



RTA BOARD AGENDA

***** VIA TELECONFERENCE *****

**Wednesday, May 6, 2020 at 8:30 AM
BOARD OF SUPERVISORS' CHAMBERS
COUNTY GOVERNMENT CENTER
1055 Monterey Street, San Luis Obispo, California 93401**

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

**President: Fred Strong
Peschong**

Vice President: John

Board Members:

John Peschong (First District – SLO County)
Bruce Gibson (Second District – SLO County)
Adam Hill (Third District – SLO County)
Lynn Compton (Fourth District – SLO County)
Debbie Arnold (Fifth District – SLO County)
Jimmy Paulding (Arroyo Grande)

Heather Moreno (Atascadero)
Karen Bright (Grover Beach)
Robert Davis (Morro Bay)
Fred Strong (Paso Robles)
Ed Waage (Pismo Beach)
Andy Pease (San Luis Obispo)

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act (ADA) may request such accommodations to aid hearing, visual, or mobility impairment (including Limited English Proficiency [LEP]) by contacting the RTA offices at 781-4833. Please note that 48 hours advance notice will be necessary to honor a request.

Important Notice Regarding COVID-19

Due to the Coronavirus (COVID-19) and in accordance with the Governor's Executive Order N-29-20 relating to the convening of public meetings, **the RTA Board will still hold the May 6, 2020 meeting and will be conducted via teleconference. However, at this time, the meeting will be closed to members of the public and non-essential RTA staff. Below are instructions for the public on how to view the meeting remotely and how to leave public comments.**

Members of the public are encouraged to participate & provide comments in the following ways:

1. **Remote Viewing** – Watch the meeting by viewing a livestream online (on your home/office computer or mobile device) at <https://cal-span.org/unipage/?site=slo-span&owner=SLOCOG-SLORTA&date=2020-04-01>
Or watch on **Cable TV Public Access Channel 21.**
2. **Public Comments** – The RTA Board will still be accepting general public comments for items not on the April agenda, as well as public comments on specific items in the agenda. Public members can submit comments by:

- **Phone – Verbal Public Comments – Call: (805) 781-4833** – State and spell your name, state the agenda item number you are calling about and leave your comment/s. **Verbal comments must be received no later than 8:00 a.m. on May 6, 2020** (the day of the meeting) and will be limited to **three (3) minutes**. Every effort will be made to include your comments into the record but due to time limitations, some comments may not be included,
- **Email – Written Public Comments – Email to: info@slorta.org** – Public comments (on any agenda item or on any item of interest not on the agenda within the jurisdiction of the RTA Board) can be submitted via email no later than **5:00 p.m. on Tuesday, May 5, 2020**.
- **Mail – Written Public Comments** – Public comments (on any agenda item or on any item of interest not on the agenda within the jurisdiction of the RTA Board) can be submitted by mail. **Public Comments by mail must be received by RTA no later than 5:00 p.m. on Tuesday, May 5, 2020.**

Mail to:

Clerk of the Board
SLO RTA
179 Cross Street
San Luis Obispo, CA 93401

*****Note:** Every effort will be made to include your comments into the record, but due to time limitations, some comments may not be included

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.

A. INFORMATION AGENDA

A-1 Executive Director's Report (Receive)

B. ACTION AGENDA

B-1 Fiscal Year 2020-21 Operating and Capital Budget (Approve)

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

C-1 Executive Committee Meeting Minutes of February 5, 2020 (Information)
C-2 RTA Board Meeting Minutes of March 4, 2020 (Approve)
C-3 RTA Board Meeting Minutes of April 1, 2020 (Approve)
C-4 RTA Board Meeting Minutes of April 8, 2020 (Approve)

- C-5 Summer Youth Ride Free Program (Approve)
- C-6 Public Transportation Agency Safety Plan (Approve)
- C-7 Agreement for County Auditor/Controller Services (Approve)
- C-8 Grant Award for the SLOAPCD CAP Funds (Approve)
- C-9 Social Security Resolution for RTA Employees (Approve)
- C-10 Amendment to Agreement with Stantec Architecture (Approve)
- C-11 Strategic Business Plan Results (Receive)
- C-12 Annual Fiscal & Compliance Audit for Fiscal Year 2018-19 (Accept)
- C-13 Declare Paso Express Vehicle Surplus (Approve)
- C-14 Amendment to Agreement with Kitchell Construction Management (Approve)
- C-15 Amended Contract with RTA Executive Director

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

None

E. BOARD MEMBER COMMENTS

Next regularly-scheduled RTA Board meeting is July 8, 2020

This page left intentionally blank.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Executive Director's Report

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Accept as Information

BACKGROUND/DISCUSSION:

Update on COVID-19 Pandemic Impacts:

The RTA and transit agencies across the globe have been severely impacted by the COVID-19 pandemic. In SLO County, fixed-route ridership is down between 70% and 80%. Nonetheless, the RTA and its transit agency partners are continuing to fill a vital role in our community by providing lifeline services, including carrying healthcare workers and other essential employees responding to COVID-19. Transit is also critical for many persons so that they can obtain necessary goods and services.

Below is a summary of the changes staff implemented in response to the County-declared emergency:

1. Revised Vehicle & Facility Cleaning, and Public Info Campaign – in response to the Governor's March 4th State of Emergency declaration, staff enacted the incident command system, and established protocols on how to respond when an employee is suspected to have contracted the COVID-19 disease. We placed notices on buses and our website to remind riders to follow CDC flu-avoidance protocols, and also posted notices in operating facilities that reminded employees that hand sanitizer refills are provided at each operating facility. On March 10th, we suspended regular exterior bus cleaning to instead focus on daily cleaning of driver and rider areas inside each bus. Bus Operators were also provided supplies to sanitize the driver area prior to taking over a bus from another employee.
2. Weekday Regular Service decreased to Saturday Service Levels (March 16) – in response to the Governor's order for those over 65 years of age and those with underlying health concerns to shelter at home, the RTA and its contractual partners called-off all affected employees and placed them on administrative leave. This reduction in workforce caused us to reduce service levels on weekdays to Saturday service levels, with an "overlay" of weekday commuter express trips.

3. Fares Suspended & Implementation of Ambulatory Boarding at Mid-Door (March 23) – suspending fares reduced passenger interactions with Bus Operators and helps provide better social distancing. We also “mothballed” the remaining high-floor buses. Two SoCo Transit buses (fleet numbers 1011 & 1012) were deployed in Paso Robles temporarily because the Paso Express buses only have a front entrance/exit door. Finally, the Bus Operators were empowered to remind riders that only essential travel is permitted.
4. Fiscal Emergency Declared by RTA Board (April 1) – this declaration permits service changes without a prior public hearing required under the California Environmental Quality Act. The RTA Board also provided direction on the *Families First Coronavirus Response Act* (FFCRA) and the *Coronavirus Aid, Relief and Economic Security Act* (CARES) in regards to keeping furloughed employees “in the bullpen” in anticipation of when services ramp back up after the County shelter at home declaration is lifted.
5. Bus Operator Bid “Shake-Up” (April 5) – following implementation of the new temporary COVID-19 Administrative Leave Program, management worked with Teamsters Local 986 officials to formalize a temporary work schedule reduction program. This required a seniority based re-bid of Bus Operator shifts under the reduced service levels.
6. Maximum Vehicle Loads Established (April 13) – to facilitate maximum social distancing, the RTA, SoCo Transit and Paso Express established a maximum number of passengers simultaneously allowed on each bus type. The public information campaign began the previous week. The RTA has deployed “tripper” buses that has addressed overcrowding in real-time for RTA, SoCo Transit and Paso Express services.

We have closely coordinated all service changes with the transit agencies operated by the cities of SLO, Atascadero, Morro Bay and Santa Maria, as well as our partners at the Teamsters. To some degree, the changes implemented have helped temporarily “right-size” the services in the county in light of the drastic drop in worldwide transit demand – but further changes could be necessitated if further reductions in our workforce occur.

On a somewhat related matter, on April 3rd the Teamsters provided reusable cloth facemasks for its members (Bus Operators, Technicians, and Utility employees). Based on a Union-provided reference, management purchased and provided similar facemasks from the same Santa Ana manufacturer for all non-Union employees, distributed April 6th. The RTA took delivery on April 29th of 5,000 one-time use facemasks for its front-line employees who choose to use them while at work instead of the cloth facemasks; the procurement of these masks was coordinated statewide through our membership in CalACT. The RTA also ordered five rechargeable battery-powered disinfectant “foggers” from a local vendor to help ease and enhance the in-bus

cleaning process; these units will be shared with the other large bus fixed-route operators in our county and will be delivered in late-June or early-July.

A copy of the California Department of Finance “COVID-19 – Interim Fiscal Update” document is attached to this staff report (see page A-1-13). The good news is that the State developed a significant reserve and cash position following the 2009 Great Recession that could help in response and recovery. The bad news is that the impacts of the health emergency will likely impact each community in our State for several years. As the impacts become clearer in the coming months, staff will need to bring budget amendments to the RTA for consideration in order the fully right-size the transit services provided by the RTA.

The CARES Act signed into law on March 27th provided a record-breaking \$2.2 trillion to help prevent, prepare for and respond to the COVID-19 pandemic, including \$25 billion for public transit. In San Luis Obispo County, the formula fund amounts for the three small urbanized areas are roughly triple the typical annual apportionment, while the rural formula funds being immediately distributed by Caltrans is roughly equivalent to one years’ worth. Below are details of CARES Act funding apportioned by the Federal Transit Administration as Section 5307 funds to the region, as follows by Urbanized Area (UZA):

1. Arroyo Grande – Grover Beach UZA:	\$4,755,669
2. San Luis Obispo UZA:	\$7,117,427
3. El Paso de Robles – Atascadero UZA:	\$4,473,987
4. Santa Maria UZA:	<u>\$12,320,580</u>
Total:	\$28,667,663

The total above includes the funds apportioned to the Santa Maria UZA, since we have traditionally received 11% of the normal annual apportionment for RTA Route 10 service that operates hourly service into Santa Maria. Using that traditional split, this equates to roughly \$1,355,000 in funding for the RTA.

The region also received a roughly \$591,000 first-year apportionment of FTA Section 5311 non-urbanized apportionment through Caltrans. Since those funds can only be used for rural transit services, the RTA, the County and Morro Bay Transit are eligible recipients. We will be working with our partners at SLOCOG to distribute these 5311 funds in the coming weeks. It should be noted that Caltrans took an unusual approach by only allocating 30% of the total CARES Act apportionment, and RTA staff and our cohorts at other rural transit agencies have expressed concerns through CalACT and the CTA that all of the 5311 CARES Act funding should be immediately dispersed to help transit agencies respond to and plan for recovery from the pandemic.

This one-time CARES Act funding can be used for all net operating expenses (after deducting fares) incurred since January 20, 2020; no local match is required. The transit agencies operating in the three urbanized areas in SLO County agreed to use these new funds to reimburse 100% of net operating costs from February 1 through June 30,

2020, and in principle agreed with SLOCOG officials to meet in the coming weeks to further develop funding splits going forward. RTA staff has requested that SLOCOG and Santa Barbara County Association of Governments meet with us soon to agree on funding splits for the Santa Maria UZA funds. While the draft FY20-21 budget depicted in Agenda Item B-3 includes zero CARES Act funds, staff plans to bring a budget revision to the RTA Board at its next regular or special meeting – which will replace some of the Local Transportation Funds that could instead be used by the RTA jurisdictions for local streets/roads purposes in FY20-21. I have reached out to all seven City Managers and the County Administrator to alert them of the RTA's intent in this regard.

RTA senior staff meet daily to discuss any new COVID-19 response challenges and lessons learned, and to plan for recovery – including ramping services back up when the shelter at home order is lifted. A preliminary plan is to continue to increase “trippers” on the Saturday levels of service to accommodate a greater number of riders, followed by a transition back to Regular Weekday service when demand warrants. We are also working with SLO Transit officials to coordinate marketing efforts for all fixed-route services in the region and complementary Runabout services. Any transition back to Regular Weekday will require up to a phased two-week ramp-up, and we can expect a certain level of initial passenger dissatisfaction as there is likely pent-up demand that will result in demand spikes.

It should be noted that we effectively and appropriately responded to a case of an RTA employee who was confirmed to be infected with the COVID-19 coronavirus. Working with our partners at the Health Departments at SLO County and Santa Barbara County, we determined which employees worked alongside this Shop employee and developed quarantine at work or home plans (depending on respective exposures) for all eight employees. Fortunately, our team member's symptoms were not too severe, and the employee has made a full recovery. The quarantine will be fully lifted as of May 1st.

Finally, I provide updates and a FAQ sheet to our combined RTA and SoCo Transit workforce weekly, which I have forwarded to RTA Board President Strong each week. Our partners at Teamsters Local 986 are also a valuable resource in evaluating employee requests/questions, and in disseminating correct information. I strongly believe that we will be stronger as an organization once we emerge from the pandemic lockdown and, as I've told our team members, our frontline employees are heroes in our community for continuing to provide compassionate, safe and essential services.

Operations:

The Employee of the Quarter BBQ luncheon that was originally scheduled for late-April was cancelled but we wanted to publicly thank our employees who are working during the pandemic. Staff hopes to conduct the next EOQ barbecue luncheon in late-July; stay tuned for an email announcement to all Board members.

Since the previous RTA Board meeting in March, we have no new Bus Operators in revenue service and no new Bus Operator candidates that are in the training program. We do however, have ten candidates that are in the background/permitting phase of recruitment that could help us sustain service levels after the pandemic shelter at home order is lifted. We are continually seeking new candidates to fill the seven open Bus Operator positions.

We conducted second round interviews on March 12th to replace the recently-separated Manager of Maintenance & Facilities, and hired Andrew Wyly. Mr. Wyly currently serves as the Maintenance Manager at Unitrans in Davis, CA. We are currently working with Andy on his transition to the RTA, and it has been somewhat complicated by the pandemic. But he will be joining our staff no later than June 1st.

The RTA continues to working with agencies within the County of San Luis Obispo, including the STEPS Program which is part of the Atascadero Unified School District program. These types of partnerships provide travel training for their special needs populations and help reduce demand for Runabout services. STEPS officials have expressed their appreciation for our travel training program, allowing riders who would otherwise require a costly Runabout trip to take that same trip on lower-cost fixed-route services.

Service Planning & Marketing:

Following several more weeks of downtime, the Ticket Vending Machine was put back on-line on February 20th but then turned off again on March 20th due to the shelter at home order. The vendor had struggled to pinpoint the problems with the receipt printer, but the latest replacement module appears to be working better. The machine was relocated to the revamped transit center the week of April 13th and will be tested again once the shelter at home order is lifted and fares are once again being charged.

Staff plans to conduct a Transit Center Improvements Project site-walk/punch-list review on May 1st in conjunction with our City and County partners. If all goes as planned, the new expanded site will go “live” in mid-May. Unfortunately, due to the shelter at home order, we cannot conduct a ribbon-cutting event. Nonetheless, we will reach out to our media partners to inaugurate the opening of the facility.

As required under the Strategic Business Plans for each agency, the RTA and South County Transit conduct a set of customer perception surveys every two years. We survey three groups: fixed-route bus riders, Runabout riders and also all RTA/SoCo employees. The surveys ask for feedback on service levels, customer service, input about new offerings, and they also provide the opportunity to give opinions and suggest changes. We like to use the month of March to conduct surveys as there are no major holidays that reduce ridership. Unfortunately, this March is when the COVID-19 shutdown of non-essential businesses occurred and we were obligated to stop sending surveyors onto the buses. Moreover, ridership was severely impacted due to both reduced travel and transit service levels. At the time of the shutdown, our third-party

contractor collected over 500 completed surveys of fixed route-riders. While this is less than our original goal of about 700 riders, we feel it is a statistically significant number of rider opinions and we consider this survey set complete. We are reviewing the data and will present this information to the Board at a later date. The Runabout and employee surveys were originally scheduled to start in late March, but we suspended that effort until the shelter at home order is lifted. October is another month with no major holidays and depending on what the future brings, we will work toward the possibility of conducting the Runabout and employee surveys then.

Bus Maintenance Facility Update:

Funding and award of a construction contract will be considered in Agenda Items B-1 and B-2.

As mentioned at the March RTA Board meeting, we needed to complete an asbestos and lead paint survey, testing and remediation plan for the former U-Haul facility located on our property located at 253 Elks Lane. Completion of this plan would reduce uncertainty for construction bidders regarding demolition of the building and would likely result on more competitive bids. The ensuing contract with West Coast Safety Consultants was completed on March 25th upon completion of the remediation plan for a cost of \$946.00. Fortunately, no significant amounts of asbestos or lead paint were discovered. The RTA used that remediation plan report to obtain SLOAPCD clearance on April 8th, and included that information in Addendum #3 of the construction bidding documents. All fees to SLOAPCD for asbestos and lead paint remediation during demolition have also been paid (\$625.00), and permitting issued.

Unfortunately, the BMF project was not selected for Transit and Intercity Rail Capital Program funding despite a significant number of support letters from our partners in the region. The good news is that the LOSSAN Rail Corridor Agency serving our county was selected, and includes funding for site improvements near the SLO Train Station.

Staff submitted a grant proposal for the next round of FTA Section 5339(b) grant funding on April 28th. We actually were prepared to submit our proposal before the original March 23rd deadline, but it was pushed back to April 29th due to the COVID-19 pandemic.

Finance and Administration:

Included in the consent agenda is the FY18-19 audit report as Agenda Item C-12.

Our unaudited operating and financial results through the first eight months of FY19-20 are presented in the tables at the end of this report. This tabular information is summarized as follows:

- RTA core fixed-route ridership totaled 488,495 through the end of March 2020. In comparison, the ridership for the same period last year was 527,158, which

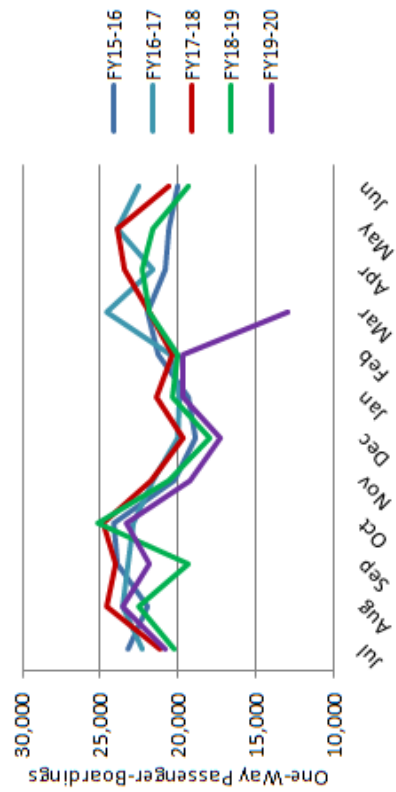
represents a decline of 7.3%. Note: the decline July 2019 to February 2020 was 3.1%, before service changes due to COVID-19 were implemented. In comparison, the annual decline was 2.7% the same previous year-to-date period (July 2018 – February 2019).

- Based on July 2019 – February 2020, the two year-round State Highway 1 fixed-routes continue to experience reduced ridership (Route 12 SLO-Morro Bay down 9.7%, and Route 15 North Coast down 10.4%) – which is a reversal of last year’s previous-year comparison. On the positive side, during the same time period the Route 9 SLO-Paso is down only 0.5% while Route 10 SLO-Santa Maria is flat, and the recent large declines on Route 14 SLO-Cuesta College have abated (only down 2%). See the graphs on page A-1-9 for details on each fixed-route’s ridership trends over the past five fiscal years.
- Runabout ridership totaled 29,209, which is a decline of 2.5% compared to last year (29,947), largely due to the impacts of COVID-19 beginning in March 2020.
 - Based on July 2019 – February 2020, Runabout ridership increased by 2.7% increase compared to last year.
- Trends over the past five years for productivity, which is defined as the average number of passenger-boardings per service hour, are provided in the graphs on page A-1-10.
- In terms of financial results, staff worked hard to keep operating and capital costs within budget in light of the relatively weakened ridership and other financial challenges. See the tables on page A-1-11 and A-1-12 for details. Some important takeaways include:
 - In terms of overall non-capital expenses, we are right on budget – 72.6% through 75% of the fiscal year.
 - Administrative costs are slightly above budget: 79.8% of the annual budget. The greatest deviation was due to the need to expend funds for professional technical services (\$144,540 expended vs. an annual budget of \$112,860); we are nearing the end of those agreements so staff expects the year-end results for this line-item to be slightly above budget.
 - Overall Service Delivery costs are slightly under budget, largely in part due to lower fuel prices.
 - The farebox recovery ratio for core fixed-route services equated to 17.0 %, while Runabout achieved a ratio of 4.1%. Through February 2020 the cored fixed-route service farebox ratio was 18.1%. The RTA’s results for this performance measure below the SBP standard of 25%, yet they are

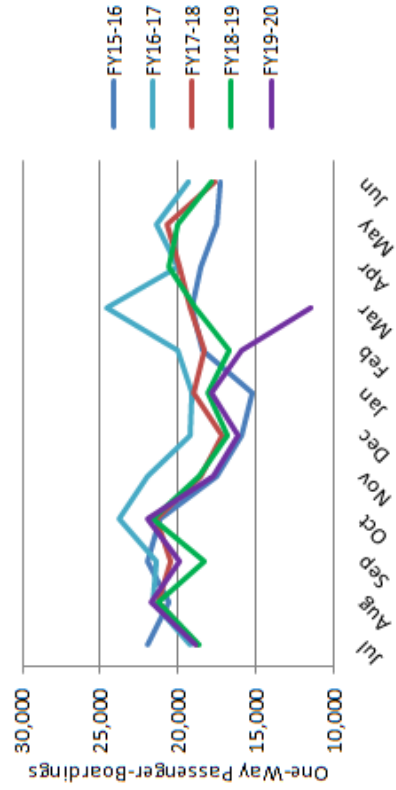
well above the 15.8% TDA requirement established by SLOCOG for FY19-20.

- The YTD subsidy per passenger-trip on core fixed-route services was \$7.76 and for Runabout it was \$88.27. As mentioned in previous reports, please remember that many Runabout trips are provided on fixed-route services through negotiated/interagency agreements. When those boardings and the fare payments are included, the overall Runabout-eligible subsidy per passenger-trip is actually quite lower – much more in-line with nationwide experience in larger, more-dense urban areas.

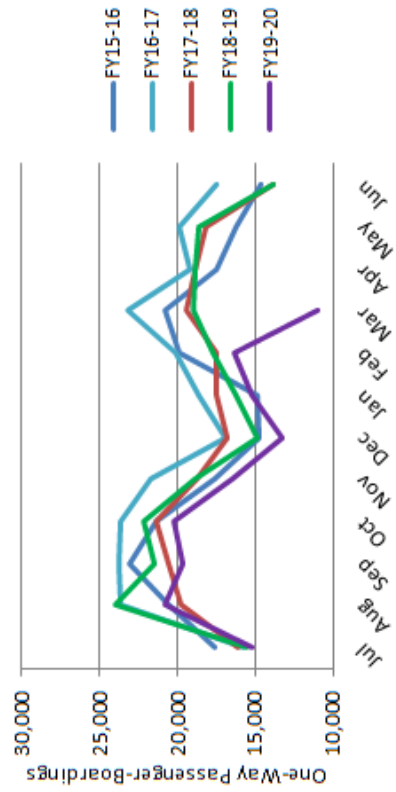
RTA Route 9 Ridership By Month



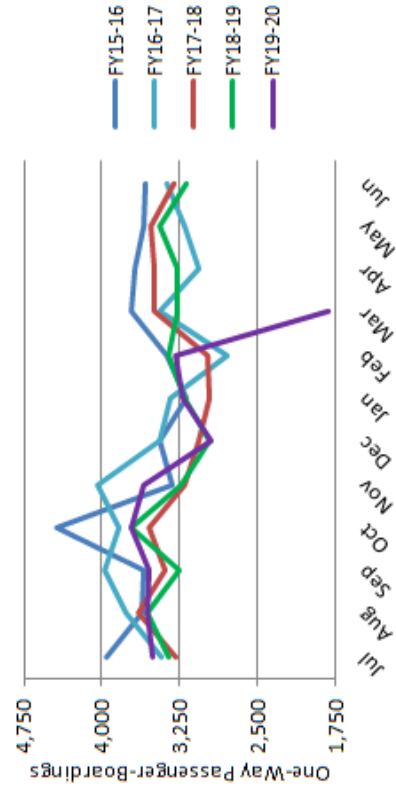
RTA Route 10 Ridership By Month

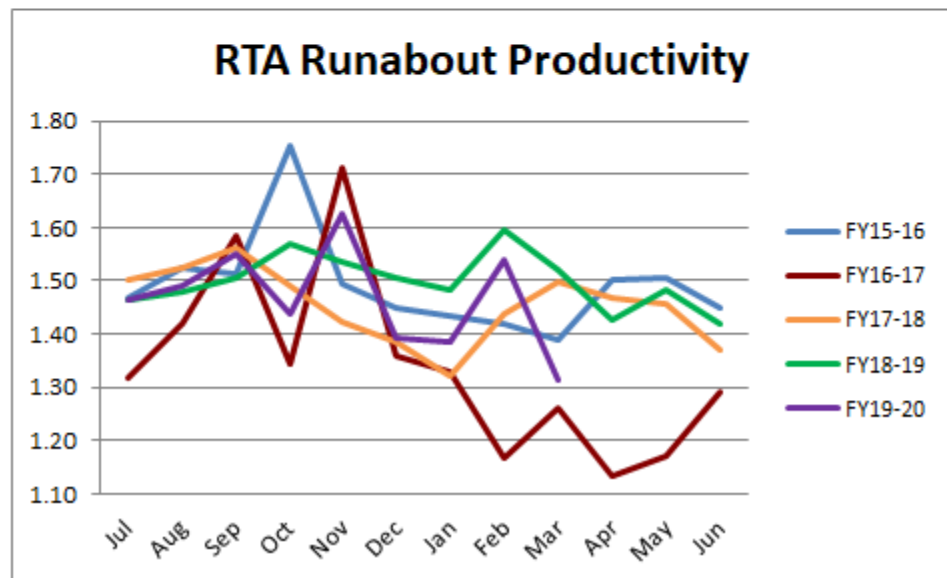
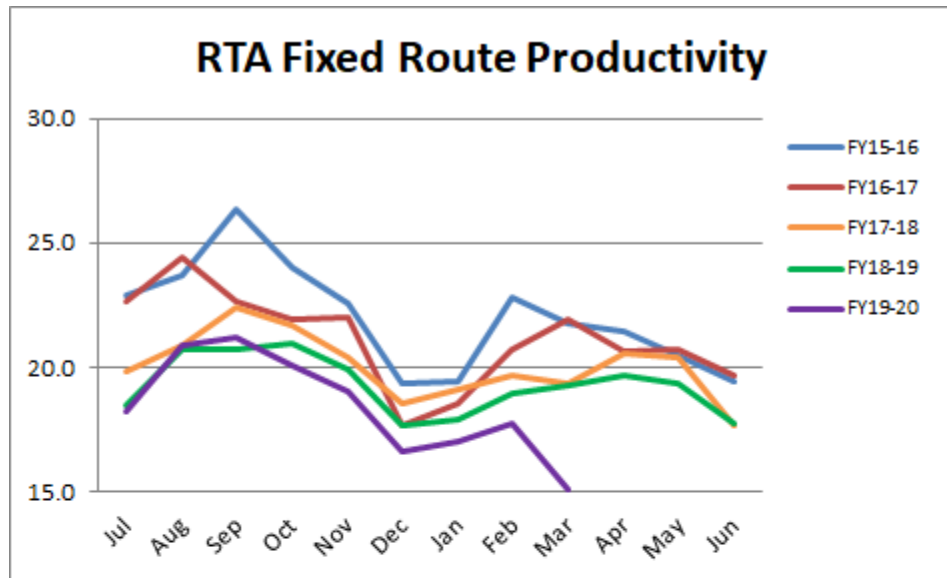


RTA Rtes. 12, 14 & 15 Pass./Mo.



RTA Runabout Ridership by Mo.





	Adopted Budget FY 2019-20	February Actual	March Budget	March Actual	March Variance	Year to Date FY 2019-20	Percent of Total Budget FY 2019-20
Administration:							
Labor							
Hours	70,210	5,680	5,851	4,280	1,571	51,734	73.7%
Miles	1,563,240	129,708	130,270	98,387	31,883	1,171,620	74.9%
Labor - Administration Workers Comp	879,630	66,986	73,303	73,761	(459)	667,610	75.9%
Office Space Rental	51,300	-	-	-	-	35,502	69.2%
Property Insurance	476,920	36,465	39,743	52,538	(12,794)	365,732	76.7%
Professional Technical Services	20,710	-	-	-	-	24,384	117.7%
Professional Development	112,860	33,203	9,405	824	8,581	144,540	128.1%
Operating Expense	44,970	2,111	3,748	1,345	2,402	35,148	78.2%
Marketing and Reproduction	292,950	26,951	24,413	30,915	(6,503)	228,016	77.8%
North County Management Contract	133,240	1,777	11,103	18,028	(6,924)	92,936	69.8%
County Management Contract	(43,030)	(3,586)	(7,390)	(3,586)	-	(32,273)	75.0%
SCT Management Contract	(88,680)	(7,390)	(7,390)	(7,390)	-	(66,510)	75.0%
operations cost	(122,650)	(10,221)	(10,221)	(10,221)	-	(91,988)	75.0%
Total Administration	1,758,220	146,297	140,518	156,215	(15,698)	1,403,098	79.8%
Service Delivery:							
Labor - Operations							
Labor - Operations Workers Comp	5,086,120	312,148	423,843	384,460	39,384	3,677,206	72.3%
hourly	347,120	-	-	-	-	240,223	69.2%
hourly	1,121,220	70,615	93,435	76,628	16,807	782,886	69.8%
hourly	101,580	-	-	-	-	70,298	69.2%
Fuel	1,048,730	77,054	87,394	57,200	30,194	743,207	70.9%
miles	677,570	56,587	56,464	56,587	(122)	511,504	75.5%
miles	44,900	3,318	3,742	2,178	1,564	29,001	64.6%
n/a	63,590	-	-	-	-	20,965	33.0%
n/a	628,670	45,799	52,389	73,862	(21,473)	488,281	77.7%
miles	125,900	12,268	10,492	21,474	(10,982)	112,352	89.2%
miles	9,245,400	577,789	727,759	672,388	55,372	6,675,923	72.2%
Total Operations							
Capital/Studies:							
Computer System Maintenance/Upgrades	46,020	-	-	-	-	8,825	19.2%
Miscellaneous Capital	89,460	6,971	67,000	66,342	658	121,919	136.3%
Specialized Maintenance Tools	252,860	67,618	46,000	45,599	401	119,288	47.2%
Bus Stop Improvements/Bus Stop Solar Lighting Vehicles	880,700	-	-	-	-	3,760	0.4%
Curaway and Dial A Ride Vehicles	555,200	-	-	-	-	5,000	0.9%
Runabout Vehicles and Equipment	1,824,240	74,589	113,000	111,940	1,060	258,793	14.2%
Total Capital Outlay							
Contingency	132,040	-	11,003	-	11,003	-	0.0%
Elks Lane Project	499,990	98,354	-	(3,900)	3,900	1,023,092	204.6%
Management Contracts	254,360	21,197	21,197	21,197	-	190,770	75.0%
TOTAL FUNDING USES	13,714,250	918,225	1,013,477	957,840	55,637	9,551,616	69.6%
TOTAL NON-CAPITAL EXPENDITURES	11,390,020	745,283	900,477	849,800	50,677	8,269,791	72.6%

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
YEAR TO DATE THRU MARCH 31, 2020
CURRENT FISCAL YEAR - 2019/2020

	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	TOTAL PASO EXPRESS FIXED ROUTE	PASO EXPRESS DIAL A RIDE	RUNABOUT	SYSTEM TOTAL
REVENUES:										
FARES	\$ 267,644	\$ 269,025	\$ 183,438	\$ 19,915	\$ 25,751	\$ 765,773	\$ 93,021	\$ 4,792	\$ 110,165	\$ 973,751
TOTAL ROUTE REVENUES	\$ 267,644	\$ 269,025	\$ 183,438	\$ 19,915	\$ 25,751	\$ 765,773	\$ 93,021	\$ 4,792	\$ 110,165	\$ 973,751
EXPENDITURES:										
ADMINISTRATION	\$ 303,298	\$ 256,001	\$ 165,215	\$ 16,174	\$ 81,095	\$ 821,782	\$ 26,518	\$ 5,755	\$ 615,176	\$ 1,469,231
MARKETING	34,422	28,704	18,577	1,813	9,420	92,936	-	-	-	92,936
OPERATIONS/CONTINGENCY	1,014,322	877,565	551,103	54,900	275,563	2,773,453	451,675	90,940	1,793,095	5,109,162
FUEL	188,154	185,017	102,195	11,916	56,504	543,785	41,870	3,620	137,256	726,531
INSURANCE	112,560	110,577	60,990	7,088	34,168	325,384	27,382	3,880	142,790	499,436
TOTAL EXPENDITURES	\$ 1,652,756	\$ 1,457,863	\$ 898,079	\$ 91,891	\$ 456,750	\$ 4,557,340	\$ 547,445	\$ 104,194	\$ 2,688,317	\$ 7,897,296
FAREBOX RATIO	16.2%	18.5%	20.4%	21.7%	5.6%	16.8%	17.0%	4.6%	4.1%	12.3%
SERVICE MILES	263,489.2	259,061.2	143,009.4	16,607.5	79,335.6	761,502.9	63,691.9	9,223.0	337,261.0	1,171,678.8
SERVICE HOURS	9,746.7	8,226.7	5,308.9	509.8	2,566.9	26,358.9	4,556.3	992.8	19,825.9	51,733.9
RIDERSHIP (Automatic Counters)	178,599	161,645	116,263	15,591	16,397	488,495	79,466	1,916	29,209	599,086
RIDERS PER MILE	0.68	0.62	0.83	0.94	0.22	0.64	1.25	0.21	0.09	0.51
RIDERS PER HOUR	18.2	19.5	22.3	30.6	7.0	18.5	17.4	1.9	1.5	11.6
COST PER PASSENGER	\$ 9.25	\$ 9.02	\$ 7.72	\$ 5.89	\$ 27.86	\$ 9.33	\$ 6.89	\$ 54.38	\$ 92.04	\$ 13.18
SUBSIDY PER PASSENGER	\$ 7.76	\$ 7.35	\$ 6.15	\$ 4.62	\$ 26.29	\$ 7.76	\$ 5.72	\$ 51.88	\$ 88.27	\$ 11.56



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

GAVIN NEWSOM - GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

April 10, 2020

Honorable Holly Mitchell, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review Committee

Honorable Phil Ting, Chair
Assembly Budget Committee

Honorable Anthony Portantino, Chair
Senate Appropriations Committee

Honorable Lorena Gonzalez, Chair
Assembly Appropriations Committee

COVID-19—Interim Fiscal Update

As the Legislature assesses the extraordinary impacts of the COVID-19 pandemic on the state's fiscal condition, the Department of Finance provides the following interim fiscal update. Finance will continue to refine the information in this letter, as well as the state's revenue and expenditure estimates, as it develops the May Revision.

Economic Forecast and Revenues

The need to implement stay-at-home measures in California to protect public health and safety, combined with the effects of the COVID-19 pandemic on the national and world economies, have dramatically affected the state's economy. The economic disruption from the pandemic is expected to result in a recession and have significant negative effects on state revenues; concurrently, the drop in the stock market may cause further revenue declines.

This impact is expected to be immediate, affecting fiscal year 2019-20, and will continue in to fiscal year 2020-21 and additional years depending on the pace of recovery of local, state and national economies.

To give some perspective, Finance modeled a moderate recession scenario for the Governor's Budget, when it was released in January of this year, in which unemployment was projected to peak at 9.1 percent in the second quarter of 2021, compared to 6.9 percent and 12.3 percent for the 2001 and 2009 recessions, respectively. Due to the scope of the COVID-19 pandemic, unemployment could peak at a level higher than the Great Recession.

Expenditures

Fortunately, California begins this fiscal downturn in far better shape than in prior downturns because of our significant budget reserves and a cash cushion. Over the past several years, the state has paid off all of its past budgetary borrowing (the "wall of debt"), and has committed billions of dollars to paying down other liabilities. This, along with the maintenance of a structurally balanced budget in the last several years, has also made the state's fiscal condition more resilient.

Given the magnitude of this crisis, however, difficult decisions lie ahead. Accordingly, on March 24, Finance issued a Budget Letter (BL 20-08) informing all state departments that Finance is reevaluating all budget changes within the context of a workload budget, defined generally as the budget year costs of currently authorized services. In addition, resource constraints will likely force a further prioritization and reduction of expenditures.

At the same time, the state has been faced with implementing a massive public health response to the COVID-19 pandemic. This effort is critical to protecting the health of Californians and preparing the state's health care infrastructure for a surge of patients who will be infected and need to be hospitalized for life-saving supports. The cascading impacts of the public health response on the economy have also required historic intervention.

The state's response requires significant upfront emergency expenditures beyond the \$1 billion allocated in Chapter 2, Statutes of 2020. For cash flow purposes, an additional \$6 billion in response-related expenditures is projected in 2020. This funding is being used to secure personal protective equipment and critical medical supplies to expand the surge capacity of hospitals and medical facilities, as well as to support the state's efforts to protect public health and safety and reduce the spread of COVID-19. The state expects a majority of these expenditures will be reimbursed by the federal government. Given the scale of economic dislocation and other impacts of the public health orders, the Administration also expects increased expenditures due to higher caseloads in Medi-Cal, CalWORKs, and other health and human services programs.

Federal Stimulus

Congress has enacted three COVID-19 relief packages to date. The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), signed into law on March 27, includes \$2.2 trillion in federal stimulus for the nation. Direct payments provided to approximately two-thirds of California families, the additional \$600 per week added to unemployment checks, and expanded food benefits are all critical to supporting Californians during the crisis. The additional funding for small businesses through the Small Business Administration is also necessary to avoid long-term impacts on the state's economy.

Additional federal funding for schools, colleges and universities, child care, hospitals, housing, homelessness, and others will also provide critical support for both increased demand on programs and extraordinary expenditures related to delivering programs in different ways under the state's public health orders.

The federal stimulus will also provide at least \$8.4 billion in direct assistance for the state's COVID-19-related expenditures and up to \$6.9 billion for direct assistance to local governments. This funding is critical to support needed expenditures as the state and local governments work to keep Californians safe and reduce the spread of COVID-19. The Administration has directed all state agencies and departments to put procedures in place to draw down all available federal assistance and allocate these funds expeditiously.

Finally, on March 22, California secured a Presidential Major Disaster Declaration which makes federal funding available to the state for emergency protective measures, including direct federal assistance and reimbursement of state costs through the Federal Emergency Management Agency (FEMA). FEMA is expected to reimburse the state for approximately 75 percent of direct expenditures, and has committed to advancing up to 50 percent of the federal share of certain expenditures. Under this cost sharing arrangement, the federal government will fund approximately \$5.25 billion of the \$7 billion the state currently plans for expenditure.

A significant increase in federal funding will be needed beyond what has been provided for states and local governments to maintain critical programs and services. The Governor recently sent a letter (copy attached) to Speaker of the House Nancy Pelosi requesting significant funding from Congress—\$1 trillion in direct and flexible relief for all states and local governments in recognition of the profound challenges ahead.

Cash Flow

The state's cash position was strong entering fiscal year 2019-20, but has been impacted by the COVID-19 pandemic. Current projections indicate that the state will have sufficient cash and internal borrowable resources available through the end of the current fiscal year despite the rapidly changing conditions related to the COVID-19 pandemic.

The State Controller's Office has updated these projections to reflect the delay in the deadlines for filing and payment of the primary General Fund tax revenue sources (personal income tax, corporate income tax and sales tax) to July 15, 2020, and assumes the state will receive approximately \$19.8 billion in revenue from April through June of 2020—roughly 39 percent of the estimated receipts for this period reflected in the Governor's January Budget.

The following other significant assumptions are also reflected in these preliminary cash projections:

- The state will receive an \$8.4 billion allocation of federal funding pursuant to the federal CARES Act in May 2020; and
- The state will spend roughly \$7 billion in emergency COVID-19 response-related expenditures in 2020. The updated cash flow projections conservatively do not reflect additional federal reimbursements in 2019-20 other than the \$500 million already received by the state.

Based on these assumptions, the cash flow projections indicate that as of June 30, 2020, the state will have approximately \$8.7 billion in available cash and unused internal borrowable resources.

The fast-moving and fluid nature of the state's fiscal condition during this crisis require a range of cash management tools. Accordingly, the Governor authorized the State Controller to open and transfer funds to an account known as the General Cash Revolving Fund. Establishing this fund is a precautionary measure that would allow the

state to issue Revenue Anticipation Warrants, also called "RAWs", which are external cash borrowings that extend beyond a single fiscal year. The State Controller's Office, however, does not anticipate issuing RAWs this year because of the projected available cash and unused internal borrowable resources.

Conclusion

The May Revision that the Administration will submit to the Legislature by the statutory deadline will reflect the extraordinary impacts of the COVID-19 pandemic on the state's fiscal condition. As this letter demonstrates, the state faces daunting challenges and difficult decisions in the weeks and months ahead. The Administration will continue to work with the Legislature during this unprecedented crisis to maintain a balanced budget that promotes opportunity, and supports an equitable economic recovery.



KEELY MARTIN BOSLER
Director, Department of Finance

Attachment

cc: Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Gabriel Petek, Legislative Analyst (3)
Joe Stephenshaw, Staff Director, Senate Budget and Fiscal Review Committee
Kirk Feely, Budget Fiscal Director, Senate Republican Fiscal Office
Christopher W. Woods, Senate President pro Tempore's Office (2)
Christian Griffith, Chief Consultant, Assembly Budget Committee
Cyndi Hillery, Budget Director, Assembly Republican Caucus, Office of Policy and Budget
Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Joe Shinstock, Chief Consultant, Assembly Republican Leader's Office
Jason Sisney, Assembly Speaker's Office (2)
Mark McKenzie, Staff Director, Senate Appropriations Committee
Jay Dickenson, Chief Consultant, Assembly Appropriations Committee



OFFICE OF THE GOVERNOR

April 8, 2020

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
H-232, The Capitol
Washington, DC 20515

Dear Speaker Pelosi:

I appreciate your leadership in addressing the COVID-19 emergency, and I am writing to request further relief as we contend with this pandemic and its effects.

For the state of California, our top-priority request is for Congress to appropriate **\$1 trillion** in direct and flexible relief to states and local governments. This level of assistance won't replace the national decline in state and local revenue, which may reach \$1.5 trillion or more over the next three years. But it is necessary for us to fight this pandemic while minimizing the most devastating cuts to our schools, social services, hospitals, and first responders, and keeping our economy afloat.

The state also requests bold federal action in **five** specific areas:

- **Health:** This is a health crisis, and the effects will likely last far longer than COVID-19 itself. We cannot address this crisis without investments at the scale of the challenge. States need funding to ensure we can provide coverage to the rising numbers of people who will newly qualify for Medicaid, fully cover COVID-19 related health needs, and free up state funding to address the need for continued investments in public health.

To achieve these goals, I ask that Congress double the temporary FMAP 6.2 percentage point increase enacted last month, and tie the duration of the increase to unemployment-rate benchmarks so states do not lose investment while still in recovery. Congress must also help stabilize health insurance markets grappling with rising COVID-19 costs. Hospitals that are being stretched to capacity require additional funding. Finally, I urge Congress to prohibit the enactment of the proposed Medicaid Fiscal Accountability Rule.

- **Workers:** The unemployment measures that Congress enacted last month were meaningful – but short-term. Given the depth of this crisis, I urge Congress to

continue the \$600/week increase and eligibility expansions until the unemployment rate recovers. This boost will be the difference between poverty and stability for millions of people and will provide needed economic stimulus. Further, states should be allowed to draw zero-interest UI loans past 2020 so that we are not diverting resources in a historic economic emergency.

- **Small Business:** Right now, the relief provided in the CARES legislation is not moving quickly to people in need. This initiative must be fixed: with expanded funding, clear guidance on how small business owners can qualify for grants, structural changes to encourage banks to process applications from all owners who are eligible including addressing the secondary market, and fair treatment of owners no matter when in the day they file, so west coast owners are not disadvantaged from a "first come, first serve" rule that favors east coast small businesses due to time differences. The U.S. Small Business Administration should also expedite guidance on the application process for new 7a lenders to meet demand. Congress should also expand eligibility for nonprofits so that those with greater than 500 employees can also participate. Finally, Congress should consider assistance for businesses who had business-interruption insurance but who nonetheless cannot recover from insurers.
- **Food, Housing, and Homelessness:** I was grateful for your advocacy last month as you sought to raise SNAP benefits by at least 15 percent, and I continue to support this goal. Further support for affordable housing and homelessness prevention will also help stabilize families. New funding that enables states to provide more rental assistance and local governments to acquire housing for the formerly homeless will make a big difference, as will lifting the bond cap for tax-exempt financing for low-income housing. These goals have taken on new urgency as we seek to contain COVID-19.
- **Education:** Our schools, colleges, and universities require more investment in response to the rising tide of economic insecurity people are facing. The assistance provided in CARES was helpful – but simply not enough. These institutions will face damaging cuts without much more help.

Congress should double the maximum Pell Grant to help low-income students, invest tens of billions of dollars to foster a more robust federal-state higher education partnership, expand loan forgiveness for borrowers with student debt, and allocate hundreds of billions of dollars to shore up our K-12 system in a time of crisis. Congress should also double down on recent increases to the Child Care & Development Block Grant to help ensure essential workers and others who are returning to work have access to child care. Finally, broadband-for-all can no longer be a talking point at a time when tens of millions of students rely on distance learning. It must be a national priority.

I am also developing a broader set of proposals that will help create a more just and equitable future for Americans in the wake of this crisis. This emergency has exposed how intertwined our society is and how little economic security people truly have. We must act so that a crisis of this magnitude never happens again.

But before we can do that, we must contain the pandemic, avoid devastating cuts, and create a path to recovery. I am grateful for your leadership and look forward to working with you to meet this moment and the needs of our people.

Sincerely,

Gavin Newsom
Governor of California

Keep up the
incredible work!

This page left intentionally blank.



Fiscal Year 2020/2021 Budget
Projected Five Year Capital Budget
May 6, 2020

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.

This page left intentionally blank.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Fiscal Year 2020-21 Operating and Capital Budget

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Bring the Fiscal Year 2020-21 Budget as Presented to the Board for Approval

RTAC RECOMMENDATION: Meeting cancelled due to COVID 19

BACKGROUND/DISCUSSION:

We appreciate the Board's support and leadership during these unprecedented times as we work to present a fiscally constrained Fiscal Year 2020-21 operating budget, and an advisory FY21-22 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, 2020 meeting,
- Fiscally constrained FY20-21 operating and capital budgets,
- Fiscally unconstrained FY21-22 operating budget, and
- Fiscally unconstrained FY21-22 through FY24-25 capital budgets.

It should be noted that staff continues to present separate columns in the revenue and expense tables for Paso Robles Express fixed-route and dial-a-ride services, as well as for the County-funded (SLOCAT) transit services. This separation is presented so that readers can easily distinguish between core RTA services and those operated under contract for our partner agencies. As South County Transit consolidation discussions continue, information would be presented as a separate column should consolidation occur, as well. We have broken each fixed-route service into weekday, Saturday and Sunday sections to better understand the financial commitment necessary to operate these distinct services should service reductions become necessary due to funding or other constraints.

Please note: the budget presentation assumes a change in the core levels of service miles and hours for fixed-route services from what are currently being operated, please see Key Issue #10. During these uncertain times, staff is prepared to bring budget amendments as the impacts of the COVID-19 pandemic become clearer. In accordance with the adopted RTA Strategic Business Plan (SBP), the RTA will make consistent efforts to explore new service and service delivery options as well as work with regional

efficiencies in the delivery of transportation to the jurisdictions. The 2016 *Short Range Transit Plan* included a number of service improvements to meet current and projected future demand for regional transit services. In particular, new mid-day express runs on Routes 9 and 10, as well as later evening services, were recommended for FY17-18. However, those improvements have not been implemented due to a lack of funding and will remain financially-unconstrained until or unless new sustainable operating funds can be secured.

As noted during the presentation of the budget assumption at the March 4th RTA Board meeting, below are the key issues the RTA is working to address and they are:

KEY ISSUES

1. The RTA will begin construction of the long-planned new Bus Maintenance Facility located at 253 Elks Lane toward the end of the current fiscal year. However, the majority of the roughly 18-month construction period will occur in FY20-21 so much of the staff's resources will be focused on this vital project.

We continue to work with our Financial Advisor, Bond Counsel, Commissioning Agent and Construction Manager to address the funding needs. Based on the funding plan and construction authorization approved by the Board at the March 4, 2020 meeting, staff is in the process of requesting bids for construction of the new Bus Maintenance Facility. Staff will bring it to the Board at the May 6, 2020 for approval, assuming sufficient funding can be identified, and construction mobilization to begin in summer 2020.

2. Address the funding plan for the CalPERS liability due to the termination of the RTA's contract with CalPERS as of January 10, 2020.

The major increases in this year's administration budget that was not identified in prior projections is related to costs for the transition to the County Pension Trust program from the CalPERS program. Note: staff is still awaiting the final actuarial report and the negotiated payoff for leaving the CalPERS program. Once these numbers are received we will be amending the budget to identify that expense and the associated funding, which staff anticipates will include an additional LTF request as was presented as a draft during prior Board meetings.

3. Address SoCo Transit's request to consolidate with the RTA.

As a consolidation date is reviewed for SoCo Transit, staff will present a mock consolidated budget for review. Assuming consolidation is ultimately adopted, staff will present a budget amendment for adoption by the Board that identifies impacts but the budget as included does not include consolidation. Financial impacts that would be included in the budget amendment include the SoCo Transit contract for administrative, financial, marketing,

maintenance and dispatch services. Additionally staff will reserve policies after consolidation as part of the evaluation of insurance options and address options self-insured retentions.

4. State Transit Assistance (STA) funds are projected to be flat to the region but they are higher than FY17-18 due to the Senate Bill 1 – Road Repair and Accountability Act (SB-1) funds, which include augmented STA funds and State of Good Repair funds.

With the additional State Transit Assistance (STA) funds made available through the new Senate Bill 1 – Road Repair and Accountability Act of 2017 (SB1 Augmentation) fund, there have been no LTF requests for capital projects and has minimized the impact of LTF for operating purposes. Staff continues to apply for the competitive funds from SLOCOG under the State of Good Repair program added with SB-1, and unfortunately the RTA was not awarded discretionary funds for FY20-21.

5. Local Transportation Funds (LTF) used for operating purposes are projected to be down slightly to the region.

In May 2019, when staff presented the advisory FY20-21 operating budget, staff had originally estimated a roughly 6.3% increase in administration and service delivery costs, with a significant portion of the increase for wages as identified in the Collective Bargaining Agreement (CBA). Since that time, as noted in Key Issue #2 CalPERS to SLOCOPT transition, the additional ongoing costs related to pensions resulted in approximately \$200,000 additional operating costs.

When staff presented the FY19-20 budget, we noted that we expected the FY20-21 carryover to be lower than in years past. Instead of attempting to “smooth” the variation by reserving FY19-20 funds for FY20-21 use, staff minimized the LTF request in FY19-20 so that the jurisdictions could maximize LTF for non-transit needs.

During the May 2019 budget presentation, staff also provided an early projection for FY20-21 LTF the RTA would need for operations, which was an increase of 41% from FY19-20 levels, or a total of just over \$4.9 million. With the revised revenue and expense projections, see additional Key Item #10 regarding service reduction, the LTF request has dropped to an increase of 30% and just under \$4.5 million. Although we were hoping this number would drop more, it is a positive sign given the noted unexpected increases in cost due to the CalPERS transition. And in comparison, this is just over a 15% increase from the LTF request in FY18-19.

No LTF is required for local match for any of the proposed capital projects in the current fiscal year. The budget does include the use of financing needed

to fund construction of the long-term Bus Maintenance Facility, since those costs would begin when the project is completed in FY21-22.

6. Liability costs continue to escalate, despite the RTA's good safety record (especially general liability costs).

In March 2020, staff was pleasantly surprised to learn that workers compensation insurance provided by CSAC Excess Insurance Authority is projected to be in line with FY15-16 levels, with a notable reduction from the current fiscal year, especially in times of increasing wages. Most importantly, it is a significant drop from the preliminary estimates staff received in December 2019. The reduction in premiums continue to provide a welcome relief – especially with the realization that worker's compensation for transit services is especially challenging statewide across all employment sectors as loss development trends for the state are not favorable.

In late March 2020 we also received estimated premium for general liability and vehicle physical damage insurance policies. The annual premium cost for these two insurance policies is also lower as a result of staff's continual work with our employee committee that has evaluated workplace safety and has initiated a proactive program to reduce the number and severity of claims.

In addition to the items listed under Key Issue #3 SoCo Transit consolidation into the RTA, staff will be evaluating options for consolidating insurance coverage between the RTA and SoCo Transit, which would reduce duplicative administrative charges for both general liability and workers compensation.

7. We continue to focus on containment of Runabout costs, which had leveled off for several years but have recently increased slightly in the first part of FY19-20.

Runabout hours and miles are assumed to increase slightly based on July 2019 to February 2020 ridership trends. Staff will continue to monitor the Runabout service, including the premium fare charged to Tri-Counties Regional Center starting in January 2018 and the 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, which will include options such as taxicab service as noted in the budget assumptions.

8. Address staffing and retention, in particularly in the Bus Operator classification.

As included in the budget assumptions that your Board accepted in March 2019, the new 4-year CBA was ratified in November 2017, with new wage scales that began January 1, 2018. The FY20-21 budget includes significant changes in wages and benefits, primarily due to the California Legislature's

recent minimum wage hike to \$15.00 per hour by 2021 will result in wage compression issues. The RTA's current average hourly wage for Bus Operators is \$20.25 per hour, with a current starting wage rate of \$16.90 per hour.

An annual inflationary adjustment for non-union employees (excluding Operations Supervisors) of 3% will be implemented in January 2021. The original July 2020 implementation date is being delayed due to the current response to the COVID 19 pandemic, resulting in a savings of \$21,960. The Operations Supervisor classification CPI increase adjustment will be implemented in January 2021, to coincide with Bus Operator wage scale adjustments identified in the CBA. Employees within the salary range for their position will be eligible for a step merit increase subject to performance assessments. The wage scales for non-CBA employees is presented in tabular format at the end of this budget document. Note: this may change should the Governor make the election to not increase the minimum wage in January 2021.

9. Fuel costs continue to be volatile; this also impacts ridership and fares.

Due to the current global uncertainty, fuel prices have continued to swing wildly over the past few years, and noticeably in the last few weeks. Staff has tried to budget fuel somewhat conservatively, but we may need to adjust it if fuel prices change significantly during the fiscal year from the \$3.30 per gallon budgeted amount. It should be noted that diesel-powered buses manufactured after 2009 also require the use of Diesel Exhaust Fluid (DEF) to meet emissions requirements. DEF costs more than diesel fuel, and it is used at a roughly 5% ratio DEF to diesel; its use is included in the fuel line item.

ADDITIONAL KEY ISSUE:

10. Declining ridership and increasing operating costs suggest a service reduction should be implemented.

Ridership has declined on fixed-route services across the United States over the past several years – and has been exacerbated by the COVID-19 pandemic. Prior to the pandemic, this could be attributed to an improving economy and greater automobile ownership in California. The RTA was forced to reduce service with the onset of the COVID-19 pandemic in mid-March 2020, and it is likely that demand will slowly build once the pandemic recedes. For these reasons, the FY20-21 operating budget assumes a roughly 5% reduction in fixed-route services. In terms of service levels, this equates to a roughly 1,810 reduction in annual service hours ($36,170 \times 5\% = 1,809$). Methods to achieve these reductions will be presented in a series of public meetings and a public hearing in late spring / early summer 2020 based on ridership trends on Routes

9, 10, 12 and 14; the Route 15 along the North Coast is already at essentially “lifeline” levels (5 roundtrips/day), so reductions would be too severe.

Revised Revenue Assumptions

In March 2020, the federal government approved the “Coronavirus Aid, Relief, and Economic Security Act” (CARES Act) which is a \$2 trillion emergency funding package designed to blunt the worst and most immediate impacts of the COVID-19 pandemic. At this time staff is uncertain how much additional funding will be coming to the region via traditional formula funding allocations but anticipates that these funds will be used to offset the additional costs incurred during the pandemic for items such as labor, additional supplies, and offset lost fare revenue.

Staff is working with SLOCOG, SoCo Transit, and the Cities of Atascadero, Paso Robles and San Luis Obispo to cooperatively program the funds for FY21-22.

Revised Expenses Assumptions

The overall Administration Expense for RTA core services is up by approximately 9% compared to last fiscal year. Labor has shifted due to the new pension program and professional development has increased with the large about of new hires over the last year. Marketing and Reproduction decreased because last fiscal year included an increased for the addition of Wi-Fi service on all fixed-route buses, which is a two year agreement and completion of the bi-annual customer perception survey in March 2020.

The proposed Service Delivery cost is up by roughly 5% from what was identified in the FY19-20 budget. The primary reasons for these increases as noted previously is the increase in wages as programed in the CBA and an increase in maintenance related cost due to the increasing average fleet age, reduced by 5% based on the service reduction noted in Key Issue #10.

Capital Program

The focus of our capital program will continue to be development and implementation of the new Bus Maintenance Facility on Elks Lane, as well as vehicle replacements for both fixed-route and Runabout services. We have also programmed the following minor capital projects:

- \$40,200 for specialized maintenance equipment to improve efficiencies;
- Bus stop improvements; and
- Miscellaneous computer equipment, including an update to the phone server ports which we will be able to move with us to the new facility.

It should be noted that a portion of the FY19-20 capital funds for fully funded projects, such as the design and engineering for the Bus Maintenance Facility and bus stop improvements had not been carried over to the proposed FY20-21 budget. This will happen with a budget amendment after the FY20-21 has started and the carryover will have no financial impact to local jurisdictions because the funding has been fully 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. Also of note is the significant amount included in FY22-23 and FY23-24 for 40' fixed-route bus replacements. No LTF funds are programmed for capital projects in FY20-21.

Conclusion

Fiscal Year 2020-21 will be a challenging year, including financial uncertainty. 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 FY20-21 budget to the Board for approval at the May 6th Board meeting.

Staff Recommendation for the Board:

Recommend that the Board adopt the FY20-21 budget as presented and direct staff to conduct public participation process regarding the 5% service reduction.

This page left intentionally blank.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
MARCH 4, 2020
STAFF REPORT**

AGENDA ITEM: B-3

TOPIC: Fiscal Year 2020-21 Budget Assumptions

ACTION: Approve FY20-21 Budget Assumptions

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Approve Budget Assumptions to Enable Staff to Begin Development of Operating and Capital Budgets

**EXECUTIVE COMMITTEE
RECOMMENDATION:**

BACKGROUND/DISCUSSION:

The following report outlines staff's recommended budget assumptions for the RTA's Fiscal Year 2020-21 Operating and Capital Budget, and it is the first step in the development of our operating budget and operating 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. Upon the Board's guidance and approval of these assumptions, staff will prepare a detailed report along with preliminary budget numbers for presentation to the Executive Committee at their April 8th meeting prior to the final draft budget presentation to the Board in May.

KEY ISSUES

1. The RTA will begin construction of the long-planned new Bus Maintenance Facility located at 253 Elks Lane toward the end of the current fiscal year. However, the majority of the roughly 18-month construction period will occur in FY20-21 so much of the staff's resources will be focused on this vital project.
2. Address the funding plan for the CalPERS liability due to the termination of the RTA's contract with CalPERS as of January 10, 2020.
3. Address SoCo Transit's request to consolidate with the RTA.
4. State Transit Assistance (STA) funds are projected to be flat to the region but they are higher than FY17-18 due to the Senate Bill 1 – Road Repair and Accountability Act (SB-1) funds, which include augmented STA funds and State of Good Repair funds.

5. Local Transportation Funds (LTF) used for operating purposes are projected to be down slightly to the region.
6. Liability costs continue to escalate, despite the RTA's good safety record (especially general liability costs).
7. We continue to focus on containment of Runabout costs, which had been escalating for several years but have recently leveled off.
8. Address staffing and retention, in particularly in the Bus Operator classification.
9. Fuel costs continue to be volatile; this also impacts ridership and fares.

Mission Statement

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.

Objectives and Revenue Impacts

- 1) Maintain service levels and hours of service that meet the standards of productivity and demand of our customers and communities through the effective and efficient delivery of RTA Fixed-Route and Runabout core services.
 - a) RTA received \$1,093,860 for RTA core services in STA funding, which includes capital funding for the planned new RTA Bus Maintenance Facility project. Staff will work with SLOCOG staff to determine a realistic estimate for FY20-21.
 - b) Continue to monitor the results and impacts on ridership and fare revenue from the December 31, 2017 fare increase, both on RTA Fixed-Route and on the Runabout service, which included the establishment of a Runabout premium service fare.
 - c) The FY19-20 budget adopted in May 2019 included \$3,350,105 in LTF operating revenues. At that same meeting, the advisory FY20-21 LTF amount was \$4,690,010. Staff is still developing estimated annual FY19-20 expenses, which impacts the carryover amount that could reasonably be identified for the FY20-21 budget, but does expect this amount to be minimal.
 - d) Federal Transit Administration (FTA) Sections 5307, 5311 and 5339 operating funding and capital funding for FY20-21 will be presented in the same format as previously presented in May 2019, taking into account preliminary projected revenues identified in the Fixing America's Surface Transportation (FAST) Act. Should the actual annual authorizations for FTA programs increase or decrease for any of these programs, staff would adjust these assumptions accordingly. 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) FTA Section 5307 operating funding from the Santa Maria Urbanized Area for RTA Route 10 will be budgeted based on commitments with Santa Barbara County Association of Governments (SBCAG) and the City of Santa Maria.
 - f) Detailed miles/hours and span of service for each RTA core Fixed-Route and 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 SLO County Services and North County Local Services. As a consolidation date is reviewed for SoCo Transit, staff will present a mock consolidated budget for review. Assuming consolidation is ultimately adopted, staff will present a budget amendment for adoption by the Board.
 - g) Productivity of each RTA-operated fixed-route service during holiday time periods will be presented to the Board as part of the draft budget, specifically associated with the service provided the weeks of Christmas and New Years to determine if service levels should be reduced. Staff will present the results of the elimination of the commuter Express trips from December 2019.
 - h) Staff will continue to research and evaluate new revenue resources should any potential shortfall in operating revenues arise. If we are unable to secure funding, staff would recommend that the Board consider adjusting the TDA allocation from the RTA jurisdictions and/or adjust service levels.
 - i) Due to changes in self-insured retention requirements, staff will review and provide recommendations regarding the RTA reserve policy once consolidation is completed. The reserve policy was originally adopted in May 2014, as part of the budget process.
- 2) Work with SLOCOG and our transit agency partners in the region to evaluate region-wide service efficiencies.
- a) Transit agencies across the country have experienced ridership declines due to the relatively low price of fuel and increasing private automobile ownership rates, which are affecting farebox recovery ratios. Other factors also include increasing costs due to the California minimum wage. These issues have caused farebox recovery ratios to decline for most transit agencies.
 - b) Review the tasks and financial impacts included in the SoCo Transit contract for administrative, financial, marketing, maintenance and dispatch services, and evaluate efficiencies with the RTA – including SoCo Transit's request to consolidate into the RTA.

- c) The RTA will work with SLOCOG staff and other transit providers to evaluate efficiencies in the provision of service throughout the county.
 - d) Staff will use the *2018-20 RTA Strategic Business Plan* as well as the *2016 Short Range Transit Plan* to evaluate potential efficiencies, and with Board concurrence, implement efficiencies.
- 3) Evaluate options and provide analysis on the 5-year capital improvement program and methods to fund these needs.
- a) Staff will continue to work with SLOCOG to prioritize capital projects using the State of Good Repair STA portion of SB-1 funds. For FY17-18 and FY18-19, the RTA received funding for the design and engineering of the new RTA Bus Maintenance Facility. These new 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 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.
 - b) Staff has completed the design/engineering phase and expects to soon complete the permitting process for the long-term RTA Bus Maintenance Facility. We continue to work with our Financial Advisor and Bond Counsel, and have also recently contracted for Commissioning Agent and Construction Manager services. Assuming sufficient funding can be identified, as will be reviewed during the March 2020 Board meeting, the RTA will then conduct the construction services procurement, with construction mobilization to begin in summer 2020.
- 4) Address projected changes in demand for Runabout service.
- a) Runabout service hours and miles are projected to increase slightly based on recent demand trends experienced over the year. Staff will closely monitor this, keeping in mind the ridership peaked in FY14-15 at over 45,000, and the ensuing annual decline to just under 40,000 in FY18-19, which was a result of variety of cost-saving and efficiency measures implemented at the Board's direction.
 - b) To ensure that only those persons truly eligible for Runabout service are initially registered or re-registered, staff will continue to conduct functional assessments as part of the Runabout application process. This process was added in early 2016. Staff will also provide mobility training for disabled persons who are able to use fixed-route services for some or all of their travel needs. Staff continue to work with groups such as the Paso Robles Independent Skills Program that have completed the RTA travel training review process and are now able to assist their clients with travel training.

- c) Staff does not foresee needing to move forward with using supplemental taxicab services at this time, but should future service expansions be required or if staffing shortages persist, staff will revisit this option.

Expenses Impacts

- 1) Fuel consumption and price will be budgeted conservatively; diesel fuel will be budgeted at \$3.30 per gallon. Included in the fuel line item will be diesel exhaust fluid (DEF), used to lower diesel exhaust emissions on the newer Fixed-Route vehicles.
- 2) Insurance Expenses:
 - a) CalTIP liability insurance premiums are projected to increase. The exact amount is not known at this time, as CalTIP actuaries are still working on May 1, 2020 through April 30, 2021 rates. Estimates will be available from CalTIP in time to include in the RTA draft budget presented to the Executive Committee at its April 2020 meeting. Although the number of RTA losses based on mileage has been lower than the statewide pool average, the RTA did experience a large claim in February 2019 that will impact future premiums. The pool had experienced significant negative claims development but those have stabilized due to efforts of all the member agencies to ensure the stability of the pool and ensure equity in costing among all members. This included a recently actuarial study on the application and formulas used in applying and calculating each agencies experience modification factor. More importantly, the California liability market continues to contract, which also increases per-mile costs.
 - b) CalTIP vehicle physical damage will increase minimally due to the added asset value of newer vehicles in the fleet, namely the six new 40-foot buses and eight new cutaway vehicles that RTA received in replacement for vehicles that had exceeded their useful life during the FY18-19.
 - c) Our annual Employment Risk Management Authority premium is estimated at \$27,000, 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. As noted previously, staff hopes to bring a revised reserve policy to the Board once consolidation is completed to address this reserve need.
 - d) Workers compensation premiums through the CSAC Excess Insurance Authority 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. Staff will obtain a more refined estimate in early March. We continue to work with our employee committee that has evaluated workplace safety and has initiated a proactive program to address the number of claims and severity of the claims. The decline in FY18-19 was a result of these efforts, and 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 that are triggered by the changes in the California minimum wage.

