								
Total Administration (Net of Contracts)		\$ 439,870	\$ 342,400	\$ 23,820	\$ 27,080	\$ 16,080	\$ 409,380	\$ 423,710
Service Delivery:	<u>Basis:</u>							
Labor - Operations	hourly							
Bus Operators	hourly	\$ 767,120	\$ 679,410	\$ 47,350	\$ 53,660	\$ 31,560	\$ 811,980	\$ 842,530
Training Staff	hourly	\$ 51,780	\$ 41,340	\$ 2,880	\$ 3,260	\$ 1,920	\$ 49,400	\$ 50,490
Operations Supervisors/Schedulers	hourly	\$ 187,060	\$ 157,880	\$ 11,000	\$ 12,470	\$ 7,330	\$ 188,690	\$ 195,170
Ops. Mgt. / Oversight	hourly	\$ 58,880	\$ 50,470	\$ 3,520	\$ 3,990	\$ 2,340	\$ 60,320	\$ 61,820
Labor - Operations Workers Comp	hourly	\$ 47,190	\$ 41,560	\$ 2,900	\$ 3,280	\$ 1,930	\$ 49,670	\$ 52,180
Labor - Maintenance	miles	\$ 385,960	\$ 345,600	\$ 24,000	\$ 27,360	\$ 16,410	\$ 413,370	\$ 422,450
Labor - Maintenance Workers Comp	miles	\$ 20,550	\$ 18,520	\$ 1,290	\$ 1,470	\$ 880	\$ 22,150	\$ 23,420
Fuel	miles	\$ 305,410	\$ 207,500	\$ 14,410	\$ 16,430	\$ 9,850	\$ 248,190	\$ 254,400
Insurance	miles	\$ 222,930	\$ 182,530	\$ 12,670	\$ 14,450	\$ 8,670	\$ 218,320	\$ 238,440
Maintenance (parts, supplies, materials)	miles	\$ 180,760	\$ 148,180	\$ 10,290	\$ 11,730	\$ 7,040	\$ 177,240	\$ 182,720
Maintenance Contract Costs	miles	\$ 27,850	\$ 23,200	\$ 1,610	\$ 1,840	\$ 1,100	\$ 27,750	\$ 26,820
Total Operations		\$ 2,255,490	\$ 1,896,190	\$ 131,920	\$ 149,940	\$ 89,030	\$ 2,267,080	\$ 2,350,440
Capital/Studies:								
Total Capital Outlay		\$ 5,424,030	\$ 477,280	\$ 33,200	\$ 37,740	\$ 22,410	\$ 570,630	\$ 1,696,770
Contingency	hourly	\$ 26,510	\$ 21,990	\$ 1,530	\$ 1,740	\$ 1,020	\$ 26,280	\$ 27,170
PERS Buyout	operations cost	\$ 37,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayment	operations cost	\$ 96,630	\$ 76,300	\$ 5,310	\$ 6,030	\$ 3,580	\$ 91,220	\$ 87,970
TOTAL FUNDING USES		\$ 8,280,150	\$ 2,814,160	\$ 195,780	\$ 222,530	\$ 132,120	\$ 3,364,590	\$ 4,586,060
TOTAL NON-CAPITAL EXPENDITURES		\$ 2,759,490	\$ 2,260,580	\$ 157,270	\$ 178,760	\$ 106,130	\$ 2,702,740	\$ 2,801,320

		Total Adopted Budget	Weekday Proposed Budget	Weekday Rte 14 Proposed Budget	Saturday Proposed Budget	Sunday Proposed Budget	Total Proposed Budget	Total Projected Budget
		FY 2025-26	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2027-28
Route 12, and Route 14 Tripper								
	<u>Measure:</u>							
	Annual Hours	7,690	6,480	110	510	440	7,540	7,540
	Annual Miles	198,980	170,060	1,800	12,390	11,050	195,300	195,300
Administration:								
Total Administration (Net of Contracts)		\$ 283,720	\$ 240,940	\$ 3,390	\$ 18,320	\$ 16,040	\$ 278,700	\$ 288,440
Service Delivery:	<u>Basis:</u>							
Labor - Operations	hourly							
Bus Operators	hourly	\$ 531,450	\$ 511,340	\$ 8,680	\$ 40,240	\$ 34,720	\$ 594,980	\$ 617,360
Training Staff	hourly	\$ 35,870	\$ 31,110	\$ 530	\$ 2,450	\$ 2,110	\$ 36,200	\$ 37,000
Operations Supervisors/Schedulers	hourly	\$ 129,580	\$ 118,820	\$ 2,020	\$ 9,350	\$ 8,070	\$ 138,260	\$ 143,010
Ops. Mgt. / Oversight	hourly	\$ 40,800	\$ 37,990	\$ 640	\$ 2,990	\$ 2,580	\$ 44,200	\$ 45,300
Labor - Operations Workers Comp	hourly	\$ 32,700	\$ 31,280	\$ 530	\$ 2,460	\$ 2,120	\$ 36,400	\$ 38,230
Labor - Maintenance	miles	\$ 231,010	\$ 225,450	\$ 2,390	\$ 16,430	\$ 14,650	\$ 258,910	\$ 264,600
Labor - Maintenance Workers Comp	miles	\$ 12,300	\$ 12,080	\$ 130	\$ 880	\$ 780	\$ 13,870	\$ 14,670
Fuel	miles	\$ 182,790	\$ 135,360	\$ 1,430	\$ 9,860	\$ 8,800	\$ 155,450	\$ 159,340
Insurance	miles	\$ 133,440	\$ 119,070	\$ 1,260	\$ 8,680	\$ 7,740	\$ 136,740	\$ 149,340
Maintenance (parts, supplies, materials)	miles	\$ 108,200	\$ 96,670	\$ 1,020	\$ 7,040	\$ 6,280	\$ 111,010	\$ 114,440
Maintenance Contract Costs	miles	\$ 16,670	\$ 15,140	\$ 160	\$ 1,100	\$ 980	\$ 17,380	\$ 16,800
Total Operations		\$ 1,454,810	\$ 1,334,310	\$ 18,790	\$ 101,480	\$ 88,830	\$ 1,543,400	\$ 1,600,090
Capital/Studies:								
Total Capital Outlay		\$ 3,693,820	\$ 335,850	\$ 4,730	\$ 25,540	\$ 22,360	\$ 388,480	\$ 1,155,090
Contingency	hourly	\$ 18,370	\$ 16,550	\$ 280	\$ 1,300	\$ 1,120	\$ 19,250	\$ 19,910
PERS Buyout	operations cost	\$ 24,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayment	operations cost	\$ 62,340	\$ 53,690	\$ 760	\$ 4,080	\$ 3,570	\$ 62,100	\$ 59,890
TOTAL FUNDING USES		\$ 5,537,320	\$ 1,981,340	\$ 27,950	\$ 150,720	\$ 131,920	\$ 2,291,930	\$ 3,123,420
TOTAL NON-CAPITAL EXPENDITURES		\$ 1,781,160	\$ 1,591,800	\$ 22,460	\$ 121,100	\$ 105,990	\$ 1,841,350	\$ 1,908,440

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		Total Adopted Budget	Weekday Proposed Budget	Saturday Proposed Budget	Sunday Proposed Budget	Total Proposed Budget	Total Projected Budget
		FY 2025-26	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2027-28
Route 15							
	<u>Measure:</u>						
	Annual Hours	3,590	2,720	620	390	3,730	3,730
	Annual Miles	104,680	83,580	16,560	9,970	110,110	110,110
Administration:							
Total Administration (Net of Contracts)		\$ 140,360	\$ 108,960	\$ 23,230	\$ 14,330	\$ 146,520	\$ 151,650
Service Delivery:	<u>Basis:</u>						
Labor - Operations	hourly						
Bus Operators	hourly	\$ 248,100	\$ 214,630	\$ 48,920	\$ 30,770	\$ 294,320	\$ 305,410
Training Staff	hourly	\$ 16,750	\$ 13,060	\$ 2,980	\$ 1,870	\$ 17,910	\$ 18,300
Operations Supervisors/Schedulers	hourly	\$ 60,500	\$ 49,880	\$ 11,370	\$ 7,150	\$ 68,400	\$ 70,750
Ops. Mgt. / Oversight	hourly	\$ 19,050	\$ 15,940	\$ 3,630	\$ 2,290	\$ 21,860	\$ 22,410
Labor - Operations Workers Comp	hourly	\$ 15,270	\$ 13,130	\$ 2,990	\$ 1,880	\$ 18,000	\$ 18,910
Labor - Maintenance	miles	\$ 121,540	\$ 110,800	\$ 21,950	\$ 13,220	\$ 145,970	\$ 149,180
Labor - Maintenance Workers Comp	miles	\$ 6,470	\$ 5,940	\$ 1,180	\$ 710	\$ 7,830	\$ 8,270
Fuel	miles	\$ 96,170	\$ 66,530	\$ 13,180	\$ 7,940	\$ 87,650	\$ 89,840
Insurance	miles	\$ 70,200	\$ 58,520	\$ 11,590	\$ 6,980	\$ 77,090	\$ 84,200
Maintenance (parts, supplies, materials)	miles	\$ 56,910	\$ 47,510	\$ 9,410	\$ 5,670	\$ 62,590	\$ 64,520
Maintenance Contract Costs	miles	\$ 8,780	\$ 7,440	\$ 1,470	\$ 890	\$ 9,800	\$ 9,470
Total Operations		\$ 719,740	\$ 603,380	\$ 128,670	\$ 79,370	\$ 811,420	\$ 841,260
Capital/Studies:							
Total Capital Outlay		\$ 352,900	\$ 8,920	\$ 1,900	\$ 1,170	\$ 11,990	\$ 475,970
Contingency	hourly	\$ 8,570	\$ 6,950	\$ 1,580	\$ 1,000	\$ 9,530	\$ 9,850
PERS Buyout	operations cost	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayment	operations cost	\$ 30,830	\$ 24,280	\$ 5,180	\$ 3,190	\$ 32,650	\$ 31,490
TOTAL FUNDING USES		\$ 1,264,400	\$ 752,490	\$ 160,560	\$ 99,060	\$ 1,012,110	\$ 1,510,220
TOTAL NON-CAPITAL EXPENDITURES		\$ 880,670	\$ 719,290	\$ 153,480	\$ 94,700	\$ 967,470	\$ 1,002,760

