

REGIONAL TRANSIT AUTHORITY EXECUTIVE COMMITTEE AGENDA

***** VIA ZOOM WEBINAR*****

Wednesday, February 10, 2021

10:00 a.m. – 11:00 a.m.

This agenda is available/posted at: <http://www.slorta.org/board/rta-board-meetings>

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act (ADA) may request such accommodations to aid hearing, visual, or mobility impairment (including Limited English Proficiency) by contacting the RTA offices at 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, the RTA Executive Committee meeting on November 4, 2020 will be a virtual meeting held via Zoom webinar.

HOW TO WATCH:

To Watch and Participate in Live Public Comment: To provide public comment during the meeting, use the Zoom webinar link below. Please use the following link to register in advance of the webinar. After registering, you will receive a confirmation email with details about joining the webinar:

https://us02web.zoom.us/webinar/register/WN_3MO2LdteRdieGr1AUUAJrg

HOW TO COMMENT:

The RTA is accepting general public comments for items on the RTA Executive Committee agenda as well as items of interest not on the agenda within the jurisdiction of the RTA Executive Committee.

***Note: Every effort will be made to include your comments into the record, but due to time limitations, some comments may not be included. Members of the public can submit comments by:

Zoom webinar – Verbal, Live Public Comments

- See details on page 1 of this agenda under 'How to Watch.'

Email – Written Public Comments to: info@slorta.org with the subject line "public comment."

- Include the agenda item number you are referencing or type "general comment," if it is about an item not on the agenda.
- **Emailed written comments must be submitted no later than 5:00 p.m. on Monday, February 8, 2021.**

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

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

Mail – Written Public Comments

- Mail to:
Clerk of the Board
SLO RTA
179 Cross Street
San Luis Obispo, CA 93401
 - **Mailed written comments must be received by the RTA no later than 5:00 p.m. on Monday, February 8, 2021.**
-

1. **Call Meeting to Order, Roll Call**
2. **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.
3. **Consent Items**
 - A-1 Executive Committee Meeting Minutes of December 9, 2020 (Approve)
 - A-2 Amended Contract with RTA Executive Director (Approve)
4. **Information Items**
 - B-1 Executive Director's Report (Verbal, Receive)
5. **Action Items**
 - C-1 Fiscal Year 2021-21 Budget Assumptions (Approve)
 - C-2 Strategic Business Plan Update 2021-2023 (Approve)
 - C-3 FY20-21 Budget Amendment #4 (Approve)
6. **March 3, 2021 Draft RTA Board Agenda:** The Executive Committee is asked to review and comment on the proposed agenda items.

Consent Items

- A-1 Executive Committee Meeting Minutes of December 9, 2020 (Information)
- A-2 Joint SLOCOG and RTA Board Meeting Minutes of January 6, 2021 (Approve)
- A-3 RTA Board Meeting Minutes of January 6, 2021 (Approve)
- A-4 Designate Executive Director as Alternate on CalTIP Board (Approve)
- A-5 Final Social Security Resolution for RTA Employees (Approve)
- A-6 BMF Construction Change Order Summary (Approve)
- A-7 Amended Contract with RTA Executive Director (Approve)
- A-8 RTA COVID-19 Prevention Plan (Accept)
- A-9 RTA Injury and Illness Prevention Plan Update (Accept)

Information Items

- B-1 Executive Director's Report (Receive)
- B-2 Update on Bus Maintenance Facility Construction (Receive)

Action Items

- C-1 Fiscal Year 2021-22 Budget Assumptions (Approve)
- C-2 Strategic Business Plan Update 2021-2023 (Approve)
- C-3 FY20-21 Budget Amendment #4 (Approve)
- C-4 Public Hearing: Disadvantaged Business Enterprise Plan Update (Action)

Closed Session Item:

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code section 54956.9.) It is the intention of the Executive Committee to meet in closed session concerning the following item: Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of section 54956.9. Number of potential cases: One.

7. **Closed Session:** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code section 54956.9.) It is the intention of the Executive Committee to meet in closed session concerning the following item: Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of section 54956.9. Number of potential cases: One.

8. **Adjournment**

Next RTA Executive Committee Meeting: **April 14, 2021**

This Page Left Intentionally Blank



San Luis Obispo Regional Transit Authority

Executive Committee Meeting

Minutes 12/09/2020

Draft A-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

Call to Order and Roll Call: **President Fred Strong** called the meeting to order at 10:00 AM. Roll call was taken and a quorum was present.

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.

Mr. Eric Greening asked given the construction occurring on Prado Rd, is RTA able to stay on schedule with the construction of the bus maintenance facility?

Mr. Geoff Straw stated he would address this in his director's report.