- e) Property insurance will increase due to the significant losses in the property insurance market, namely the wildfires in California.
- f) For budget-making purposes, staff is assuming a 6% annual increase for healthcare costs for each of the next two fiscal years.

3) Staffing Expenses:

- a) The current 4-year Collective Bargaining Agreement (CBA) was ratified in November 2017, with new wage scales that began January 1, 2018. The FY20-21 budget will include significant changes in wages and benefits, primarily due to the effects of changes to the California minimum wage program. Should the January 2021 minimum wage change be delayed by the Governor, staff would bring a budget amendment to the Board. The draft budget will assume the minimum wage change will be implemented as planned.
- b) The number of FY20-21 budgeted full-time equivalent (FTE) positions will remain the same as in FY19-20.
- c) For FY20-21, the overall number of budgeted positions for the North County and SLO County services will remain the same. It should be noted that the marginal costs and revenues the services will be treated in the budget the same way as prior years: as separate and distinct columns.
- d) An annual inflationary adjustment based on the December 2018 to December 2019 of 3.0% will be implemented in July 2020. The Operations Supervisor classification CPI increase adjustment will be implemented in January 2021, to coincide with Bus Operator wage scale adjustments identified in the CBA. Employees within the salary range for their position will be eligible for a step merit increase subject to performance assessments.
- e) The RTA Board of Directors took action at its December 11, 2019 meeting to adjust the compensation and benefits of management, administration and confidential employees who are currently enrolled as CalPERS employees, including the transfer of their retirement plan to the San Luis Obispo County Pension Trust (SLOCPT). This transition will result in approximately \$220,000 in additional cost.

Proposed Budget Calendar

February 5 Detailed budget assumptions and revenue forecasts presented to Executive Committee

March 4	Obtain Board concurrence on proposed draft budget assumptions
March 4	Provide mid-year FY19-20 Budget data to Board (no additional budget amendments are being requested)
March 31	Based on feedback from Executive Committee, develop FY20-21 Budget
April 8	Present draft FY20-21 Budget to Executive Committee
April 23	Present final draft FY20-21 Budget to RTAC
May 6	Final Board Budget presentation; Board adoption of FY20-21 Budget

Staff Recommendation for Executive Committee:

Recommend staff provide the FY20-21 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.

Staff Recommendation for the Board:

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

SAN LUIS OBI SPO REGIONAL TRANSIT AUTHORITY
PROPOSED OPERATING REVENUE BUDGET FOR 2020/2021

		2018/2019 COMBINED ACTUAL	2019/2020 ADOPTED OPERATING BUDGET	2019/2020 ADOPTED SLOCAT BUDGET	2019/2020 ADOPTED N. COUNTY BUDGET	2020/2021 PROPOSED OPERATING BUDGET	2020/2021 PROPOSED SLOCAT BUDGET	2020/2021 PROPOSED N. COUNTY BUDGET	2021/2022 PROJECTED OPERATING BUDGET	2021/2022 PROJECTED SLOCAT BUDGET	2021/2022 PROJECTED N. COUNTY BUDGET
FUNDING SOURCES:											
GENERAL RESERVES											
1.	ESTIMATED FUND BALANCE	2,065,078	2,502,930	100,900	163,890	1,769,731	111,070	174,300	1,739,620	125,500	182,220
CASH FLOW REQUIREMENTS PER TDA											
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR										
TOTAL		1,823,580	1,448,570	111,070	174,300	1,739,620	125,500	182,220	1,833,080	132,500	204,640
FUND BALANCE AVAILABLE		241,498	854,360	(10,170)	(10,410)	30,111	(14,430)	(7,920)	(93,460)	(7,000)	(22,420)
NON TDA SOURCES											
FARES											
SCT MANAGEMENT CONTRACT		1,367,564	1,228,770	49,450	106,170	1,228,770	28,900	106,170	1,253,350	29,480	58,730
COUNTY MANAGEMENT CONTRACT		124,660	122,650	-	-	126,660	-	-	136,080	-	-
NORTH COUNTY MANAGEMENT CONTRACT		90,130	88,680	-	-	91,580	-	-	98,390	-	-
INTEREST		43,740	43,030	-	-	44,440	-	-	47,740	-	-
STATE TRANSIT ASSISTANCE (STA) INCLUDING SBT		43,473	52,360	-	-	38,670	-	-	38,670	-	-
RURAL TRANSIT FUND (Administration)		365,815	601,700	206,000	160,810	724,900	165,600	134,800	724,900	165,600	134,800
RURAL TRANSIT FUND (Operating Funds)		402,464	300,000	-	-	30,000	-	-	30,000	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo		574,340	603,060	-	-	250,000	-	-	250,000	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating		503,200	534,305	-	-	633,210	-	-	633,210	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operatin		1,127,940	919,820	-	262,021	564,630	-	275,120	564,630	-	275,120
FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating		366,960	385,310	-	-	404,580	-	275,120	424,810	-	275,120
FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating		536,200	560,510	-	-	586,040	-	-	586,040	-	-
CUESTA CONTRIBUTION ROUTE 12		75,220	84,670	-	-	82,810	-	-	87,780	-	-
CUESTA CONTRIBUTION NORTH COUNTY		40,580	-	-	40,580	-	-	40,580	-	-	40,580
SPECIAL EVENTS REVENUE/OTHER		21,548	-	-	-	-	-	-	-	-	-
SUB TOTAL		5,713,835	5,554,865	255,450	569,581	5,769,600	194,500	556,670	5,838,910	195,080	509,230
TOTAL FUND BALANCE & NON TDA FUNDING		5,955,333	6,409,225	245,280	559,171	5,799,711	180,070	548,750	5,745,450	188,080	486,810

FUNDING SOURCES: TDA REQUIRED

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

Population
Based

18%
49%

TDA REQUIREMENTS BEFORE 5311 EXCHANGE
LESS: RURAL TRANSIT FUND/5311 EXCHANGE

6. NET TDA REQUIREMENTS

7. TOTAL FUNDING SOURCES

8. FUNDING USES:

ADMINISTRATION
INTEREST EXPENSE
MANAGEMENT CONTRACTS
SERVICE DELIVERY
CONTINGENCY

9. TOTAL FUNDING USES

2018/2019 COMBINED ACTUAL	2019/2020 ADOPTED OPERATING BUDGET	2019/2020 ADOPTED SLOCAT BUDGET	2019/2020 ADOPTED N. COUNTY BUDGET	2020/2021 PROPOSED OPERATING BUDGET	2020/2021 PROPOSED SLOCAT BUDGET	2020/2021 PROPOSED N. COUNTY BUDGET	2021/2022 PROJECTED OPERATING BUDGET	2021/2022 PROJECTED SLOCAT BUDGET	2021/2022 PROJECTED N. COUNTY BUDGET
227,552	203,346	-	-	265,873	-	-	297,610	-	-
396,446	353,596	-	-	452,219	-	-	506,200	-	-
172,409	153,940	-	-	201,279	-	-	225,305	-	-
138,076	119,235	-	-	155,261	-	-	173,795	-	-
965,767	358,273	-	456,909	464,698	-	512,370	520,168	-	629,580
105,809	93,465	-	-	122,540	-	-	137,168	-	-
789,588	699,194	-	-	906,474	-	-	1,014,680	-	-
2,520,666	1,903,361	369,330	-	2,467,625	476,800	-	2,762,184	505,240	-
5,376,312	3,884,410	369,330	456,909	5,035,969	476,800	512,370	5,637,110	505,240	629,580
(503,203)	(534,305)	-	-	(564,630)	-	-	(564,630)	-	-
4,873,109	3,350,105	369,330	456,909	4,471,339	476,800	512,370	5,072,480	505,240	629,580
10,768,442	9,759,330	614,610	1,016,080	10,271,050	656,870	1,061,120	10,817,930	693,320	1,116,390
1,690,076	1,633,470	7,500	117,250	1,773,910	7,870	128,980	1,902,620	7,500	138,140
7,457	-	-	-	-	-	-	-	-	-
258,530	122,650	88,680	43,030	126,660	91,580	44,440	136,080	98,300	47,740
8,289,218	7,907,710	493,740	843,950	8,270,040	530,880	875,630	8,673,430	559,490	917,860
120,361	95,500	24,690	11,850	100,440	26,540	12,070	105,800	27,940	12,650
10,365,642	9,759,330	614,610	1,016,080	10,271,050	656,870	1,061,120	10,817,930	693,320	1,116,390

SAN LUIS OBI SPO REGIONAL TRANSIT AUTHORITY
PROPOSED AMENDED CAPITAL REVENUE BUDGET FOR 2020/2021

	2018/2019 COMBINED ACTUAL	2019/2020 AMENDED CAPITAL BUDGET	2019/2020 ADOPTED SLOCAT BUDGET	2019/2020 ADOPTED N' COUNTY BUDGET	2020/2021 PROPOSED CAPITAL BUDGET	2020/2021 PROPOSED SLOCAT BUDGET	2020/2021 PROPOSED N' COUNTY BUDGET	2021/2022 PROJECTED CAPITAL BUDGET	2021/2022 PROJECTED SLOCAT BUDGET	2021/2022 PROJECTED N' COUNTY BUDGET
FUNDING SOURCES:										
1 CAPITAL PROJECTS RESERVE	1,039,110	530,800	119,330	342,580	171,870	119,330	5,320	470,460	119,330	5,320
2 ESTIMATED FUND BALANCE	1,039,110	530,800	119,330	342,580	171,870	119,330	5,320	470,460	119,330	5,320
3 LESS REQUIRED RESERVES FOR FISCAL YEAR										
4 CAPITAL PROJECTS RESERVE	992,710	512,610	119,330	5,320	470,460	119,330	5,320	480,333	9,530	54,880
5 TOTAL	992,710	512,610	119,330	5,320	470,460	119,330	5,320	480,333	9,530	54,880
6 FUND BALANCE AVAILABLE	46,400	18,190	-	337,260	(298,590)	-	-	(9,873)	109,800	(49,560)
NON TDA SOURCES										
7 STATE TRANSIT ASSISTANCE (STA) WITH SBT AUGMENTATION	482,339	638,131	22,750	5,190	469,410	-	-	469,410	4,100	49,560
8 LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)	-	-	-	-	-	-	-	-	-	-
9 STA SBT AUGMENTATION (Prior Years) & STATE OF GOOD REPAIR	36,600	98,390	-	-	-	-	-	-	-	-
10 PROPOSITION 1B FUNDING - BUS REPLACEMENT & BUS MAINTENANCE FACILITY	165,681	1,029,320	-	-	1,033,230	-	-	400,000	-	-
11 CONGESTION MITIGATION AND AIR QUALITY (CMAQ)	659,015	9,800	-	-	-	-	-	-	-	-
12 RURAL TRANSIT FUND (Capital)	396,000	-	-	-	-	-	-	-	-	-
13 FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	1,069,983	534,890	-	-	263,520	-	-	218,760	-	-
14 FEDERAL TRANSIT ADM (FTA) (Section 5309) - State of Good Repair	-	-	-	-	-	-	-	-	-	-
15 FEDERAL TRANSIT ADM (FTA) (Section 5339) - Bus and Bus Facilities	942,506	-	-	-	6,285,000	-	-	-	-	-
16 FEDERAL TRANSIT ADM (FTA) (Section 5307-North County)	431,812	697,330	-	538,250	294,150	-	-	250,920	-	-
17 FEDERAL TRANSIT ADM (FTA) (Section 5307-South County)	969,983	486,890	-	-	263,520	-	-	218,760	-	-
18 SUB TOTAL	5,153,917	3,494,750	22,750	543,440	8,608,830	-	-	1,557,850	4,100	49,560
19 TOTAL FUND BALANCE & NON TDA FUNDING	-	3,512,940	22,750	880,700	8,310,240	-	-	1,547,977	113,900	-
20 NET TDA REQUIREMENTS/FINANCING NEEDED FOR BUS MAINTENANCE FACILITY	-	-	-	-	6,735,760	-	-	12,896,553	-	-
21 TOTAL FUNDING SOURCES	5,200,317	3,512,940	22,750	880,700	15,046,000	-	-	14,444,530	113,900	-
22 FUNDING USES:										
23 CAPITAL	4,988,014	3,512,940	22,750	880,700	15,046,000	-	-	14,444,530	113,900	-
24 LOAN PAYDOWN	212,303	-	-	-	-	-	-	-	-	-
25 TOTAL FUNDING USES	5,200,317	3,512,940	22,750	880,700	15,046,000	-	-	14,444,530	113,900	-

Administration and Service Delivery Totals				
	Actual Combined FY 2018-19	Adopted Operating Budget FY 2019-20	Proposed Operating Budget FY 2020-21	Projected Operating Budget FY 2021-22
Administration:				
Labor				
Labor - Administration Workers Comp				
Hours	70,279	70,210	69,370	69,660
Miles	1,581,425	1,563,240	1,556,940	1,570,560
operations cost	819,672	879,630	1,042,550	1,120,070
Office Space Rental	64,365	51,090	47,000	50,490
Property Insurance	460,186	476,920	493,320	510,280
Professional Technical Services	19,721	20,710	28,040	33,160
Professional Development	154,634	112,860	117,400	129,790
Operating Expense	42,932	44,970	60,070	70,540
Marketing and Reproduction	306,107	292,950	297,900	308,400
North County Management Contract	80,989	133,240	87,160	107,740
County Management Contract	(43,740)	(43,030)	(44,440)	(47,740)
SCT Management Contract	(90,130)	(88,680)	(91,580)	(98,390)
Total Administration	(124,660)	(122,650)	(126,660)	(136,080)
	1,690,076	1,758,010	1,910,760	2,048,260
Service Delivery:				
Labor - Operations				
Labor - Operations Workers Comp				
hourly	4,276,507	5,086,120	5,477,760	5,819,150
hourly	438,094	347,740	319,920	339,860
Labor - Maintenance	1,000,133	1,121,220	1,235,670	1,312,390
Labor - Maintenance Workers Comp	127,455	101,170	93,080	98,860
Fuel	1,021,026	1,048,730	968,920	968,920
Insurance (Liability, Physical Damage, Employment Practices miles	707,786	677,570	702,500	736,450
Special Transportation (for SLOCAT)	n/a	44,903	48,340	51,350
Avila Trolley	45,476	63,590	63,320	72,730
Maintenance parts, supplies, materials)	504,564	628,670	633,320	613,550
Maintenance Contract Costs	113,283	125,900	128,580	137,520
Total Operations	8,289,218	9,245,610	9,676,550	10,150,780
Contingency				
hourly	120,361	132,040	139,050	146,390
Interest Expense				
operations cost	7,457	-	-	-
Management Contracts				
258,530	254,360	262,680	282,210	
TOTAL FUNDING USES	10,365,642	11,390,020	11,989,040	12,627,640

Capital Expenditures	Actual Capital Expenditures FY 2018-19	Amended Capital Budget FY 2019-20	Proposed Capital Budget FY 2020-21	Projected Capital Budget FY 2021-22	Projected Capital Budget FY 2022-23	Projected Capital Budget FY 2023-24	Projected Capital Budget FY 2024-25
Capital/Studies:							
Computer System Maintenance/Upgrades	33,869	55,520	44,940	47,190	49,550	52,030	54,630
Miscellaneous Capital	-	25,310	40,200	-	-	-	-
Maintenance Equipment	-	174,660	-	-	-	-	-
Specialized Maintenance Tools	-	10,000	-	-	-	-	-
Desks and Office Equipment	-	-	6,600	-	-	-	-
Radios	-	-	-	-	-	-	-
Vehicle ITS/Camera System	43,991	17,350	-	-	-	-	-
Bus Stop Improvements/Bus Stop Solar Lighting	103,960	389,720	265,500	278,780	292,720	307,360	322,730
Bus Rehabilitation	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-
Support Vehicles	-	18,000	56,700	63,000	-	-	-
40' Coaches	3,144,199	-	631,800	\$0	1,326,700	4,875,600	-
Trolley replacement vehicles	-	-	-	-	253,300	-	-
Cutaway and Dial A Ride Vehicles	83,793	880,700	-	113,900	133,000	-	-
Runabout Vehicles	668,692	560,200	261,300	316,600	-	-	513,100
Total Capital Outlay	4,078,504	2,131,460	1,307,040	819,470	2,055,270	5,234,990	890,460
Loan Pay down	212,303	-	-	-	721,000	721,000	721,000
Short Range Transit Plans - Nipomo	909,510	22,750	-	-	-	-	-
Elks Lane Project	-	2,262,180	13,738,960	13,738,960	-	-	-
TOTAL FUNDING USES	5,200,317	4,416,390	15,046,000	14,558,430	2,776,270	5,955,990	1,611,460

Route 9		Total Adopted Budget FY 2019-20	Weekday Proposed Budget FY 2020-21	Saturday Proposed Budget FY 2020-21	Sunday Proposed Budget FY 2020-21	Total Proposed Budget FY 2020-21	Projected Budget FY 2021-22
Administration:							
Total Administration (Net of Contracts)							
Service Delivery:	Labor - Operations	13,710	11,750	660	430	12,840	12,840
	Labor - Operations Workers Comp	363,430	314,380	18,240	12,390	345,010	345,010
	Labor - Maintenance	341,580	322,000	18,260	12,050	352,310	375,070
	Labor - Maintenance Workers Comp						
	Fuel	946,320	883,960	49,650	32,350	965,960	1,021,890
	Insurance	64,590	51,190	2,880	1,870	55,940	59,180
	Maintenance (parts, supplies, materials)	208,610	199,630	11,210	7,310	218,150	230,730
	Maintenance Contract Costs	18,900	14,890	840	550	16,280	17,210
	Total Operations	239,000	191,470	11,110	7,550	210,130	208,300
		154,050	138,620	8,040	5,460	152,120	158,100
Capital/Studies:		139,270	121,420	7,040	4,790	133,250	127,970
Total Capital Outlay		27,880	24,670	1,430	970	27,070	28,700
Contingency		1,798,020	1,625,850	92,200	60,850	1,778,900	1,852,080
Interest Expense		315,110	4,907,340	278,290	183,660	5,369,290	5,132,740
TOTAL FUNDING USES		21,200	19,060	1,070	700	20,830	21,830
TOTAL NON-CAPITAL EXPENDITURES		-	-	-	-	-	-
		2,476,510	6,874,250	389,820	257,260	7,521,330	7,381,720
		2,161,400	1,966,910	111,530	73,600	2,152,040	2,248,980

	Total Adopted Budget FY 2019-20	Weekday Proposed Budget FY 2020-21	Saturday Proposed Budget FY 2020-21	Sunday Proposed Budget FY 2020-21	Total Proposed Budget FY 2020-21	Projected Budget FY 2021-22
Route 10						
	11,220	9,840	590	360	10,790	10,790
	354,800	309,160	18,810	11,300	339,270	339,270
	296,330	283,420	17,080	10,370	310,870	330,340
Administration:						
Total Administration (Net of Contracts)						
Service Delivery:						
Labor - Operations	774,440	740,270	44,390	27,080	811,740	858,740
Labor - Operations Workers Comp	52,850	42,870	2,570	1,570	47,010	49,730
Labor - Maintenance	170,720	167,180	10,020	6,120	183,320	193,890
Labor - Maintenance Workers Comp	15,460	12,470	750	460	13,680	14,470
Fuel	233,330	188,290	11,460	6,880	206,630	204,830
Insurance	150,400	136,320	8,290	4,980	149,590	155,470
Maintenance (parts, supplies, materials)	135,950	119,400	7,260	4,360	131,020	125,840
Maintenance Contract Costs	27,220	24,260	1,480	890	26,630	28,220
Total Operations	1,560,370	1,431,060	86,220	52,340	1,569,620	1,631,190
Capital/Studies:						
Total Capital Outlay	273,370	4,319,350	260,240	157,980	4,737,570	4,520,530
Contingency	17,340	15,960	960	580	17,500	18,350
Interest Expense	-	-	-	-	-	-
operations cost	-	-	-	-	-	-
TOTAL FUNDING USES	2,147,410	6,049,790	364,500	221,270	6,635,560	6,500,410
TOTAL NON-CAPITAL EXPENDITURES	1,874,040	1,730,440	104,260	63,290	1,897,990	1,979,880

Route 12, 14 and 15		Total Adopted Budget FY 2019-20	Weekday Proposed Budget FY 2020-21	Saturday Proposed Budget FY 2020-21	Sunday Proposed Budget FY 2020-21	Total Proposed Budget FY 2020-21	Projected Budget FY 2021-22
Administration:							
Total Administration (Net of Contracts)							
Service Delivery:	Hours	10,490	9,260	920	710	10,890	10,890
	Miles	296,110	265,510	26,640	18,540	310,690	310,690
Labor - Operations							
Labor - Maintenance							
Labor - Maintenance Workers Comp							
Fuel							
Insurance							
Maintenance (parts, supplies, materials)							
Maintenance Contract Costs							
Total Operations		1,403,970	1,308,180	130,370	97,530	1,536,080	1,598,220
Capital/Studies:							
Total Capital Outlay		245,970	3,948,460	393,490	294,370	4,636,320	4,429,160
Contingency		16,210	15,020	1,490	1,150	17,660	18,520
Interest Expense		-	-	-	-	-	-
TOTAL FUNDING USES		1,932,780	5,530,750	551,770	412,370	6,497,290	6,369,560
TOTAL NON-CAPITAL EXPENDITURES		1,686,810	1,582,290	157,680	118,000	1,857,970	1,940,400

	Total Adopted Budget FY 2019-20	Total Proposed Budget FY 2020-21	Projected Budget FY 2021-22
Runabout	27,120 450,870	27,410 464,490	27,700 478,110
	597,220	670,490	727,420
Administration: Total Administration (Net of Contracts)			
Service Delivery:			
Labor - Operations	1,871,930	2,062,070	2,204,550
Labor - Operations Workers Comp	127,750	119,410	127,660
Labor - Maintenance	412,660	465,690	497,750
Labor - Maintenance Workers Comp	37,390	34,740	37,140
Fuel	296,500	282,890	288,660
Insurance	191,120	204,810	219,090
Maintenance (parts, supplies, materials)	172,770	179,390	177,340
Maintenance Contract Costs	34,600	36,450	39,780
Total Operations	3,144,720	3,385,450	3,591,970
Capital/Studies:			
Total Capital Outlay	609,080	302,910	362,230
Contingency	41,910	44,460	47,100
Interest Expense	-	-	-
operations cost	-	-	-
TOTAL FUNDING USES	4,392,930	4,403,310	4,728,720
TOTAL NON-CAPITAL EXPENDITURES	3,783,850	4,100,400	4,366,490

	Adopted Budget FY 2019-20	Total Proposed Budget FY 2020-21	Projected Budget FY 2021-22
County Services			
Administration:			
Total Administration (Net of Contracts)	96,180	99,450	105,890
Service Delivery:			
Labor - Operations	239,950	259,010	275,150
Labor - Operations Workers Comp	16,380	17,710	18,810
Labor - Maintenance	52,900	57,100	60,650
Labor - Maintenance Workers Comp	4,790	5,150	5,470
Fuel	20,700	20,700	20,700
Insurance	14,940	15,990	16,760
Special Transit (Senior Vans, Incentives, etc)	44,900	48,340	51,350
Avila Trolley	63,590	68,460	72,730
Maintenance (parts, supplies, materials)	29,660	32,010	31,010
Maintenance Contract Costs	5,940	6,410	6,860
Total Operations	493,750	530,880	559,490
Capital/Studies:			
Total Capital Outlay	-	-	113,900
Contingency	23,530	26,540	27,940
Short Range Transit Plans - Nipomo	-	-	-
Interest Expense	-	-	-
operations cost	-	-	-
TOTAL FUNDING USES	613,460	656,870	807,220
TOTAL NON-CAPITAL EXPENDITURES	613,460	656,870	693,320

North County Services		Adopted Total Budget FY 2019-20	Proposed Route A & B Budget FY 2020-21	Proposed Paso DAR Budget FY 2020-21	Total Proposed Budget FY 2020-21	Projected Budget FY 2021-22
Administration:						
Total Administration (Net of Contracts)		160,280	145,150	28,270	173,420	185,880
Service Delivery:						
Labor - Operations	Hours	529,410	463,420	96,300	559,720	592,120
Labor - Operations Workers Comp	Miles	36,130	26,840	5,580	32,420	34,290
Labor - Maintenance	hourly	116,710	104,660	21,750	126,410	133,690
Labor - Maintenance Workers Comp	hourly	10,570	7,810	1,620	9,430	9,970
Fuel	miles	64,460	52,340	7,030	59,370	58,850
Insurance	miles	41,570	37,890	5,090	42,980	44,670
Maintenance (parts, supplies, materials)	miles	37,570	33,190	4,460	37,650	36,160
Maintenance Contract Costs	miles	7,530	6,740	910	7,650	8,110
Total Operations		843,950	732,890	142,740	875,630	917,860
Capital/Studies:						
Total Capital Outlay		880,700	-	-	-	-
Contingency	hourly	11,850	9,990	2,080	12,070	12,650
Interest Expense	operations cost	-	-	-	-	-
TOTAL FUNDING USES		1,896,780	888,030	173,090	1,061,120	1,116,390
TOTAL NON-CAPITAL EXPENDITURES		1,016,080	888,030	173,090	1,061,120	1,116,390

RTA Staff Salary Schedule

Effective July 1, 2020

SLORTA POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
Administrative Assistant	\$ 44,340.51	\$ 46,557.54	\$ 48,885.43	\$ 51,329.69	\$ 53,382.88	\$ 54,984.37	\$ 56,084.06
Accounting Technician	\$ 46,557.54	\$ 48,885.43	\$ 51,329.69	\$ 53,896.18	\$ 56,052.02	\$ 57,733.58	\$ 58,888.25
Transit Training Instructor	\$ 51,329.69	\$ 53,896.18	\$ 56,590.98	\$ 59,420.53	\$ 61,797.35	\$ 63,651.27	\$ 64,924.29
Transit Training Instructor/Mobility Specialist	\$ 51,329.69	\$ 53,896.18	\$ 56,590.98	\$ 59,420.53	\$ 61,797.35	\$ 63,651.27	\$ 64,924.29
Lead Supervisor	\$ 62,391.56	\$ 65,511.13	\$ 68,786.69	\$ 72,226.03	\$ 75,115.07	\$ 77,368.52	\$ 78,915.89
Human Resources Officer	\$ 63,951.34	\$ 67,148.91	\$ 70,506.35	\$ 74,031.68	\$ 76,992.95	\$ 79,302.74	\$ 80,888.78
Maintenance Assistant Manager	\$ 72,226.03	\$ 75,837.32	\$ 79,629.19	\$ 83,610.65	\$ 86,955.08	\$ 89,563.72	\$ 91,354.99
Manager, Marketing and Community Relations	\$ 74,031.68	\$ 77,733.25	\$ 81,619.92	\$ 85,700.91	\$ 89,128.95	\$ 91,802.81	\$ 93,638.87
Manager, Grants	\$ 74,031.68	\$ 77,733.25	\$ 81,619.92	\$ 85,700.91	\$ 89,128.95	\$ 91,802.81	\$ 93,638.87
Manager, Safety and Training	\$ 74,031.68	\$ 77,733.25	\$ 81,619.92	\$ 85,700.91	\$ 89,128.95	\$ 91,802.81	\$ 93,638.87
Manager, Maintenance and Facilities	\$ 87,791.18	\$ 92,180.74	\$ 96,789.78	\$ 101,629.28	\$ 105,694.44	\$ 108,865.28	\$ 111,042.59
Manager, Operations	\$ 101,629.28	\$ 106,710.74	\$ 112,046.27	\$ 117,648.58	\$ 122,354.53	\$ 126,025.16	\$ 128,545.66
Deputy Director/CFO	\$ 123,531.02	\$ 129,707.57	\$ 136,192.94	\$ 143,002.61	\$ 148,722.71	\$ 153,184.39	\$ 156,248.08
Executive Director	\$ 136,264.00						\$ 165,621.00

This page left intentionally blank.



San Luis Obispo Regional Transit Authority

Executive Committee Meeting

Minutes 02/05/2020

Draft C-1

Members Present: Fred Strong, City of Paso Robles, **President**
Ed Waage, City of Pismo Beach
John Peschong, District 1 Supervisor, **Vice President**

Members Absent: None

Staff Present: Geoff Straw, Executive Director
Tania Arnold, Deputy Director/CFO
Nina Negranti, County Counsel
Chelsea Sperakos, Administrative Assistant

Also Present: Eric Greening

Call Meeting to Order, Roll Call

Public Comment: The San Luis Obispo Regional Transit Authority Executive Committee reserves this portion of the agenda for members of the public to address any items not on the agenda and within the jurisdiction of the Committee. Comments are limited to three minutes per speaker. The Committee 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.

President Fred Strong called the meeting to order 11:50 AM and a silent roll call was taken.

Public comment:

Mr. Eric Greening spoke regarding the construction on Palm & Osos.

A. Information Items

A-1 Executive Director's Report (Verbal; Receive)

Mr. Geoff Straw stated that the construction project on Palm & Osos is delayed due to "artifact discovery". RTA is in open recruitment for a maintenance manager and SLO County will do the first round of interviews.

Vice President John Peschong arrived during item A-1.

Public comment:

None

B. Action Items

B-1 FY20-21 Budget Assumptions (Approve)

Mrs. Tania Arnold stated that the budget assumptions presented are included in the two-year operating budget and five-year capital budget. The Cal Pers contract terminated in January 2020. South County Transit requested the agency to review consolidation, and the new estimated date for execution is January 2021. LTF is projected to be down for the region, however it is the last option for funding. General liability will see a significant increase. RTA is monitoring increasing Runabout costs, working to address staffing and retention, and fuel costs. The objective is to maintain service levels and hours. The agency will monitor potential fare increases, however it is not expected for 2021. Staff will continue to seek federal funding for projects. FTA funds are distributed on a reimbursement basis or at the end of the fiscal year. Staff is evaluating holiday levels of service. Once RTA and SCT consolidation goes forward, there is projected savings by having a pool reserve policy. Staff will discuss funding for the bus maintenance facility at the March RTA Board meeting. RTA is making efforts to keep the demand on Runabout as low as possible. There was a large liability claim last February. Workers comp is projected increase. RTA and SCT are now part of County Pension Trust.

Mr. Waage asked if RTA has to cover expenses prior to being reimbursed by FTA funds, can reserves cover this?

Mrs. Arnold stated that we may need a bank loan but reserves should be fine given the swift reimbursement (no federal delay).

Public comment:

Mr. Eric Greening complimented the RTA staff for maintaining service and inquired about drivers' wages.

Mr. Waage made a motion to approve agenda item B-1 and **Vice President Peschong** seconded the motion. The motion passed unanimously with **Mr. Waage, Vice President Peschong,** and **President Strong** voting in favor of the motion, with none opposed and none absent.

C. Consent Items

C-1 Executive Committee Meeting Minutes of October 9, 2019 (Approve)

1. **March 4, 2020 Draft RTA Board Agenda:** The Executive Committee is asked to review and comment on the proposed agenda items.

Information Items

- A-1 Executive Director's Report (Receive)
- A-2 Results of CPS HR Review (Accept) —Mr. Straw stated that this is in regards of a review of procedures and policies at RTA
- B-1 Finalize Funding for Construction of 253 Elks Lane (Approve)
- B-2 Authorize RFQ for Construction of 253 Elks Lane (Approve)
- B-3 FY20-21 Budget Assumptions (Approve)
- B-4 Annual Fiscal & Compliance Audit for Fiscal Year 2018-19 (Accept)

- C-2 RTA Board Meeting Minutes of January 8, 2020 (Approve)
- C-3 RTA Debt Policy (Approve)
- C-3 Authorize procurement of low floor minivans for Paso Robles Dial-A-Ride (Approve)
- C-4 Authorize FTA Section 5311 Grant Application (Approve)
- C-5 Authorize procurement of specialized testing & monitoring (Approve)—working with vendors

Closed Session Items – CONFERENCE WITH LEGAL COUNSEL: It is the intention of the Board to meet in closed session concerning the following items:

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

Negotiating Party: Fred Strong, President

Unrepresented Employee: Geoff Straw, Executive Director

Distribution of LTF funds will be included in B-1; C-3 is regards to TIFIA debt policy

Mr. Waage made a motion to approve agenda item C-1 and **Vice President Peschong** seconded the motion. The motion passed unanimously with **Mr. Waage, Vice President Peschong,** and **President Strong** voting in favor of the motion, with none opposed and none absent.

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

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

Negotiating Party: Fred Strong, President

Unrepresented Employee: Geoff Straw, Executive Director

President Strong opened closed session at 12:10 PM and ended closed session at 12:20 p.m.

Next RTA Executive Committee Meeting: **April 8, 2020**

Respectfully Submitted,

Acknowledged by,

Chelsea Sperakos
Administrative Assistant

Fred Strong
RTA President 2020

This page left intentionally blank.

**REGIONAL TRANSIT AUTHORITY
BOARD MEETING
MARCH 4, 2020
C-2 DRAFT**

MEMBERS PRESENT: FRED STRONG, CITY OF PASO ROBLES, (President)
JOHN PESCHONG, SUPERVISOR DISTRICT 1 (Vice President)
DEBBIE ARNOLD, SUPERVISOR DISTRICT 5
LYNN COMPTON, SUPERVISOR DISTRICT 4
BRUCE GIBSON, SUPERVISOR DISTRICT 2
JEFF LEE, CITY OF GROVER BEACH
HEATHER MORENO, CITY OF ATASCADERO
JIMMY PAULDING, CITY OF ARROYO GRANDE
ANDY PEASE, CITY OF SAN LUIS OBISPO
ED WAAGE, CITY OF PISMO BEACH

MEMBERS ABSENT: ADAM HILL, SUPERVISOR DISTRICT 3

STAFF PRESENT: GEOFF STRAW, EXECUTIVE DIRECTOR
TANIA ARNOLD, DEPUTY DIRECTOR
OMAR MCPHERSON, OPERATIONS MANAGER
CHELSEA SPERAKOS, ADMINISTRATIVE ASSISTANT

CALL MEETING TO ORDER, ROLL CALL: President Fred Strong called the meeting to order at 8:30 AM and roll call was taken.

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.

Mr. Eric Greening spoke regarding the service of RTA and the Osos and Palm construction.

A. INFORMATION AGENDA

A-1 Executive Director's Report (Receive)

Mr. Geoff Straw stated that RTA is having technical difficulties with email, so please call him directly to contact him. Construction at the government center is moving forward, despite running into difficulties with a historical artifact and the buckling of the sidewalk. Due to the delay, the project is expected to be on the upper end of authorized cost.

Mr. Omar McPherson introduced the Employee of the Quarter **Mr. Gareth McCain**, who is a positive asset to the company. **Mr. McCain** expressed his gratitude to work for RTA and stated he thoroughly enjoys his position. Bus Driver Appreciation Day will be on March 16th.

Mr. Straw stated that the agency is working on hiring, and is currently short 9 drivers. The training department is running into issues with Real ID because people need original copies of their birth certificates. The ticket vending machine continues to produce issues that staff is working with the vendor on. The Air Pollution Control District granted funding, and staff is working with the air resources board to determine how funds can be distributed. Ridership declines appear to be slowing down. San Luis Obispo has the highest level of car registrations in the county, and staff hasn't seen a recovery in ridership. Coronavirus could impact ridership. Administrative costs are higher due to professional services hired to handle CalPERS issue.

Questions:

President Strong asked if staff is tracking the census to see if ridership age contributes to Runabout increase. **Mr. Straw** stated yes, staff is monitoring that and trying to provide other services for this population. The short range transit plan takes that into account.

Mr. Davis asked if drug testing is having any adverse effect on hiring. **Mr. Straw** said yes, people are still failing. Marijuana is illegal per the Department of Transportation. Recruits must be drug free.

Public Comment:

Mr. Greening discussed his appreciation for driver Gareth McCain, impact of coronavirus, and the Runabout increase in ridership.

Vice President John Peschong made a motion to receive and file agenda item A-1 and **Mr. Ed Waage** seconded the motion. The motion passed unanimously via voice vote.

A-2 Results of CPS HR Review (Accept)

Mr. Straw reported the results of the human resources audit. RTA generally follows accepted human resources management practices. Staff practices to be considered were recruitment, equitable treatment, equal pay, and performance standards. Some practices to be modified moving forward were sexual harassment prevention training, and SCT policies. SCT operations are less than 50 employees, therefore it is not required to provide health insurance; that will change when SCT merges with RTA. Per the HR auditor, no deficiencies were noted overall.

Questions:

Mr. Jimmy Paulding asked if staff will be prioritizing health insurance compliance with the pending SCT consolidation. **Mr. Straw** stated that this is included in projected cost, and staff has planned for it.

Ms. Heather Moreno made a motion to receive and file agenda item A-2 and **Mr. Paulding** seconded the motion. The motion passed unanimously via voice vote.

B. ACTION AGENDA

B-1 Financing of New Bus Maintenance Facility (Approve)

Ms. Tania Arnold introduced visiting advisory staff. The existing RTA facility is a leased facility and the owner has plans to build when RTA vacates the facility. Staff is working with Stantec Consulting to produce a new facility that would have administration headquarters, bus maintenance facility and operations. The estimated total cost of the project \$31.5 million; RTA has secured \$6.2 million in grants and land has already been purchased. The current gap in funding is \$19.6 million.

Ms. Melissa Schick with KNN Finance stated that after analysis the solution recommended is a TIFIA loan in tandem with a bank loan. The TIFIA loan takes a long time, and the bank loan will allow the project to start on time. If the TIFIA loan falls through, the alternative plan is selling securities in the public municipal market. TIFIA is willing to fund 49% of total project costs, which is \$15.46 million. To meet the funding gap, a bank loan of PacWest will be \$4 million. The borrowing cost is projected to be 1.005%. The term sheet provides interim funding, that allows flexibility when TIFIA loan goes through. The borrowing cost is 3%, with the pay off of higher cost debts first. The TIFIA repayment is 35 years, and the bank loan is 12 years.

Mr. Barney Allison spoke on the security pledge. Loans will be repaid and TIFIA is subordinate to the bank in repayment status. It is not allowed to use federal money to pay a federal loan back. RTA does not need to put a mortgage on the facility. Staff is authorized to pledge the farebox revenue and the federal government will be most interested in LTF.

Questions:

Mr. Waage asked could TIFIA delay the project because it is new? **Mr. Allison** stated that TIFIA is 20 years old, but the rural project initiative is new. There are five approval stages, but RTA is only at the first or second. We hope that the security package is acceptable. RTA staff has been very timely in responses.

Mr. Waage asked if there is anything the Board can do to assist. **Mr. Allison** stated that being swift to respond is all we can do now, however, there might be opportunities along the way, and refer to Geoff. **Mr. Straw** stated that RTA has been in contact with Congressional delegation.

Ms. Moreno stated that it might be important to clarify to the public why we are making this change. **Mr. Straw** stated that between the cost of leasing the facility and reserve funds, this will be an investment long term for the county.

Mr. Jeff Lee asked what the collateral is for the PacWest bank loan. **Mr. Allison** stated that the security package is being offered to both lenders, which has the same budget obligations.

Mr. Bruce Gibson asked the debt of service in plan B \$1 million per year is based on what interest rates? What direction you would want from the board on Plan B today? He stated that discussions with the city managers are important. **Ms. Schick** stated the interest rate of 3.1 % is projected, but most likely 2.7%. Staff may structure a loan that is longer than 30 years to lower cost. **Mr. Straw** stated that staff will be coming back to the Board with plan for repayment and meeting with TIFIA tomorrow to have an understanding to go forward with Plan A or B.

President Strong asked if there is an opt-out on the current lease that would save funds if the construction project finishes early? **Mr. Straw** stated yes, and that the agency is continuing to see other grant funds and several applications are out.

Discussion continued regarding flexibility of federal grant money and operations.

Mr. Waage made a motion to approve agenda item B-1 and **Mr. Gibson** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>
FRED STRONG (President)	X	
JOHN PESCHONG (Vice President)	X	
DEBBIE ARNOLD	X	
LYNN COMPTON	X	
BRUCE GIBSON	X	
ROBERT DAVIS	X	
JEFF LEE	X	
HEATHER MORENO	X	
JIMMY PAULDING	X	
ANDY PEASE	X	
ED WAAGE	X	

B-2 Authorize IFB for Construction of New Bus Maintenance Facility (Approve)

Mr. Straw received construction plan comments from the City of San Luis Obispo. Per the covenant agreement with Elks Lane, the long term plan in place is a sweeping turn that takes land from Sunset Drive-In. There is an invitation for bid package for the construction project and information is available on the RTA website. RTA will consider the bids, availability, funding, and possible award at the May 6th meeting. With approval, staff will be opening bidding March 5th and hoping to begin construction on June 1st.

Questions:

Ms. Pease ask if bid alternates are being considered and if there will be savings bonuses for the construction companies if they complete the project ahead of schedule. **Mr. Straw** stated that the construction management recommended bid deductions and have not yet discussed benefits.

Ms. Pease made a motion to approve agenda item B-2 and **Ms. Moreno** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>
FRED STRONG (President)	X	
JOHN PESCHONG (Vice President)	X	
DEBBIE ARNOLD	X	
LYNN COMPTON	X	
BRUCE GIBSON	X	
ROBERT DAVIS	X	
JEFF LEE	X	
HEATHER MORENO	X	
JIMMY PAULDING	X	
ANDY PEASE	X	
ED WAAGE	X	

B-3 Fiscal Year 2020-21 Budget Assumptions (Approve)

Ms. Tania Arnold stated that the budget assumptions include construction of the bus maintenance facility, Cal PERS liability due to contract termination, SCT's request to consolidate, State Transit Assistance (STA) funds, Local Transportation Funds (LTF), liability costs, Runabout costs, address staffing and retention, fuel costs, and impact on ridership and fares. FTA is issued at the end of the fiscal year and LTF is provided quarterly. Reserve policies will be readjusted prior to consolidation with SCT. The agency is projected to come into Fiscal Year 19-20 within budget with no projected amendments.

Mr. Straw stated staff will run projections on how LTF is impacted for Fiscal Year 20-21. Service cuts/changes will be brought to the Board. **President Strong** stated that there are lots of cost increases but no increases in revenue and concern regarding Cal PERS not being resolved.

Discussion continued regarding County Pension Trust and CalPERS withdrawal. Wildfires have increased liability.

Public comment:

Mr. Greening discussed service cuts.

Mr. Pete Rodgers discussed progression of LTF and tightening of RTA service runs.

Mr. Gibson made a motion to approve agenda item B-3 and **Vice President Peschong** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>
FRED STRONG (President)	X	
JOHN PESCHONG (Vice President)	X	
DEBBIE ARNOLD	X	
LYNN COMPTON	X	
BRUCE GIBSON	X	
ROBERT DAVIS	X	
JEFF LEE	X	
HEATHER MORENO	X	
JIMMY PAULDING	X	
ANDY PEASE	X	
ED WAAGE	X	

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

C-1 Executive Committee Meeting Minutes of October 9, 2019 (Information)

C-2 RTA Board Meeting Minutes of January 8, 2020 (Approve)

C-3 Public Transportation Agency Safety Plan (Approve)

C-4 Resolution Authorizing the RTA to Submit FTA Section 5311 Grant Application (Approve)

C-5 Resolution Authorizing the RTA to Administer FTA Section 5307, 5339 and CMAQ Grants (Approve)

C-6 Resolution Authorizing the RTA to Submit FTA 5339(c) Grant Application for Zero Emission Buses (Approve)

C-7 Resolution Authorizing the RTA to Submit FTA 5339(b) Grant Application for Bus Maintenance Facility (Approve)

Vice President Peschong made a motion to approve the consent agenda items C-1 through C-7 and **Mr. Gibson** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>
FRED STRONG (President)	X	
JOHN PESCHONG (Vice President)	X	
DEBBIE ARNOLD	X	
LYNN COMPTON	X	
BRUCE GIBSON	X	
ROBERT DAVIS	X	
JEFF LEE	X	
HEATHER MORENO	X	
JIMMY PAULDING	X	
ANDY PEASE	X	
ED WAAGE	X	

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

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

Negotiating Party: Fred Strong, President

Unrepresented Employee: Geoff Straw, Executive Director

The Board went into closed session at 10:21 AM and returned at 10:40 AM.

Ms. Nina Negranti stated no reportable action from closed session, however staff will be bringing the subject to the next meeting.

E. BOARD MEMBER COMMENTS

President Strong stated that he will be hosting 6 of 7 US railroads for a safety conference.

Tentative Special RTA Board meeting April 1, 2020

Next regularly-scheduled RTA Board meeting is May 6, 2020

The meeting was adjourned at 10:41 AM.

REGIONAL TRANSIT AUTHORITY SPECIAL BOARD MEETING

APRIL 1, 2020

****VIA TELECONFERENCE****

C-3 DRAFT

MEMBERS PRESENT: FRED STRONG, CITY OF PASO ROBLES, (President)
JOHN PESCHONG, SUPERVISOR DISTRICT 1 (Vice President)
DEBBIE ARNOLD, SUPERVISOR DISTRICT 5
LYNN COMPTON, SUPERVISOR DISTRICT 4
BRUCE GIBSON, SUPERVISOR DISTRICT 2
KAREN BRIGHT, CITY OF GROVER BEACH
HEATHER MORENO, CITY OF ATASCADERO
JIMMY PAULDING, CITY OF ARROYO GRANDE
ANDY PEASE, CITY OF SAN LUIS OBISPO
ED WAAGE, CITY OF PISMO BEACH

MEMBERS ABSENT: ADAM HILL, SUPERVISOR DISTRICT 3

STAFF PRESENT: GEOFF STRAW, EXECUTIVE DIRECTOR
TANIA ARNOLD, DEPUTY DIRECTOR
CHELSEA SPERAKOS, ADMINISTRATIVE ASSISTANT

CALL MEETING TO ORDER, ROLL CALL: President Fred Strong called the meeting to order at 10:39 AM and roll call was taken.

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.

The public was able to submit public comments via voicemail, email or mail.

Mr. Eric Greening: (via email) "Thank you for the opportunity to participate in the SLORTA Board Meeting in writing, and for the steps the agency is taking to keep everyone safe. Service has been considerably reduced from that available in normal times, and the narrative in C-1 seems to indicate that further reductions are possible. This is understandable given the huge falloff in use of the service, and the forfeiture of farebox revenue occasioned by the policy of waiving fares so most passengers can spare bus operators' health by entering through the rear door. Nonetheless, some level of service must continue as a needed lifeline for those who have no other way to get around. A few questions I hope can be answered while this item is being heard:

1. What public notice and/or public process will precede any further service cuts?
2. What circumstances will allow restoration of cut service, and to what level?

3. When will we be able to see ahead enough to craft a '20-'21 budget that can align with some level of realistic anticipation or projection? (Clearly, we can't see the future well enough to make realistic projections now!) It is likely that both farebox and LTF numbers will begin the fiscal year much lower than had been assumed at the time the budget assumptions were drafted, and the extent to which they might (we hope) rise from there is also hard to foresee--both the rate and the robustness of any hoped-for economic and job recovery are shrouded in mist. The level of need and demand for service during the upcoming fiscal year is even harder to estimate--there are emerging factors that can both suppress it and enhance it. Can and will budget adoption be delayed, perhaps to a special meeting attached to the SLOCOG meeting in June, in hopes that we will better be able to picture the realities of the coming fiscal year by then? Is RTAC likely to be mobilized on the previously expected April date, or would it make sense for it to convene later in the season to accommodate a more stretched out budget process? Will RTAC need to meet in some virtual format?

4. What are the impacts of the present crisis on ability to move forward with the Maintenance Facility? I note that, while some building projects already in process are considered "essential" enough to be proceeding, new ones are, for the time being, not starting. In the event it is impossible for the Maintenance Facility construction to hold to its anticipated timeline, are there emergency grounds to justify asking for a lease extension at Cross Street, and would we have any realistic hope of attaining it?

These are extraordinary times, and I appreciate the efforts everyone in the RTA family is making to get us through the challenges. The most important thing is for everyone to STAY HEALTHY!!"

A. CLOSED SESSION: CONFERENCE WITH LABOR NEGOTIATOR (Government Code section 54957.6.) It is the intention of the Board to meet in closed session to have a conference with its Labor Negotiator, Geoff Straw, concerning the following employee organization: Teamsters Local 986

The Board went into closed session at 10:47 AM and returned to open session at 11:14 AM.

Ms. Nina Negranti no reportable action.

B. INFORMATION AGENDA – No information items

C. ACTION AGENDA

C-1 PUBLIC HEARING: Resolution to Declare COVID-19 Fiscal Emergency (Approve)

Mr. Geoff Straw ridership is down 78% partially due to service cuts. LTF may be reduced. There is expected to be a nine-month delay in receipt of state funds. Initial documents from the CARE Act show an influx of federal operational funds. . The staff recommendation is to conduct this Public Hearing regarding the declaration of a fiscal emergency and set a further hearing to be held within 30 days as required by Public Resources Code section 21080.32 and adopt this Resolution declaring a present fiscal emergency for the agency caused by the failure of agency revenues to adequately fund agency programs and facilities; enabling the implementation of emergency service reductions; delegating to the Executive Director and/or his designates authority to take action to expend RTA resources and make expenditures; and provide purchasing authority to the Executive Director and/or his designee up to \$250,000 to respond to the COVID-19 pandemic.

Ms. Negranti clarified that the Public Hearing is today, and comments will be taken. The comments will be reviewed at the secondary meeting.

Ms. Heather Moreno made a motion to approve agenda item C-1 and **Ms. Lynn Compton** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>
FRED STRONG (President)	X	
JOHN PESCHONG (Vice President)	X	
DEBBIE ARNOLD	X	
LYNN COMPTON	X	
BRUCE GIBSON	X	
KAREN BRIGHT	X	
ROBERT DAVIS	X	
HEATHER MORENO	X	
JIMMY PAULDING	X	
ANDY PEASE	X	
ED WAAGE	X	

D. CONSENT AGENDA – No information items

E. BOARD MEMBER COMMENTS

The meeting was adjourned at 11:25 AM.

Next RTA Board meetings:

1. April 8, 2020: Meeting to consider public comments on COVID-19 Fiscal Emergency
2. May 6, 2020: Regularly scheduled meeting

This page left intentionally blank.

**REGIONAL TRANSIT AUTHORITY
SPECIAL BOARD MEETING
APRIL 8, 2020
VIA TELECONFERENCE
C-4 DRAFT**

BOARD MEMBERS PRESENT:

DEBBIE ARNOLD, FIFTH DISTRICT, COUNTY OF SAN LUIS OBISPO
LYNN COMPTON, FOURTH DISTRICT, COUNTY OF SAN LUIS OBISPO
BRUCE GIBSON, SECOND DISTRICT, COUNTY OF SAN LUIS OBISPO
JOHN PESCHONG, FIRST DISTRICT, COUNTY OF SAN LUIS OBISPO (Vice President)
ROBERT DAVIS, CITY OF MORRO BAY
KAREN BRIGHT, CITY OF GROVER BEACH
JIMMY PAULDING, CITY OF ARROYO GRANDE
ANDY PEASE, CITY OF SAN LUIS OBISPO
HEATHER MORENO, CITY OF ATASCADERO
FRED STRONG, CITY OF PASO ROBLES (President)
ED WAAGE, CITY OF PISMO BEACH

BOARD MEMBERS ABSENT:

ADAM HILL, THIRD DISTRICT, COUNTY OF SAN LUIS OBISPO

STAFF PRESENT:

GEOFF STRAW, EXECUTIVE DIRECTOR
NINA NEGRANTI, SAN LUIS OBISPO COUNTY COUNSEL
CHELSEA SPERAKOS, ADMINISTRATIVE ASSISTANT
TANIA ARNOLD, CFO & DEPUTY DIRECTOR

CALL MEETING TO ORDER, ROLL CALL: President Fred Strong called the meeting to order via teleconference at 8:31 AM and roll call was taken. A quorum was present.

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.

The public comments received via email were provided in advance to the Board members. Please see attached.

A. CLOSED SESSION: None

B. INFORMATION AGENDA – No information items

C. ACTION AGENDA

C-1 Review and Respond to Public Input Received Regarding Declaration of Fiscal Emergency Arising from COVID-19 Pandemic (Receive and File).

Ms. Nina Negranti stated that the purpose of the meeting on April 1st was to declare a fiscal emergency, and today's meeting is the second public meeting to respond to public comment within 30 days of the first meeting. Board members can accept and take public comments moving forward.

Mr. Straw stated that executive committee recording is available for those who want it, but not published as regular practice. Today is a public meeting to respond to comments. No additional service cuts are being considered right now, and the current service cut has only been due to lack of staff.

There was no additional public comment on this item

Ms. Heather Moreno made a motion to receive and file agenda item C-1 and, **Mr. Robert Davis** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>
DEBBIE ARNOLD	X	
LYNN COMPTON	X	
BRUCE GIBSON	X	
JOHN PESCHONG (Vice President)	X	
ROBERT DAVIS	X	
KAREN BRIGHT	X	
JIMMY PAULDING	X	
ANDY PEASE	X	
HEATHER MORENO	X	
FRED STRONG (President)	X	
ED WAAGE	X	

D. CONSENT AGENDA – No consent items

E. BOARD MEMBER COMMENTS

There were no board member comments at this time.

The RTA board meeting was adjourned at 8:43 AM.

Next RTA Board meetings: May 6, 2020: Regularly scheduled meeting

Respectfully Submitted,

Acknowledged by,

Chelsea Sperakos, Administrative Assistant

Fred Strong, RTA President 2020

Public Comment Received for April 8, 2020 Meeting

The public comments below were submitted in response to RTA Resolution 2020-18 considered on April 1, 2020. The resolution declared a fiscal emergency for the agency, enabling the implementation of emergency service reductions, delegating to the Executive Director and/or his designates authority to take action to expend RTA resources and make expenditures, and provide purchasing authority to the Executive Director and/or his designee up to \$250,000 to respond to the COVID-19 pandemic.

These comments were received via emails to RTA staff before 3:00 PM on April 7th, and will be reviewed by the RTA Board on Wednesday, April 8th during a specially scheduled public meeting. The comments below are verbatim from the participating members of the public.

A. "Hello!!

Thank you to the RTA staff for putting my written comments before the RTA Board, and for the thoughtful response thereto. I will be working on a few more substantive comments over the weekend, but wanted to make a comment now on Friday afternoon, while people are still "at work" (whatever anyone's geography might be), on a logistical issue that relates to Wednesday's meetings and that may require some advance planning.

I see that the RTA Board will be convening a special meeting at 8:30, to be followed by the Executive Committee remaining on duty for an Executive Committee meeting at 10:00. Normally, the meetings of the full board are live streamed, and recorded for the archives, while meetings of the Executive Committee are not. Both bodies are under the Brown Act, and both are normally open to public attendance and participation. Now, the public has no physical access to either. Under the circumstances, I am hoping it is possible for the Executive Committee meeting to also be live streamed and recorded for the archives, since this would be the **ONLY** way for the public to gain access thereto. I know the current contract with AGP does not cover the Executive Committee, but I also know that these are extraordinary times and lots of agreements are being bent in various ways to accommodate the unusual circumstances.

Giving the public access to the Executive Committee meeting is particularly important because they will be the first body to get a look at the proposed RTA Budget for '20-'21. Since it has been decided to enact this budget on the normal timetable, with the understanding that it will serve as a foundation for possible modifications as circumstances are better understood, it will be important for the public to hear the thinking of staff and of the members of the Executive Committee

as they undertake this initial review. This is particularly true due to the cancellation of the RTAC meeting (possibly to be made up by a special RTAC meeting in May or June); members of RTAC, like other members of the public, will have a chance to individually review and comment on the proposed budget, and could be better positioned to do so effectively after knowing how the discussions went at the Executive Committee.

Would it, then, be possible for the members of the Executive Committee to stay wherever they are during the Board meeting, and be live-streamed and recorded for archiving as they move into the ensuing Executive Committee meeting?"

Submitted on Friday, April 3, 2020 by Mr. Eric Greening

B. "Hello!

Thank you for your sincere attempts to provide avenues, however seat-of-the-pants, for the public to continue to participate in RTA Board's conduct of the public's business relative to the lifeline public service provided by the RTA!

Thank you, also, for responding to my comments asking for a slowdown in the process of constructing the '20-'21 budget so that this budget can be crafted and approved when we might have somewhat more information on which to base projections about future needs and resources. The response indicates that the budget that will be before the RTA Board on May 6th is anticipated to face modifications as circumstances warrant.

In the meantime, we are in the midst of a crisis in which major departures from the adopted '19-'20 budget are occurring. On April 1st, your board declared a Fiscal Emergency, and activated the process laid out in Public Resources Code 21080.32 giving the Executive Director authority to take actions that would normally require Board approval, including service cuts in addition to the considerable cuts already in effect, which, as it happens, were also made without Board action or any public process, and with very little public notice.

PRC 21080.32 mandates a second public hearing within 30 days. Although the law does not explicitly so state, a reasonable interpretation of this law would be to assume that during the period intervening between the two hearings, specific information could be developed for the public to react to in an informed way: what level of service reduction is mandated by the emergency circumstances, and what specific proposals--perhaps a range of them--might be put forward to see which among them would be least disruptive to the public. The originally scheduled date

of April 29th would allow for such a process, or, in the event that staff were too consumed by the demands of the emergency to develop and propagate that specific information, at least the public would have time to be mobilized to respond to the vague general threat of service cuts, and come forward with thoughts about what cuts might be acceptable or unworkable. Given the additional time constraint on the public that, with virtual meetings, comments need to be made BEFORE rather than AT the meeting, a meeting that happens later rather than sooner would seem to be warranted for multiple reasons.

The only reason given for abandoning the April 29th date is was speculation that attaching it to the already scheduled April 8th meeting of the Executive Committee would be a convenience. The public can't even verify that this is so, given that the April 1st Board meeting adjourned messily, before members could be polled on their availability for that date. In any event, given that Board members and staff are mostly likely to be home on whatever date is chosen, the alleged convenience of the radically changed and seriously premature date of April 8th is a weak argument of denying the public time to be informed and mobilized about what is at stake. I very strongly urge cancellation of the April 8th hearing and return to the April 29th date for the required public hearing.

An additional advantage of the April 29th date is that we may have a better view of the level of financial constraints ahead, perhaps a sense of whether social distancing constraints can be expected or not expected to ease, as well as a better view of the timing and amount of federal stimulus money which might provide some level of budgetary relief.

Since, as an elder, I am personally staying home except for walks, and averse to the possible viral risk of riding the bus at this time, I have not been able to check whether information is available to riders about this premature public hearing. Setting it for April 29th would give the public far more opportunity to learn about it, and perhaps even, if staff had the time to craft them, to see specific proposals for what future service cuts might look like. If there is no information about this hearing on the buses, or if it is only visible for a couple of days, most of the public will be uninformed about this opportunity.

For these reasons, I would prefer not to have to get specific about what cuts might or might not be acceptable at this time, and would prefer being able to address the issue more thoroughly on April 29th, but in the event that my advice on the timing of your meeting is not taken, and the much more responsible date of April 29th is not restored, let me share a few thoughts that might guide decisions.

1. Since driver numbers were low compared to full staffing in times when the full schedule was being run, loss of perhaps half of drivers' service hours might not have resulted in the level of furloughing that would have been imposed if the cuts were made from full staffing, but any further cuts would deeply affect this loyal, helpful, and skillful labor force. It seems better to retain all the treasured employees we can, rather than to deplete an exemplary labor force and then try to rebuild it later.
2. Running Saturday service plus weekday expresses, while a significant cut from service levels in more normal times, does have the virtue of retaining something not too remote from the original span of service. Given the low ridership and waived fares, it is acceptable under present circumstances if it can be fiscally maintained as a placeholder for recovery in hoped-for better times.
3. No further reductions should be made without providing the Board and the public with specific BUDGETARY reasoning. Low ridership in and of itself should not be used to justify further cuts. Normally, it would be a justification, but one way that present circumstances are vastly abnormal is the need for social distancing. Buses with low ridership are the only ones safe to ride, as passengers can distribute themselves as far from each other as space allows. If the RTA can afford to run these buses, it should, even if in more normal times they would seem too inefficient to warrant continuance.
4. In the event that there are FISCAL reasons that further cuts must be made, no day of the week should be sacrificed; at least bare bones service should be available every day. If resources demand significant further reductions, the last resort should be Sunday service seven days a week, with ONE weekday express run morning and afternoon on Routes 9 and 10, to provide an earlier morning option for those who must get to work in SLO and an earlier return option therefrom. Route 12 could be reduced to 4-hour headways to match the other lines. A cut to this level of service is not something I would welcome, but it is the barest bare minimum baseline from which credible ultimate recovery could be built. Anything less than that would feel like abandonment of the core mission and the core transit-dependent ridership.

Again, although I am sharing these thoughts in time for consideration on April 8th, I believe the spirit of Public Resources Code 21080.32 is better served by the original plan to hold a public hearing on April 29th, and the purported (but apparently uninvestigated) greater convenience of April 8th for Board members is not a sufficient reason for holding a hearing which is vastly premature given the need for more concerted outreach to transit users to make it genuinely responsive and meaningful.

I wish the best of health to the RTA Board and the entire RTA staff, and look forward to a future time when we can focus not on emergency response, but on rebuilding service in a rebuilding economy! Many thanks, and STAY WELL!!"

Submitted on Sunday, April 5, 2020 by Mr. Eric Greening

C. "Hello!

I don't believe I have working Skype; if I should manage to somehow find or get it at a time of no physical shopping for non-essentials, would the Executive Committee be open to that format? My understanding is that the intention is for SLOSPAN to livestream the meeting of the full board, although that didn't work for me (and a number of other users) last Wednesday. I was later able to replay the April 1st meeting from the archives.

Speaking of this Wednesday, the 8th, I do believe it was and is a huge mistake to have rescheduled the proposed April 29th public hearing to review the emergency declaration (and its consequences) to the breathtakingly early date of April 8th, given the impossibility of doing the public outreach that would seem to align with the spirit as well as the letter of Public Resources Code 21080.32. The only reason given for this drastic shift was speculation that the earlier date would be more convenient for Board members, three of whom would already be meeting as the Executive Committee. As you heard at the ragged conclusion of the April 1st board meeting, this is untested speculation; board members were hanging up before Fred Strong could poll them on their availability for the 8th--or, in comparison, if he would have asked, the 29th. In any event, alleged convenience for board members can't be a compelling factor when, on either the 8th or the 29th, most of them would likely be at home, regardless, and participating in the meeting from home. What SHOULD be a compelling factor is notifying the affected public, those who use the buses with much less frequency than usual, of the final opportunity to comment. I sent a letter stating my objections to the April 8th date, as well as substantive thoughts on what conditions would or would not warrant further service reductions and what level of reductions would constitute the bare minimum from which any credible recovery plan could be launched, to info@slorta.org and Chelsea will be, or is, distributing it to you and to the board members. It is probably too long to be orally read into the record, but I would hope all decision-makers will have read it before the morning of the 8th.

What I hope happens on the 8th is that the board members simply continue the hearing until the 29th, and direct (if they have to--hopefully you'd do it anyway) the placement of information about the April 29th hearing on the buses and at whatever other sites you would normally notify the public of an upcoming hearing. I suspect most of the affected public won't know about the passage of an April 8th last chance to comment until that date is past.

Whatever the outcome of my request, the most important thing is for everyone in the RTA family to STAY WELL!!”

Submitted on Monday, April 6, 2020 by Mr. Eric Greening

- D. “Hello!! Thanks to a prompt response to my previous comments that I received this morning from Geoff Straw, I have a few further thoughts to share, He reassured me that further cuts would only be made if the health crisis invaded the staff to the extent that sufficient people to maintain the present reduced schedule could not be mustered. We seem to be in full agreement that productivity concerns do not warrant service cuts at a time when low productivity is a health necessity for staff and passengers, as it allows for needed social distancing. Productivity can again become relevant in that hoped-for time when social distancing ceases to be a necessity, to guide the recovery of service to a higher level when ridership warrants. Straw clarified that the subject of the hearing was not specific further service cuts (no specific further cuts are currently proposed) but the emergency declaration itself. In other words, the public does not need access to a specific service reduction plan on which to comment. While I now understand this, I also recognize that, since the declaration gives the Executive Director the authority to make cuts that would otherwise require a specific public process, In other words, speaking to the declaration includes speaking to the service changes that could be implemented as a consequence of the declaration, and it is completely within the scope of the hearing for members of the public to comment on service changes we would find acceptable or otherwise. For this reason, I continue to consider the service-level-related points #1 through #4 in my previous correspondence to be completely relevant to the subject of the hearing and they are appropriately in the record. My thanks again to everyone involved with the RTA for navigating unmapped territory in perilous weather. I look forward to continued engagement as the situation develops, and as it, hopefully, moves into a recovery phase!”

Submitted on Monday, April 6, 2020 by Mr. Eric Greening

- E. “Hello!

Thank you for the advice on accessing Skype, and for clarifying that you have no current intention of making further service cuts unless you simply don't have the people to staff the present schedule. It is to be hoped that the fare waivers and rear entry provisions protect drivers, and would hope anyone using a wheelchair and needing to board from the front would also be wearing a mask!

Thank you for also clarifying that the move from April 29th was originated by board members not available on that date. I still fail to see the justification for moving the meeting three whole weeks earlier; surely some date later in April could be found that would be workable for Board members and that would allow time to get word out to the riders and general public. It would be my hope that the Board uses its

time on April 8th to discuss and come to consensus on such a date, so that genuine outreach can be conducted and a meaningful public hearing can be held that takes into account the comments from members of the public who will inevitably be bypassed if their final chance is April 8th, but who would likely be reached if genuine outreach had time to happen. This should, of course, include posting of the chosen date and time, and information on how to participate in the public hearing, on all the buses. I understand the point that the subject of the hearing is the emergency declaration, not specific service cuts, but we need to be mindful that, under that declaration, service cuts could be made without the usual public process, meaning that the hearing on the declaration itself is the only hearing the public might have on what any given commenter's bottom line on such cuts might be.

If I am reading your response correctly, you recognize that in this extraordinary time of social distancing, what would normally be bemoaned as "low productivity" of scheduled runs is a health necessity, so that "unproductive" service needs to be maintained if at all possible as a lifeline for those who need it now that most "choice" riders are using their own vehicles. We thus appear to be in total agreement about that. As stated in my previous comments, I find the current level of service acceptable under the current conditions, and hope it can be maintained until, let us hope, the ridership and the resources both allow us to journey on a path to system recovery!