		Total Adopted Budget	Total Proposed Budget	Total Projected Budget
		FY 2025-26	FY 2026-27	FY 2027-28
Runabout				
	<u>Measure:</u>			
	Annual Hours	25,120	25,660	28,230
	Annual Miles	396,690	373,520	410,870
Administration:				
Total Administration (Net of Contracts)		\$ 756,890	\$ 761,830	\$ 867,300
Service Delivery:	<u>Basis:</u>			
Labor - Operations	hourly			
Bus Operators	hourly	\$ 1,736,050	\$ 2,024,830	\$ 2,311,430
Training Staff	hourly	\$ 117,190	\$ 123,190	\$ 138,520
Operations Supervisors/Schedulers	hourly	\$ 423,340	\$ 470,520	\$ 535,440
Ops. Mgt. / Oversight	hourly	\$ 133,270	\$ 150,420	\$ 169,590
Labor - Operations Workers Comp	hourly	\$ 106,780	\$ 123,860	\$ 143,150
Labor - Maintenance	miles	\$ 460,560	\$ 495,170	\$ 556,670
Labor - Maintenance Workers Comp	miles	\$ 24,520	\$ 26,530	\$ 30,870
Fuel	miles	\$ 364,440	\$ 297,310	\$ 335,220
Insurance	miles	\$ 266,010	\$ 261,520	\$ 314,190
Maintenance (parts, supplies, materials)	miles	\$ 215,690	\$ 212,320	\$ 240,770
Maintenance Contract Costs	miles	\$ 33,230	\$ 33,250	\$ 35,330
Total Operations		\$ 3,881,080	\$ 4,218,920	\$ 4,811,180
Capital/Studies:				
Total Capital Outlay		\$ 3,147,300	\$ 62,390	\$ 396,280
Contingency	hourly	\$ 60,000	\$ 65,550	\$ 74,550
PERS Buyout	operations cost	\$ 64,730	\$ -	\$ -
Loan Repayment	operations cost	\$ 166,280	\$ 169,770	\$ 180,070
TOTAL FUNDING USES		\$ 8,076,280	\$ 5,278,460	\$ 6,329,380
TOTAL NON-CAPITAL EXPENDITURES		\$ 4,762,700	\$ 5,046,300	\$ 5,753,030

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Fiscal Year 2026/2027

Operating Budget

**County of San Luis Obispo Services
For Transit Services in the Unincorporated
Areas of San Luis Obispo County**

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
OPERATING REVENUE BUDGET FOR 2026/2027**

		2025/26 Adopted County Budget	2026/27 Proposed County Budget	2027/28 Projected County Budget
FUNDING SOURCES:				
	GENERAL RESERVES	444,000	153,000	137,480
1.	ESTIMATED FUND BALANCE	444,000	153,000	137,480
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CASH FLOW REQUIREMENTS PER TDA	153,000	137,480	147,240
	OFFSET RESERVE TO CARRYOVER TO FUTURE FISCAL YEARS	-	-	-
	TOTAL	153,000	137,480	147,240
3.	FUND BALANCE AVAILABLE	291,000	15,520	(9,760)
<u>NON TDA SOURCES</u>				
	FARES	20,260	24,340	24,580
	MANAGEMENT CONTRACT	-	-	-
	INTEREST	-	-	-
	STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	317,960	284,520	196,790
	RURAL TRANSIT FUND (Including Administration)	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	-	32,250	36,290
	FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	38,820	39,600	40,390
	CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	-	-	-
	CUESTA CONTRIBUTION NORTH COUNTY	-	-	-
	SPECIAL EVENTS REVENUE/OTHER	-	32,970	32,970
4.	SUB TOTAL	377,040	413,680	331,020
5.	TOTAL FUND BALANCE & NON TDA FUNDING	668,040	429,200	321,260
<u>TDA REQUIRED</u>				
	COUNTY OF SAN LUIS OBISPO	113,250	313,640	470,080
	TDA REQUIREMENTS BEFORE 5311 EXCHANGE	113,250	313,640	470,080
	LESS: RURAL TRANSIT FUND/5311 EXCHANGE	-	(32,250)	(36,290)
6.	NET TDA REQUIREMENTS	113,250	281,390	433,790
7.	TOTAL FUNDING SOURCES	781,290	710,590	755,050
FUNDING USES:				
	ADMINISTRATION	139,780	126,820	135,470
	PERS BUYOUT	-	-	-
	SERVICE DELIVERY	632,250	607,210	646,490
	CONTINGENCY	9,260	8,810	9,380
9.	TOTAL FUNDING USES	781,290	742,840	791,340

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
CAPITAL AND PLANNING REVENUE BUDGET FOR 2026/2027**

		2025/26 Adopted County Capital Budget	2026/27 Proposed County Capital Budget	2027/28 Projected County Capital Budget
FUNDING SOURCES:				
	BEGINNING CAPITAL PROJECTS RESERVE	89,340	28,270	25,240
1.	ESTIMATED FUND BALANCE	89,340	28,270	25,240
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CAPITAL PROJECTS RESERVE	28,270	25,240	39,310
	TOTAL	28,270	25,240	39,310
3.	FUND BALANCE AVAILABLE	61,070	3,030	(14,070)
NON TDA SOURCES				
	STATE TRANSIT ASSISTANCE (STA)	-	1,650	89,380
	LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)	-	-	-
	STATE OF GOOD REPAIR (SGR)	-	-	-
	SB125			
	Infrastructure (including fare program)	243,070	-	-
	Fixed Route Electric	-	-	-
	RURAL TRANSIT FUND (Capital)	8,030	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307)			
	Fixed Route Electric	-	-	-
	Fixed Route Non-Electric	-	-	-
	Demand Response Electric	-	-	-
	Demand Response Non-Electric	195,310	-	-
	ADA Minivans	-	-	-
	Support Vehicles	1,510	2,820	1,390
	Trolley	200,920	-	280,000
	Bus Stop Improvements	-	-	-
	Dispatch Software Upgrade	-	-	-
	Vehicle Maintenance Equipment	1,610	1,480	1,510
	FEDERAL TRANSIT ADM (FTA) (Section 5339)			
	Vehicle Engine Rehab	-	-	-
	Fixed Route Electric	-	-	-
	Fixed Route Non-Electric	-	-	-
	Dial-A-Ride Vehicle Replacement	-	-	-
	OTHER	29,570	-	-
4.	SUB TOTAL	680,020	5,950	372,280
5.	TOTAL FUND BALANCE & NON TDA FUNDING	741,090	8,980	358,210
TDA REQUIRED				
	COUNTY OF SAN LUIS OBISPO	-	-	-
6.	TDA REQUIREMENTS FOR TIFIA LOAN REPAYMENT	-	-	-
7.	TOTAL FUNDING SOURCES	741,090	8,980	358,210
FUNDING USES:				
	CAPITAL	489,580	8,980	358,210
	LOAN PAYMENTS	-	-	-
	SHORT RANGE TRANSIT PLAN	-	-	-
	REGIONAL CONTACTLESS FARE PAYMENT SYSTEM	-	-	-
	REGIONAL CONTACTLESS CHARGING	-	-	-
	REGIONAL BUS CHARGING PROJECTS	162,050	-	-
	MASTER PLANNING & IMPLEMENTATION- OFFSITE FAST CHARGING	81,020	-	-
9.	TOTAL FUNDING USES	732,650	8,980	358,210

		Total Adopted Budget	Total Proposed Budget	Total Projected Budget
		<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
County Services				
Administration:				
	Total Administration (Net of Contracts)	\$ 139,780	\$ 126,820	\$ 135,470
Service Delivery:				
	Labor - Operations	hourly		
	Bus Operators	hourly	\$ 318,710	\$ 306,290
	Training Staff	hourly	\$ 23,950	\$ 20,030
	Operations Supervisors/Schedulers	hourly	\$ 80,700	\$ 86,590
	Ops. Mgt. / Oversight	hourly	\$ 29,360	\$ 27,460
	Labor - Operations Workers Comp	hourly	\$ 17,650	\$ 18,350
	Labor - Maintenance	miles	\$ 41,340	\$ 47,610
	Labor - Maintenance Workers Comp	miles	\$ 2,230	\$ 2,340
	Fuel	miles	\$ 36,010	\$ 24,240
	Insurance	miles	\$ 27,540	\$ 25,230
	Special Transit (Senior Vans, Incentives, etc)	n/a	\$ 32,070	\$ 29,990
	Maintenance (parts, supplies, materials)	miles	\$ 18,200	\$ 15,910
	Maintenance Contract Costs	miles	\$ 4,490	\$ 3,170
	Total Operations	\$ 632,250	\$ 607,210	\$ 646,490
Capital/Studies:				
	Total Capital Outlay	\$ 732,650	\$ 8,980	\$ 358,210
	Contingency	hourly	\$ 9,260	\$ 8,810
	Loan Repayment	operations cost	\$ -	\$ -
TOTAL FUNDING USES		\$ 1,513,940	\$ 751,820	\$ 1,149,550
TOTAL NON-CAPITAL EXPENDITURES		\$ 781,290	\$ 742,840	\$ 791,340

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Fiscal Year 2026/2027

Operating Budget

**Paso Robles Service
For Transit Services in the City of Paso Robles**

May 6, 2026

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
OPERATING REVENUE BUDGET FOR 2026/2027**