1. Information Items

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

Mr. Straw stated Prado construction will not delay the bus maintenance facility construction. The team has poured concrete for bus wash station and lubrication storage/pressure room. A pay request should be delivered this week. Eleven staff members from SLOCOG are going to tour the facility on Monday. The agency are one and a half weeks behind construction schedule. Staff is expecting a request of delayed end date from the contractor, but RTA is going to fight that as hard as possible due to the current facility lease deadline.

Questions:

President Strong asked if staff has planned for construction delays due to bad weather?

Mr. Straw stated that delay have been written into the contract, but the contractor does not know that, so as to avoid missing deadlines.

2. Action Items: None

3. Consent Items

C-1 Executive Committee Meeting Minutes of November 4, 2020 (Approve)

Mr. Pete Rodgers stated he would like two corrections to the minutes on page C-1-3, should state "SLOCOG can work to memorialize funding formula and tie together core services" and the funding percentage for SLO City is 18%.

Vice President John Peschong made a motion to approve consent agenda item C-1 with corrections, and **Mr. Ed Waage** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
JOHN PESCHONG	X		
FRED STRONG	X		
ED WAAGE	X		

4. January 6, 2021 Draft RTA Board Agenda: The Executive Committee is asked to review and comment on the proposed agenda items.

Joint RTA/SLOCOG Meeting Agenda: RTA and San Luis Obispo Council of Governments (SLOCOG) will have a Joint Session on January 6th to address the following items:

Welcome New Member(s)

Election of Officers (President and Vice President)

Executive Committee Assignments (President, Vice President, Past President)

Following the Joint meeting, the SLOCOG Board will adjourn to the RTA Board meeting and reconvene after the RTA Board meeting is adjourned.

RTA Board Meeting

Information Items

A-1 Executive Director's Report (Receive)

Action Items:

B-1 South County Transit Committee Assignments (Approve)

Consent Items:

C-1 Executive Committee Meeting Minutes of November 4, 2020 (Information)

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

C-3 BMF Construction Change Order Summary (Approve)

C-4 Paso Robles Bus Parking Yard CEQA Mitigations Annual Monitoring Report (Receive)

C-5 FTA Transit Asset Management Plan (Approve)

C-6 Authorize FTA Annual Certifications and Assurances Submittal (Approve)

- C-7 Authorize FTA Section 5311 Grant Application Submittal (Approve)
- C-8 Authorize Administration of FTA Sections 5307, 5539 and CMAQ Grant Programs (Approve)
- C-9 Authorize Rural Transit Funds Grant Application Submittal (Approve)
- C-10 Revised Agreement with the Goodyear Tire and Rubber Company (Approve)

Questions:

Mr. Straw stated the injury and prevention update for C-11 has been added to the agenda.

Vice President John Peschong made a motion to approve the January Board agenda, and **Mr. Ed Waage** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
JOHN PESCHONG	X		
FRED STRONG	X		
ED WAAGE	X		

5. Closed Session:

President Strong adjourned the RTA Executive open session meeting at 10:24 AM, and reconvened as the SLOCOG Executive Committee Meeting in open session. The Executive Committee adjourned the SLOCOG open session and opened to RTA closed session at 10:38 AM.

Public Comment:

Mr. Greening says Geoff Straw has done an amazing job during these extraordinary times.

The Executive Committee returned to open session at 10:55 AM.

Ms. Nina Negranti stated there was no reportable action from closed session.

6. Adjournment

The Executive Committee meeting adjourned at 10:56 AM.

Next RTA Executive Committee Meeting:

Respectfully Submitted,

Acknowledged by,

Chelsea Sperakos
Administrative Assistant

Fred Strong
RTA President 2020

This Page Left Intentionally Blank

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
EXECUTIVE COMMITTEE
FEBRUARY 10, 2021
STAFF REPORT**

AGENDA ITEM:	A-2
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 in closed session at the January 6, 2021 meeting to discuss my performance and possible future changes to my annual Employment Contract. The amended contract is attached.

Due to the COVID-19 Fiscal Emergency, I am not seeking a merit increase this year. The attached Employment Contract identifies a new process that would make any cost of living adjustment part of the annual budget-making process, which would make any increase effective on July 1st, which has been the tradition for all other non-union RTA employees. I am asking the Board to authorize its President to execute the attached Employment Contract (both “clean” and “red-line” versions are attached) on the Board’s behalf.