One thing I would ask, if the April 8th Board meeting is not livestreamed through SLOSPAN, is that, somehow a recording, at least an audio recording, be made available in the archives on the SLORTA website, so that the public has its customary access to RTA Board meetings, and so that everything said and done by board members is on a public record accessible to the public.

Thanks for all you and the whole remarkable RTA family are doing to get us through these extraordinary times! STAY WELL!!

Submitted on Monday, April 6, 2020 by Mr. Eric Greening

F. "To Whom It May Concern;

Please reschedule the proposed SLORTA hearing on proposed service cutbacks to its originally scheduled date of April 29, 2020, if not later. The opportunity of interested citizens to contribute to the development of public policy and budgeting proposals and to the decision-making process by means of the public hearing process has been severely constrained during the coronavirus emergency declaration by Governor Newsome. What remains of the public participation component of all government hearings is essentially just a rubber stamp. If the SLORTA board truly believes in the value of public participation, then it needs to create a fair, equitable, and easily accessible process which allows real-time participation by the public during the virtual hearing process. The hearing process under the current emergency order is a technological embarrassment and should not be allowed to

stand in for a legal public hearing. Hearings are governed by law. If they cannot be conducted under the applicable legal standards (Brown Act, Bagley-Keene Act), then they must be delayed until such time that an accessible real-time process has been fully vetted and enacted by SLORTA. Thank you for your concern for enabling meaningful public access to the SLORTA governing process.”

Submitted on Monday, April 6, 2020 by Mr. Russell Hodin

G. “Hello all;

Reading the agenda for the April 8, 2020 special meeting, it is unclear to me what will be discussed and/or decided at this meeting. The overarching topic appears to be simply logging public comment about the COVID-19 Fiscal Emergency. However, in the discussion regarding Mr. Greening’s input, the topic of the FY2020-21 budget is raised. I have comments about both topics.

RE: The COVID-19 Fiscal Emergency budget. If I read this correctly, extra money has apparently been allocated to deal with this crisis. Yet what I see happening is a fairly drastic cut to route service.

I certainly understand that ridership will be down during this time of shelter-in-place, and work-from-home. But reducing the number of daily trips to weekend service schedules exacerbates the very real issue of trying to support and maintain social distancing. There are those who still do need to use rapid transit in spite of the current mandates, and those folks will be effectively crowded into the far-fewer trips now being offered. This is contrary to common sense. When we want to create social distancing opportunities, we should NOT be reducing the number of trips per day.

The extra emergency allocation could be used to further subsidize the ‘regular daily schedule’ trips, knowing that those buses will be running with very few passengers.

RE: FY2020-21. I, like Mr. Greening, have a very real concern that the annual budget will be based upon ridership numbers that do not accurately reflect what we hope will be a return to some sort of normalcy after we’re past this pandemic.

I, like Mr. Greening, am a staunch supporter of public transit. We need to be growing public transit, not diminishing it. Under any pretext.

You use phrases like “using the best information available at the time” to set a budget. And you note that once a budget has been set, that budget “can and should be amended when circumstances substantially change.” I agree.

The very real issue in May will be setting an adequate fiscal budget to operate in the absence of the pandemic, and make those adjustments mentioned IF we find ourselves continuing to live with the virus for some months to come.

That might be more than my allocated three minutes. Apologies! Thank you, as always, for providing an opportunity to comment. Thank you, also, for the work you do.”

Submitted on Monday, April 6, 2020 by Mr. David Arndt

This page left intentionally blank.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: C-5

TOPIC: 2019 Summer Youth Ride Free Program

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Approve Summer Youth Ride Free Program for 2020

BACKGROUND/DISCUSSION:

Direction is needed from the Board on whether or not to continue the RTA's participation in the countywide Summer Youth Ride Free (YRF) program for the eighth consecutive year. *Regional Rideshare*, the agency that promotes this program, has asked that the RTA honor the YRF program from June 6, 2020 through August 13, 2020, if the program continues this year.

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

Historical ridership information for all fixed route providers in the county is provided in the table below. It is difficult to track the longer-term impact of participating in the YRF program, since it is not possible to determine the number of students boarding throughout the year in the absence of periodic surveys.

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

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

YOUTH RIDE FREE RIDERSHIP								
	2012	2013	2014	2015	2016	2017	2018	2019
Morro Bay Transit	819	1,147	842	916	996	673	518	471
Paso Express	-	10,517	6,725	4,983	Included w/ RTA	Included w/ RTA	Included w/ RTA	Included w/ RTA
RTA	30,820	39,058	25,835	27,467	24,374	20,779	20,017	18,049
SLO Transit	14,021	14,898	13,668	14,991	10,448	11,260	11,192	7,606
South County Transit	19,657	20,051	10,285	10,814	8,726	9,427	6,791	5,154
Total Ridership	64,498	87,684	59,369	60,267	43,548	42,139	38,518	30,809

Disadvantages include:

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

RTA will continue to require YMCA and other youth groups to pay when more than fifteen youth traveling together (plus two adult chaperones). For ease of boarding, and for budget and cash control issues, organizers for groups such as YMCA camps can continue to pre-purchase passes.

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

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

Staff Recommendation

Continue to participate in this program for an eighth consecutive summer season, providing a similar reduced travel period that was provided last summer and a group policy requiring payment for more than ten youth traveling together.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
MAY 6, 2020
STAFF REPORT**

AGENDA ITEM: C-6

TOPIC: RTA Public Transportation Agency Safety Plan (PTASP)

ACTION: Approve Plan

PRESENTED BY: Omar McPherson, Operations Manager

STAFF RECOMMENDATION: Approve the PTASP as presented

BACKGROUND/DISCUSSION:

The *Moving Ahead for Progress in the 21st Century Act* (MAP-21) grants the Federal Transit Administration (FTA) the authority to establish and enforce a comprehensive framework to oversee the safety of public transportation throughout the United States.

As a component of this safety oversight framework, MAP-21 requires recipients of FTA funding to develop and implement a Public Transit Agency Safety Plan (PTASP) that addresses performance measures, strategies, and staff training opportunities. MAP-21 expands the regulatory authority of FTA to oversee safety, providing an opportunity for FTA to assist transit agencies in moving towards a more holistic, performance-based approach in *Safety Management Systems (SMS)*. SMS is an integrated collection of policies, processes and behaviors that ensures a formalized, proactive and data-driven approach to safety risk management. The aim of SMS is to increase the safety of transit systems by proactively identifying, assessing and controlling safety risks.

MAP-21 puts FTA and the California Department of Transportation (Caltrans) in a position to provide guidance that strengthens the use of safety data to support management decisions, improves the commitment of transit leadership to safety, and fosters a culture of safety that promotes awareness and responsiveness to safety risks. The approach is flexible and scalable, so that transit agencies of all types and sizes can efficiently meet the basic requirements of MAP-21. In March 2020, to maintain local control and to ensure meaningful data is appropriately used, the Board approved opting-out of the Caltrans statewide Agency Safety Plan and authorized the RTA Executive Director, serving as the designated PTASP Accountable Director, to draft and certify our own PTASP. The RTA has drafted our own PTASP consistent with and in support of an SMS approach to safety risk management. The deadline to submit our plan to the FTA is July 20, 2020.

Staff Recommendation

Approve the attached Public Transportation Agency Safety Plan (PTASP).

This Page Left Intentionally Blank



Public Transportation Agency Safety Plan (PTASP)

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

A Small Public Transportation Provider

¹ A small public transportation provider is a recipient or subrecipient of Federal financial assistance under 49 U.S.C. § 5307 that has one hundred (100) or fewer vehicles in peak revenue service and does not operate a rail fixed guideway public transportation system. 49 C.F.R. § 673.5.

EXECUTIVE SUMMARY

Moving Ahead for Progress in the 21st Century (MAP-21) grants the Federal Transit Administration (FTA) the authority to establish and enforce a comprehensive framework to oversee the safety of public transportation throughout the United States. As a component of this safety oversight framework, MAP-21 requires recipients of FTA Chapter 53 funding to develop and implement a Public Transportation Agency Safety Plan (PTASP) that addresses performance measures, strategies, and staff training opportunities.

MAP-21 expands the regulatory authority of FTA to oversee safety, providing an opportunity for FTA to assist transit agencies in moving towards a more holistic, performance-based approach in *Safety Management Systems (SMS)*. MAP-21 puts FTA and the California Department of Transportation (Ca DOT) in a position to provide guidance that strengthens the use of safety data to support management decisions, improves the commitment of transit leadership to safety, and fosters a culture of safety that promotes awareness and responsiveness to safety risks.

The PTASP for Regional Transit Authority (RTA) is consistent with, and supports an SMS approach to safety risk management. SMS is an integrated collection of policies, processes and behaviors that ensures a formalized, proactive and data-driven approach to safety risk management. The aim of SMS is to increase the safety of transit systems by proactively identifying, assessing and controlling safety risks. The approach is flexible and scalable, so that transit agencies of all types and sizes can efficiently meet the basic requirements of MAP-21.

The PTSAP for RTA addresses the following elements outlined below.

<input type="checkbox"/> Policy Statement:	A policy statement establishing senior management commitment to continual safety improvement, signed by the executive accountable for the operation of the agency and the board of directors.
<input type="checkbox"/> Document Revision and Control:	A description of the regular annual process used to review and update the plan including a timeline for implementation of the process.
<input type="checkbox"/> Description of Core Safety Responsibilities:	A description of the responsibilities, accountabilities, and authority of the accountable executive, the key safety officers, and key members of the safety management team.
<input type="checkbox"/> Safety Risk Management Approach:	A description of the formal processes the agency uses to identify hazards, analyze and assess safety risks, and develop, implement and evaluate risk controls.
<input type="checkbox"/> Prioritized Safety Risks:	A description of the most serious safety risks to the public, personnel and property.
<input type="checkbox"/> Risk Control Strategies and Actions for Prioritized Safety Risks:	A description of the risk control strategies and actions that the agency will undertake to minimize exposure of the public, personnel and property to hazards, including a schedule for implementing the risk control strategies and the primary entity responsible for each strategy.
<input type="checkbox"/> Safety Assurance:	A list of defined safety performance indicators for reach priority risk and associated targets the agency will use to determine if it is achieving the specified safety goals.
<input type="checkbox"/> Desired Safety Outcomes or Goals:	A description of desired safety outcomes for each risk using the measureable safety performance indicators established.
<input type="checkbox"/> Safety Training Program:	A description of the comprehensive safety training program for agency staff that ensures that staff are trained and competent to perform their safety duties.
<input type="checkbox"/> Safety Plan Documentation and Record Keeping:	PTASP documents related to implementation of its Safety Management System (SMS), and results from the SMS processes and activities. Documents included in whole, or by reference, that describe the programs, policies, and procedures that the agency uses to carry out its PTASP. Must keep records and documents related to the plan for three years.

Table of Contents

<u>Transit Agency Information</u>	1.
<u>Plan Development, Approval, and Updates</u>	2.
a) Development	
b) Approval	
c) Self-Certification-Appendix-A	
<u>Record of Revisions</u>	3.
a) The PTASP Committee Annual Update and Review (Month) <i>Appendix-B</i>	
<u>Safety Performance Targets</u>	3.
<u>Safety Performance Target Coordination</u>	4.
a) California Department of Transportation (Cal-Trans)	
b) San Luis Obispo County Department of Governments (SLOCOG)	
<u>Safety Management Policy</u>	4.
a) Top Management Commitment to Safety	5.
b) Commitment to Safety –Map-21 and Safety Management System (SMS)	6.
<u>Safety Management Policy Communication</u>	7.
<u>Authorities, Accountabilities and Responsibilities</u>	7.
a) Staff Safety Roles and Responsibilities- <i>Appendix D</i>	
b) Regional Transit Authorities Organizational Chart- <i>Appendix E</i>	
c) Accountable Executive (PTASP)	
d) Chief Safety Officer/Accountable Executive (PTASP/Same Person)	
<u>Employee Safety Reporting Program</u>	8.
a) Employee Handbook- <i>Appendix F</i>	
b) Safety Resource Committee Description- <i>Appendix G</i>	
c) Safety Resource Committee Suggestion Form- <i>Appendix H</i>	
<u>Safety Risk Management</u> - Safety Risk Process	9.
a) #1 Safety Hazard Identification Process- <i>Appendix C</i>	
<u>Safety Risk Assessment - Safety Risk Mitigation</u>	10.
a) #2 Risk Matrices- <i>Appendix C</i>	
b) #3 Risk Assessment- <i>Appendix C</i>	
c) Hazard Risk Index & Acceptance Criteria	
d) Resolution	
<u>Safety Assurance, Safety Performance, Monitoring and Measurement</u>	11.
a) Facilities and Equipment Safety Inspection	
b) Collisions/Incident/Injury/Near Miss/Occurrence Reporting Documentation	
c) <i>Safety Assessment and System Review-Appendix I</i>	13.
<u>National Transit Asset Management (TAM) System</u>	13.
a) State of Good Repair	
b) Occupational Health & Safety Programs	
c) Personal Protective Equipment (PPE)	14.
d) Hazard Communication/Right to Know	
e) Hazardous Material Program and Storm Water Run-Off	
<u>Management of Change</u>	15.
<u>Safety Promotion</u>	15.
<u>Training & Certification Programs</u>	16.
<u>Safety Communication</u>	17.
<u>Safety Plan Documentation and Record Keeping</u>	18.
<u>Closing Statement</u>	19.
<u>Glossary of Terms</u> - List of Acronyms - National Transit Safety & Security Reference Guide	

Transit Agency Information

Transit Agency: San Luis Obispo Regional Transit Authority
(Hereafter referred to as "RTA")

Transit Agency Address: 179 Cross Street, Ste. A, San Luis Obispo, CA. 93401

Accountable Executive: Geoff Straw, Executive Director

Chief Safety Officer/SMS Executive: Geoff Straw, Executive Director

Modes of Service Covered by the PTASP: Fixed Route Bus, Americans with Disabilities Act (ADA) Demand Paratransit and Dial-A-Ride Services. Forty-Seven (47) Vehicles Operated in Maximum Service (VOMS), Sixty-Six (66) Vehicles Available for Maximum Service (VAMS)

List of FTA Funding Received: FTA Sections 5304, 5307, 5311, 5339, CMAQ and other FTA section that may change with future reauthorization

The Agency does provide transit services to another transit agency or service.

Other Transit Agency or Entity Served	Mailing Address	Description of the Arrangements
South County Transit	179 Cross Street, San Luis Obispo, CA	Description Below
Paso Express	179 Cross Street, San Luis Obispo, CA	Description Below
Nipomo, Shandon, Templeton	179 Cross Street, San Luis Obispo, CA	Description Below
Regional Paratransit Services	179 Cross Street, San Luis Obispo, CA	Description Below
Regional Fixed Route Services	179 Cross Street, San Luis Obispo, CA	Description Below

The Regional Transit Authority (RTA) transit system also provides management and operation services for South County Transit (SoCo) and various other County services, therefore, for the purposes of the STASP, all transit systems will be considered one operation under RTA.

Regional Transit Authority (RTA) is a Joint Powers Authority formed in 1989 that serves and connects various communities within San Luis Obispo County (and extends into Santa Barbara County to the south), including Arroyo Grande, Atascadero, Grover Beach, Morro Bay, Paso Robles, Pismo Beach, San Luis Obispo. RTA provides services in unincorporated areas (primarily in Nipomo, Shandon and Templeton), and by the City of Paso Robles to operate the Paso Express fixed route services and the Paso Robles Dial-A-Ride service.

RTA manages and provides regional fixed route service and ADA paratransit services throughout the region (including within the city of San Luis Obispo). In addition, RTA is contracted by San Luis Obispo (SLO) County to operate community based Americans with Disabilities Act (ADA) complementary paratransit service (Runabout).

RTA is a JPA (Joint Powers Authority) in San Luis Obispo County that operates bus service connecting cities throughout San Luis Obispo County and the northern portion of Santa Barbara County in the city of Santa Maria. RTA also oversees the administration of South County Transit (SoCo), which operates fixed route buses in the Five Cities area of Shell Beach, Pismo Beach, Grover Beach, Oceano and Arroyo Grande.

Plan Development, Approval, and Updates

Development

The San Luis Obispo Regional Transit Authority drafted this plan. By signature below, the Accountable Executive confirms the development of this plan.

Accountable Executive/Geoff Straw

Date Signed

Approval

The San Luis Obispo Regional Transit Authority Board of Directors approved this plan as so indicated by the signature of the Board of Directors' Chair on the date noted below and as specified in Plan Approval and Self Certification of Compliance Signatures. [Appendix A](#) can be located on the RTA internal computer network; "G Drive", and on the employee "ADP" computer Network and the public website (e.g. [Resolution #, March 4, 2020 Board Meeting](#), website: www.slorta.org

San Luis Obispo Regional Transit Authority Board of Chair

Date Signed

Self-Certification

Public Transportation Agency Safety Plan (PTASP)
Plan Approval and Self-Certification of Compliance Signatures

The San Luis Obispo Regional Transit Authority PTASP was certified by the Accountable Executive, Geoff Straw, RTA Executive Director, on ([give date of certification](#)), as is attested to by Public Transportation Agency Safety Plan (PTASP), which can be viewed and maintained at RTA Cross Street facility on the internal computer network, "G Drive", internal employee website, "ADP" and the public website, **March 4, 2020 Board Meeting**, website: www.slorta.org.

Certification of Compliance on an annual basis	Public Transportation Agency Safety Plan (PTASP) Plan Approval	Date of Certification May 6, 2020
	Regional Transit Authority, Geoff Straw, Executive Director/PTASP Accountable Executive and San Luis Obispo Board of Directors	
	Relevant Documentation Appendix A	

Record of Revisions

Annual Review and Update of the Public Transportation Agency Safety Plan. A table that records the history of revisions made to the Agency's PTASP is contained in [Appendix B](#) of this document. The history of the changes was placed in the appendix to help preserve the page numbering to the extent possible.

Annual Review and Update of the Public Transportation Agency Safety Plan (PTASP) The PTASP Committee will review RTA's PTASP:

- Annually, each year in May.
- During the Annual Review or during the year when identified the PTASP Committee will:
 - Determine if its approach to mitigating safety deficiencies is effective;
 - Makes significant changes to service delivery as necessary;
 - Introduce new processes or procedures that may impact safety;
 - Change or re-prioritize resources available to support Safety Management Systems (SMS); and/or
 - Significantly change its organizational structure.

Revisions will be submitted to the Board annually at their July Board Meeting in which the revision will be voted upon for approval. Amendments to the PTASP will be published to the employees and the public at large in accordance with RTA's standard communication process. The RTA internal computer network; "G Drive", and on the employee "ADP" computer Network and the public website: www.slorta.org : Board Meetings.

The RTA's PTASP Committee will consist of the Accountable Executive/Chief Safety Officer, Maintenance Manager, Operations Manager, Chief Financial Officer, Safety & Training Manager, and Human Resources Administrator.

Safety Performance Targets

RTA developed safety performance targets that are reviewed monthly, bi-monthly or quarterly and updated annually. The specific performance targets are based on the safety performance measures established under the *National Public Transportation Safety Plan* and additional performance goals set by RTA outline in RTA's Strategic Business Plan.

Safety Performance Targets							
The safety performance targets will be evaluated over a fiscal year period with a baseline year of Fiscal Year 2021 (7/1/2020-6/30/2021).							
Rates for the safety performance targets are calculated per 100,000 vehicle revenue miles.							
VRM=Vehicle Revenue Miles							
Mode of Transit Service	Fatalities (total)	Fatalities (per 100,000 VRM) Rate	Injuries (total)	Injuries (per 100,000 VRM) Rate	Safety Events (total)	Safety Events (per 100,000 VRM) Rate	System Reliability (VRM / failures)
Fixed Route Bus	0	0	0	0	0	0	0
ADA / Paratransit	0	0	0	0	0	0	0

RTA has set additional safety performance measures with specify numerical targets and are based on the safety performance measures established by FTA in the National Public Transportation Safety Plan.

These are listed in an Excel Spreadsheet under tab labeled, #1 “**Safety Hazard Identification**” and placed in the [Appendix C](#) to help preserve the page numbering to the extent possible.

Safety Performance Target Coordination

Safety Performance Target Coordination		
The San Luis Obispo Council of Governments (SLOCOG) is an association of local governments in the San Luis Obispo County region. ... SLOCOG is the designated regional transportation planning agency, metropolitan planning organization (MPO), regional census data affiliate and service authority for freeways and expressways. SLOCOG works in coordination with other regional agencies that include San Luis Obispo Regional Transit Authority, the Air Pollution Control District and the California Department of Transportation.		
Targets Transmitted to the State	California Department of Transportation (Cal-Trans)	
Annually – November, thereafter	Brian Travis Senior Transportation Planner RTAP and Legislative Management Caltrans Division of Rail and Mass Transportation PO Box 942874 Sacramento, CA 94274-0001 brian_travis@dot.ca.gov (916) 654-9842	Date Targets Transmitted
	Metropolitan Planning Organization(s) Name	Date Targets Transmitted
Targets Transmitted to the Metropolitan Planning Organization (s)	San Luis Obispo Council of Governments (SLOCOG)	
	Annually – November, thereafter	

Safety Management Policy

Safety Management Policy Statement

RTA believes safety promotion is critical to the success of the four basic Safety Management elements of our safety approach:

- Top Management Commitment to Safe Operations
- Responsibility and Accountability of all Employees
- Clearly Communicated Safety Goals
- Safety Assurance and Performance Measurement for Improvement

No function of the San Luis Obispo Regional Transit Authority is as critical as to justify or to require a compromise of safety. Safety is a core business value.

Safety excellence is a key component of our mission;

Safety is a source of our competitive advantage; our business will be strengthened by making safety excellence an integral part of all our public transportation activities; and

Collisions, injuries and serious incidents are preventable and do not occur without warning or unexpectedly; there are precursors (events, behaviors, and conditions) that can be identified, assessed and mitigated through physical, administrative and behavioral proactive strategies.

Top Management Commitment to Safe Operations

Safety Management System (SMS) commitment is to ensure that the entire organization fully understands and trusts the SMS policies, procedures, and structure. It involves establishing a culture that recognizes safety as a core value, training employees in safety principles, and allowing open communications of safety issues.

Positive safety culture is generated from the top-down. The actions, attitudes, and decisions at the policy-making level must demonstrate a genuine commitment to safety. Safety must be recognized as the responsibility of each employee with the ultimate responsibility for safety resting with the Executive Director/Accountable Director/Chief Safety Officer and the Governing Board of RTA. Employees trust that they will have management support for decisions made in the interest of safety while recognizing that intentional breaches of safety will not be tolerated. We expect our employees to report their safety concerns to agency management.

Our overall safety objective is to proactively manage safety hazards and their associated safety risk, with the intent to eliminate unacceptable safety risk in our transit operations.

To that end, we will continuously examine our operations for hazards. RTA has established a non-punitive employee safety-reporting program, train staff on safety management, document our findings and safety risk mitigations, and strive for continuous improvement of our safety performance.

As required by the Federal Transit Administration, we have established annual safety performance targets to help us measure the safety of our transit service. In addition, to address our overall safety objective, we will conduct hazard identification workshops with all frontline, supervisory, and management personnel during this calendar year. RTA will actively track our safety risk mitigations. To ensure RTA will meet this objective, each department will identify, document and report quarterly the performance targets listed in the strategic business plan to the board and the results.

The Safety and Training Manager will review all statistics and the PTASP Safety Hazard Identification/Performance Goals, Risk Assessment Spreadsheets and collision statistics quarterly. Report the outcomes to department heads. To include but not limited to;

- Number and type of hazard reports received per employee each quarter and annual totals.
- Number and type of safety risk mitigations implementation in the quarter via the Safety Resource Committee or
- Preventative measures implemented by other departments

Ultimate responsibility for safety at San Luis Obispo Regional Transit Authority rests with the Accountable Executive.

Responsibility for making our operations safer for everyone lies with each one of us – from executive management to frontline employees. Each manager is responsible for implementing the SMS in their area of responsibility and will be held accountable to ensure all reasonable steps are taken to perform activities established as part of the SMS.

COMMITMENT TO SAFETY - MAP-21 and Safety Management Systems (SMS)

The management of safety is one of our core business functions. Regional Transit Authority (RTA) is committed to developing, implementing, maintaining, and constantly improving processes to ensure that all our transit service delivery activities take place under a balanced allocation of organizational resources, aimed at achieving the highest level of safety performance and meeting established standards. All levels of management and all employees are accountable for the delivery of this highest level of safety performance. RTA commitment is to:

- **Support** the management of safety through the provision of appropriate resources, that will result in an organizational culture that fosters safe practices, encourages effective employee safety reporting and communication, and actively manages safety with the same attention to results as the attention to the results of the other management systems of the organization;
- **Integrate** the management of safety among the primary responsibilities of all managers and employees,
- **Clearly define** for all staff, managers and employees alike, their accountabilities and responsibilities for the delivery of the organization's safety performance and the performance of our safety management system,
- **Establish and operate** hazard identification and analysis, and safety-risk evaluation activities. Including an employee safety reporting program as a fundamental source for safety concerns and hazard identification, in order to eliminate or mitigate the safety risks of the consequences of hazards resulting from our operations or activities to a point which is consistent with our acceptable level of safety performance,
- **Ensure** that no action will be taken against any employee who discloses a safety concern through the employee safety reporting program, unless disclosure indicates, beyond any reasonable doubt, an illegal act, gross negligence, or a deliberate or willful disregard of regulations or procedures,
- **Comply** with, and wherever possible exceed, legislative and regulatory requirements and standards
- **Ensure** that all staff are provided with adequate and appropriate safety-related information and training, are competent in safety management matters, and are allocated only tasks commensurate with their skills,
- **Establish and measure** our safety performance against realistic and data-driven safety performance indicators and safety performance targets,

- **Continually improve** our safety performance through management processes that ensure that appropriate safety management action is taken and is effective.

Safety Management Policy Communication

The Safety Management Policy is posted on employee communication bulletin boards in each driver room location and on the employee information “ADP” website. The Safety Management Policy was first shared with employees during orientation when they are hired.

RTA will communicate the revised 2020 Safety Management Policy Statement by presenting and adopting the PTASP during the March 4, 2020 San Luis Obispo Regional Transit Authority Board Meeting and publishing to the public and all RTA employees at large in accordance with RTA’s standard communication process. The RTA internal computer network; “G Drive”, and on the employee “ADP” computer Network and the public website: www.slorta.org : Board Meetings.

In addition, all employees will receive a copy of Safety Management Policy Statement during the 2020 calendar year. All newly hired employees will receive a copy of the Safety Management Policy Statement during their new hire orientation.

Authorities, Accountabilities, and Responsibilities

A comprehensive list of authorities, accountabilities, and responsibilities of the Accountable Executive/Chief Safety Officer/Accountable Executive (same Person) and a list of RTA staff Directors, Managers and RTA staff that play important leadership or support roles in providing important data or resources to accomplish RTA’s safety goals and/or the day-to-day safe operation of the RTA’s modes of transportation.

“Staff Safety Roles and Responsibilities” [Appendix D](#) to help preserve the page numbering to the extent possible.

RTA Organizational Chart is located in [Appendix E](#)

Accountable Executive

Our Accountable Executive reviewed the draft policy once it had been developed by RTA. Comments and recommended changes were taken into account when the final document was developed. The Accountable Executive then submitted the policy to the San Luis Obispo Regional Transit Authority Board of Directors for approval. Once their approval was given, the Accountable Executive signed the policy.

Additional responsibilities include, but are not limited to:

- Decision-making about resources (e.g. people and funds) to support asset management, SMS activities, and capital investments;
- Signing SMS implementation planning documents; and
- Endorsing SMS implementation team membership.

Chief Safety Officer/Accountable Executive (same Person)

Our Accountable Executive/Chief Safety Officer was the lead in supporting, development and approval of the Safety Management Policy. Our Accountable Executive/Chief Safety Officer worked with the Operations Manager, Maintenance Manager, Deputy Director/Chief Financial Officer and the Safety and Training Manager to develop the plan. Accountable Executive/Chief Safety Officer duties include, but are not limited to:

- Developing and maintaining SMS documentation;
- Directing hazard identification and safety risk assessment;
- Monitoring safety risk mitigation activities;
- Providing periodic reports on safety performance;
- Briefing the Accountable Executive and Board of Directors on SMS implementation progress; and
- Planning safety management training.
- Agency Leadership and Executive Management

Employee Safety Reporting Program

RTA is committed to the safest transit operating standards possible. To achieve this, it is imperative that RTA have uninhibited reporting of all incidents and occurrences which may compromise the safe conduct of our operations. To this end, every employee and contract service provider is responsible for the communication of any information that may affect the integrity of transit safety. No employee shall be retaliated against for reporting hazards or potential hazards, or for making suggestions related to safety.

Self-reporting is protected, there may be serious misconduct situations that are not protected; these conditions are outlined in the Employee Handbook, Section 7.3 - Misconduct That May Result in Discipline up to and Including Termination or Collective Bargaining Agreement.

Employee Handbook [Appendix F](#)

RTA has developed a reporting method with The Employee Suggestion Program, Form and Safety Resource Committee. The employee is able to report safety concerns and observation which gives them the option for reporting anonymously.

Additional Reporting Option include;

- The Employee is sent an acknowledgment that their suggestion was received.
- The Safety Resource Committee posts all agendas after each bi-monthly meeting at each agency location.
- **The Safety Resource Committee description, objectives and functions** is located in [Appendix G](#)
- **The Safety Resource Committee Suggestion Form** is located in [Appendix H](#)
- The Employee Suggestion Form is located at all agency locations and the agency intranet website
- Anonymous Employee Assistance Hotline
- Verbal or written report to a Safety Committee Member, Department Manager or Human Resources

- Safety Committee meetings meet quarterly, committee member can be reached via e-mail or telephone
- Driver meetings; Maintenance meetings and/or Supervisor meetings
- Reports issued to dispatch in person, written or verbally via the bus radio

Safety Risk Management

Safety Risk Management Process

Safety Hazard Identification:

These are listed in an Excel Spreadsheet under tab labeled, #1 “**Safety Hazard Identification**” and placed in the [Appendix C](#) to help preserve the page numbering to the extent possible.

The methods or processes to identify hazards and consequences of the hazards. Inspections are conducted and are an important source of information about hazards. Results from these inspections also help us identify areas where mitigations designed and adopted to manage safety risk are not being carried out as required. Inspections include personnel, vehicles, facilities, and data that identify potential safety concerns or issues.

Inspections and Rule compliance checks focus on hazards that may identify:

- Non-compliance with safety rules;
- Challenges in complying with safety rules; and
- Emerging practices
- Operations personnel fitness-for-duty checks, which may identify:
- Impairment;
- Fatigue;
- Absence of corrective lenses;
- Apparent injuries; and
- Uniform or equipment issues
- Radio or digital communication checks, which may identify radio failures, dead spots, and areas of high interference
- Commercial Driver License (CDL) and driver citations checks, which may identify driver non-compliance with driving regulations and requirements
- Pre-trip inspections, which may identify instances of a bus beginning revenue service after failing a pre-trip inspection
- Vehicle inspection, which may identify a series of defects in components and parts with the potential to impact the safety performance of the vehicle
- Facilities inspections, which may identify conditions with the potential to impact safety or environmental hazards
- Common safety hazard, identification methods include, but are not limited to:
- Results of the TAM Assess Condition Assessments
- Facilities Inspections
- Collision and Incident monthly review meetings, discuss causative factors using all means available
- Safety Resource Committee Bi-Monthly Meetings

- Monitor Performance Indicators
- Bus Stop Inspections
- Pre-Operation Vehicle Inspections (Pink Colored Slip is a priority for maintenance to inspect a bus write-up)
- Routine Maintenance Inspections
- Trends in the Cost of In-house Repairs
- Employee Evaluations and Reports
- Supervisor Reports
- Bus and Facility Video Cameras
- Police Reports
- Remedial actions if necessary, such as but not limited to; retraining, rerouting, policy review or implement new policy or procedure
- Federal Transit Authority Notices and Announcements
- Industry Publications
- Driver Evaluations – Check Rides, Follow Behind, and Pre-trip/Post-Trip, Inspection Evaluations
- Statewide Incident Tracking Reports from CHP
- Customer Complaints/ Passenger Courtesy Cards
- Communication Transportation Bulletin or Memo
- Near-Miss Reports
- Third Party Administrators for Workers’ Compensation and for Liability Claims
- Cal-OSHA Lost and Restricted Days Reported on the Cal-OSHA 300

Safety Risk Assessment:

The methods or processes to assess the safety risks associated with identified safety hazards and prioritizing the hazards based on this safety risk. RTA has developed safety risk in terms of likelihood (the probability of a consequence occurring) and severity (the seriousness of a consequence, if it does occur).

Safety Risk Mitigation: The methods or processes to identify mitigations or strategies necessary as a result of safety risk assessment.

Safety Risk Assessment and Safety Mitigation:

The methods and processes are listed in an Excel Spreadsheet under tabs labeled, “#2 Risk Matrices”, [Appendix C](#) describes the probability & severity of a hazard.

Risk Assessment tab; “#3 Risk Assessment”, [Appendix C](#) to help preserve the page numbering to the extent possible.

High	<u>Unacceptable – Action Required</u> = Safety Risk must be mitigated or eliminated
Medium	<u>Undesirable – Management Decision</u> = Executive management must decide whether to accept the safety risk with monitoring or required additional action.
Low	<u>Acceptable with Review</u> = Safety Risk is acceptable pending management review

Hazard Risk Index & Acceptance Criteria

The Hazard Risk Index (HRI) provides three levels of risk priority. Acceptance Criteria indicates how the hazard should be treated based on the risk priority it poses. For instance, a hazard that has the probability to occur frequently at a catastrophic level will yield a high risk priority.

According to the Acceptance Criteria, this hazard would be unacceptable and must be controlled immediately are unacceptable and corrective action must be taken to eliminate or control them, by reducing the severity and/or probability of the hazard to an acceptable level. Proper sign-off on the acceptance of the risk by management is required. The resolution action and sign-off on the accepted risk will be coordinated by RTA Accountable Executive/Chief Safety Officer, which will maintain all records of the hazard identification, analysis, assessment, and the hazard risk acceptance process.

Resolution

The best method of resolving potential system hazards is to eliminate them. However, this may be impossible or impractical at times. Determination of the method to be employed can be made by conducting a thorough analysis of the system, considering the possible tradeoffs between various alternatives and the system safety requirements. The philosophy dictating these analyses should result in the resolution of alternatives. A number of different means can be employed to resolve identified hazards. These include design changes, the installation of controls and warning devices, and the implementation of special procedures. The order of preference for the means to be used in resolving hazards at RTA shall be as follows:

Design for Minimum Hazard: Design, redesign, refurbish, or retrofit to eliminate (a.k.a. “design out”) the hazards through design selection. This may be accomplished through the use of fail-safe devices and principles in design, the incorporation of high-reliability systems and components, and the use of redundancy in hardware. Re-routing as needed for safety.

Safety Devices: Hazards that cannot be eliminated or controlled through design selection shall be controlled to an acceptable level through the use of fixed, automatic, or other protective safety design features or devices. Examples of safety devices include protective enclosures, or machine guards. Care must be taken to ascertain that the operation of the safety device reduces the loss or risk and does not introduce an additional hazard. Safety devices shall also permit the system to continue to operate in a limited manner. Provisions shall be made for periodic functional checks of safety devices.

Procedures and Training: Where it is impossible to eliminate or adequately control a hazard through design selection or use of safety and warning devices, procedures and training shall be used to control the hazard. Procedures may include the use of personal protective equipment. Precautionary notations shall be standardized as specified by RTA. Safety critical tasks and duties and activities throughout RTA, such as maintenance or vehicle operators’ duties, shall require organizational certification of personnel proficiency.

Safety Assurance, Safety Performance Monitoring and Measurement

§673.5 Safety Risk Management means a process within a transit agency’s PTASP for identifying hazards and analyzing, assessing, and mitigating safety risk

RTA will investigate safety events and any reports from non-compliance with applicable regulations, standards, and applicable legal authority.

Safety performance monitoring and measurement;

- Monitor RTA for compliance with, and sufficiency of the procedures for operations and maintenance;
- Monitor its operations to identify any safety risk mitigations that may be ineffective, inappropriate, or were not implemented as intended;
- Conduct investigations of safety events to identify causal factors;
- Continuous monitoring of information reported through the employee safety-reporting program; manage changes in its system;
- Monitor information reported through any internal/external safety reporting programs;

Facilities and Equipment Safety Inspections

The purpose of Facilities and Equipment Safety Inspections is to ensure that the appropriate programs and procedures are in place to detect and correct unsafe conditions and deteriorating facilities and equipment. The objectives of Facilities and Equipment Safety Inspections are to:

- Ensure the safe passage of transit vehicles;
- Ensure equipment and facilities are included in a regular inspection process, from which all safety-related findings are documented, tracked, and resolved;
- Enhance safety within the work environment for all RTA employees, contractors, and visitors;
- Minimize unnecessary disruptions to revenue service; and
- Ensure and continuously monitor compliance with RTA policies and procedures, federal and state regulations, and industry best practices.

Facility Inspections: Facility safety inspections are conducted in all facilities to identify and document hazards and/or safety issues, as well as to monitor system-wide compliance with established policies and procedures. Compliance with fire protection requirements is accomplished through fire drills, incident investigations, and periodic testing of fire protection and fire suppression systems.

Collision/Incident/Injury/Near Miss/Occurrence Reporting and Documentation

RTA investigators shall use standardized RTA report forms, which must be legibly completed and submitted to the appropriate department within the required timeframe. Lead Investigators will assemble all the pertinent evidence and information about the occurrence into a report.

Bus Collision Committee

The Bus Collision Committee comprises members of RTA management, Operations Manager, Lead Operations Supervisor and Safety and Training Manager, who review, analyze, list causative factors, and

determine actions necessary to reduce incidents and all types of hazards. This committee meets on a regular basis to develop Corrective Actions.

Causative Factors Purpose:

Identifying causative factors provides a root cause analysis of events in order to make recommendations to prevent reoccurrence. Root cause analysis is a reactive approach to hazards, and is an effective tool for understanding why and how an event occurred.

When to use: Root cause analysis is used during investigation after the occurrence of an event. Various inputs include but not limited to:

- Information gathered from investigation;
- Causal factors;
- Design;
- Human errors;
- Equipment failures;
- Training;
- Environmental conditions;
- Routing; and
- Bus stop locations

Safety Assessment and System Review [Appendix I](#)

National Transit Asset Management (TAM) System

TAM plan is review is maintained, updated and reviewed by department heads periodically. The plan includes procurement, the purpose of Procurement is to ensure that the process of obtaining vehicles, rolling stock, systems, equipment, and other materials are systematically reviewed for compliance with safety requirements and verified prior to purchase, implementation, and use. This includes management of all assets of RTA.

Safety and State of Good Repair

The State of Good Repair (SGR) standards will be defined by the National Safety Program and National Transit Asset Management (TAM) System upon FTA's final ruling. These SRG standards are conditions when a safety risk analysis must be performed on capital assets such as equipment, rolling stock, infrastructure, and facilities. RTA shall set safety performance objectives based on this definition when it is available, and make informed investments in order to strive for a State of Good Repair for all assets.

Occupational Health & Safety Programs

RTA utilizes OSHA and other industry standards as best practices for the development, implementation, and monitoring of internal workplace safety programs and requirements. RTA policies and procedures meet other federal, state, and local regulations regarding occupational health and safety. To include RTA Injury and Illness Prevention Plan.

Cal-OSHA 300 Log is maintained and posted in all employee break rooms at all locations. The results are reported quarterly to The Agency Board of Directors.

Personal Protective Equipment (PPE)

Specific work locations and job duties require the use of PPE to safeguard employees, contractors, and visitors against hazards or harmful workplace conditions. RTA department management, supported by RTA safety procedures, and evaluates the need for PPE given the hazard exposure associated with a task or location. RTA management is responsible for providing necessary PPE to employees and monitoring their use of the equipment, in compliance with all applicable rules, regulations, and standards. It is RTA's philosophy that PPE will be used as a last resort protection system, only after such remedies as engineering or administrative controls to eliminate a workplace hazard are determined to be infeasible or unable to fully protect employees from specific hazards in the workplace.

Hazard Communication/Right-to-Know:

RTA is subject to the requirements OSHA Hazard Communication Standard (29 CFR 1910.1200). Right-to-Know requirements include the following:

Posted Right-to-Know workplace notices, Safety Data Sheets (SDS), product labeling, and training of employees who work with chemicals and hazardous materials. Required training for affected employees includes initial training within 30 days from date of hire, and refresher training.

Hazardous Materials Program and Storm Water Run-Off

Hazardous Materials Program and training is to prescribe responsibilities and direction in facilitating the management and storage of hazardous materials, hazardous waste, universal waste, and chemical information at RTA facilities at a standard consistent with federal and state regulation, as well as industry best practices. RTA maintenance goal is to conduct Storm Water Run-Off training to all maintenance and utility employees once each year. Last training conducted 12/19/2019. During orientation for newly hired employees.

The Hazardous Materials Program objectives are to:

- Ensure employees are trained and qualified in the proper handling of hazardous materials and waste, throughout the material's life cycle;
- Ensure measures and procedures are in place to prevent, respond to, and recover from a spill or other emergency event involving hazardous materials;
- Comply with all applicable health, safety, and environmental requirements; and
- Ensure public safety and environmental protection through proper use, storage, and disposal of hazardous materials.

Management of Change

This section is not required for Small Public Transportation Providers – fewer than 100 vehicles during peak service periods, nevertheless it is imperative that RTA is prepared to address changes in its safety program. This is paramount as RTA looks forward to a new building. RTA strives to improve safety and takes advantage of opportunities for identifying and assessing changes that may introduce new hazards or impact safety performance.

EXAMPLES OF CHANGES

- Changes with safety performance impacts can come from many sources and may include:
- Regulatory requirements
- Audit results
- City or regional planning
- Service environment. Routes, modes
- New technology
- New processes or procedures
- Switching to new products (parts or chemicals)
- Design and construction of major capital projects
- New employee contracts
- Organizational changes

Safety Promotion

Competencies and Training

RTA requires employees including the Chief Safety Officer to complete training to be able to fulfill their safety-related roles and responsibilities. Initial training will be completed at hire/assignment, and refresher training will be provided when behaviors indicate a need, and/or there are changes to the PTASP, operations, procedures, organizational structure, and when new hazards are identified and mitigation measures are developed.

Overview

All RTA personnel are trained to perform their jobs according to laws, regulations, rules and procedures applicable to their jobs. The manager of each department within the agency is responsible for maintaining and making available to employees of that department, all appropriate procedure manuals, equipment service manuals, and safety manuals that are job related. Rules and Procedures are reviewed periodically and/or when an investigation of a Collision/Incident/Injury/Near Miss/Occurrence shows a rule or a procedure was not adequate to protect the employee or the equipment and/or may have contributed to that event. This review process involves identifying operational hazards to determine whether these rules and/or procedures adequately protect against exposure to hazards. If necessary, a special bulletin, notice or order is issued to maximize safety and mitigate the identified hazard or situation. Employees are responsible for accepting responsibility and carrying out policies and procedures. Employees attend training and instruction sessions and pass quizzes, tests, and examinations, and meet qualifications that are applicable to; laws and ordinances; licenses; equipment and supplies; and related employee injuries.

Training, policies, and procedures include requirements related to general safety; personal protective equipment; personal appearance and work clothing; electrical safety; Lockout and Tag out; welding and cutting; tools, equipment, and machinery; hazardous materials; material handling; ladders; forklifts, trucks, and yard safety; fueling vehicles; and the operation and servicing and inspection of vehicles.

Training & Certification Programs

Bus Operations employees participate in an intensive training programs upon accepting employment at the RTA. This training includes a combination of classroom instruction, reviewing rules and regulations, and on road bus operations under the supervision of a DOT Transportation Safety Institute certified instructor. All new hire employees receive orientation and safety training.

The safety training efforts of RTA fall into three (3) main types of training:

- Initial
- Periodic
- Retraining/Refresher/Recertification

Personnel Qualification Standards

Each job position classification has specific job qualifications, education, certifications, physical requirements and standards, etc. Provide continuous development of skills and capabilities through ongoing training and development programs that foster personal and professional growth.

Department Heads develop training plans as part of annual budget-making process, according the following minimum standards and additional to include but not limited to:

- A. Maintenance: 30 Hours per technician annually.
 - RTA staff has greatly benefited from the Southern California Regional Transit Training Consortium, providing significant training resources which has been of significant benefit to the agency.
 - Basic Sexual Harassment Training – 1 hour

- Storm-Water Run-Off – 1 hour
- B. Operations Supervisors: 24 Hours annually.
 - Operations and training staff attended a series of CARE Training conducted by County Mental Health professionals.
 - Operations and training staff have attended observation training with San Luis Obispo County 911 operators.
 - Operations and training staff are rotating to attend observation training with San Luis Obispo Police Department.
- C. RTA staff completes 2-hour Management Sexual Harassment Training every two-years.
- D. Bus Operators: Bus Operator training includes:
 - State-mandated minimum of 8 hours of *Verification of Transit Training* annually.
 - Six-month refresher for new Bus Operators.
 - Focused and customized training designed specifically for Bus Operators at their second anniversary.
- E. Bus Operators and Supervisors/Dispatcher/Training Staff:
 - California Highway Patrol, “Distracted Driving”
 - San Luis Obispo District Attorney Office, “Human Trafficking”
 - Basic Sexual Harassment Training -1 hour (Every two years)
- F. Finance and Administration: 16 Hours per employee annually.

Training

RTA has partnered with the FTA, through the Transportation Safety Institute (TSI), The California Transit Indemnity Pool (CalTIP), San Luis Obispo County agencies and other training agencies to provide employees, at all levels of the organization, with the most up to-date safety and security training available in the industry. FTA online safety course. These training entities have provided on-site training, as well as "Train the Trainer" programs to Bus Operations, Human Resources, Maintenance, Facilities and Safety personnel to ensure that the training programs can be provided on an ongoing basis. The fundamental purpose of this training is to provide personnel with specific knowledge necessary to perform the functions of their jobs.

The courses hosted by RTA and offered by TSI included but not limited to:

- Bus System Safety
- Supervisor Course
- Bus Operator Training Course
- Two Instructors Completed – TSI Fundamentals of Bus Collision Investigation

Safety Communication

Typical methods of communication include but not limited to:

- Open Door Policy for all Management Employees
- Safety Suggestion Form
- Safety Resource Committee Meetings
- Safety Training Classes
- Safety Bulletin Boards
- Safety Posters
- Facility and Maintenance Meetings
- Operations Supervisor & Dispatcher Meetings
- Bulletins and Information Flyers Posted in the Buses, Bus Shelters, and Transit Centers
- Staff Reports to or from the Executive Director/Strategic Business Plan/Board Agendas/Memos
- Quarterly, Semiannual, or Annual Reports to Executive Directors.
- Safety Award Program
- Annual Celebrating Safety Day (all agency locations)
- Employee of the Quarter Awards (B-B-Q)
- Post Collision Statistics quarterly
- Posted Bulletins/Memos
- Occupational Safety and Health Programs
- 24 Hour Free Nurse Hotline
- Employee Assistance Program (Free)
- Internal/External Public Websites - Internal Newsletter

Safety Plan Documentation and Record Keeping

At all times RTAS will maintain documents that set forth its PTASP, including those related to the implementation of its SMS, and results from SMS process and activities. RTA will maintain documents that are included in whole, or by reference, that describe the programs, policies, and procedures that RTA uses to carry out its PTASP. These documents will be made available upon request by the Federal Transit Administration or other federal entity, or a state oversight agency having jurisdiction.

In addition to the documents indicated above, RTA will maintain, at a minimum, the following records: safety risk mitigations, results from a transit agency's safety performance assessment, and records of employee safety training. Document system dedicated to tracking employee safety training and for safety performance monitoring and measurement. RTA maintain documentation that it uses to determine how well it is meeting its safety objectives and safety performance targets, as well as safety performance indicators used to determine the effectiveness of SMS implementation.

RTA will keep all records and documents related to the PTASP for three years. Records and documents will include employee training records, inspections, safety performance assessments, safety risk mitigations

Closing Statement

This document is designed to provide information and guidance for the continued safe operation of the bus transit system operated by San Luis Obispo Regional Transit Authority. It expresses the RTA's commitment to the public, bus passengers and employee safety. The Public Transportation Agency Safety Plan is meant to serve RTA as a guideline to bus transit hazard management. This document should not be interpreted as imposing any legal obligations upon the RTA or providing the basis for liability in any legal action.

Appendices

Appendix A	Plan Approval and Self Certification of Compliance Signatures
Appendix B	Annual Review and Update of the Public Transportation Agency Safety Plan. A table that records the history of revisions made to the Agency's PTASP
Appendix C	Safety Risk Assessment and Safety Mitigation methods and processes Excel Spreadsheet to help preserve the page numbering to the extent possible listed under tabs labeled; "#1 Safety Hazard Identification" "#2 Risk Matrices" tab describes the probability & severity of a hazard "#3 Risk Assessment/Mitigation the Risk"
Appendix D	Staff Safety Roles and Responsibilities
Appendix E	RTA Organizational Chart
Appendix F	Employee Handbook, Section 7.3 - Misconduct
Appendix G	The Safety Resource Committee description, objectives and functions
Appendix H	Employee Suggestion Form
Appendix I	Safety Assessment and System Review

Glossary of Terms

Term	Definition
Accident	Accident means an Event that involves any of the following: a loss of life; a report of a serious injury to a person; a collision of public transportation vehicles; a runaway train; an evacuation for life safety reasons; or any derailment of a rail transit vehicle, at any location, at any time, whatever the cause. (per § 673.5)
Accountable Executive	§ 673.5 Definitions – Accountable Executive means a single, identifiable person who has ultimate responsibility for carrying out the Public Transportation Agency Safety Plan of a public transportation agency; responsibility for carrying out the agency's Transit Asset Management Plan; and control or direction over the human

Term	Definition
	<p>and capital resources needed to develop and maintain both the agency's Public Transportation Agency Safety Plan, in accordance with 49 U.S.C. § 5329(d), and the agency's Transit Asset Management Plan in accordance with 49 U.S.C. § 5326.</p> <p>§ 673.23(d) (1) – The transit agency must identify an Accountable Executive. The Accountable Executive is accountable for ensuring that the agency's SMS is effectively implemented throughout the agency's public transportation system. The Accountable Executive is accountable for ensuring action is taken, as necessary, to address substandard performance in the agency's SMS. The Accountable Executive may delegate specific responsibilities, but the ultimate accountability for the transit agency's safety performance cannot be delegated and always rests with the Accountable Executive.</p> <p>Each transit agency must identify an Accountable Executive within its organization who ultimately is responsible for carrying out and implementing its Safety Plan. A State that drafts a plan on behalf of another recipient or sub-recipient is not the Accountable Executive.</p>
Agency Leadership and Executive Management	A transit agency must identify those members of its leadership or executive management, other than an Accountable Executive, Chief Safety Officer, or SMS Executive, who have authorities or responsibilities for day-to-day implementation and operation of an agency's SMS. [673.23(d)(3)]
Baseline	A baseline is a point in time measure of a known performance level used as reference for subsequent measurements. A minimum or starting point used for comparison.
Chief Safety Officer/SMS Executive	<p>§ 673.31 Definitions – Chief Safety Officer means an adequately trained individual who has responsibility for safety and reports directly to a transit agency's chief executive officer, general manager, president, or equivalent officer. A Chief Safety Officer may not serve in other operational or maintenance capacities, unless the Chief Safety Officer is employed by a transit agency that is a small public transportation provider as defined in this part, or a public transportation provider that does not operate a rail fixed guideway public transportation system.</p> <p>Safety Management System (SMS) Executive means a Chief Safety Officer or an equivalent.</p> <p>§ 673.23(d)(2) – The Accountable Executive must designate a Chief Safety Officer or SMS Executive who has the authority and responsibility for day-to-day implementation and operation of an agency's SMS. The Chief Safety Officer or SMS Executive must hold a direct line of reporting to the Accountable Executive. A transit agency may allow the Accountable Executive to also serve as the Chief Safety Officer or SMS Executive.</p> <p><i>Each transit agency must identify a Chief Safety Officer or SMS Executive within its organization who has the authority and responsibility for day-to-day implementation and operation of the agency's SMS. The Chief Safety Officer or SMS Executive must meet the requirements specified in § 673.31 and § 673.23(d)(2). For SMS to be successful and effective, this person should have a strong working</i></p>

Term	Definition
	<p><i>relationship with the operations and asset management functions at the transit agency.</i></p> <p><i>Small public transportation providers may designate a Chief Safety Officer or SMS Executive who also manages other functions, such as operations, maintenance, and grant administration. For these transit agencies, the Chief Safety Officer or SMS Executive may be a full-time employee of the transit system who has responsibility for duties other than safety, a part-time employee of the transit system, or a contracted employee.</i></p> <p><i>Bus transit systems that operate more than 100 vehicles in peak revenue service should have a dedicated Chief Safety Officer, given the increased safety risk of those systems. However, this is not a requirement.</i></p>
Consequence	Consequences are outcomes or what those conditions can cause. Transit agencies should assess the likelihood and severity of the <i>consequences</i> of a hazard, not of the hazard itself (per § 673.5)
Employee Safety Reporting Program	A transit agency must establish and implement a process that allows employees to report safety conditions to senior management, protections for employees who report safety conditions to senior management, and a description of employee behaviors that may result in disciplinary action. [673.23(b)]
Event “any Accident, Incident, or Occurrence” (49 .F.R. § 673.5)	<p>Accident means an Event that involves any of the following:</p> <ul style="list-style-type: none"> (1) A loss of life; (2) A report of a serious injury to a person; (3) A collision of public transportation vehicles; <p>Incident means an Event that involves any of the following:</p> <ul style="list-style-type: none"> (1) A personal injury that is not a serious injury; (2) One or more injuries requiring medical transport; (3) or damage to facilities, equipment, rolling stock, or infrastructure that disrupts the operations of a transit agency. <p>Occurrence means an Event</p> <ul style="list-style-type: none"> (1) Without any personal injury in which any damage to facilities, equipment, rolling stock, or infrastructure does not disrupt the operations of a transit agency.
Fatalities	Deaths, excluding suicides or trespassers. Total number of reportable fatalities. Fixed Route and Paratransit rate per total revenue miles or years and all employees
Hazard	Hazard means any real or potential condition that can cause injury, illness, or death; damage to or loss of the facilities, equipment, rolling stock, or infrastructure of a public transportation system; or damage to the environment. Hazards are conditions. (per § 673.5)
What is a Hazard?	The Federal Transit Administration (FTA) defines a hazard in 49 C.F.R. Part 673.5 as “any real or potential condition that can cause injury, illness, or death; damage to or loss of the facilities, equipment, rolling stock, or infrastructure of a public transportation system; or damage to the environment.” There are many sources within a transit agency to support hazard identification, including the very

Term	Definition
	important reporting of safety concerns by employees. A hazard holds potential that, when triggered, results in a consequence(s) that may cause harm or damage. The severity of the potential consequence(s) may range from negligible to catastrophic, depending on the nature of the hazard and the particular operational conditions.
Hazards versus Consequences	<p>Hazard means any real or potential condition that can cause injury, illness or death; damage to or loss of the facilities, equipment, rolling stock, or infrastructure of a public transportation system; or damage to the environment.</p> <p>Hazards are conditions, while consequences are outcomes of what those conditions can cause. Transit agencies should assess the likelihood and severity of the consequences of a hazard, not of the hazard itself.</p>
Hazards versus Consequences	<p>Hazard means any real or potential condition that can cause injury, illness or death; damage to or loss of the facilities, equipment, rolling stock, or infrastructure of a public transportation system; or damage to the environment.</p> <p>Hazards are conditions, while consequences are outcomes of what those conditions can cause. Transit agencies should assess the likelihood and severity of the consequences of a hazard, not of the hazard itself.</p>
Incident	Incident means an Event that involves any of the following: A personal injury that is not a serious injury; one or more injuries requiring medical transport; or damage to facilities, equipment, rolling stock, or infrastructure that disrupts the operations of a transit agency. (per § 673.5)
Injuries	<p>Total number of reportable injuries and rate per total revenue service miles by Fixed route and Paratransit or years all employees</p> <p>Previously, two or more individuals transported for medical attention triggered reporting and investigation. Under Part 674, one “serious” injury would trigger reporting and non-serious injuries would not require reporting and investigation.</p> <p>Not including assaults or injuries due to crimes</p>
Investigation	Investigation means the process of determining the causal and contributing factors of an accident, incident, or hazard, for the purpose of preventing recurrence and mitigating risk
Key Staff	A transit agency may designate key staff, groups of staff, or committees to support the Accountable Executive, Chief Safety Officer, or SMS Executive in developing, implementing, and operating the agency’s SMS. [673.23(d)(4)]
National Public Transportation Safety Plan	National Public Transportation Safety Plan means the plan to improve the safety of all public transportation systems that receive Federal financial assistance under 49 U.S.C. Chapter 53.
Non-Preventable	The employee is discounted as a contributing factor to the collision or incident
Occurrence	Occurrence means an Event without any personal injury in which any damage to facilities, equipment, rolling stock, or infrastructure does not disrupt the operations of a transit agency. (per § 673.5)

Term	Definition
Performance measure	Performance measure means an expression based on a quantifiable indicator of performance or condition that is used to establish targets and to assess progress toward meeting the established targets.
Performance Target	Performance target means a quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period required by the Federal Transit Administration (FTA). (per § 673.5)
Preventable Collision/Incident	Employee did not do everything possible to avoid the collision or incident
Property Damage:	Under Part 674, FTA moves away from a monetary value (\$25,000) to trigger notification and investigation and instead uses “ substantial damage ” as the threshold for reporting.
Risk	Risk means the composite of predicted severity and likelihood of the potential effect of the hazard
Risk Mitigation	Risk mitigations means a method or methods to eliminate or reduce the effects of hazards.
Routine Maintenance	A repair that does not require specialized equipment, professional services, or contractors, but rather can be corrected within the budget and skill set of typical property maintenance staff.
Safety Assurance	Safety Assurance means processes within a transit agency’s Safety Management System that functions to ensure the implementation and effectiveness of safety risk mitigation, and to ensure that the transit agency meets or exceeds its safety objectives through the collection, analysis, and assessment of information.
Safety Communication	A transit agency must communicate safety and safety performance information throughout the agency’s organization that, at a minimum, conveys information on hazards and safety risks relevant to employees’ roles and responsibilities and informs employees of safety actions taken in response to reports submitted through an employee safety-reporting program. [673.29(b)]
Safety Event	Reportable derailments, collisions, fires, and evacuations. Total number of reportable events and rate per total revenue service miles fixed route and paratransit vehicle miles, or years and all employees
Safety Hazard Identification	A transit agency must establish methods or processes to identify hazards and consequences of the hazards. [673.25(b)(1)] A transit agency must consider, as a source for hazard identification, data and information provided by an oversight authority and the FTA. [673.25(b)(2)]
Safety Management Policy Communication	The safety management policy must be communicated throughout the agency’s organization. [673.23(c)] The transit agency must identify an Accountable Executive.
Safety Management Policy	Means a transit agency’s documented commitment to safety, which defines the transit agency’s safety objectives and the accountabilities and responsibilities of its employees concerning safety. [673.23]
Safety Management Policy Statement	A transit agency must establish its organizational accountabilities and responsibilities and have a written statement of safety management policy that includes the agency’s safety objectives. [673.23(a)]

Term	Definition
Safety Promotion	<p>Safety Promotion means a combination of training and communication of safety information to support SMS as applied to the transit agency's public transportation system.</p> <p>Competencies and Training</p> <p>A transit agency must establish and implement a comprehensive safety-training program for all agency employees and contractors directly responsible for safety in the agency's public transportation system. The training program must include refresher training, as necessary. [673.29(a)]</p>
Safety Management System (SMS)	<p>Means the formal, top-down, organization-wide approach to managing safety risk and assuring the effectiveness of a transit agency's safety risk mitigation. SMS includes systematic procedures, practices, and policies for managing risks and hazards</p>
Safety Performance Measuring	<p>To enable safety performance monitoring and measurement activities, a transit agency should establish safety performance indicators (SPIs) and safety performance targets (SPTs) based on its safety objectives.</p> <p>Safety Objective: Minimize passenger slip and fall events in buses.</p> <p>SPI: The number of passenger slip and fall events on a vehicle per [number] of vehicle revenue miles.</p> <p>SPT: Reduce the number of passenger slip and fall events on a vehicle by [percent] per [number] of vehicle revenue miles over the next [time period].</p>
Safety Performance Monitoring and Measurement	<p>A transit agency must establish activities to:</p> <p>Monitor its system for compliance with, and sufficiency of, the agency's procedures for operations and maintenance.</p> <p>Monitor its operations to identify any safety risk mitigations that may be ineffective, inappropriate, or were not implemented as intended.</p> <p>Conduct investigations of safety events to identify causal factors.</p> <p>Monitor information reported through any internal safety reporting programs. [673.27(b)]</p>
Safety Performance Target	<p>Safety performance target means a Performance Target related to safety management activities. (per § 673.5)</p>
Safety Risk Assessment	<p>A transit agency must establish methods or processes to assess the safety risks associated with identified safety hazards. [673.25(c)(1)]</p> <p>A safety risk assessment includes an assessment of the likelihood and severity of the consequences of the hazards, including existing mitigations and prioritization of the hazards based on the safety risk. [673.25(c)(2)]</p>
Safety Risk Mitigation	<p>A transit agency must establish methods or processes to identify mitigations or strategies necessary as a result of the agency's safety risk assessment to reduce the likelihood and severity of the consequences. [673.25(d)]</p>

Term	Definition
Serious Injury	<p>Serious injury means any injury which:</p> <p>(1) Requires hospitalization for more than 48 hours, commencing within 7 days from the date the injury was received;</p> <p>(2) Results in a fracture of any bone (except simple fractures of fingers, toes, or noses);</p> <p>(3) Causes severe hemorrhages, nerve, muscle, or tendon damage; (4) Involves any internal organ; or (5) Involves second- or third-degree burns, or any burns affecting more than 5 percent of the body surface. (per § 673.5)</p> <p>(4) Involves any internal organ; or</p> <p>(5) Involves second- or third-degree burns, or any burns affecting more than 5 percent of the body surface (49 C.F.R. § 673.5).</p>
SMS Authorities, Accountabilities, and Responsibilities	The transit agency must establish the necessary authorities, accountabilities, and responsibilities for the management of safety among the following individuals within its organization as they relate to the development and management of the transit agency's Safety Management System (SMS). [673.23(d)]
State of Good Repair	State of Good Repair means the condition in which a capital asset is able to operate at a full level of performance.
State Safety Oversight Agency	State Safety Oversight Agency means an agency established by a State that meets the requirements and performs the functions specified by 49 U.S.C. 5329(e) and the regulations set forth in 49 CFR part 674.
"Substantial damage"	FTA defines substantial damage as "any physical damage to transit or non-transit property including vehicles, facilities, equipment, rolling stock, or infrastructure ... which adversely affects the structural strength, performance, or operating characteristics of the vehicle, facility, equipment, rolling stock, or infrastructure requiring towing, rescue, onsite maintenance, or immediate removal prior to safe operation."
System Reliability/Road Calls	Mean distance between failures revenue service and Paratransit.
Training Documentation	<p>Training documentation may include:</p> <ul style="list-style-type: none"> ○ Records of training needs analysis for curriculum development ○ Curricula for initial and refresher training ○ Training schedules and records of all completed training ○ Procedures for revising training materials
Transit Asset Management Plan (TAM)	<p>Transit Asset Management Plan means the strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation, as required by 49 U.S.C. 5326 and 49 CFR part 625.</p> <p>A plan that includes an inventory of capital assets, a condition assessment of inventoried assets, a decision support tool, and a prioritization of investments.</p>

LIST OF ACRONYMS USED IN THE SAFETY PLAN

Acronym	Word or Phrase
CA DOT	California Department of Transportation
Cal-OHSA	California Occupational Safety and Health
Cal-Trans	California Department of Transportation
CFO	Chief Financial Officer
CSO	Chief Safety Officer
FTA	Federal Transit Administration
IIPP	Injury and Illness Prevention Plan, required by Cal-OSHA
PPE	Personal Protective Equipment
PTASP	Public Transportation Agency Safety Plan, required by FTA
RTA	Regional Transit Authority
SLO	San Luis Obispo
SLOCOG	San Luis Obispo Council of Governments
SMP	Safety Management Policy
SMS	Safety Management System
SoCo	South County Transit
SSOA	State Safety Oversight Agency
TAM	Transit Asset Management

2018 NTD Safety & Security Quick Reference Guide - Non-Rail Mode Reporting

Reportable Event: A safety or security event occurring: on transit right-of-way or infrastructure, at a transit revenue facility, at a maintenance facility or rail yard, during a transit-related maintenance activity, or involving a transit revenue vehicle. Excluded from this event reporting requirement are events that occur off transit property where affected persons, vehicles, or objects come to rest on transit property after the event, OSHA events in administrative buildings, deaths that are a result of illness or other natural causes, other events (assault, robbery, non-transit vehicle collisions, etc.) occurring at bus stops or shelters that are not on transit-controlled property, collisions that occur while travelling to or from a transit-related maintenance activity, collisions involving a supervisor car, or other transit service vehicle operating on public roads.

Alaska (AR) and Commuter rail (CR) modes report only SECURITY events that meet a Major event threshold.