	2025/26 Adopted Paso Robles Budget	2026/27 Proposed Paso Robles Budget	2027/28 Projected Paso Robles Budget
FUNDING SOURCES:			
GENERAL RESERVES	406,540	228,980	253,040
1. ESTIMATED FUND BALANCE	406,540	228,980	253,040
2. LESS REQUIRED RESERVES FOR FISCAL YEAR			
CASH FLOW REQUIREMENTS PER TDA	228,980	253,040	263,970
OFFSET RESERVE TO CARRYOVER TO FUTURE FISCAL YEARS	-	-	-
TOTAL	228,980	253,040	263,970
3. FUND BALANCE AVAILABLE	177,560	(24,060)	(10,930)
NON TDA SOURCES			
FARES	118,870	120,540	121,750
MANAGEMENT CONTRACT	-	-	-
INTEREST	-	-	-
STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	216,080	213,620	173,880
RURAL TRANSIT FUND (Including Administration)	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	363,600	370,900	378,350
FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	-	-	-
CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	-	-	-
CUESTA CONTRIBUTION NORTH COUNTY	40,580	40,580	40,580
SPECIAL EVENTS REVENUE/OTHER	52,400	56,000	56,000
4. SUB TOTAL	791,530	801,640	770,560
5. TOTAL FUND BALANCE & NON TDA FUNDING	969,090	777,580	759,630
TDA REQUIRED			
CITY OF PASO ROBLES	397,430	693,500	764,810
TDA REQUIREMENTS BEFORE 5311 EXCHANGE	397,430	693,500	764,810
LESS: RURAL TRANSIT FUND/5311 EXCHANGE	-	-	-
6. NET TDA REQUIREMENTS	397,430	693,500	764,810
7. TOTAL FUNDING SOURCES	1,366,520	1,471,080	1,524,440
8. FUNDING USES:			
ADMINISTRATION	219,930	221,980	229,700
PERS BUYOUT	-	-	-
SERVICE DELIVERY	1,127,760	1,229,260	1,274,220
CONTINGENCY	18,830	19,840	20,520
9. TOTAL FUNDING USES	1,366,520	1,471,080	1,524,440

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
CAPITAL AND PLANNING REVENUE BUDGET FOR 2026/2027**

		2025/26 Adopted Paso Robles Capital Budget	2026/27 Proposed Paso Robles Capital Budget	2027/28 Projected Paso Robles Capital Budget
FUNDING SOURCES:				
	BEGINNING CAPITAL PROJECTS RESERVE	57,040	95,020	84,320
1.	ESTIMATED FUND BALANCE	57,040	95,020	84,320
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CAPITAL PROJECTS RESERVE	95,020	84,320	138,730
	TOTAL	95,020	84,320	138,730
3.	FUND BALANCE AVAILABLE	(37,980)	10,700	(54,410)
<u>NON TDA SOURCES</u>				
	STATE TRANSIT ASSISTANCE (STA)	51,970	27,620	67,360
	LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)	-	-	-
	STATE OF GOOD REPAIR (SGR)	62,910	37,000	57,240
	SB125			
	Infrastructure (including fare program)	638,740	-	20,480
	Fixed Route Electric	124,130	-	147,190
	RURAL TRANSIT FUND (Capital)	193,360	19,530	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307)			
	Fixed Route Electric	232,020	238,840	157,540
	Fixed Route Non-Electric		185,990	229,020
	Demand Response Electric		-	-
	Demand Response Non-Electric		-	-
	ADA Minivans		148,200	-
	Support Vehicles	2,690	4,570	2,190
	Trolley		-	-
	Bus Stop Improvements	11,970	10,790	10,950
	Dispatch Software Upgrade	-	-	-
	Vehicle Maintenance Equipment	2,870	3,000	2,970
	FEDERAL TRANSIT ADM (FTA) (Section 5339)			
	Vehicle Engine Rehab	59,710	-	-
	Fixed Route Electric	673,060	-	52,510
	Fixed Route Non-Electric	-	-	76,340
	Dial-A-Ride Vehicle Replacement	-	-	-
	OTHER	126,370	-	-
4.	SUB TOTAL	2,179,800	675,540	823,790
5.	TOTAL FUND BALANCE & NON TDA FUNDING	2,141,820	686,240	769,380
<u>TDA REQUIRED</u>				
	CITY OF PASO ROBLES	-	-	-
6.	TDA REQUIREMENTS FOR TIFIA LOAN REPAYMENT	-	-	-
7.	TOTAL FUNDING SOURCES	2,141,820	686,240	769,380
8.	FUNDING USES:			
	CAPITAL	1,498,130	447,400	919,860
	LOAN PAYMENTS	-	-	-
	SHORT RANGE TRANSIT PLAN	-	-	-
	REGIONAL CONTACTLESS FARE PAYMENT SYSTEM	35,290	-	-
	REGIONAL CONTACTLESS CHARGING	169,880	-	-
	REGIONAL BUS CHARGING PROJECTS	289,050	-	-
	MASTER PLANNING & IMPLEMENTATION- OFFSITE FAST CHARGING	144,520	-	-
9.	TOTAL FUNDING USES	2,136,870	447,400	919,860

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		Total Adopted Budget	Proposed Route A & B Budget	Proposed Paso DAR Budget	Proposed Tripper Budget	Total Proposed Budget	Total Projected Budget
		FY 2025-26	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2027-28
Paso Robles Services							
	<u>Measure:</u>						
	Annual Hours	7,880	6,140	1,430	200	7,770	7,770
	Annual Miles	98,350	86,180	10,730	2,600	99,510	99,510
Administration:							
	Total Administration (Net of Contracts)	\$ 219,930	\$ 180,250	\$ 35,990	\$ 5,740	\$ 221,980	\$ 229,700
Service Delivery:							
	<u>Basis:</u>						
	Labor - Operations		hourly				
	Bus Operators	\$ 544,600	\$ 484,510	\$ 112,840	\$ 15,780	\$ 613,130	\$ 636,200
	Training Staff	\$ 36,760	\$ 29,480	\$ 6,870	\$ 960	\$ 37,310	\$ 38,120
	Operations Supervisors/Schedulers	\$ 132,810	\$ 112,590	\$ 26,220	\$ 3,670	\$ 142,480	\$ 147,370
	Ops. Mgt. / Oversight	\$ 41,810	\$ 35,990	\$ 8,380	\$ 1,170	\$ 45,540	\$ 46,680
	Labor - Operations Workers Comp	\$ 33,500	\$ 29,640	\$ 6,900	\$ 970	\$ 37,510	\$ 39,400
	Labor - Maintenance	\$ 114,180	\$ 114,250	\$ 14,220	\$ 3,450	\$ 131,920	\$ 134,820
	Labor - Maintenance Workers Comp	\$ 6,080	\$ 6,120	\$ 760	\$ 180	\$ 7,060	\$ 7,480
	Fuel	\$ 90,360	\$ 68,600	\$ 8,540	\$ 2,070	\$ 79,210	\$ 81,190
	Insurance	\$ 65,950	\$ 60,340	\$ 7,510	\$ 1,820	\$ 69,670	\$ 76,090
	Maintenance (parts, supplies, materials)	\$ 53,470	\$ 48,990	\$ 6,100	\$ 1,480	\$ 56,570	\$ 58,310
	Maintenance Contract Costs	\$ 8,240	\$ 7,670	\$ 960	\$ 230	\$ 8,860	\$ 8,560
	Total Operations	\$ 1,127,760	\$ 998,180	\$ 199,300	\$ 31,780	\$ 1,229,260	\$ 1,274,220
Capital/Studies:							
	Total Capital Outlay	\$ 2,136,870	\$ 251,250	\$ 188,150	\$ 8,000	\$ 447,400	\$ 919,860
Contingency							
	hourly	\$ 18,830	\$ 15,680	\$ 3,650	\$ 510	\$ 19,840	\$ 20,520
Loan Repayment							
	operations cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FUNDING USES		\$ 3,503,390	\$ 1,445,360	\$ 427,090	\$ 46,030	\$ 1,918,480	\$ 2,444,300
TOTAL NON-CAPITAL EXPENDITURES		\$ 1,366,520	\$ 1,194,110	\$ 238,940	\$ 38,030	\$ 1,471,080	\$ 1,524,440

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**Fiscal Year
2026/2027**

Operating Budget

**South County Service
For Transit Services in the Five Cities Area**

May 6, 2026

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
OPERATING REVENUE BUDGET FOR 2026/2027**

		2025/26 Adopted South County Budget	2026/27 Proposed South County Budget	2027/28 Projected South County Budget
FUNDING SOURCES:				
	GENERAL RESERVES	744,920	516,370	574,040
1.	ESTIMATED FUND BALANCE	744,920	516,370	574,040
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CASH FLOW REQUIREMENTS PER TDA	516,370	574,040	595,920
	OFFSET RESERVE TO CARRYOVER TO FUTURE FISCAL YEARS	-	-	-
	TOTAL	516,370	574,040	595,920
3.	FUND BALANCE AVAILABLE	228,550	(57,670)	(21,880)
<u>NON TDA SOURCES</u>				
	FARES	117,930	94,290	95,230
	MANAGEMENT CONTRACT	-	-	-
	INTEREST	-	-	-
	STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	260,340	243,540	245,000
	RURAL TRANSIT FUND (Including Administration)	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	998,080	1,090,100	1,107,470
	CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	-	-	-
	CUESTA CONTRIBUTION NORTH COUNTY	-	-	-
	SPECIAL EVENTS REVENUE/OTHER	25,200	27,000	27,000
4.	SUB TOTAL	1,401,550	1,454,930	1,474,700
5.	TOTAL FUND BALANCE & NON TDA FUNDING	1,630,100	1,397,260	1,452,820
<u>TDA REQUIRED</u>				
	CITY OF ARROYO GRANDE	413,071	591,014	610,542
	CITY OF GROVER BEACH	287,361	411,150	424,735
	CITY OF PISMO BEACH	180,645	258,463	267,004
	COUNTY OF SAN LUIS OBISPO	163,423	233,823	241,549
	TDA REQUIREMENTS BEFORE 5311 EXCHANGE	1,044,500	1,494,450	1,543,830
	LESS: RURAL TRANSIT FUND/5311 EXCHANGE	-	-	-
6.	NET TDA REQUIREMENTS	1,044,500	1,494,450	1,543,830
7.	TOTAL FUNDING SOURCES	2,674,600	2,891,710	2,996,650
FUNDING USES:				
	ADMINISTRATION	430,720	436,540	451,730
	PERS BUYOUT	-	-	-
	SERVICE DELIVERY	2,208,590	2,417,440	2,505,910
	CONTINGENCY	35,290	37,730	39,010
9.	TOTAL FUNDING USES	2,674,600	2,891,710	2,996,650

Population Based

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
CAPITAL AND PLANNING REVENUE BUDGET FOR 2026/2027**

