



## RTA BOARD AGENDA

Wednesday, March 7, 2018 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: Tom O'Malley**

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)  
Tim Brown (Arroyo Grande)

**Vice President: Dan Rivoire**

Tom O'Malley (Atascadero)  
John Shoals (Grover Beach)  
John Heading (Morro Bay)  
Fred Strong (Paso Robles)  
Ed Waage (Pismo Beach)  
Dan Rivoire (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.

### FLAG SALUTE

### CALL TO ORDER AND 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 FY18-19 Budget Assumptions (Approve)

B-2 Revised Policy and Procedures for Video/Audio Recording on Vehicles & Property (Approve)

B-3 South County Transit Request to Consolidate with RTA (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 December 13, 2017 (Information)
- C-2 RTA Board Meeting Minutes of January 3, 2018 (Approve)
- C-3 State of California SB1 State of Good Repair Grant Program (Approve)
- C-4 Updated Policy and Procedures for Public Comment Regarding Fare or Service Changes (Approve)
- C-5 RTA Strategic Business Plan Revision (Approve)
- C-6 SB 1 Solutions for Congested Corridors Grant Applications (Approve)
- C-7 MOA for Tire Leasing (Approve)

**D. CLOSED SESSION ITEMS –**

- D-1 The RTA Board shall recess into closed session for a conference with Legal Counsel regarding:

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

Negotiating Party:	Tom O'Malley, President
Unrepresented Employee:	Geoff Straw, Executive Director

**E. BOARD MEMBER COMMENTS**

*Adjourn RTA Board meeting, and reconvene as the SLOCOG Board*

Next regularly-scheduled RTA Board meeting on May 2, 2018

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**March 7, 2018**

**STAFF REPORT**

**AGENDA ITEM:** A-1

**TOPIC:** Executive Director's Report

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

**STAFF RECOMMENDATION:** Accept as Information

**BACKGROUND/DISCUSSION:**

**Construction Progress and Mitigations Monitoring for Paso Bus Parking Yard:**

The Paso Robles bus parking yard construction project officially broke ground on November 6, 2017, and paving was completed on February 12<sup>th</sup>. Installation of the modular office unit is slated for completion next week, with project wrap-up scheduled by the end of March. Staff from the Wallace Group is assisting RTA with on-going mitigations monitoring. As summarized in the table at the end of this report, the contractor has adhered to or is adhering to all construction-related mitigations, which is required in the Mitigated Negative Declaration determination report adopted at the September 14, 2016 RTA Board meeting.

All Board members to join us for the quarterly employee of the quarter & Bus Parking Yard completion celebration scheduled on April 27<sup>th</sup> at the new facility. The event will begin at 11:30 AM, with the award ceremony slated for Noon.

**Operations:**

On January 17<sup>th</sup> the South County Transit Board of Directors unanimously approved moving forward with a request to consolidate with the RTA. Staff has sent a draft revised RTA Joint Powers Agreement to each City Manager and officials at the County for review and comment. In essence, a new South County Transit Committee would be established in the revised RTA JPA, and its primary role would be to deliberate over service levels and budget for services provided exclusively within the Arroyo Grande – Grover Beach Urbanized Area. In addition, South County Transit would be abolished as a separate agency, and all assets/liabilities would be transferred to the RTA. The final draft RTA JPA will be presented in Agenda Item B-2.

The previous Employee of the Quarter event was held in conjunction with an annual potluck dinner on January 21<sup>st</sup> at the Pismo Beach Moose Lodge. RTA Bus Operator Michelle Whitten was selected as Employee of the Quarter, and RTA Supervisor Mike Buehre and SoCo Transit Bus Operator Liza Montano were selected for Outstanding Achievement awards. Also acknowledged was Rod Gill, long time RTA Bus Operator,

who retired in January 2018 after 14 years with the RTA and predecessor contractors. Michelle will attend at the March RTA Board meeting. Rod will be missed, and we wish him well in retirement.

Staff has not received any recommended changes to the draft Strategic Business Plan that was presented at the January 2018 RTA Board meeting. The SBP was subsequently distributed to each City Manager and County Public Works for review and comment. Because no changes were suggested, the final plan is included as Consent Agenda Item C-5.

Staff worked with County Public Works staff to refine bid documents for design and construction services to complete the Government Center passenger facility improvements in January and February. The final procurement documents were published on February 28<sup>th</sup>, with bids being due on March 29<sup>th</sup>. Staff hopes construction can begin in early summer.

A Bus Operator training class began on January 22<sup>nd</sup>. At the time of this writing, all eight trainees were progressing well with graduation slated for March 2<sup>nd</sup>. Assuming all eight complete their coursework and behind-the-wheel training, please welcome the following new employees to the team: Anthony, Carlos, Christopher and Christopher, David, Martin, Suzanne and Terry.

The RTA Board approved in-house purchasing of tires in 2014 at the end of a tire leasing program. In late 2014, staff implemented a computerized vehicle maintenance software program, which allows staff to evaluate costs per mile for various parts categories – including the cost and staff resources necessary to manage our own tire program. After comparing the per-mile costs of this in-house tire program against bids from tire leasing companies, we have discovered cost-savings can be realized under the lease program. This item is addressed in Consent Agenda Item C-7.