S&S-40 Major Event Report	S&S-50 Non-Major Monthly Summary
MAJOR THRESHOLDS	NON-MAJOR THRESHOLDS
<p>An event meeting the reportable event definition AND meeting <i>one or more</i> of the following reporting thresholds:</p> <p>A fatality confirmed within 30 days (including suicide)</p> <p>An injury requiring transport away from the scene for medical attention for one or more persons (partial exception in the case of Other Safety Events)</p> <p>Estimated property damage equal to or exceeding \$25,000</p> <p>An evacuation for life safety reasons</p> <p>Collisions involving transit roadway revenue vehicles that require towing away of a transit roadway vehicle or other non-transit roadway vehicle</p> <p>Reports are due within 30 days of the date of the event.</p>	<p>Less severe Other Safety Occurrence Not Otherwise Classified (OSONOC) injuries meeting the reportable event definition that is NOT a result of a collision, derailment, evacuation, security event, hazmat spill, or Act of God and non-major fires.</p> <p>OSONOC:</p> <p>Single injury event requiring transport away from the scene for medical attention (do not report "minor" collisions on S&S-50)</p> <p>Fires:</p> <p>Requires suppression that does not meet a major incident reporting threshold <i>injury, fatality, evacuation, or property damage of \$25,000 or more</i>)</p> <p>Reports due by the end of the following month (e.g., January data due by end of February)</p>

S&S-40 Major Event Report	S&S-50 Non-Major Monthly Summary
EVENT TYPES	EVENT TYPES
A collision (including suicide/attempted suicide)	OSONOC:
A fire	Injury due to:
A hazardous material spill (requires <i>specialized</i> clean-up)	Slip/trip
Acts of God (nature)	Fall
System security:	Including person making contact with a non-moving transit vehicle
Arson	Injury to maintenance workers
Bomb threat/bombing	Boarding/alighting
Burglary/vandalism	Electric shock/burns
Chemical/biological/radiological/nuclear release	Abrupt or evasive transit vehicle maneuvers
Cyber security event	Mobility device (e.g. wheelchair) securement issues
Hijacking	Injury sustained on a mobility device lift
Sabotage	Stairs/elevator/escalator injury
Suspicious package	Fire:
Other security event (shots fired, projectiles, etc.)	Requires suppression but no major threshold is met
Personal Security:	Small fire in transit station
Assault	Small engine fire on transit vehicle
Homicide	
Robbery	
Larceny/theft	
Motor vehicle theft	
Rape	

S&S-40 Major Event Report	S&S-50 Non-Major Monthly Summary
EVENT TYPES	EVENT TYPES
Other personal security events (non-collision suicide/attempted suicide, etc.)	
OSONOC (two injuries and/or another threshold)	
Miscellaneous events that meet a threshold	

References

Public Transportation Agency Safety Plan Comparison of Definitions: Part 673 versus Part 659

<https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/regulations-and-guidance/safety/public-transportation-agency-safety-program/117731/ptasp-comparison-definitions-part-673-versus-part-659.pdf>

The FTA template, on which this document is based, and the FTA reference guide are intended for use by states and operators of public transportation systems that are required to draft a Safety Plan in accordance with 49 C.F.R. Part 673 (Part 673). The full text of Part 673 is available at <http://www.transit.dot.gov/PTASP>.

March 10, 2020

To: Brian Travis, Senior Transportation Planner
RTAP and Legislative Management
Caltrans Division of Rail and Mass Transportation
P.O. Box 942874
Sacramento, CA. 94274-0001

Re: Public Transportation Agency Safety Plan (PTASP)
Plan Approval, RTA will Draft and Certify its own Agency Safety Plan (ASP)

The Federal Transit Administration (FTA) Public Transportation Agency Safety Plan regulation, at 49 CFR Part 673, requires State Departments of Transportation (DOTs) to draft and certify Agency Safety Plans (ASPs) on behalf of small public transportation providers. However, a State DOT is not required to draft an Agency Safety Plan (ASP) for a small public transportation provider if the small transit provider notifies the State that it will draft its own plan (Opt-Out).

This letter serves to notify the California Department of Transportation that San Luis Obispo Regional Transit Authority (RTA) will draft and certify its own ASP to address Part 673 requirements. The ASP will be signed by the Accountable Executive, Geoff Straw, Executive Director, and approved by the San Luis Obispo Board of Directors.

The PTASP Accountable Director, RTA Executive Director, and RTA Board of Directors in cooperation with Federal Transit Administration (FTA) has reviewed the Public Transportation Agency Safety Plan 49 U.S.C. § 5329 and assures that the its content has met the requirements of Section § 5329(d) of MAP-21 through the establishment of a comprehensive Safety Management Systems (SMS) framework. RTA complies with 49C.F.R. Part 673.

RTA Public Transportation Agency Safety Plan Self Certification and Approval

Geoff Straw, PTASP Accountable Director

Date

San Luis Obispo Regional Transit Authority Board of Directors

Date

March 10, 2020

To: Brian Travis, Senior Transportation Planner
RTAP and Legislative Management
Caltrans Division of Rail and Mass Transportation
P.O. Box 942874
Sacramento, CA. 94274-0001

Re: Public Transportation Agency Safety Plan (PTASP)
Plan Approval and Self Certification of Compliance Signatures

San Luis Obispo Regional Transit Authority (RTA) is committed to Safety Management as a systematic and comprehensive approach to identifying safety hazards and risks associated with transit system operations and related maintenance activities. RTA has adopted a Safety Management Systems (SMS) framework as an explicit element of the agency's responsibility by establishing safety policy; identifying hazards and controlling risks; goal setting, planning and measuring performance. RTA has adopted Safety Management System (SMS) as means by which to foster agency-wide support for transit safety by establishing a culture where management is held accountable for safety and everyone in the organization takes an active role in securing transit safety.

To ensure transit safety and in order to comply with Federal Transit Administration (FTA) requirements, RTA has developed and adopted this Public Transportation Agency Safety Plan (PTASP). This plan complies with FTA regulations established by Section 5329(d) of the Moving Ahead for Progress in the 21st Century (MAP-21) Act signed into law by President Barack Obama on July 6, 2012.

The PTASP Accountable Director, RTA Executive Director, and RTA Board of Directors in cooperation with Federal Transit Administration (FTA) has reviewed the Public Transportation Agency Safety Plan 49 U.S.C. § 5329 and assures that the its content has met the requirements of Section § 5329(d) of MAP-21 through the establishment of a comprehensive Safety Management Systems (SMS) framework. RTA complies with 49C.F.R. Part 673.

RTA Public Transportation Agency Safety Plan Self Certification and Approval

Geoff Straw, PTASP Accountable Director

Date

San Luis Obispo Regional Transit Authority Board of Directors

Date



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

March 4, 2020

To: Brian Travis, Senior Transportation Planner
RTAP and Legislative Management
Caltrans Division of Rail and Mass Transportation
P.O. Box 942874
Sacramento, CA. 94274-0001

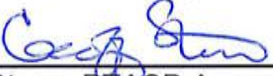
Re: Public Transportation Agency Safety Plan (PTASP)
Plan Approval, RTA will Draft and Certify its own Agency Safety Plan (ASP)

The Federal Transit Administration (FTA) Public Transportation Agency Safety Plan regulation, at 49 CFR Part 673, requires State Departments of Transportation (DOTs) to draft and certify Agency Safety Plans (ASPs) on behalf of small public transportation providers. However, a State DOT is not required to draft an Agency Safety Plan (ASP) for a small public transportation provider if the small transit provider notifies the State that it will draft its own plan (Opt-Out).

This letter serves to notify the California Department of Transportation that San Luis Obispo Regional Transit Authority (RTA) will draft and certify its own ASP to address Part 673 requirements. The ASP will be signed by the Accountable Executive, Geoff Straw, Executive Director, and approved by the San Luis Obispo Board of Directors.

The PTASP Accountable Director, RTA Executive Director, and RTA Board of Directors in cooperation with Federal Transit Administration (FTA) has reviewed the Public Transportation Agency Safety Plan 49 U.S.C. § 5329 and assures that the its content has met the requirements of Section § 5329(d) of MAP-21 through the establishment of a comprehensive Safety Management Systems (SMS) framework. RTA complies with 49C.F.R. Part 673.

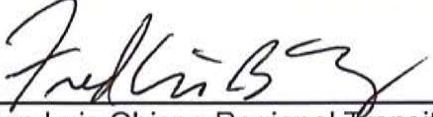
RTA Public Transportation Agency Safety Plan Self Certification and Approval



Geoff Straw, PTASP Accountable Director

3-4-2020

Date



San Luis Obispo Regional Transit Authority Board of Directors

3-4-2020

Date

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

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

C-3-3

Described below are the process and timeline for conducting an annual review and update of the Public Transportation Agency Safety Plan.

Regional Transit Authority management will review the PTASP annually, update the document as necessary, and implement the changes within a timeframe that will allow the agency to timely submit the annual self-certification of compliance to the California Department of Transportation (CA DOT), Federal Transit Administration (FTA). Annual self-certification will consist of the Executive Director signing and dating page 1 of this document and submitting to CA DOT for review. RTA as part of the PTASP review will conduct the annual review of the PTASP in **June** of each calendar year. Necessary updates outside the annual update window will be handled as PTASP addendums, which will be incorporated in the body of the PTASP. Reviews of the PTASP by the local agency, any subsequent updates and addendums, adoption, and distribution activities will be documented in the PTASP Document Activity Log included at the beginning of this document.

Record of Revisions

A table that records the history of revisions made to the agency's PTASP is contained in the table that follows. The history of the changes was placed in this appendix to help preserve the page numbering to the extent possible.

Version Number and Updates Record the complete history of successive versions of this plan			
Version Number	Section/Pages Affected	Activity- Reason For Change (Review/Update/Addendum/Adoption/Distribution)	Date Issued

SAFETY HAZARD IDENTIFICATION MATRIX

[Hazard Identification.xlsx](#)

The Safety Performance Matrix allows Regional Transit Authority RTA to organize, monitor and evaluate identified safety goals and objectives/outcomes.			
Completed by:	Last Updated: INSERT DATE	49C.F.R. §673.25(C)(1)	§673.11(a)(3)
GOAL 1: SMS TO REDUCE CASUALTIES/OCCURRENCES RTA/SoCo will utilize a safety management systems framework to identify safety hazards, mitigate risk and reduce casualties and occurrences resulting from transit operations.			
OBJECTIVE/OUTCOME Develop a corrective action plan and mitigation strategies to address identified hazards	METRICS Percent of corrective action strategies completed per specified period of time	BASELINES- Identify Baseline A baseline is a point in time measure of a known performance level used as reference for subsequent measurements. A minimum or starting point used for comparison.	SAFETY PERFORMANCE TARGETS A level of performance we are aiming to reach in the future.
Safety Officer, Department Heads and Safety & Training Manager	3 years of Transit Safety and Training experience, Transit Safety and Security Program (TSSP) certification. Within three years. Bus Curriculum FTA Office of Safety and Oversight Recommendation • Transit Bus System Safety Certification Training Program website <input type="checkbox"/> Fundamentals of Bus Collision Investigation <input type="checkbox"/> SMS Awareness Transportation Safety Institute (TSI) <input type="checkbox"/> SMS Safety Assurance <input type="checkbox"/> SMS Principles for Transit	World Safety Certification of Safety & Training Manager, • High school diploma or equivalent, required. • TSI certification required. • TSSP certification required or World Safety Certified	A transit professional that successfully completes the four (4) required courses within a consecutive three (3) year timeframe is eligible
Fatality of any person when related to the movement of a transit vehicle. The total number of injuries and fatalities is the total number of reportable injuries and fatalities per total vehicle revenue miles. The total number (includes non-preventable incidents)	RTA 1,581,000 revenue miles per year	RTA Seven Years – Zero Fatalities	Zero fatalities 3 year period
Reduce the number Third Party Injuries- such as; collision, bike, pedestrian	SoCo zero Fatalities per 235,000 revenue miles per year	SoCo 10 Years - Zero Fatalities	Zero fatalities 15 year period
Reduce the number of Passenger transit related injuries	Measured by annual claims rate. Third Party Injuries- such as; collision, bike, pedestrian	Identify a baseline	Establish reasonable measure using past and present performance data and trends
Reduce the number of Driver/Employee related injuries	Measured by annual Accident/Incident Reports or claims rate and severity Review Quarterly	FY 2018-2019 = 21 Reports	Reduce by 50% or to 10 injuries FY 2020
Reduce the number of Mechanic/Utility related injuries	All work comp claims are reported to RTA carrier and investigated immediately. Measured Worker Comp claims rate and severity. FY 2018-2019 Review Quarterly	10 Driver Injury Claims FY 2018-2019	Reduce by 50% or to 5 injuries FY 2020
Reduce the number of Administrative Employee injuries	All work comp claims are reported to RTA carrier and investigated immediately. Measured Worker Comp claims rate and severity. FY 2018-2019 Review Quarterly	1 - Injury Claims FY 2018-2019	Not to exceed 1 - annually
Employee (Preventable) workers compensation lost-time claims	All claims are reported to RTA carrier and investigated immediately. Review Quarterly	Zero Injury Claims FY 2018-2019	Not to exceed zero annually.
	All work comp claims are reported to RTA carrier and investigated immediately. Measured Worker Comp claims rate and severity. FY 2018-2019 Review Quarterly	11 - Preventable lost time claims FY 2018-2019	6- Preventable lost time claims, annually

Employee (Preventable) medical-only claims	All work comp claims are reported to RTA carrier and investigated immediately. Measured Worker Comp claims rate and severity. FY 2018-2019	10 - Preventable medical only FY 2018-2019	5 - Preventable medical only, annually
Safety Events	The total number of reportable events and rate per total in service revenue vehicle miles by all modes of service (fixed route and paratransit, Dial-A-Ride). (Typically reported safety violations, customer safety related complaints, employee close call / near miss reporting, etc.)		
Preventable vehicle collisions. Fixed Route & Paratransit	Revenue service miles per 100,000 revenue service miles Review Monthly	1.14 % per 100,000 2018-2019	Rate of preventable vehicle collisions will not exceed 1.0 per 100,000 miles. FY 2021
Backing Transit Vehicles related to the movement of a transit vehicle	Measured by monthly Preventable collision Reports and revenue service miles annually	2018-2019 - 1	NO more than 1 per FY 2021
Fixed Objects related to the movement of a transit vehicle	Measured by monthly Preventable collision Reports, and revenue service miles annually	FY 2018-2019 total of 9 incidents or .50% of preventable collisions	Reduce by 50% or 4 incidents FY 2020 FY 2021
Safety Resource Committee Reports	Address all safety hazards identified by the Safety Resource Committee. Monitored and tracked agenda items are completed- closed-out. Meets Every other month, on the first Tuesday of the month. Bi-Monthly	FY 2018-2019 - Twenty-Seven action items, opened 37 new suggestion items and 17 open action items remain on the agenda.	No more than 10 open agenda items at the end of each fiscal year. Completed items as soon as reported or in a timely manner.
Service Delivery rate for all regularly-scheduled / year-round services	scheduled fixed route bus trip is delivered ahead of the next scheduled bus trip, then service is considered "delivered". Review Quarterly	Shall be 99% or greater Reviewed quarterly by Operations, and reported by Executive Director bi-annually to the Board.	99% https://www.slorta.org/wordpress/wp-content/uploads/Final-Agenda-4-Sept-2019.pdf
On-Time Performance Fixed Route	On-time" is defined as no later than six minutes from any time point in the published schedule. Review Quarterly	Local fixed-route shall be 85% or greater. Route deviation services shall be 70% or greater.	85% on time performance fixed route and 80% deviation services
On-Time Performance Paratransit	on-time if the van arrives within 30 minutes of the appointed pick-up time. Review Quarterly	99% FY2019 - Strategic Business Plan	Runabout and other demand response services shall be 95% or greater.
Annual fiscal and compliance audit findings. FTA Triennial Audit	Finance and Administration will report any negative audit findings to the RTA Board.	Consistently achieves positive annual fiscal and compliance reports with no significant financial audit findings.	No significant annual fiscal and compliance audit findings.
Customer and community perception of system safety	As measured in biannual	100% FY2019 Strategic Business Plan	Based on Community Perception Survey At least 90% overall Rating. Achieve an 80% favorable rating of bus stop appearance.
Total risk management costs	Reported monthly in financials and YTD budget. Reported bimonthly to the RTA Board.	At or Below Market - Strategic Business Plan	Not exceed industry norms. FY2019 Achieved Goal
Recruit, promote and retain highly qualified employees to achieve our service standards. Increase employee safety training opportunities and attendance	Provide continuous development of skills and capabilities through ongoing training and development programs. Ongoing	Department Heads develop training plans as part of annual budget-making process, according the following minimum standards: Strategic Business Plan	A. Maintenance: 30 Hours per technician annually. B. Operations Supervisors: 24 Hours annually. C. Finance and Administration: 16 Hours per employee annually.

Bus Operator Training	Training Manual and Content based on policies, procedures, state and federal laws and regulations	Completed all mandated for all employees annually. Six-week training program for all newly hired bus operators. Strategic Business Plan	A. State-mandated minimum of 8 hours of Verification of Transit Training annually. B. Six-month refresher for new Bus Operators. C. Focused and customized training designed specifically for Bus Operators at second anniversary.
Fatigue Awareness	Fatigue is the state of feeling very tired, weary or sleepy resulting from insufficient sleep, prolonged mental or physical work, or extended periods of stress or anxiety. Boring or repetitive tasks can intensify feelings of fatigue. Fatigue can be described as either acute or chronic.	Employee Health Incentives, Outside Employment Tracking, Comply with state and federal laws, hours of service, Employee Assistance Hotline. Pre-employment, for cause, random, drug testing, and pass DOT physical examination.	Continue with training, awareness and current programs. Maintain effective procedures to ensure employee fitness for duty and medical qualification
Assault Prevention	We continually stress the tenets of Verbal Defense and Influence,	Focused how to communicate more effectively with each other and our customers – particularly in difficult or threatening situations. Training drivers and staff regarding Mental Health and Human Trafficking Situations	Review and train as needed. Discussions during Monthly Operations Staff Meetings, Maintenance Meetings, and Department Heads meetings
Employee Performance	Grading measurement of attainment of department objectives developed during the budget process and achievement of RTA's Standards and RTA's KPIs	Goals and Objectives established previous year	Employees will be evaluated annually
Bus Operators Evaluations	On Board, Follow Behind and Yard Check Evaluations to ensure the public's safety.	Based on Collective Bargaining Agreement (CBA) and Both Technicians and Bus Operators are evaluated as part of the RTA Safety Awards program. Bus Operator Driver matrix	Conduct individual evaluations annually. Safety Award on anniversary dates. Must meet RTA/SoCo performance standards. Employee retraining as needed.
Cost Effect Road Calls - System Reliability	A road call is defined as all mechanical or other vehicle-related failures that affect the completion of a scheduled revenue trip or the start of the next scheduled revenue trip, including failures during deadheading and layover. Review Quarterly	Reasonable measures are based on past and present performance data and trends. FY 2018-2019, 4.7 Tracked and reported by the Maintenance Department, and reported biannually to the RTA Board. Strategic Business Plan	Road calls will not exceed five per 100,000 vehicle service miles. Standard 5.0
Achieve all federal and state-mandated maintenance minimums, as well as vendor recommended maintenance schedules, for our fleet and facilities.	Preventative maintenance schedules for all equipment shall be done on a timely basis (3,000 mile intervals or as mandated by equipment OEM vendor).	No findings in area for all listed categories	No negative CHP Annual Terminal Inspection, FTA Triennial Review or TDA Triennial Performance Audit findings. Reported annually to the RTA Board.
GOAL 2: CULTURE			
TRANSIT AGENCY will foster agency-wide support for transit safety by establishing a culture where management is held accountable for safety and everyone in the organization takes an active role in securing transit safety.			
	METRICS	BASELINES	TARGETS
Design Hazard	Building Design walkway employee parking through bus yard to operations building.	Walkways through the bus yard and bus wash	Design walkway hazard out through design of new building. FY 2022
Establish regular transit safety meetings comprised of staff at varying levels, including executives, officers, managers, operators and maintenance personnel	Safety Committee/Employee Suggestion Report and Collision Review meetings held afterward	Meetings are held the first Tuesday every other month	Assigned tasks to appropriate department member, follow up, agenda items monitored and tracked and completed.

Develop and promote a Non-Punitive Reporting Policy	100% of staff receiving Non-Punitive Reporting Policy - Safety Suggestion Forms	Non-Punitive with the exception of violating Drug & Alcohol Policy (positive testing results), Violation of Sexual Harassment or Policy Against Violence in the Workplace or false accusations of any policy listed above.	Encourage all employees to participate in Reporting, follow up agendas printed for all employees at all locations after meetings.
Increase the reporting of near miss occurrences and incidents that would otherwise go unreported	Number of near miss occurrences. Incidents reported per specified revenue service miles or per specified period of time	FY Collision Log	Establish reasonable measure using past and present performance data and trends
Increase safety material distributed amongst employees and the general public	Manuals, brochures, posters or Safety Campaign Posters, distributed (monthly, bi-monthly, quarterly, annually). Operations Supervisor/Dispatcher Monthly Meetings, Administrative Monthly Meetings, Mechanic Monthly Meetings, Utilities Monthly Meetings, Facility Inspection Checklists (monthly, bi-monthly, quarterly, annually) Onboard Bus Car Cards, ADP Website for employees, Public Website	New Fleet, Cal-Tip Training, Safety Posters	Training New Fleet to all drivers, Monthly Safety Posters, Two Full Day Cal-Tip Training Classes annually
GOAL 3: SYSTEMS/EQUIPMENT:			
TRANSIT AGENCY will provide a safe and efficient transit operation by ensuring that all vehicles, equipment and facilities are regularly inspected, maintained and serviced as needed.			
OBJECTIVE/OUTCOME	METRICS	BASELINES	TARGETS
Red Calls	5.0 per 1000,000 miles is Industry Standards-The RTA uses the same definition of a road call as used in the National Transit Database. Strategic Business Plan. Review Quarterly	4.7 per 100,000 miles	5.0 per 100,000 miles
Scheduled preventative maintenance	Monthly, Simi- annually and annually preventative maintenance inspections are completed and per specified period of time or specified vehicle mileage	There were no negative findings TDA Triennial Performance Audit nor in the last FTA Triennial Review. Preventable maintenance has been completed on a timely basis, with no CHP findings. All inspections are documented and filed	No negative findings in the next TDA Triennial Performance Audit or in the 2021 FTA Triennial Review or the annual CHP audits.

Safety Risk Assessment Matrices Bus Transit Agencies			
Safety Risk Index	Criteria by Index		
High	Unacceptable – Action Required = Safety Risk must be mitigated or eliminated		
Medium	Undesirable – Management Decision= Executive management must decide whether to accept the safety risk with monitoring or required additional action.		
Low	Acceptable with Review= Safety Risk is acceptable pending management review		

Likelihood Levels			
Description	Level	Individual Item	System or Vehicle Fleet
Frequent	A	Likely to occur more than once or more per day, week or month	Continuously experienced. Potential consequence may be experienced by the agency more than once per 40,000 vehicle revenue miles or more than 8 instances a year. <i>Or potential consequence will be experienced more than once per year throughout vehicle life cycle.</i>
Occasional	C	Will occur several times in the life of the item.	Will occur several times. Potential consequence may be experienced once per 40,000-145,000 vehicle revenue miles or more than 9 instances a year. <i>Or potential consequence will be experienced at least once every two years throughout vehicle life cycle.</i>
Remote	D	Unlikely to occur but possible, but can reasonably be expected to occur. Experienced less than once per year or decade but more than once in life of the system.	Unlikely but can reasonably be expected to occur. Potential consequence may be experienced once between 145,000 and 435,000 revenue service hours. Not more than 1 instance or fewer every 2.5 or more years.

Severity Categories §673.5		Criteria
Description	Severity Category	
Catastrophic	1	Could result in one or more of the following: death or multiple deaths, permanent total disability, or loss exceeding \$250,000, system shutdown lasting 4 or more hours, irreversible severe environment damage that violates the law or regulation.
Serious	2	Could result in one or more of the following: death, permanent partial disability, injury or occupational illness that may result in hospitalization of at least one person, property damage exceeding \$25,000 but less than \$250,000, system shutdown lasting between 1 hour and 4 hours, or reversible environmental damage that violates the law or regulation. as “Any physical damage to transit or non-transit property including vehicles, facilities, equipment, rolling stock, or infrastructure ... which adversely affects the structural strength, performance, or operating characteristics of the vehicle, facility, equipment, rolling stock, or infrastructure requiring towing, rescue, onsite maintenance, or immediate removal prior to safe operation.”
Marginal	3	Could result in one or more of the following: injury or occupational illness resulting one or more lost work day(s), injury or property damage claims up to \$25,000, system shutdown of less than 1 hour, or mitigated environmental damage, without violation of the law or regulation.

Risk Assessment Matrix §673.5			
Likelihood/Severity	Catastrophic (1)	Serious (2)	Marginal (3)
Frequent (A)	High	High	High
Occasional (B)	High	Medium	Medium
Remote (C)	Medium	Medium	Low

APPENDIX E

HAZARD IDENTIFICATION AND RISK ASSESSMENT LOG

C.F.R. §673.5

The Hazard Identification and Risk Assessment Log shown used to provide a record of the identified hazards and the actions that should be taken. A specified individual, typically the appropriate manager responsible for addressing that particular risk, and a target date for completion, must address the recommended action. Entries in the log should not be cleared until the required action is completed. The Safety Manager (SM) should retain the hazard log and action completion records permanently.

COMPLETED BY:

DATE:

Risk Type	Risk Description	Current Measures to Reduce Risk	Safety Risk Rating	Likelihood Risk Rating	Severity Risk Rating	Further Action Required to Reduce Risk	Staff Responsibility	Target Date
Operational	Backing	Check Ride/Follow Behind Evaluations. Use of cones when backing. Call in 10-16 to dispatch review committee determining monitoring locations, collision review committee determining causative factors. Tracking incidents using collision log. Tracking Locations, Years of Experience, Routes	Low	Frequent	Marginal	Lack of employee compliance with operating procedures - Policy to reinforce need for compliance. Encourage employees to report hazards. Collision Prevention Team to visit high hazard locations to determine tight clearances and narrow lanes if re-routing is an option. Re-Training Reporting Procedures	Operations & Safety & Training Managers-Supervisors and Training Staff	Monitor & Report Findings June 1, 2020
Operational	Fixed Objects	Retraining, monitoring locations, collision review committee determining causative factors. Tracking incidents using collision log. Tracking Locations, Years of Experience, Routes	Low	Frequent	Marginal	Lack of employee compliance with operating procedures - Policy to reinforce need for compliance. Encourage employees to report hazards. Collision Prevention Team to visit high hazard locations to determine tight clearances and narrow lanes if re-routing is an option. Re-Training Reporting Procedures	Operations & Safety & Training Managers-Supervisors and Training Staff	Monitor & Report Findings June 1, 2020
Operational	Employee Injury, Slips, Trips, Falls	Safety vest policy, shop training for select employees & all others do not enter maintenance area. Policy no standing on vehicle bumpers, wear slip resistant shoes, three point contact on stairways, training how to enter and exit vehicles. Safety Reminder Posters. Retraining as recommended. Coaching & counseling by supervisors using Driver Performance Matrix for training consistency when operations staff coaches drivers.	Medium	Occasional	Serious	Lack of employee compliance with operating procedures - Policy to reinforce need for compliance. Encourage employees to report hazards. Collision Prevention Team to visit high hazard locations to determine tight clearances and narrow lanes if re-routing is an option. Re-Training Reporting Procedures	Operations & Safety & Training Managers-Supervisors and Training Staff	Monitor & Report Findings June 1, 2020
Operational	Passenger/Third-Party Injury	Wheelchair securement training & retraining & visual checks before closing passenger vehicle doors.	Medium	Occasional	Serious	Lack of employee compliance with operating procedures - Policy to reinforce need for compliance. Encourage employees to report hazards. Collision Prevention Team to visit high hazard locations to determine tight clearances and narrow lanes if re-routing is an option. Re-Training Reporting Procedures. ADA Mobility Specialist will ask for additional information during eligibility appointment regarding up location to assess driver and customer safety issues. Add special instructions for customers, such as, will pick up and drop at the sidewalk for unsafe driveways, etc. Inform drivers if needed.	Operations & Safety & Training Managers-Supervisors and Training Staff	Monitor & Report Findings June 1, 2020
Agency	Employee Reported Events	Review all unsafe behaviors or unsafe conditions reported to department heads.	Low	Occasional	Marginal	Implement policies or procedures when needed.	Department Heads	.
	
	
	
	

Hazard Identification, Risk Assessment, Risk Mitigation (Classification System)

Operational Hazards

Bicycle lane in front of, or adjacent to, a bus stop
Other drivers following a bus too closely or speeding
Pedestrian crossings
Tight clearances and narrow lanes
Multi-tasking limiting the effectiveness of bus dispatchers
Construction work zones and detours
Obstructions on the road, including debris , tree limbs
Bus stops on hills or curves

Maintenance Hazards

Uneven wear on bus brake rotors
Wear and defects in exhaust gas recirculation systems on buses
Wear and defects in electrical system components on buses

Design Hazards

Inability to use rear view and side mirrors on a bus without the operator adjusting their body and head position

Equipment Hazards

Tools not properly calibrated
Flashlight batteries do not hold their charge
Inoperable communications equipment
Worn and dirty personal protective equipment is no longer reflective
Loose lug nuts
Tire thread depth

Weather Hazards

Rain, fog, and thunderstorms
Flooding
Freezing rain and icing conditions

Natural Hazards

Wildlife (deer on roadway)
Adverse terrain (hills, curves, bridges)

Supervisory Hazards 49 C.F.R. Part 673.25(b)(1)

Lack of employee performance monitoring
Inaccurate or confusing work instructions or verbal directions
Lack of employee compliance with operating and maintenance rules
Lack of or ineffective work observation procedures

Training Hazards

Lack of or incomplete training on current procedures and requirements
Lack of internal and external communication to support training delivery,

Procedural Hazards

Incorrect, incomplete, or outdated procedures or manuals for conducting operations activities
Lack of or ineffective procedures to address fatigue in employee work scheduling
Lack of or ineffective policies and procedures for managing substance abuse, over the counter medications, and prescription medications

Resource Hazards

Inability of the agency to staff and resource departments
Lack of transition planning to manage turnover in key management and skilled labor positions

Safety Events	
<p>Collisions meet an injury, fatality, property damage, or evacuation threshold;</p> <ul style="list-style-type: none"> involve transit revenue roadway vehicles and the towing away of any vehicles (transit or non-transit) from the scene; include suicides or attempted suicides that involve contact with a transit vehicle; or do not involve a transit revenue vehicle but meet a threshold. <p>Estimated property damage equal to or exceeding \$25,000 Reporting threshold</p> <p>Other Safety Events</p> <p>(events that do not fall into any of the other categories, yet meet a reporting threshold other than immediate transport for medical attention for one person)</p> <p>Injuries</p> <p>Immediate transport away from the scene for medical attention (1 or more persons)</p> <p>Serious Injuries</p> <ul style="list-style-type: none"> requires hospitalization for more than 48 hours within 7 days of the event; results in a fracture of any bone (except simple fractures of fingers, toes, or nose); causes severe hemorrhages, or nerve, muscle, or tendon damage; <p>Involves an internal organ; or</p> <ul style="list-style-type: none"> involves second- or third-degree burns, or any burns affecting more than five percent of the body surface. <p>Fires</p> <p>Hazardous Material Spills</p> <p>Acts of God</p>	<p>When a person receives immediate medical attention away from the event, that individual may seek medical attention through any means of vehicular transport, including transit vehicle, an ambulance, another emergency vehicle, or a private vehicle. However, the injury is not reportable if the person seeks medical attention by foot.</p> <p>any damage or harm to persons that requires immediate medical attention away from the scene because of a reportable event must be reported as an injury. Agencies must report each person transported away from the scene for medical attention as an injury, whether or not the person appears to be injured.</p> <p>When person receives immediate medical attention away from the event and does not meet a threshold for serious injury. if an individual seeks medical care several hours after an event or in the days following an event, that individual is not reportable as an injury.</p>
<p>Fatalities</p> <ul style="list-style-type: none"> confirmed within 30 days includes suicides <p>Property Damage</p> <p>use the amount paid to repair or replace property, or</p> <ul style="list-style-type: none"> use estimates made for insurance purposes. <p>vehicles, including transit and non-transit</p> <p>right-of-way (ROW) and items surrounding the ROW, such as utility poles</p> <p>bus stop shelters in a transit station</p> <p>private property (e.g., buildings, fences, traffic signals, walls)</p> <p>bicycles and personal mobility devices</p> <p>damage to personal property, such as the value of laptops, cell phones, or other personal items</p> <p>Evacuations include</p> <ul style="list-style-type: none"> evacuation of a transit facility or vehicle for life-safety reasons. <p>that constitute an imminent danger (life-safety) to passengers, employees, contractors, or other persons</p>	<p>Fatalities that occur because of illnesses or other natural causes (including individuals who are found deceased) . or if a passenger suffers a fatal heart attack in a transit facility or vehicle, these events are not reportable</p> <p>for events resulting in estimated property damage equal to or exceeding \$25,000, regardless of injuries or other thresholds. Estimated damage includes not only damage to transit property but also the cost of clearing wreckage and damage to all other vehicles and property involved in or affected by the event.</p> <p>A reportable evacuation is a condition that occurs when persons depart from transit vehicles or facilities for life-safety reasons. Evacuations include both transit-directed evacuations and self-evacuations. Self-evacuations occur when people vacate transit property without direction from transit personnel or another authority.</p> <p>Self-evacuation is not a reporting threshold.</p> <p>if a bus breaks down during service, and passengers must evacuate to the sidewalk or highway shoulder lane, the agency would not report the event unless another threshold is met.</p>

Complete the Staff Safety Roles and Responsibilities table below in addition to the written narrative provided in the Public Transit Agency Safety Plan (PTASP). Safety Management Systems (SMS) stresses the importance of a holistic safety approach. Be sure to include any and all staff that might have some role in a safe transit agency. For example, staff at the Executive Level, from Human Resources or Finance might be included.

Completed by: RTA	Date: Insert Date
-------------------	-------------------

Position Title	Position Description	Safety Responsibilities
Accountable Executive	<p>Executive Director</p> <p>Has the ultimate responsibility for carrying out the agency safety plan, Public Transportation Agency Safety Plan (PTASP) and Transit Asset Management (TAM) Plan</p> <p>§673.11(a) (1) §673.11(a) (5) §673.11(a) (4) §673.23(d) (2)</p>	<ul style="list-style-type: none"> Promoting safety awareness throughout the organization; Control or direction over human and capital resources needed to maintain and Agency Safety Plan and Tam Plan Accountable for ensuring that the agency's Safety Management System (SMS) is effectively implemented, and action taken, as necessary, to address standard performance in the agency's SMS Responsible for Public Transportation Agency Safety Plan (PTASP) approval and the Board of Directors approval Responsible for PTASP annual Review/Update Responsible for compliance with the Public Transportation Safety Plan/National Safety Plan Assignment of Chief Safety Officer The Accountable Executive is responsible approving the transit agency's Public Transportation Agency Safety Plan, and any updates thereto. The Accountable Executive is responsible for the implementation and maintenance of the SMS. This Accountable Executive also is responsible for making decisions over the human and capital resources needed to develop and maintain the agency's Transit Asset Management Plan required by 49 U.S.C. 5326. FTA intends that the individual who is responsible for making decisions related to the condition of the agency's capital assets, particularly whether those assets are in a state of good repair, is also

		<p>responsible for implementing the agency's SMS and determining whether those assets are presenting any safety risks.</p> <ul style="list-style-type: none"> • This individual must have the ability to make budgetary, operational, and capital program decisions to address these competing needs and issues. • Accountable Executive regarding the proposed capital and operating budgets are presented for approval to the transit agency's Board of Directors or equivalent entity.
Chief Safety Officer (CSO) or SMS Executive	Executive Director, §673..5 / 673.23 (d) (2)	<ul style="list-style-type: none"> • Designed by CSO? SMS Executive or Accountable Executive • Reports directly to Accountable Executive • Adequately trained with authority and responsibility for day-to-day implementation and operation of SMS
Agency Leadership and Executive Management	Executive Director, Chief Financial Officer/Director Administration, Operations Manager, Maintenance and Facilities Manager	<ul style="list-style-type: none"> • Promotes safety awareness throughout the organization • Ensure coordinated development and implementation of the PTASP • Responsible for compliance and communication with the PTASP and SMS within assigned department employees • Reviews TAM Plan • Engineering controls • Organizational safety policies and procedures • Management training • Emergency preparedness plans internal and external
Operations Manager	Promoting safety awareness throughout the Operations Department employees	<ul style="list-style-type: none"> • Reports directly to Accountable Executive • Reports Facilitates Collision/Incident Causative Factors Meetings, • Monitors Insurance Claims, investigation results • Monitors Customer Compliments and Complaints • Ensure the public adheres to RTA Code of Conduct • Department Safety Meetings & Staff Training • The development of service routes and the timing associated with those routes

<p>Safety & Training Manager</p>	<p>Ensure coordinated development and implementation of the PTASP Manage and Train Driver Instructors Manage ADA Mobility Specialist</p>	<ul style="list-style-type: none"> • Driver evaluation results • Reports to Operations Manager • Promoting safety awareness throughout the organization; • Ensuring that safety documentation is current and accessible to all employees; • Communicating changes in safety documents to all personnel; • Monitoring the effectiveness of corrective actions; • Providing periodic reports on safety performance; • Rendering independent advice to the Executive Director, senior managers, and other personnel on safety-related matters; and • Ensuring that safety management has a high priority throughout the organization • Analyzing current risks and identifying potential risks that are affecting the agency • Implements Safety Resource/Communication Committee Employee Communication quarterly meetings and facilitates Inter-agency coordination and safety meetings • Collision Statistics, employee years of experience, location, type and causative factors • Identify training needs, pass/fail rates for new drivers, and evaluations of current drivers • Annual 8- hour driver training • Post Collision retraining • 6-month refresher training for new drivers • New employee training for all positions • Emergency preparedness training and drills • Instructors must ensure that all drivers understand their role in preventive maintenance during pre-trip and post-trip vehicle inspections. • Department Safety Meetings & Staff Training • Ensure drivers are trained the proper starting, shifting, and braking procedures to extend the life of the equipment.
--------------------------------------	--	--

		<ul style="list-style-type: none"> • Trainers must ensure that all drivers understand their role in preventive maintenance. • SSPP program information • Trainers must make sure that drivers understand and can perform their preventive maintenance roles well.
Transit Dispatchers & Supervisors	Dispatchers & Supervisors are responsible for communicating the transit agency's safety policies to all employees.	<ul style="list-style-type: none"> • Reports to Operations Manager • Having full knowledge of all standard and safety operating procedures • Ensuring that drivers make safety a primary concern when on the job • Listening and acting upon any safety concerns raised by the drivers • Immediately reporting safety concerns to Safety Management • Provide leadership and direction to employees during security incidents • Handle minor non-threatening rule violations • Defuse minor arguments • Determine when to call for assistance • Respond to fare disputes and service complaints • Respond to security related calls with police officers when required, rendering assistance with crowd control, victim/witness information gathering, and general on-scene assistance • Complete necessary security and safety related reports • Take photographs of damage and injuries • Coordinate with all outside agencies at incident scenes • Oversee Daily Transit Operations • Random inspections of Department for safety compliance (pre-trip inspections, driver files, on bus driver check rides, medical and license renewals, etc.) • Inter-agency coordination and safety meetings • Operations personnel fitness-for-duty checks which must identify

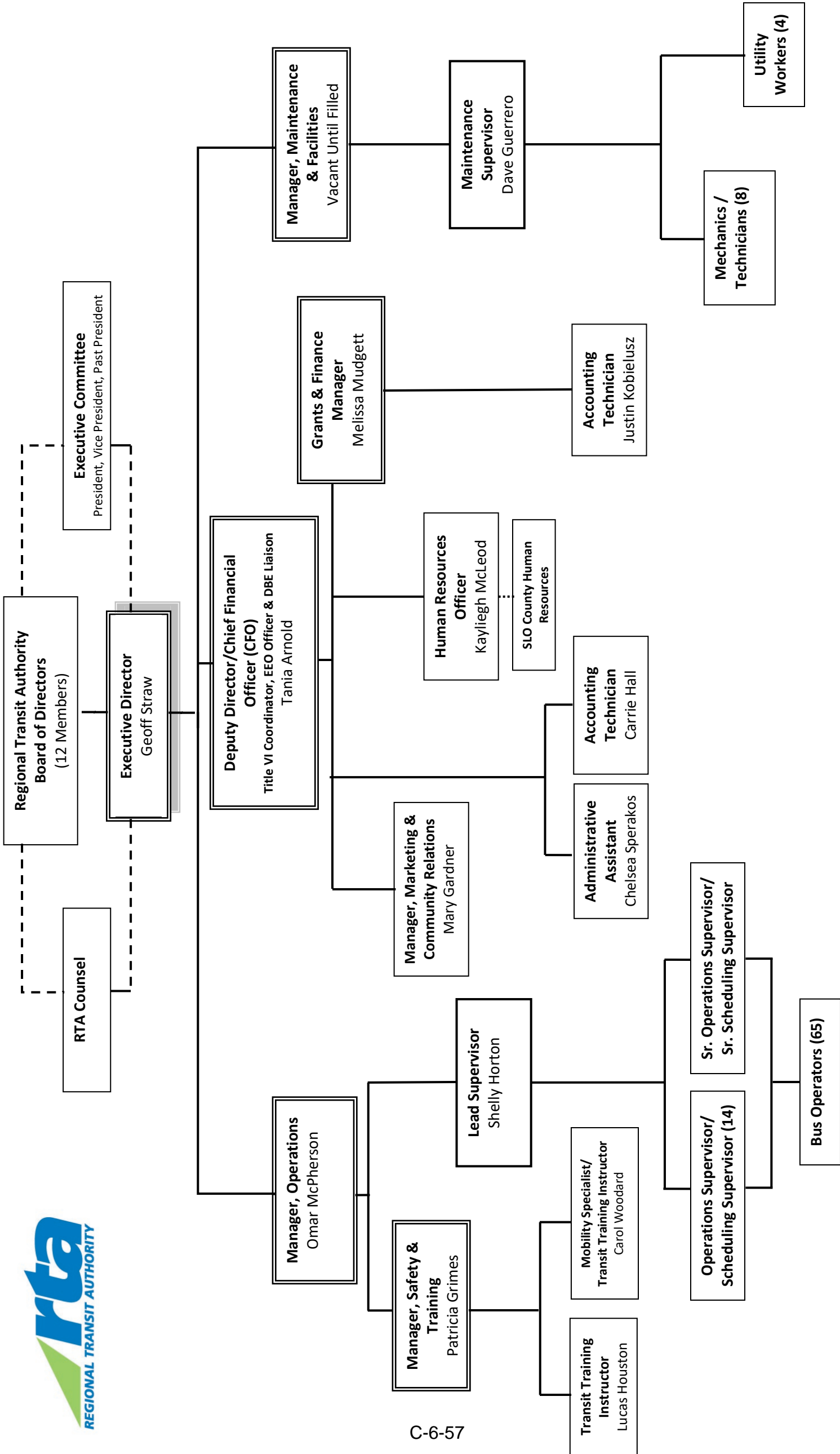
		<ul style="list-style-type: none"> ○ Impairment ○ Fatigue ○ Absence of corrective lenses ○ Apparent injuries and ○ Uniform or equipment issues <ul style="list-style-type: none"> ● Provide safe and reliable public transportation services to fixed route and the paratransit mobility impaired ● Comply with hours of service regulations ● Notify appropriate emergency personnel when required ● Manage and Report safety incidents, collisions, bus maintenance ● Radio communications checks ● Respond to customer Complaints
Bus Operators	Drivers are responsible for exercising maximum care and good judgment in identifying and reporting suspicious activities, in managing security incidents, and in responding to emergencies.	<ul style="list-style-type: none"> ● Take charge of a hazard incident scene until the arrival of supervisory or emergency personnel ● Collect fares in accordance with agency policy ● Be familiar with RTA/SoCo Employee Manual and Procedures ● Attempt to handle minor non-threatening rule violations ● Respond verbally to complaints ● Attempt to defuse minor arguments ● Determine when to call for assistance ● Maintain control of the vehicle ● Report all safety incidents to Supervisor on duty ● Complete all necessary safety related reports
Deputy Director/Chief Financial Officer (CFO)	Promoting safety awareness throughout the Finance and Administrative Department employees Training and developing Safety Procedures for Staff NTD reporting programs	<ul style="list-style-type: none"> ● Reports directly to Accountable Executive ● Maintains records of insurance policies and claims ● Reviews any new major contracts or internal business proposals ● Provides management with information necessary to make strategic decisions at any time during the year ● Purchasing controls ● Follow the secure method for receipt, transfer and storage of cash and appropriate staff members are trained on them

		<ul style="list-style-type: none"> • Cash is transported by security agency • Incident reporting format and procedures have been established and staff briefed on them • Department Safety Meetings & Training • The provision of data collection and/or analytical programs • Report revenue mileage, insurance costs, and experience modification
Human Resources Administrator	Implementing Human Resource Health & Safety Procedures	<ul style="list-style-type: none"> • Reports to Deputy Director/CFO • Background checks conducted and verified on all prospective new hires • Record of emergency data on file for each employee • Understand the health and safety responsibilities of employers, managers, supervisors and employees within the organization • Implement personnel management policies to ensure that everyone in the workplace is aware of his/her responsibilities • Establish effective ways of meeting health and safety responsibilities; and • Ensure that employees fulfill their health and safety responsibilities as outlined in the organizational policies and programs. • Tracking, Reporting employee illness and injury • Preventing work related injuries and illnesses • Fostering a workplace safety culture in which employees and their supervisors work together to ensure workplace safety • Establishing administrative procedures that encourage employees to report unsafe conditions and unsafe practices to their supervisors without fear of being disciplined • Developing appropriate hiring, training and performance appraisal practices • Reports Turnover Numbers • Recruiting and retaining the best employees who care about their own well- being and the well-being of co-workers • Ensuring that the health and safety policies and procedures conform with the applicable occupational health and safety legislation and accepted best practices in similar organizations

		<ul style="list-style-type: none"> • Establishing procedures for enforcing company safety rules • Helping reduce costs associated with losses due to absenteeism injuries, Workers' Compensation, disability, and health care • Maintaining records of injuries, illnesses and workers' compensation • Providing advice to employees and the employer in matters of occupational health and safety
Maintenance and Utility Manager	Maintain a written maintenance plan to include maintenance safety	<ul style="list-style-type: none"> • Reports directly to Accountable Executive • Department Safety Meetings & Staff Training • Responsible for regular maintenance to keep equipment, machines and the work environment safe and reliable • Monthly inspections • Lock-out, tag-out procedures trained and enforced • Personal Protective Equipment (PPE) procedures trained and enforced • Training Programs • Department Safety Meetings • Warranty compliance and recovery • Maintenance data, frequency and cost of materials and labor for in-house repairs • Protect the public investment in real property and equipment purchased with state or federal public transportation funds • The proper management of parts, equipment, facilities, fleet, and personnel • Management must be sure that staff is properly trained in preventive maintenance. The manager must know all parts of the preventive maintenance program, supervise its implementation and evaluate its effectiveness through audits and fiscal control • A fleet life plan
Mechanics, Bus Washers, Utility	Promoting safety awareness throughout the Maintenance Department employees Training and developing Safety Procedures for Staff	<ul style="list-style-type: none"> • Random inspections of Department for safety compliance (maintenance records, etc.) • Inter-agency coordination and safety meetings

		<ul style="list-style-type: none"> • Mechanics are the most accountable in the preventive maintenance process. • Due to the variety of vehicles, ensure mechanics are specifically trained for each type of vehicle they might maintain. • Document Preventive maintenance (PM) inspections and services • All documentation are kept for the life of the vehicle • Document all road calls • Maintain the ADA features of the facilities and vehicles in operative condition, including elevators and ADA doors • Fire extinguishers installed at all appropriate locations • Fire extinguishers in buildings (monthly checks) and in vehicles inspections and charged • Smoke detectors and fire alarms installed, fire alarms checked twice each year • Is a first aid kits present and maintained in appropriate vehicles and building locations • Electrical devices, outlets, circuit breakers and cords free of damage that may pose a shock hazard • All electrical circuit, gas, and telephone boxes, if accessible from the outside, locked to prevent tampering • All outdoor trash containers and storage bins are located away from the building in the event of a fire • Preventive maintenance inspections and scheduled services and documented
Union Leadership		<p>Working with RTA and employees to:</p> <ul style="list-style-type: none"> • Promote and ensure safe work conditions and reporting to RTA • Resolve workplace issues by being a voice for employees • Representative during bargaining negotiations
INSERT POSITION TITLE	INSERT POSITION DESCRIPTION	• INSERT SAFETY RESPONSIBILITIES

All staff members receive safety and security training appropriate to their position and level of responsibility





Message from the Executive Director

Welcome Aboard!

Whether you have just joined our staff or have been at the Regional Transit Authority (RTA) for a while, we are confident that you will find our company a dynamic and rewarding place in which to work. We consider the employees of the RTA to be one of our most valuable resources, and we look forward to a productive and successful relationship. This Handbook has been written to serve as the guide for the employer/employee relationship.

The Handbook begins with a summary of RTA's Strategic Business Plan, which includes our Vision, Mission Statement and Goals. We have selected you to be part of the RTA Team primarily because of your skills, knowledge and abilities that you have demonstrated to us when we were considering you for a position at the RTA. You are also part of the RTA Team because we believe that you can substantially contribute to our mission of providing safe, friendly, and reliable service to the citizens of and visitors to the County of San Luis Obispo.

It is great to have you a part of our team!

Sincerely,

Geoff Straw
Executive Director

San Luis Obispo Regional Transit Authority VISION, MISSION, STRATEGIC DIRECTION & GOALS

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
EMPLOYEE POLICIES AND PROCEDURES HANDBOOK**

Article 1 Introduction

Article 2 Employment

Article 3 Compensation and Benefits

Article 4 Equal Opportunity / Discrimination and Harassment Prevention

Article 5 Recruitment and Selection

Article 6 Performance Evaluation

Article 7 Disciplinary Actions

Appendix A: RTA Job Classifications (provided electronically at www.slorta.org)

ARTICLE 1

INTRODUCTION

Section 1.1 Employee Policies & Procedures Handbook

The purpose of this handbook is to provide the San Luis Obispo Regional Transit Authority (RTA) staff with guidance on major aspects of the RTA's policies and procedures. It shall be the duty of all RTA employees to comply with and support the provisions of this Handbook, all laws and regulations, and any internal management memoranda as the RTA Executive Director shall issue.

This Handbook supersedes and replaces all previous personnel policies, practices, work rules and guidelines. The RTA reserves full discretion to add to, modify, or delete provisions of this Handbook, or the policies and procedures on which they may be based, at any time, in accordance with the amendment procedure contained herein. In the event of any change to the policies set forth herein, all employees will receive notification from the RTA Executive Director or designee detailing the changes made.

This Handbook has been reviewed and adopted by the RTA Board of Directors (the Board). If any part of these policies and procedures is deemed illegal, unenforceable, or void for any reason, it will not affect the validity of the remaining portion. **As a condition of employment, each employee is required to review the policies and procedures and execute the acknowledgment of receipt at the end of the Handbook.**

Section 1.2 Applicability

This Employee Handbook applies to all employees of the RTA and its affiliates.

Section 1.3 Adopting Authority

The Employee Policies & Procedures contained herein have been adopted by the RTA Board of Directors July 11, 2018 and any subsequent amendments.

Section 1.4 References to County Ordinance and Reliance on County Policies

The RTA is an independent agency separate from the County of San Luis Obispo (the County) and is not subject to the County Civil Service ordinances. Nonetheless, in recognition of the RTA' Board's direction for consistency between many RTA and County employee policies, and a desire to minimize the length and level of detail in this document where possible, certain sections of the County's ordinances are referred to herein and incorporated by reference when applicable. As referenced throughout the Handbook, the County Human Resources Department serves as the "third party contractor providing human resource services to RTA" and provides expertise on personnel matters as needed. Any conflicts between the County's ordinances and

these Employee Policies and Procedures shall be construed in favor of the Policies and Procedures.

Section 1.5 Role in San Luis Obispo County Emergency Response Plan

Employees of the RTA will participate in a supporting role as part of the San Luis Obispo County Nuclear Power Plant Emergency Response Plan as set forth in the Standard Operating Procedures for County Public Works and Transportation. In addition, employees of the RTA will support the San Luis Obispo County Emergency Operations Plan transportation tasks.

Section 1.6 Amendments to This Policy

All amendments to the policies in this document shall be made only through the approval of the RTA Board. All amendments must be consistent with the requirements of applicable statutes. Immediate changes required by statute will be made by the Executive Director and ratified at the next available RTA Board meeting. The RTA Executive Director or designee also has the authority to issue day-to-day operational guidelines through Transportation, Maintenance and Administrative Bulletins, which are not required to be amended into the Handbook. Bulletins are distributed to RTA employees and posted at RTA operating facilities.

ARTICLE 2 EMPLOYMENT

Section 2.1. Employee Status

2.1.1 Definitions:

2.1.1.1 Regularly Scheduled: The employee status designations described below will be determined by averaging the number of weekly hours worked during the previous four (4) pay periods and will include an analysis of the average number of weekly hours the RTA expects the employee to work over the ensuing four (4) pay periods.

2.1.1.2 Full-Time Employee: An employee who is regularly scheduled to work more than 35 hours per pay period week. RTA-designated Full-Time employees are eligible for benefits as described in this Handbook.

2.1.1.3 Part-Time Health-Benefited Employee: An employee who is regularly scheduled to work between 30 and 35 hours per pay period week.

2.1.1.4 Part-Time Employee: An employee who is regularly scheduled to work less than 30 hours per pay period week and who regularly works more than 20 hours over two consecutive pay periods.

2.1.1.5 Casual Employee: An employee who is not promised a regular schedule with regular hours each week.

2.1.1.6 Exempt Employee: Exempt employees are those employees who are exempt (as defined by the Fair Labor Standards Act (FLSA)) from earning overtime compensation, and are paid a fixed amount on a per pay period basis.

2.1.2 Terms of Employment

There are two terms of Employment at RTA: At-will and Agreement.

2.1.2.1 At-will: The RTA or the employee may terminate the employment relationship “at will” and there is no expressed or implied property right to a position with the RTA. The RTA retains the right to demote, discipline, change job duties, or alter the terms of employment, at any time, as provided herein. No one other than the RTA Board has the authority to alter this arrangement, to enter into a verbal or written agreement for employment for a specified period of time, or to make any agreement contrary to this policy. Any such agreement must be in writing and approved by the RTA Board.

There may be times when the business needs or interests of the RTA or its Member Jurisdictions become inconsistent with your experience, skills, talents, abilities, or desires. There may also be situations in which efforts to train, support, or encourage you to become more successful in the workplace are unsuccessful. In such circumstances, particularly when your continued employment may have a negative impact on co-workers, the RTA, or the public, the RTA retains the right to terminate your employment, with or without “cause” and with or without notice, depending on the facts and circumstances of a given situation.

At-will status means that an employee may be terminated for any lawful reason, even if it doesn’t rise to the level of “cause,” which is misconduct or a willful violation of workplace standards of behavior. For example, an at-will employee may be terminated for performance-based reasons after provided with direction and an opportunity to improve, even if the performance deficiency does not constitute misconduct.

This policy may not be modified by the conduct of any employee or agent of the RTA or by any verbal representation of any manager. No employee other than the Board or Executive Director can modify this policy in any manner or enter into any agreement that is contrary to this policy unless it is in writing and signed by the Executive Director and subsequently reported to the RTA Board at its next regularly-scheduled meeting.

2.1.2.2 Collective Bargaining Agreement (CBA): an agreement between the RTA and a trade union setting forth the terms and conditions of employment or containing provisions in regard to rates of pay, hours of work and other working conditions.

2.1.3 Resignations

Employees who choose to leave our employment are asked to give as much notice as possible.

Terminating employees will be asked to participate in an exit interview. The purpose of the interview is to be certain the reasons for the employee’s termination are not founded on a misunderstanding or erroneous situation and also assist in helping increase RTA’s retention efforts by identifying reasons employees are voluntarily separating. The interview will also cover what compensation the employee will be paid upon separation and when termination of benefits will occur.

Employees are expected to turn in all property assigned to them at the time of separation.

2.1.3.1 Return of Property: The RTA may loan you property, materials or written information to help you do your job. You are responsible for protecting and controlling any property we loan you. You must also return any property given to you promptly upon request. If you terminate your employment at the RTA, you must return all organization property at the time of separation.

The following are items that may be issued to you (not all employees will receive each and every item):

- Badges
- Keys
- Cell Phones
- Protective Equipment
- Security Passwords
- Tools
- Uniforms
- Credit Card(s)
- Laptop Computer

If you do not return our property and if the law allows, we may take money from your regular or final paycheck to cover the current replacement cost of all unreturned or damaged property. We may also take legal action to secure the RTA property.

2.1.4 Re-employment Policy

Employees who left our employment in good standing will be considered for open positions along with other applicants.

Section 2.2 Immigration Control and Enforcement Policy

Our policy to fully comply with the regulations of the Immigration Reform and Control Act of 1986 (as amended) enforced by the Department of Homeland Security. We will hire only American citizens and non-citizens who are authorized to work in the United States.

The law requires the RTA to do five things:

1. All new employees must complete Section 1 of the I-9 form within three business days of hire.
2. Check documents establishing employees' identity and eligibility to work.
3. The authorized RTA employee examining the documents must complete Section 2 of the I-9 Form and the Certification Section.
4. Retain the form for at least three years or until one year after the person leaves our employment.
5. Present the form for inspection to the Department of Homeland Security or Department of Labor officer upon request.

If an employee is hired for less than three days, Form I-9 still must be completed before the end of the employee's first working day. The I-9 Form contains instructions for completion. The employee assigned to this task must follow those instructions completely. I-9 Forms are to be kept separate from all other personnel records.

Section 2.3 Management Authority

2.3.1 Introduction

The RTA Executive Director is appointed by the RTA Board and is responsible for administration of and adherence to the personnel system, and may delegate any such powers and duties to any other officer or employee. The RTA Executive Director, or designee, shall have the authority to appoint, promote, transfer, discipline and terminate any employee of RTA in accordance with the procedures set forth herein. The RTA, acting by and through the RTA Executive Director, reserves to itself the exclusive authority to: determine the administrative goals and objectives of the agency; set standards of performance; determine the procedures and standards of selection for employment and promotion; direct employees; take disciplinary action; lay off employees due to lack of work, funding, or other legitimate reasons; maintain the efficiency of the RTA's activities; determine the methods, means, and personnel by which the RTA's activities are to be conducted; determine the content of position classifications; and exercise control and discretion over the organization and the equipment and technology required to perform its goals and objectives. The RTA Executive Director may report to the Board or the Executive Committee of the Board on the status of personnel issues and relations within the RTA.

2.3.2 Change in Employment Assignments (refer to CBA for those covered)

The RTA reserves the right to change the job assignment of any employee within their current job classification at any time.

2.3.3 Hiring Powers

The RTA Executive Director and any other positions designated by the Board are hired by, and serve at the pleasure of, the Board pursuant to Contracts for Employment. All other employees of the RTA are hired by the RTA Executive Director and are subject to the policies and procedures contained in this Handbook, as well as all other RTA policies, rules, practices and procedures.

2.3.4 Reduction in Work Force (Layoff) (reference the CBA for those covered)

Whenever, in the judgment of the RTA Executive Director and/or the RTA Board, it becomes necessary to reduce the number of positions, the Board may abolish a position or positions, and if necessary reduce personnel by laying off employees.

Determination of which classifications to reduce shall be at the sole discretion of the RTA Board or in accordance with contract agreements.

2.3.4.1 Determination of which employees to lay off shall be at the sole discretion of the RTA Executive Director, based first on financial, organizational and programmatic needs.

2.3.4.2 Written Notice: Written notice of layoff shall be served on affected employees in person or by certified letter mailed to the last address on file with the RTA. Notice will be served or mailed at least thirty (30) calendar days prior to the effective date of the separation. Notice shall be deemed served upon personal service or, in the case of certified mail, upon mailing.

Section 2.4 Medical Qualification

2.4.1 Medical Standards Policy

Employees shall meet the medical standards of the position to which they are appointed and are required to perform the essential functions of their position with or without reasonable accommodation. Application and interpretation of this article shall be subject to the provisions of the Americans with Disabilities Act, California Fair Employment and Housing Act, and all other related statutes and regulations.

2.4.2 New Employee Medical Qualification

After receiving a conditional offer of employment and prior to starting work, candidates who will control the movement of an RTA revenue vehicle shall be required to take and pass a qualifying medical examination as a condition of employment. Qualifying medical examinations shall be made at the expense of RTA.

2.4.3 Medical Standards

Minimum medical standards for each position shall be maintained in writing by Human Resources and kept updated for all job classifications. Positions within a classification may have additional standards, which may be identified at the time of a medical evaluation.

2.4.4 Current Employee Medical Examination

Employees whose position entails the movement or control of an RTA revenue vehicle will be required to maintain a valid Medical Examiner's Certificate in order to remain in compliance with Commercial Drivers' License and other requirements. This Certificate will be maintained at the RTA's expense. If a first medical examination results in a medical disqualification, a current employee may request that a second qualifying medical examination be performed by a different medical examiner at their expense.

In addition, a current RTA employee may be required to submit to a medical examination when the RTA Executive Director, or designee, reasonably believes that a medical or psychological condition is affecting an employee's ability to perform the essential functions of the job, when an employee is re-assigned or promoted to a position which has substantially different essential functions that warrant a determination of medical qualification, or upon return from a medical leave of absence. If upon return from a medical leave of absence, the employee will be on an

administrative leave of absence until the initial exam and initial results are provided. Final determination regarding medical qualification shall rest with the RTA Executive Director, or designee.

2.4.5 Medical Disqualification

2.4.5.1 Candidates for Employment: A candidate for employment who fails to meet the medical standards of the position applied for shall be disqualified and their name removed from the eligible list for the job. Human Resources shall notify the candidate in writing of the disqualification and such notification shall include a general statement describing the reason for disqualification.

2.4.5.2 Current Employees: A current employee who fails to meet the medical standards of their position as demonstrated during a periodic medical recertification shall be placed on an unpaid leave of absence to provide an opportunity to obtain a valid medical certificate. If the employee is unable to obtain a valid medical upon the end of the leave of absence, the RTA will conduct an Interactive Process to evaluate potential reasonable accommodations, if any.

If the findings from this fitness for duty examination demonstrate a failure to meet the medical standards of their position, the employee shall be placed on an unpaid leave of absence to provide an opportunity to obtain a valid fitness for duty certification. If the employee is unable to obtain a valid fitness for duty certification by the end of the leave of absence, the RTA will conduct an Interactive Process to evaluate potential reasonable accommodations, if any. An employee who refuses to participate in a fitness for duty examination will be disqualified and their employment terminated without fault.

Compliance with the Americans with Disabilities Act and the California Fair Employment & Housing Act shall be evaluated prior to any such termination decision. Employees who are terminated for medical disqualification shall be issued a Notice of Termination by Medical Disqualification, which shall be served upon the employee in-person, by certified mail, or by other means confirming delivery. Service of the order shall be deemed complete upon personal service or, in the case of certified mail, upon mailing.

2.4.6 Review of Medical Disqualification (refer to the CBA for those covered)

Candidates for employment who fail a qualifying medical examination and are disqualified for employment shall have no contractual rights to appeal the final determination. Current at-will RTA employees who fail a qualifying medical examination and are terminated due to medical disqualification have no rights to appeal the final determination.

Section 2.5 Personnel Records

2.5.1 Official Personnel Records

The RTA Executive Director, or his or her designee, shall be responsible for maintaining a paper or electronic official personnel file for each employee.

2.5.1.1 Content of Official Personnel File: The file shall include, but not be limited to the following information:

- a. Original application materials.
- b. Employment contracts, if applicable.
- c. Information regarding change of Employee Status or Classification.
- d. Performance Evaluations.
- e. Payroll withholding authorizations.
- f. W-4 form.
- g. Disciplinary and other performance memoranda.
- h. Letters of appreciation.
- i. Copies of Licensure and Certificates required for employee's position (Training File).
- j. Academic or training certificates related to employee's position (Training File).

2.5.1.2 Excluded Content: The following documents shall not be placed in an employee's official personnel file:

- a. I-9 Forms.
- b. Any medical evaluation information, medical notes from a physician or documentation regarding an employee's medical condition or fitness for duty.
- c. Any medical information pertaining to leaves of absence, requested or approved.
- d. Any documentation with EEO statistics or other protected status information.
- e. Any documentation prohibited from an employee's file by federal or state law.

2.5.2 Confidential Medical File

Medical information must not be placed in an employee's official personnel file or training file. Human Resources shall maintain a confidential medical file for each employee that is kept physically separate from the employee's official personnel file and training file. The confidential medical file shall contain the following:

- a. Family /Medical leave or pregnancy-disability leave request forms if the employee has disclosed the nature of his or her illness.
- b. Return to work releases with any information regarding the employee's condition, prognosis or prescribed medications or specific treatment regimens.
- c. Workers' compensation records.
- d. Medical information about the employee related to reasonable accommodation under the Americans with Disabilities Act or Fair Employment and Housing Act.
- e. Any documentation related to a fitness for duty examination or determination.
- f. Any other medical information.

2.5.2.1 HIPAA and CMIA: The RTA will follow the Health Insurance Portability and Accountability Act (HIPAA) and the California Confidentiality of Medical Information Act (CMIA) privacy and security provisions which apply to Protected Health Information (PHI) maintained by the organization

2.5.3 Employee Review of Personnel File

Employees or their authorized representatives have the right to review the contents of their official personnel file by providing Human Resources with a written request. Human Resources will provide access to the file within five (5) work days at the RTA Administrative office or other appropriate location. Employees or their representatives do not have the right to review the contents of the confidential medical file; the RTA will produce confidential medical files sought through an administrative or judicial process and with the employee's express authorization. The RTA shall keep a record of inspections of employee records by persons other than the RTA Executive Director or his or her authorized designee. Such record shall include employee name, date, name and signature of person reviewing the employee file.

2.5.4 Personal Data Changes

It is important that the RTA maintain certain personal information about its employees. Employees are responsible to inform Human Resources whenever there is a change in mailing address, telephone numbers, marital status, dependents' information, educational accomplishments, and other possibly related information.

The RTA also maintains information about who to contact in case of an emergency. If an employee needs to change personal information or has questions about what information is required, the employee should contact Human Resources.

2.5.5 Confidentiality of Employee Records

The confidentiality of employee records shall be maintained by designated RTA personnel. These records shall only be made available to individuals specifically authorized by this policy or by the RTA Executive Director.

Personnel files are the property of the RTA and may not be removed from RTA premises without written authorization from the RTA Executive Director.

2.5.6 Employment References

It is the policy of the RTA that professional or character references will not be given for current and former employees except by the RTA Executive Director or his or her designee. Reference requests should be referred to and handled by Human Resources. Responses to requests will include dates of employment, title, classification and rate of pay (if accompanied by a signed authorization by the former or current employee to release such information) only.

Section 2.6 Work Regulations

2.6.1 Attendance/Punctuality Policy (reference the CBA for those covered)

We expect employees to be reliable and punctual. Employees should report for work on time and as scheduled. If an employee cannot report to work as scheduled, the employee must notify his or her immediate supervisor as soon as possible.

Unplanned absences can disrupt work, inconvenience other employees, and affect productivity. Employees who demonstrated poor attendance record or excessive tardiness may be subject to disciplinary action, up to and including termination of employment. Disciplinary action will begin with the fourth (4) counted unexcused absence or tardiness within a floating 180-day period. This policy will be interpreted and enforced consistently with the Federal Family & Medical Leave Act (FMLA), the California Family Rights Act (CFRA), the California Fair Employment and Housing Act and pregnancy disability leave provisions, for employees who use authorized intermittent leave.