		2025/26 Adopted South County Capital Budget	2026/27 Proposed South County Capital Budget	2027/28 Projected South County Capital Budget
FUNDING SOURCES:				
	BEGINNING CAPITAL PROJECTS RESERVE	123,370	185,990	165,320
1.	ESTIMATED FUND BALANCE	123,370	185,990	165,320
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CAPITAL PROJECTS RESERVE	185,990	165,320	207,750
	TOTAL	185,990	165,320	207,750
3.	FUND BALANCE AVAILABLE	(62,620)	20,670	(42,430)
NON TDA SOURCES				
	STATE TRANSIT ASSISTANCE (STA)	87,300	69,340	67,880
	LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)	-	-	-
	STATE OF GOOD REPAIR (SGR)	147,800	-	112,580
	SB125			
	Infrastructure (including fare program)	932,010	-	40,270
	Fixed Route Electric	291,640	-	289,460
	RURAL TRANSIT FUND (Capital)	454,300	45,830	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307)			
	Fixed Route Electric	545,130	560,580	309,820
	Fixed Route Non-Electric	-	436,550	450,390
	Demand Response Electric	-	-	-
	Demand Response Non-Electric	-	-	-
	ADA Minivans	-	-	-
	Support Vehicles	5,280	9,000	4,310
	Trolley	-	-	-
	Bus Stop Improvements	28,110	21,220	21,540
	Dispatch Software Upgrade	-	-	-
	Vehicle Maintenance Equipment	5,620	5,900	5,830
	FEDERAL TRANSIT ADM (FTA) (Section 5339)			
	Vehicle Engine Rehab	140,280	-	-
	Fixed Route Electric	1,581,360	-	103,270
	Fixed Route Non-Electric	-	-	150,130
	Dial-A-Ride Vehicle Replacement	-	-	-
	OTHER	296,900	-	-
4.	SUB TOTAL	4,515,730	1,148,420	1,555,480
5.	TOTAL FUND BALANCE & NON TDA FUNDING	4,453,110	1,169,090	1,513,050
TDA REQUIRED				
	CITY OF ARROYO GRANDE	-	-	-
	CITY OF GROVER BEACH	-	-	-
	CITY OF PISMO BEACH	-	-	-
	COUNTY OF SAN LUIS OBISPO	-	-	-
	Population Based			
6.	TDA REQUIREMENTS FOR TIFIA LOAN REPAYMENT	-	-	-
7.	TOTAL FUNDING SOURCES	4,453,110	1,169,090	1,513,050
FUNDING USES:				
	CAPITAL	3,513,970	608,510	1,809,000
	LOAN PAYMENTS	-	-	-
	SHORT RANGE TRANSIT PLAN	-	-	-
	REGIONAL CONTACTLESS FARE PAYMENT SYSTEM	82,910	-	-
	REGIONAL CONTACTLESS CHARGING	-	-	-
	REGIONAL BUS CHARGING PROJECTS	566,070	-	-
	MASTER PLANNING & IMPLEMENTION- OFFSITE FAST CHARGING	283,030	-	-
9.	TOTAL FUNDING USES	4,445,980	608,510	1,809,000

		Total Adopted Budget	Proposed Route 21 Budget	Proposed Route 24 Budget	Proposed Route 27 Budget	Proposed Route 28 Budget	Proposed Tripper Budget	Total Proposed Budget	Total Projected Budget
		FY 2025-26	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2026-27	FY 2027-28
South County									
	Measure:								
	Annual Hours	14,770	3,850	3,620	3,000	4,000	300	14,770	14,770
	Annual Miles	211,900	71,380	49,550	37,860	50,910	2,200	211,900	211,900
Administration:									
Total Administration (Net of Contracts)		\$ 430,720	\$ 124,140	\$ 105,460	\$ 85,350	\$ 114,070	\$ 7,520	\$ 436,540	\$ 451,730
Service Delivery:	Basis:								
Labor - Operations	hourly								
Bus Operators	hourly	\$1,020,750	\$ 303,800	\$ 285,650	\$ 236,730	\$ 315,640	\$ 23,670	\$ 1,165,490	\$ 1,209,350
Training Staff	hourly	\$ 68,910	\$ 18,480	\$ 17,380	\$ 14,400	\$ 19,200	\$ 1,440	\$ 70,900	\$ 72,470
Operations Supervisors/Schedulers	hourly	\$ 248,910	\$ 70,600	\$ 66,380	\$ 55,010	\$ 73,350	\$ 5,500	\$ 270,840	\$ 280,140
Ops. Mgt. / Oversight	hourly	\$ 78,370	\$ 22,570	\$ 21,220	\$ 17,590	\$ 23,450	\$ 1,760	\$ 86,590	\$ 88,730
Labor - Operations Workers Comp	hourly	\$ 62,790	\$ 18,580	\$ 17,470	\$ 14,480	\$ 19,310	\$ 1,450	\$ 71,290	\$ 74,900
Labor - Maintenance	miles	\$ 246,020	\$ 94,630	\$ 65,690	\$ 50,190	\$ 67,490	\$ 2,920	\$ 280,920	\$ 287,090
Labor - Maintenance Workers Comp	miles	\$ 13,100	\$ 5,070	\$ 3,520	\$ 2,690	\$ 3,620	\$ 160	\$ 15,060	\$ 15,920
Fuel	miles	\$ 194,670	\$ 56,820	\$ 39,440	\$ 30,140	\$ 40,520	\$ 1,750	\$ 168,670	\$ 172,880
Insurance	miles	\$ 142,110	\$ 49,980	\$ 34,690	\$ 26,510	\$ 35,650	\$ 1,540	\$ 148,370	\$ 162,040
Maintenance (parts, supplies, materials)	miles	\$ 115,220	\$ 40,570	\$ 28,170	\$ 21,520	\$ 28,940	\$ 1,250	\$ 120,450	\$ 124,170
Maintenance Contract Costs	miles	\$ 17,740	\$ 6,350	\$ 4,410	\$ 3,370	\$ 4,530	\$ 200	\$ 18,860	\$ 18,220
Total Operations		\$2,208,590	\$ 687,450	\$ 584,020	\$ 472,630	\$ 631,700	\$ 41,640	\$ 2,417,440	\$ 2,505,910
Capital/Studies:									
Total Capital Outlay		\$4,445,980	\$ 173,040	\$ 147,010	\$ 118,970	\$ 159,000	\$ 10,490	\$ 608,510	\$ 1,809,000
Contingency	hourly	\$ 35,290	\$ 9,830	\$ 9,250	\$ 7,660	\$ 10,220	\$ 770	\$ 37,730	\$ 39,010
Loan Repayment	operations cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FUNDING USES		\$7,120,580	\$ 994,460	\$ 845,740	\$ 684,610	\$ 914,990	\$ 60,420	\$ 3,597,500	\$ 4,805,650
TOTAL NON-CAPITAL EXPENDITURES		\$2,674,600	\$ 821,420	\$ 698,730	\$ 565,640	\$ 755,990	\$ 49,930	\$ 2,891,710	\$ 2,996,650

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Fiscal Year 2026/2027

Operating Budget

**Morro Bay Service
For Transit Services in the City of Morro Bay**

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
OPERATING REVENUE BUDGET FOR 2026/2027**

		2025/26 Adopted Morro Bay Budget	2026/27 Proposed Morro Bay Budget	2027/28 Projected Morro Bay Budget
FUNDING SOURCES:				
	GENERAL RESERVES	500,000	307,340	119,630
1.	ESTIMATED FUND BALANCE	500,000	307,340	119,630
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CASH FLOW REQUIREMENTS PER TDA	107,340	119,630	124,090
	OFFSET RESERVE TO CARRYOVER TO FUTURE FISCAL YEARS	200,000	-	-
	TOTAL	307,340	119,630	124,090
3.	FUND BALANCE AVAILABLE	192,660	187,710	(4,460)
<u>NON TDA SOURCES</u>				
	FARES	14,000	13,170	13,300
	MANAGEMENT CONTRACT	-	-	-
	INTEREST	-	-	-
	STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	68,730	65,480	-
	RURAL TRANSIT FUND (Including Administration)	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	-	57,550	59,670
	FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	-	-	-
	CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	-	-	-
	CUESTA CONTRIBUTION NORTH COUNTY	-	-	-
	SPECIAL EVENTS REVENUE/OTHER	-	-	-
4.	SUB TOTAL	82,730	136,200	72,970
5.	TOTAL FUND BALANCE & NON TDA FUNDING	275,390	323,910	68,510
<u>TDA REQUIRED</u>				
	CITY OF MORRO BAY	262,330	264,780	541,510
	TDA REQUIREMENTS BEFORE 5311 EXCHANGE	262,330	264,780	541,510
	LESS: RURAL TRANSIT FUND/5311 EXCHANGE	-	-	-
6.	NET TDA REQUIREMENTS	262,330	264,780	541,510
7.	TOTAL FUNDING SOURCES	537,720	588,690	610,020
FUNDING USES:				
	ADMINISTRATION	86,460	88,780	91,870
	PERS BUYOUT	-	-	-
	SERVICE DELIVERY	443,350	491,680	509,650
	CONTINGENCY	7,910	8,230	8,500
9.	TOTAL FUNDING USES	537,720	588,690	610,020

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
CAPITAL AND PLANNING REVENUE BUDGET FOR 2026/2027**