### **Service Planning & Marketing:**

Staff revised the Public Comment Policy for fare and service changes, and we have included it as Consent Agenda Item C-4. Included in the revisions are items such as “wildcat” outreach at bus stops and the use of the technology now available (such as the LCD screens) to connect with riders. A similar outreach effort was used for the December 31 fare change, and it resulted in less than anticipated complications and very little rider pushback.

Staff is finalizing the RTA Bus Garage Design and Engineering grant and procurement documents. We anticipate completing the FTA grant process in spring, and advertising the procurement in late-spring/early-summer. The procurement will include two innovative elements: a financial planning element, and development of a transportation electrification readiness plan. This design/engineering project is being funded with FTA Section 5307 funds, with local match provided by the new Senate Bill 1 – Road Repair and Accountability Act (SB-1) funds.

As reported at January Board meeting, the California Air Resources Board (ARB) formally published the draft *Innovative Clean Transit* regulation in late December. This proposal would compel the purchase of zero-emission buses. In 2022, the proposal would require 50% of new RTA bus procurements to be zero emission, followed by the next phase in 2026 requiring 75% of all new RTA bus purchases be zero-emission, and the 2029 requirement at 100% of all new RTA bus purchases. The industry is currently testing prototype buses that can travel up to 300 miles on a single charge, assuming ideal operating conditions: flat terrain, relatively slow operating speeds, and temperate weather. However, the RTA does not operate in this “ideal” environment. I shared staff’s concerns about capital and operating impacts to the RTA at an ARB workshop in Clovis on February 6<sup>th</sup>. Specifically, the RTA operating profile makes current and projected zero emission bus technologies a very challenging proposition: we operate several bus runs that travel more than 300 miles per day, in hilly terrain, at highway speeds and often during extreme summer weather. I followed up with a written submittal, which is copied at the end of this staff report. While staff supports the use of clean and sustainable energy sources, we will continue to work with our partners at the California Transit Association and CalACT to ensure the ARB understands our concerns about this unfunded mandate.

### **Finance and Administration:**

On February 19<sup>th</sup>, staff discovered a mistake in the Runabout fare table that was adopted for the December 31, 2017 fare change. In essence, I used incorrect data when developing the Runabout fares for trips originating and/or ending in the Cayucos zone. We have updated the table on our website, and corrected the fares in our computerized dispatching system. Staff has issued a fare credit to the sole Runabout rider affected, who was overcharged on eleven one-way rides since the new fare structure was implemented.

Detailed RTA financial and operating results through January 31st – the first seven months of the fiscal year. Detailed data is provided in the tables at the end of this report, but below are some summary takeaways:

- In terms of overall non-capital expenses, we are slightly below budget – 54.6% of budget through 58.3% of the fiscal year. Notable large-ticket variances include labor (combined 6.7% below budget), fuel (14.4% below budget), and total vehicle maintenance (11.6% below budget).
- RTA core fixed-route ridership totaled 425,162 through the end of January 2018. In comparison, ridership for the same period last year was 444,091, which represents an annual decline of 4.3%. Ridership on the Route 9 SLO – Paso Robles is up 2.5% in comparison to the same seven months in FY16-17, but it is down on the other four fixed routes as follows:
  - Route 10 SLO – Santa Maria: down 16.7%

- Route 12 SLO – Morro Bay – Los Osos: down 8.0%
- Route 14 SLO – Cuesta College: down 23.2%
- Route 15 North Coast: down 1.9%

The greatest decline continues to be experienced on Route 14. However, based on recent discussions with our Cuesta College partners, student enrollment is down at the campus, too.

- Runabout ridership totaled 23,095, which is 10.6% lower than the total from the first seven months of the previous year (25,839). The majority of this decline is due to the change in Tri-County Regional Center ridership, which started in February 2017.

In early January 2018, Governor Brown released his proposed FY18-19 budget. At \$190.3 billion, the proposed budget is \$9.2 billion larger than last year's, yet it maintains the Governor's commitment to fiscal prudence by growing the state's rainy-day fund to \$13.5 billion. The budget also reduces the state's debt to \$6 billion, down from \$35 billion in 2011. More details are provided below (derived from data provided by the California Transit Association), as well as in the table at the end of this report:

- The FY18-19 Governor's Budget represents the first full year of new revenues from SB-1. In the first ten years, the \$55 billion transportation package will provide \$15 billion for state highway repairs and maintenance, \$4 billion in state bridge repairs, \$3.3 billion for state trade corridors, and \$2.5 billion for the state's most congested commute corridors. Local roads throughout the state will receive more than \$15 billion in new funding for maintenance and repairs and \$2 billion in matching funds for local partnership projects. Transit and intercity rail will receive \$7.6 billion in additional funding, and local governments will have access to \$1 billion for active transportation projects. RTA staff will work with our SLOCOG partners to optimize the use of these new funds, including vital bus replacement and facility construction projects.
- The proposed budget estimates that STA revenue generated from the sales tax on diesel fuel in FY17-18 will be \$482.8 million (this is an increase of \$14 million over the State Controller's November estimate of \$468.8). In FY18-19, this number rises to \$554 million, an increase in \$71.2 million, largely due to a full year of SB-1 funding. Combined with other sources of revenue including the Transportation Improvement Fee, Low Carbon Transit Operations Program and Proposition 1B, the total funding that will flow through the STA formula stands at \$855 million in FY18-19.
- Absent from this year's proposed budget is a *Cap and Trade Expenditure Plan*. The proposed budget notes only that the market for Cap and Trade auction allowances rebounded in following the passage of AB 398 and that \$1.25 billion will be available for expenditure in FY18-19. However, based on information from the Department of Finance, the LCTOP will receive \$115-120 million and the

TIRCP \$230-240 million in FY18-19. To date, the SLO County region has used the LCTOP to partially fund the Paso Bus Parking Yard and to implement service improvements at SoCo Transit.

### Road Maintenance and Accountability Act Funding

(Dollars in Millions)

Program		2017-18 Appropriation	2018-19 Appropriation
Local Allocations	Local Streets and Roads	\$451	\$1,193
	Transit and Intercity Rail Capital Program	\$330	\$330
	State Transit Assistance	\$280	\$355
	Local Partnership Program	\$200	\$200
	Active Transportation Program	\$100	\$100
	Commuter Rail and Intercity Rail	\$25	\$36
	Local Planning Grants	\$25	\$25
Total:		<b>\$1,411</b>	<b>\$2,239</b>
State Allocations	SHOPP/Maintenance	\$451	\$1,210
	Bridges and Culverts	\$400	\$400
	Commuter Corridors	\$250	\$250
	Trade Corridor Enhancement	\$153	\$306
	Department of Parks and Recreation*	\$53	\$79
	Air Resources Board Clean Freight	\$50	\$0
	Freeway Service Patrol	\$25	\$25
	Department of Food and Agriculture*	\$17	\$26
	Transportation-related CSU and UC Research	\$7	\$7
	Transportation Workforce Development Board	\$5	\$5
Total:		<b>\$1,411</b>	<b>\$2,308</b>
Administration	Department of Motor Vehicles	\$4	\$8
	Total:		<b>\$4</b>
Revenue	Transportation Improvement Fee	\$737	\$1,510
	Gasoline Excise Tax	\$1,250	\$1,852
	Diesel Excise Tax	\$405	\$672
	Diesel Sales Tax	\$200	\$286
	General Fund Loan Repayment	\$235	\$235
Total:		<b>\$2,827</b>	<b>\$4,555</b>

\*Revenue derived from fuel purchased for off-road vehicles.