2.6.2 Personal Telephone Calls (reference the CBA for those covered)

Personal telephone calls whether on RTA office phones or personal mobile phones are to be limited to essential matters and kept as brief as possible. Under no circumstances may an employee use a mobile phone or other personal electronic device while sitting in the driver's seat of a moving vehicle or while a vehicle is stopped in the lane of travel. Continued excessive use of phones for personal matters is subject to disciplinary action.

2.6.3 Smoking and Use of Tobacco Products

The RTA prohibits the use of tobacco products or the use of smokeless (“vaping”) products in the workplace, including without limitation marijuana. Smoking is prohibited within the confines of any RTA office and prohibited within 25 feet of RTA buildings, bus stops or vehicles. Smoking will be permitted out of doors only in an area designated by the RTA Executive Director or City Ordinances. Cigarettes or other smoking devices or materials are to be extinguished and properly disposed of prior to entering any RTA office or vehicle.

2.6.3.1 San Luis Obispo Ordinance on Smoking in Public Areas

San Luis Obispo city ordinance 1545 prohibits smoking in public places where nonsmokers are present or reasonably expected to arrive. This includes the Government Center and the downtown area of San Luis Obispo. RTA employees are prohibited from smoking in a public place within the City of San Luis Obispo limits while on duty. The City defines a “Public Place” as: “any place, public or private, open to the general public regardless of any fee or age requirement, including, for example, streets, sidewalks, parking lots, parking garages, bars, restaurants, clubs, stores, stadiums, parks, playgrounds, taxis and buses.”

2.6.4 Dress and Grooming Standards

The RTA considers the presentation of RTA’s image to its clients, customers and the public to be extremely important. Accordingly, it is expected that employees will wear apparel provided or approved by RTA while on-duty for those covered by the CBA and Operations Supervisors who will be interacting with the public. Each employee is expected to be neat and clean in appearance, with clean RTA apparel and good personal hygiene. Non-CBA covered employees are expected to be in business casual attire with name badges on while at work.

2.6.5 Employment of Relatives

The RTA will require a cooperatively developed supervisory plan with the RTA Executive Director or his or her designee for any employee promoted into a supervisory position that oversees a relative, or member of his or her household. The RTA will not hire someone in a position where he or she is directly or indirectly supervised by a relative or member of his or her household. “Relatives” are defined as husband, wife, son or daughter (including in-laws and step children), father or mother (including in-laws and step parents), brother or sister (including in-laws and step siblings), grandchild or grandparents and persons related by marriage or domestic partnership.

2.6.6 Use of Technology, Networks and Internet Policy

Employees using RTA computing and information resources are expected to act in a responsible and professional manner by complying with all policies, relevant laws, and contractual agreements related to computers, RTA-issued mobile devices, networks, software, computer

information and data to which an employee has access. Employees shall comply with acceptable use technology-related policies adopted by the RTA.

Internet access is provided to individuals based upon business needs that benefit the organization through connection to worldwide information resources. Wireless accessibility via personal devices (smartphones, tablets etc.) will not be provided to employees unless authorized by the RTA Executive Director. Employees have a responsibility to maintain and enhance the RTA's public image while accessing the Internet by following these guidelines:

- a. Employees using Internet access via our hardware and software are representing the organization. As such, their conduct should be ethical and lawful at all times. Channels may be accessed for official organizational business to gain technical or analytical information and to establish business contacts.
- b. Internet access should not be used for personal gain or advancement of personal views, for solicitation of non-RTA business, or result in the disruption of our organizational network operation or interfere with personal productivity at work.
- c. Employees are responsible for the content of text, audio, or images they place or send over the Internet. Fraudulent, harassing, or obscene messages are prohibited. Messages transmitted for RTA business purposes on the Internet should be identified with the employee's name. Employees may not obscure the origin of messages and the information published should not violate or infringe upon the rights of others. Abusive, profane or offensive language transmitted through the system is strictly prohibited.
- d. Employees may not download software without the express acknowledgement and support of the Network Administrator to ensure that proper licenses are obtained and viruses are not transmitted.
- e. Employees may not send or upload any copyrighted materials, trade secrets, proprietary information, or similar materials to third parties. Employees may not violate the copyright laws in regard to receipt/download of materials available on the Internet by copying and disseminating information, except for purposes falling under the category of "fair use".
- f. Messages created, sent, or retrieved over the Internet are the property of the RTA and should be considered public information. The RTA reserves the right to access and monitor messages and files on the computer system at any time. Communications can be disclosed to law enforcement officials or other third parties without prior consent of the sender or the receiver. More details are outlined in the Public Records Act.
- g. Harassment of any kind is strictly prohibited. Messages with derogatory or inflammatory remarks regarding race, religion, national origin or citizenship, sexual orientation, gender identity or expression, disability, or other protected attributes may not be transmitted.

Violations of this Policy may result in disciplinary action up to and including termination and illegal activities may result in prosecution by legal authorities.

2.6.6.1 Personal Blogs/Social Networking

- a. Employees are not allowed to use organization-owned equipment, including computers, organization licensed software or other electronic devices, equipment or facilities on organization time to conduct personal blogging or social network activities.
- b. Employees may not use the organization logo or trademark on their personal blogs or networks.
- c. Employees may not post photographs or videos of other employees or their family members, customers, or vendors on personal posts without their permission.
- d. Employees are not to link from a personal blog or social network to the organization's internal or external websites.
- e. Employees are responsible for their commentary on blogs and social networks. Employees can be held personally liable for comments that are slanderous, obscene, defamatory or libelous by any offended party. Posts that include illegal content may result in prosecution by legal authorities.

Employees who have any questions regarding the proper use of social networking/blogging should contact their supervisor, manager, or director. Violations of this Policy may result in disciplinary action up to and including termination

2.6.7 Conflicts of Interest

Employees are expected to devote their best efforts and attention to the performance of their jobs. Employees are expected to use good judgment, to adhere to high ethical standards, and to avoid situations that create an actual or potential conflict between the employee's personal interests and the interests of the RTA. A conflict of interest exists where the employee's loyalties or actions are divided between the RTA's interests and those of another, such as a business, individual or another public agency with which the RTA's interests may conflict. Both the fact and the appearance of a conflict of interest should be avoided. Employees unsure as to whether a certain transaction, activity or relationship constitutes a conflict of interest should refer to the Conflict of Interest Policy and discuss it with their immediate supervisor or the RTA Executive Director for clarification.

While it is not feasible to describe all possible conflicts of interest that could develop, some of the more common conflicts, from which employees should refrain, include the following:

- a. Accepting personal gifts or entertainment (including meals) from individuals, other public agencies, customers, suppliers, or potential suppliers;
- b. Working for any individual, business or entity with which the RTA's interests may conflict, including those listed above;

- c. Having a direct or indirect financial interest in or relationship with any individual, business or entity with which the RTA's interests may conflict, or with whom the RTA has a business relationship, including those listed above;
- d. Engaging in self-employment in competition with the RTA;
- e. Using proprietary or confidential RTA information for personal gain or to the RTA's detriment;
- f. Using RTA assets or labor for personal use;
- g. Acquiring any interest in property or assets of any kind, including a service-related business, for the purpose of selling or leasing the property, assets or services to the RTA;
- h. Unauthorized commitment of RTA financial or staff resources or other support to any outside activity, organization, or person;
- i. Developing a personal relationship with a subordinate employee of the RTA that might interfere with the exercise of impartial judgment in decisions affecting the RTA or any employees of the RTA. If an employee or someone with whom an employee has a close relationship (a family member or close companion) has a financial or employment relationship with a supplier, potential supplier, customer, business, individual or another public agency, with which the RTA's interests conflict the employee must disclose this fact in writing to the RTA Executive Director. Employees should be aware that if they enter into a personal relationship with a subordinate employee or with an employee of a supplier, potential supplier, customer, business, individual or another public agency, with which the RTA's interests conflict, a conflict of interest may exist which requires full disclosure to the RTA.

Employees planning to engage in outside employment must first disclose such employment to the RTA Executive Director to ensure it does not pose a conflict of interest or is otherwise incompatible with the RTA or its mission. Failure to adhere to this guideline, including failure to disclose any conflicts or to seek an exception, will result in discipline, up to and including termination of employment.

No employee shall use the authority, information or privileges associated with his or her position for personal gain. Evidence of using a position for personal gain may be interpreted as a breach of terms of employment and serve as a basis for discipline up to and including termination.

2.6.8 Safety

The Occupational Safety and Health Act (OSHA) require all employers to provide a safe and healthful workplace for their employees. In this regard, it is important that adequate policies and procedures be developed and adhered to in order to ensure safe, efficient operating conditions, thereby safeguarding employees and facilities.

Our organization will not knowingly permit unsafe conditions to exist, nor will it permit employees to indulge in unsafe acts. In-depth information is outlined in the *System Safety Program Plan (SSPP)*. The RTA SSPP includes an Injury and Illness Prevention Plan. Violations of organization rules and regulations will result in disciplinary action. The organization believes that the safety of employees and physical property can best be ensured by a meaningful safety program.

2.6.9 Security/Violence in the Workplace

As detailed in the *RTA Policy Against Workplace Violence*, the RTA will not tolerate violent acts or threats of violence, whether verbal, written, or implied, towards employees by other RTA employees, customers or members of the public. For purposes of this policy, “violence” includes any willful touching of a person in a harmful, threatening or unwanted way. A “threat” of violence includes any statement, course of conduct or other action that would cause a reasonable person to believe that violence may occur. Any incident of violence or threat of violence by any RTA personnel or any other person should be reported promptly to the employee’s supervisor, Human Resources or the RTA Executive Director. Supervisors or any other employee of the RTA who receive complaints or who observe conduct in violation of this policy shall inform Human Resources and the RTA Executive Director immediately.

2.6.10 Drug-Free Workplace Policy

The RTA recognizes that the abuse of alcohol and use of illegal drugs by any employee threatens the health and safety of that employee, the employee’s co-workers, and the general public. The RTA also recognizes that employees should be able to work in an alcohol and drug-free environment, and to work with other employees who are alcohol and drug-free. The RTA has, therefore, adopted drug and alcohol testing policies for all employees and prospective employees. Refer to the *RTA Drug & Alcohol Policy, Program and Procedures* and the *RTA Non-DOT Drug and Alcohol Policy and Testing Provisions* for more information.

2.6.11 Vehicle Collision and Incident Reporting (reference the CBA for those covered)

Every employee shall make one (1) report for each vehicle collision or safety incident occurring during the employee’s run or shift, as required by the RTA. Such report shall be made not later than the completion of the employee’s run or shift.

The RTA pays 100% of the premium on insurance provided by our Workers’ Compensation program. This law was designed to provide employees with benefits for any injury which an employee incurs arising out of their employment with the organization.

Under the provisions of the law, if an employee is injured while at work for the organization, this injury must be reported immediately to his or her supervisor, no matter how slight it might seem. Failure to do so could result in a denial by the insurer of any claim an employee may

submit for Workers' Compensation benefits. Even late reported injuries may result in delay or denial of Workers' Compensation benefits.

2.6.11.1 Paid Time to Complete Report: Employees who are required to make a report shall be allowed up to twenty (20) minutes of paid time, except that no allowance shall be granted when said report can be completed in time already being paid on the date report is being made. In the event travel is required, the employee shall be paid travel time (scheduled running time) and same shall be subject to the overtime provision (if applicable). Other reports and interviews required by the RTA shall be paid for at the straight time rate.

2.6.11.2 Determination of Preventability: Vehicle collisions and safety incidents will be reviewed by the Operations Manager or designated Safety Committee. Where a collision or incident is determined to have been preventable, the employee will be notified in writing within ten (10) work days from the date of the RTA knowledge of a collision or incident (except in rare cases, such as insufficient information for the decision of preventability to be made). Discipline may apply if the employee's conduct that led to the collision or incident was found to be improper. Any determination of preventability or disciplinary action will be based on the circumstances of the incident but will not adversely affect the processing of any Workers' Compensation claim or industrial injury benefits. Determinations of whether or not a claim of industrial injury is compensable under applicable workers' compensation standards will be made by the RTA's third-party claims administrator.

2.6.12 Solicitation Prohibited

Employees are prohibited from soliciting (personally or via electronic mail or text messaging) for membership, pledges, subscriptions, the collection of money or for any other unauthorized purpose anywhere on RTA property during work time, especially those of a partisan or political nature. "Work time" includes time spent in actual performance of job duties but does not include lunch periods or breaks. Non-working employees may not solicit or distribute to working employees. Persons who are not employed by the RTA may not solicit or distribute for membership, pledges, subscriptions, literature or petitions on the RTA's premises at any time for any reason. Employees are prohibited from distributing, circulating or posting (on non general purpose bulletin boards, refrigerators, walls, etc.) literature, petitions or other materials at any time for any purpose without the prior approval of the RTA Executive Director or his or her designee.

2.6.13 Visitors at Work

Visitors, including an employee's family members, who wish to see an employee during working hours, must first check in at the front office. Visitors may be required to sign in and receive a visitor's badge. If a visit involves an emergency, the employee will be notified immediately, and will receive all possible cooperation from management.

Visitors should not disrupt business. Please remind your friends and relatives that unless there is an emergency involved, they should not disturb you while you are working. Refer to the *Transporting Family and Friends Bulletin* if they will be using the RTA as their way of transportation.

Section 2.7 Work Week and Work Schedules

2.7.1 Workweek Defined

For the purposes of payroll and the Fair Labor Standards Act salary calculation, the workweek shall begin at 12:00 am on Sunday and will end at 11:59 pm on Saturday.

2.7.2 Assignment of Work Schedules (refer to the CBA for those covered)

For at-will employees, the RTA Executive Director or his or her designee has sole discretion to assign the work schedule of all employees working for the RTA. To the extent possible, at least 24-hours advance notice shall be provided for any short-term or temporary reassignment of work schedule; at least 7 days advance notice shall be provided for any long-term reassignment of work schedule.

2.7.3 Break and Meal Periods (refer to the CBA for those covered)

The RTA will design shifts to comply with regulations regarding wages, hours and working conditions.

2.7.3.1 Break Periods: For all at-will employees, California law states employers need only to provide rest breaks, but not ensure that rest breaks are taken. Every employer must authorize and permit nonexempt employees to take rest breaks, which if practicable should be in the middle of each work period. The rest break must be based on the total hours worked daily at the rate of 10 minutes rest time per four hours of work. Rest breaks need not be allowed for employees whose total work time is less than 3 1/2 hours per day.

2.7.3.2 Meal Periods: For all at-will employees, no employee should work more than five hours without having a meal period of at least 30 minutes, except when a work period of not more than six hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee in writing. Employees shall be relieved from all duties during their meal period. If the employee is not relieved of all duty during a meal period, the meal period shall be considered an "on duty" meal period and is counted as time worked. On-duty meal periods should be noted on time records for the applicable pay period. We encourage all employees to take their meal period and be relieved from duty during that period.

2.7.4 Work Schedule During a Holiday Week (refer to the CBA for those covered)

During any week in which a holiday occurs, all full-time employees shall receive pay for all hours worked in addition to Holiday pay (if applicable).

2.7.5 Overtime

Nonexempt status employees shall receive pay calculated at time and one-half (1½) for all authorized overtime worked during the pay period. Exempt employees are not eligible for overtime pay.

2.7.5.1 Overtime Defined: Overtime and overtime pay shall be defined and calculated pursuant to the provisions of the Fair Labor Standards Act. In general, "overtime" means the time spent in the performance of work ordered or authorized by the Supervisor which is in excess of forty (40) productive hours worked in any work week. Productive hours include only regular time worked and does not include holidays, vacation, PTO, sick, administrative, personal, or other authorized leave.

2.7.5.2 Prior Authorization: Nonexempt employees may only work overtime that has been approved in advance by their Supervisor. In the rare event that overtime must be worked and prior approval is not feasible, the employee shall notify their Supervisor as soon as reasonable.

2.7.5.3 Travel: Employees traveling to and from locations outside of San Luis Obispo County that involve RTA matters in which the employee is required to attend as a condition of his or her employment are expected to do so within the hours available during a normal 40-hour work week, if feasible and practical. If not feasible or practical, and travel time results in greater than 40 hours worked, such time will be compensated with paid time off or other pay as specified above. Seminars, conferences and related events are generally considered to be a privilege and not a condition of employment, unless the employee is expressly directed by a Supervisor to attend or participate.

Employees who wish to attend such events are expected to arrange for transportation and travel time during normal RTA working hours to the extent possible, or on their own non-compensable time outside of normal working hours. If warranted by circumstances, the RTA Executive Director is authorized to approve, in advance, paid time for such travel on a case-by-case basis.

2.7.6 Miss-Outs and Work Assignment (refer to the CBA for those covered)

A “miss-out” is defined to be: Each failure of any employee to report for duty at the proper time and at the proper place at which his or her assigned duties are scheduled to start. An employee who fails to report for their assignment at the proper time and place, or who fails to provide timely advance notice of for use of authorized intermittent leave, shall be charged with a miss-out. Disciplinary action up to and including termination is determined and enforced by each Department.

2.7.6.1 Waiver: The department manager may waive the imposition of a disciplinary penalty for a “miss-out” as hereinabove provided whenever, in his or her opinion, a valid reason for such “miss-out” exists.

2.7.7 Emergency Call-Back Minimum Hours (refer to the CBA for those covered)

Whenever an employee has completed a normally scheduled shift and has left the worksite and their supervisor or designee calls the employee back to work when not regularly scheduled to be on duty, compensation will be for a minimum of half of their regularly scheduled shift.

On an unscheduled emergency, an employee shall receive a minimum of (1) one hour pay at the applicable overtime rate (if applicable).

2.7.8 Premium Pay (refer to the CBA for those covered)

A Bus Operator who is assigned by the RTA Supervisor to work with a trainee, fill in as Dispatcher or Scheduler or other RTA Executive Director-approved duties will be paid a premium, in addition to the employee’s hourly wage rate, while performing these duties.

2.7.9 Driver’s Log

Those employees who obtain and Commercial Driver’s License (CDL) are required to keep a log of hours worked per the Federal Motor Carrier laws. A log is required under the following conditions.

1. On duty twelve (12) hours or more in a day: When an employee works more than twelve (12) hours in a day they fail to meet the exception in CCR Title 13, Div. 2, Chap. 6.5, Art. 3, Sec. 1212(e) and therefore must complete a log.
2. Days a CDL employee works two (2) jobs in one day: A log is required in this case so that the CDL employee can demonstrate to each employer AND the CHP that they are not in violation.

ARTICLE 3

COMPENSATION, BENEFITS AND LEAVES

Section 3.1 Compensation

3.1.1 Regulation of Compensation by the RTA Board (refer to the CBA for those covered)

Compensation of all employees of the RTA shall be determined by the RTA Board of Directors except as otherwise required by law. Human Resources shall maintain a salary table that includes all active classification titles and a corresponding seven step pay scale for each classification. A copy of the job classifications is included as Appendix A, which may be updated annually during the budget-making process. The RTA Board of Directors shall establish the first step for each classification in the table, also known as the salary range. Employees shall be paid a base salary, no less than Step 1 and no greater than Step 7 of the salary range approved by the RTA Board for the classification to which they are appointed.

3.1.2 Administration of the compensation plan

The RTA Executive Director shall have discretion to set the salary of an employee at any step within the salary range approved by the RTA Board for the classification to which the employee is appointed, subject to the following conditions:

3.1.2.1 Any employee who is promoted to a classification with a higher salary range shall receive a salary increase to a step in the new salary range that is not less than the pay previously received. In no case shall the new salary exceed the highest step of the salary range.

3.1.2.2 Market adjustments are done on a position-by-position basis based upon market data and could result in pay adjustments for the individuals in those positions at anytime. The market adjustment is not intended to compensate employees for general inflation or cost of living increases. Market adjustments require approval of the RTA Board as part of an amendment to Appendix B.

3.1.2.3 Upon receiving a “Satisfactory” or better performance evaluation, the RTA Executive Director may grant an employee a salary increase to the next step in the salary range. In no case shall the new salary exceed the highest step of the salary range. The performance evaluation may be a regular evaluation or probationary evaluation.

3.1.2.4 Upon receiving an overall “Unsatisfactory” performance evaluation, the RTA Executive Director may lock an employee’s salary at his or her current salary until the employee’s performance is improved to “Satisfactory” or better. The performance evaluation may be a regular evaluation or probationary evaluation. An ensuing “Unsatisfactory” performance evaluation shall be subject to the provisions of Article 7 (Disciplinary Actions) of this policy.

3.1.2.5 An employee who voluntarily demotes to avoid layoff or voluntarily demotes due to personal reasons may be placed by the RTA Executive Director at any step in the salary range of the new classification not to exceed their current step without a concurrent performance evaluation.

3.1.3 Compensation – Payment Procedures (refer to the CBA for those covered)

Policies and procedures for payment of compensation can be summarized as follows:

3.1.3.1 Time-Keeping: All employees (exempt and nonexempt) are required to record their hours worked. The RTA Executive Director will designate those nonexempt employee classifications that are required to clock in and out at the beginning and end of their shift and for their lunches. If for any reason an employee is unable to use the time clock, the employee must submit an Exception Timesheet with the clock in/out times listed. For exempt employees time-keeping is for business purposes unrelated to compensation for hours worked, whereas nonexempt are paid only for hours worked.

3.1.3.2 Biweekly Payment: The RTA will make every effort to issue the payroll every other Friday starting no later 5:00 AM. In the event a Holiday falls on a Friday, the RTA will make every effort to issue the payroll on the previous day. However, should a system breakdown occur, the payroll will be issued no later than the following Wednesday. No loss in pay will result should this occur.

3.1.4 Direct Deposit

Employees are encouraged to participate in the RTA's direct deposit of wages program. Human Resources will make the arrangement for direct deposit with any credit union or bank that has electronic transmission capability. Your entire paycheck, or a specified amount, can be deposited. Human Resources will provide the necessary forms upon request.

3.1.5 Final/Termination Paycheck

Final paychecks will be issued as part of the normal payroll cycle. The RTA will attempt to accommodate early release of final/termination paychecks, including accrued but unused vacation, when it is able.

Section 3.2 Employee Benefits

3.2.1 Vacation Policy (reference the CBA for those covered)

Paid vacation is one of the ways the RTA recognizes length of service and performance. Employees covered by a CBA are provided vacation time as outlined in the agreement.

Eligible employees earn paid vacation based on length of continuous service, starting with their first year and increasing throughout their service in a pre-determined accrual formula. Please contact your immediate supervisor for more details.

VACATION ACCRUAL SCHEDULE:

Service Time	Days/year	Accrual Rate	Max Accrual
first year	10	3.08	160
second year	11	3.38	176
third year	12	3.69	192
fourth year	13	4.00	208
fifth year	15	4.62	240
sixth & seventh year	16	4.92	256
eighth & ninth year	17	5.23	272
tenth & eleventh year	18	5.54	288
twelfth & thirteenth year	19	5.85	304
fourteenth + year	20	6.15	320

Employees shall not carry a vacation balance of more than two times their annual rate from one fiscal year to the next. Balances in excess will be forfeited at the end of the calendar year. Vacation time may be taken at the request of the employee with the prior approval of his or her manager/supervisor. Vacation time may be approved or denied based on business needs at the time.

All accrued vacation provided by the policy that has not been taken at the time of termination will be paid to the employee. The right to vacation constitutes deferred wages for services rendered. Employment contracts and organization policies may not provide for forfeiture of vested paid time.

3.2.2.1 Maximum Vacation Accrual: The vacation accrual year will be January to December. Employees may accumulate vacation time from one year to the next year up to the maximum hours outlined in the table above. Should an employee's vacation bank exceed this amount, they will cease to accrue hours over maximum not taken at the end of the calendar year. An employee who has had scheduled vacation canceled due to scheduling conflicts will be given an opportunity to schedule the unused vacation in the following vacation accrual year.

3.2.2 Vacation Usage (refer to the CBA for those covered)

3.2.2.1 Use of Vacation Pay: All requests for scheduled use of vacation pay shall be considered and granted at the discretion of the department manager/supervisor. All requests for scheduled vacation shall be made in writing. Requests for the scheduled

use of vacation of one day or less shall be made a minimum of two work days prior to the start of the time-off. Requests for the scheduled use of vacation of two or three days shall be made at least one week prior to the start of the employee's time-off. Requests of more than three days shall be made at least twice as many work days prior to the vacation days being requested (e.g., one week of vacation must be requested at least two weeks in advance). The advance notice requirement may be waived, if warranted, at the discretion of the department manager/supervisor on a case-by-case basis. To the extent possible, the use of vacation during periods of sick leave shall be made with a minimum of two hours' notice to the department manager/supervisor when all sick leave available has been exhausted.

3.2.2.2 Vacation Cash-out: After one year of service with the RTA, employees are eligible to cash-out a portion of their vacation time accrued. A vacation balance in excess of 120 hours may be cashed out during the last pay date of each calendar year. Vacation cash-out eligible employees are required to inform Human Resources one (1) week prior to the last pay date of each calendar year of their request to cash-out and the amount.

3.2.2.3 Vacation Donation: vacation donation allows a qualified employee to voluntarily donate vacation to another qualified employee who is unable to work because of an extended serious illness or injury. The procedure to initiate this process involves sharing the donating employee's intentions with their supervisor and Human Resources. The vacation donation will be limited to 50% of accrued vacation. The RTA will ensure that donated vacation pay will only be used for medical sick leave purposes. Donating employees may only donate hours from their account when it is in excess of sixty (60) hours and only those hours that are in an excess of sixty (60). Donations will be calculated based on the donating and recipient's pay rates. Contact Human Resources for more information regarding donating or applying to receive donated vacation leave.

3.2.2.4 Limitation on Vacation Pay Usage: Vacation shall be paid at the employee's basic straight-time rate on a regularly scheduled workday, but not to exceed scheduled hours per day. Vacation payments to employees who are covered under California Workers' Compensation or disability insurance will be reduced by the amount of disability benefits payable under such plan. In no event will an employee receive pay in excess of his or her regular pay. Vacation pay shall not duplicate any other RTA pay.

3.2.2.5 Vacation Pay Cannot Cause Overtime: Vacation time taken cannot be used to put an employee into an overtime pay status.

3.2.3 Sick Leave (refer to the CBA for those covered)

The RTA provides paid sick time benefits to eligible employees who are temporarily absent due to illness or injury.

3.2.3.1 ELIGIBILITY: All full and part-time employees are eligible. Employees covered by a CBA should refer to the agreement.

All full-time employees accrue sick time benefits at the rate of 12 days per year. Employees shall use paid earned sick time for personal sick time off or FMLA/CFRA leave to care for eligible dependents. See section 3.2.10 for more information.

An employee who is unable to report to work because of an illness or injury should notify his or her supervisor before the scheduled start of his or her workday, if possible. The employee's supervisor must also be contacted on each additional day of absence. Before an employee can return to work after a sick leave absence of five (5) calendar days or more, you must provide a doctor's statement releasing to return to full or modified duty.

An employee on sick leave for an extended absence because of an illness or injury must apply for any other available compensation and benefits, such as workers' compensation and/or disability. Sick leave benefits will be used to supplement any payments that an employee is eligible to receive from workers' compensation or the RTA provided disability insurance program(s). The combination of these disability payments and sick leave may not exceed normal weekly pay.

Sick time is not eligible for cash out.

3.2.4 Holidays (refer to the CBA for those covered)

The RTA recognizes the following seven holidays: Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving Day (admin staff only), Christmas Day, and New Year's Day.

3.2.4.1 Full-Time Employee Eligibility: All eligible full-time employees shall receive eight (8) hours at their regular straight time rate of pay for the applicable Holidays outlined above, provided such employee completes their work assignment on their last scheduled or assigned work day prior to such holiday and their first scheduled or assigned work day after such holidays. Those employees who are scheduled to work and are late on the day before or the day after the holiday will be paid for the holiday time provided the employee reports within one (1) hour of his or her report time and in proper uniform. Holiday time shall not be counted when computing overtime pay.

3.2.4.2 Pay Rate for Holidays Worked: If an employee works on an RTA-recognized holiday, that employee will be paid eight hours Holiday pay plus the Holiday rate (time and a half) applicable for the actual hours worked.

3.2.4.3 Day Shifting: For Administrative staff, in the event one of the holidays mentioned in this section falls on a Sunday, the Monday following the Sunday shall be the holiday.

Should a holiday fall on a Saturday, the preceding Friday shall be the holiday. Fixed date holidays (New Year's Day, Christmas Day and Independence Day) are exempt from the day shifting. Please contact your supervisor to verify eligibility.

3.2.4.4 Floating Holidays: Eligible full-time employees receive six (6) floating holidays January 1st of each year. Floating holidays are to be used within the calendar year. If you do not use all floating holidays provided, you will lose them by December 31st of each year. Floating holidays do not roll over from year to year and are not paid out upon termination of employment with the RTA.

3.2.5 Salary Reduction (125) Plan (Pre-Tax Premiums Deductions)

Pre-Tax Premiums is a voluntary program that allows employees to pay the premiums for medical, vision and dental benefits with pre-tax dollars. Under Section 125 of the Internal Revenue Code, an employee may annually elect to reduce his or her taxable salary by the amount paid towards medical, dental and vision premiums. Participation in the salary reduction plan can result in an employee paying less federal, state and Medicare taxes.

Because of the tax savings employees receive, the federal government places certain restrictions on what an employee can and cannot do under this plan. This is an irrevocable choice, meaning that an employee wishing to change a decision to have premiums deducted pre-tax, as well as canceling or changing the benefits associated with these deductions, is not allowed until the next open enrollment period unless an employee experiences a qualifying event as defined in federal law.

3.2.6 Health, Dental, Vision and Life Insurance (refer to the CBA for those covered)

The RTA shall provide the administration of the Group Insurance Plan using Human Resources staff resources or contracted third-party resources.

3.2.6.1 Eligibility: Eligible full-time employees shall be any full-time employee as defined in Section 2.1.1.

3.2.6.2 Coverage Levels: the RTA will cover a portion or all of the medical plan monthly premium offered to each full-time employee for the employee-only option. Unless otherwise stated in your offer letter, the RTA will pay for 95% of the monthly premiums to provide the base healthcare plan (as of January 1, 2018, this plan is known as the "Solutions PPO Plan") for the employee. The employee will be responsible for the remaining 5% through payroll deductions, as well as 100% of the additional monthly premiums should the employee choose a richer medical plan. See Human Resources for more information. In addition, RTA will cover 100% of the dental plan and vision plans for employee-only options unless otherwise stated in your offer letter. Should the employee wish to cover their spouse and/or dependents, the employee shall do so

solely at their expense through payroll deductions. Refer to your offer letter for coverage information.

For Part-Time Health-Benefited employees, the RTA will pay for 95% of the monthly premiums to provide the base healthcare plan for the employee. The employee will be responsible for the remaining 5%, as well as 100% of the additional monthly premiums should the employee choose a richer medical plan and/or to cover a spouse/dependents.

The RTA may change insurance carriers at any time, and will strive to provide a comparable level of insurance benefits if a change is necessary.

3.2.6.3 Medical: The medical insurance plan at the RTA offers employees and dependents access to medical care insurance benefits. Only Full-Time and Part-Time Health Benefited employees are eligible to participate in the medical insurance plan.

Eligible employees may participate in the medical insurance plan subject to the terms and conditions of the agreement between the RTA and the insurance carrier.

You will find details of the medical insurance plan in the Summary Plan Description (SPD) posted on the RTA payroll website. When you become eligible, you will receive your SPD and rate information prior to the enrollment date. For questions about medical insurance, contact Human Resources for additional information.

3.2.6.4 Dental: The RTA offers dental coverage for full-time employees.

3.2.6.5 Vision: The RTA offers vision coverage for full-time employees.

3.2.6.6 Incidental Benefit for Opting Out: RTA-designated full-time benefited employees who can demonstrate during Open Enrollment that they have Affordable Care Act (ACA) qualifying Medical benefits, as well as Dental and Vision Benefits, through another means and who do not elect to receive Medical, Dental and Vision Benefits through the RTA may “opt out” of these benefits and shall receive an incidental payment of \$175 monthly in lieu of the contribution as defined above.

Full-Time Benefited and/or Part-Time Health-Benefited employees who can demonstrate during Open Enrollment that they have ACA-qualifying Medical Benefits through another means and who do not elect to receive Medical Benefits through the RTA may “opt out” of the medical benefit and shall receive an incidental payment of \$125 monthly in lieu of the contribution as defined above.

3.2.6.7 Life Insurance: The RTA offers a basic life insurance plan for eligible full-time employees. The basic life insurance plan includes Accidental Death and Dismemberment (AD&D) insurance. AD&D provides benefits in case an accident causes a serious injury or

death. Full-time employees may enroll in a supplemental life insurance plan at their own cost, subject to provider approval. There are more details about our basic life insurance plan in the Summary Plan Description. If you have questions about our life insurance plan, contact the Human Resources for more information.

3.2.6.8 Short Term Disability: The RTA has a short-term disability (STD) benefits program for all employees. STD benefits are paid to employees who cannot work because of qualifying disability conditions caused by an injury or illness.

Employees may participate in the STD plan subject to the terms and conditions of the agreement between the RTA and its insurance carrier. If the disability is based on being pregnant or a pregnancy-related illness, it will be treated the same as any other illness that prevents an employee from working.

If the disability is covered by workers' compensation, it will not be covered by the STD plan. There are more details in the STD Summary Plan Description, including how much can be paid and when, the limits, the restrictions, and what is not covered. If you have questions about STD benefits, contact Human Resources for more information.

3.2.6.9 Long Term Disability: The RTA provides long-term disability (LTD) benefits to full-time employees who have an illness or injury that results in a long-term absence. Our LTD plan is designed to ensure a continuing income in the event an eligible employee becomes disabled and unable to work.

Eligible employees may participate in the LTD plan subject to the terms and conditions of the agreement between the RTA and its insurance carrier.

The LTD benefits will be offset by any amounts you receive under Social Security or workers' compensation for the same time period. You will find details about the LTD benefits plan including benefit amounts, limitations, and restrictions in the Summary Plan Description. If you have questions, Human Resources can provide more information.

3.2.7 457 Savings Plan (refer to the CBA for those covered)

The 457 plan is a type of nonqualified, tax advantaged deferred-compensation retirement plan that is available for governmental and certain non-governmental employers in the United States. The employer provides the plan and the employee defers compensation into it on a pre-tax or after-tax (Roth) basis. Employees elect how much salary to contribute and to direct the investment so that each employee can tailor his or her own retirement package to meet his or her individual needs.

The RTA has established a 457 plan to provide eligible employees with the potential for financial security in their retirement. Employees should refer to their employment offer letter for specific information.

Employees become eligible for the 457 plan on the first of the month following the employee's full-time hire date. Eligible employees may participate in the 457 plan subject to all terms and conditions of the plan.

The RTA will also contribute an additional amount to each employee's 457 contribution based on the table below. Complete details of the 457 plan are described in the Summary Plan Description, and Human Resources can provide more information about the 457 plan.

Service Time	Employer Contribution
First year*	2.00%
Second year*	2.20%
Third year*	2.42%
Fourth year*	2.66%
Fifth year*	2.93%
Sixth year*	3.22%
Seventh + years*	3.54%

*The structure is based on years in the eligible position

3.2.8 Uniform Policy (reference the CBA for those covered)

The RTA allows the supervisors to wear the RTA company provided uniform (shirt and pants) or wear business casual attire when not operating an RTA vehicle. Supervisors who wear an approved RTA uniform more than 50% of the time will be eligible to receive the RTA company provided uniform annually. Supervisors may choose to purchase their own approved pants and will receive a \$100 annual uniform allowance.

Supervisors who choose to wear business casual attire are not eligible for the \$100 annual uniform allowance.

3.2.9 Employee Assistance Program (EAP)

The RTA EAP is designed to provide confidential assistance to employees who are having personal or work related problems by providing professional consultation, assessment, and referral. The EAP is available to all employees and their families on the first day of employment at no charge and can assist with most personal problems affecting the quality of life at home and on the job. Contact Human Resources for further details.

3.2.10 Wellness Program

In accordance with the RTA's commitment to health and safety, we have established a Voluntary Wellness Program for the following purposes:

- a. To maintain and enhance employee interest in health and safety issues.
- b. To ensure that managers, supervisors and employees are aware through training activities that they are responsible for the prevention of workplace accidents.
- c. To help make health and safety activities an integral part of the organization's operating procedures, culture and programs.
- d. To provide an opportunity for discussion of health and safety problems and possible solutions.
- e. To inform and educate employees and supervisors about health and safety issues and research findings, etc.
- f. To help reduce the risk of workplace injuries and illness.
- g. To help ensure compliance with federal and state health and safety standards.

For additional information about RTA wellness programs, see Human Resources.

3.2.11 Suggestion Program

We have a suggestion program at the RTA. All employees are eligible to participate in the suggestion program.

A suggestion is an idea that will help the RTA solve a problem, reduce costs, improve operations or procedures, enhance customer service, eliminate waste or spoilage, or make the RTA a better or safer place to work. A suggestion should identify the problem and offer possible ideas for solving or improving an issue or provide a possible solution. A suggestion should not focus on personal attributes of co-workers or management.

Employees should submit suggestions to a supervisor, manager, or director. After it is reviewed, it will be forwarded to the appropriate parties for possible implementation.

3.2.12 Jury Duty (refer to the CBA for those covered)

The RTA encourages employees to fulfill civic responsibilities by serving jury duty when required. If an employee receives a jury duty summons, it should be presented to his or her immediate supervisor as soon as possible so that arrangements can be made to accommodate the employee's possible absence from work.

Should any full-time employee be required to serve on a jury duty, said employee will be paid his or her regular straight time rate of pay on a basis of eight (8) hours per day, less jury duty compensation, for a period of time not to exceed one (1) week excluding Saturdays and Sundays in a floating one (1) year period.

3.2.13 Voting

The RTA encourages employees to fulfill civic responsibilities by voting in elections. Generally, the polls are open for several hours in the morning and evening and we expect that employees will be able to vote either before or after work hours. If an employee does not have sufficient time before or after work, the employee may request up to two hours off without loss of pay for the express purpose of voting. This time needs to be requested in advance.

3.2.14 Bereavement (refer to the CBA for those covered)

Bereavement leave is provided to full-time employees in the event of the death of an employee's: Father, Mother, Brother, Sister, Spouse, Child, Step-Father, Step-Mother, Step-Child, Father-in-law, Mother-in-law, Son-in-law, Daughter-in-law, Brother-in-Law, Sister-in-law, Grandchild, Grandparent and domestic partners registered with the State of California.

Paid time off will be given up to a maximum of three (3) eight (8) hour days for full-time employees.

If more than three (3) days are needed, the employee is permitted to take personal days, vacation days, or leave without pay, with the approval of the employee's immediate supervisor. Part-time and temporary employees may take unpaid bereavement leave.

3.2.15 Unemployment Insurance

If an employee's employment is terminated, the employee may be eligible to receive unemployment insurance. The terminated employee must file a claim with the local Employment Development Department office in order to collect this benefit. If terminated, the employee should inquire about unemployment insurance at the time of separation from RTA. The full cost of unemployment insurance is paid by RTA.

3.2.16 Social Security/Medicare/Medicaid

The RTA participates in the provisions of the Social Security, Medicare and Medicaid programs. Employees' contributions are deducted from each paycheck and the RTA contributes as established by federal law at the applicable wage base.

Section 3.3 Leaves of Absences

3.3.1 Family and Medical Leave Act (FMLA)

Under the provisions of the federal Family and Medical Leave Act (FMLA), eligible employees are entitled to take 12 weeks of family/medical leave within a rolling 12-month period for the following reasons:

- The birth of a child or placement of a child for adoption or foster care;
- To bond with a child (leave must be taken within 1 year of the child's birth or placement);
- To care for the employee's spouse, child, or parent who has a qualifying serious health condition;
- For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job;

For qualifying exigencies, as defined in the FMLA, related to the foreign deployment of a military member who is the employee's spouse, child, or parent.

- An eligible employee who is a covered service member's spouse, child, parent, or next of kin may also take up to 26 weeks of FMLA leave in a single 12-month period to care for the service member with a serious injury or illness.

The rolling 12-month period is measured backward from the date of the most recent use of leave for a covered FMLA event. This means that each time an employee requests a leave under the provisions of this policy, the available time for a leave of absence will be the balance of the total 12 weeks that has not been used during the 12-month period immediately preceding the commencement of leave.

3.3.1.1 Eligibility: To be eligible for leave, an employee must meet following requirements:

- Have worked for the employer for at least 12 months (52 weeks, not necessarily consecutively);
- Have at least 1,250 hours of service in the 12 months immediately preceding the use of the leave; and
- Work at a location where the employer has at least 20 employees within 75 miles of the employee's worksite.

3.3.1.2 Serious Health Condition: The term "serious health condition" means an illness, injury, impairment or physical or mental condition that involves inpatient care in a hospital, hospice or residential medical care facility or continuing treatment by a health care provider which prevents an employee from performing the essential functions of

his or her job or prevents a close family member from performing the functions of their job or attending school. An employee should contact his or her immediate supervisor to determine what qualifies as a serious health condition.

3.3.1.3 Notice Requirements: An employee requesting a leave of absence under this policy should see his or her supervisor and complete the proper leave request form. Where the need for leave is known in advance, the request must be submitted at least thirty (30) days prior to the desired beginning of the leave of absence. Failure to give at least thirty (30) days' notice of foreseeable need for a leave of absence may delay the start of such leave until thirty (30) days after the date the notice is received by the organization. If the request is less than thirty (30) days, the employee may be required to give an explanation of why advance notice was not feasible. If timely notice is not given, the period of delay counts as a non-FMLA absence.

If the need for a leave is not foreseeable or is an emergency situation, the employee must provide at least verbal notification to his or her immediate supervisor as soon as possible and must follow our call-in procedures. Employees must supply sufficient information to enable the RTA to determine if the leave qualifies for FMLA, as well as the duration and timing of the leave.

3.3.1.4 Certification of the Need for Leave: Any employee who needs to have an FMLA-covered medical leave of absence must present certification completed by the employee's health care provider verifying the need for a leave of absence along with the leave request form. This certification must be provided within fifteen (15) days of the request unless it is not feasible under the circumstances. Human Resources has certification forms available for an employee to have completed by his or her health care provider. Failure to provide certification may result in the employee's leave being delayed, denied, or revoked. Note: The RTA reserves the right to a second or third medical certification at our expense.

The RTA also reserves the right to require recertification of the continuance of a serious health condition every six (6) months. Recertification may also be required if:

1. An employee requests an extension of leave;
2. Circumstances described by the original certification have changed significantly;
3. We receive information that casts doubt upon the continuing validity of the certification; or
4. An employee is unable to return to work because of the continuation, recurrence, or on-set of a serious health condition.

3.3.1.5 Intermittent Leave: Generally, FMLA leave must be taken in a single block. Under certain circumstances, however, FMLA leave may be taken on a reduced work schedule basis if the employee and the organization can agree on the schedule requested by the employee.

If intermittent leave is considered medically necessary for the employee or seriously ill family member, the requesting employee produces the required certification by a health care provider that there is a medical need for a leave of absence and that the medical need is best accommodated through an intermittent leave or reduced work schedule. The RTA reserves the right to require a second or third medical opinion in appropriate cases where authorized to do so by the FMLA.

If medical leave is requested on an intermittent or reduced work schedule basis, the RTA may, at the discretion of the RTA Executive Director, transfer the employee temporarily to an available alternative position for which the employee is qualified and which better accommodates recurring periods of leave than does the employee's regular position. Any such transfer will be to a job that offers pay and benefits that are equivalent to those available in the employee's regular job. Employees on authorized intermittent leave with episodic or unforeseeable intermittent absences will not be required to transfer to an alternative job.

A fitness for duty certification can be required every thirty (30) days in the case of intermittent or reduced schedule leaves if reasonable safety concerns exist. The employee has fifteen (15) days to provide this certification.

3.3.1.6 FMLA Leave is Unpaid Leave: Employees on approved FMLA leave of absence will be required to use any earned, unused vacation and sick days during the approved leave of absence unless the leave is for the employee's own serious health condition. Employees must follow the same terms and conditions of RTA's leave policy as those employees not on FMLA. The RTA and employee may mutually agree to supplement worker's compensation or other disability benefits with any other form of paid time off benefits the employee may be entitled to, if state law permits.

3.3.1.7 Spouse Aggregation: In the case where both an employee and his or her spouse are employed by the RTA, the aggregate number of weeks to which both employees are entitled because of the birth or placement of a child or to care for a parent with a serious health condition will be limited to twelve (12) workweeks during any twelve (12) month period. This limitation does not apply in instances where leave is taken because of an employee's own serious health condition or to care for a spouse or child with a serious health condition.

3.3.1.8 Health Insurance: FMLA is benefit protected leave and the RTA will continue to pay its customary portion of group medical insurance coverage. An employee away from work due to FMLA leave may continue medical insurance coverage while on leave by timely payment of his or her portion of the monthly insurance premium on the same day such payment would be required if payment were made by payroll deduction. Where the need for family leave of absence is foreseeable, the employee will be asked to sign an agreement before the leave of absence begins that:

- Discloses the amount that the employee must remit on a timely basis to retain the coverage; and
- Indicates that the employee understands his or her insurance premium payment obligations.

If the FMLA leave is not foreseeable, this agreement must be signed as soon as possible after the leave begins. An employee's failure to pay premiums within thirty days of the due date for such premiums will result in the loss of his or her insurance coverage. If an employee does not return to work at the end of an approved FMLA leave, he or she may be required to repay the organization for the insurance premiums it paid.

3.3.1.9 Health Insurance Continuation – COBRA: The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) was enacted to ensure that employees and their dependents can continue their health insurance once they are no longer eligible under our health plan.

If an employee continues insurance under COBRA, the employee will pay the full cost of the insurance at the RTA's group rates plus an administration fee. When an employee is eligible for RTA's health insurance plan, the employee will receive a written notice describing COBRA rights, applicable deadlines, and what to do if to take continuation coverage under COBRA. As such, it is important that the employee read it carefully and maintain it with insurance documents/records. Employees should contact your Human Resources with any questions regarding COBRA.

3.3.1.10 Benefits During Leave: Employees on a FMLA-related leave do not accrue benefits, including holiday pay, while on unpaid leave. Employees will not accrue vacation and sick pay while on unpaid leave. Vacation and sick pay will begin accruing when the employee returns to work.

3.3.2 California Family Rights Act (CFRA)

Under the provisions of the California Family Rights Act (CFRA), eligible employees are entitled to take 12 weeks of family leave within a rolling 12-month period for the following reasons:

- The birth of a child or placement of a child for adoption or foster care;
- To bond with a child (leave must be taken within 1 year of the child's birth or placement);
- To care for the employee's spouse, domestic partner, child, or parent who has a qualifying serious health condition;
- For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job;

The rolling 12-month period is measured backward from the date of the most recent use of leave for a covered CFRA event. This means that each time an employee requests a leave under the provisions of this policy, the available time for a leave of absence will be the balance of the total 12 weeks that has not been used during the 12-month period immediately preceding the commencement of leave.

3.3.2.1 Eligibility: To be eligible for leave, an employee must meet following requirements:

- Have worked for the employer for at least 12 months (52 weeks, not necessarily consecutively);
- Have at least 1,250 hours of service in the 12 months immediately preceding the beginning of the leave; and
- Work at a location where the employer has at least 20 employees within 75 miles of the employee's worksite.

3.3.2.2 Serious Health Condition: The term "serious health condition" means an illness, injury, impairment or physical or mental condition that involves continuing treatment by a health care provider which prevents an employee from performing the functions of his or her job or prevents the family member from performing the functions of his or her job or attending school. Employees should contact his or her immediate supervisor with any questions regarding what qualifies as a serious health condition.

3.3.2.3 Notice Requirements: An employee requesting a leave of absence under this policy should see his or her supervisor and complete the proper leave request form. Where the need for leave is known in advance, the request must be submitted at least thirty (30) days prior to the desired beginning of the leave of absence. Failure to give at least thirty (30) days' notice of foreseeable need for a leave of absence may delay the start of such leave until thirty (30) days after the date the notice is received by the organization. If the request is less than thirty (30) days, the employee may be required to give an explanation of why advance notice was not feasible. If timely notice is not given, the period of delay counts as a non-CFRA absence.

If the need for a leave is not foreseeable or is an emergency situation or providing notice is not practicable, the employee must provide at least verbal notification to their immediate supervisor as soon as possible and must follow our call-in procedures. Employees must supply sufficient information to enable the RTA to determine if the leave qualifies for FMLA and the duration and timing of the leave.

3.3.2.4 Certification of the Need for Leave: Any employee who needs to have an CFRA-covered medical leave of absence must present certification by a health care provider of the need for a leave of absence along with the leave request form. This certification must be provided within fifteen (15) days of the request unless it is not feasible under

the circumstances. Human Resources has forms available for an employee to have completed by their health care provider. Failure to provide certification may result in the employee's leave being delayed, denied, or revoked. Note: We reserve the right to a second or third medical certification at our expense.

We also reserve the right to require recertification of the continuance of a serious health condition every six (6) months. Recertification may also be required if:

- The duration for the leave, as stated on the certification has expired and the employee requests an extension of leave;
or
- An employee is unable to return to work because of the continuation, recurrence, or on-set of a serious health condition.

3.3.2.5 Intermittent Leave: Generally, CFRA leave must be taken in a single block. Under certain circumstances, however, CFRA leave may be taken on a reduced work schedule basis if the employee and the organization can agree on the schedule requested by the employee.

If intermittent leave is considered medically necessary for self or seriously ill family member, the requesting employee produces the required certification that there is a medical need for a leave of absence and that the medical need is best accommodated through an intermittent leave or reduced work schedule, intermittent leave will be approved. The RTA reserves the right to require a second or third medical opinion in appropriate cases where authorized to do so by the CFRA, including circumstances where the RTA has an objective, good faith reason to question the validity of the certification.

If medical leave is requested on an intermittent or reduced work schedule basis, the organization may, at the discretion of management, transfer the employee temporarily to an available alternative position for which the employee is qualified and which better accommodates recurring periods of leave than does the employee's regular position. Any such transfer will be to a job that offers pay and benefits that are equivalent to those available in the employee's regular job. Employees on unforeseeable intermittent leave will not be required to transfer to an alternative job.

A fitness for duty certification can be required every thirty (30) days in the case of intermittent or reduced schedule leaves if reasonable safety concerns exist. The employee has fifteen (15) days to provide this certification.

3.3.2.6 CFRA Leave is Unpaid Leave: Employees on approved CFRA leave of absence will be required to use any earned, unused vacation and/or sick days during the approved leave of absence unless the leave is for the employee's own serious health condition. If the employee is receiving partial wage replacement other than industrial injury benefits

from a third-party source (private disability insurance), the employee may mutually agree with RTA to apply paid leave accruals. Employees must follow the same terms and conditions of our leave policy as those employees not on CFRA. The RTA and the employee may mutually agree to supplement worker's compensation or other disability benefits with any other form of paid time off benefits the employee may be entitled to, if state law permits.

3.3.2.7 Parent Aggregation: In the case where both parents are employed by the RTA, the aggregate number of weeks to which both employees are entitled because of the birth or placement of a child or to care for a parent with a serious health condition will be limited to twelve (12) workweeks during any twelve (12) month period. This limitation does not apply in instances where leave is taken because of an employee's own serious health condition or to care for a spouse, registered domestic partner, or child with a serious health condition.

3.3.2.8 Health Insurance: CFRA is benefit-protected leave and the RTA will continue to make its customary payment for the employee's group benefits. Employees remain responsible to cover their customary personal contributions in order to keep their benefits in effect. An employee away from work due to CFRA leave may continue medical insurance coverage while on leave by timely payment of his or her portion of the monthly insurance premium on the same day such payment would be required if payment were made by payroll deduction. Where the need for family leave of absence is foreseeable, the employee will be asked to sign an agreement before the leave of absence begins that:

- Discloses the amount that the employee must remit on a timely basis to retain the coverage; and
- Indicates that the employee understands his or her insurance premium payment obligations.

If the CFRA leave is not foreseeable, this agreement must be signed as soon as possible after the leave begins. An employee's failure to pay premiums within thirty days of the due date for such premiums will result in the loss of his or her insurance coverage. If an employee does not return to work at the end of an approved CFRA leave, he or she may be required to repay the organization for the insurance premiums it paid.

3.3.2.9 Health Insurance Continuation – COBRA: The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) was enacted to ensure that employees and their dependents can continue their health insurance once they are no longer eligible under our health plan.

If you continue your insurance under COBRA, you will pay the full cost of the insurance at our group rates plus an administration fee. When you are eligible for our health insurance plan, you will receive a written notice describing your COBRA rights. This

notice contains important information about your rights, strict deadlines to elect continuation coverage, and what to do if you need COBRA so it is important that you read it carefully and maintain it with your insurance documents. If you have any questions regarding COBRA, please contact your Human Resources.

3.3.2.10 Benefits During Leave: Employees on a CFRA-related leave do not accrue benefits, including holiday pay, while on unpaid leave. Employees will not accrue vacation and sick pay while on unpaid leave. Vacation and sick pay will begin accruing when the employee returns to work.

3.3.3 Pregnancy Disability Leave (PDL)

A pregnancy disability is a physical or mental condition related to pregnancy or childbirth that prevents you from performing essential duties of your job, or if your job would cause undue risk to you or your pregnancy's successful completion. Your health care provider should determine whether or not you have a pregnancy disability.

Pregnancy-related disability leave ("PDL"), as part of the California Fair Employment and Housing Act, may be taken for the duration of the disability up to four months (17.3 weeks) for each pregnancy. PDL may be used in a continuous block of leave, or applied intermittently when the need for intermittent or reduced schedule leave is medically verified by the employee's health care provider. This assumes that the employee is disabled by childbirth or related medical conditions for four months. Pregnancy-related disability leave is counted towards an employee's FMLA entitlement and the RTA will always apply PDL and FMLA concurrently. When an employee is no longer eligible for PDL, there is continued leave available for "Baby Bonding" under CFRA.

3.3.3.1 Eligibility: All employees who experience disabilities relating to pregnancy, childbirth or related medical conditions (meaning a physical or mental condition intrinsic to pregnancy or childbirth) may request leave or a reasonable accommodation under this policy.

3.3.3.3 Transfer and accommodation: The RTA also provides reasonable accommodations, to the extent required by law, for conditions related to pregnancy, childbirth or related medical conditions. In addition, a transfer to a less strenuous or hazardous position or duties may be available pursuant to an employee's request, if such a transfer is medically advisable. Employees requesting a leave or reasonable accommodation should promptly notify human resources

3.3.3.3 Notice Requirements: Anyone requesting a leave of absence under this policy should see his or her supervisor and complete the proper leave request form. Where the need for leave is known in advance, the request must be submitted at least thirty (30) days prior to the desired beginning of the leave of absence. Failure to give at least thirty (30) days' notice of foreseeable need for a leave of absence may delay the start of

such leave until thirty (30) days after the date the notice is received by the organization. If the request is less than thirty (30) days, the employee may be required to give an explanation of why advance notice was not feasible.

If the need for a leave is not foreseeable, is an emergency situation or is not practicable, the employee must provide at least verbal notification to their immediate supervisor as soon as possible and must follow our call-in procedures. Employees must supply sufficient information to enable The RTA to determine if the leave qualifies for FMLA and the duration and timing of the leave.

3.3.3.4 Certification of the Need for Leave: Any employee who needs to have a PDL-covered medical leave of absence must present certification of the need for a leave of absence along with the leave request form. This certification must be provided within fifteen (15) days of the request unless it is not feasible under the circumstances. Human Resources has forms available for an employee to have completed by their health care provider. Failure to provide certification may result in the employee's leave being delayed, denied, or revoked. Note: We reserve the right to a second or third medical certification at our expense.

3.3.3.5 PDL Leave is Unpaid Leave: Pregnancy-related disability leaves are unpaid. An employee who is granted a pregnancy-related disability leave may elect to use any accrued but unused paid time off benefits (i.e. vacation or sick leave) during the period of the leave. Any portion of a leave that occurs after all paid time off benefits have been exhausted is without pay. Any unpaid or paid portions of this leave policy shall be added together and will not extend the 4-month (17.3 weeks) total leave period limitation allowed under this pregnancy-related disability leave policy. Employees may mutually agree to supplement disability benefits with any other form of paid time off benefits the employee may be entitled to, if state law permits.

3.3.3.6 Health Insurance: PDL is benefit-protected leave. The RTA will continue to pay its customary premium payments for the employee's health insurance benefit for a maximum of four months of PDL, and a maximum of 12 weeks of CFRA child bonding leave. Employees are responsible for their customary personal premium payment for their own or family coverage, including any additional premium due to adding a new child to the employee's family plan. An employee away from work due to PDL leave, and any CFRA child bonding leave that is taken consecutively to PDL, may continue medical insurance coverage while on leave by timely payment of his or her portion of the monthly insurance premium on the same day such payment would be required if payment were made by payroll deduction. Where the need for family leave of absence is foreseeable, the employee will be asked to sign an agreement before the leave of absence begins that:

- Discloses the amount that the employee must remit on a timely basis to retain the coverage; and

- Indicates that the employee understands his or her insurance premium payment obligations.

If the PDL leave is not foreseeable, this agreement must be signed as soon as possible after the leave begins. An employee's failure to pay premiums within thirty days of the due date for such premiums will result in the loss of his or her insurance coverage. If an employee does not return to work at the end of an approved PDL leave, he or she may be required to repay the organization for the insurance premiums it paid.

3.3.3.7 Health Insurance Continuation – COBRA: The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) was enacted to ensure that employees and their dependents can continue their health insurance once they are no longer eligible under our health plan.

If you continue your insurance under COBRA, you will pay the full cost of the insurance at our group rates plus an administration fee. When you are eligible for our health insurance plan, you will receive a written notice describing your COBRA rights. This notice contains important information about your rights, strict deadlines to elect continuation coverage, and what to do if you need COBRA so it is important that you read it carefully and maintain it with your insurance documents. If you have any questions regarding COBRA, please contact your Human Resources.

3.3.3.8 Benefits During Leave: Employees on a pregnancy-related disability leave do not accrue benefits, including holiday pay, while on unpaid leave. Employees will not accrue vacation and sick pay while on unpaid leave. vacation and sick pay will begin accruing when the employee returns to work.

3.3.3.9 Lactation Policy: We will accommodate employees who desire to express breast milk during working hours by providing a reasonable amount of break time to be used for this purpose and provide a room for a mother who desires to express milk in private. In the event that an employee requires additional time, other than the scheduled rest or meal periods, additional unpaid time off will be provided for this purpose.

3.3.4 Worker's Compensation

The RTA carries workers' compensation insurance coverage as required by law to protect employees who are injured on the job. This insurance provides medical, surgical, and hospital treatment in addition to disability payments, as provided by law, for work-related injuries. Compensation payments begin from the first day of an employee's hospitalization or after the third day following injury if an employee is not hospitalized. The cost of this coverage is paid completely by the RTA.

3.3.4.1 Duty to Report: If an employee is injured while working, he or she must report it immediately to his or her supervisor, regardless of how minor the injury may appear to

be. Failure to immediately report an on-the-job injury may result in disciplinary action up to and including termination.

3.3.4.2 Limit of Liability: The RTA and its worker's compensation insurance carrier are not liable for the payment of any benefits for an injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity which is not a part of the employee's work-related duties. The workers' compensation insurance carrier determines whether the claim is covered under worker's compensation.

3.3.5 Personal Leave of Absence Without Pay (refer to the CBA for those covered)

A Personal Leave of Absence (LOA) is an unpaid absence of five (5) or more consecutive days. The general intent of the RTA's LOA policy is to provide extended time off for illnesses and other reasonable conditions that prevent an employee from reporting to work. With the exception of FMLA, CFRA and PDL, in no case shall a personal LOA be granted for more than 30 days. An important point to remember about a LOA is that, with certain exceptions such as leaves for military duty or jury duty purposes, the RTA provides no assurances or guarantees that a job will be held open until an employee returns.

3.3.5.1 Request for LOA: The granting of an LOA shall be at the sole discretion of the RTA Executive Director or designee. All requests for LOA shall be in writing and shall include a description of the reason for the request. The advance timing of the request shall follow the protocol required for scheduled use of vacation leave, unless the request is for a medical or emergency purpose.

3.3.5.2 Impact on Health Insurance: Full-time employees who have RTA-funded health and other insurance must make financial arrangements with Human Resources if he or she wishes to maintain insurance coverage during an LOA that extends beyond authorized job protected leave, such as FMLA, CFRA and PDL. . During periods when no wages are earned, a personal premium payment plan can be worked out to keep the insurance coverage in force. Unless special arrangements are made, insurance coverage will be canceled on the last day of any month where there is no income and no personal payment is made.

3.3.5.3 Return to Work: When an employee is on an LOA for greater than 30 days, the employee must complete a retraining regimen approved by the Manager, Safety and Training.

3.3.5.4 Gainful Occupation: An employee, who accepts gainful occupation while on a leave of absence or sick leave, terminates his or her employment with the RTA unless otherwise mutually agreed to between the RTA and the employee.

3.3.6 Kin Care

Under California Labor Code Section 233, Kin Care is a right granted to eligible employees under the California Labor Code. Kin Care authorizes employees to use up to one-half of the sick leave that they accrue annually to take time off to care for a sick family member. Kin Care is a protected leave.

A portion of the employee's current sick leave (up to 50%) may be applied as Kin Care for family care leave for a close family member.

Up to half an employee's annual accrual of sick leave may be used for care of children, siblings, parents (be they natural, adoptive, step, foster of the employee or their current spouse, if the employee is married), and spouse in a 12-month period beginning January 1st and ending December 31st.

3.3.7 Military Service Leave (USERRA) and California Military & Veterans Code

The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and other federal and state laws provide for certain LOA rights if an employee is called to active duty military service. In accordance with federal and state laws, this leave allows for five years of leave time and reinstatement rights. Under USERRA, employees returning from military service will be placed in the position they would have attained had they remained continuously employed, or a comparable position depending upon the length of military service. This leave is unpaid, but job protected and benefit protected.

Leave may also be available under the California Military & Veterans Code, if an employee is ordered to military service, including temporary military duty ordered for purposes of active military training, inactive duty training, encampment, naval cruises, special exercises, or similar activities. The leave is unpaid, but job protected and benefit protected, with full reinstatement rights. In certain situations, public employees may be eligible for civilian pay, based upon specific eligibility requirements. Employees ordered to active or reserve service should consult Human Resources about eligibility and leave options.

An employee who is a member of the reserve corps of the armed forces, of the National Guard or the Naval Militia and who has one full year of continuous service immediately preceding the leave, and who takes temporary military leave of 180 days or less (including ordered travel time) shall be maintained in his or her position. Upon the employee's return to duty after the prescribed period of temporary leave, the employee shall receive all vacation, sick leave and benefits arising from seniority in the RTA and in the class which he or she would have accrued had he or she not been absent on military leave.

An employee who has satisfactorily completed six months of continuous service immediately prior to taking ordered military leave shall receive payment equal to one-half month's compensation the employee would otherwise have received for the first one-half month of the

military leave and an employee who has one full year of continuous service immediately prior to taking ordered military leave shall receive a payment equal to a full month's salary that would otherwise have been received for the first full month of military leave upon submitting satisfactory evidence of military service.

3.3.8 Military Spouse Leave

The California Military and Veterans Code Section 394.5 applies to employees whose spouses are members of the United States Armed Forces, National Guard or the Reserves, and who have been deployed during a period of military conflict. The RTA will provide any eligible employee under this policy an unpaid leave of absence during their spouse's leave from deployment for up to 10 days. To be eligible for leave under this policy, employees must work an average of at least 20 hours per week. Employees must notify his or her supervisor of the intent to take leave as far in advance as possible, but no later than two business days after receiving official notice that the spouse will be on leave from deployment. The RTA may ask for written documentation certifying that the spouse will be on a qualifying leave from deployment. This leave is unpaid, but an employee may choose to use accrued vacation leave.

3.3.9 Rehabilitation Leave

The RTA is committed to providing assistance to employees to overcome substance abuse problems. The RTA will reasonably accommodate any employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program as defined in the *RTA Drug and Alcohol Policy*. This accommodation may include unpaid time off for up to 30 calendar days, or an adjusted work schedule, provided the accommodation does not impose an undue hardship on business operations. Leave is unpaid but an employee may choose to apply accrued unused vacation and sick time.

In certain circumstances, and with a Health Care Provider's Certification, substance abuse may be a serious health condition under the CFRA. If properly certified and authorized as CFRA leave, an employee must use Sick Leave in accordance with the terms and conditions of CFRA leave described in this Handbook.

3.3.10 School Appearance Leave

Under California Labor Code Section 230.7, employees may need to appear at his or her child's or grandchild's school in connection with disciplinary action by the school. This is an unpaid leave, although employees can choose to use available vacation leave. Documentation from the school noting the date and time of the employee's visit is required.

3.3.11 School and Child Care Activities Leave and Child Care Emergencies Leave

Under California Labor Code Section 230.8, parents, guardians, or grandparents of a child in kindergarten, grades 1-12, or a licensed day care center may wish to take time off without pay to visit his or her child's school or day care center for a school activity. The time off must not be

more than eight hours each calendar month (up to a maximum of 40 hours each calendar year), provided reasonable notice is given for the planned absence.

This is an unpaid leave, and employees can choose to use available vacation leave. For scheduled events, employees should provide reasonable advance notice. In emergencies, the RTA asks that employees provide at least one day notice or call before the beginning of the work day.

Child Care Emergencies Leave is available if an employee's child cannot remain in school or with a child care provider. An employee (parent, step parent, legal guardian or person who stands in loco parentis to a child) may use unpaid time off for a "child care emergency," which is defined as:

- The school or child care provider has requested that the child be picked up or has an attendance policy excluding planned holidays, that prohibits the child from attending or requires the child to be picked up from the school or child care provider;
- Behavior or discipline problems;
- Closure or unexpected unavailability of the school or child care provider, excluding planned holidays; or
- Natural disaster, including but not limited to fire, earthquake, or flood.

All time off for child care emergencies is unpaid. An employee can choose to use accrued unused vacation leave.

3.3.12 Volunteer Civil Service / Emergency Responder Leave

Under California Labor Code Sections 230.3 and 230.4, time off to perform emergency duty as a volunteer firefighter, peace officer, or emergency rescue personnel (an officer, employee, or member of a fire department, fire protection, or firefighting of the federal government, state of California, or other local governments, or other special districts; an officer of a sheriff's department, police department, or private fire department).

A total of 14 days per calendar year, to engage in fire, law enforcement or emergency rescue training is also allowed.

All time off to serve is unpaid. An employee can choose to use accrued unused vacation leave.