Staff Recommendation

Authorize the RTA Board President to execute the amended the annual Employment 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 ~~3rd day of March 2021~~^{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. Commencing January 15, 2021, 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. A salary increase of three percent (3%) ~~The effective date of this salary~~ shall be made effective July 1, 2021 ~~January 12, 2020~~ representing a cost of living adjustment for the previous year. Thereafter, Employee’s annual salary and salary range ~~A salary adjustment~~ shall be adjusted ~~determined by the SLORTA Board of Directors~~ annually based on the same cost of living adjustment provided to other SLORTA employees as part of the annual budget-making process. ~~thereafter.~~

Formatted: Line spacing: 1.5 lines

Formatted: Font: Not Bold

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 3rd day of March 2021 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. Commencing January 15, 2021, 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, payable in increments compatible with SLORTA’s payment of other employees. A salary increase of three percent (3%) shall be made effective July 1, 2021 representing a cost of living adjustment for the previous year. Thereafter, Employee’s annual salary and salary range shall be adjusted annually based on the same cost of living adjustment provided to other SLORTA employees as part of the annual budget-making process.

6. Other Supplemental Benefits.

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

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

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

by the Board of Directors.

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

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

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

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

b. Retirement. SLORTA agrees to provide to Employee retirement benefits in the San Luis Obispo County Pension Trust (SLOCPT) retirement plan which provides 2% at age 60 “, averaging the highest final 36 months of compensation, with a maximum benefit of 2.5% at age 65, as approved by the Board of Directors on January 8, 2020 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

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
EXECUTIVE COMMITTEE
FEBRUARY 10, 2021
STAFF REPORT**

AGENDA ITEM: C-1

TOPIC: Fiscal Year 2021-22 Budget Assumptions

ACTION: Approve FY20-21 Budget Assumptions

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Bring the Fiscal Year 2021-22 Budget as Presented to the Board for Approval

**EXECUTIVE COMMITTEE
RECOMMENDATION:**

BACKGROUND/DISCUSSION:

The following report outlines staff's recommended budget assumptions for the RTA's Fiscal Year 2021-22 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 14th meeting prior to the final draft budget presentation to the Board in May.

KEY ISSUES

1. Address the operational and financial impacts of the COVID-19 pandemic, both internally and in support of the communities in which the RTA operates. Impacts include:
 - a. Liability costs, which stabilized due to the RTA's good safety record, but the market continues to be extremely volatile.
 - b. Continuing to focus on containment of Runabout costs, especially as productivity during the pandemic is reduced (by design), as well as the expected increase in demand as the region recovers.
 - c. Address staffing and retention, particularly in the Bus Operator classification.

2. Negotiate a new or extended Collective Bargaining Agreement with Teamsters Local 986, which represents Bus Operators, Technicians and Utility employees. The current CBA expires December 31, 2021.
3. Continue efforts to implement Zero Emission Bus technologies, including procurement of battery-electric vehicles and start-up of recharging infrastructure.
4. The construction of the long-planned new Bus Maintenance Facility located at 253 Elks Lane is scheduled to be completed in February 2022. However, wrapping up the roughly 18-month construction period will continue to require a substantial amount of staff's resources to complete this vital project.
5. Address the final funding gap for the CalPERS liability due to the termination of the RTA's contract with CalPERS as of January 10, 2020.
6. State Transit Assistance (STA) funds are projected to be higher than the revised amount adopted by the SLOCOG Board in October 2020 but the increase is likely less than original projections for FY20-21. As a reminder, starting in FY17-18 the funding to the region is significantly higher 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.
7. Local Transportation Funds (LTF) used for operating purposes are projected to be flat in the region.
8. 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 core¹ services.
 - a) RTA received \$714,751 for RTA core services in STA funding in FY20-21. Staff will work with SLOCOG staff to determine a realistic estimate for FY21-22.
 - b) Continue to monitor the results and impacts on ridership and fare revenue from the pandemic interim cash fare and the overall regular fare structure. The last fare change was implemented in December 31, 2017, both on RTA Fixed-Route and on the Runabout service, which included the establishment of a Runabout premium service fare.

- c) The FY20-21 budget adopted in May 2020 included \$4,471,339 in LTF operating revenues, which was amended a few times during the fiscal year, with the current LTF level being \$2,682,429. At the May 2020 Board meeting, the advisory FY21-22 LTF projection was \$ 5,072,480, which was revised during FY20-21 down to \$2,552,340 after budget amendment #4. Staff is still developing estimated annual FY20-21 expenses, which impacts the carryover amount that could reasonably be identified for the FY21-22 budget, but does expect this carryover amount to be relatively small.
- d) Federal Transit Administration (FTA) Sections 5307, 5311 and 5339 operating funding and capital funding for FY21-22 will be presented in the same format as indicated in the most recent budget amendment, taking into account preliminary projected revenues identified in the now-expired 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 in time for the Board's consideration of the budget in May 2021. 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. This reimbursement arrangement was waived for CARES Act funding, which staff anticipates being fully expended in fiscal year 2021.
- e) FTA Section 5307 operating funding from the Santa Maria Urbanized Area for RTA Route 10 and Runabout will be budgeted based on commitments with Santa Barbara County Association of Governments (SBCAG) and the City of Santa Maria. Staff is currently meeting with SBCAG to determine allocations for the next three-year period.
- 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, South County Transit, and North County Local Services.
- 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 during the weeks of Thanksgiving, Christmas and New Years to determine if service levels should remain at a reduced level similar to 2020.
- h) Staff will continue to research and evaluate new revenue sources should any potential shortfall in operating revenues arise. If we are unable to secure funding, staff would recommend that the Board consider adjusting the TDA allocation from the RTA jurisdictions and/or adjust service levels.