	Adopted Budget FY 2017-18	December Actual	January Budget	January Actual	January Variance	Year to Date FY 2017-18	Percent of Total Budget FY 2017-18
<b>Administration:</b>							
Labor	77,750	5,725	6,479	5,942	537	41,123	52.9%
Labor - Administration Workers Comp	1,722,730	127,667	143,561	132,336	11,225	927,719	53.9%
Office Space Rental	855,390	66,365	71,283	71,308	(26)	497,210	58.1%
Property Insurance	70,930	-	17,733	16,658	1,075	49,974	70.5%
Professional Technical Services	477,880	36,041	39,823	36,041	3,782	270,736	56.7%
Operating Development	99,990	-	-	-	-	17,200	99.8%
Marketing and Reproduction	37,670	7,475	8,333	2,582	5,750	34,870	34.9%
North County Management Contract	270,460	15,886	22,538	19,114	2,565	21,003	55.8%
County Management Contract	90,720	11,017	7,560	6,303	3,424	149,701	55.4%
SCT Management Contract	(41,850)	(3,488)	(3,488)	(3,488)	1,257	69,022	76.1%
Operations cost	(85,230)	(7,103)	(7,103)	(7,103)	-	(24,413)	58.3%
Operations cost	(119,270)	(9,939)	(9,939)	(9,939)	-	(49,718)	58.3%
<b>Total Administration</b>	<b>1,673,930</b>	<b>116,254</b>	<b>149,879</b>	<b>132,052</b>	<b>17,827</b>	<b>966,012</b>	<b>57.7%</b>
<b>Service Delivery:</b>							
Labor - Operations	4,245,580	259,787	353,798	341,866	11,933	2,262,847	53.3%
Labor - Maintenance	479,910	-	119,978	112,707	7,271	338,120	70.5%
Labor - Maintenance Workers Comp	989,230	67,043	82,436	87,306	(4,870)	584,532	56.1%
Fuel	1,054,460	-	35,113	32,985	2,128	98,994	70.5%
Insurance	615,000	72,278	87,872	79,395	8,477	526,557	49.9%
Special Transportation (for SLOCAT and Paso)	43,900	2,999	3,658	3,607	51	26,005	59.2%
Avila Trolley	69,900	-	-	-	-	29,812	42.6%
Maintenance (parts, supplies, materials)	636,610	43,268	53,051	49,305	3,746	316,099	49.7%
Maintenance Contract Costs	92,100	7,021	7,675	6,485	1,190	59,876	65.0%
<b>Total Operations</b>	<b>8,367,140</b>	<b>504,701</b>	<b>794,830</b>	<b>765,865</b>	<b>28,965</b>	<b>4,577,691</b>	<b>54.7%</b>
<b>Capital/Studies:</b>							
Computer System Maintenance/Upgrades	52,220	-	3,500	3,450	50	4,115	7.9%
Miscellaneous Capital	32,540	17,452	-	-	-	17,452	53.6%
Facility Improvements	42,010	-	-	-	-	-	0.0%
Maintenance Equipment	33,500	-	-	-	-	-	0.0%
Specialized Maintenance Tools	6,600	-	-	-	-	1,158	17.6%
Desks and Office Equipment	163,510	-	-	-	-	76,492	46.8%
Vehicle/ITS/Camera System	295,100	89,906	-	-	-	89,906	30.5%
Bus Stop Improvements/Bus Stop Solar Lighting	126,000	-	-	-	-	-	0.0%
Bus Rehabilitation	751,480	107,358	3,500	3,450	50	189,124	25.2%
<b>Total Capital Outlay</b>	<b>120,490</b>	<b>-</b>	<b>10,041</b>	<b>-</b>	<b>10,041</b>	<b>-</b>	<b>0.0%</b>
Contingency	30,490	1,548	2,541	1,548	993	12,705	41.7%
Interest Expense	200,600	-	-	-	-	100,298	50.0%
Loan Paydown	1,831,420	5,815	10,500	10,043	458	50,556	2.8%
Elks Lane Project	859,830	47,278	105,000	104,451	549	172,486	20.1%
Paso Property Improvements	246,350	20,529	20,529	20,529	-	143,704	58.3%
Management Contracts	14,081,730	803,484	1,096,820	1,037,937	58,883	6,212,575	44.1%
<b>TOTAL FUNDING USES</b>	<b>10,738,400</b>	<b>643,033</b>	<b>977,820</b>	<b>919,994</b>	<b>57,826</b>	<b>5,700,112</b>	<b>54.6%</b>
<b>TOTAL NON-CAPITAL EXPENDITURES</b>							



**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
YEAR TO DATE THRU JANUARY 31, 2018  
CURRENT FISCAL YEAR - 2017/2018**

	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	RT 7 PASO EXPRESS ROUTE A	RT 8 PASO EXPRESS ROUTE B	TOTAL PASO EXPRESS FIXED ROUTE	PASO EXPRESS DIAL A RIDE	RUNABOUT	SYSTEM TOTAL
<b>REVENUES:</b>												
FARES	\$ 239,080	\$ 231,965	\$ 157,991	\$ 10,531	\$ 19,391	\$ 658,957	\$ 40,044	\$ 40,361	\$ 80,405	\$ 3,983	\$ 77,959	\$ 821,304
<b>TOTAL ROUTE REVENUES</b>	\$ 239,080	\$ 231,965	\$ 157,991	\$ 10,531	\$ 19,391	\$ 658,957	\$ 40,044	\$ 40,361	\$ 80,405	\$ 3,983	\$ 77,959	\$ 821,304
<b>EXPENDITURES:</b>												
ADMINISTRATION	\$ 208,720	\$ 171,183	\$ 114,310	\$ 10,689	\$ 44,220	\$ 549,122	\$ 9,968	\$ 9,739	\$ 19,707	\$ 4,657	\$ 417,442	\$ 990,927
MARKETING	26,163	21,384	14,265	1,553	5,533	68,899	62	62	123	-	-	69,022
OPERATIONS/CONTINGENCY	676,276	568,331	369,783	34,092	147,950	1,796,432	170,612	167,650	338,262	74,713	1,221,669	3,431,076
FUEL	137,718	133,788	74,960	7,060	36,412	389,938	15,763	15,894	31,657	2,638	91,461	515,694
INSURANCE	81,240	78,930	44,229	4,108	45	208,553	9,613	9,700	19,313	2,815	102,225	332,906
<b>TOTAL EXPENDITURES</b>	\$ 1,130,118	\$ 973,616	\$ 617,547	\$ 57,502	\$ 255,621	\$ 3,012,943	\$ 206,018	\$ 203,045	\$ 409,062	\$ 84,823	\$ 1,832,797	\$ 5,339,625
<b>FAREBOX RATIO</b>	21.2%	23.8%	25.6%	18.3%	7.6%	21.9%	19.4%	19.9%	19.7%	4.7%	4.3%	15.4%
<b>SERVICE MILES</b>	212,734.7	206,663.6	115,796.7	10,696.9	56,288.2	602,180.1	24,981.0	25,426.2	50,407.1	7,352.0	267,780.0	927,719.2
<b>SERVICE HOURS</b>	7,919.2	6,494.9	4,336.5	399.2	1,680.2	20,830.0	1,820.6	1,801.2	3,621.8	843.4	15,827.6	41,122.8
<b>RIDERSHIP (Automatic Counters)</b>	157,415	136,811	105,457	12,257	13,222	425,162	33,109	32,588	65,697	1,799	23,095	515,753
RIDERS PER MILE	0.74	0.66	0.93	1.15	0.25	0.71	1.33	1.28	1.30	0.24	0.09	0.56
RIDERS PER HOUR	19.7	21.0	24.8	30.7	8.6	20.4	18.2	18.1	18.1	2.1	1.5	12.5
COST PER PASSENGER	7.18	7.12	5.86	4.69	19.33	7.09	6.22	6.23	6.23	47.15	79.36	10.35
SUBSIDY PER PASSENGER	5.66	5.42	4.36	3.83	17.87	5.54	5.01	4.99	5.00	44.94	75.98	8.76
<b>RIDERSHIP (GFI Fareboxes)</b>	136,276	111,227	85,418	6,480	9,319	348,720	30,095	29,465	59,560	1,799	23,095	433,174
RIDERS PER MILE	0.64	0.54	0.74	0.61	0.17	0.58	1.20	1.16	1.18	0.24	0.09	0.47
RIDERS PER HOUR	17.2	17.1	19.7	16.2	5.5	16.7	16.5	16.4	16.4	2.1	1.5	10.5
COST PER PASSENGER	8.29	8.75	7.23	8.87	27.43	8.64	6.85	6.89	6.87	47.15	79.36	12.33
SUBSIDY PER PASSENGER	6.54	6.67	5.38	7.25	25.35	6.75	5.51	5.52	5.52	44.94	75.98	10.43