		2025/26 Adopted Morro Bay Capital Budget	2026/27 Proposed Morro Bay Capital Budget	2027/28 Projected Morro Bay Capital Budget
FUNDING SOURCES:				
	BEGINNING CAPITAL PROJECTS RESERVE	146,390	37,480	33,260
1.	ESTIMATED FUND BALANCE	146,390	37,480	33,260
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CAPITAL PROJECTS RESERVE	37,480	33,260	65,200
	TOTAL	37,480	33,260	65,200
3.	FUND BALANCE AVAILABLE	108,910	4,220	(31,940)
<u>NON TDA SOURCES</u>				
	STATE TRANSIT ASSISTANCE (STA)	4,050	20	65,500
	LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)	-	-	-
	STATE OF GOOD REPAIR (SGR)	-	-	-
	SB125			
	Infrastructure (including fare program)	184,600	-	-
	Fixed Route Electric	-	-	-
	RURAL TRANSIT FUND (Capital)	314,800	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307)			
	Fixed Route Electric	-	-	-
	Fixed Route Non-Electric	-	-	-
	Demand Response Electric	-	-	-
	Demand Response Non-Electric	-	-	-
	ADA Minivans	-	-	-
	Support Vehicles	1,060	1,830	880
	Trolley	-	-	-
	Bus Stop Improvements	-	-	-
	Dispatch Software Upgrade	-	-	-
	Vehicle Maintenance Equipment	1,130	1,200	1,190
	FEDERAL TRANSIT ADM (FTA) (Section 5339)			
	Vehicle Engine Rehab	-	-	-
	Fixed Route Electric	-	-	-
	Fixed Route Non-Electric	-	-	-
	Dial-A-Ride Vehicle Replacement	-	-	-
	OTHER	-	-	-
4.	SUB TOTAL	505,640	3,050	67,570
5.	TOTAL FUND BALANCE & NON TDA FUNDING	614,550	7,270	35,630
<u>TDA REQUIRED</u>				
	CITY OF MORRO BAY	-	-	320,510
6.	TDA REQUIREMENTS FOR TIFIA LOAN REPAYMENT	-	-	320,510
7.	TOTAL FUNDING SOURCES	614,550	7,270	356,140
8.	FUNDING USES:			
	CAPITAL	362,850	7,270	356,140
	LOAN PAYMENTS	-	-	-
	SHORT RANGE TRANSIT PLAN	67,100	-	-
	REGIONAL CONTACTLESS FARE PAYMENT SYSTEM	14,150	-	-
	REGIONAL CONTACTLESS CHARGING	-	-	-
	REGIONAL BUS CHARGING PROJECTS	113,630	-	-
	MASTER PLANNING & IMPLEMENTATION- OFFSITE FAST CHARGING	56,820	-	-
9.	TOTAL FUNDING USES	614,550	7,270	356,140

		Total Adopted Budget	Proposed Call A Ride Budget	Proposed Trolley Budget	Total Proposed Budget	Total Projected Budget
		FY 2025-26	FY 2026-27	FY 2026-27	FY 2026-27	FY 2027-28
Morro Bay Services						
	<u>Measure:</u>					
	Annual Hours	3,310	2,850	370	3,220	3,220
	Annual Miles	32,500	31,390	4,850	36,240	36,240
Administration:						
	Total Administration (Net of Contracts)	\$ 86,460	\$ 78,140	\$ 10,640	\$ 88,780	\$ 91,870
Service Delivery:						
	<u>Basis:</u>					
	Labor - Operations					
	Bus Operators	hourly \$ 228,730	\$ 224,890	\$ 29,200	\$ 254,090	\$ 263,650
	Training Staff	hourly \$ 15,450	\$ 13,680	\$ 1,780	\$ 15,460	\$ 15,800
	Operations Supervisors/Schedulers	hourly \$ 55,760	\$ 52,260	\$ 6,780	\$ 59,040	\$ 61,070
	Ops. Mgt. / Oversight	hourly \$ 17,560	\$ 16,710	\$ 2,170	\$ 18,880	\$ 19,340
	Labor - Operations Workers Comp	hourly \$ 14,080	\$ 13,760	\$ 1,790	\$ 15,550	\$ 16,330
	Labor - Maintenance	miles \$ 37,730	\$ 41,610	\$ 6,430	\$ 48,040	\$ 49,100
	Labor - Maintenance Workers Comp	miles \$ 2,000	\$ 2,230	\$ 340	\$ 2,570	\$ 2,720
	Fuel	miles \$ 29,860	\$ 24,990	\$ 3,860	\$ 28,850	\$ 29,570
	Insurance	miles \$ 21,790	\$ 21,980	\$ 3,400	\$ 25,380	\$ 27,710
	Maintenance (parts, supplies, materials)	miles \$ 17,670	\$ 17,840	\$ 2,760	\$ 20,600	\$ 21,240
	Maintenance Contract Costs	miles \$ 2,720	\$ 2,790	\$ 430	\$ 3,220	\$ 3,120
	Total Operations	\$ 443,350	\$ 432,740	\$ 58,940	\$ 491,680	\$ 509,650
Capital/Studies:						
	Total Capital Outlay	\$ 614,550	\$ 6,400	\$ 870	\$ 7,270	\$ 356,140
Contingency						
	hourly	\$ 7,910	\$ 7,280	\$ 950	\$ 8,230	\$ 8,500
Loan Repayment						
	operations cost	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FUNDING USES		\$ 1,152,270	\$ 524,560	\$ 71,400	\$ 595,960	\$ 966,160
TOTAL NON-CAPITAL EXPENDITURES		\$ 537,720	\$ 518,160	\$ 70,530	\$ 588,690	\$ 610,020

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Fiscal Year 2026/2027

Operating Budget

**Atascadero Service
For Transit Services in the City of Atascadero**

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
OPERATING REVENUE BUDGET FOR 2026/2027**

		2025/26 Adopted Atascadero Budget	2026/27 Proposed Atascadero Budget	2027/28 Projected Atascadero Budget
FUNDING SOURCES:				
	GENERAL RESERVES	129,260	218,830	132,920
1.	ESTIMATED FUND BALANCE	129,260	218,830	132,920
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CASH FLOW REQUIREMENTS PER TDA	118,830	97,510	101,150
	OFFSET RESERVE TO CARRYOVER TO FUTURE FISCAL YEARS	-	35,410	-
	TOTAL	118,830	132,920	101,150
3.	FUND BALANCE AVAILABLE	10,430	85,910	31,770
<u>NON TDA SOURCES</u>				
	FARES	28,000	12,180	12,300
	MANAGEMENT CONTRACT	-	-	-
	INTEREST	-	-	-
	STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	204,440	156,110	176,900
	RURAL TRANSIT FUND (Including Administration)	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	223,200	227,600	232,090
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	-	-	-
	CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	-	-	-
	CUESTA CONTRIBUTION NORTH COUNTY	-	-	-
	SPECIAL EVENTS REVENUE/OTHER	-	-	-
4.	SUB TOTAL	455,640	395,890	421,290
5.	TOTAL FUND BALANCE & NON TDA FUNDING	466,070	481,800	453,060
<u>TDA REQUIRED</u>				
	CITY OF ATASCADERO	144,170	-	46,220
	TDA REQUIREMENTS BEFORE 5311 EXCHANGE	144,170	-	46,220
	LESS: RURAL TRANSIT FUND/5311 EXCHANGE	-	-	-
6.	NET TDA REQUIREMENTS	144,170	-	46,220
7.	TOTAL FUNDING SOURCES	610,240	481,800	499,280
FUNDING USES:				
	ADMINISTRATION	98,150	72,630	75,160
	PERS BUYOUT	-	-	-
	SERVICE DELIVERY	503,300	402,200	416,910
	CONTINGENCY	8,790	6,970	7,210
9.	TOTAL FUNDING USES	610,240	481,800	499,280

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
CAPITAL AND PLANNING REVENUE BUDGET FOR 2026/2027**

		2025/26 Adopted Atascadero Capital Budget	2026/27 Proposed Atascadero Capital Budget	2027/28 Projected Atascadero Capital Budget
FUNDING SOURCES:				
	BEGINNING CAPITAL PROJECTS RESERVE	6,600	14,010	17,520
1.	ESTIMATED FUND BALANCE	6,600	14,010	17,520
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CAPITAL PROJECTS RESERVE	14,010	17,520	25,080
	TOTAL	14,010	17,520	25,080
3.	FUND BALANCE AVAILABLE	(7,410)	(3,510)	(7,560)
<u>NON TDA SOURCES</u>				
	STATE TRANSIT ASSISTANCE (STA)	4,220	31,680	10,890
	LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)	-	-	-
	STATE OF GOOD REPAIR (SGR)	-	-	-
	SB125			
	Infrastructure (including fare program)	193,500	-	-
	Fixed Route Electric	-	-	-
	RURAL TRANSIT FUND (Capital)	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307)			
	Fixed Route Electric	-	-	-
	Fixed Route Non-Electric	-	-	-
	Demand Response Electric	-	-	-
	Demand Response Non-Electric	-	140,400	-
	ADA Minivans	-	-	-
	Support Vehicles	1,200	1,500	720
	Trolley	-	-	-
	Bus Stop Improvements	-	-	-
	Dispatch Software Upgrade	-	-	-
	Vehicle Maintenance Equipment	1,280	980	970
	FEDERAL TRANSIT ADM (FTA) (Section 5339)	-	-	-
	Vehicle Engine Rehab	-	-	-
	Fixed Route Electric	-	-	-
	Fixed Route Non-Electric	-	-	-
	Dial-A-Ride Vehicle Replacement	-	-	-
	OTHER	-	-	-
4.	SUB TOTAL	200,200	174,560	12,580
5.	TOTAL FUND BALANCE & NON TDA FUNDING	192,790	171,050	5,020
<u>TDA REQUIRED</u>				
	CITY OF ATASCADERO	-	-	-
6.	TDA REQUIREMENTS FOR TIFIA LOAN REPAYMENT	-	-	-
7.	TOTAL FUNDING SOURCES	192,790	171,050	5,020
8.	FUNDING USES:			
	CAPITAL	6,700	171,050	5,020
	LOAN PAYMENTS	-	-	-
	SHORT RANGE TRANSIT PLAN	-	-	-
	REGIONAL CONTACTLESS FARE PAYMENT SYSTEM	-	-	-
	REGIONAL CONTACTLESS CHARGING	-	-	-
	REGIONAL BUS CHARGING PROJECTS	129,000	-	-
	MASTER PLANNING & IMPLEMENTATION- OFFSITE FAST CHARGING	64,500	-	-
9.	TOTAL FUNDING USES	200,200	171,050	5,020