- i) Due to changes in self-insured retention requirements, and now that consolidation has been completed, staff is reviewing and will provide recommendations regarding the RTA reserve policy during FY21-22.
- 2) Work with SLOCOG and our transit agency partners in the region to evaluate region-wide service efficiencies.
 - a) Transit agencies across the country are highly impacted by the COVID-19 pandemic, which is impacting ridership and farebox revenues. As a result, the State of California has suspended farebox recovery ratio requirements through the end of FY21-22.
 - b) The RTA will work with SLOCOG staff and other transit providers to evaluate efficiencies in the provision of service throughout the county.
 - c) 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. 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) Other potential new capital projects include AB617 Clean Air Program and LCTOP funds intended to support our transition to zero emission buses.
- 4) Address projected changes in demand for Runabout service.
 - a) Runabout service hours and miles are projected to return to pre-pandemic levels by the middle of FY21-22. Staff will closely monitor this and seek the Board's direction as demand increases over time.
 - b) Staff has to suspend in-person Runabout service eligibility assessment during the pandemic. As we emerge from the pandemic, we will re-institute this program to ensure that only those persons truly eligible for Runabout service are initially registered or re-registered as part of the Runabout application process. 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.

- 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 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, 2021 through April 30, 2022 rates. Estimates will be available from CalTIP in time to include in the RTA draft budget presented to the Executive Committee at its April 2021 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.
 - c) Our annual Employment Risk Management Authority premium is estimated at \$34,000, 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 is reviewing and will provide recommendations regarding the RTA reserve policy during the FY21-22.
 - d) Workers compensation premiums through the Public Risk Innovation, Solutions, and Management (PRISM) are projected to increase, with the realization that workers compensation for transit services is especially challenging statewide as loss development trends in the state are not favorable. Based on estimates provided in January 2021 from PRISM, the estimate is less than the projection include in May 2020 for the FY21-22. 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. 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. Although the increase for 2021 was slightly higher than this, staff believes that this estimate is reasonable.

3) Staffing Expenses:

- a) The current 4-year Collective Bargaining Agreement (CBA) will expire on December 31, 2021. Staff fully understands the fiscal impacts that the pandemic has had on our agency and its member jurisdictions, and we will seek the Union's assistance in helping us emerge in a fiscally responsible manner.
- b) The number of FY21-22 budgeted full-time equivalent (FTE) positions will remain the same as in FY20-21.
- c) For FY20-21, the overall number of budgeted positions for the non-core services (North County, SoCo Transit, 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 wage adjustment based on the December 2019 to December 2020 of 1.5% will be implemented in July 2021. The Operations Supervisor classification CPI increase adjustment would be implemented in January 2022, to coincide with any Bus Operator wage scale adjustments (if any). Employees within the salary range for their position will be eligible for a step merit increase subject to performance assessments and budgetary authority.
- e) The RTA Board of Directors took action at its September 2, 2020 meeting to implement the increase in contribution percentage of 3.91% for the retirement plan with San Luis Obispo County Pension Trust (SLOCPT) in July 2021 at a projected cost of just over \$44,000. Traditionally, when increases have occurred the increase is fully covered by the agency and the budget will assume that pickup will continue. This is related to management, administration and confidential employees.

Proposed Budget Calendar

- February 10 Detailed budget assumptions and revenue forecasts presented to Executive Committee
- March 3 Obtain Board concurrence on proposed draft budget assumptions

- | | |
|----------|--|
| March 3 | Provide mid-year FY20-21 Budget data to Board and budget amendment #4 |
| March 31 | Based on feedback from Executive Committee, develop FY21-22 Budget |
| April 14 | Present draft FY21-22 Budget and final budget amendment for FY20-21 to Executive Committee |
| April 22 | Present final draft FY21-22 Budget and final budget amendment for FY20-21 to RTAC |
| May 5 | Final Board Budget presentation; Board adoption of FY21-22 Budget |

Staff Recommendation for Executive Committee:

Recommend staff provide the FY21-22 budget assumptions and budget calendar to the Board for approval at the March 3rd 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.