## Bus Parking Yard in Paso Robles Mitigations Monitoring Report

26-Feb-18

#	Summary Description	Status
1	<p><b>Mitigation Measure AES-1 – Exterior Lighting Controls and Site Screening.</b> An exterior lighting plan will be developed, which will include the height, location, and intensity of all exterior lighting. All light poles, fixtures, and hoods shall be dark (non-reflective) colored. Lighting shall be designed to eliminate any off site glare. All exterior site lights shall utilize full cut-off, “hooded” lighting fixtures to prevent offsite light spillage and glare. In addition, the Project will implement a landscape buffer and other design features to screen the new modular office building, parked buses and parked employee automobiles from view by motorists traveling along the US101 corridor.</p>	Design complete; on-going monitoring during construction.
2	<p><b>Mitigation Measure AQ-1 – Construction Equipment Emission Control Measures.</b> As identified in the APCD CEQA Air Quality Handbook, construction mitigation measures are designed to reduce emissions (ROG, NOx, DPM, PM10 and GHG) from heavy-duty construction equipment and may include emulsified fuels, catalyst and filtration technologies, engine replacement, and new alternative fueled trucks.</p>	On-going monitoring during construction.
3	<p><b>Mitigation Measure AQ-2 – Construction-Related Dust Control Measures.</b> Since the proposed Project site is within 1,000 feet of a sensitive receptor, dust generated by construction activities shall be kept to a minimum.</p>	A water truck is on-site during working hours and maintains the access road to ensure dust is kept to a minimum.
4	<p><b>Mitigation Measure (same for all three): BIO-1, GEO-1 &amp; HWQ-1 – Construction Storm Water Plan and SWPPP.</b> Prior to construction, RTA shall – in close consultation with San Luis Obispo County officials – prepare an operations-based Stormwater Pollution Prevention Plan (SWPPP) acceptable to the City of Paso Robles; this SWPPP will focus on the operations of RTA independent of County Corp Yard activities. RTA shall also develop in detail a Construction Storm Water Plan in conjunction with the Project’s final design and grading plan for implementation during construction activities. Specific details are provided in the City of Paso Robles Construction Site Storm Water Quality Requirements.</p>	SWPPP permitted; weekly storm water plan is being fully implemented and monitored weekly.
5	<p><b>Mitigation Measure: BIO-2 – Construction-Related Erosion Control BMPs.</b> Prior to and during construction, the contractor shall implement erosion control best management practices. To reduce the potential for inadvertent release of sediment from construction area to adjacent stream, drainage, wetland, or other sensitive resource areas, the contractor shall install appropriate erosion control devices around the perimeter of areas that require disturbance of the ground surface. Storm drains and gutters leading to drainage and wetland areas shall be blocked to prevent water entry. Erosion control devices shall be checked on a daily basis to ensure proper function.</p>	All BMP's are in place and monitored daily and reported weekly during the SWPPP inspections.
6	<p><b>Mitigation Measure: BIO-3 – Construction Outside Nesting Season.</b> If feasible, construction activities will take place outside of the nesting bird season (i.e., March 15 to August 15). If construction activities occur within nesting bird season, a qualified biologist shall perform pre-activity nesting bird surveys to determine if breeding/nesting birds are present within the proposed Project site. If an active bird nest is identified, then CDFG and/or USWFS shall be consulted to determine appropriate buffer during construction activities.</p>	Ground-disturbing activities will be completed by mid-March
7	<p><b>Mitigation Measure: BIO-4 – Qualified Biologist Preconstruction Survey.</b> A qualified biologist shall be retained to conduct a preconstruction survey of the proposed Project site and the adjacent habitats. In the event that any special-status species are identified within the proposed Project area, all work shall cease and the appropriate agencies shall be contacted for further consultation.</p>	Survey completed by Wallace Group's subcontractor.