3.3.13 Volunteer Civil Air Patrol

Under California Military and Veterans Code 395.10, a volunteer member of the California Wing of the civilian auxiliary of the U.S. Air Force Civil Air Patrol, responding to an emergency operation mission is entitled up to 10 days of leave per year. However, the leave for a single emergency mission cannot exceed 3 days, unless the emergency is extended by the entity in charge of the operation.

All time off to serve is unpaid, and an employee can choose to use accrued unused vacation leave.

3.3.14 English Literacy Programs

If you identify an English literacy challenge, for which you are enrolling in an English literacy course, we will seek to accommodate your work schedule (subject to make-up or alternate work schedules as allowed by law) as long as it does not unduly burden the workplace or RTA operations.

All time off needed for literacy programs is unpaid. Employees, however, may use accrued vacation leave during the period of work missed to attend literacy classes.

3.3.15 Domestic Violence, Sexual Assault and Stalking Leave

Under California Labor Code Section 230, employees who are victims of domestic violence, sexual assault, or stalking are eligible for unpaid leave. Leave may be requested for judicial action, such as obtaining restraining orders, appearing in court to obtain relief to ensure your health, safety, or welfare, or that of your child, or for medical treatment or psychological counseling related to an experience covered by this policy. The RTA will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave under this provision.

This is an unpaid leave, and employees can choose to use available sick leave or vacation leave. Domestic violence, sexual assault and stalking victims' leave for medical treatment or counseling services will run concurrently with FMLA-CFRA, allowing for 12 weeks in a 12-month period, less any previous FMLA-CFRA time taken.

The RTA provides reasonable accommodations, to the extent required by law, for employees under circumstances where domestic violence or talking requires security measures or time off to obtain resources or services. Reasonable accommodations may include a temporary transfer, modified schedule, changed work telephone or email, installed lock, assistance in documenting domestic violence or stalking that occurs in the workplace or other safety procedures. The RTA will implement reasonable accommodations that do not create an undue hardship. The RTA will also take all necessary and appropriate steps to prevent any form of actual or threatened retaliation against an employee who takes time off or requests other reasonable accommodations under this policy. An employee who believes that reasonable accommodations are required should contact Human Resources.

3.3.16 Crime Victims' Leave

Under California Labor Code Section 230.2, any employee who has been a victim of a serious or violent crime, may take time off work to attend judicial proceedings related to the crime. Such crimes may include any of the following: vehicular manslaughter while intoxicated; felony child abuse likely to produce great bodily harm or a death; assault resulting in the death of a child under eight years of age; felony domestic violence; felony physical abuse of an elder or

dependent adult; felony stalking; solicitation for murder; a serious felony; hit-and-run causing death or injury; felony driving under the influence causing injury; and sexual assault. Judicial proceedings for purposes of this policy also include any court proceeding where the victim's rights are in issue, including a delinquency proceeding involving a post-arrest release decision, plea, sentencing or post-conviction release decision.

Employees may also take time off if an immediate family member, domestic partner or domestic partner's child has been a victim of such crimes and needs to attend judicial proceedings related to the crime. Immediate family member is defined as spouse, child, stepchild, registered domestic partner or child of domestic partner, brother, stepbrother, sister, stepsister, mother, stepmother, father, or stepfather.

Employees must give Human Resources reasonable advance notice of the need to take time off, unless advance notice is "not feasible." If an unscheduled absence occurs, no adverse action may be taken or threatened if the employee provides a certification to the employer regarding the absence. A certification shall be deemed sufficient if it is one of the following: (1) a police report indicating the employee was a victim of a specified offense; (2) a court order protecting or separating the employee from the perpetrator or other evidence from the court or prosecutor that the employee appeared in court; OR (3) documentation from a health care provider, domestic violence or sexual assault victim's advocate, or other counsel showing that the employee was undergoing treatment related to being a victim of an offense as specified above.

Employees may elect to use accrued paid vacation time, paid sick leave time, or other paid time off for the absence. If the employee does not elect to use paid time off, the absence will be unpaid. However, exempt employees will be paid their full salary for any workweek interrupted by the need for time off under this policy. Unpaid leave for documented purposes under this provision will be authorized and such leave is both job-protected and benefit-protected.

3.3.17 Witness Duty (refer to the CBA for those covered)

If you are summoned to be a witness for the RTA or if we ask you to testify, we will give you time off with pay.

Any regular full-time or regular part-time employee who is required to act as a witness in a non-work related legal proceeding will be required to use vacation or leave without pay to attend court. Employees who need to be a witness in their domestic violence proceeding or as a victim of specified crimes for self or close family will be allowed to use up to 3 days/24 hours of sick leave for this purpose. Documentation may be requested.

If you need time off to be a witness for the RTA or non-work related reasons, show the subpoena, police report, letter from prosecutor, etc. to your immediate supervisor as soon as you receive it. We expect you to report for work whenever you are not needed in court.

Section 3.4 Policy Against Retaliation Regarding Leaves

No employee will be subject to, and the RTA prohibits, any form of discipline or retaliation for reporting in good faith incidents of unlawful discrimination, pursuing any such claim, or cooperating in any way in the investigation of such reports. The RTA does not condone and will not tolerate retaliation against any employee for cooperating in an investigation, for making a truthful complaint of a violation of this policy in good faith, for opposing perceived violations of this policy, or for filing an administrative claim with the California Department of Fair Employment and Housing (DFEH) and/or the Equal Employment Opportunity Commission (EEOC), even if the allegations are not substantiated by the RTA's investigation. Any employee who feels he or she has experienced or witnessed any conduct which he or she believes to be retaliatory in nature, should follow the reporting procedures described above.

RTA will not discriminate against any employee in the following situations:

- a. For taking time off to perform emergency duty as a volunteer firefighter, a reserve peace officer, or emergency rescue personnel
- b. For taking time off to serve on a jury or appearing as a witness in court.
- c. An employee who is a victim of domestic violence and/or a victim of sexual assault for taking time off from work to obtain relief or attempt to obtain relief to help ensure his or her health, safety, or welfare, or that of his or her children
- d. For using, or attempting to exercise the right to use sick leave to attend to the illness of a child, parent, spouse, domestic partner, or child of the domestic partner of the employee.
- e. For any other conduct that is protected by public policy.

ARTICLE 4

EQUAL OPPORTUNITY, DISCRIMINATION AND HARASSMENT

Section 4.1 Policy

The RTA Board maintains a strong commitment to support equal employment opportunity and to prohibit and prevent discrimination, harassment and retaliation in employment. The RTA sets forth this procedure for reporting, investigating and resolving internal complaints related to discrimination, harassment and retaliation. All covered individuals are encouraged to report, as soon as possible, any conduct that is believed to violate this policy. Such conduct need not rise to the level of a violation of law to violate this policy. Conduct which may lead to discrimination, harassment or retaliation is in violation of this policy and will not be tolerated. Violation of this policy by any officer, employee, agent, or volunteer shall be grounds for discipline or other appropriate sanctions. In support of this policy, all employees of the RTA shall receive discrimination and harassment prevention training upon hire.

4.1.2 American with Disabilities Act (ADA) and Fair Employment and Housing Act (FEHA) Policy

Reasonable accommodation is available to an employee with a disability when the disability affects the performance of job functions. The RTA makes employment decisions based on the qualifications in accordance with defined criteria, not the disability of the individual.

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as job assignments, classifications, organizational structures, position descriptions, lines of progression, and seniority lists.

We follow all state or local laws that give more protection to a person with a disability than the ADA gives, including without limitation the California Fair Employment & Housing Act. The RTA will provide reasonable accommodations, where appropriate and necessary, and we have an established process for evaluating requests for accommodations.

The RTA is committed to taking all other actions that are necessary to ensure equal employment opportunity for persons with disabilities in accordance with the ADA and any other applicable federal, state, and local laws.

Section 4.2 Equal Employment Opportunity

The RTA maintains and promotes a policy of equal employment opportunity. The RTA is committed to maintaining a work environment that is merit based, and free from illegal discrimination, which includes harassment and retaliation.

The Board of Directors, its managers, employees, agents, and volunteers will not discriminate against any applicant for employment, employee, intern, volunteer, contractor, subcontractor,

vendor, or client because of age, ancestry, color, creed, marital status, medical condition (cancer or genetic characteristics), national origin, citizenship, physical or mental disability, political affiliation or belief, pregnancy, race, religion, sex, sexual orientation, gender identity or expression, or any other legally protected characteristic or status.

This policy shall apply to all employment actions including, but not limited to: recruitment, testing, hiring, training, promotion, demotion, transfer, layoff, performance evaluation, discipline, salary and benefits administration, terms and conditions of employment, and participation or appointment to all boards and commissions. All employment decisions shall be made on the basis of individual qualifications, bona fide occupational qualifications for the job in question, and the feasibility of any necessary job accommodations.

This policy shall apply to all RTA worksites, and to the conduct of all individuals who interact with RTA employees, including contractors, vendors, suppliers, business partners, visitors that are discriminatory toward RTA employees or creates a hostile, offensive, intimidating or abusive work environment for any RTA employee.

4.2.1 Policy Against Discriminatory Harassment

It is the policy of the RTA that all employees shall have a working environment free of unlawful discrimination. A businesslike workplace helps to ensure courteous treatment for both employees and the public we serve. Harassment of an applicant or employee by any employee or officer on the basis of age, ancestry, color, creed, marital status, medical condition (cancer or genetic characteristics), national origin, physical or mental disability, political affiliation or belief, pregnancy, race, religion, sex, sexual orientation, gender identity or expression, or any other legally protected status is employee misconduct that constitutes illegal discrimination and is grounds for disciplinary action up to and including termination. The RTA requires that all employees and officers treat the public and other employees with courtesy and respect.

Discriminatory harassment includes unwelcome derogatory comments, physical acts, written or visual insults which are made on the basis of an employee's protected status (race, religion, etc.). In order for the harassing conduct to be considered discriminatory harassment, it must unreasonably interfere with an employee's work performance by creating an intimidating, hostile or offensive working environment.

Because the RTA seeks to prevent any form of illegal harassment, behavior such as unnecessary touching, sexual or discriminatory remarks or joking, which may lead to illegal harassment, will not be tolerated and shall be the basis for immediate and appropriate corrective action, including discipline or termination.

4.2.1.1 Abusive Conduct: In addition to harassment based on a protected characteristic, the RTA prohibits acts of bullying or abusive conduct, whether by words, gestures, written or electronic communications. A safe and civil environment is necessary for employees to achieve the high standards we expect. Demonstration of appropriate

behavior, treating others with civility and respect, and refusing to tolerate harassment and bullying are expected of all employees.

Under California law effective January 1, 2015, abusive conduct is defined as “conduct of an employer or employee in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to an employer’s legitimate business interests.”

4.2.1.2 Bullying: In addition to harassment based on a protected characteristic, or membership in a protected class, the RTA prohibits acts of bullying, whether by words, gestures, written or electronic communications. A safe and civil environment is necessary for employees to achieve the high standards we expect. Demonstration of appropriate behavior, treating others with civility and respect, and refusing to tolerate harassment and bullying are expected of all employees. Bullying is repeated, health-harming mistreatment of another employee. Examples of prohibited bullying include, but aren’t limited to: screaming; swearing; name calling; stealing; giving dangerous work assignments; using threatening, intimidating, or cruel behaviors; deliberately humiliating a person; denying advancement; and stealing work credit.

Generally, bullying involves: (1) written, verbal, graphic or physical acts (including electronically transmitted content, such as using the Internet, a cell phone, a personal digital assistant (PDA), or a wireless handheld device); (2) behavior that substantially interferes with work, opportunities, and benefits of one or more employees, sometimes through actual sabotaging of work; (3) behavior that adversely affects an employee’s ability to function at work by placing the employee in reasonable fear of physical harm or by causing emotional distress.

Because bystander support can encourage bullying, the RTA also prohibits both active and passive support for acts of bullying. Employees should either walk away from these acts when they see them or attempt to stop them. In either case, employees should report incidents to a manager or supervisor, or to Human Resources. Those who engage in bullying or retaliation for complaints about bullying will be subject to appropriate discipline up to and including termination of employment.

4.2.2 Policy Against Sexual Harassment

It is the policy of the RTA that all employees shall have a working environment free of sexual harassment. A businesslike workplace helps to ensure courteous treatment for both employees and the public we serve. Sexual harassment of an applicant or employee by any employee or officer is employee misconduct that constitutes illegal discrimination and is grounds for disciplinary action up to and including termination. The RTA requires that all employees treat the public and other employees with courtesy and respect.

Sexual harassment includes unwelcome sexual overtures by any officer, employee, supervisor or manager, whether written, physical, visual or verbal (may include sexual innuendo, graphic or explicit jokes, suggestive sounds, or stories of a sexual nature), where submission is made a term or condition of employment or the basis of an employment decision. Sexually harassing conduct unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment.

Some of the basic forms of sexual harassment include:

- a. Unwelcome sexual advances, where submission to the conduct is an explicit or implicit term or condition of employment.
- b. Unwelcome sexual advances, where submission to, or rejection of, the conduct is used as the basis for an employment decision.
- c. The conduct had the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.
- d. Sexual harassment includes behavior by women directed at men, by men directed at women, same-sex harassment, and harassment based on sexual orientation.
- e. Under California law, the conduct does not have to be motivated by sexual desire in order to constitute illegal harassment.

Because the RTA seeks to prevent any form of illegal harassment, behavior such as unnecessary touching, sexual or discriminatory remarks or joking, which may lead to illegal harassment, will not be tolerated.

Section 4.3 Reporting Discrimination or Harassment

Any incident of harassment, including work-related harassment by any RTA personnel or any other person, should be reported promptly to the employee's supervisor, Human Resources, or the RTA Executive Director, or to the County of San Luis Obispo Human Resources (which provides third party contractor providing human resource services to the RTA). Supervisors who receive complaints or who observe harassing conduct are required to inform the RTA Executive Director immediately.

The RTA emphasizes that an employee is not required to complain first to his or her supervisor if that supervisor is the individual who is harassing the employee; rather a complaint about the employee's supervisor should be made to the RTA Executive Director, or to the County Human Resources department.

Upon receipt of a complaint, the RTA will conduct a timely investigation to determine the facts and any appropriate corrective action. The investigation is a neutral fact-finding inquiry by a qualified investigator. Should the RTA determine that the individual circumstances require an independent investigator to ensure impartiality, the RTA will take appropriate steps to engage a qualified investigator. All individuals who participate in the investigation, whether as the person

making the complaint, the person(s) whose behavior is being investigated, or individual witnesses will be treated with respect and will be afforded due process.

The RTA will ensure that statements of the complainant, alleged offender and all witnesses are documented thoroughly and that the investigation is conducted in a thorough, objective and neutral manner, and is considerate of the rights and emotions of all the parties involved. After all evidence and information is collected and evaluated, the RTA will reach prompt and reasonable conclusions.

In addition to notifying the RTA about harassment or retaliation complaints, affected employees may also direct their complaints to the DFEH and/or the EEOC, which has the authority to conduct investigations of the facts. Employees can contact the nearest DFEH office at the locations listed on the RTA's DFEH poster or by checking the state government listings in the local telephone directory.

Disciplinary action for a violation of the policies described herein can range from verbal or written warnings up to and including immediate termination, depending upon the circumstances.

This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfer, imposition of discipline, and social and recreational programs. It is the responsibility of all RTA personnel to conscientiously follow this policy. Any employee having any questions regarding this policy should discuss them with his or her immediate supervisor, the RTA Executive Director, or to the County Human Resources department.

Section 4.4 Policy Against Retaliation

The RTA prohibits any adverse employment action, including threats of reprisals against those who in good faith report, or supports someone who reports violations of RTA policy or State / Federal law, or engages in other legally protected activity. The RTA further prohibits retaliation against anyone who participates (as witnesses or accused) in investigations into complaints of alleged misconduct. Disciplinary action, up to and including termination, will be taken against an employee or officer who is found to have violated this policy. Any consultant or contractor who violates this policy will be subject to appropriate sanctions. This policy applies to all RTA officers, employees, volunteers, interns, consultants, contractors and vendors, and prohibits retaliation because of any of the protected activity as defined herein.

ARTICLE 5

RECRUITMENT, SELECTION AND CLASSIFICATION

Section 5.1 Policy (refer to the CBA for those covered)

All employee selections and promotions shall be made according to merit, qualifications, and the job requirements. The policies and procedures outlined below are consistent with policies regarding Equal Opportunity Employment laws as enforced by the Department of Labor.

Section 5.2 Job Descriptions

The RTA strives to develop and maintain accurate job descriptions for all job classifications. A job description includes the following sections:

- Job information;
- Job summary (gives a general overview of the job's purpose);
- Essential duties and responsibilities;
- Qualifications (includes education and/or experience, language skills, mathematical skills, reasoning ability, and any certification required);
- Physical demands; and
- Work environment.

The RTA uses job descriptions to identify the requirements of a job, set up the hiring criteria, set standards for employee performance evaluations, and establish a basis for making reasonable accommodations for individuals with disabilities.

In cooperation with the lead supervisor, manager or director of your department, Human Resources will prepare a job description when a new job is created. Human Resources reviews existing job descriptions and update them when a job changes. A job description does not necessarily cover every task or duty that an employee might be assigned; an employee may be assigned additional responsibilities as necessary. If an employee has questions or concerns about his or her job description, the employee should discuss those concerns with his or her immediate supervisor.

Section 5.3 Recruitment (refer to the CBA for those covered)

Whenever a position vacancy occurs, it may be filled in one of the following three ways as determined by each department manager:

- Open/On-going Recruitment – A competitive process in which all interested persons are eligible to apply for a vacant position.
- Internal Recruitment – A competitive process in which only current RTA employees are eligible to apply for a vacant position.

- Direct Appointment – Upon approval of the RTA Board, a position may be filled through direct appointment.

5.3.1 Duration of Recruitments

All open/on-going recruitments must be announced to the general public for a minimum of five (5) work days. All internal recruitments must be announced to RTA employees for a minimum of ten (10) work days. The RTA Executive Director may authorize extending a previously established final filing date.

5.3.2 Recruitment Announcement

All open external recruitments shall, at a minimum, be announced through an online “Employment Opportunities” page and be available to the public upon request. Announcement of all internal recruitments shall be posted on a bulletin board accessible by all RTA employees. The recruitment announcement shall, at a minimum, include the title of the position, the salary range, the minimum qualifications for admission to the recruitment process, and the final filing date.

5.3.3 Applications

Persons interested in employment or promotion with the RTA must submit an application for employment or promotion using the systems and methods included in the recruitment announcement. Applications shall be accepted until 11:59 pm (external) and 4:30 PM (internal) of the final filing date. False information on an application may be considered grounds for removal from the recruitment or, if already employed, may be considered grounds for termination of employment.

5.3.4 Minimum Qualifications

All employees shall meet the minimum qualifications of the position to which they are assigned, and shall possess and maintain licensure as required in the job specifications. Only applicants who meet the minimum qualifications for the job (as described in the job specifications) may compete in the selection process. Applicants who do not meet the minimum qualifications shall be notified as such and shall have five (5) work days from the date of the notice to provide additional information to be considered in the minimum qualifications determination.

5.3.5 Employee Referral Program

Employees who know of someone who is interested in working for the RTA should refer him or her to Human Resources.

For each applicant that an existing RTA employee refers that is hired will receive a monetary reward after the new employee has completed his or her probationary period.

Section 5.4 Selection (refer to the CBA for those covered)

Except for a direct appointment approved by the RTA Board, selection and promotion of employees by department managers and Human Resources shall be by a competitive selection process.

5.4.1 Selection Process

Applicants that meet the minimum qualifications of the job and are eligible to compete in the selection process shall be considered to be “candidates.” All open recruitments or internal recruitments must include one or more competitive selection elements. These elements may include, but are not limited to: oral interview, competitive application rating, written test, practical performance test, or any other valid and reliable selection method. All selection elements shall be job related and based on merit principles. At the conclusion of the recruitment process, all candidates shall be placed on an eligible list in rank order based on his or her final evaluation, including Veteran’s preference. An eligible list shall remain in effect for no less than six (6) months.

5.4.1.1 Selection Notification: Candidates shall be notified of their results in any element of a selection element in which they participated. Such notification shall, at a minimum, include whether they passed or failed that element of the selection process.

5.4.1.2 Selection Records: Records of a competitive selection shall be maintained for a period of not less than one year. Selection materials are confidential and are not subject to direct review by candidates.

5.4.1.3 Veterans Preference: A candidate who competes in an open recruitment and has a valid Veterans Certificate on file with the San Luis Obispo County Veterans Services office or the U.S. Veterans Administration shall be given preference amongst all other applicants, provided the Veteran can perform the essential duties of the position.

5.4.2 Interview of Certified Candidates

Upon establishment of the eligible list and prior to filling a position, the department manager and Human Resources shall at a minimum invite the top three ranked candidates on the eligible list to be interviewed. Subsequent ranks may be invited for an interview, however in no instance may ranks be skipped. Failure of a candidate to respond to an invitation for an interview shall be considered a decline to interview.

5.4.3 Background and Reference Checks

To ensure that individuals who join the RTA meet our standard qualifications and have a strong potential to be productive and successful, it is our policy to check the employment references and criminal background checks of all applicants after a conditional offer of employment is provided. For some positions, such as management, or positions requiring access to financial, confidential data or other positions of trust, the RTA also requires a credit check in accordance with the applicable federal and state standards.

In addition to checking references of applicants, we will respond in writing only to those reference check inquiries that are submitted in writing on former employees. Responses to such inquiries will be limited to factual information that can be substantiated by our records. The RTA will only provide dates of employment, title and rehire status without written consent. Wage information will be provided upon written authorization and release signed by the individual who is the subject of the inquiry.

5.4.4 Licensing

The following provides a summary of licensing and medical certification required for the Bus Operator position and other RTA positions that control the movement of an RTA revenue vehicle:

5.4.4.1 DMV License: It is the employee's responsibility to cover the costs of obtaining a Commercial Driver's License (CDL) and any renewals.

5.4.4.2 Medical Certificate for Safety Sensitive Position for New Hires: the RTA will provide to each candidate with a list of authorized examining doctors that will complete the US DOT required physical examination at no cost to the employee.

5.4.4.3 Medical Certificate for Existing Employees: the RTA shall post a list of employees who are due to renew their medical certificate on the first day of each month. If the employee chooses to use a doctor that is not on the RTA-provided list, the employee will be solely responsible for the costs of the physical examination.

5.4.4.4 Unpaid Time to Obtain/Maintain Licensing: Candidates for new safety sensitive positions and existing employees shall obtain or maintain commercial driver's licenses and/or medical certificates on their own time, with the exception of RTA-provided Verification of Transit Training paid time. In no case shall the RTA be liable for pay or other benefits while the candidate or employee is conducting such off-site licensing business.

Section 5.5 Recruitment and Selection Services

The RTA may contract with third party providers of recruitment and selection services. The third party service provider shall have broad discretion in interpretation of RTA policies related to recruitment and selection in order to ensure adherence to merit principles and equal opportunity in employment. The provisions of this article shall be interpreted to allow for conformance with the third-party systems and processes. Applicants and candidates shall use the systems and comply with the requirements of the third party service provider authorized by the RTA Board.

Section 5.6 Classification

The RTA shall prepare and maintain written job specifications for each classification approved by the RTA Board. All positions shall be assigned to an approved classification. See Appendix B for details on RTA job classifications.

5.6.1 Approval of Job Specifications

Job Specifications for newly created classifications or revisions to job specifications for existing classifications must be submitted to and approved by the RTA Board.

5.6.2 Upward Reclassification of Positions (refer to the CBA for those covered)

At the sole discretion of the RTA Executive Director, a position that has been assigned to a classification series may be reassigned to a higher level classification within that series. Such reassignment of classification is known as a career series promotion. A career series promotion is a non-competitive promotion.

ARTICLE 6

EMPLOYEE PERFORMANCE EVALUATION

Section 6.1 Background and Scope (refer to the CBA for those covered)

The RTA Executive Director shall establish, implement and maintain an effective system for periodic evaluation of the performance and conduct of employees at the RTA. The objective of this system shall be to record the performance of employees during the past evaluation period, assist supervisors and their employees in measuring progress toward work goals, identify employee development needs and establish a basis for personnel decisions.

Section 6.2 Evaluation Procedure (refer to the CBA for those covered)

In accordance with RTA procedures and on forms approved by the RTA Executive Director, managers/supervisors shall evaluate, record and report the performance of their direct-report employees. Performance evaluations shall be one of the following:

- a. Regular Evaluation: Employees shall receive an annual performance evaluation in July of each year, unless hired in the three months prior.
- b. Special Evaluation/Performance Improvement Plan: The RTA Executive Director may, at his or her discretion, issue a special evaluation. All special evaluations shall be created and administered in accordance with the provisions of this Rule.

Each evaluation shall be discussed with the employee by their supervisor and the employee shall be given a copy of the evaluation report following the discussion. The employee shall sign the report last as an acknowledgement that the report was discussed with him/her. The employee shall have the right to review the performance evaluation report with the RTA Executive Director or designated representative. The evaluation report shall be maintained in the employee's official personnel record.

Our objectives are to:

- a. Motivate and guide employees toward improved work performance, professional growth and development by discussing significant strengths and areas needing improvement in a positive, constructive manner.
- b. To promote communication between you and your supervisor to work-related matters.
- c. To provide a uniform process for supervisors to assess employee performance in relation to performance requirements. Additionally, supervisors can use performance appraisals to recommend merit increases. Therefore, no employee should expect to receive a salary increase based solely on the passage of time.
- d. To provide a method of evaluating employee suitability for continuation of employment, job transfers and/or promotions.
- e. To provide a record of employee progress.

This program is not a guarantee of advancement. The RTA Board of Directors and economic forces affecting the budget are the ultimate consideration regarding salaries.

ARTICLE 7

PERSONAL CONDUCT

Section 7.1 Personal Conduct (refer to the CBA for those covered)

The orderly and efficient operation of RTA facilities and work sites requires that all employees maintain certain standards of job performance and good conduct. When performance or conduct do not meet RTA standards, the RTA will endeavor when it deems appropriate to provide all employees a reasonable opportunity to correct the deficiency. If, however, you fail to make the correction, you will be subject to discipline, including termination of employment.

Section 7.2 Job Performance (refer to the CBA for those covered)

All RTA employees are expected to observe professional standards of job performance and conduct in support of the mission and vision of the RTA, and to show courtesy and respect to co-workers and the public we serve.

When performance or conduct does not meet the standards and expectations of RTA, employees should be given an opportunity, when appropriate, to correct the deficiency. If, however, the employee fails to make the correction, he or she will be subject to discipline.

It is not possible to provide employees a complete list of every possible type of action which may result in discipline or termination. Management reserves the right to establish standards of conduct as it deems necessary. However, in order to provide employees some guidance concerning unacceptable behavior, the following are considered impermissible. Employees who engage in misconduct or whose performance is unsatisfactory may be subject to disciplinary action, up to and possibly including termination. The list below is intended simply to provide some examples of disciplinary offenses.

Employees may be disciplined up to and including termination for poor performance including, but not limited to, the following:

1. Below-average work quality or quantity as set forth in job description and compensation plan, or as determined by executive or division managers.
2. Poor attitude (for example, discourtesy, rudeness or lack of cooperation) or failure to follow the instructions of a supervisor or manager.
3. Excessive absenteeism, tardiness or abuse of break and lunch privileges.
4. A demonstrated pattern of erratic or poor attendance that is not part of an authorized leave of absence or other reasonable accommodation established by the RTA.
5. Failure to follow instructions or RTA procedures.
6. Failure to follow established safety regulations, policies, procedures or hazard communication training.

7. Reporting to work or attempting to work when physically or mentally unfit for reasons such as: illness, injury, lack of sleep, influence of stimulants, depressants, liquor or drugs, emotional strain or other unfit condition.
8. Creating or contributing to unhealthful, unsanitary or unsafe conditions, including littering, graffiti or failure to properly dispose of debris, expired food items or other trash in proper areas.
9. Loafing, wasting time or sleeping during working hours.
10. Failure to meet a reasonable measure of efficiency or to follow business-related instructions from a manager or supervisor.
11. Failure to be at work position at start of shift or end of lunch period and/or failure to remain at work position up to start of lunch period or end of shift.
12. Repeated refusal of overtime work assignments without satisfactory reasons or authorized reasonable accommodations.
13. Inattention, carelessness or negligence (willful or otherwise) which causes or could cause injury to other employees or damage to RTA property.
14. Horseplay or mischief which endangers the safety of others or creates the possibility of damage to RTA property.
15. Repetitive violation of industrial safety rules and/or regulations.

Section 7.3 Misconduct That May Result in Discipline up to and Including Termination
(refer to the CBA for those covered)

1. Theft, abuse or defacing of any property belonging to the RTA or fellow workers, including stealing from customers' property.
2. Falsification or forgery of or making a material omission on forms, records, or reports, including time cards, applications for employment, customer records or checks, entertainment receipts, or RTA credit cards.
3. Lying to any supervisor or manager or submitting false or misleading documentation to support any requested benefit, including use of sick leave or other leaves of absence.
4. Actual or threatened physical violence towards another employee or subcontractor of the RTA.
5. Possessing or bringing firearms, knives, weapons, or chemicals on or to RTA property.
6. Insubordination, refusing to follow a supervisor's directions, or other disrespectful conduct to a supervisor.
7. Use of abusive language, verbal or visual, to any other person on RTA premises. Loud screaming, laughing or disruptive behavior.
8. Destroying or damaging property, records or other materials owned or leased by the RTA or any employee or subcontractor performing work pursuant to an agreement with the RTA.
9. Violating safety or health rules or practices or engaging in conduct that creates a safety or health hazard.

10. Using, possessing, distributing, selling or being under the influence of alcohol or unlawful drugs while on duty, while on RTA's property or customer premises, or while operating an RTA owned or leased vehicle.
11. Sexual harassment or other unlawful harassment bullying or abusive conducted directed toward another employee.
12. Misappropriation or theft of the RTA's funds, including unauthorized use of RTA funds, RTA credit cards and charge accounts for personal use.
13. Copying of any confidential information or records for known or unknown use by others outside the RTA.
14. Bringing to work or displaying any writings, posters, pictures or literature on RTA premises unless authorized in writing by management.
15. Solicitation to customers or other employees for sale of products including cosmetics, kitchenware or other items during business hours. Employees are urged to limit this type of activity to after hours.
16. Violation of RTA policies including breaches of security or trade secret disclosure.
17. Tampering with or in any way falsifying a document or record submitted to the RTA to support any request for benefits, including sick leave, other leaves of absence, or compensation.
18. Tampering with, destroying or in any way falsifying an RTA business record.
19. Any behavior that brings discredit to the RTA.
20. Absence of two or more days without authorization.
21. Failure to pass a drug test administered pursuant to the established RTA drug testing policy.
22. Punching another employee's time card.

Section 7.4 Investigation of Employees for Misconduct

The RTA may occasionally find it necessary to investigate employees, where behavior or other relevant circumstances raise questions concerning work performance, reliability, honesty, trustworthiness, or potential threat to the safety of coworkers or others. Employee investigations may, where appropriate, include credit reports and investigations of criminal records (including appropriate inquiries about any arrest for a crime of dishonesty, theft, drugs or violence) and for which the employee is out on bail or awaiting trial. Employees subject to an investigation are required to cooperate with the RTA's lawful efforts to obtain relevant information.

The purpose of the investigation is to discover the underlying reasons for the problem so that management can take corrective action. Investigations are a tool for management to use in analyzing the reasons for problems or gathering data to make management decisions.

7.4.1 Reports or Complaints of Misconduct:

The RTA will also investigate any possible fraudulent or dishonest use or misuse of RTA resources or property by management or employees, or other misconduct. Anyone found to

have engaged in a fraudulent or dishonest conduct is subject to disciplinary action by the RTA up to and including termination of employment. The RTA also may pursue civil or criminal prosecution when warranted.

7.4.2 Policy Against Retaliation for Reporting:

The RTA will not retaliate against any employee who makes a report or complaint in good faith, believing the allegations to be true, whether or not the ultimate investigation substantiates the perceived misconduct.

7.4.3 Duties of Employees Participating in Investigations:

Any employee who participates in an official RTA investigation, whether as reporting/complaining party or as independent witness, is required to provide truthful, good faith information that is within your personal knowledge. Violations of this policy may result in discipline, up to and including termination. Providing false information, when substantiated, will result in automatic termination.

7.4.4 Policy Against Baseless Allegations:

Any employee who makes allegations with reckless disregard for their truth or falsity, as determined by a neutral investigation, may be subject to disciplinary action and /or legal claims by individuals accused of misconduct.

7.4.5 Compliance with Policies and Procedures

RTA employees shall be in compliance with all rules, regulations, policies and procedures, orders, bulletins, and instructions provided by the RTA. Ignorance on the aforementioned will not be accepted as a valid reason for failing to comply.

Section 7.5 Notice of Change in Employment Status

When there is a change of employment status, whether termination, leave of absence, or switching from an employee to independent contractor relationship, the RTA will provide you with a written notice on RTA letterhead providing (a) your name, (b) the type of change in employment status, and (c) the effective date of the change. The RTA is not required to specify the reason for the employment status change.

If the change in status is because the RTA has terminated, laid off, or placed an employee on a leave of absence, then the RTA shall provide to the employee a copy of the Employment Development Department pamphlet DE 2320, "For Your Benefit, California's Program for the Unemployed".

Section 7.6 Exit Interview

Upon separation from the RTA, every employee will be asked to participate in an exit interview. This gives both the employee and the RTA an opportunity to discuss the reasons the employee is leaving and the employment relationship. Management is always anxious to receive constructive comments on its business operations and the satisfaction of employees. The exit interview provides this opportunity.

EMPLOYEE ACKNOWLEDGEMENT

I have received my copy of the RTA Employee Policies and Procedures Handbook. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures including the Harassment Policy contained in the Handbook.

I understand that, any and all policies or practices can be changed at any time by the RTA. The RTA reserves the right to change my hours, wages, and working conditions at any time. I understand and agree that other than the RTA Executive Director, no manager, supervisor, or representative of the RTA has the authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the RTA Executive Director has the authority to make any such agreement and then only in writing, signed by the RTA Executive Director.

I understand and agree that nothing in the Handbook creates or is intended to create a promise or representation of continued employment and that employment at the RTA is employment at-will: employment may be terminated at the will of either the RTA or myself. My signature certifies that I understand that the foregoing agreement on at-will status is the sole and entire agreement between the RTA and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations concerning my employment with the RTA.

Any information that I learn about the RTA or its representatives as a result of working for the RTA that is not otherwise publicly available constitutes confidential information. I may not disclose confidential information to anyone who is not employed by the RTA or to other persons employed by the RTA who do not need to know such information to assist in rendering services. The disclosure, distribution, electronic transmission or copying of the RTA's confidential information is prohibited. Any employee who discloses confidential RTA information will be subject to disciplinary action (including possible termination), even if he or she does not actually benefit from the disclosure of such information. I understand the above policy and pledge not to disclose confidential information.

Employee's Signature

Date

Objective: To bring together employees from each department in a non-adversarial, cooperative effort to promote safety, communicate concerns and submit suggestions in all areas at Regional Transit Authority (RTA)/ South County Transit (SCT) and for all employees.

Employee Suggestion Committee:

1. The Safety Resource Committee is made up of department representatives. The committee is chaired by the Safety & Training Manager or designee. Representatives typically serve for one year. The director/manager/lead supervisor makes appointments of the representatives from their department. Bus Operators and Mechanics may apply based on established criteria; or qualified applicants may be selected by a random draw.

The members are:

- Operations Manager
- Safety & Training Manager
- Maintenance & Facilities Manager or designee
- Maintenance Supervisor
- South County Transit (SoCo) Supervisor
- SoCo Bus Operator
- RTA Bus Operator
- RTA Operations Supervisor
- RTA Paratransit Operator
- Administrative employee
- Transit Instructor

2. The committee regularly meets bi-monthly on the first Tuesday at 9 AM at a location determined by the Safety & Training Manager or designee. If any member is unable to attend a scheduled meeting, they should notify their supervisor so that an alternate may be sent in their place.
3. One week prior to each meeting the Safety & Training Manager or designee, will send a reminder to all committee members as to the date and time of the next meeting.
4. The Safety & Training Manager or designee will prepare and make copies of an agenda and make copies of the previous meeting minutes to bring to each meeting. A template of the agenda and Word documents of all previous meeting minutes are stored on the public G drive/ folder/ Safety Resource Committee.
5. The Safety & Training Manager or designee will chair the meeting by ensuring: attendance is taken, previous meeting minutes are reviewed and updated, each member is allowed to introduce new items, results of any inspections and/or inspections performed the previous month are reviewed. The committee is updated on any follow-up items and the focus of the meeting stays on the topic of safety, communicated concerns and submitted suggestions or health. The Safety & Training Manager will also attempt to ensure meetings do not last longer than 1 hour.
6. At the conclusion of each meeting, the Safety & Training Manager or designee shall thank the members for their participation.
7. Within 2 weeks after each meeting the Safety & Training Manager or designee will prepare the minutes of the meeting, send a draft to all committee members by e-mail or hard copies placed in employee mail slots, and allow 1 week for comments, corrections and suggestions. After the review period, the minutes shall be e-mailed to all RTA/SCT employees and hard copies shall be posted in areas where employees normally gather.
8. Following each meeting the Safety & Training Manager or designee will address or coordinate with the representative(s) all items needing follow-up prior to the next scheduled meeting.

9. Prior to newly appointed representatives attending their first committee meeting, they will meet with the Safety & Training Manager or designee for an introductory meeting.

10. Suggestion Form Routing:

South County Transit (SoCo) and Paso Transportation Satellite Locations)

- a) Suggestions go to the Satellite Office Supervisor (unless operator needs HR confidentiality)
- b) The Satellite Office Supervisor sends the Suggestion Form to the Safety & Training Manager or designee
- c) Satellite Office Supervisor (and/or team) takes timely action (ASAP)
- d) Satellite Office Supervisor writes response for Department Manager (s) review if needed
- e) Satellite Office Supervisor issues response to employee submitting the Suggestion Form
- f) Provide a respectful follow through which tells our employees they make a difference and we care about safety and their concerns

RTA

- a) Suggestions go to Safety & Training Manager or designee (unless operator needs HR confidentiality)
- b) Safety & Training Manager or designee logs the suggestion
- c) Safety & Training Manager or designee sends copies to the appropriate department
- d) Team (department) takes timely action (ASAP)
- e) Team (department) leader writes response and gets it reviewed
- f) Provide a respectful follow through which tells our employees they make a difference and we care about safety and their concerns.

Employee Suggestions

RTA and SoCo co-workers are encouraged to submit suggestions about ways to improve the company. Suggestions regarding Operations, Safety, Security, Maintenance, Facilities, Training, Scheduling, Marketing, Human Resources or any other areas of concern are welcome. Please make your suggestions/feedback as specific as possible. For example, if you have a run time adjustment, include the route, direction, bus stops, times etc.

Please turn in the form to the RTA Manager of Safety & Training or your location's Supervisor. It can also be sealed in an envelope and delivered to Human Resources if the content is confidential.

FEEDBACK:

SUGGESTIONS FOR IMPROVEMENT:

Name: (Optional)

Date:

Return to: Lucas Houston, Transit Training Instructor 541-2228 ext. 1147 fx781-1291 lhouston@slorta.org
Or Kayleigh McLeod/Human Resources Officer/RTA, 179 Cross Street, SLO Ca 93401
kmcleod@slorta.org

Please be aware that the Company forbids retaliation against persons who make complaints under Company policies or participate as witnesses in related investigations. Any person who engages in retaliation against a complainant or witness in this investigation will be subject to disciplinary action or other corrective measures. Injury and Illness Prevention Program (8CCR, Section 3202)

Safety Policies:	<ul style="list-style-type: none"> • Are all safety policies up to date and reviewed? • Is a Public Transit Agency Safety Plan (PTASP) or any other System Safety Plan written for the transit system? • Is the Drug and Alcohol Policy current and up to date? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New Hire Employee Files:	<ul style="list-style-type: none"> • Was there a structured interview conducted and documented? • Is the applicant asked the questions relating to previous experience with drug and alcohol testing? • Is the offer of employment documented in writing? • Is there a pre-employment drug screen? • Is there a pre-employment physical exam? • Are safety sensitive responsibilities outlined in the job description? • Is there a completed Substance Abuse Policy and Drug Free Workplace Policy Acknowledgement form? • Is there a Current Policies and Procedures Acknowledgement Form? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Post Hire Employee Files:	<ul style="list-style-type: none"> • Is a current employee roster available? • Are the employee files maintained by the transit system? • Do existing employee files contain: <ul style="list-style-type: none"> ➢ Background check? ➢ Previous employer request form? ➢ Verification of current driver's license and CDL? ➢ Current Motor Vehicle Record? ➢ Current copy of physical exam certificate? ➢ Signed Substance Abuse Policy Acknowledgement? ➢ Drug and Alcohol Testing Record with Chain Of Custody and authorization forms? ➢ Record of annual supervisor ride checks and evaluations? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Education and Training:					
	• Are operator certifications current and up to date?				
	• Have managers completed Safety Management Systems (SMS) training?				
	• Are employees familiar with OSHA topics, including:				
	➢ Hazard Communication?				
	➢ Emergency Action Planning?				
	➢ Bloodborne Pathogens?				
	➢ Lockout/Tagout?				
	➢ Personal Protective Equipment (PPE)?				
	➢ Injury Prevention Planning?				
	• Have all safety sensitive employees received Drug and Alcohol Training?				
	• Do new mechanics receive classroom training?				
	• Do existing mechanics receive ongoing training?				
Safety Meetings:					
	• Is there an active Safety Committee at the transit agency?				
	• Are safety meetings held on a regular basis?				
	• Are safety meetings and sign in sheets documented, with publicly posted agendas and minutes?				
	• Do senior managers attend safety meetings?				
	• Do vehicle operators attend safety meetings?				
	• Do mechanics attend safety meetings?				
Incident and Accident Investigation Procedures:					
	• Are policies in place dictating which incidents are reported and which are not?				
	• Are incident report forms kept on board the vehicle?				
	• Are accident reports completed for all situations?				
	• Are incident/accident reports used as pre-accident training material?				

	<ul style="list-style-type: none"> Are incident/accident reports used as post-accident training material? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are incident/accident reports used to identify potential hazards and analyzed in a Risk Assessment Matrix (RAM)? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are complaint forms kept on all vehicles? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are all operators provided with safety vests on their vehicles? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are incident/accident photos taken? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Substance Abuse:	<ul style="list-style-type: none"> Is there a current and updated Drug and Alcohol Policy? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Do all staff members understand the Drug and Alcohol Policy? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Is random testing being completed? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Is reasonable suspicion testing being completed? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Facility and Shop Inspections:	<ul style="list-style-type: none"> Are monthly facility inspections conducted as scheduled? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are facility inspection forms completed properly? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are unsafe conditions or acts, corrected regarding the facility and documented? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are fire extinguishers up to date with annual servicing requirements? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are fire extinguishers inspected on a monthly basis? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are routing inspections of the fire extinguishers documented? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are eye wash stations available with unobstructed access? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are eye wash stations inspected on a scheduled basis? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Is machine guarding in place? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are batteries stored safely? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are all containers marked with the contents clearly identified? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are floors clear of tripping hazards? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are hazardous materials stored safely? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<ul style="list-style-type: none"> Are emergency exits clearly marked? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	• Are lights out?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Are jack stands available for use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Are jack stands used whenever a vehicle is elevated on a lift?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Is a lock out tag out program in place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Asset Management (Vehicles):	• Is a current and updated list of vehicles readily available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Is all maintenance activity completed on vehicles tracked?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Is a regular maintenance schedule written and followed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Are work order forms, service order forms and parts requested documented?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Are vehicle inspection forms completed on a regular basis and available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Are maintenance issues analyzed and used to forecast future vehicle needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Are maintenance issues analyzed and used to identify potential hazards and evaluated in a Risk Assessment Matrix (RAM)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Are pre-trip inspection forms completed daily?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	• Are post-trip inspection forms completed daily?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments:

This Page Left Intentionally Blank

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: C-7

TOPIC: County Auditor/Controller Services

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Approve 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 the RTA services related to general accounting, accounts payable, and accounting support. The attached services agreement notes their responsibilities as well as the responsibilities of the RTA, including to inform them of significant noncompliance, fraud and/or error immediately upon discovery.

Staff Recommendation

Approve the attached service agreement with the County of San Luis Obispo Auditor – Controller, Treasurer – Tax Collector for services during fiscal year 2020-2021 for \$5,963, and authorize the RTA Board President and Executive Director execute the agreement.

This Page Left Intentionally Blank



COUNTY OF SAN LUIS OBISPO

AUDITOR - CONTROLLER • TREASURER - TAX COLLECTOR

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

Lydia J. Corr, CPA Assistant Auditor-Controller • Treasurer-Tax Collector

April 6, 2020

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 2020-2021 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.
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. **Term** - Our services and responsibility end on June 30, 2021.

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.

Annual Cost and Billing

The annual cost for the services identified above is \$5,963. 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 _____

County of San Luis Obispo Government Center

1055 Monterey Street, Room D290 | San Luis Obispo, CA 93408 | (P) 805-781-5831 | (F) 805-781-5362

ttc@co.slo.ca.us | <http://sloacttc.com>

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: C-8

TOPIC: Authorizing Executive Director to Execute Grant Award for the San Luis Obispo County Air Pollution Control District Community Air Protection Funds

ACTION: Approve Resolution of Grant Award

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Adopt Resolution

BACKGROUND/DISCUSSION:

In 2017, the Governor signed budget legislation appropriating \$250 million in Greenhouse Gas Reduction Funds to achieve early action emission reductions in the communities most burdened by air pollution. Targeting engine replacement, repower, and infrastructure projects in disadvantaged and low income areas supports the goals of AB-617 (Garcia, 2017), which calls for community monitoring and action plans to reduce smog-forming and toxic emissions. Senate Bill 513 (Beall, Chapter 610, Statutes of 2015) provides the California Air Resources Board's (CARB) Moyer Program the ability to incorporate infrastructure projects into its program and authorizes the funding of projects that enable the deployment of alternative, advanced, and cleaner technologies to support the State's air quality goals.

The RTA Board has identified its planned new Bus Maintenance Facility as its highest-priority capital facility project. In September 2019, the RTA Board authorized the Executive Director to submit a grant application to the San Luis Obispo County Air Pollution Control District (APCD) for Community Air Protection Program funds to support the cost of Electric Vehicle Infrastructure for the new Bus Maintenance Facility located at 253 Elks Lane.

On March 23, 2020, the RTA was notified of award in the amount of \$721,980 from the APCD. The APCD's evaluation determined that the award amount is 60% of the eligible project costs for the purchase and installation of six Level 2 electric vehicle chargers and charging infrastructure.

The grant agreement (contract) with the APCD must include charging equipment specifications and resolution, approved by the RTA Board, authorizing the Executive Director to accept the grant award document and execute all grant related documentation required by the APCD and the CARB as a part of the Community Air

Protection Program. The APCD will finalize the grant agreement once the funding is provided by CARB.

Staff Recommendation

Approve the attached resolution authorizing the Executive Director to accept the grant award for the transportation electrification infrastructure cost for the planned RTA Bus Maintenance Facility and execute all necessary grant documentation.



Air Pollution Control District San Luis Obispo County

Via Email

March 23, 2020

Geoff Straw
San Luis Obispo Regional Transportation Agency
179 Cross Street, Suite A
San Luis Obispo, CA 93401
gstraw@slorta.org

SUBJECT: Tentative Award Letter for Electric Vehicle Infrastructure Project ID# AB617-1819-01; Installation of Six Level 2 Electric Vehicle Chargers at 253 Elks Lane in San Luis Obispo, CA

Dear Mr. Straw:

Application Status

Thank you for your application for the above referenced project, received under the Community Air Protection Program by the San Luis Obispo County Air Pollution Control District on October 26th, 2019. After receiving your additional application information, the APCD deemed your application complete on February 14th, 2020.

Funding

The current program guidelines stipulate that any infrastructure project located in an AB 1550 low-income designated area may qualify for up to 60% of eligible costs. The APCD evaluated this project using the application information and quotations for the installation of six Level 2 electric vehicle chargers and future charging infrastructure on which shows a total price of \$1,206,483.00. The APCD's evaluation determined that the **tentative award amount would be \$721,980.00**. This amount is 60% of the eligible project costs.

This award offer is tentative and contingent upon receipt of state grant funds to the APCD and receipt by the APCD of charging equipment specifications from the applicant. **You have 10 days after receiving this letter to inform the APCD if you wish to accept this tentative grant offer. You may contact us by telephone, fax, mail, or email.**

Grant Agreement

If you accept this award offer, upon receipt of funds from the state, the APCD will send you a Grant Agreement (contract) for you to review, sign, and return to the APCD for the Air Pollution Control Officer's signature. **However, the contract will not be sent without the following information:**

- Specifications for the charging equipment. **Please note:** State guidelines require the charging equipment have at least a 1-year warranty.

Note: No work can begin (no order or deposit can be placed) on this project until the contract is signed by all parties and is effective. The APCD will notify you when the Grant Agreement is effective.

Additional Application Requirements (if you accept the award offer):

1. Mandatory Deadline for Expenditure: The grant agreement will stipulate that in order for these funds to be fully expended by the statutory June 30, 2022 deadline, the project must be operational and the APCD must have all documentation required to process payment by May 15, 2022. These deadlines cannot be extended.
2. UCC-1 Financing Statement: To protect its financial interest, the APCD will perfect its lien against the funded equipment through a UCC-1 financing statement filed with the Secretary of State of California, for the duration of the term of the grant agreement.
3. Building Permits: Before work commences on the project, the applicant must obtain all required land use permits from agencies needed to install and operate the installation. The installation must comply with all applicable rules and regulations, including the Americans with Disabilities Act. A copy of the finalized building permit must be provided to the APCD before the grant project is paid.
4. Availability of Utilities: If requested by the APCD, the applicant must be able to provide documentation that power or fuel is being provided to the site (e.g. application, payment to the local utility company for power installation, or contract). Applicants are encouraged to contact the utility company as early as possible in the planning process.

Installation of Equipment & Post-Inspection (after the Grant Agreement is signed)

After the Grant Agreement is effective, you will order or place a deposit on the installation of the equipment and make arrangements for payment or financing. Project financing, if any, must be completed through a conventional loan. You may not rent or lease the equipment from a finance company or other third party. When the new equipment is installed, the APCD will meet with you at a predetermined time and location to do the following:

- Verify and document that the project is operational by connecting a vehicle or equipment to the charging or fueling station; and
- Take photos of the equipment, which includes equipment model and serial numbers, to keep in your project file.

Note: To document any equipment inspections or audits for this project, APCD staff will take photographs/videos of your equipment. APCD staff may request that you be the subject in promotional photos/videos with your new equipment. As the subject of these photos/videos, the project grant agreement will grant the APCD or their designee(s) the right to use and publish photos/videos for editorial or advertising purposes without compensation or restrictions. Should you not wish to be the subject of the photos/videos with your new equipment, you will have the ability to "opt-out" at the post-inspection.

Grant Award Payment

Payment of the grant award will be made as a reimbursement to you after the equipment is purchased, installed, passes APCD post-inspection, and after the APCD receives all the

required documentation. In order to process your grant award payment, before or after you take delivery of your equipment, please provide the following documentation:

- A copy of the sales invoice from the contractor/dealer to you for the installation and equipment, identifying the equipment by serial number;
- An invoice from you to the APCD requesting payment in the amount of your grant award; and
- A copy of the finalized building permit; signed by the appropriate building official.

After the above grant award payment documentation is received, the **APCD will issue an award check to you within 30 days.**

Future Requirements

Each year, on the anniversary of the post-inspection and for the duration of the project life (3 years), you will be required to send the APCD a brief annual report to include:

1. Qualitative description of private uses;
2. Annual usage per charger (e.g. kilowatt-hour) and the number of plug-in events; and
3. Any unscheduled downtime; to include duration and causes.

We appreciate your efforts to voluntarily implement emission reduction strategies that result in cleaner air for all to enjoy. Please call me at 805-781-5983 if you have any questions about your project.

Sincerely,



JACQUELINE MANSOOR
Air Quality Specialist

JNM/jjh

This page left intentionally blank.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
RESOLUTION NO. 20-____**

**A RESOLUTION OF THE SAN LUIS OBISPO REGIONAL TRANSIT
AUTHORITY BOARD OF DIRECTORS, AUTHORIZING THE EXECUTION OF
AB617 GRANT FROM THE SAN LUIS OBISPO COUNTY AIR POLLUTION
CONTROL DISTRICT FOR COMMUNITY AIR PROTECTION PROGRAM TO
FUND ELECTRIC VEHICLE INFRASTRUCTURE**

WHEREAS, San Luis Obispo Regional Transit Authority is an eligible applicant for Community Air Protection Program Funds; and,

WHEREAS, San Luis Obispo Regional Transit Authority has identified that this funding source is vital to the planned new Bus Maintenance Facility; and

WHEREAS, San Luis Obispo Regional Transit Authority submitted a grant application to the San Luis Obispo County Air Pollution Control District on October 26, 2019 requesting Community Air Protection Program Funds to support planned new Bus Maintenance Facility with the goal of reducing greenhouse gas emissions; and

WHEREAS, The Community Air Protection Program guidelines stipulate that any infrastructure project located in an AB 1550 low-income designated area may qualify for up to 60% of eligible costs; and

WHEREAS, The Air Pollution Control District's evaluation determined that the grant award amount would be \$721,980.00, 60% of the eligible project costs; and

WHEREAS, San Luis Obispo Regional Transit Authority has been awarded \$721,980.00 in Community Air Protection Program funds for the Electric Vehicle Infrastructure Project ID# AB617-1819-01 to include the installation of Six Level 2 Electric Vehicle Chargers at 253 Elks Lane in San Luis Obispo, CA; and

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the San Luis Obispo Regional Transit Authority Board of Directors authorizes the Executive Director to execute the forthcoming Grant Agreement with the San Luis Obispo County Air Pollution Control District for Community Air Protection Program funds for Electric Vehicle Infrastructure Project ID# AB617-1819-01.

BE IT FURTHER RESOLVED, that the President of the Board is directed to sign this resolution to authorize the submittal of 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, 2020.

Fred Strong
President of the RTA Board of Directors

ATTEST:

Geoff Straw
RTA Executive Director

APPROVED AS TO FORM AND LEGAL EFFECT:

Nina Negranti
County Counsel

By: _____
RTA Legal Counsel

Date: _____
(Original signature in BLUE ink)

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: C-9

TOPIC: Social Security Resolution for RTA Employees

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Approve Resolution to Provide Social Security Benefits to RTA Employees

BACKGROUND/DISCUSSION:

In February of 2020, the RTA was contacted by the Official State Social Security Administrator at the California Public Employees' Retirement System regarding a questionnaire to determine if the RTA was appropriately participating in the social security program. The RTA has participated in the social security program since the agency was formed in 1990, and was noted in the questionnaire.

Staff received a follow up in March 2020 from the Official State Social Security Administrator requesting the RTA adopt the attached resolution.

Staff Recommendation

Approve the attached resolution which confirms that the RTA provided since the JPA was adopted, and continues to provide, social security for all employees.

This Page Left Intentionally Blank



Official State Social Security Administrator
California Public Employees' Retirement System

P.O. Box 720720, Sacramento, CA 94229-0720 | Phone: (916) 795-0810 | Fax: (916) 795-3005
888 CalPERS (or **888-225-7377**) | TTY: (877) 249-7442 | www.calpers.ca.gov/sssa

March 23, 2020

CalPERS ID No.: 1362276702

Kayleigh McLeod
Human Resources Officer
San Luis Obispo Regional Transit Authority
179 Cross Street, Ste. A
San Luis Obispo, CA 93401

Dear Kayleigh McLeod,

Thank you for contacting the State Social Security Administrator's Office (State Administrator) regarding Social Security coverage.

Based on the information provided by the agency in the Coverage Questionnaire, the agency desires to provide social security benefits. The first step in the process is for the agency to adopt a resolution.

These documents should not be modified in any way as only the content included in the documents provided by this office will be accepted.

If you have any questions regarding the enclosed information, please contact this office at (916) 795-0810.

Sincerely,

Veronica Silva-Gil
State Social Security Administrator Program

Enclosures

RESOLUTION _____

WHEREAS, San Luis Obispo Regional Transit Authority hereinafter designated as "Public Agency", desires to include services performed by its employees in positions in the California State Social Security Agreement of March 9, 1951, providing for the coverage of public employees under the old age, survivors, disability and health insurance system established by the Federal Social Security Act, as amended; and

WHEREAS, it is necessary that the "Public Agency" now designate any classes of positions which it desires to exclude from coverage under said insurance system;

BE IT FURTHER RESOLVED, that upon receipt of authorization from the Board of Administration, as hereinbefore provided, with such coverage effective as to services performed on and after February 27, 1990; and

BE IT FURTHER RESOLVED, that the following classes of positions of the "Public Agency" shall be excluded from coverage under said agreement:

1. All services excluded from coverage under the agreement by Section 218 of the Social Security Act; and

2. Services excluded by option of the Public Agency (**Check a or b; fill in b if checked**):

☒

a. No optional exclusions desired.

☐

b. Service performed: _____

BE IT FURTHER RESOLVED, that the Public Agency will pay and reimburse the State at such time and in such amounts as may be determined by the State the approximate cost of any and all work and services relating to such election.

Presiding Officer

Official Name of Public Agency

Date

CERTIFICATION

I, Fred Strong, President of the Board of the San Luis Obispo Regional Transit Authority, State of California, do hereby certify the foregoing to be a full, true, and correct copy of Resolution No.

adopted by the San Luis Obispo Regional Transit Authority Board of the San Luis Obispo Regional Transit Authority at the regular/special meeting held on the day of , , as the same appears of record in my office.

Signature: _____

Title: _____

Date: _____

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: C-10

TOPIC: Amendment to Agreement with Stantec
Architecture for Design/Engineering
Services

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Authorize Executive Director Execute
Amendment #4

BACKGROUND/DISCUSSION:

Staff is presenting an Add Service Request (ASR) for additional design work by Stantec Architects that is required for the Bus Maintenance Facility design and engineering project. As explained in the attached proposal from Stantec, there are two elements of this ASR:

1. Onsite due to opportunities presented by the City of San Luis Obispo's reduced need for Prado Overpass right-of-way, and
2. Offsite due to the need to provide additional and more complex design/engineering for the Elks Lane Realignment portion of the project.

The onsite elements required an additional 40 hours of design work equating to an additional \$13,040 in scope. However, the result of the redesign of the stormwater system from an underground system to a surface system is a life-cycle savings of \$250k to \$300k. The offsite elements required much more extensive rework, equating to the need for an additional 424 hours of design/engineering work or \$71,796. This latter amount is roughly double the original ASR for the offsite design, but several iterations were required to meet both City of SLO and Caltrans requirements. Combined, this amendment totals \$84,836 for both the onsite and offsite redesign work.

As part of its evaluation and negotiation process, staff conducted a cost analysis and we determined that the design changes are necessary to meet the project's defined needs, and the price bid by Stantec Architecture is customary and appropriate for the work proposed. In addition, our cost analysis determined that it would unduly delay the project to competitively bid this additional work, and the hours and per hour fees are reasonable based on the work that Stantec and its team of subconsultants has already completed as part of the base agreement.

Staff Recommendation

Staff requests the Board's concurrence to authorize the Executive Director to execute Amendment #4 to the Agreement with Stantec Architecture for Design/Engineering services for the Bus Maintenance Facility project.



Stantec Architecture Inc.

523 West 6th Street Suite 1200, Los Angeles CA 90014-1218

March 4, 2020

File: 2270449601.01.200.201.01ASR

Attention: Mr. Geoff Straw, Executive Director
San Luis Obispo Regional Transit Authority
179 Cross Street
San Luis Obispo, CA 93401

Dear Mr. Straw,

Reference: San Luis Obispo Regional Transit Authority (RTA) Professional Services for the Bus Maintenance Facility Project Add Service Request 04 – Additional scope for Offsite Improvements and add services for modifications to onsite worked related to modified right-of-way limits.

Following the site plan revisions addressed in ASR 02, our team has worked diligently to address the City's plan check comments and deliver a quality set of construction documents for the Bus Maintenance Facility Project for the RTA. While we did our best as part of ASR 02 to capture the full effort of re-work, there were items that required an effort significantly greater than anticipated. These changes can best be defined in two categories – onsite plan revisions and offsite plan development as outlined below. The changes noted hereto have been in addition to the original scope of work plus the scope added per ASR 02.

Since the opportunity to expand the project limits presented itself, we have worked with the RTA directly to provide the greatest overall benefit to the RTA. The additional land area not only provided an immediate opportunity to greatly simplify the onsite drainage design, but also provides future flexibility if expansion is ever required. Our brief analysis shows that the savings in construction costs of the complex underground drainage system are balanced with the added cost in pavement and site improvement construction costs. However, going forward, the proposed drainage basin is a passive system requiring very little maintenance and upkeep. The maintenance required is limited to simple clearing and landscaping as needed. Alternatively, an underground system must be inspected regularly, cleared of sediment, and actively maintained. Knowing the site's soil conditions, the actual function of this type of system will decrease over time as the infiltration rate decreases due to sediment buildup. This is a natural process and essentially places a life span on the system that can vary from 10-20 years. It is highly variable depending on how much sediment is placed in the system and natural saturation cycles (i.e. drought conditions). Once the system functionality decreases to a certain point, it would require excavation to truly restore its use. Spread over a 20-year period, the cost of landscaping and basic clearing will be magnitudes less than an intensive replacement effort. A quick analysis shows a potential life cycle savings between \$250,000 and \$325,000 for the passive system over an underground system.

Reference: San Luis Obispo Regional Transit Authority (RTA) Professional Services for the Bus Maintenance Facility Project Add Service Request 04 – Additional scope for Offsite Improvements and add services for modifications to onsite worked related to modified right-of-way limits.

Scope of Work

Task 6.0 – Onsite Modifications

As a result of a significant property line adjustments and building shift, nearly all of the civil elements required some level of redesign at approximately the 90% CD phase. Below are the specific tasks that required further effort than anticipated:

- Adjust grading throughout the site – previous ASR estimated only a portion of the site would require re-grading. As our team worked through the site plan revisions, we took advantage of the additional space to improve the grade changes and slope variation, particularly along the southern edge of the project. This ultimately led to a much better site that will provide easier vehicle maneuvering.
- Re-alignment of wet utilities. In the original plan, the utilities were extremely constrained – placed close to the building and with minimum required separation. With the new site configuration and added space, we were able to allow better separation from the building foundation and other site elements. This will translate to a much easier underground construction effort and should result in lower construction bids.
- Stub utilities out to Elks Lane. During our initial meeting with the City of San Luis Obispo, the team was directed to make all utility connections on Prado Lane. When the plan check comments were received, this changed, requiring water and sewer connection points be made available on Elks Lane. For the water line, this was a simple modification. However, the sewer line required vertical adjustments to ensure that the gravity lines will flow out to both Elks Lane and Prado Rd.
- Revise drainage along Prado Lane. With the adjusted property lines, the project limits are now much closer to Prado Lane. We had anticipated the grading revisions along this frontage but were not aware of the low points that had been previously created as part of the CAPSLO project. Providing positive drainage and avoiding impacts to the neighboring development drainage patterns took considerably more effort than anticipated in this location.
- Caltrans Encroachment permit for drainage along Prado Lane. This specific permit was not included in our original scope of work or previous ASR's. With the current design, it should be a relatively minor effort.
- Revise concrete jointing plan. As a result of the building shift, the design team was required to develop a new concrete jointing plan. Initially, we envisioned that we would be able to shift what we had along with the building and expand the pattern. Other changing site conditions required that we re-evaluate the overall plan to prevent future cracking and provide the proper design for the site.

Beyond what we have already completed, we anticipate one final round of minor plan revisions will be required prior to permit issuance. Our fee below includes 40 hours of time for these final revisions.

Reference: San Luis Obispo Regional Transit Authority (RTA) Professional Services for the Bus Maintenance Facility Project Add Service Request 04 – Additional scope for Offsite Improvements and add services for modifications to onsite worked related to modified right-of-way limits.

Task 6.1 – Elks Lane Offsite Improvements

Following our initial meeting with the City, our team proceeded with design of a knuckle on Elks Lane at the northwest corner of the RTA property. Initial layouts and design of the knuckle showed it would require a significant encroachment into Caltrans Right of Way. Since this discovery, our team has developed numerous iterations of the “T-intersection” and associated alignment and attended multiple meetings with the City and Caltrans. The T-intersection plans have now been submitted for plan check by the City. All of this required an effort significantly greater than originally anticipated. Below are the specific tasks that required additional time beyond our original estimate:

- Multiple alignments and related exhibits
- Meetings and communication with Caltrans and City of San Luis Obispo
- Legal descriptions for ROW dedication (still pending)
- Analysis of existing drainage along Elks Lane
- Coordination interim access to Prado Lane
- Review multiple versions of Prado Overpass design

While we anticipate the plan revisions will be minor for the T-intersection, the ultimate geometry and covenant agreement are still being finalized between RTA and the City. Our proposed fee includes plan check revisions but does not include additional exhibits or design plans associated the covenant agreement or ultimate continuous curved geometry of Elks Lane.

Deliverables

All deliverables have been provided and no additional deliverables are expected at this time.

Schedule

The schedule is also not expected to change. The design team has worked diligently to respond to the evolving needs of the project without stopping work or delaying the project. Stantec understands the sensitive and very timely nature of the project and our teams continued work even with the understanding that our scope was expanding.

Fee

See attached fee schedule for the respective hours and fees already spent by the design team and the projected hours to finish and complete the plan check process.

March 4, 2020
Mr. Geoff Straw, Executive Director
Page 4 of 4

Reference: San Luis Obispo Regional Transit Authority (RTA) Professional Services for the Bus Maintenance Facility Project Add Service Request 04 – Additional scope for Offsite Improvements and add services for modifications to onsite worked related to modified right-of-way limits.

Should you have any questions, please do not hesitate to contact Amy Chang or Will Todd at any time.

Regards,

Stantec Architecture Inc.



William Todd AIA
Senior Associate
Phone: 213 955 3514
will.todd@stantec.com



Patrick M. McKelvey AIA
Senior Principal
Phone: 213 955 3530
Pat.mckelvey@stantc.com

If the RTA agrees with this proposal, the RTA shall authorize Stantec to perform the work by signing and returning a copy of the attached Professional Services Agreement.