ⁱ Core services are defined as:

1. Hourly weekday services on RTA Routes 9, 10 and 12;
2. Five trips/day on Saturdays for Routes 9, 10, 12, and Monday-Saturday on Route 15;
3. Three trips/day on Sundays for Routes 9, 10, 12 and 15;
4. Peak period weekday service on Route 14 during open session of Cuesta College;
5. Peak period commuter Express services on Routes 9, 10 and 12; and
6. Runabout service that matches the fixed-route service days operated in each community.

This Page Left Intentionally Blank

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
EXECUTIVE COMMITTEE
FEBRUARY 10, 2021
STAFF REPORT**

AGENDA ITEM: C-2

TOPIC: Strategic Business Plan Update

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Direct staff to bring recommended SBP changes in early 2022

BACKGROUND/DISCUSSION:

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

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

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

Because the COVID-19 pandemic has drastically altered ridership patterns, and the RTA is currently seeking outside funding to update our 5-year Short Range Transit Plan (SRTP), staff is recommending that the update to the 2018-20 SBP be postponed for one year until early 2022. It is hoped that the Board's Emergency Declaration due to the pandemic will be lifted later this calendar year, and the SRTP consultant can help us determine new/interim standards that we can use to measure progress toward full ridership recovery. In the meantime, staff will continue to provide bi-annual reports to

the Board on our results in comparison the current objective and subjective performance standards.

It should be noted that two sections of the SBP include ridership-based metrics that will impossible to meet due to the reduction in demand during the pandemic as well as physical distancing limitations on the vehicles. These standards include:

1. **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 (passengers 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. Local fixed-route (Paso Express Routes A & B, and SoCo Transit Routes 21, 24, 27 & 28) shall be 17 or greater.
 - C. Runabout and other demand response services will be 2.0 or greater.
 - D. Route deviation services (such as RTA Route 15) will be 8.0 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.

2. **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 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.

Staff Recommendation for Executive Committee:

Recommend staff provide the Strategic Business Plan update to the Board for consideration at the March 3rd Board meeting in addition to the results through December 2020.

Staff Recommendation for the Board:

Direct staff to plan to present updated SBP metrics over two Board meetings in early 2022, with the goal of adopting a 2022-24 SBP in summer 2022.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
EXECUTIVE COMMITTEE
FEBRUARY 10, 2021
STAFF REPORT**

AGENDA ITEM: C-3

TOPIC: Fiscal Year 2020-21 Operating and Capital Budget Amendment #3

ACTION: Approve

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Bring the Fiscal Year 2020-21 Budget Amendment #3 as Presented to the Board for Approval

SUMMARY:

As mentioned at the May 6th and June 3, 2020 RTA Board meetings, the CARES Act signed into law on March 27th provided a record-breaking \$2.2 trillion nationwide 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 were roughly triple the typical annual apportionment, while the rural formula funds that were immediately distributed by Caltrans was 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, 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

At the June 3rd RTA Board meeting the budget was amended to include CARES Act funding from all of the UZA's except Santa Maria as the RTA was still negotiating with the City of Santa Maria. At the December 2nd RTA Board meeting the budget was amended to include the amount awarded to the RTA of \$1,300,691.

The RTA has also applied for Phase 2 CARES FTA Section 5311 non-urbanized apportionment through Caltrans. Since those funds can only be used for rural transit services. The RTA has worked with SLOCOG on the allocation of these funds for the rural services the RTA provides, as well as exchanging Phase 1 CARES FTA Section 5311 funds in support of Morro Bay Transit and San Luis Obispo County transit services.

These 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. Staff using these funds to replace some of the Local Transportation Funds that could instead be used by the RTA jurisdictions for local streets/roads purposes in FY20-21 and FY21-22.

There are a number of changes in the current fiscal year and in subsequent years, which staff has noted in yellow in the detailed pages. In total, it is projected that the jurisdictions will have a reduction of the LTF required for FY2020-21 and FY2021-22 of **\$989,600**, as a result of this budget amendment.

For Fiscal Year 2020-21

Changes in Operating Revenue:

- Offset reserve to carryover to FY21-22 increased by \$989,600 to \$2,939,600 which allows for a reduced LTF request in FY21-22
- Changes in Non TDA Sources:
 - Increase in FTA (Section 5311) Operating CARES by \$1,134,604 to \$1,726,390 in support of rural routes 12/14/15.
 - Increase in FTA (Section 5307 – SM) Operating CARES by \$20,000 to \$867,630 which is a portion of the CARES funds the RTA received from the Santa Maria Urbanized Area CARES apportionment. This increase is as a result of a decrease in CARES related capital costs, shifting more to operating.