8	<b>Mitigation Measure BIO-5 – Construction Worker Education Program.</b> A construction worker education program shall be prepared and presented to all construction personnel at the beginning of the proposed Project. The program shall discuss sensitive species with potential to occur in the construction zone, with emphasis on special-status wildlife and plant species. The program shall explain the importance of minimizing disturbance and adhering to other disturbance minimizing measures.	Education program completed by Wallace Group's subcontractor.
9	<b>Mitigation Measure: BIO-6 – Defining Project Site Limits.</b> The use of heavy equipment and vehicles shall be limited to the proposed Project limits, existing roadways, and defined staging areas/access points. The boundaries of each work area shall be clearly defined and marked with visible flagging and/or orange protective fencing.	Completed.
10	<b>Mitigation Measure: BIO-7 – Operations-Related Erosion Control Measures.</b> Erosion control measures shall be implemented to prevent runoff to the Salinas River corridor and associated tributaries. Silt fencing, in conjunction with other methods, shall be used to prevent erosion and avoid and/or minimize silts and sediments from entering adjacent waterways.	Will monitor once site is occupied.
11	<b>Mitigation Measure: BIO-8 – Protection of Salinas River.</b> During construction, washing of concrete, paint, or equipment and refueling and maintenance of equipment shall occur only in designated areas a minimum of 50 feet from the Salinas River. Straw bales, sandbags, and sorbent pads shall be available to prevent water and/or spilled fuel from entering the stream channel. In addition, all equipment and materials shall be stored/stockpiled away from the swale. Construction equipment shall be inspected by the operator on a daily basis to ensure that equipment is in good working order and no fuel or lubricant leaks are present.	On-going monitoring during construction.
12	<b>Mitigation Measure: BIO-9 – Oak Tree Protection.</b> Oak tree protection and replacement procedures shall be implemented during the Project. This includes procedures for protecting oak trees to remain in place during construction, and replacing oak trees that are impacted. Oak tree protections must comply with the City of Paso Robles Tree Ordinance No. 835 N.S.	Protection in place; on-going monitoring during construction.
13	<b>Mitigation Measure: BIO-10 – Exterior Lighting Controls.</b> To minimize the effects of future exterior lighting on special status wildlife species, all outdoor lighting fixtures shall be positioned and/or shielded to avoid direct lighting to adjacent streams and surrounding habitat areas.	Design complete; on-going monitoring during construction.
14	<b>Mitigation Measure: CUL-1 – Discovery of Human Remains.</b> If human remains are uncovered during ground disturbing activities, RTA and its contractor(s) will immediately halt potentially damaging excavation in the area of the burial and will notify the SLO County Coroner and a professional archaeologist to determine the nature of the remains.	On-going monitoring during construction.
15	<b>Mitigation Measure: CUL-2 – Discovery of Prehistoric/Historic Deposits.</b> If prehistoric or historic deposits or features are discovered during ground disturbing activities, activities in the area should cease and a qualified archaeologist shall inspect the discovery and prepare a recommendation for a further course of action.	On-going monitoring during construction.
16	<b>Mitigation Measure: NOI-1 – Construction-Related Noise Control.</b> RTA shall ensure that the construction contractor employs noise reducing measures during construction activities.	On-going monitoring during construction.
17	<b>Mitigation Measure TRA-1 – Traffic Crossing Warning Sign.</b> A Traffic Crossing Ahead warning sign will be installed on Paso Robles Street upstream from the entrance to the Project site.	Design complete; on-going monitoring during construction.

From: Geoff Straw  
Sent: Friday, February 09, 2018 1:14 PM  
To: 'tony.brasil@arb.ca.gov'  
Cc: 'Andrew Mutziger'; 'Pete Rodgers (PRODGERS@SLOCOG.org)';  
'Shirin.Barfjani@arb.ca.gov'; 'Jacklyn'; 'Josh Shaw'  
Subject: RE: Concerns about the proposed Innovative Clean Transit  
Regulation  
Attachments: Daily Miles report for SLO RTA, 08-Feb-2018.xlsx

Tony Brasil  
Branch Chief  
CARB HD Diesel Implementation Branch

Hi Tony –

Thanks again for participating in the CalACT Innovative Clean Transit workshop in Clovis on Tuesday. It was great hearing about the essentially heroic efforts by my counterparts to address non-attainment issues using low- and zero-emission buses in the Central Valley, and to hear about some of their first-hand successes and challenges. I believe you heard loud and clear that small urban and rural transit agencies face unique financial and operating challenges, and that the bigger agencies can more easily move resources (money and staff!) around to address issues as they arise. So please don't conclude that a "one-size-fits-all" solution is the best one. In any case, based on the conversation at the workshop – and my follow-ups with Kings County, Modesto and Fresno County Rural staff – I have added a Transportation Electrification Plan element to our Bus Garage design/engineering procurement documents, which we will advertise in late-Spring.