		Adopted Dial A Ride Budget	Total Proposed Budget	Total Projected Budget
		FY 2025-26	FY 2026-27	FY 2027-28
Atascadero Services				
	<u>Measure:</u>			
	Annual Hours	3,680	2,730	2,730
	Annual Miles	39,140	26,600	26,600
Administration:				
	Total Administration (Net of Contracts)	\$ 98,150	\$ 72,630	\$ 75,160
Service Delivery:				
	<u>Basis:</u>			
	Labor - Operations			hourly
	Bus Operators	\$ 254,320	\$ 215,420	\$ 223,530
	Training Staff	\$ 17,170	\$ 13,110	\$ 13,400
	Operations Supervisors/Schedulers	\$ 62,020	\$ 50,060	\$ 51,780
	Ops. Mgt. / Oversight	\$ 19,520	\$ 16,000	\$ 16,400
	Labor - Operations Workers Comp	\$ 15,640	\$ 13,180	\$ 13,840
	Labor - Maintenance	\$ 45,440	\$ 35,260	\$ 36,040
	Labor - Maintenance Workers Comp	\$ 2,420	\$ 1,890	\$ 2,000
	Fuel	\$ 35,960	\$ 21,170	\$ 21,700
	Insurance	\$ 26,250	\$ 18,620	\$ 20,340
	Maintenance (parts, supplies, materials)	\$ 21,280	\$ 15,120	\$ 15,590
	Maintenance Contract Costs	\$ 3,280	\$ 2,370	\$ 2,290
	Total Operations	\$ 503,300	\$ 402,200	\$ 416,910
Capital/Studies:				
	Total Capital Outlay	\$ 200,200	\$ 171,050	\$ 5,020
Contingency				
	hourly	\$ 8,790	\$ 6,970	\$ 7,210
Loan Repayment				
	operations cost	\$ -	\$ -	\$ -
TOTAL FUNDING USES		\$ 810,440	\$ 669,030	\$ 504,300
TOTAL NON-CAPITAL EXPENDITURES		\$ 610,240	\$ 481,800	\$ 499,280

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Fiscal Year 2026/2027

Budget

Support Documents

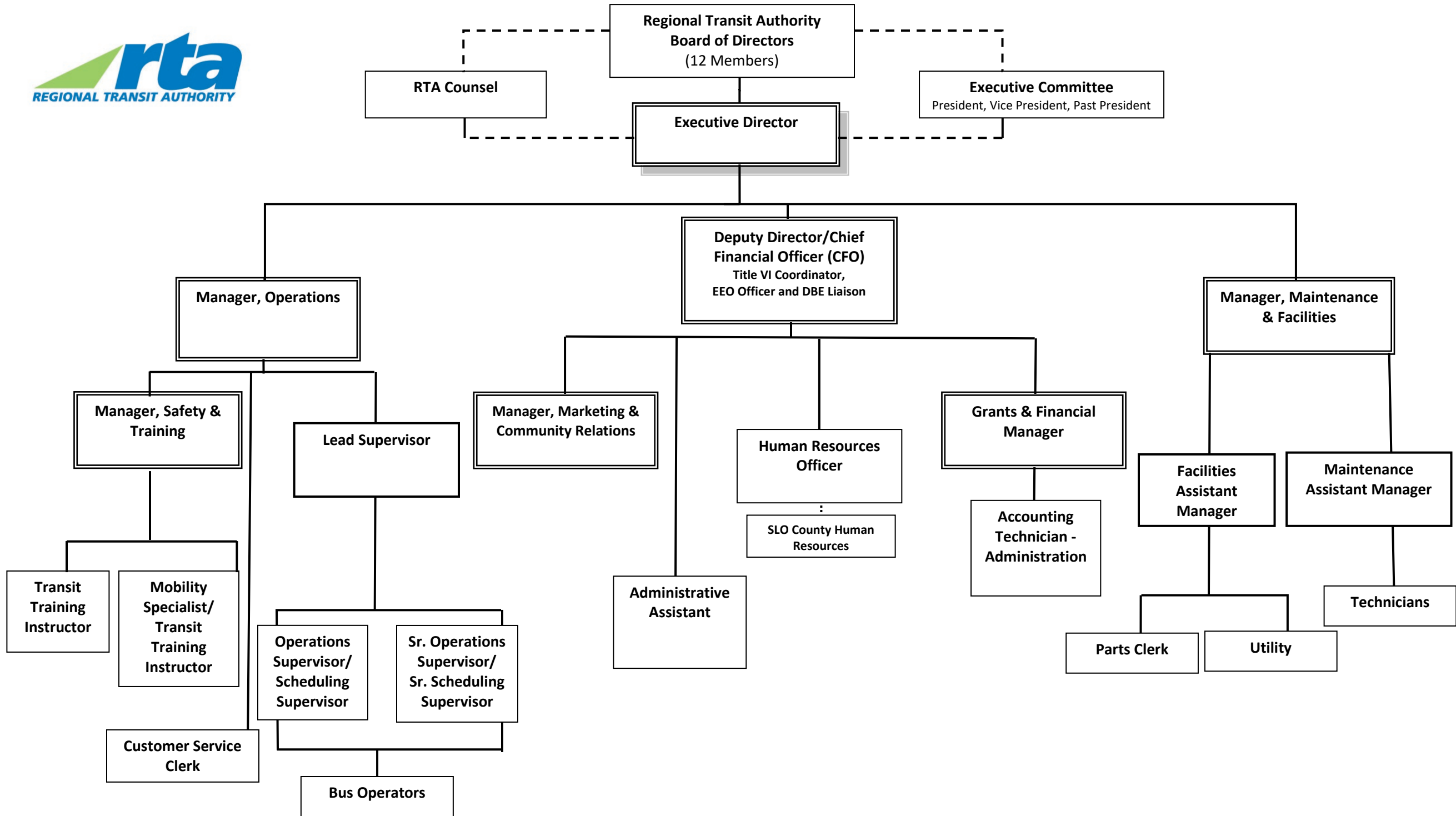
May 6, 2026

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Fiscal Year 26-27 Salary Schedule - Unrepresented Positions

Position(s)	Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
-	-	-	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Administrative Assistant, Customer Service Clerk	101	\$ 57,056.85	\$ 59,339.12	\$ 61,712.69	\$ 64,181.20	\$ 66,748.44	\$ 69,418.38	\$ 72,195.12
	102	\$ 59,909.69	\$ 62,306.08	\$ 64,798.32	\$ 67,390.26	\$ 70,085.87	\$ 72,889.30	\$ 75,804.87
	103	\$ 62,905.18	\$ 65,421.38	\$ 68,038.24	\$ 70,759.77	\$ 73,590.16	\$ 76,533.77	\$ 79,595.12
Accounting Technician II	104	\$ 66,050.44	\$ 68,692.45	\$ 71,440.15	\$ 74,297.76	\$ 77,269.67	\$ 80,360.45	\$ 83,574.87
	105	\$ 69,352.96	\$ 72,127.08	\$ 75,012.16	\$ 78,012.65	\$ 81,133.15	\$ 84,378.48	\$ 87,753.62
Scheduling Supervisor	106	\$ 72,820.61	\$ 75,733.43	\$ 78,762.77	\$ 81,913.28	\$ 85,189.81	\$ 88,597.40	\$ 92,141.30
Mobility Specialist, Operations Supervisor, Transit Training Instructor	107	\$ 76,461.64	\$ 79,520.10	\$ 82,700.91	\$ 86,008.94	\$ 89,449.30	\$ 93,027.27	\$ 96,748.36
	108	\$ 80,284.72	\$ 83,496.11	\$ 86,835.95	\$ 90,309.39	\$ 93,921.76	\$ 97,678.63	\$ 101,585.78
	109	\$ 84,298.95	\$ 87,670.91	\$ 91,177.75	\$ 94,824.86	\$ 98,617.85	\$ 102,562.57	\$ 106,665.07
Human Resources Officer	110	\$ 88,513.90	\$ 92,054.46	\$ 95,736.64	\$ 99,566.10	\$ 103,548.75	\$ 107,690.69	\$ 111,998.32
Facilities Assistant Manager, Lead Supervisor	111	\$ 92,939.60	\$ 96,657.18	\$ 100,523.47	\$ 104,544.41	\$ 108,726.18	\$ 113,075.23	\$ 117,598.24
Grants and Finance Manager	112	\$ 97,586.58	\$ 101,490.04	\$ 105,549.64	\$ 109,771.63	\$ 114,162.49	\$ 118,728.99	\$ 123,478.15
Maintenance Assistant Manager, Marketing and Community Relations Manager, Safety and Training Manager	113	\$ 102,465.91	\$ 106,564.54	\$ 110,827.12	\$ 115,260.21	\$ 119,870.62	\$ 124,665.44	\$ 129,652.06
	114	\$ 107,589.20	\$ 111,892.77	\$ 116,368.48	\$ 121,023.22	\$ 125,864.15	\$ 130,898.71	\$ 136,134.66
	115	\$ 115,658.39	\$ 120,284.73	\$ 125,096.11	\$ 130,099.96	\$ 135,303.96	\$ 140,716.12	\$ 146,344.76
Maintenance and Facilities Manager	116	\$ 124,332.77	\$ 129,306.08	\$ 134,478.32	\$ 139,857.46	\$ 145,451.75	\$ 151,269.82	\$ 157,320.62
Operations Manager	117	\$ 133,657.73	\$ 139,004.04	\$ 144,564.20	\$ 150,346.77	\$ 156,360.64	\$ 162,615.06	\$ 169,119.66
	118	\$ 143,682.06	\$ 149,429.34	\$ 155,406.51	\$ 161,622.77	\$ 168,087.68	\$ 174,811.19	\$ 181,803.64
Deputy Director/CFO	119	\$ 154,458.21	\$ 160,636.54	\$ 167,062.00	\$ 173,744.48	\$ 180,694.26	\$ 187,922.03	\$ 195,438.91
Executive Director	120	\$ 173,765.49	\$ 180,716.11	\$ 187,944.75	\$ 195,462.54	\$ 203,281.04	\$ 211,412.28	\$ 219,868.78

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Project Information	
Project Title	Support Vehicle Replacements
Anticipated Start Date	Ongoing Program
Anticipated Completion	Ongoing Program
Estimated Project Cost	\$913,640



Project Scope
The RTA uses a variety of non-revenue vehicles to support the various transit services provided.

Project Justification

There are small support utility vehicles that are used by the administrative staff, Operations Supervisors, and for employee swaps (in lieu of swapping buses). The four trucks that are used for road calls, equipment transportation, and bus stop maintenance. Other support vehicles include a forklift, utility cart and scissor lift.

Anticipated Impact to Operations

Support vehicles are vital to ensure the most effective use of resources and keep operating costs down.