Changes in Capital Revenue:

- Changes in Non TDA Sources
 - Decrease in Federal Transit Administration (FTA) (Section 5307 – Santa Maria) CARES by \$20,000 to \$433,060, which is the portion of CARES funds that are no longer being allocated to COVID related capital items.

Changes in Administration and Service Delivery:

- Increase in Professional Technical Services by \$145,000 to \$262,400 based on the renewal of the Information Technology System.
- Increase in Maintenance (parts, supplies, materials) by \$20,000 to \$708,308 for the purchase of portable office air filtration units instead of the capital improvements.

Changes in Capital Expenditures:

- Decrease in COVID 19 Related Items by \$20,000 to \$433,060 since portable office air filtration units are being utilized instead of facility air handling retrofitting.

For Fiscal Year 2021-22

Changes in Operating Revenue:

- Increase in general reserves of \$989,600 based on changes to the offset reserve carryover in FY20-21

- TDA Required:
 - Decrease in TDA required by \$989,600 due to use of offset reserve

For reference, the amendment also includes revisions to the service the RTA provides on behalf of the **County of San Luis Obispo**. That revision includes:

County of San Luis Obispo

Changes in Operating Revenue FY20-21:

- Offset reserve to carryover to FY21-22 increased from \$0 to \$212,700 which allows for a reduced LTF request in FY21-22.
- Increase in Rural Transit Funds (RTF) \$212,700. This additional RTF is a result of the 5311 CARES exchange.

Although not included in this budget amendment, due to the Beach Trolley not operating in the summer of 2020 due to the pandemic, cost savings are anticipated of just over \$30,000 for FY20-21. If the trolley is unable to operate in the spring of 2021 there will be additional carryover cost savings.

Changes in Operating Revenue: FY21-22:

- Increase in general reserves of \$212,700 based on changes to offset reserve carryover in FY20-21
- TDA Required:
 - Decrease in TDA required by \$212,700 due to use of offset reserve

Staff continues to work on securing additional funding for the RTA, City of Paso Robles and County of San Luis Obispo.

These amendments do **not** require any additional LTF funds for FY20-21.

Staff Recommendation for Executive Committee:

Recommend staff provide Budget Amendment #4 to the Board for approval at the March 3rd Board meeting.

Staff Recommendation for the Board:

Adopt Budget Amendment #4 as presented.

This Page Left Intentionally Blank

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED AMENDMENT #4 OPERATING REVENUE BUDGET FOR 2020/2021**

		2020/2021 AMENDMENT #4 OPERATING BUDGET	2020/2021 AMENDMENT #3 OPERATING BUDGET	2020/2021 AMENDMENT #2 SLOCAT BUDGET	2020/2021 AMENDMENT #1 SLOCAT BUDGET	2021/2022 REVISION #4 OPERATING BUDGET	2021/2022 REVISION #3 OPERATING BUDGET	2021/2022 REVISION #2 SLOCAT BUDGET	2021/2022 REVISED SLOCAT BUDGET
FUNDING SOURCES:									
GENERAL RESERVES		5,351,291	5,351,291	111,070	111,070	4,767,420	3,777,820	337,770	125,500
1.	ESTIMATED FUND BALANCE	5,351,291	5,351,291	111,070	111,070	4,767,420	3,777,820	337,770	125,500
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR								
CASH FLOW REQUIREMENTS PER TDA		1,827,820	1,827,820	125,500	125,500	1,839,220	1,839,220	132,500	132,500
PERS BUYOUT		-	-	-	-	-	-	-	-
DEBT SERVICE RESERVE FOR BUS MAINTENANCE FACILITY		-	-	-	-	-	-	-	-
OFFSET RESERVE TO CARRYOVER TO FY21-22		2,939,600	1,950,000	212,270	-	-	-	-	-
TOTAL		4,767,420	3,777,820	337,770	125,500	1,839,220	1,839,220	132,500	132,500
3.	FUND BALANCE AVAILABLE	583,871	1,573,471	(226,700)	(14,430)	2,928,200	1,938,600	205,270	(7,000)
NON TDA SOURCES									
FARES		875,940	875,940	28,900	28,900	1,228,770	1,228,770	29,480	29,480
SCT MANAGEMENT CONTRACT		126,660	126,660	-	-	115,100	115,100	-	-
COUNTY MANAGEMENT CONTRACT		91,580	91,580	-	-	98,390	98,390	-	-
NORTH COUNTY MANAGEMENT CONTRACT		44,440	44,440	-	-	47,740	47,740	-	-
INTEREST		38,670	38,670	-	-	38,670	38,670	-	-
STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1		-	-	82,800	82,800	400,000	400,000	82,800	82,800
RURAL TRANSIT FUND (Administration)		30,000	30,000	-	-	30,000	30,000	-	-
RURAL TRANSIT FUND (Operating Funds)		-	-	295,070	82,800	250,000	250,000	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo		474,910	474,910	-	-	633,210	633,210	-	-
FTA (Section 5307) - San Luis Obispo CARES		1,132,120	1,132,120	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating		564,630	564,630	-	-	564,630	564,630	-	-
FTA (Section 5311) - Operating CARES		1,726,390	591,790	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating		722,480	722,480	-	-	963,310	963,310	-	-
FTA (Section 5307-N. County) - Operating CARES		1,403,640	1,403,640	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating		404,580	404,580	-	-	424,810	424,810	-	-
FTA (Section 5307-SM) - Operating CARES		867,630	847,630	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating		439,530	439,530	-	-	586,040	586,040	-	-
FTA (Section 5307) - S. County Operating CARES		1,517,640	1,517,640	-	-	-	-	-	-
CUESTA CONTRIBUTION FOR ROUTE 12 AND 14		82,810	82,810	-	-	87,780	87,780	-	-
CUESTA CONTRIBUTION NORTH COUNTY		-	-	-	-	-	-	-	-
SPECIAL EVENTS REVENUE/OTHER		-	-	-	-	-	-	-	-
4.	SUB TOTAL	10,543,650	9,389,050	406,770	194,500	5,468,450	5,468,450	112,280	112,280
5.	TOTAL FUND BALANCE & NON TDA FUNDING	11,127,521	10,962,521	180,070	180,070	8,396,650	7,407,050	317,550	105,280