Attached is a revised version of the printed spreadsheets that I shared with you during the lunch break on Tuesday. This information comes from our daily fuel logs that are updated weekly into our maintenance software program (Ron Turley Associates). It should be noted that because we are part of SLO County's Emergency Operations plan, all revenue buses must be fueled after each service day so that the buses are ready in case of an emergency – that is why some of the entries for miles traveled are very low. The "fleet" page in the attached file also shows detailed info on each bus; you'll note that many of our vehicles far exceed the FTA Useful Life standards, since we operate such high miles each year. I've included a page for non-revenue staff cars, employee shuttle cars (we have three park-out lots to store buses) and shop trucks, too.

With regard to differences in the attached file in comparison to the paper copy that I gave you, the data is the exact same. However, I have separated the fleet into sub-fleets for each service type in the attached MS Excel file. I have also added columns to define the vehicle size/type and fuel type. Finally, in columns H and I, a summary of average daily miles is provided for each service type. Please note the following for each service type in order of how they're presented in the spreadsheet:

1. Intercity Fixed Route service – this is the RTA's service that connects cities along the US-101 corridor between San Miguel near the Monterey County border and Santa Maria in northern Santa Barbara County, and along the SR-1 corridor between San Luis Obispo and Morro Bay. All intercity fixed route buses are heavy-duty diesels, in either 40-foot transit bus style or 45-foot Over-the-Road coaches. On average, each intercity bus travels 200.9 miles per day, including very short-distance entries (i.e., a test drive after a vehicle is serviced, or use as a training vehicle). When those vehicles that travel greater than 100 miles are further analyzed, the average miles accumulated is 245.3. Even BYD's planned 300-mile optimal-conditions bus would not be a good solution for these long driver/bus blocks, much less our relatively shorter blocks – especially when declining battery-life over time will effectively reduce the optimal-conditions range to roughly 210 miles. High freeway speeds, steep terrain (look up the Cuesta Grade in

Google) and extreme climates in North County will reduce range by another 30%. In effect, 300 optimal-condition miles x 30% reduced battery life x 30% climate/terrain reduction = 147 miles. That distance is simply not sufficient for our intercity services.

2. Local Fixed Route Services in Paso Robles – the Paso Express is a two-route system serving this small urbanized city, using 32-foot medium-heavy duty diesel-powered buses. This service holds promise for BEBs, since the average miles/day is only 113.9. Extreme summer heat and winter cold temperatures will impact a BEB’s range, but the average speed is relatively low and the passenger loads are also somewhat sparse in comparison to the Intercity Bus average passenger loads.

3. Local Fixed Route Services in Arroyo Grande, Grover Beach, Pismo Beach and Oceano – this is a four-route system serving the South County small urbanized area, using 35-foot heavy duty buses (and 40-footers borrowed from the RTA for tripper service during peak High School bell times). This might be a good candidate for BEBs, although when buses are used for more than 100 miles in a day, the average miles traveled is 202.7 (the one outlier at 647 miles seems to be in error; if you zero out that cell, the average is 180 miles for all buses traveling greater than 100 miles in a day). The average speed for South County Transit buses is slightly higher than that in Paso Robles, and the passenger loads are also slightly higher. However, the climate swings are much milder than in Paso.

4. Demand Response Services – these services are anchored by the ADA complementary paratransit service that we call Runabout. The Runabout services uses a mix of E450 chassis cutaways and Chrysler wheelchair-accessible minivans; the latter are under the 14.4k GVW threshold, and thus would not be subject to the most recent version of the new ZEB rule. All of our demand response vehicles are gasoline powered. This sub-fleet also serves the following local Dial-A-Ride programs: Nipomo, Shandon, Templeton, and Paso Robles. Our Runabout vans spend a lot of time on the freeway, which results in high daily miles traveled. Even when the local DARs are included, the average miles traveled is 124.9. Based on the current BEB vans available in the market, BEBs would not be a good candidate; otherwise, we’d have to double our fleet size to meet all driver/bus block requirements. Please note that vehicles 1510 and 1512 operate Route 15 route-deviation service along SR-1 between Morro Bay and San Simeon (Hearst Castle) and travel over 300 miles daily – that is not a typo. But realize that many of us that operate rural and/or lifeline services use E450-style cutaway vans along our state’s highways, and I have trouble envisioning a small BEB with such a long range capacity... in terms of performance measures, the NOx reduction benefit of gasoline-to-ZEB is much lower than diesel-to-ZEB, so I am hoping CARB will consider exempting gasoline-powered E450-style vans from the final rule.