Attachment: Attachment A – ASR 04 Fee

c. Amy Chang, Stantec; Brianna Daniels, Stantec
ahc document2

**San Luis Obispo RTA
Bus Maintenance Facility
San Luis Obispo, California**

Total Fee

Summary - Additional Services

4-Mar-20

Stantec Team

All Services

LABOR		Stantec Proj Mgmt/Arch				Stantec Civil				Total Hours/Professional Fee	
TASKS		Hours		Fee		Hours		Fee		Hours	Fee
Task 6 - Final Design		70	\$	9,785.00		254	\$	42,200.00		324	\$51,985.00
*Onsite ROW modifications											
Task 6.1 - Final Design (Offsite)		21	\$	3,255.00		170	\$	29,596.00		191	\$32,851.00
*Added Offsite Improvements scope											
Task 7 - Bidding & Award		0	\$	-		0	\$	-		0	\$0.00
*Onsite ROW modifications											
Task 7.1 - Bidding & Award (Offsite)		0	\$	-		0	\$	-		0	\$0.00
*Added Offsite Improvements scope											
Task 8 - Construction & Close-out		0	\$	-		0	\$	-		0	\$0.00
*Onsite ROW modifications											
Task 8.1 - Construction & Close-out (Offsite)		0	\$	-		0	\$	-		0	\$0.00
*Added Offsite Improvements scope											
Totals		91		\$13,040.00		424		\$71,796.00		515	\$
		\$84,836.00									
EXPENSES											
Other-Define	\$										
Mileage	\$										
Airfare	\$										
Per Diem	\$										
Car Rental	\$										
Parking	\$										
Printing	\$										
Postage	\$										
Total	\$	\$84,836.00									

San Luis Obispo RTA
Bus Maintenance Facility
San Luis Obispo, California
Additional Services Request (ASR) 04

Fee

Summary - Additional Services Request - Continued Onsite/Offsite Add. Services

Date: 4-Mar-20

Company:
Discipline:

Stantec
Project Management/Architecture

LABOR	McKelvey Principal	Todd Proj Manager/PA	Hung Proj Designer	Architect	CADD/Tech	Specs/QA/QC	Sustainability / Lighting	Chang Asst PM (Inv)	Total Hours/Professional Fee	
	Rate: \$250.00	Rate: \$ 160.00	Rate: \$175.00	Rate: \$ 125.00	Rate: \$ 100.00	Rate: \$150.00	Rate: \$ 125.00	Rate: \$195.00	Hours	Fee
TASKS	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Fee
Task 6 - Final Design	1	24		44				1	70	\$ 9,785.00
*Onsite ROW modifications										
Task 6.1 - Final Design (Offsite)		16		4				1	21	\$ 3,255.00
*Added Offsite Improvements scope										
Task 7 - Bidding & Award									0	\$ -
*Onsite ROW modifications										
Task 7.1 - Bidding & Award (Offsite)									0	\$ -
*Added Offsite Improvements scope										
Task 8 - Construction & Close-out									0	\$ -
*Onsite ROW modifications										
Task 8.1 - Construction & Close-out (Offsite)									0	\$ -
*Added Offsite Improvements scope										
0									0	\$ -
0									0	\$ -
Totals	1	40	0	48	0	0	0	2	91	\$ 13,040.00
EXPENSES										
Other-Define	\$									
Mileage	\$									
Airfare	\$									
Per Diem	\$									
Car Rental	\$									
Parking	\$									
Printing	\$									
Postage	\$									
Total	\$									

\$ 13,040.00

San Luis Obispo RTA
Bus Maintenance Facility
San Luis Obispo, California
Additional Services Request (ASR) 04

Fee

Summary - Additional Services Request - Continued Onsite/Offsite Add. Services

Date: 4-Mar-20

Company: Stantec
Discipline: Civil Engineering

LABOR	Principal	Senior Engineer		Engineer		Designer		Drafter		Clerical		2-Man Crew		Senior Surveyor		Total Hours/Professional Fee	
		Rate: \$ 225.00	Hours	Rate: \$ 182.00	Hours	Rate: \$ 145.00	Hours	Rate: \$ 135.00	Hours	Rate: \$ 86.00	Hours	Rate: \$ 285.00	Hours	Rate: \$ 182.00	Hours	Hours	Fee
TASKS																	
Task 6 - Final Design			16		82		60									254	\$ 42,200.00
*Onsite ROW modifications							96										
Task 6.1 - Final Design (Offsite)							42									170	\$ -
*Added Offsite Improvements scope			32		52		44										\$ 29,596.00
Task 7 - Bidding & Award																0	\$ -
*Onsite ROW modifications																	
Task 7.1 - Bidding & Award (Offsite)																0	\$ -
*Added Offsite Improvements scope																0	\$ -
Task 8 - Construction & Close-out																	
*Onsite ROW modifications																0	\$ -
Task 8.1 - Construction & Close-out (Offsite)																0	\$ -
*Added Offsite Improvements scope																0	\$ -
Totals		\$ 10,800	48	\$ 24,388	134	\$ 15,080	138	\$ -	0	\$ -	0	\$ 0	0	\$ 0	0	424	\$ 71,796.00
EXPENSES																	
Other-Define		\$															
Mileage		\$															
Airfare		\$															
Per Diem		\$															
Car Rental		\$															
Parking		\$															
Printing		\$															
Postage		\$															
Total		\$															\$ 71,796.00

This page left intentionally blank.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: C-11

TOPIC: Strategic Business Plan Results

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Receive Report on Performance Results through February 29, 2020

BACKGROUND/DISCUSSION:

The Strategic Business Plan (SBP) includes Vision and Mission Statements, as well as “stretch” performance standards to ensure the RTA continually seeks to improve its services. The RTA Board adopted its updated 2018-2020 SBP at its March 7, 2018 meeting. This is the third report that compares actual performance results against the newly adopted standards.

The attached report presents our year to date (YTD) results through February 2020, as well as comparative information for prior fiscal years. Please note that the financial figures are unaudited estimates, but they provide a reasonable representation of each applicable financial measure. For measurement purposes, our *2016 Short Range Transit Plan* sets the base goals that the RTA believes it can achieve, and the SBP sets the standards that we strive to achieve.

The table on the next page presents a “dashboard” view of easily-reported objective standards and our year to date results. We did not achieve the adopted standard in those areas presented in red, while the metrics presented in green show our successes. The areas where RTA core services failed to meet our SBP standards are:

1. Productivity,
2. Farebox Recovery Ratio,
3. Preventable Collisions, and
4. Preventable Workers Compensation.

All other objective standards were met. Staff will continue to closely monitor ridership and seek to increase boardings through a variety of marketing efforts. Information gathered from preventable collisions and work comp incidents is evaluated as training is developed for new and current employees.

RTA's Performance Results Thru February 2020

Performance Metric	Standard	Result	Achieved?
Regional Fixed-Route Productivity (boardings/hour)	22.0	20.1	No
Route 15 Deviated Fixed-Route Productivity	8.0	6.8	No
Runabout Productivity	2.0	1.5	No
Fixed-Route Service Delivery (actual divided by scheduled)	99%	99%	Yes
Regional Fixed-Route On-Time Performance	85%	87%	Yes
Route 15 Deviated Fixed-Route On-Time Performance	70%	83%	Yes
Runabout On-Time Performance	95%	98%	Yes
Fixed-Route Bus Overcrowding	Various load factors	None exceeded	Yes
Systemwide Operating Budget (live within means)	< 66.7%	65.0%	Yes
Farebox Recovery Ratio (fares / net operating costs)	20.0%	18.0%	No
Preventable Collision Rate (per 100k miles traveled)	1.0	2.8	No
Preventable Workers Compensation Rate	Lost-time <6	6	No
	Med-only <10	11	
Risk Management Costs (percent of operating budget)	Industry norms	At or below market	Yes
Road Calls (per 100k miles traveled)	5.0	3.9	Yes

The ensuing pages present a narrative summary for each of the metrics presented in the dashboard, as well as for each of the subjective standards.

Staff Recommendation:

Receive the attached report on key performance indicator results achieved YTD through February 2020.

Focused 2018-20 Strategic Business Plan Standards of Excellence

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

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

- A. Regional intercity fixed-route (RTA Routes 9, 10, 12 & 14) services shall be 22 or greater.
- B. Route deviation services (such as RTA Route 15) will be 8.0 or greater.
- C. Local fixed-route (Paso Express Routes A & B, and SoCo Transit Routes 21, 24, 27 & 28) shall be 17 or greater.
- D. Runabout and other demand response services will be 2.0 or greater.

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

Measurement: Objective.

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

FY18-19 Productivity													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
RTA Fixed	20.0	22.7	22.3	20.9	19.9	18.8	19.1	20.1	20.5	20.9	20.5	18.8	20.3
Rte 15	7.6	8.7	8.3	8.2	8.0	7.3	6.6	7.0	7.4	7.5	8.0	6.6	7.7
Paso Express	16.5	17.7	18.4	19.6	17.6	15.5	16.6	16.8	17.9	18.3	19.8	18.0	17.3
Runabout	1.5	1.5	1.5	1.6	1.5	1.5	1.5	1.6	1.5	1.4	1.5	1.4	1.5
Paso DAR	1.7	1.9	2.1	1.8	2.1	2.2	2.2	2.3	2.3	2.2	2.2	1.9	2.0
Nipomo DAR	1.7	3.5	3.9	4.3	3.6	3.8	3.2	3.8	3.7	2.3	3.7	2.3	3.5

FY19-20 Productivity													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
RTA Fixed	19.2	22.3	22.5	21.4	20.4	17.5	18.3	19.2					20.1
Rte 15	6.9	6.9	8.2	6.8	6.7	8.0	5.4	5.1					6.8
Paso Express	17.2	19.0	19.5	19.2	16.7	16.4	18.4	17.8					18.0
Runabout	1.5	1.5	1.6	1.4	1.6	1.4	1.4	1.5					1.5
Paso DAR	1.8	1.9	1.9	2.0	2.0	2.2	1.8	1.9					1.9
Nipomo DAR	1.7	3.0	4.1	4.2	3.6	3.3	2.9	3.3					3.3

The table above shows that we exceeded the standards for Paso Express and Nipomo Dial-A-Ride. However, we did not meet the standards for RTA regional fixed-routes, RTA Route 15, Paso Dial-A-Ride, or Runabout. Similar to national ridership trends, we continue to see declines/stagnation, which is an area of concern for the RTA and our partner transit agencies. Staff will continue to look at alternatives to improve ridership results.

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

Measurement: Objective.

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

As long as a scheduled fixed-route bus trip is delivered ahead of the next scheduled bus trip, then service is considered “delivered” (but that late trip will still be reported under the on-time performance measure discussed below). The service delivery goal is 99% or greater. The RTA delivers about 2,644 trips per month, and we missed 8 trips so far in FY20, or a service delivery achievement of 99%. Paso Express delivers about 634 trips per month, and missed 3 trips so far in FY20, giving a service delivery achievement of 99%.

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

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

Measurement: Objective.

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

FY 2019													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
RTA	85%	85%	85%	87%	85%	85%	89%	88%	89%	86%	87%	86%	86%
Paso	87%	85%	86%	82%	77%	83%	83%	81%	84%	78%	86%	82%	83%
Rte 15	73%	69%	74%	84%	79%	81%	83%	84%	82%	88%	76%	86%	80%

FY 2020													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
RTA	88%	88%	85%	86%	87%	86%	89%	85%					87%
Paso	77%	84%	83%	81%	85%	85%	82%	85%					83%
Rte 15	75%	74%	71%	78%	77%	76%	77%	78%					76%

The table above shows that we are meeting the standard for RTA intercity fixed-routes and RTA Route 15 deviated fixed-route service, but failed to meet the standard on the two Paso Express local fixed-routes. Staff will continue to look for ways to achieve this goal.

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

Measurement: Objective.

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

Runabout service is considered on-time if the van arrives within 30 minutes of the appointed pick-up time. The goal is 95% or greater, and Runabout has surpassed this goal in each month of FY19-20, achieving an overall OTP result of 98.25%. Staff will continue to monitor Runabout's OTP to ensure we continue to achieve this strong result.

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

Measurement: Subjective.

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

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

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

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

Measurement: Objective.

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

There were no trips exceeding the overcrowding standard during the evaluation period. Staff will continue to monitor the service for crowding issues.

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

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

Measurement: Objective.

- Tracked monthly in financial statements and reported bimonthly to the RTA Board.

Fiscal Year 2016 Result: Operating Costs were 90% of the adopted budget

Fiscal Year 2017 Result: Operating Costs were 89% of the adopted budget

Fiscal Year 2018 Result: Operating Costs were 94% of the adopted budget

Fiscal Year 2019 Result: Operating Costs were 95% of the adopted budget

Fiscal Year 2020 Result: Operating Costs are 65% of the adopted budget through February 2020 (66.7% of the fiscal year) (unaudited)

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

Standard 2: The Farebox Recovery Ratio for all regularly scheduled / year-round services shall be 20% greater than the minimum standard required by SLOCOG to meet TDA requirements.

Measurement: Objective.

- Tracked monthly and reported bimonthly to the RTA Board.

Fiscal Year 2016 Result: 25.7% (*including Paso Express*)

Fiscal Year 2017 Result: 21.4% (*including Paso Express*)

Fiscal Year 2018 Result: 20.5% (*including Paso Express*)

Fiscal Year 2019 Result: 18.2% (*including Paso Express*)

Fiscal Year 2020 Result: 18.0% (*including Paso Express unaudited through February 2020*)

The RTA consistently meets or exceeds this FRR goal, and ridership remains strong albeit lower than the record achieved in FY13-14 (31.5%). Staff will continue to closely monitor

our FRR performance, particularly as the economy continues to improve, gas prices continue to remain relatively low, and private automobile ownership increases.

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

Measurement: Objective.

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

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

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

Measurement: Subjective.

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

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

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

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

Measurement: Objective.

- Rate shall be tracked by the Safety and Training Manager, and reported annually to the RTA Board.

RTA Fiscal Year 2015-16 Result: 1.03

RTA Fiscal Year 2016-17 Result: 0.37

RTA Fiscal Year 2017-18 Result: 0.94

RTA Fiscal Year 2018-19 Result: 1.14

RTA Fiscal Year 2019-20 Result: 2.80

This result is particularly alarming, although a review of the collision types thankfully demonstrates several minor and non-injury collisions. Transit drivers are held to higher standard than the general public. Staff will continue to track this KPI closely. We have put together a team to monitor causative factors, routes, years of experience, locations, and types of collisions, etc.

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

Measurement: Objective.

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

During FY19-20, the Safety Resource Committee has been busy: 44 action items closed-out, opened 44 new suggestions, 61 open action items, and 2 reoccurring items that remain on the agenda. Employees are engaged in the Safety Resource and Employee Committee by submitting suggestions. Suggestions that are not directly related to the Committee are forwarded to the appropriate department for resolution.

Our 2020 annual refresher-training classes for Bus Operators, Supervisors and Dispatchers will continue throughout the year. We are excited to have California Highway Patrol Officer back as a guest speaker, instructing a one-hour course. The County of SLO Community Resource Project staff member is also conducting training on the 211 service pertaining to comprehensive referrals to available, local support and services.

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

Measurement: Objective.

- All work comp claims shall be duly investigated and immediately reported by Finance and Administration staff to our carrier.

Fiscal Year 2015-16 Result: 1 lost-time claim (no medical only)

Fiscal Year 2016-17 Result: 5 lost-time claims, and 3 medical only

Fiscal Year 2017-18 Result: 0 lost-time claims, and 7 medical only

Fiscal Year 2018-19 Result: 11 lost-time claims (10 have been closed as of July 31, 2019), and 5 medical only (all have closed as of July 31, 2019)

Fiscal Year 2019-20 Result: 6 lost-time claims (2 have been closed as of February 29, 2020), and 11 first aid/incidents/medical only (7 have closed as of February 29, 2020)

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

Measurement: Objective.

- As measured in biannual Community Perception Survey.

The most recent Customer Perception Survey was started in March 2020, but was not fully completed due to the COVID-19 pandemic. In the coming months, staff will be bringing the results to the Board for review.

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

Measurement: Objective.

- Tracked monthly by Finance and Administration and reported bimonthly to the RTA Board.
- Reported monthly by Finance and Administration in financials and YTD budget reports.

Fiscal Year 2015 Result: 8.7% of total operating costs
Fiscal Year 2016 Result: 10.7% of total operating costs
Fiscal Year 2017 Result: 13.7% of total operating costs
Fiscal Year 2018 Result: 13.2% of total operating costs
Fiscal Year 2019 Result: 10.8% of total operating costs

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

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

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

Measurement: Subjective.

- Annual assessment by Executive Director and Department Heads.

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

2016 – 14%
2017 – 19%
2018 – 20%
2019 – 18%
2020 – 0%

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

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

Measurement: Objective.

- Department Heads evaluated annually for achievement of training objectives.

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

- Maintenance: For the current fiscal year to date, the Technicians have averaged 30.5 hours per person, with significant training being conducted for electrical, breaks, and air conditioning. The RTA has greatly benefited from the Southern California Regional Transit Training Consortium, providing significant training resources which has been of significant benefit to the agency. For FY18-19, the Technicians averaged 38 hours of training per person.
- Operations Supervisors (24 Hours annually): In FY19-20 the average is 20 training hours per person which exceeds this standard. These trainings includes the follow:
 - RTA staff completes mandatory two-hour Management Sexual Harassment Training every two years.
 - Due to the COVID-19, the FTA Drug and Alcohol Conference scheduled in April 2020 was suspended.
 - Operations Manager attended the CALACT conference in October 2019.
 - New supervisors completed Drug and Alcohol Reasonable Suspicion training.
 - Operations Supervisor and Training Staff attended two-hour CalTIP training, "Making Better Decisions and Reducing Complacency."
 - Training Staff attended a one hour Community Resource Project 211 Training presentation with the County of San Luis Obispo.
 - Safety & Training Manager attend FTA Public Transportation Agency Safety Plan development training in August 2019.
 - One Training staff member attended a five-day Transportation Safety Institute (TSI) training course, "Fundamentals of Bus Collision Investigation" in January 2020 and a one-hour TSI online webinar training SMS Awareness. He is working toward his FTA Safety Certification.

- Bus Operator training includes:
 - State-mandated minimum of 8 hours of *Verification of Transit Training* annually.
 - Six-month refresher for new Bus Operators.
 - 17 Bus Operators attended a two hour CalTIP training, “Making Better Decisions and Reducing Complacency”
 - Focused and customized training designed specifically for Bus Operators on an as-needed basis.
- Finance and Administration: these training hours are used by each employee in various ways based on their responsibilities and in consultation with his or her direct supervisor. For FY19-20, these include the CALPELRA Human Resources conference, participating on the CalACT Board, participation at the twice-yearly CalTIP Board of Directors meetings, SDRMA Board Secretary training, procurement training, various collaborations with other transit agencies, and County of San Luis Obispo training sessions.

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

Measurement: Subjective.

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

We continually stress the tenets of *Verbal Defense and Influence*, which focuses on how to communicate more effectively with each other and our customers – particularly in difficult or threatening situations. A total of ten RTA staff members meet bi-weekly to discuss general items that may affect other departments; others are invited as needed and to address specific issues (when possible, including one Bus Operator and/or one Operations Supervisor). Finally, the Executive Director and the three department heads meet weekly to ensure consistency in messaging and direction for the organization – including focused discussions on the implementation of the planned new Bus Maintenance Facility project.

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

Measurement: Objective.

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

The RTA currently completes formal annual evaluations for administration and management staff. Bus Operators are evaluated based on the requirements of the Collective Bargaining Agreement (CBA) and to ensure the public’s safety. Both

Technicians and Bus Operators are evaluated as part of the RTA Safety Awards program on their individual anniversary dates.

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

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

Measurement: Objective.

- As tracked by Finance and Administration as part of grant-making efforts.

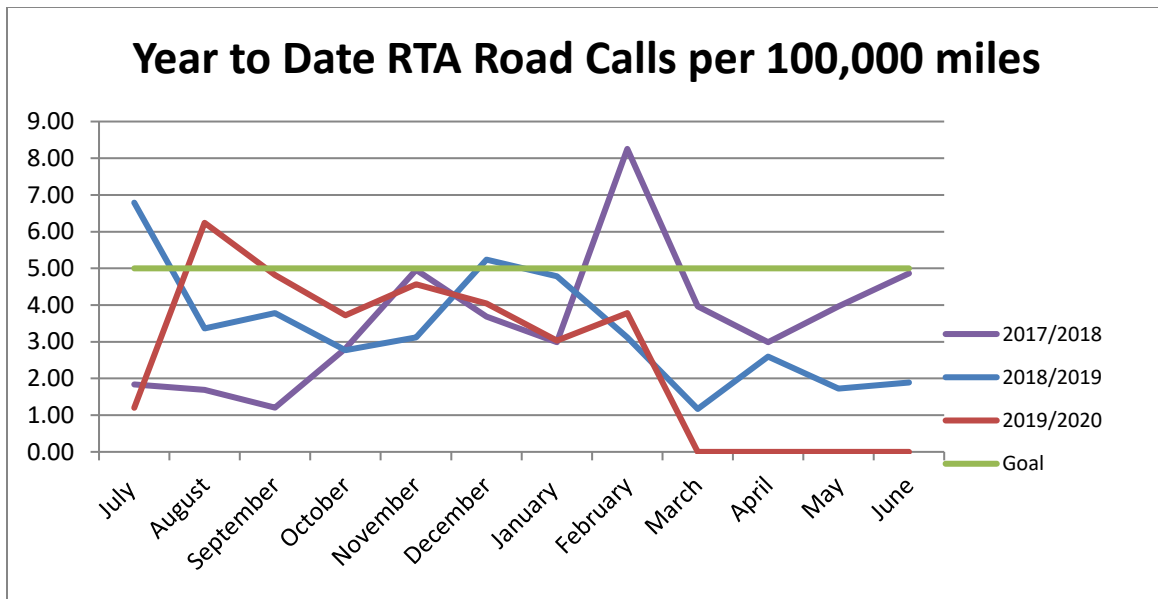
As of February 29, 2020 the average RTA fixed-route vehicle age (including Paso Express fixed-route vehicles) is 7 years with an average of 258,522 miles. The design life of a heavy-duty fixed-route bus is 12-years/500,000 miles. The average demand response vehicle age (including Runabout and other Dial-A-Ride vans) is 3 years with an average of 60,887 miles. The design life of a demand response van is 4-years/100,000 miles. We are currently within the RTA’s standards. Our capital program was updated as part of the 2016 SRTP update, which was adopted by the RTA Board in July 2016. In addition, a five-year capital program is included in each annual budget document.

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

Measurement: Objective.

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

As depicted in the graph below, this standard has been achieved in all but four months over the past three fiscal years. The year-end average was 3.6 in FY 17-18, 4.65 in FY 18-19 and 3.93 so far in FY 19/20. The RTA uses the same definition of a road call as used in the National Transit Database. We will closely track this standard as our fleet ages and/or if breakdowns appear to be happening more frequently.



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

Measurement: Subjective.

- As measured by employee and customer feedback.

The results of the October 2017 comprehensive Customer Perception Survey was reported in the January 3, 2018 Board meeting. Two questions were included in the customer survey (“Cleanliness of buses,” and “Bus exterior appearance”), and they received average scores of 3.40 (sixth-highest ranking) and 3.49 (third-highest ranking), respectively. However, the employees ranked “Cleanliness of buses as second-lowest, with an average score of 2.98 out of four, while “Bus exterior appearance” third-worst (3.12). The most recent Customer Perception Survey was begun in March 2020 and in the coming months staff will be bringing the results to the Board for review. Note: the survey period what cut short due to the COVID-19 pandemic.

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

Measurement: Objective.

- As measured in the biannual Community Perception Survey.

Bus stop appearance was included in the October 2017 Customer Perception Survey. Customers ranked it tied for tenth-highest (3.31), while employees ranked it worst (2.92). In summary, our customers’ ranking met the 80% favorable standard, while our employees ranked it below the standard. The most recent Customer Perception Survey was started in March 2020 and in the coming months staff will be bringing the results to the Board for review. Note: the survey period what cut short due to the COVID-19 pandemic.

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

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

Measurement: Objective.

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

There were no negative findings in the 2017 TDA Triennial Performance Audit nor in the recent 2019 FTA Triennial Review. Preventable maintenance has been completed on a timely basis, with no CHP findings.

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

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

Measurement: Subjective.

- Will be reviewed by staff and RTA Board.

Staff believes that we have fostered a strong relationship with our partners at the federal, state and local levels. If any issues arise (i.e., the recent COVID-19 pandemic), it is brought to the Board’s attention for direction. The Executive Director serves on the CTA Small Operators Committee, and also was re-elected as the Chairperson role for the CalTIP Board in April 2020.

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

Measurement: Subjective.

- To be evaluated and monitored by RTA Board.

The agency’s partnership successes are formally discussed by the Board during the Executive Director’s annual evaluation. However, issues and ideas are also forwarded by community members to both the Board and staff throughout the year. The Executive Director also attends City Council and Board of Supervisors meetings throughout the year, as well as community outreach events and workshops.

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

Measure: Subjective.

- To be evaluated by Executive Director.

Promoting effective internal communication is a task that always requires high- and mid-level nurturing. Senior staff members meet weekly to discuss effective communications and our organizational values, while a broader group meet bi-weekly to strive to ensure messaging is consistent and useful. Since the onset of the COVID-19 pandemic in early March 2020, senior staff meets every morning to review operational responses and to plan for recovery actions. Like any organization that is not afraid to “peel back the layers,” we often find examples of where we can improve and the Executive Director informs the Board President of on-going efforts. While we believe we are making strides, this is an area in which improvements can always be realized and the work is never “done.”

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

Measurement: Subjective.

- To be evaluated by Executive Director and RTA Board.

Similar to the discussion on Standard 4 above, the Executive Director’s leadership is evaluated annually as part of his review. The Executive Director also discusses leadership successes and goals with his three department heads as part of their annual evaluation. Finally, the Executive Director and other senior RTA staff discuss direction with other transit agency staff during quarterly RTAC meetings and other transit-focused meetings (i.e., FTA 5307 planning, UZA MOU discussions, SSTAC, etc.) throughout the year.

This page left intentionally blank.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: C-12

TOPIC: Annual Fiscal & Compliance Audit and Annual Single Audit

ACTION: Review and Accept the FY2018-19 Audit Report

PRESENTED BY: Tania Arnold

STAFF RECOMMENDATION:

1. Review and Accept the FY2018-19 Annual Fiscal and Compliance Audit
2. Review and Accept the FY2018-19 Annual Single Audit

BACKGROUND/DISCUSSION:

The Transportation Development Act (TDA) requires an annual fiscal and compliance audit of each TDA recipient. The attached audit report was completed for RTA by Moss, Levy & Hartzheim, LLP. The annual single audit report was also completed by Moss, Levy & Hartzheim, LLP.

Of particular interest to RTA Board members is the Independent Auditor's Report at the beginning of the document, which provides summary findings of the audit team. In short, the auditors found our financial statements to fairly present the financial position of RTA, and that we expressed our financial position and cash flows in accordance with generally accepted accounting principles. In addition, the auditor found no deficiencies in internal control or compliance with federal programs that might be considered material weaknesses or significant deficiencies.

Staff Recommendation

1. Staff recommends that the Board review and accept the Fiscal Year 2018-19 Annual Fiscal and Compliance Audit report.
2. Staff recommends that the Board review and accept the Fiscal Year 2018-19 Annual Single Audit report.

This page left intentionally blank.

**SAN LUIS OBISPO REGIONAL
TRANSIT AUTHORITY
FINANCIAL STATEMENTS
June 30, 2019**

This page left intentionally blank.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
TABLE OF CONTENTS
June 30, 2019

FINANCIAL SECTION

Independent Auditors' Report 1

Basic Financial Statements:

 Statement of Net Position 3

 Statement of Revenues, Expenses, and Changes in Net Position 4

 Statement of Cash Flows..... 5

Notes to Basic Financial Statements 7

REQUIRED SUPPLEMENTARY INFORMATION SECTION

Schedule of Proportionate Share of Net Pension Liability 22

Schedule of Pension Contributions..... 23

Schedule of Changes in the OPEB Liability and Related Ratios 24

Schedule of OPEB Contributions..... 25

SUPPLEMENTARY INFORMATION SECTION

Budgetary Comparison Schedule 26

This page left intentionally blank.

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying basic financial statements of the of San Luis Obispo Regional Transit Authority (Agency) as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the San Luis Obispo Regional Transit Authority, as of June 30, 2019, and the respective changes in financial position and cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Proportionate Share of Net Pension Liability on page 22, and the Schedule of Pension Contributions on page 23, Schedule of Changes in the OPEB Liability and Related Ratios on page 24, and the Schedule of OPEB Contributions on page 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the San Luis Obispo Regional Transit Authority's basic financial statements. The budgetary comparison schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The budgetary comparison schedule is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the San Luis Obispo Regional Transit Authority 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 21, 2019. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2018, is consistent in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 4, 2020, on our consideration of the San Luis Obispo Regional Transit Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Agency's internal control over financial reporting and compliance.

Moss, Levy & Haugheim LLP

March 4, 2020
Santa Maria, California

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2019

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets:		
Cash and investments	\$ 4,622,063	\$ 3,403,077
Accounts receivable		486,097
Intergovernmental receivables	225,867	108,660
Grants receivable	3,345,791	1,962,471
Prepaid items	139,162	154,006
Inventory at cost	207,087	205,224
Total current assets	<u>8,539,970</u>	<u>6,319,535</u>
Capital assets:		
Nondepreciable:		
Land	1,512,602	1,512,602
Construction in progress	1,313,149	336,279
Depreciable:		
Buildings and improvements	5,795,474	5,735,965
Equipment and vehicles	18,169,478	16,809,930
Less accumulated depreciation	<u>(11,762,358)</u>	<u>(12,115,260)</u>
Total net capital assets	<u>15,028,345</u>	<u>12,279,516</u>
Total assets	<u>23,568,315</u>	<u>18,599,051</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred pensions	304,724	380,297
Deferred OPEB	5,079	
Total deferred outflows of resources	<u>309,803</u>	<u>380,297</u>
LIABILITIES		
Current liabilities:		
Accounts payable	848,629	324,185
Accrued payroll	409,537	382,414
Unearned revenue	5,531,202	4,382,178
Compensated absences	52,215	
Loan payable		200,596
Total current liabilities	<u>6,841,583</u>	<u>5,289,373</u>
Noncurrent liabilities:		
Compensated absences	156,646	206,884
Other post-employment benefits	129,047	122,838
Net pension liability	598,258	628,213
Pension plan exit liability	2,775,642	
Loan payable		11,707
Total noncurrent liabilities	<u>3,659,593</u>	<u>969,642</u>
Total liabilities	<u>10,501,176</u>	<u>6,259,015</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred pensions	25,935	24,078
Deferred OPEB	4,353	5,343
Total deferred inflows of resources	<u>30,288</u>	<u>29,421</u>
NET POSITION		
Net investment in capital assets	15,028,345	12,067,213
Unrestricted	<u>(1,681,691)</u>	<u>623,699</u>
Total net position	<u>\$ 13,346,654</u>	<u>\$ 12,690,912</u>

The notes to basic financial statements are an integral part of this statement.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	2019	2018
Operating Revenues:		
Passenger fares	\$ 1,367,564	\$ 1,437,854
Other operating revenue	137,348	123,334
Total operating revenues	<u>1,504,912</u>	<u>1,561,188</u>
Operating Expenses:		
Transit operating expenses	8,668,109	8,136,150
Administration and financial services	1,690,076	1,658,049
Depreciation	2,171,733	2,043,637
Total operating expenses	<u>12,529,918</u>	<u>11,837,836</u>
Operating loss	<u>(11,025,006)</u>	<u>(10,276,648)</u>
Non-Operating Revenues (Expenses):		
Transportation Development Act funds	6,200,274	5,193,057
Federal and State grants	3,092,942	3,059,203
Interest income	43,473	19,636
Fees and reimbursements from other governmental agencies	124,660	119,270
Gain/(loss) on disposal of capital assets	(67,452)	5,894
Interest expense	<u>(7,457)</u>	<u>(19,249)</u>
Total non-operating revenues (expenses)	<u>9,386,440</u>	<u>8,377,811</u>
Capital Contributions:		
Federal capital grants	3,852,028	643,595
State capital grants	1,135,986	523,277
Local capital grants		3,054
Total capital contributions	<u>4,988,014</u>	<u>1,169,926</u>
Special Item		
CalPERS pension plan exit	<u>(2,775,642)</u>	
Total special items	<u>(2,775,642)</u>	
Change in net position	<u>573,806</u>	<u>(728,911)</u>
Net position, beginning of fiscal year	12,690,912	13,519,668
Prior period adjustment	<u>81,936</u>	<u>(99,845)</u>
Net position, beginning of fiscal year, restated	<u>12,772,848</u>	<u>13,419,823</u>
Net position, end of fiscal year	<u>\$ 13,346,654</u>	<u>\$ 12,690,912</u>

The notes to basic financial statements are an integral part of this statement.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>2019</u>	<u>2018</u>
Cash Flows From Operating Activities:		
Receipts from customers	\$ 2,344,871	\$ 1,245,351
Payments to employees	(6,103,067)	
Payments to suppliers	(4,013,716)	(9,595,213)
Net cash used by operating activities	<u>(7,771,912)</u>	<u>(8,349,862)</u>
 Cash Flows From Capital and Related Financing Activities:		
Acquisition and construction of property, plant, and equipment	(4,988,014)	(1,169,926)
Principal paid - loan payable	(212,303)	(200,595)
Interest expense	(7,457)	(19,249)
Capital grants received	4,988,014	1,169,926
Sale of capital assets		34,877
Net cash used by capital and related financing activities	<u>(219,760)</u>	<u>(184,967)</u>
 Cash Flows from Noncapital Financing Activities:		
Grants received	9,042,525	9,353,719
Fees and reimbursements	124,660	119,270
Net cash provided by noncapital financing activities	<u>9,167,185</u>	<u>9,472,989</u>
 Cash Flows From Investing Activities:		
Interest income	43,473	19,636
Net cash provided by investing activities	<u>43,473</u>	<u>19,636</u>
Net increase in cash and cash equivalents	1,218,986	957,796
Cash and cash equivalents, beginning of fiscal year	<u>3,403,077</u>	<u>2,445,281</u>
Cash and cash equivalents, end of fiscal year	<u>\$ 4,622,063</u>	<u>\$ 3,403,077</u>

The notes to basic financial statements are an integral part of this statement.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>2019</u>	<u>2018</u>
Reconciliation of operating loss to net cash used by operating activities:		
Operating loss	\$ (11,025,006)	\$ (10,276,648)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation expense	2,171,733	2,043,637
Change in operating assets, deferred outflows, liabilities, and deferred inflows:		
Accounts receivable	839,959	(315,837)
Prepaid items	14,844	(97,677)
Inventory	(1,863)	22,267
Deferred outflows	70,494	(5,212)
Accounts payable	252,518	138,604
Accrued payroll	27,123	204,272
Unearned revenue	(100,812)	(149,008)
Customer deposits		(27,703)
Other post-employment benefits	6,209	(6,528)
Net pension liability	(29,955)	84,350
Compensated absences	1,977	45,283
Deferred Inflows	<u>867</u>	<u>(9,662)</u>
Net cash used by operating activities	<u>\$ (7,771,912)</u>	<u>\$ (8,349,862)</u>

The notes to basic financial statements are an integral part of this statement.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - REPORTING ENTITY

San Luis Obispo Regional Transit Authority (the Agency) is a Joint Powers Agency created by a joint powers agreement among the Cities of San Luis Obispo, Morro Bay, Atascadero, Arroyo Grande, El Paso de Robles, Grover Beach, Pismo Beach, and the County of San Luis Obispo.

The purpose of the Agency is to operate a fixed route public transportation system linking San Luis Obispo to the outlying communities of Morro Bay, Los Osos, Arroyo Grande, El Paso de Robles, Grover Beach, Pismo Beach, Atascadero, Cambria, San Simeon, Nipomo, Santa Maria, Templeton, Santa Margarita, and San Miguel, along with Cuesta College and California Men's Colony. The Agency also owns, operates, and administers a countywide public demand responsive transportation system that is fully accessible for disabled riders. On August 1, 2009, the Agency began in-house vehicle operations and maintenance. Prior to August 1, 2009, a private transportation company provided these services.

The Agency is governed by a Board of Directors comprised of twelve members representing each of the seven cities, in addition to the five members of the County Board of Supervisors.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Accounting Policies - The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants (AICPA).
- B. Accounting Method - The Agency follows the accrual method of accounting, whereby revenues are recorded as earned, and expenses are recorded when incurred regardless of the timing of related cash flows.
- C. Cash and Cash Equivalents - For purposes of the statement of cash flows, cash and cash equivalents include restricted and unrestricted cash and restricted and unrestricted certificates of deposit with original maturities of three months or less.
- D. Accounts Receivable - The Agency did not experience any significant bad debt losses; accordingly, no provision has been made for doubtful accounts, and accounts receivable are shown at full value.
- E. Inventory - Inventories are valued at the lower of cost or market. Cost is determined using the first-in, first-out method.
- F. Property, Plant, and Equipment - Capital assets purchased by the Agency are recorded at cost. Contributed or donated capital assets are recorded at fair value when acquired. Capital assets are defined by the Agency as assets with initial, individual costs of more than \$1,000 and estimated useful life in excess of two years.
- G. Depreciation - Capital assets purchased by the Agency are depreciated over their estimated useful lives (ranging from 3-15 years) under the straight-line method of depreciation.
- H. Compensated Absences - Accumulated unpaid employee vacation and sick leave benefits are recognized as liabilities of the Agency.
- I. Revenue Recognition - The Agency's primary source of revenues include passenger fares, State Transit Assistance funds, and Local Transportation Fund/Transportation Development Act (TDA) allocations made to the participating members, but assigned by the members to this Agency for its sole use. The San Luis Obispo Council of Governments administers the State Transit Assistance and Transportation Development Act funds, approves claims for such funds submitted by this Agency, and makes payments to the Agency based upon such claims.

Generally, amounts due from other governments are recorded as revenues when earned. However, when the expenditure of funds is the prime factor for determining eligibility for grants, revenue is accrued when the related expenditures have been made on an approved grant. The Agency recognizes as revenues the amounts allocated and approved to it by San Luis Obispo Council of Governments.

- J. Net Position - GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Use of Estimates -The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the AICPA, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

L. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the San Luis Obispo Regional Transit Authority's California Public Employee's Retirement System (CalPERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*," and GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*," the District recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The District has one item which qualifies for reporting in this category; refer to Note 10 for a detailed listing of the deferred outflows of resources the District has reported.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has two items which qualify for reporting in this category; refer to Note 10 and 11 for a detailed listing of the deferred inflows of resources the District has reported.

N. Comparative Data/Totals Only – Comparative total data for the prior fiscal year has been presented in certain accompanying financial statements in order to provide an understanding of the changes in the Agency's financial position, operations, and cash flows. Also, certain prior fiscal amounts have been reclassified to conform to the current fiscal year financial statements presentation.

O. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 89	"Accounting for Interest Cost Incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 90	"Majority Equity Interests-an Amendment of GASB Statements No. 14 and No. 61"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2020.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3 - CASH AND INVESTMENTS

On June 30, 2019 the Agency had the following cash and investments on hand:

Cash on hand and in banks	\$ 812,815
Investments	<u>3,809,248</u>
Total cash and investments	<u>\$ 4,622,063</u>

Cash and investments listed above are presented on the accompanying basic financial statements as follows:

Cash and investments, statement of net position	<u>\$ 4,622,063</u>
---	---------------------

The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Agency's investments are in the San Luis Obispo Investment Pool which is an external investment pool which is not valued under level 1, 2, or 3.

Investments Authorized by the California Government Code

The table below identifies the investment types that are authorized for the Agency by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	10%	5%
Bankers' Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	None
County Investment Pool	N/A	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Agency manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Agency's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table, that shows the distribution of the Agency's investments by maturity:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months or Less</u>	<u>13-24 Months</u>	<u>25-60 Months</u>	<u>More than 60 Months</u>
San Luis Obispo County Investment Pool	<u>\$ 3,809,248</u>	<u>\$ 3,809,248</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total	<u>\$ 3,809,248</u>	<u>\$ 3,809,248</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3 - CASH AND INVESTMENTS (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, the Agency's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Carrying Amount	Minimum Legal Rating	Exempt from Disclosure	Rating as of Fiscal Year End		
				AAA	AA	Not Rated
San Luis Obispo County Investment Pool	\$ 3,809,248	N/A	\$ -	\$ -	\$ -	\$ 3,809,248
Total	\$ 3,809,248		\$ -	\$ -	\$ -	\$ 3,809,248

Concentration of Credit Risk

The investment policy of the Agency contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, the Agency will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Agency's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the Agency's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The Agency may waive collateral requirements for deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Agency's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as Cash held by San Luis Obispo County).

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 4 - CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Increases	Decreases	Reclass	Balance June 30, 2019
Capital assets, not being depreciated					
Land	\$ 1,512,602	\$ -	\$ -	\$ -	\$ 1,512,602
Construction in progress	336,279	976,870			1,313,149
Total capital assets, not being depreciated	<u>\$ 1,848,881</u>	<u>\$ 976,870</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,825,751</u>
Capital assets, being depreciated					
Building and improvements	\$ 5,735,965	\$ -	\$ -	\$ 59,509	\$ 5,795,474
Vehicles and equipment	16,809,930	4,011,144	2,592,087	(59,509)	18,169,478
Total capital assets, being depreciated	<u>22,545,895</u>	<u>4,011,144</u>	<u>2,592,087</u>		<u>23,964,952</u>
Less accumulated depreciation for:					
Building, improvements, vehicles and equipment	12,115,260	2,171,733	2,524,635		11,762,358
Total accumulated depreciation	<u>12,115,260</u>	<u>2,171,733</u>	<u>2,524,635</u>		<u>11,762,358</u>
Total capital assets, being depreciated, net	<u>\$ 10,430,635</u>	<u>\$ 1,839,411</u>	<u>\$ 67,452</u>	<u>\$ -</u>	<u>\$ 12,202,594</u>
Governmental activities, capital assets, net	<u>\$ 12,279,516</u>	<u>\$ 2,816,281</u>	<u>\$ 67,452</u>	<u>\$ -</u>	<u>\$ 15,028,345</u>

Depreciation expense for the fiscal year ended June 30, 2019, was \$2,171,733. The depreciation expense for the fiscal year ended June 30, 2018, was \$2,043,637.

NOTE 5 - UNEARNED REVENUE

	2019	2018
TDA Local Transportation Funds	\$ 3,561,431	\$ 3,760,428
The Agency received an advance from developers for construction of bus stops as a condition imposed by the County Board of Supervisors. These funds are deferred until the bus stops have been constructed.	45,688	38,688
The Agency distributes Universal bus passes to Social Services and the general public as part of a "Welfare to Work Program." These funds are deferred revenue until they are tendered or redeemed.	(15,649)	85,163
Prop 1B funding	1,406,100	497,899
STA SB1 State of Good Repair funding	351,772	
TDA Article 4.5 funds	<u>181,860</u>	
Total unearned revenues	<u>\$ 5,531,202</u>	<u>\$ 4,382,178</u>

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 6 - OPERATING SUBSIDIES FROM LOCAL TRANSPORTATION AND STATE TRANSIT ASSISTANCE FUNDS

The County was allocated the following funds from the Local Transportation Fund (LTF) and State Transit Assistance Fund for the fiscal years ended June 30, 2019 and 2018:

Allocation Assigned By/Claimant	Article/ Section	Amount	
		2019	2018
Local Transportation Fund:			
City of Arroyo Grande	4 / 99260(a)	\$ 201,449	\$ 201,105
City of San Luis Obispo	4 / 99260(a)	699,012	694,798
County of San Luis Obispo	4 / 99260(a)	2,274,098	2,245,334
City of Grover Beach	4 / 99260(a)	152,631	151,949
City of Morro Bay	4 / 99260(a)	122,237	121,609
City of Atascadero	4 / 99260(a)	350,969	350,230
City of El Paso de Robles	4 / 99260(a)	919,046	916,356
City of Pismo Beach	4 / 99260(a)	93,671	92,789
Total LTF		4,813,113	4,774,170
State Transit Fund:			
Regional Transit Authority	6.5 / 99313	958,167	1,362,706
Regional Transit Authority	6.5 / 99314	84,044	85,064
Total STF		1,042,211	1,447,770
Subtotal		5,855,324	6,221,940
Add: Recognition of prior fiscal year unearned revenues		3,760,428	2,807,942
Less: Current fiscal year unearned revenues		(3,561,431)	(3,760,428)
Total TDA Allocation		\$ 6,054,321	\$ 5,269,454

Transit system operating subsidies are earned by the County to the extent that it has incurred eligible operating expenses. Eligible expenses compared to the subsidies received and accrued were as followed:

	<u>2019</u>	<u>2018</u>
Operating and interest expenses	\$ 12,537,375	\$ 11,857,085
Add:		
Capital purchases with LTF and STF	286,533	76,397
Less:		
Depreciation	(2,171,733)	(2,043,637)
Fare revenues	(1,367,564)	(1,437,854)
Special events and other revenues	(137,348)	(123,334)
Federal and state operating grants	<u>(3,092,942)</u>	<u>(3,059,203)</u>
Maximum total allocation amount	6,054,321	5,269,454
TDA allocations received and accrued	5,855,324	6,221,940
Change in TDA transit allocations in unearned revenues	<u>198,997</u>	<u>(952,486)</u>
Allocation over/(under) maximum	<u>\$ -</u>	<u>\$ -</u>

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 - FARE REVENUE RATIO

The Agency had fare revenue ratios for the fiscal year ended June 30, 2019 as computed as follows:

	<u>Fixed Route</u>	<u>Runabout</u>	<u>Paso Express</u>	<u>Paso Dial a Ride</u>
(a) Operating fare revenues	\$ 1,031,700	\$ 162,618	\$ 136,762	\$ 5,909
(b) Operating expenses, net of depreciation	<u>5,702,031</u>	<u>3,271,234</u>	<u>707,777</u>	<u>126,587</u>
(c) Fare revenue ratio [(a) / (b)]	18.09%	4.97%	19.32%	4.67%
Minimum ratio required	<u>15.80%</u>	<u>N/A</u>	<u>15.00%</u>	<u>N/A</u>
Under minimum ratio requirement	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
	<u>Nipomo</u>	<u>Cambria Trolley</u>	<u>Avila Trolley</u>	
(a) Operating fare revenues	\$ 21,789	\$ -	\$ 8,786	
(b) Operating expenses, net of depreciation	<u>470,282</u>	<u>5,891</u>	<u>74,383</u>	
(c) Fare revenue ratio [(a) / (b)]	4.63%	0.00%	11.81%	
Minimum ratio required	<u>N/A</u>	<u>10.00%</u>	<u>15.00%</u>	
Under minimum ratio requirement	<u>N/A</u>	<u>10.00%</u>	<u>3.19%</u>	

The Agency had fare revenue ratios for the fiscal year ended June 30, 2018 as computed as follows:

	<u>Fixed Route</u>	<u>Runabout</u>	<u>Paso Express</u>	<u>Paso Dial a Ride</u>
(a) Operating fare revenues	\$ 1,096,922	\$ 154,035	\$ 137,891	\$ 6,598
(b) Operating expenses, net of depreciation	<u>5,318,245</u>	<u>3,125,333</u>	<u>698,731</u>	<u>136,533</u>
(c) Fare revenue ratio [(a) / (b)]	20.63%	4.93%	19.73%	4.83%
Minimum ratio required	<u>17.36%</u>	<u>N/A</u>	<u>17.36%</u>	<u>15.00%</u>
Under minimum ratio requirement	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>10.17%</u>
	<u>Nipomo</u>	<u>Cambria Trolley</u>	<u>Avila Trolley</u>	
(a) Operating fare revenues	\$ 34,270	\$ -	\$ 8,138	
(b) Operating expenses, net of depreciation	<u>438,403</u>	<u>5,472</u>	<u>71,482</u>	
(c) Fare revenue ratio [(a) / (b)]	7.82%	0.00%	11.38%	
Minimum ratio required	<u>10.00%</u>	<u>10.00%</u>	<u>17.36%</u>	
Under minimum ratio requirement	<u>2.18%</u>	<u>10.00%</u>	<u>5.98%</u>	

The Agency was in compliance with applicable TDA regulations pertaining to acceptable fare revenue ratios for routes encompassing both urbanized and non-urbanized areas which require a minimum ratio of 17.15% blended rate as approved by San Luis Obispo Council of Governments. The fare revenue ratios for the Cambria Trolley and Avila Trolley are under their various minimum required ratios. When the fare revenue ratio is under the minimum requirement for two consecutive years, there is a potential for a reduction in future TDA eligibility for the difference between the required minimum and actual fares in accordance with Public Utilities Code Section 99268.9 and CCR Section 6633.9, unless waived by the San Luis Obispo Council of Governments.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 - LONG TERM LIABILITIES

	Balance July 1, 2018	Increases	Decreases	Balance at June 30, 2019		
				Total	Current	Long Term
Vacation	\$ 162,081	\$ 287,355	\$ 240,575	\$ 208,861	\$ 52,215	\$ 156,646
Sick leave	44,803		44,803			
Loan payable	212,303		212,303			
Other post-employment benefits	122,838	12,932	6,723	129,047		129,047
Net pension liability	628,213	2,866,698	121,011	598,258		598,258
Pension plan exit liability		2,775,642		2,775,642		2,775,642
Total	\$ 1,170,238	\$ 5,942,627	\$ 625,415	\$ 3,711,808	\$ 52,215	\$ 3,659,593

NOTE 9 - LOAN PAYABLE

The Agency entered into a loan with Rabobank on June 1, 2011. The original balance of the loan was \$3,082,621. A prepayment of \$799,168 in principal was made on January 29, 2014. The loan was refinanced with Rabobank for \$1,512,183 on March 24, 2014 with a fixed interest rate of 5.75%. Payment on the loan is due in variable monthly interest payments which began on April 1, 2014 and budgeted principal payments of \$100,298 beginning April 30, 2014, with all outstanding principal plus accrued unpaid interest originally due on April 30, 2021. The Agency decided to pay the loan off early and made the final payment in May of 2019.

NOTE 10 - PENSION PLAN

A. General Information about the Pension Plans

Plan Descriptions

The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the assumptions for funding purposes, but not accounting purposes, and membership information is listed in the June 30, 2018 GASB Statement No. 68 actuarial valuation report for the Miscellaneous risk pool. Details of the benefits provided can be obtained from Appendix B of the June 30, 2017 actuarial valuation report for the CalPERS Miscellaneous risk pool. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members with five years of total service are eligible to retire at age 50 and PEPRA members with five years of total service are eligible to retire at age 52, with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2019, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit formula	2.0% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7%	6.25%
Required employer contribution rates	9.409% + \$48,439	6.842% + \$563

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 - PENSION PLAN (Continued)

A. General Information about the Pension Plans (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Agency is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan from the Authority were \$121,671 for the fiscal year ended June 30, 2019.

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2019, the Agency reported a liability of \$598,258 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward using standard update procedures. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. The Agency's proportionate share of the net pension liability for the miscellaneous plan as of June 30, 2017, and 2018 was as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2017	0.01594%
Proportion - June 30, 2018	0.01587%
Change - Increase (Decrease)	<u>-0.00007%</u>

For the year ended June 30, 2019, the Agency recognized pension expense of \$169,147. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2018, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
District contributions subsequent to the measurement date	\$ 121,671	\$ -
Differences between expected and actual experience	22,954	7,811
Changes in assumptions	68,203	16,715
Net difference between projected and actual earnings on retirement plan investments	2,958	
Adjustment due to differences in proportions	34,086	1,409
Difference in actual contributions and proportionate share of contributions	54,852	
	<u>\$ 304,724</u>	<u>\$ 25,935</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

\$121,671 was reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 - PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 106,366
2021	65,717
2022	(9,584)
2023	(5,381)
	<u>\$ 157,118</u>

Actuarial Assumptions

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.0% Net Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality	Derived using CalPERS' Membership Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies; 2.50% thereafter

- (1) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table please refer to the December 2017 experience study report.

Change in Assumptions

In December 2017, the CalPERS Board adopted new mortality assumptions for plans participating in the Public Employees' Retirement Fund (PERF). The mortality table was developed from the December 2017 experience study and includes 15 years of projected ongoing mortality improvement using 90 percent scale MP 2016 published by the Society of Actuaries. The inflation assumption was reduced from 2.75 percent to 2.50 percent. The assumptions for individual salary increase and overall payroll growth were reduced from 3.00 percent to 2.75 percent.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on testing the plans, the tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB No. 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2022. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB No. 67 and No. 68 calculations through at least the 2021-22 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 - PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits were calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.00% was used for this period.

(b) An expected inflation of 2.92% was used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in Discount Rate

The following represents the Agency's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.15 percent) or 1- percentage point higher (8.15 percent) than the current rate:

	<u>1% Decrease 6.15%</u>	<u>Discount Rate 7.15%</u>	<u>1% Increase 8.15%</u>
Agency's proportionate share of the net pension plan liability	\$ 980,063	\$ 598,258	\$ 283,085

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Payable to Pension Plan

As of June 30, 2019, the Agency had a payable of \$271,926 to the CalPERS pension plan for past invoices in arrears. In addition, the Agency has begun the process of withdrawing from CalPERS with the latest actuarial anticipating an exit cost of \$3,373,900 (as detailed in Note 18) in addition to the invoices in arrears.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 11 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

Plan administration. The Authority provides post-retirement medical coverage through CalPERS under the Public Employees Medical and Hospital Care Act (PEMHCA), also referred to as PERS Health. There are 12 medical plans in the "Other Southern California" region that participants may elect coverage for. Participants may also receive benefits if outside the region. Findings and assumptions are based on a 50%/50% blend of the PERS Health (PEMHCA) rates for calendar years 2018 and 2019. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB *Statement No. 75*. As of August and September 2018, the Authority elected to no longer be part of the PEMHCA. In order to minimize the impact of the transition on current CalPERS retirees, the monthly health contribution of \$256 will continue but that contribution will not be extended to any current employees when they retire from the Authority. The RTA has two retirees who elect PERS medical, resulting in an annual fiscal impact of \$6,144.

Benefits provided. The Authority offers the same medical plans to its retirees as to its active employees, with the general exception that upon reaching age 65 and becoming eligible for Medicare, the retiree must join one of the Medicare Supplement coverages offered under PEMHCA.

Employees become eligible to retire and receive Authority-paid healthcare benefits upon attainment of age 50 (Classic Plan) or age 52 (New Members/PEPRA Plan) and 5 years of covered PERS service, or by attaining qualifying disability retirement status. Authority's contribution on behalf of retirees is the same as for active employees - 100% of the PEMHCA premium for retiree and covered dependents, but not to exceed \$256 per month. Benefits continue for the lifetime of the retiree with survivor benefits extended to surviving spouses for PERS annuitants who elect pension options with survivor benefits. The Authority paid 0.33% of premium administrative fee on behalf of employees through December 31, 2018.

Employees Covered

As of July 1, 2017, actuarial valuation, the following current and former employees were covered by the benefit terms under the Authority's Plan:

Active plan members	5
Inactive plan members or beneficiaries currently receiving benefits	2
Total	<u>7</u>

Contributions

The Authority currently finances benefits on a pay-as-you-go basis.

OPEB Liability

The Authority's OPEB Liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2017. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial assumptions. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.00%
Inflation rate	3.00%
Healthcare cost trend rate	5.00%

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the July 1, 2017 valuation were based on a review of plan experience during the period July 1, 2016 to June 30, 2017 with a change in assumptions resulting from a change in the Municipal Bond 20 Year High Grade Index from 3.62% to 3.13%.

Discount rate. GASB *Statement No. 75* requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments — to the extent that the OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher — to the extent that the conditions in (a) are not met.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

OPEB Liability (Continued)

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the Authority's total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long-term Expected Return of Plan Investments (if any)	Municipal Bond 20 Year High Grade Rate Index	Discount Rate
June 30, 2018	June 30, 2018	4.00%	3.62%	3.62%
June 30, 2019	June 30, 2019	4.00%	3.13%	3.13%

Changes in the OPEB Liability

	Total OPEB Liability
Balance at June 30, 2018 (Valuation Date July 1, 2017)	<u>\$ 122,838</u>
Changes recognized for the measurement period:	
Service cost	2,469
Interest	4,326
Changes of assumptions	6,137
Contributions - employer	
Net investment income	
Benefit payments	(6,723)
Administrative expense	
Net Changes	<u>6,209</u>
Balance at 30, 2019 (Measurement date June 30, 2019)	<u><u>\$ 129,047</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.13 percent) or 1-percentage-point higher (4.13 percent) than the current discount rate:

	1% Decrease (2.13%)	Discount Rate (3.13%)	1% Increase (4.13%)
Total OPEB Liability	\$ 143,200	\$ 129,047	\$ 117,005

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.00 percent) or 1-percentage-point higher (6.00 percent) than the current healthcare cost trend rates:

	1% Decrease (4.00%)	Trend Rate (5.00%)	1% Increase (6.00%)
Total OPEB Liability	\$ 123,651	\$ 129,047	\$ 135,420

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2019, the Authority recognized OPEB expense of \$5,538. As of the fiscal year ended June 30, 2019, the Authority reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	\$ 5,079	\$ 4,353
	<u>\$ 5,079</u>	<u>\$ 4,353</u>

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal year Ending June 30,	Amount
2020	\$ 68
2021	68
2022	68
2023	68
2024	454
	<u>\$ 726</u>

NOTE 12 - INSURANCE

The Agency is exposed to various risks of loss related to torts, theft, damage to, or destruction of an asset and errors or omissions. The Agency maintains comprehensive general liability including automobile insurance of \$25 million for buses, vans, equipment, and facilities. The Agency also purchases commercial Special Liability Insurance and Special Agency Property Insurance with limits of \$25 million per occurrence and \$100 million annual aggregate.

NOTE 13 - DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

At June 30, 2019, deferred inflows and outflows of resources, reported on the Statement of Net Position, consisted of the following:

Deferred Inflows of Resources:	
Pensions	\$ 25,935
OPEB	<u>4,353</u>
Total Deferred Inflows	<u>\$ 30,288</u>
Deferred Outflows of Resources:	
Pensions	\$ 304,724
OPEB	<u>5,079</u>
Total Deferred Outflows	<u>\$ 309,803</u>

NOTE 14 - OPERATING LEASE

The Agency has entered into an operating lease for office facilities and bus yard with lease terms in excess of one year. Rent can increase between 1.5% and 5% annually with the lease available through February 2022. Future minimum lease payments under this agreement are budgeted at \$476,920 for the next fiscal year.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 15 - PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B in November 2006, included a program of funding in the amount of \$4 billion to be deposited in the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). Of this amount, \$3.6 billion in the PTMISEA was made available to project sponsors in California for allocation to eligible public transportation projects for rehabilitation, safety, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or rolling stock procurement, rehabilitation, expansion, or replacement. PTMISEA eligibility is based on STA allocations to each project sponsor during the fiscal years 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and were made available during the 2016-17 fiscal years. Qualifying expenditures must be encumbered within three years from the date of allocation and expended within three years from the date of the encumbrance.

Interest earned on funds to date is \$44,161 and the Agency received \$1,552,446 from past allocations during the year. The Agency had qualifying expenditures incurred under this program from previous allocation totaling \$695,615, which was used for bus replacements and electronic fare collection system and is included in State capital grants in the accompanying financial statements.

NOTE 16 - SENATE BILL 1 – STATE OF GOOD REPAIR

The Road Repair and Accountability Act of 2017, Senate Bill (SB) 1 (Chapter 5, Statutes of 2017), signed by the Governor on April 28, 2017, includes a program that will provide additional revenues for transit infrastructure repair and service improvements. This investment in public transit will be referred to as the State of Good Repair (SGR) program. This program provides funding of approximately \$105 million annually to the State Transit Assistance (STA) Account. These funds are to be made available for eligible transit maintenance, rehabilitation and capital projects.

This program demonstrates California's commitment to clean, sustainable transportation, and the role that public transit plays in that vision. While SB 1 addresses a variety of transportation needs, this program has a specific goal of keeping transit systems in a state of good repair, including the purchase of new transit vehicles, and maintenance and rehabilitation of transit facilities and vehicles. These new investments will lead to cleaner transit vehicle fleets, increased reliability and safety, and reduced greenhouse gas emissions and other pollutants.

In the fiscal year ended June 30, 2019, the San Luis Obispo Regional Transit Authority received \$517,453 with interest earned on the funding of \$7,637. \$165,681 was spent this fiscal year on design and engineering services for the bus maintenance facility project.

NOTE 17 - PRIOR-PERIOD ADJUSTMENT

Prior-period adjustments of \$81,936 were made to the Statement of Revenues, Expenses, and Changes in Net Position. This adjustment was the result of the following items: \$503,201 was made to recognize the FTA Section 5311 grant reimbursement as revenue in the prior-fiscal year in order to match the revenue with the year the expenditures were incurred; (\$271,926) to account for CalPERS invoices in arrears for prior contributions, and (\$149,339) for the write-off of uncollectable old receivables relating to the ITS system hacking that was settled in June 2019 for less than the receivable recorded.

NOTE 18 – CONTINGENT LIABILITY FOR PENSION PLAN EXIT

The RTA had contracted with the California Public Employees' Retirement System (CalPERS) since 1994, and administrative, management and confidential employees are offered participation in the CalPERS defined benefit retirement program. To reduce potential future financial obligations, the Board adopted a Resolution of Intention to terminate RTA's contract with CalPERS on January 9, 2019. Staff subsequently investigated the cost to terminate the contract and an ad hoc committee appointed by the Board has determined that joining the San Luis Obispo County Pension Trust (SLOCPT) Retirement Plan provides an equivalent retirement program for employees currently enrolled in CalPERS.

As presented at the November 6, 2019 Board meeting, the financial penalty for withdrawing from CalPERS is anticipated to cost approximately \$3.374 million, subject to a final actuarial study that will be conducted by CalPERS in early 2020.

NOTE 19 - SUBSEQUENT EVENT

The San Luis Obispo County Board of Supervisors considered the enrollment of the RTA into the SLOCPT Retirement Plan as a Contracting Agency on December 10, 2019. The RTA Board action December 11, 2019 authorized enrollment into the SLOCPT Retirement Plan, effective January 12, 2020. As discussed in Note 18, there will be a \$3.374 million cost to withdraw from CalPERS, subject to a final actuarial study that will be conducted by CalPERS in early 2020. A separate resolution authorizing the RTA to pay the withdrawal penalty, according to the payment terms included in a Payment Plan negotiated with CalPERS, will be presented at in early 2020 after the final actuarial is received.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Last 10 Years*
As of June 30, 2019

The following table provides required supplementary information regarding the Agency's Pension Plan.

	2019	2018	2017	2016
Proportion of the net pension liability	0.00621%	0.00633%	0.00629%	0.00604%
Proportionate share of the net pension liability	\$ 598,258	\$ 628,213	\$ 543,863	\$ 414,886
Covered payroll	\$ 1,030,066	\$ 932,784	\$ 822,150	\$ 473,673
Proportionate share of the net pension liability as percentage of covered payroll	58.08%	67.35%	66.15%	87.59%
Plan's total pension liability	\$ 38,944,855,364	\$ 37,161,348,332	\$ 33,358,627,624	\$ 31,771,217,402
Plan's fiduciary net position	\$ 29,308,589,559	\$ 27,244,095,376	\$ 24,705,532,291	\$ 24,907,305,871
Plan fiduciary net position as a percentage of the total pension liability	75.26%	73.31%	74.06%	78.40%
	2015			
Proportion of the net pension liability	0.00684%			
Proportionate share of the net pension liability	\$ 425,837			
Covered payroll	\$ 345,255			
Proportionate share of the net pension liability as percentage of covered payroll	123.34%			
Plan's total pension liability	\$ 30,829,966,631			
Plan's fiduciary net position	\$ 24,607,502,515			
Plan fiduciary net position as a percentage of the total pension liability	79.82%			

Notes to Schedule:

Changes in assumptions - In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

In 2016, the discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

In 2017, the discount rate was changed by CalPERS from 7.65 percent to 7.15 percent.

In 2018, inflation was changed from 2.75 percent to 2.50 percent and individual salary increases and overall payroll growth was reduced from 3.00 percent to 2.75 percent.

*- Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF CONTRIBUTIONS
 Last 10 Years*
 As of June 30, 2019

The following table provides required supplementary information regarding the Agency's Pension Plan.

	2019	2018	2017	2016
Contractually required contribution (actuarially determined)	\$ 121,671	\$ 120,722	\$ 108,461	\$ 126,258
Contribution in relation to the actuarially determined contributions	(121,671)	(120,722)	(108,461)	(126,258)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 925,276	\$ 1,030,066	\$ 932,784	\$ 822,150
Contributions as a percentage of covered payroll	13.15%	11.72%	11.63%	15.36%
	2015			
Contractually required contribution (actuarially determined)	\$ 74,414			
Contribution in relation to the actuarially determined contributions	(74,414)			
Contribution deficiency (excess)	\$ -			
Covered payroll	\$ 473,673			
Contributions as a percentage of covered payroll	15.71%			

Notes to Schedule

Valuation Date:	6/30/2016
The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2016/2017 were derived from the June 30, 2016 funding valuation report.	
Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2016 funding valuation report.
Inflation	2.75%
Salary Increases	Varies by entry age and service
Payroll Growth	3.00%
Investment Rate of Return	7.00%
Retirement Age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

In 2018, the discount rate was changed by CalPERS from 7.65 percent to 7.375 percent.

*- Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS
Last 10 Years*
As of June 30, 2019

	Measurement Period	2019	2018
Total OPEB Liability			
Service cost		\$ 2,469	\$ 2,583
Interest on the total OPEB liability		4,326	3,945
Actual and expected experience difference			
Changes in assumptions		6,137	(6,333)
Changes in benefit terms			
Benefit payments		(6,723)	(6,723)
	Net change in total OPEB Liability	6,209	(6,528)
	Total OPEB liability- beginning	122,838	129,366
	Total OPEB liability- ending (a)	<u>\$ 129,047</u>	<u>\$ 122,838</u>
Covered Payroll:		\$ 880,054	\$ 1,030,061
Total OPEB Liability as a Percentage of Covered Payroll:		14.66%	11.93%

*- Fiscal year 2018 was the 1st year of implementation, therefore only two years are shown.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF OPEB CONTRIBUTIONS
Last 10 Years*
As of June 30, 2019

As of June 30, 2019, the plan is not administered through a qualified trust. Therefore there is no Actuarially Determined Contribution (ADC). Benefit payments of \$6,723 were made on a pay-as-you-go basis for the fiscal year ended June 30, 2019.

As of June 30, 2018, the plan is not administered through a qualified trust. Therefore there is no Actuarially Determined Contribution (ADC). Benefit payments of \$6,723 were made on a pay-as-you-go basis for the fiscal year ended June 30, 2018.

*- Fiscal year 2018 was the 1st year of implementation, therefore only two years are shown.