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
PERS BUYOUT
MANAGEMENT CONTRACTS
SERVICE DELIVERY
DEBT SERVICE RESERVE
CONTINGENCY

9. **TOTAL FUNDING USES**

2020/2021 AMENDMENT #4 OPERATING BUDGET	2020/2021 AMENDMENT #3 OPERATING BUDGET	2020/2021 AMENDMENT #2 SLOCAT BUDGET	2020/2021 AMENDMENT #1 SLOCAT BUDGET	2021/2022 REVISION #4 OPERATING BUDGET	2021/2022 REVISION #3 OPERATING BUDGET	2021/2022 REVISION #2 SLOCAT BUDGET	2021/2022 REVISED SLOCAT BUDGET
202,671	202,671	-	-	164,560	216,806	-	-
344,720	344,720	-	-	279,897	368,761	-	-
153,432	153,432	-	-	124,580	164,132	-	-
118,353	118,353	-	-	96,098	126,607	-	-
354,233	354,233	-	-	287,621	378,937	-	-
93,411	93,411	-	-	75,845	99,925	-	-
690,993	690,993	-	-	561,055	739,183	-	-
1,881,036	1,881,036	476,800	476,800	1,527,315	2,012,219	375,770	588,040
3,838,849	3,838,849	476,800	476,800	3,116,970	4,106,570	375,770	588,040
(1,156,420)	(1,156,420)	-	-	(564,630)	(564,630)	-	-
2,682,429	2,682,429	476,800	476,800	2,552,340	3,541,940	375,770	588,040
13,809,950	13,644,950	656,870	656,870	10,948,990	10,948,990	693,320	693,320
1,918,910	1,773,910	7,870	7,870	1,772,430	1,772,430	7,500	7,500
3,373,900	3,373,900	-	-	-	-	-	-
126,660	126,660	91,580	91,580	115,100	115,100	98,390	98,390
8,290,040	8,270,040	530,880	530,880	8,673,430	8,673,430	559,490	559,490
203,960	203,960	-	-	282,230	282,230	-	-
100,440	100,440	26,540	26,540	105,800	105,800	27,940	27,940
13,809,950	13,644,950	656,870	656,870	10,948,990	10,948,990	693,320	693,320

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED AMENDMENT #3 CAPITAL REVENUE BUDGET FOR 2020/2021**