Funding Information							
Funding Sources (other than Local)	FTIP Year	FTIP Amount/ Estimate	Local Match	PO Calendar Year	Delivery Year	Budget FY	Number of Vehicles
FTA 5307	Adopted FY24	\$36,480	\$9,120	2027	2027	FY26	1
FTA 5307	Proposed FY26	\$61,600	\$15,300	2027	2027	FY27	1
FTA 5307	Proposed FY27	\$30,300	\$7,500	2028	2028	FY28	1
FTA 5307	Projected FY28	\$65,300	\$16,400	2029	2029	FY29	1
FTA 5307	Projected FY29	\$176,320	\$44,080	2030	2030	FY30	5
FTA 5307	Projected FY30	\$164,300	\$41,100	2031	2031	FY31	4
FTA 5307	Projected FY32	\$121,010	\$30,250	2033	2033	FY33	3
FTA 5307	Projected FY33	\$75,660	\$18,920	2034	2034	FY34	1
Total		\$730,970	\$182,670				17

5 Year Budget Plan

2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	Other Years	Total Estimate
\$76,900	\$37,800	\$81,700	\$220,400	\$205,400	\$291,440	\$913,640

Project Information	
Project Title	Heavy Duty Fixed Route Vehicles
Anticipated Start Date	Ongoing Program
Anticipated Completion	Ongoing Program
Estimated Project Cost	\$48,442,450



Project Scope

Project Justification

Anticipated Impact to Operations

Funding Information

Funding Sources (other than Local)	FTIP Year	FTIP Amount/ Estimate	Local Match	PO Calendar Year	Delivery Year	Budget FY	Number of Vehicles
FTA 5307/5339	Adopted FY25	\$2,322,720	\$3,300,760	2026	2026	FY26	4
FTA 5307	Adopted FY25	\$1,769,700	\$442,400	2026	2027	FY27	3
FTA 5307	Adopted FY25	\$2,272,500	\$877,000	2027	2028	FY28	2
FTA 5307/5339	Proposed FY26	\$3,144,690	\$786,160	2027	2028	FY28	4
FTA 5307	Proposed FY27	\$3,358,300	\$733,610	2028	2029	FY29	4
FTA 5307	Projected FY28	\$2,142,470	\$426,520	2028	2029	FY30	2
FTA 5307	Projected FY29	\$4,723,890	\$833,610	2030	2031	FY31	3
FTA 5307	Projected FY31	\$3,144,520	\$786,120	2031	2033	FY33	2
FTA 5307	Projected FY33	\$3,336,020	\$834,000	2033	2035	FY35	2
FTA 5307	Projected FY34	\$1,718,050	\$429,510	2034	2036	FY36	1
FTA 5307	Projected FY35	\$8,847,900	\$2,212,000	2035	2037	FY37	5
Total		\$36,780,760	\$11,661,690				32

5 Year Budget Plan

2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	Other Years	Total Estimate
\$2,212,100	\$7,080,310	\$4,091,910	\$2,568,990	\$5,557,500	\$26,931,640	\$48,442,450

Project Information	
Project Title	Trolley Vehicles
Anticipated Start Date	Ongoing Program
Anticipated Completion	Ongoing Program
Estimated Project Cost	\$1,791,850



Project Scope
The RTA uses replica trolleys that mimic nostalgic, turn-of-the-century cable cars while providing modern, heavy-duty transit capabilities. This is one replacement of each vehicle.

Project Justification

Anticipated Impact to Operations

Funding Information							
Funding Sources (other than Local)	FTIP Year	FTIP Amount/ Estimate	Local Match	PO Calendar Year	Delivery Year	Budget FY	Number of Vehicles
FTA 5307	Adopted FY22	\$200,920	\$79,430	2025	2026	FY26	1
			\$350,000	2028	2028	FY28	1
FTA 5307	Proposed FY27	\$280,000	\$70,000	2027	2028	FY28	1
FTA 5307	Projected FY30	\$649,200	\$162,300	2031	2031	FY32	1
Total		\$1,130,120	\$661,730				4

5 Year Budget Plan

2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	Other Years	Total Estimate
\$0	\$700,000	\$0	\$0	\$0	\$1,091,850	\$1,791,850

Project Information

Project Title	Dial-A-Ride and Fixed Route Cutaway Vehicles
Anticipated Start Date	Ongoing Program
Anticipated Completion	Ongoing Program
Estimated Project Cost	\$3,338,870



Project Scope

The RTA uses a mix of vehicle types including low-floor minivans, low-floor cutaway, and cutaway vehicles for Dial-A-Ride and Fixed Route Services in various communities. This is one replacement of each vehicle.

Project Justification

Anticipated Impact to Operations

Funding Information

Funding Sources (other than Local)	FTIP Year	FTIP Amount/ Estimate	Local Match	PO Calendar Year	Delivery Year	Budget FY	Number of Vehicles
FTA 5307	Adopted FY24	\$140,400	\$24,700	2026	2027	FY27	1
FTA 5307	Proposed FY26	\$148,200	\$37,000	2027	2027	FY27	2
FTA 5339	Proposed FY27	\$373,000	\$93,260	2027	2028	FY28	2
FTA 5307	Projected FY28	\$609,910	\$129,370	2028	2029	FY29	3
FTA 5307	Projected FY29	\$123,900	\$30,950	2030	2030	FY30	1
FTA 5307	Projected FY30	\$676,700	\$119,400	2030	2031	FY31	2
FTA 5307	Projected FY31	\$707,260	\$124,820	2031	2032	FY32	2
Total		\$2,779,370	\$559,500				13

5 Year Budget Plan

2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	Other Years	Total Estimate
\$350,300	\$466,260	\$739,280	\$154,850	\$796,100	\$832,080	\$3,338,870

Project Information	
Project Title	Runabout Vehicles
Anticipated Start Date	Ongoing Program
Anticipated Completion	Ongoing Program
Estimated Project Cost	\$2,724,860



Project Scope
The RTA uses a mix of low-floor minivans and cutaway vehicles for the ADA paratransit service. This is one replacement of each vehicle.

Project Justification

Anticipated Impact to Operations

Funding Information

Funding Sources (other than Local)	FTIP Year	FTIP Amount/ Estimate	Local Match	PO Calendar Year	Delivery Year	Budget FY	Number of Vehicles
FTA 5307	Adopted FY23	\$538,880	\$98,840	2025	2026	FY26	4
FTA 5307	Adopted FY24	\$464,640	\$85,720	2026	2026	FY26	4
FTA 5307	Adopted FY25	\$517,720	\$91,280	2026	2026	FY26	7
FTA 5307	Proposed FY27	\$270,640	\$67,640	2028	2028	FY28	1
FTA 5307	Projected FY28	\$501,000	\$88,500	2029	2029	FY29	6
Total		\$2,292,880	\$431,980				22

5 Year Budget Plan

2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	Other Years	Total Estimate
\$0	\$338,300	\$589,500	\$0	\$0	\$1,797,080	\$2,724,860

FY2026-27 Charter Services Fee Schedule

Vehicle Revenue Hours	59,820
Vehicle Revenue Miles	1,306,660
Fixed-Route Hours Related to Operating Expenses	\$6,743,900
Fixed Route Miles Related to Operating Expenses (Fuel & Maintenance)	\$4,639,010
Operating Cost / Hour	\$112.74
Operating Cost / Mile	\$3.55
10% Surcharge for Program Administrative Costs	
Charter Service Cost / Hour	\$124.01
Charter Service Cost / Mile	\$3.91

Damage to Vehicles Used for Charter Services:

Repairs Provided By	Minimum Charge	Additional Cost
RTA (in-house)	\$125.00 per Hour	+ Cost of Parts & Associated Materials
Outside Vendor(s)	Full Invoice Cost	+ 10% Overhead
Biohazard Cleaning	\$100.00 per Incident	

Damage Type	Min. Charge
Inoperable Vehicle (Unavailable for Regular RTA Service)	\$150.00 per Day

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
MAY 6, 2026
STAFF REPORT**

AGENDA ITEM: C-2

TOPIC: RTA Contingency Fleet Plan

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Approve the RTA Contingency Fleet Plan

BACKGROUND/DISCUSSION:

Federal Transit Administration (FTA) permits the retention of buses that have met their useful life in a contingency fleet without being included in the spare ratio calculation. A contingency fleet means inactive rolling stock reserved or retained for emergencies or other unforeseen and justified FTA activities. The RTA will use the vehicles in the Contingency Fleet plan to assist with the transition to a zero-emission fleet and will be maintained at a minimum, per original equipment manufacturer (OEM) requirements, to ensure mechanical reliability and fleet readiness.

The Contingency Fleet Plan (Plan) outlines the periodic need and justification for the contingency bus fleet as required by FTA prior to establishing a contingency fleet. The Plan is designed to identify those vehicles separate from the active fleet and clearly document the process for activating and deactivating the contingency fleet, circumstances justifying its use, maintenance procedures, and vehicle inventory, as the primary components of the Plan. The RTA shall not place a vehicle into contingency fleet status before the vehicle has reached the end of its minimum federal useful service life. Vehicles held in a contingency fleet will be properly stored, maintained and any work performed on contingency vehicles documented. Staff will review the Plan annually and update as necessary to support the contingency fleet and related processes and procedures.

At its November 2, 2022 meeting, the Board authorized the replacement of five (5) 2013 heavy-duty diesel-powered buses with zero-emission Battery Electric Buses (BEB). The BEBs were delivered to the RTA and placed into revenue service in October 2025. Several of the new BEBs have experienced significant warranty repair issues causing the vehicles to be removed from revenue service for extended periods of time while awaiting parts and repairs. Staff is recommending that three (3) of the 2013 heavy-duty diesel-powered buses be temporarily retained and placed into contingency fleet status to maintain standard transit operations should a BEB be removed from revenue services for repairs. All three 2013 diesel buses are eligible to be placed into contingency fleets status as having met their federal useful life of 12 years or 500,000 miles.