SUPPLEMENTARY INFORMATION SECTION

This page left intentionally blank.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF EXPENSES
BUDGET AND ACTUAL
As of June 30, 2019

	Adopted Budget	Actual	County Services Actual	Variance with Budget
Administration:				
Labor	\$ 894,050	\$ 595,833	\$ -	\$ 298,217
Labor - Benefits		223,839		(223,839)
Labor - Administration Workers Comp	65,150	64,365		785
Office Space Rental	458,500	460,186		(1,686)
Property Insurance	19,780	19,721		59
Professional Technical Services	98,480	154,634		(56,154)
Professional Development	46,270	42,932		3,338
Operating Expense	265,450	306,107		(40,657)
Marketing and Reproduction	95,530	80,989		14,541
North County Management Contract	(43,740)	(43,740)		
County Management Contract	(90,130)	(90,130)	97,630	(97,630)
SCT Management Contract	(124,660)	(124,660)		
Total Administration	1,684,680	1,690,076	97,630	(103,026)
Service Delivery:				
Labor - Operations	4,556,490	3,284,581	241,141	1,030,768
Labor - Operations Benefits		991,926		(991,926)
Labor - Operations Worker Comp	440,830	438,094	25,627	(22,891)
Labor - Maintenance	1,033,450	793,126	56,995	183,329
Labor - Maintenance Benefits		207,007		(207,007)
Labor - Maintenance Workers Comp	129,010	127,455	7,461	(5,906)
Fuel	991,560	1,021,026	21,137	(50,603)
Insurance	720,500	707,786	12,679	35
Special Transportation (includes County Programs and Cuesta evenings)	43,900	45,476	44,379	(45,955)
Avila Trolley	61,750	54,894	63,680	(56,824)
Maintenance (parts, supplies, materials)	703,460	504,564	38,058	160,838
Maintenance Contract Costs	129,870	113,283	2,187	14,400
Total Operations	8,810,820	8,289,218	513,344	8,258
Capital/Studies:				
Computer System Maintenance/Upgrades	43,830	33,869		9,961
Miscellaneous Capital				
Maintenance Equipment	25,310			25,310
Specialized Maintenance Tools	85,200			85,200
Desk and Office Equipment	10,000			10,000
Vehicle ITS	61,370	43,991		17,379
Bus Stop Improvements/Bus Stop Solar Lighting	240,820	103,960		136,860
Vehicles				
Support Vehicles	18,000			18,000
40' Coaches	3,140,380	3,144,199		(3,819)
Cutaway and Dial A Ride Vehicles	81,520	83,793	83,793	(86,066)
Runabout Vehicles	729,320	668,692		60,628
Total Capital Outlay	4,435,750	4,078,504	83,793	273,453
Interest Expense	11,640	7,457		4,183
Loan Paydown	211,670	212,303		(633)
Short Range Transit Plan - Nipomo	22,750			22,750
Elks Lane Project	2,671,700	909,510		1,762,190
Management Contracts	258,530	258,530		
Contingency	125,950	120,361		5,589
Special Item - CalPERS Pension Plan Exit		2,775,642		(2,775,642)
TOTAL FUNDING USES	\$ 18,233,490	\$ 18,341,601	\$ 694,767	\$ (802,878)
TOTAL EXPENSES, BUDGETARY BASIS		\$ 18,341,601		
ADD:				
DEPRECIATION		2,171,733		
LESS:				
CAPITALIZED EXPENSES		(4,988,014)		
LOAN PRINCIPAL PAYMENTS		(212,303)		
NON-OPERATING EXPENSES		(7,457)		
SPECIAL ITEM - CALPERS PENSION PLAN EXIT		(2,775,642)		
TOTAL OPERATING EXPENSES PER FINANCIAL STATEMENTS		\$ 12,529,918		

This page left intentionally blank.



To the Board of Directors
San Luis Obispo Regional Transit Authority

We have audited the basic financial statements of the San Luis Obispo Regional Transit Authority (the Authority) for the fiscal year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards* and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 1, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by San Luis Obispo Regional Transit Authority are described in Note 2 to the financial statements. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Authority's financial statements was (were):

Management's estimate of the useful lives of capital assets is based on experience with other capital assets and on their standard table of useful lives. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the Other Postemployment Benefits (OPEB) liability and deferred inflows and outflows related to OPEB are based on the actuary's expertise and experience. We evaluated the key factors and assumptions used to develop the OPEB liability and deferred inflows and outflows related to OPEB in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability and deferred inflows and outflows related to pension are based on the CalPERS actuary's expertise and experience. We evaluated the key factors and assumptions used to develop the net pension liability and deferred inflows and outflows related to pension in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the Pension Plan in Note 10 and the Contingent Liability for Pension Plan Exit in Note 18 to the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 4, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. Our comments to management follow:

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of San Luis Obispo Regional Transit Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Moss, Remy & Haugheim LLP

March 4, 2020

Santa Maria, California

**SAN LUIS OBISPO REGIONAL
TRANSIT AUTHORITY**

SINGLE AUDIT REPORT
For the Fiscal Year Ended
June 30, 2019

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

TABLE OF CONTENTS

For the Fiscal Year Ended June 30, 2019

SINGLE AUDIT REPORT

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Schedule of Expenditures of Federal Awards	3
Notes to the Schedule of Expenditures of Federal Awards	4
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	5

FINDINGS AND RECOMMENDATIONS

Schedule of Audit Findings and Questioned Costs	7
Summary of Prior Fiscal Year Audit Findings and Questioned Costs	10

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of San Luis Obispo Regional Transit Authority (the Authority), as of and for the fiscal year ended June 30, 2019, and the related notes to the basic financial statements, and have issued our report thereon dated March 4, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether San Luis Obispo Regional Transit Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Moss, Levy & Hargheim LLP

Santa Maria, California

March 4, 2020

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
For the Fiscal Year Ending June 30, 2019

<u>Federal Grantor/Pass Through Grantor/Program or Cluster Title</u>	<u>Federal Catalog Number</u>	<u>Pass-Through Entity Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Transportation</u>			
FTA Section 5307 - Operating Assistance	20.507	CA-2019-082	\$ 878,400
FTA Section 5307 - Operating Assistance	20.507	CA-2019-082	574,340
FTA Section 5307 - Operating Assistance	20.507	CA-2019-082	536,200
FTA Section 5307 - Operating Assistance	20.507	CA-2019-082	249,540
FTA Section 5307 - Capital Assistance Maintenance Equipment	20.507	CA-90-Z075	5,829
FTA Section 5307 - Capital Assistance ADA Vehicles	20.507	CA-2018-073	568,389
FTA Section 5307 - Capital Assistance Ops/Maintenance Facility	20.507	CA-2018-041	709,560
FTA Section 5307 - Capital Assistance Bus replacement	20.507	CA-2017-100	792,000
FTA Section 5307 - Capital Assistance Bus replacement	20.507	CA-90-Z169	396,000
Total FTA Section 5307			<u>4,710,258</u>
FTA Section 5307 - CMAQ transfer Capital Assistance Bus Replacement	20.507	CA-2016-067	396,000
Total FTA Section CMAQ			<u>396,000</u>
Total Federal Transit Cluster			<u>5,106,258</u>
FTA Section 5339 - Capital Assistance Bus Replacement	20.509 *	CA-2016-064	828,711
FTA Section 5339 - Capital Assistance Bus Replacement	20.509 *	CA-2016-064	44,499
FTA Section 5339 - Capital Assistance Bus Replacement - Nipomo DAR	20.509 *	SA 64GC17-00841	69,296
Total FTA Section 5339			<u>942,506</u>
Passed-Through the State of California Department of Transportation			
FTA Section 5311 - Operating Assistance	20.509 *	SA 64B017-00535	503,203
Total FTA Section 5311			<u>503,203</u>
Total U.S. Department of Transportation			<u>6,551,967</u>
Total expenditures of federal awards			<u>\$ 6,551,967</u>

* Denotes major program

The notes to the schedule of expenditures of federal awards is an integral part of this statement.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2019

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the San Luis Obispo Regional Transit Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 – INDIRECT COST RATE

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



Moss, Levy & Hartzheim LLP

Certified Public Accountants

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

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

Report on Compliance for Each Major Federal Program

We have audited San Luis Obispo Regional Transit Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the fiscal year ended June 30, 2019. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, San Luis Obispo Regional Transit Authority, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of San Luis Obispo Regional Transit Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

We have audited the basic financial statements of the San Luis Obispo Regional Transit Authority, as of and for the fiscal year ended June 30, 2019, and the related notes to the basic financial statements. We issued our report thereon March 4, 2020, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Moss, Kelly & Hargrave LLP

Santa Maria, California
March 4, 2020

FINDINGS AND RECOMMENDATIONS

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2019

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

_____ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

_____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

_____ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

_____ Yes X None reported

Type of auditors’ report issued on compliance for major
programs:

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance,
Section 200.516

_____ Yes X No

Identification of major programs:

CFDA Number(s)

20.509

Name of Federal Program or Cluster

Formula Grants for Other than Urbanized Areas

Dollar threshold used to distinguish between Type A
and Type B programs:

\$ 750,000

Auditee qualify as low-risk auditee:

 X Yes _____ No

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2019

Financial Statement Findings:

There were no financial statement findings.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SUMMARY OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2019

Federal Award Findings:

There were no federal award findings or questioned costs.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SUMMARY OF PRIOR FISCAL YEAR AUDIT FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2018

Financial Statement Findings:

There were no prior fiscal year financial statement findings.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SUMMARY OF PRIOR FISCAL YEAR AUDIT FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2018

Federal Award Findings:

There were no prior fiscal year federal award findings or questioned costs.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: C-13

TOPIC: Surplus Vehicle

ACTION: Approve

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Declare Vehicle Surplus, Authorize the Executive Director to Transfer Vehicle, and Direct Staff to Dispose if Vehicle Remains

BACKGROUND/DISCUSSION:

The RTA Purchasing Policy requires staff to determine if surplus equipment has a per-unit fair market value greater than \$5,000. If a piece of equipment has a value greater than \$5,000 and it was originally purchased using Federal Transit Administration (FTA) funds, staff is directed to obtain pre-approval from FTA staff to determine how any FTA remaining value should be addressed. The vehicle was not funded with FTA funds, so there is no need for FTA authorization to dispose of this equipment.

Staff has determined that the RTA currently has no practical, efficient or appropriate use for the vehicle presented in the table below, nor will it have such a use for it in the near future. Bus #723 has recently been used in a back-up role, and has experienced a radiator failure; its high-cost repair is not economically prudent.

Fleet #	Miles as of 4/1/2020	Chassis	Model	Year	Vehicle ID Number	In-Service Date	Seating Capacity
723	187,984	CHEVY	EL DORADO	2009	1GBG5V1939F406668	6/1/2014	29 + 2 w/c

Staff recommends that this vehicle be sold through our contract with Ken Porter Auctions, or be salvaged if the auction company refuses to accept it. Any auction proceeds would be deposited in the Paso Express capital reserve account.

Staff Recommendation

Declare the vehicle listed above as surplus, and dispose of through auction or salvage.

This Page Left Intentionally Blank

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: C-14

TOPIC: Amendment to Agreement with Kitchell

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Authorize Executive Director Execute Amendment #1

BACKGROUND/DISCUSSION:

Staff is presenting an Add Service Request (ASR) for testing/inspection services, CEQA monitoring services, and procurement of project management information services software licensing. All of these items were included in the original procurement documents for Construction Management Services authorized at the September 4, 2019 RTA Board meeting. However, at the January 8, 2020 Board meeting, the Board removed the testing/inspections and CEQA monitoring services from the Agreement with Kitchell so that the subcontractors' services and pricing could be further defined and brought back for further consideration.

As shown in the attached Additional Services Fee Proposal, these additional services total a not-to-exceed amount of \$845,284, which is within the budget we have developed with our funding partners and presented at previous Board meetings. More specifically, the attached includes the following:

1. Testing and Special Inspection Services by subcontractor Earth Systems (\$510,384)
2. CEQA Monitoring Services by various subcontractors led by Rincon Consultants (\$306,900)
3. Kitchell-hosted Procore PMIS (\$28,000).

It should be noted that consideration of this item was delayed while we awaited a Fair Political Practices ruling on whether or not a conflict existed with Rincon, since that firm assisted with the development of CEQA environmental documentation. The FPPC's ruling is that no conflict exists.

As part of its evaluation and negotiation process, staff conducted a cost analysis and we determined that the design changes are necessary to meet the project's defined needs, and the price bid by Kitchell is customary and appropriate for the work proposed. In addition, our cost analysis determined that it would unduly delay the project to remove

this work from Kitchell's scope of work and separately bid this work, and the hours and per hour fees are reasonable based on the work that Kitchell and its team of subconsultants has already bid as part of the base agreement.

Staff Recommendation

Staff requests the Board's concurrence to authorize the Executive Director to execute Amendment #1 to the Agreement with Kitchell for testing/inspection services, CEQA monitoring services, and PMIS software licensing for the Bus Maintenance Facility project.



April 30, 2020

Mr. Geoff Straw, Project Manager
San Luis Obispo Regional Transit Authority
179 Cross Street
San Luis Obispo, CA 93401

**Re: Additional Services Fee Proposal - RTA Bus Maintenance Facility
Testing & Special Inspection, CEQA Monitoring, and Project Management Information System**

Dear Mr. Straw:

Congratulations on achieving the important step of awarding a construction contract to a responsive, responsible bidder within budget!

In the fee proposal we submitted in December at the onset of our services, we presented fees under "Optional Services" for testing and special inspection and CEQA monitoring. We also recommended the RTA consider implementing a Project Management Information System (PMIS) accessible by the project team.

We received CEQA monitoring proposals from Rincon Consultants and Terra-Verde Environmental Consulting. We evaluated their proposals and ranked Rincon first and Terra Verde second. Their proposals are both responsive and enclosed for further review. We also solicited a proposal from Earth Systems for testing and special inspection, which is also included for further review.

We propose that PMIS needs be satisfied using Procore hosted by Kitchell. This enables the RTA to retain control and ownership of the project electronic data generated within the system. Procore is the industry leading PMIS on the market. Product information is enclosed for review. Pricing of the system is 14 basis points of contractor billings, and fees are presented below based on a \$20 million budget.

We propose to invoice CEQA monitoring and testing & special inspection services based on subconsultant billings plus Kitchell's 10% mark-up. PMIS services will be invoiced based on actual contractor billings.

Testing and Special Inspection Services by Earth Systems with Markup	\$ 510,384
CEQA Monitoring Services with Markup	\$ 306,900
Kitchell-hosted Procore PMIS	\$ <u>28,000</u>
Total Not-to-Exceed Additional Services Fee: \$ 845,284	

We appreciate the opportunity to serve the RTA in successfully delivering the vital Bus Maintenance Facility project.

Sincerely,

Randy Rominger
Regional Executive

Enclosures:

1. Earth System's Proposal for Special Inspection (including Grading Observation) and Materials Testing Services Dated December 3, 2019
2. Rincon Consulting's Proposal for CEQA Monitoring Services Dated December 13, 2019
3. Terra Verde's Proposal for CEQA Monitoring Services Dated December 17, 2019
4. Procore Product Information



December 3, 2019

Mr. Randy Rominger
Kitchell CEM
1540 Marsh Street
San Luis Obispo, CA 93401

PROJECT: RTA BUS MAINTENANCE FACILITY
253 ELKS LANE
SAN LUIS OBISPO, CALIFORNIA

SUBJECT: Proposal for a Grading Observation, Special Inspection, and Materials
Testing Services

Dear Mr. Rominger:

In accordance your request, this proposal has been prepared to provide grading observation, special inspection, and materials testing services for the upcoming RTA Bus Maintenance Facility project in San Luis Obispo, California. We understand the project will start in summer of 2020 and be completed in 2021 with an approximate 83 week construction schedule.

We propose to provide observation and compaction testing during rough grading of the site; during utility trench, retaining wall, and foundation backfill; and following the completion of foundation excavations. We will also provide observation and testing during fine grading and completion of site finishes. We will provide laboratory tests associated with field testing, which will include soil maximum density versus moisture content, specific gravity, expansion index, sieve analysis, and theoretical maximum density of hot mix asphalt. We anticipate full time grading observation during the mass grading and trench backfill operations with periodic observation during fine grading.

We propose to inspect structural concrete, rebar placement, sample concrete, and pick up and test concrete compressive strength samples for foundations, walls, columns, and structural slabs. We have assumed concrete batch plant inspections will not be required. We have included time for an ACI Concrete Field Testing Technician for sampling of concrete at the concrete pump during the raised floor placements, as the inspector will be observing the concrete placement. We have assumed that the rebar will be accepted based upon mill certifications provided with each shipment. We have also assumed that cement tests will not be required, and cement will be accepted based on manufacturer's certifications. We have assumed concrete for miscellaneous site improvements (curb, gutter and sidewalks) will not be inspected or tested by this firm however, concrete for pavements will be sampled and tested. We have included pick-up and delivery of the concrete cylinders the day following the concrete placements and have assumed periodic pickups on Saturdays at overtime rates for Friday placements.



Based upon the project plans, continuous visual inspections of shop and field structural welding, including the stairs, are required and therefore included in this estimate. We have assumed that the steel will be fully identifiable during the shop inspections, therefore no sampling and testing of structural steel will be needed. We have included field inspection of light gauge steel studs, decking, and fireproofing, as well as the major structural elements. We have assumed tension control bolts will be used. The following estimate is based on fabrication of structural steel at a local shop (e.g. San Luis Obispo) as the location is unknown at this time. Ultrasonic and magnetic particle testing of welds will be subcontracted. We have included fees for laboratory testing of the fireproofing and field torque testing of high strength bolts and pull testing of ceiling wires.

Periodic masonry inspection will be provided for the masonry walls. We will also sample and test the masonry mortar, grout, and masonry prisms. We have assumed rebar will be accepted based upon mill certifications provided with each shipment.

FEES

Grading Observation and Testing			
Staff	Hours	Rate	Total
Field Technician - 2020	800	\$90.00	\$72,000.00
Field Technician - 2021	800	\$95.00	\$76,000.00
Associate Engineer - 2020	100	\$190.00	\$19,000.00
Associate Engineer - 2021	150	\$195.00	\$29,250.00
Project Manager - 2020	100	\$150.00	\$15,000.00
Project Manger - 2021	100	\$155.00	\$15,500.00
Trip Charge (Mileage)	140	\$7.50	\$1,050.00
Nuclear Gauge Tests	500	\$10.00	\$5,000.00
Laboratory Tests	Number of Tests	Rate	Total
Maximum Density and Optimum Moisture	16	\$250.00	\$4,000.00
Expansion Index Test	2	\$190.00	\$380.00
Sieve Analysis	6	\$150.00	\$900.00
Specific Gravity, Soil	4	\$140.00	\$560.00
Specific Gravity, Theoretical Maximum, Rice Method	2	\$130.00	\$260.00
Concrete Special Inspection			
Staff	Hours	Rate	Total
Special Inspector - 2020	150	\$95.00	\$14,250.00
Special Inspector - 2021	200	\$100.00	\$20,000.00



Staff	Hours	Rate	Total
Field Technician - 2020	20	\$90.00	\$1,800.00
Field Technician - 2021	120	\$95.00	\$11,400.00
Field Tech – Overtime	20	\$135.00	\$2,700.00
Project Manager - 2020	20	\$150.00	\$3,000.00
Project Manger - 2021	40	\$155.00	\$6,200.00
Trip Charge (Mileage)	90	\$7.50	\$675.00
Laboratory Tests	Number of Tests	Rate	Total
Concrete Compression Tests	250	\$40.00	\$10,000.00
Concrete Shrinkage Tests	4	\$350.00	\$1,400.00
Masonry Special Inspection			
Staff	Hours	Rate	Total
Special Inspector - 2020	0	\$95.00	\$0.00
Special Inspector - 2021	240	\$90.00	\$21,600.00
Project Manager - 2020	0	\$150.00	\$0.00
Project Manger - 2021	20	\$155.00	\$3,100.00
Trip Charge (Mileage)	40	\$7.50	\$300.00
Laboratory Tests	Number of Tests	Rate	Total
Grout Compression Tests	20	\$40.00	\$800.00
Mortar Compression Tests	32	\$40.00	\$1,280.00
Block Compression Tests	12	\$40.00	\$480.00
Prisms Compression Tests	8	\$140.00	\$1,120.00
Structural Steel Special Inspection			
Staff	Hours	Rate	Total
Shop Special Inspector - 2020	120	\$95.00	\$11,400.00
Shop Special Inspector - 2021	240	\$100.00	\$24,000.00
Field Special Inspector - 2020	80	\$90.00	\$7,200.00
Field Special Inspector - 2021	360	\$95.00	\$34,200.00
NDT Inspector - 2020	80	\$225.00	\$18,000.00
NDT Inspector - 2021	36	\$235.00	\$8,460.00
Project Manager - 2020	40	\$150.00	\$6,000.00
Project Manger - 2021	80	\$155.00	\$12,400.00



Staff	Hours	Rate	Total
Trip Charge (Mileage)	180	\$7.50	\$1,350.00
Laboratory Tests	Number of Tests	Rate	Total
High Strength Grout	16	\$40.00	\$640.00
Fireproofing Density	16	\$40.00	\$640.00
Fireproofing Adhesion	16	\$40.00	\$640.00
Estimated Total			\$463,985.00

CONDITIONS

Our technicians and inspectors will attempt, wherever reasonable, to combine inspections or test multiple areas during site visits, in order to keep the final bill as low as practicable. However, as the presence of our personnel at the site will depend upon the contractor's schedule and the progress of the work, the fees presented above are to be considered as estimates only, and shall not be construed as guaranteed maximum fees. The invoices will reflect the actual services performed, and may be greater or less than the estimated amounts.

This estimate is based on services provided during normal working hours (Monday through Friday, 0700 to 1700), unless specifically noted. Services provided between 1700 and 0700 Monday through Friday, and all day Saturday, will be subject to an overtime charge of 1.5 times the stated rate. Services provided on Sundays and Holidays, will be subject to an overtime charge 2.0 times the stated rate. If the structural steel is fabricated outside San Luis Obispo, but not at an approved fabricator, additional travel, subsistence and inspection costs may be incurred. Based upon our current work load, we anticipate that the lead engineer for this project will be Robert Down, PE 70206.

The Client or Client's agent is to supply the latest plans and specifications, and notify us of any changes pertinent to the performance of testing and observations. The Client or Client's agent is responsible for contacting this firm when testing services are required. Earth Systems Pacific will test or inspect at locations deemed appropriate to provide the Client with information regarding the acceptability of the tested areas. Previously failed areas may be retested or reinspected after rework, if required. Charges for retests or reinspections due to failing results, or when tests or inspections are requested but the contractor is not ready are also not included in the estimate and will be billed at fee schedule rates. Earth Systems Pacific shall not be responsible for backcharging contractors for retests or re-inspections.

If the client finds the proposed scope of work, terms, and fees satisfactory, the return of the attached change order, indicating the legal entity that will be our client and signed and dated by



the party responsible for payment, will constitute authorization for work on the project to begin. This agreement can be terminated by either party upon notification in writing. Earth Systems Pacific's responsibility for the project will end upon completion of the services described herein or termination of the agreement, unless authorization to perform additional work and agreement for payment thereof is provided by the client.

We thank you for your consideration of our firm for this project. If you have any questions or require additional information, please contact the undersigned at your convenience.

Sincerely,

Earth Systems Pacific



Robert Down, PE 70206
Executive Vice President

Sydney Johnson
Project Manager

Attachments: Work Order
Terms

Doc. No.: SLO-1912-006.PRP/cr



WORK ORDER

EARTH SYSTEMS PACIFIC ("CONSULTANT") AND CLIENT AGREE TO A WORK ASSIGNMENT FOR EARTH SYSTEMS PACIFIC AS FOLLOWS:

Date: December 3, 2019 **Doc. Number:** SLO-1912-006.PRP

Name of Project: RTA BUS MAINTENANCE FACILITY

Order Received by: Sydney Johnson

Client Name: Kitchell CEM

Client Address: 1540 Marsh Street, San Luis Obispo, CA 93401

Location of Project: 253 Elks Lane, San Luis Obispo, California 93401

Scope of Services: Per Proposal dated December 3, 2019

Fees to be Charged: Per Proposal dated December 3, 2019*

I have read and agree to all terms of this document,
including the attached terms for services (2/2015).
AGREED TO AND ACCEPTED:

Earth Systems Pacific

Robert Down, PE 70206
Executive Vice President

12/3/19

Date

Client (Party responsible for payment)

by Authorized Representative (please print)

Signature and Title

Date

Telephone Number

Email Address

PLEASE RETURN A SIGNED COPY
TO EARTH SYSTEMS PACIFIC

IF THE CLIENT DOES NOT OWN THE PROPERTY, PLEASE FILL IN THE PROPERTY OWNER'S NAME AND ADDRESS:

Name: _____

Address: _____

* The fees quoted are predicated upon our understanding that none of our services are subject to California or Federal Prevailing Wage Law. In the event that it is determined or alleged that Prevailing Wage Law applies to any aspect of the project, the client agrees to pay Earth Systems Pacific (Consultant) any and all additional compensation necessary to adjust Consultant's wage, to pay any penalties that may be levied against Consultant due to alleged noncompliance with the Prevailing Wage Law, and to pay for apprentices, supervision, certified payrolls, and other administrative costs as necessary to comply with Prevailing Wage Law. In the event that work thought to be subject to prevailing wage is determined not to be subject to prevailing wage, no refund of fees will be given.

January 2020 Fee Schedule

TERMS FOR SERVICES

1. INVESTIGATION, MONITORING & INSPECTION If the services include monitoring or inspection of soil, construction and/or materials, Client shall authorize and pay for Consultant to provide sufficient observation and professional inspection to permit Consultant to form opinions according to accepted statistical sampling methods as to whether the work has been performed in accordance with recommendations. Such opinions, while statistically valid, do not guaranty uniformity of conditions or materials. Similarly, soils and geology investigations do not guaranty uniformity of subsurface conditions. Client hereby represents and warrants that it has provided and shall provide to Consultant all information and sufficient advance notice necessary in order for Consultant to perform the appropriate level of services. No statement or action of Consultant can relieve Client's contractors of their obligation to perform their work properly. Consultant has no authority to stop the work of others.

2. SITE ACCESS & UTILITIES Client has sole responsibility for securing site access and locating utilities.

3. BILLING AND PAYMENT Client will pay Consultant the proposal amount or, if none is stated, according to the fee schedule attached to the proposal. Payment is due on presentation of invoices, and is delinquent if Consultant has not received payment within thirty (30) days from date of an invoice. Client will pay an additional charge of 1 1/2 (1.5) percent per month (or the maximum percentage allowed by law, whichever is lower) on any delinquent amount, excepting any portion of the invoiced amount that is disputed in good faith. Each payment will first be applied to accrued interest, costs and fees and then to the principal unpaid amount. All time spent and expenses incurred (including any in-house or outside attorney's fees) in connection with collection of any delinquent amount will be paid by the Client to Consultant per Consultant's current fee schedule. Services to be performed by Consultant hereunder which are not set forth in this proposal and/or Work order are additional services. Any additional services provided by Consultant shall be subject to the terms of this contract and charged per Consultant's current fee schedule.

4. OWNERSHIP OF DOCUMENTS Consultant owns all documents it creates and grants Client limited license to use the documents for the purposes stated in the documents. Consultant reserves the right to withhold delivery of documents to Client until payment in full of current invoices has been received.

5. TERMINATION This agreement may be terminated by either party effective 7 days from the date of written notice, or if the client suspends the work for three (3) months. In the event of termination, Consultant will be paid for services performed prior to the date of termination plus reasonable termination expenses. If Consultant has not received payment for any invoice within 30 days from the date of the invoice, or in the event of anticipatory breach by Client, Consultant may suspend performance of its services immediately and may terminate this contract.

6. RISK ALLOCATION In order for Client to obtain the benefit of a fee which includes a lesser allowance for compensating Consultant for its litigation risk, Client agrees to indemnify, hold harmless and defend Consultant, its agents, employees, or officers, from and against any and all loss, claim, expenses, including attorney's fees, injury, damages, liability or costs arising out of non-design services (i.e., services other than as defined by Civil Code Section 2784) performed by Consultant on this project, except where such loss injury, damage, liability, cost, expenses or claims are the result of the sole negligence or willful misconduct of Consultant. Regarding any loss due to the negligence or willful misconduct of Consultant, or any loss due to design defects, Client agrees to limit the total aggregate liability of Consultant, its agents, employees, and officers to Client, and to all construction contractors and subcontractors on the entire project, to the greater of \$25,000.00 or total fees charged by Consultant. Client further agrees to require of the contractor and his subcontractors an identical limitation of Consultant's liability for damage suffered by the contractor or the subcontractor arising from any alleged breach or negligence of Consultant. You should consult with an attorney experienced in construction contracts and litigation regarding this provision.

7. HAZARDOUS MATERIALS Consultant is responsible only for hazardous materials brought by Consultant onto the site. Client retains ownership and responsibility in all respects for other hazardous materials and associated damage.

8. THIRD PARTIES AND ASSIGNMENT This Contract is intended only to benefit the parties hereto. No person who is not a signatory to this Contract shall have any rights hereunder to rely on this Contract or on any of Consultant's services or reports without the express written authorization of Consultant. This Contract shall not be assigned by Client without the Consultant's written consent. This Contract is binding on any successor companies to Client or Consultant, and on the surviving corporation in the event of a merger or acquisition.

9. GOVERNING LAW, SURVIVAL AND FORUM SELECTION The contract shall be governed by laws of the Federal Government. If any of the provisions contained in this agreement are held invalid, the enforceability of the remaining provisions will not be impaired. Limitations of liability, indemnities, representations and warranties by Client will survive termination of this agreement. The signatories represent and warrant that they are authorized by the entities on whose behalf they sign to enter into this contract and that their principals have filed fictitious business name statements, if required. All disputes between Consultant and client related to this agreement will be submitted to the court of the county where Consultant's principal place of business is located and client waives the right to remove the action to any other county or judicial jurisdiction.



Prevailing Wage and Accounts Payable Information Request

Thank you for this opportunity to be of service on your public works project. Please complete and return this form to allow us to comply with California's prevailing wage requirements, and to prepare Earth Systems' invoices in accordance with your organization's billing requirements in a timely manner. Thank you!

Legal Name of Earth Systems	Earth Systems Pacific
PWC Registration No.	1000003643
Earth Systems Project No.	

PUBLIC WORKS PROJECT REGISTRATION INFORMATION:

CLIENT'S PROJECT NAME	
DIR PROJECT ID (PWC-100)	
APPLICABLE BID ADVERTISEMENT DATE	
CLIENT'S REPRESENTATIVE FOR DIR PROJECT ID INFORMATION	Name: E-mail: Phone No.:
LABOR COMPLIANCE PROGRAM (LCP) APPLICABLE TO THIS PROJECT?	Yes or No If yes, please confirm if Earth Systems will be subject to the LCP and provide a copy of the LCP manual to Earth Systems before start of project.

CLIENT'S BILLING REQUIREMENTS:

PURCHASE ORDER NO. (if applicable)	
ADDITIONAL INFORMATION REQUIRED ON INVOICES	
SPECIFY ANY ADDITIONAL FORMS OR BILLING FORMATS REQUIRED TO BE SUBMITTED WITH INVOICES (please attach example)	
ACCOUNTS PAYABLE CONTACT INFORMATION	Name: E-mail: Phone No.:
INVOICE DELIVERY METHOD	E-mail: Mailing Address:
Date	



Rincon Consultants, Inc.

1530 Monterey Street, Suite D
San Luis Obispo, California 93401

805 547 0900 OFFICE AND FAX

info@rinconconsultants.com
www.rinconconsultants.com

December 13, 2019
Project No: 19-08983

Mr. Tully Wyatt
Kitchell CEM
2450 Venture Oaks Way, Suite 500
Sacramento, CA 95833
Via email: twyatt@kitchell.com

Subject: Proposal for Biological, Archaeological, and Native American Services for the San Luis Obispo Regional Transit Authority Bus Maintenance Facility Project, San Luis Obispo, California

Dear Mr. Wyatt:

Rincon Consultants, Inc. (Rincon) is pleased to provide this scope of work and cost estimate to provide biological, archaeological, and Native American services for Kitchell CEM (Kitchell) for the San Luis Obispo Regional Transit Authority Bus Maintenance Facility Project (project) located in the City of San Luis Obispo (City), California. The project site is located at 253 Elks Lane in San Luis Obispo, California. It is situated within the southern portion of the city, directly east of US 101. The area has been intensely developed since the mid-1950s.

According to the Initial Study – Mitigated Negative Declaration (IS-MND) approved by the City, an extended Phase I study (XPI) is required before construction (Mitigation Measure [MM] CUL-1). In the initial discussion of this project, it was unclear whether an XPI had been conducted; therefore, Rincon is proposing to complete the XPI as an optional task in the event an XPI has not yet been completed. In addition, archaeological and Native American monitoring are required by the IS-MND for earthwork activities associated with the project (MMs CUL-2 and TCR-1), as well as a pre-construction nesting bird survey (MM BIO-1) and Invasive Plant Species Training (MM BIO-2).

Scope of Work

Pursuant to the applicable regulations and the Mitigation Monitoring and Reporting Program (MMRP) associated with the IS-MND, this scope of work includes the following tasks:

Optional Task 1 Extended Phase I

Subtask 1.1 Preparation of Extended Phase I Work Plan

Upon authorization of this proposal, Rincon will prepare an XPI work plan. The work plan will include a discussion of the goals of the study, methods to be employed, and factors that determined the scope. Rincon assumes this plan will be submitted electronically and approved with a single round of comments from Kitchell and/or the City.



Subtask 1.2 XPI Fieldwork

This work effort will be conducted under the direction of Rincon Principal/Senior Archaeologist Christopher Duran, MA, RPA, who meets the Secretary of the Interior's Professional Qualification Standards for prehistoric and historic archaeology. Under Mr. Duran's direction, two Rincon archaeologists will excavate a series of shovel test pits (STPs) or hand-augured units (HAUs) to assess the presence or absence of any archaeological deposit(s) within the project site. Rincon estimates that up to 50 STPs and/or HAUs will be completed to determine the presence or absence of cultural resources within the project site. All excavation locations will be recorded using a submeter-accuracy handheld GPS unit (Trimble) and documented in both notes and photographs. It is assumed that no intact archaeological deposits will be discovered during XPI investigations. If archaeological materials are uncovered during testing, Rincon will immediately notify Kitchell. Any artifacts identified during the XPI will be reburied within the units from which they originated.

Because of the presence of a previously recorded prehistoric isolate (P-40-038212) as well as two previously recorded archaeological sites (CA-SLO-1406 and CA-SLO-1449H) near the project site, Rincon will retain a local Native American monitor to observe the fieldwork associated with the XPI. For the purposes of this scope and cost estimate, we have assumed that the Native American monitor will be retained for a rate of \$80 per hour.

Subtask 1.3 Preparation of Technical Report

Rincon will prepare a technical report to document the findings of the XPI investigation. The report will include a discussion regarding the findings of the study and all appropriate maps, figures, photographs, and tables. Should an archaeological deposit be identified, the report will include management recommendations to address potential impacts to the site from the project.

Task 2 Preconstruction Meeting

Rincon will attend a preconstruction/kick off meeting for the project at. The project Archaeologist and Native American monitor will both be in attendance.

Task 3 Archaeological Monitoring Plan (AMP)

Prior to the start of ground-disturbing activities, Rincon will prepare an Archaeological Monitoring Plan (AMP). The AMP will describe how archaeological and Native American monitoring will be performed, and outline discovery notification procedures in the event of unanticipated discoveries. The AMP will also include a construction schedule. It is assumed one round of comments from the City and/or Kitchell will suffice for the AMP.

Task 4 Archaeological Monitoring

Rincon will provide up to 120, 8-hour days of archaeological monitoring for the project. As currently scheduled, the monitoring will occur between March 2020 and December 2021, but is subject to change. One (1) archaeological monitor will be present during all ground-disturbing activities. The archaeological monitor will inspect excavated areas, including excavation, graded surfaces, and spoils piles. Field work will be conducted in accordance with project safety requirements.

The archaeological monitor will prepare daily monitoring logs that include a description of construction activities, hours billed, and soil parameters (color, grain size, sediments, etc.). In the event cultural



materials are identified they will be noted in the logs and Rincon will immediately contact Kitchell and the City. Rincon will request a change order to fully document the find

For the purposes of this scope of work and cost estimate, Rincon assumes that no archaeological or Native American resources will be encountered that require collection, analysis, and/or curation. In the event of a discovery, the procedures outlined in the AMP will be followed. A cost amendment will be required to evaluate the significance of any resource discoveries and to prepare the necessary documentation.

Task 5 Native American Monitoring

Rincon will provide up to 120, 8-hour days of Native American monitoring for the project. One (1) Native American monitor will be present during all ground-disturbing activities. The Native American monitor will inspect excavated areas, including excavation, graded surfaces, and spoils piles. All field work will be conducted in accordance with project safety requirements.

The Native American monitor will prepare daily monitoring logs that include a description of construction activities, hours billed, and cultural materials identified, if any. The monitoring logs will be reviewed as necessary by a Rincon senior archaeologist and filed within Rincon's San Luis Obispo office.

Task 6 Archaeological Monitoring Technical Memorandum

Upon completion of the project, Rincon will prepare an Archaeological Monitoring Technical Memorandum, prepared in accordance with the Historical Resources Guidelines and Appendices. The Archaeological Monitoring Technical Memorandum will describe the results, analysis, and conclusions of the implemented AMP. The memorandum will be submitted to Kitchell for review and approval within 90 days following the completion of monitoring. Rincon will respond to one round of comments on the draft Archaeological Monitoring Technical Memorandum. A copy of the final version of the memorandum will be submitted within 90 days of approval of the draft memorandum.

Task 7 – Nesting Bird Survey (Mitigation Measure BIO-1)

To comply with MM BIO-1 (IS-MND) a Rincon biologist will conduct a nesting bird survey no more than one week prior to initial ground disturbance and vegetation removal activities. The nesting bird survey will entail an assessment of all potentially suitable nesting habitats within the project site plus a 300-foot buffer. Areas within 300 feet of the project site where access is not granted will be surveyed using binoculars. We will identify any avian species present and determine if such species are nesting within the work area(s), or immediately adjacent to work area(s).

The results of the nesting bird survey will be summarized in a letter report, within which we will assess the status of nesting activity onsite, identify any species currently utilizing nests, and determine if the species are protected under the Migratory Bird Treaty Act and/or California Fish and Game Code. We assume the letter report will be submitted in electronic format (PDF or similar).

For the purposes of this proposal we assume no active nests will occur. If active nests are present, Rincon could provide nest monitoring and associated coordination under a separate scope of work based on the species nesting and conditions at the time of discovery.



Our cost for this task assumes the project area and buffer can be surveyed by one (1) biologist over (1) one full (eight-hour) day. Based on the MM BIO-1 the survey will be conducted for not more than one week prior to construction activities. In order to fulfill the project measure, if initiation of construction activities does not occur within one week after completion of the survey, an additional survey will be required. The costs associated with any subsequent surveys would be conducted for an additional fee

Task 8 - Invasive Plant Species Training (Mitigation Measure BIO-2)

A Rincon biologist will provide invasive plant prevention training at a pre-project tailgate session immediately prior to project activities. The training session will be administered to all workers involved with the activities. The training will provide an appropriate identification/instruction guide, a list of target invasive plant species for the area, and a list of measures for early detection and eradication.

Our cost assumes a single training session would be necessary to train all members of the crew. The cost includes staff time for the preparation of training materials, administration of the training, and travel to and from the site. Our cost assumes the contractor will be responsible for identifying and establishing specific areas for cleaning of tools, vehicles, equipment, clothing, footwear, and any other gear to be used. We also assume that implementation of invasive weed prevention and eradication protocols as well as hydro-seeding as described in MM BIO-2 will be the responsibility of the construction contractor.

Task 9 Project Management and Coordination

Rincon's Project Archaeologist will be available for the duration of the project and will be available to answer questions and provide clarifications on an as-needed basis to ensure expediency towards fulfilling project requirements. Project management will include regular telephone and e-mail communications with Kitchell and the City. Rincon will also provide consistent control of program costs, schedule, staffing, and deliverables under this task.

Assumptions

- Services proposed are designed to comply with the California Environmental Quality Act (CEQA), City guidelines, and the MMRP for the project.
- STPs/HAUs will be excavated to a maximum depth of 50 centimeters below ground surface (cmbs) or two sterile levels.
- No intact archaeological deposits will be discovered during XPI investigations.
- The City of San Luis Obispo is the lead agency.
- Ground-disturbing activities associated with the project will occur for a duration of 120 days, and an archaeological monitor and Native American monitor, will be needed for up to 8 hours per working day.
- No archaeological or tribal cultural resources will be discovered during monitoring and the current scope of work and cost estimate does not include laboratory preparation, analysis, identification, cataloging, and curation of any archaeological or Native American resources discovered during monitoring.
- One round of comments from the City and/or Kitchell will be will suffice for the AMP.
- Two rounds of consolidated comments from the City will be addressed on the draft Archaeological Monitoring Technical Memorandum.



- *All deliverables will be presented electronically, and no hard copy will be necessary.*
- Archaeological monitoring memorandum costs are based on negative findings.
- The hourly rate for the Native American monitor will not exceed \$90.

COST AND SCHEDULE

Rincon's proposed budget for the above work program is not-to-exceed **\$268,870**, as shown in Table 1 which includes the Optional Task 1. The total cost without Optional Task 1 is **\$242,965**. Rincon proposes this budget on a time and materials basis; if monitoring is completed in less than 120 days only those days used will be billed. Four (4) hours will be charged per monitor for any day a monitor is on site for less than 4 hours or if work is cancelled without 24 hours' notice. Rincon requests at least 48 hours' notice from Kitchell for work requiring archaeological and Native American monitoring.

Table 1 Cost Estimate

Task	Estimate
Optional Task 1: Extended Phase I	\$25,905
Task 2: Preconstruction Meeting	\$2,330
Task 3: Archaeological Monitoring Plan (AMP)	\$2,775
Task 4: Archaeological Monitoring	\$129,850
Task 5: Native American Monitoring	\$87,000
Task 6: Archaeological Monitoring Technical Memorandum	\$1,775
Task 7: Nesting Bird survey	\$1,480
Task 8: Invasive Plant Species Training	\$1,155
Task 9: Project Management and Coordination	\$16,600
Total with Optional Task	\$268,870
Total without Optional Task	\$242,965

We are prepared to begin this assignment immediately upon written authorization through a mutually acceptable contract. Upon Notice to Proceed (NTP), Rincon will submit an initiation payment of 25 percent (\$67,200) of the not-to-exceed amount. The initiation payment is intended to assist with initial project costs. Rincon will submit the archaeological plan to Kitchell within two (2) weeks of receiving the notice to proceed.

Thank you for your consideration of Rincon Consultants for this project. We look forward to the opportunity to work with you and would welcome an opportunity to discuss the details of this proposal at your convenience.



Sincerely,
Rincon Consultants, Inc.

A handwritten signature in black ink, appearing to read "C. Duran", written over a horizontal line.

Christopher A. Duran, MA, RPA
Principal/Senior Archaeologist

A handwritten signature in black ink, appearing to read "Michael Tom", written over a horizontal line.

Michael Tom, MS
Senior Biologist

A handwritten signature in blue ink, appearing to read "Colby Boggs", written over a horizontal line.

Colby Boggs, MS
Principal/Senior Ecologist



December 17, 2019

Tully Wyatt, LEED(r) AP, DBIA
Senior Project Manager
Kitchell CEM

Sent via email to: twyatt@kitchell.com

RE: Environmental and Archaeological Services for the San Luis Obispo Regional Transit Authority Maintenance Facility Project, 253 Elks Lane, San Luis Obispo, California

Dear Mr. Wyatt,

Terra Verde Environmental Consulting, LLC (Terra Verde) is pleased to submit this scope of work and cost estimate to provide environmental and archaeological services for the San Luis Obispo Regional Transit Authority Maintenance Facility Project, 253 Elks Lane, San Luis Obispo, California. Applied Earthworks is proposing to conduct the archaeological monitoring, including a Native American monitor, as a subconsultant to Terra Verde. However, Kitchell may opt to hire Applied Earthworks directly to save the five percent markup that Terra Verde will apply if they are a subcontractor. Construction is assumed to take up to six months and will be conducted during normal business hours (five days per week, eight hours per day).

Task 1 – Nesting Bird Surveys

Due to the duration and timing of the planned construction, it is likely that the nesting bird season will not be able to be avoided. In compliance with mitigation measures BIO-1, a Terra Verde qualified biologist will conduct preconstruction nesting bird surveys for activities related to the project, including, but not limited to, vegetation removal, ground disturbance, and construction and demolition. The survey will be conducted no more than one week prior to initiation of ground disturbance and vegetation removal to determine the presence/absence of nesting birds within the project site.



If nests are found within the noted buffers in BIO-1, Terra Verde will conduct the monitoring and reporting as detailed in the measure. For purposes of this scope and cost estimate, and due to the specific minimum hours of nest surveying required in the measure, we have assumed up to three active nests will be found, requiring three hours each for monitoring and reporting (two hours of observation, one hour for reporting and coordination with the contractor). Terra Verde biologists may use flagging, but any additional barrier flagging, or fencing will be installed by the contractor.

Task 2 – Invasive Plant Species

Terra Verde will develop training materials to comply with BIO-2 regarding invasive plant species. Terra Verde staff will present the training to all staff and contractors prior to work beginning. As required in the measure, the training will include an identification guide, a list of target species, and a list of measures to prevent the spread of invasive plants.

Terra Verde staff will also work with the contractor prior to construction to identify appropriate areas for cleaning of tools, vehicles, equipment, clothing, footwear, and any other gear to be used on site. Terra Verde will also detail out the measures needed for cleaning prior to entering and before exiting the site to ensure no spread of invasive weeds.

Lastly, Terra Verde will assist with identifying a hydro-seed mix of locally native species to be applied upon completion of work in the area. Additionally, hydro-seeding will occur in areas where construction is ongoing, hydro-seeding and where no construction activities have occurred within six weeks of ground disturbance.

Task 3 – Archaeological and Native American Monitoring and Reporting

Please see Applied Earthworks scope and cost attached. If Kitchell opts to utilize Applied Earthworks as a subcontractor to Terra Verde, we will be responsible for ensuring that the appropriate insurance is in place, including for any Native American monitors that may work on the project.

Deliverables

This scope of work assumes memorandum style summaries of preconstruction activities and daily reports. It also assumes that little to no agency coordination will be needed.



The above scope of work will be conducted on a time and materials basis by Terra Verde Environmental Consulting, LLC for a not-to-exceed estimate of **\$279,000.00** and includes a 5% subconsultant markup. If Kitchell hires Applied Earthworks directly, then our not-to-exceed estimate is **\$2,000.00**.

Work beyond this scope and budget estimate will only be conducted once approved in writing by the owners. This scope of work does not include time to conduct specific protocol-level surveys for biological resources. If additional field work is necessary, a separate scope of work and cost estimate will be submitted, and no work will occur until approved in writing.

If you have any questions or need further information, please contact me at blangle@terraverdeweb.com or 805-896-5479.

Sincerely,

A handwritten signature in black ink that reads "Brooke Langle".

Brooke Langle
Principal Biologist



**ATTACHMENT A –
Applied Earthworks Scope of Work and Cost Estimate for Cultural Resources**

December 17, 2019

Brooke Langle
Terra Verde Environmental Consulting
3765 South Higuera Street, Suite 102
San Luis Obispo, CA 93401
blangle@terraverdeweb.com

RE: Cultural Resource Services for Regional Transit Authority Maintenance Facility, San Luis Obispo, California.

Dear Ms. Langle:

Per our recent discussion, Applied EarthWorks, Inc., (Æ) is pleased to provide the following scope of work and cost proposal for cultural resource services for the proposed Regional Transit Authority (RTA) Maintenance Facility Project at 253 Elks Lane, Assessor's Parcel Number (APN) 053-041-071. The RTA proposes to build a new maintenance facility on the parcel (Project). A Phase 1 survey of the 6.5-acre property (Rincon 2016) determined that a prehistoric isolate was identified in the Project area (P-40-038212) but could not be relocated during Rincon's pedestrian survey. Proximity to San Luis Obispo Creek and other recorded resources within a half mile of the Project area increase the archaeological sensitivity of the area. Therefore, Extended Phase 1 testing is required as mitigation per the Initial Study/Mitigated Negative Declaration (IS/MND) prepared for the RTA (Rincon 2017). Additional mitigation requires monitoring by a qualified archaeologist and Native American tribal representative during all ground disturbing activities. Per Section 4.50(C) of the City's (2009) Archaeological Resource Preservation Program Guidelines, prior to construction monitoring, a monitoring plan must be reviewed and approved by the City. That plan must outline monitoring procedures and methods for responding to archaeological discoveries. To meet these requirements, Æ proposes an Extended Phase 1 testing plan, a construction monitoring plan, and construction monitoring including an archaeologist and Native American tribal representative.

For this effort, each task is described below with the assumptions necessary to develop our estimated labor allocations. Æ designates Erin Enright (M.A., RPA 16575) as principal investigator, Simone Schinsing (M.A., RPA 28577763) as project manager and project archaeologist.

SCOPE OF WORK

Extended Phase 1 Testing:

Prefield Preparation. Æ does not plan on conducting additional background research at the Central Coast Information Center (CCIC), University of California Santa Barbara. This task has been completed by Rincon (Rincon 2016). Æ will need to receive the full contents of the search results from Rincon or the CCIC prior to fieldwork. We have allocated time for communication with the CCIC or Rincon and documentation review.

As Æ is tasked only with an archaeological study, we have not allocated time for review of accessor's information or to complete a history of the Project area and associated structures, or any historical archival research. We have allocated time to complete prefield tasks such as mobilization, hiring staff, and coordination with tribal representatives for monitoring. A dig alert will be conducted for the Project area prior to subsurface testing. We have not provided costs for meetings with the City or tribal representatives. If pre-field meetings are necessary, we can provide support on a time and materials basis with written confirmation.

Fieldwork. To assess the presence of subsurface cultural deposits, Æ will conduct an Extended Phase 1 effort. During this effort, Æ's team will excavate up to 30 shovel test probes (STP) distributed throughout the Project



area, in 20 to 40 meter spacing. All shovel test pits will be 50 centimeters in diameter and will be excavated in 20-centimeter levels to a maximum depth of 100 centimeters or two consecutive sterile levels. Excavated sediments will be screened through 1/8-inch hardware mesh. Any cultural materials observed during excavation will be counted, described, and returned to the unit from which they were recovered. Diagnostic and notable finds will be photographed. No cultural material will be collected.

The goal of this effort is to determine whether buried archaeological deposits are present, not to evaluate the nature or significance of any such deposits. No materials will be collected for curation; rather, all cultural material will be counted and described on standard field forms. Once excavation is complete any cultural material recovered will be re-deposited into the excavation units, and the units will be backfilled. Unit locations will be recorded with a global positioning system (GPS) receiver with submeter accuracy. Fieldwork will be documented by digital photography, and if appropriate, representative soil profiles will be photographed, sketched, and described.

Using a crew of four field technicians and a field supervisor, we anticipate fieldwork will take six days to complete. We have allocated funds for one Native American representative to be present for the duration of fieldwork at a billing rate of no more than \$1000.00 per day. Our estimate does not include costs to document intact archaeological materials, evaluate the significance of such deposits, provide for artifact removal or curation, or address findings of human remains. These costs cannot be estimated until the nature and extent of any discovery is known. If potentially intact archaeological remains are uncovered, and/or testing or Phase III mitigation is necessary, Æ will supply a separate estimate for addressing those out of scope tasks.

Report Preparation. Upon completion of fieldwork, Æ will compile our findings into a report that introduces the project and study objectives; describes the natural and cultural setting; details methods used during fieldwork; describes the results of fieldwork; and presents further resource management recommendations. If appropriate, site records and maps will be appended to the report. We have allocated time to produce the report, maps, and other necessary documentation. This time will be divided among the Project Archaeologist and other staff, with time for quality control by the Principal Investigator.

Construction Monitoring Plan:

Per Section 4.50(C) of the City's (2009) Archaeological Resource Preservation Program Guidelines, prior to construction monitoring, a monitoring plan must be reviewed and approved by the City. That plan must outline monitoring procedures and methods for responding to artifact discoveries. The monitoring plan will include an outline of monitoring procedures, circumstances that would result in work being halted at the Project, as well as procedures for handling of finds including human remains.

We have allocated time for our Project Manager and Staff Archaeologist to prepare the monitoring plan with assistance from the Principal Investigator and GIS Specialist.

Construction Monitoring:

Once construction begins, experienced archeological and Native American monitors will observe all initial ground disturbing activities. Monitoring will follow the guidelines and procedures contained in the monitoring plan. If potentially significant deposits are discovered, the archaeological monitor will inspect the find, make a preliminary assessment, and develop recommendations for further treatment, if necessary. Æ will confer with the City and Native American representatives, if appropriate, and will not proceed further without the City's authorization.

Based on discussions with Kitchell, we understand that monitoring is needed for a period of 6 months, 5 days a week, 8 hours a day. We understand that work will occur during daytime hours. We have allocated a total of 960 hours each for an archaeological and Native American monitor. We assume that Æ will be provided with a



minimum of 5 days' notice before construction and that no overtime or holiday work will be required. We assume that only one monitoring team (one archaeologist and one Native American monitor) will be necessary to oversee daily construction activities; if ground disturbance occurs in multiple locations simultaneously such that more than one monitoring team is necessary, a budget revision will be required.

Once archaeological monitoring is completed, Æ will draft a simple technical memo reporting on monitoring activities upon conclusion of construction. Any appropriate maps and figures will be attached to this document. However, if archaeological remains are encountered and further documentation, evaluation, or impact mitigation becomes necessary, additional time and funds may be required to prepare a more formal technical report.

COST ESTIMATE

Based on the assumptions described above, our estimated cost to complete all tasks is **\$263,177.10**. We assume the work will be performed on a time and materials basis with monthly invoicing, with payment within 30 days of receipt of an acceptable invoice. Our cost estimate is valid for 90 days, thereafter, labor and billing rate adjustments may apply. Any substantial change in work conditions or requirements beyond Æ's control may necessitate revision in the work scope, level of effort, schedule, and/or budget proposed herein.

Please see the attached budget sheet for our costs and rates. If you have questions or need additional information, please do not hesitate to call me at 805-594-1590 x 316, or email eenright@appliedearthwork.com
Sincerely,

Erin Enright, M.A. RPA
Managing Principal/Principal Archaeologist
Applied EarthWorks, Inc.



RTA Maintenance Facility XPI/Monitoring

Labor	Task 1: Prefield Preparation		Task 2: Testing		Task 3: Testing Report		Task 4: Monitoring Plan		Task 5: Monitoring		Task 6: Monitoring Report		Task 7: Report Finalization		Task 8: Project Management		Total	
	Hours	Price	Hours	Price	Hours	Price	Hours	Price	Hours	Price	Hours	Price	Hours	Price	Hours	Price	Hours	Price
Principal Archaeologist	1	\$ 144.08	2	\$ 288.16	4	\$ 576.32	2	\$ 288.16	30	\$ 4,322.40	2	\$ 288.16	-	\$ -	4	\$ 576.32	45	\$ 6,483.60
Senior Archaeologist	2	\$ 182.42	6	\$ 547.26	8	\$ 729.68	4	\$ 364.84	120	\$ 10,945.20	4	\$ 364.84	-	\$ -	12	\$ 1,094.52	156	\$ 14,228.76
Associate Archaeologist	12	\$ 875.64	54	\$ 3,940.38	32	\$ 2,335.04	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	98	\$ 7,151.06
GIS Technician (Associate)	4	\$ 283.36	-	\$ -	6	\$ 425.04	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	10	\$ 708.40
Staff Archaeologist	-	\$ -	96	\$ 6,382.08	-	\$ -	24	\$ 1,595.52	960	\$ 63,820.80	16	\$ 1,063.68	-	\$ -	-	\$ -	1,096	\$ 72,862.08
GIS Technician (Staff)	-	\$ -	-	\$ -	-	\$ -	4	\$ 239.76	-	\$ -	-	\$ -	-	\$ -	-	\$ -	4	\$ 239.76
Field Technician	-	\$ -	96	\$ 5,438.40	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	96	\$ 5,438.40
Editor/Documents Production	1	\$ 54.72	-	\$ -	6	\$ 328.32	4	\$ 218.88	60	\$ 3,283.20	2	\$ 109.44	-	\$ -	6	\$ 328.32	79	\$ 4,322.88
TOTAL LABOR	20	\$ 1,540.22	254	\$ 16,596.28	56	\$ 4,394.40	38	\$ 2,707.16	1,170	\$ 82,371.60	24	\$ 1,826.12	6	\$ 328.32	16	\$ 1,670.84	1,584	\$ 111,434.94

Procore Products

Connect the entire business process from bidding to closeout with every member of your team working together in the same system.

TOOLS INCLUDED WITH ALL PRODUCTS*

DIRECTORY

Everyone's digits, under the control of yours.

TASKS

Track and manage every coordination-related step in your process.

DOCUMENTS

When documents go digital, nothing gets lost.

REPORTS

Insights to help you analyze every detail.

APP MARKETPLACE

With over 150 partner solutions in our App Marketplace, connect with what works best for you—even if we don't build it.

* Excluding Invoice Management, Design Coordination and BIM.

PRECONSTRUCTION



Prequalification *Coming Soon

PREQUALIFICATION

Manage the entire qualification process from forms to approvals.

PREQUALIFICATION MANAGER

Complete and submit qualification forms on a secure online platform.



Bid Management

BIDDING

Manage the entire bidding process from bid package creation to bid award.

PLANROOM

Access bid package details, files, and communications in order to submit a bid.

PROJECT MANAGEMENT



Project Management Pro

RFIs

RFI software to remind, record, and remove excuses.

DAILY LOG

Capture everything you need to report to the office.

DRAWINGS

Revisions won't need markers, scissors, sticky notes, or tape.

TIMECARD

Fast time tracking for the project management team.

SUBMITTALS

Don't let inaccuracy sink your projects.

MEETINGS

Manage all aspects of your project meetings.

PUNCH LIST

Streamline construction with punch list software.

PHOTOS

Capture your questions, skills, and results in a snap.

SPECIFICATIONS

Intelligent Spec Management—save time while doing more.

SCHEDULE

Minimize confusion with integrated scheduling.

EMAILS

Open your inbox to everything you need to know.

TRANSMITTALS

Don't lose sleep over your important documents.

*Project Management Starter is also available - includes RFIs, Daily Log, Drawings, Punch List, Photos and Specifications.

PROJECT MANAGEMENT

Quality & Safety

INSPECTIONS

Proactively identify hazards before they injure more than your reputation.

OBSERVATIONS

Track, assign, and report upon multiple types of observations and corrective actions on the fly.

INCIDENTS

Digitally capture and manage incidents easily and accurately.

DAILY LOG

Capture everything you need to report to the office.

FORMS

Simple to complex fillable PDF forms at your fingertips.

SCHEDULE

Minimize confusion with integrated scheduling.

PHOTOS

Capture your questions, skills, and results in a snap.

Design Coordination

COORDINATION ISSUES

Identify and resolve constructability issues prior to construction.

BIM

MODELS

Extremely performant BIM viewer.

RESOURCE MANAGEMENT

Field Productivity

TIMESHEETS

Track employee and crew time for all projects on mobile or web.

CREWS

Add, group, and edit crews—with one mobile, flexible tool.

TIMECARD

Fast time tracking for the project management team.

PRODUCTION TRACKING

Compare budgeted versus actual quantities to see percentage complete against each cost code.

FINANCIAL MANAGEMENT*

Project Financials

COMMITMENTS

Real-time statuses and values of all contracts and purchase orders.

CHANGE EVENTS

The new standard in construction for managing potential costs as they occur.

BUDGETS

Avoid profit erosion with accurate, configurable budgets.

CHANGE ORDERS

Reduce unrecoverable change orders with quicker approvals.

PRIME CONTRACT

Replace stacks of paper and printing costs with digital contract management.

COST MANAGEMENT

Avoid the price of being over budget with cost management.

Invoice Management

OWNER INVOICING

Prefill owner invoices with approved subcontractor invoices.

*Accounting Integrations available - additional fees apply.

SUBCONTRACTOR INVOICING

Empower the trades to be proactive about monthly invoices.

This Page Left Intentionally Blank

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

May 6, 2020

STAFF REPORT

AGENDA ITEM: C-15

TOPIC: Amended Contract with RTA Executive Director

ACTION: Approve

PRESENTED BY: Geoff Straw, RTA Executive Director

STAFF RECOMMENDATION: Approve

BACKGROUND/DISCUSSION:

Following the recent employee review process, the Executive Director met with the RTA Board and RTA Counsel at the March in closed session at the January 8, 2020 and March 4, 2020 meetings to discuss changes to the Employment Contract. The amended contract is attached.

Because the RTA Executive Director salary range has not been updated since 2009, the Board tasked staff with updating the range. The resulting revised range was discussed with the Board, and it is included in the proposed FY20-21 Operating Budget. Staff plan to provide an updated Executive Director salary range as part of the annual budget-making process.

Due to the COVID-19 Fiscal Emergency, I am asking the Board to authorize its President to execute the attached contract (both “clean” and “red-line” versions are attached) on the Board’s behalf, but recognize that I will instruct my staff to suspend my salary increase until the first full payroll after July 1, 2020.

Staff Recommendation

Authorize the RTA Board President to execute the amended the contract for the Executive Director.

This Page Left Intentionally Blank

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

THIS CONTRACT entered into this 6th day of May 2020 by and between the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (hereinafter referred to as “SLORTA”) and GEOFF STRAW (hereinafter referred to as “Employee”).

WITNESSETH

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

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

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

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

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

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

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

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

4. Term of Contract. This Contract shall commence on the 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. SLORTA shall pay to Employee as compensation in full for all services performed by Employee pursuant to this Contract an annual salary of \$154,280 per year, consisting of a 5% merit increase over the existing contract, payable in increments compatible with SLORTA’s payment of other employees. The effective date of this salary shall be January 12, 2020. A salary adjustment shall be determined by the SLORTA Board of Directors annually thereafter.

6. Other Supplemental Benefits.

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

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

Employee shall be entitled to thirteen (13) holidays per year as specified in accordance

with a holiday schedule for the San Luis Obispo Regional Transportation Authority as approved by the Board of Directors.

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

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

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

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

b. Retirement. SLORTA agrees to provide to Employee 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 SLORTA further agrees to make contributions to Employee’s IRS 457 plan in an amount equal to 4.5% of Employee’s base salary until Employee reaches the age of 55, at which time such contributions shall cease. 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 (\$400) dollars per month as an automobile allowance, and shall further be entitled to a Monthly Regional Transit Pass.

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

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

g. Social Security and Deferred Compensation. SLORTA shall provide the employer contribution to the federal Social Security Program, and shall also provide \$200 per

pay period into a private deferred compensation program established by SLORTA for Employee.

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

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

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

8. Termination of Contract for Cause. If Employee fails to fulfill in a timely and professional manner any obligations under this Contract, SLORTA shall have the right to terminate this Contract effective immediately upon giving written notice thereof to Employee. Termination of this Contract under the provisions of this paragraph shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the

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

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

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

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

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

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

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

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

application for copyright by or on behalf of the Employee.

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

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

GEOFF STRAW

FRED STRONG, President

CHELSEA SPERAKOS, Recording Secretary

APPROVED AS TO FORM AND LEGAL EFFECT

NINA NEGRANTI, , SLORTA Legal Counsel

Dated: _____

This Page Left Intentionally Blank

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

THIS CONTRACT entered into this ~~56th~~^{56th} day of ~~June~~^{May} 20~~19~~²⁰ by and between the SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (hereinafter referred to as “SLORTA”) and GEOFF STRAW (hereinafter referred to as “Employee”).

WITNESSETH

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

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

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

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

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

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

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

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

4. Term of Contract. This Contract shall commence on the ~~58~~⁸th day of January 20~~19~~²⁰ 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. SLORTA shall pay to Employee as compensation in full for all services performed by Employee pursuant to this Contract an annual salary of \$~~146,936~~^{154,280} per year, consisting of a ~~5.9~~% merit increase over the existing contract, payable in increments compatible with SLORTA’s payment of other employees. The effective date of this salary shall be January ~~13~~¹², 20~~19~~²⁰. A salary adjustment shall be determined by the SLORTA Board of Directors annually thereafter.

6. Other Supplemental Benefits.

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

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

Employee shall be entitled to thirteen (13) holidays per year as specified in accordance

with a holiday schedule for the San Luis Obispo Regional Transportation Authority as approved by the Board of Directors.

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

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

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

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

b. Retirement. SLORTA agrees to provide to Employee retirement benefits in the San Luis Obispo County Pension Trust California Public Employees Retirement Systems's (CALPERS SLOCPT) retirement plan which provides "2% at Age 55/60" Plan, and "One-Year Final, averaging the highest final 36 months of Compensation" provision, with a maximum benefit of 2.5% at age 65, -as approved by the Board of Directors for all SLORTA on January 8, 2020 employees. SLORTA further agrees to paymake contributions to Employee's IRS 457 plan in an amount equal to 4.5% of Employee's base salary until Employee reaches the age of 55, at which time such contributions shall cease. the Employee's full contribution to PERS. These amounts paid by SLORTA are the Employee contributions and are paid by SLORTA to satisfy the Employee's obligation to contribute the current percentage of salary to PERS. 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~~PERS Health Care Services Division; and Dental and Vision is to be provided privately.~~ Should Employee wish to increase health care coverage with SDRMA~~CALPERS~~, the premium difference will be the Employee's sole responsibility, and will be paid on a pre-tax basis. The medical health care allowance shall be automatically adjusted throughout the term of this Agreement to be equivalent to the allowance provided to all other SLORTA employees.

d. Disability and Life Insurance. SLORTA shall provide the following insurance benefits: (1) Long-term disability insurance providing 2/3 of gross monthly salary to age 65 for any sickness or accident after a 90-day waiting period up to a maximum salary of \$4,500; and (2) \$100,000 term life insurance. ~~In addition, SLORTA will pay \$800.00 at the beginning of each year for Employee to use toward the purchase of an additional life insurance policy.~~

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

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

insurance benefits covered by this Contract, or a continuation of salary and benefits for a period of three (3) months, the particular method to be negotiated at the time of separation.

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

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

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

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

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

for Convenience” by action taken by the SLORTA Board of Directors.

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

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

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

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

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

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

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

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

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

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

GEOFF STRAW

FRED STRONG, President

CHELSEA SPERAKOS, Recording Secretary

APPROVED AS TO FORM AND LEGAL EFFECT

NINA NEGRANTI, , SLORTA Legal Counsel

Dated: _____