		2020/2021 AMENDMENT #3 - CAPITAL BUDGET	2020/2021 AMENDMENT #2 - CAPITAL BUDGET	2021/2022 REVISION #2 CAPITAL BUDGET
FUNDING SOURCES:				
BEGINNING CAPITAL PROJECTS RESERVE		171,870	171,870	667,520
1. ESTIMATED FUND BALANCE		171,870	171,870	667,520
2. LESS REQUIRED RESERVES FOR FISCAL YEAR				
CAPITAL PROJECTS RESERVE		667,520	667,520	483,820
	TOTAL	667,520	667,520	483,820
3. FUND BALANCE AVAILABLE		(495,650)	(495,650)	183,700
<u>NON TDA SOURCES</u>				
STATE TRANSIT ASSISTANCE (STA) WITH SB1 AUGMENTATION		714,750	714,750	314,750
LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)		-	-	-
PROPOSITION 1B FUNDING - SAFETY & SECURITY		-	-	-
STA SB1 STATE OF GOOD REPAIR		-	-	140,810
PROPOSITION 1B FUNDING - BUS REPLACEMENT & BUS MAINTENANCE FACILITY		1,033,230	1,033,230	-
APCD AB 617 FOR GARAGE PROJECT		721,980	721,980	-
RURAL TRANSIT FUND (Capital)		250,000	250,000	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo		421,820	421,820	85,430
FEDERAL TRANSIT ADM (FTA) (Section 5309) - State of Good Repair		-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5339) - Bus and Bus Facilities		6,285,000	6,285,000	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-North County)		534,980	534,980	117,590
FEDERAL TRANSIT ADM (FTA) (Section 5307-Santa Maria) - CARES		433,060	453,060	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-South County)		410,030	410,030	85,430
	SUB TOTAL	10,804,850	10,824,850	744,010
4. TOTAL FUND BALANCE & NON TDA FUNDING		10,309,200	10,329,200	927,710
6. FINANCING FOR BUS MAINTENANCE FACILITY		6,753,000	6,753,000	7,347,000
7. TOTAL FUNDING SOURCES		17,062,200	17,082,200	8,274,710
8. FUNDING USES:				
CAPITAL		17,082,200	17,082,200	8,274,710
LOAN PAYDOWN				-
9. TOTAL FUNDING USES		17,082,200	17,082,200	8,274,710

1/28/2021
1:50 PM

Administration and Service Delivery Totals

Administration:

Labor	operations cost	1,042,550	1,042,550
Labor - Administration Workers Comp	operations cost	47,000	47,000
Office Space Rental	operations cost	508,850	508,850
Property Insurance	operations cost	28,490	28,490
Professional Technical Services	operations cost	262,400	117,400
Professional Development	operations cost	60,070	60,070
Operating Expense	operations cost	365,150	365,150
Marketing and Reproduction	hourly	98,560	98,560
North County Management Contract	operations cost	(44,440)	(44,440)
County Management Contract	operations cost	(91,580)	(91,580)
SCT Management Contract	operations cost	(126,660)	(126,660)
Total Administration		2,150,390	2,005,390

Service Delivery:

Labor - Operations	hourly	5,927,310	5,927,310
Labor - Operations Workers Comp	hourly	355,290	355,290
Labor - Maintenance	hourly	1,287,250	1,287,250
Labor - Maintenance Workers Comp	hourly	97,290	97,290
Fuel	miles	1,064,520	1,064,520
Insurance (Liability, Physical Damage, Employment Prac	miles	764,160	764,160
Special Transportation (for SLOCAT)	n/a	48,340	48,340
Avila Trolley	n/a	68,460	68,460
Maintenance (parts, supplies, materials)	miles	708,380	688,380
Maintenance Contract Costs	miles	143,200	143,200
Total Operations		10,464,200	10,444,200

Contingency

hourly 147,240 147,240

Debt Service Reserve

operations cost 203,960 203,960

Management Contracts

262,680 262,680

TOTAL FUNDING USES

13,228,470 13,063,470

1/28/2021
1:50 PM

Capital Expenditures

Capital/Studies:

Computer System Maintenance/Upgrades

Miscellaneous Capital

Maintenance Equipment

Specialized Maintenance Tools

Desks and Office Equipment

Radios

Vehicle ITS/Camera System

Bus Stop Improvements

COVID 19 Related Capital Items

Large Capital Repairs

Vehicles

Support Vehicles

40' Coaches

Trolley replacement vehicles

Cutaway and Dial A Ride Vehicles

Runabout Vehicles

Total Capital Outlay

Loan Repayments

Short Range Transit Plans - Nipomo

Elks Lane Project

TOTAL FUNDING USES

	Amendment #4 - Capital Budget FY 2020-21	Amendment #3 - Capital Budget FY 2020-21
	46,440	46,440
	40,200	40,200
	-	-
	-	-
	6,600	6,600
	-	-
	313,360	313,360
	433,060	453,060
	-	-
	56,700	56,700
	631,800	631,800
	-	-
	631,750	631,750
	261,300	261,300
	2,421,210	2,441,210
	24,010	24,010
	-	-
	15,298,090	15,298,090
	17,743,310	17,763,310