Contingency Fleet Vehicles

Veh ID	Description	Service	VIN #	Plate	Mileage*	Age (yrs)
1303	2013 Gillig Diesel Bus	Fixed-Route	15GGD2718D1182293	1328739	633,960	13
1306	2013 Gillig Diesel Bus	Fixed-Route	15GGD2713D1182296	1328741	608,982	13
1307	2013 Gillig Diesel Bus	Fixed-Route	15GGD2715D1182297	1328742	628,398	13

**Mileage as of February 1, 2026*

The RTA total revenue service fleet size will include a total of 70 active fleet (42 fixed-route and 28 demand-response) and 3 fixed-route contingency fleet.

Staff Recommendation

Approve the RTA Contingency Fleet Plan.



CONTINGENCY FLEET PLAN

This plan outlines the periodic need and justification for the San Luis Obispo Regional Transit Authority (RTA) contingency fleet as required by the Federal Transit Administration (FTA) prior to establishing a contingency fleet. The RTA shall not place a vehicle into the contingency fleet before the vehicle has reached the end of its minimum useful service life. Vehicles held in a contingency fleet status must be properly stored and maintained and any work performed on contingency vehicles must be documented. Staff shall review this Plan annually and update as necessary to support the contingency fleet and related processes and procedures. The RTA will not calculate or include contingency fleet vehicles in its spare ratio.

POLICY STATEMENT

The RTA actively maintains a contingency vehicle fleet in compliance with FTA regulations. When applicable, the vehicles in this fleet will be used to maintain transit operations as the RTA transitions to a zero-emission fleet. Contingency fleet vehicles will be maintained at a minimum, per original equipment manufacturer (OEM) requirements, to ensure mechanical reliability and fleet readiness.

FTA KEY COMPONENTS & CONSIDERATIONS

An FTA Contingency Fleet Plan identifies retired or inactive vehicles stored for emergency use, such as natural disasters or unexpected, temporary service spikes. These vehicles must have met their minimum service life, be properly maintained, and are excluded from active spare ratio calculations. The plan must document the activation process and storage locations.

Key Components of an FTA Contingency Fleet Plan

- **Purpose & Scope:** Clearly defines the contingency fleet (distinct from the active/spare fleet) and its intended use, typically for emergencies, disaster response, or temporary, unanticipated maintenance surges.
- **Vehicle Eligibility:** Vehicles must have reached their minimum useful life (based on age or mileage) before being transferred to this status.
- **Documentation:** A formal, updated plan must be maintained, detailing the specific vehicle inventory (VINs, ages, mileage).
- **Maintenance & Storage:** Vehicles must be stored properly and maintained in a condition that allows for quick activation.
- **Activation/Deactivation Process:** A documented procedure for when to activate and return vehicles to contingency status.
- **Record Keeping:** Strict documentation of activation dates, reasons for use, and return dates.

Key Considerations

- **Spare Ratio:** Vehicles in a proper, documented contingency fleet are not counted in the calculation of the 20% maximum spare ratio.
- **Active vs. Contingency:** Without a formal plan, the FTA may count these vehicles toward your active fleet.
- **Usage Limitations:** They cannot be used for regular, daily service simply to avoid buying new vehicles.
- **Loaner Vehicles:** Agencies are encouraged to loan these vehicles for emergencies.

DEFINITIONS

Contingency Bus Fleet – The RTA may use its contingency fleet for emergency operations, including, but not limited to, evacuations due to an earthquake, fire, flood, or other natural or manmade disasters. The RTA may also use these vehicles for service expansion, fuel shortages, and loans to another transit agency during emergency response, evacuation, or other emergency-type situations. The RTA may also use these vehicles due to the loss of an operating base and for other undefined emergencies or service requirements including training of Operators and other RTA employees who hold a Commercial License. The RTA may also use these vehicles to assist with the transition to a fleet of zero-emission Battery Electric buses (BEBs) in compliance with California’s Innovative Clean Transit (ICT) regulation.

Bus Reactivation – An unanticipated sudden reduction in the availability of vehicle in the active fleet may require the RTA to activate and place contingency fleet vehicles back into its active fleet to fulfill service requirements. As an example, The RTA would reactivate contingency fleet vehicles if several of its active buses were damaged or destroyed by unforeseen natural disasters or when a vehicle is out of revenue service for repairs.

Transitioning to Zero-Emission Battery Electric Buses (BEBs) – Per the Federal Transit Administration (FTA) guidelines, this Plan allows for the activation of contingency fleet vehicles back into the active fleet to ensure uninterrupted transit service. The RTA acknowledges the need to bridge the gap between BEB adoption and maintaining operational readiness during the transition to BEBs. Current BEB technologies do not provide the same range that a traditional diesel-powered bus; therefore, The RTA must be ready to replace a BEB with a contingency vehicle when and where appropriate.

Contingency Fleet Activation for Training – The RTA may also use vehicles in the contingency fleet for mechanic and technician training to ensure mechanical reliability and fleet readiness. Any bus placed into the RTA’s contingency fleet will meet FTA minimum service life criteria. The RTA will evaluate and select vehicles that have reached the end of their FTA-defined useful service life and which are in the best mechanical and operating condition. The RTA will ensure these vehicles comply with California Highway Patrol (CHP) inspections and California Air Resources Board (CARB) emission requirements.

Service Life – Vehicle life of rolling stock begins on the date the RTA places the vehicle into revenue service and continues until the RTA removes it from service and from its active fleet. The minimum federal service life for fleet is as follows:

Large, heavy-duty transit buses (approx. 35’–40’):	12 years or 500,000 miles
Small size, heavy-duty transit buses (approx. 30’):	10 years or 350,000 miles
Medium-size, medium-duty transit buses (approx. 25’–35’):	7 years or 200,000 miles
Medium-size, light-duty transit buses (approx. 25’–35’):	5 years or 150,000 miles
Other light-duty vehicles used in the transport of passengers (revenue service) such as regular and specialized vans, sedans, and light-duty vehicles:	4 years or 100,000 miles

Historically, RTA vehicles remain in the active fleet well beyond FTA’s definition of useful service life. Each vehicle placed into the contingency fleet is examined for reliability versus the need for disposal (sale, scrap, or donation) prior to designation and placement into the contingency fleet.

STORAGE AND SECURITY OF THE CONTINGENCY FLEET

The Contingency Fleet is strategically stored amongst three (3) RTA locations:

- **Bus Maintenance Facility (BMF)**
 - 253 Elks Lane, San Luis Obispo, CA 93401
- **Paso Robles Yard**
 - 1734 Paso Robles Street, Paso Robles, CA 93445
- **Arroyo Grande Yard**
 - 800 Rodeo Drive, Arroyo Grande, CA 93420

All properties are secured by tall security fencing that surrounds the entire property. The RTA also maintains security cameras on the facilities' exterior and at other strategic locations. In the event of a security incident, the RTA may access security camera footage to assist with resolving security-related issues that may arise. When operations close each evening, access gates at all facilities are closed and locked to protect against unauthorized access.

MAINTENANCE OF THE CONTINGENCY FLEET

Vehicles in the contingency fleet are subject to our (PM) schedule. Periodic vehicle "start-ups" will occur between normal preventive maintenance inspections (PMI) so the fleet remains ready for service activation at all times. The RTA will maintain all records associated with these buses and vehicles within this fleet will be subject to the following minimums:

Every 45 Days: Start the bus and conduct a basic walk-around inspection, equivalent to a "pre-trip" inspection.

Every 90 Days: Start the bus and conduct an extensive exterior, interior, and engine compartment visual inspection. Items for inspection include, but are not limited to:

- Check engine fluids
- Check tires for inflation and wear
- Check for fluid leaks under the vehicle
- Start and warm the vehicle to operating temperature
- Operate heater and air conditioner (HVAC)
- Drive the vehicle through the bus yard
- If any defects are found, document and schedule for repair

If a contingency fleet vehicle is activated, it will necessarily accumulate miles. In that case, those vehicles would also be subject to our standard PMI schedule for active vehicles, including the 6,000-mile PMI-B inspection that requires fluid exchanges. The RTA may revise its vehicle inspection and/or PMI intervals if determined the above intervals are inadequate. The RTA will maintain and make available (upon request) all records associated with the contingency fleet.

ACTIVATING VEHICLES FROM THE CONTINGENCY FLEET

Requestor:

The requesting staff shall submit an email to the RTA's Maintenance Manager, or their designee, requesting the use of a vehicle in the Contingency Fleet.

The requesting email shall include the following information:

- Name, title, and contact information of the requestor
- Date the Contingency Vehicle(s) are needed

- Specific purpose(s) the Contingency Vehicle(s) will be used for
- Estimated number of days the vehicle will be used

This request/email is not required in the event of an emergency that requires immediate activation of a Contingency Fleet vehicle, or for maintenance training purposes.

Maintenance Division:

Prior to activating contingency vehicles back into revenue service, Maintenance staff will perform a Safety Inspection. If the vehicle has been inactive for more than 60 days, Maintenance staff will perform a full PMI.

Maintenance staff shall document the request, perform the required inspection service, note the vehicle mileage before releasing the vehicle for active operations. Maintenance staff will update the RTA contingency fleet tracking information to include the following:

- All requestor information noted above
- Document the inspection service provided before releasing to active fleet
- Name and title of Maintenance staff performing the inspection
- Mileage of the vehicle at time return to active status

CONTINGENCY FLEET LIST OF VEHICLES

Fleet ID #	Model Year	Manuf	Model & Description	VIN#	Plate	Mileage @ Move to CF
1303	2013	Gillig	Low-Floor 40' Diesel	15GGD2718D1182293	1328739	633,960*
1306	2013	Gillig	Low-Floor 40' Diesel	15GGD2713D1182296	1328741	608,982*
1307	2013	Gillig	Low-Floor 40' Diesel	15GGD2715D1182297	1328742	628,398*

**Vehicles added to Contingency Fleet on May 6, 2026.*

DEACTIVATING VEHICLES / RETURN TO CONTINGENCY FLEET STATUS

The requestor shall notify the RTA Maintenance Manager, or their designee, that the vehicle is no longer needed in active status and can be returned to the contingency fleet. Maintenance staff shall inspect the vehicle at time of return to contingency fleet and note if any repairs/service are needed. Maintenance staff shall document the return of the contingency fleet status by completing the contingency vehicle tracking log to include:

- Confirm inspection at time of return to contingency fleet
- Date of return to contingency fleet
- Mileage at time of return to contingency fleet.
- Total days and mileage while used as “active” fleet