## Summary

As shown, the RTA’s Intercity Fixed Route service and Demand Response service would have great difficulty implementing present and currently-projected BEBs, as it would cause great capital financing and operating hardships. Our steep terrain, high operating speeds, extreme weather in North County, and high passenger loads suggest that current and projected BEB technologies and even Fuel Cell Bus (with a range similar to CNG buses) would not be appropriate for these two service types in SLO County.

The South County Transit program would also struggle due to BEB range issues for a 35-foot bus, but if affordable quick-charging (both in terms of capital and per kWh rates) at the two passenger terminals could extend the range, BEBs might be a feasible solution. However, this region is inundated with tourists during the peak summer months, which causes significant traffic delays – and this would reduce the number of layover minutes at the passenger facilities that we could use to “top-up” the batteries. Right now, 8 minutes is scheduled each hour for layovers. This suggests that CARB should consider worst-case operating scenarios for each transit agency when determining if an “off-ramp” can be

granted.

Probably the best candidate for BEBs in our operating portfolio is the Paso Express. We will continue to explore this possibility, although we've yet to see a strong vendor market for medium-heavy duty buses. Our current fleet of 10-year/350k-mile buses is due for replacement in the next 2-4 years, although we are struggling to obtain sufficient funding to do so (we are not a self-help county). It is my hope that the BEB technology will march forward and we will be able to implement BEB buses in Paso Robles when the replacement buses are due for replacement in ~2030.

Please call or email me if you have any questions about the attachment. It is my hope that this information can help inform the ARB about the struggles small urban and rural transit agencies face as you continue to develop the Innovative Clean Transit final rule.

Geoff Straw  
Executive Director  
San Luis Obispo Regional Transit Authority  
179 Cross Street  
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From: Geoff Straw  
Sent: Wednesday, January 24, 2018 9:45 AM  
To: 'Shirin.Barfjani@arb.ca.gov' <Shirin.Barfjani@arb.ca.gov>  
Cc: 'Andrew Mutziger' <amutziger@co.slo.ca.us>; Pete Rodgers (PRODGERS@SLOCOG.org) <PRODGERS@SLOCOG.org>  
Subject: Concerns about the proposed Innovative Clean Transit Regulation

Dear Ms. Barfjani –

I am writing to you to express my concerns about the proposed new Innovative Clean Transit Regulation, and its potential operational and financial impact on the San Luis Obispo Regional Transit Authority (RTA). The RTA is the regional public transportation operator that connects cities within San Luis Obispo County, as well as regular service to Santa Maria in northern Santa Barbara County. We primarily operate fixed route buses along the SR1 corridor between San Luis Obispo and San Simeon, and along the US101 corridor between San Miguel and Santa Maria – including the very steep and long US101 Cuesta Grade just north of the city of San Luis Obispo. Many of our buses operate greater than 275 miles per day.

Please note that I formerly oversaw the Hydrogen bus demonstration program when I managed the Unitrans bus system in Davis, CA. I know from first-hand experience the challenges of this technology, and it was only the partnership with the Fuel Cell Partnership in nearby West Sacramento and the assistance of campus researchers that we were able to keep things (barely) moving forward. We ended up removing the “first Hydrogen station on the CA Hydrogen Highway” from our operating facility in 2010. I do not believe it is the appropriate technology for us based on the RTA's remote location and lack of support staff. This leaves only Battery Electric Buses (BEBs) as the remaining technology that could allow us to meet CARB's proposed new rule.

Because our agency operates fewer than 100 buses and our service area is currently not in a NOx non-attainment area, we would not be subject to the proposed new rule until the 50% ZEB bus purchasing requirements impact us beginning in 2023. We are concerned that the steep terrain along our highways, as well as the very high summer temperatures and low winter temperatures in North County, will severely impact the usable range of a BEB and will require complex/expensive mid-route charging

A-1-12

stations and/or additional fleet (the latter will not only increase capital costs, but also increase operating costs to switch-out buses). Based on conversations with Gardena Transit officials, driver abilities and especially weather can reduce the range of a BEB by 30%, which makes even BYD's purported 300 mile range buses infeasible in our operating environment (add in the 10% Cuesta Grade and the range would likely plummet even further). We are currently working with Proterra to loan us a BEB to verify; even they are concerned about our operating environment and long-distance bus runs.

Another issue that affects range is operating BEBs at highway speeds. I personally own a 2015 Chevrolet Volt, and speeds above 50 mph drastically reduces the battery range of my vehicle. From what I have researched, this is even more of an impact with BEBs. I ask that CARB consider exempting transit agencies that regularly operate intercity routes that are longer than current and projected BEB single-charge range limits. An alternative is to delay the 2023 and 2026 requirements to purchase 50% and 75% (respectively) ZEBs by six years to 2029 and 2031 for small and medium-size transit agencies in counties that do not have a countywide sales tax initiative; those of us in non-self help counties do not have access to the level of capital and operating funds necessary to fully and effectively implement ZEBs.

On another front, I would also ask that CARB work with Caltrans and the Legislature to incentivize transit operators in rural and small urbanized areas that implement ZEBs to obtain relief from the Transportation Development Act farebox recovery ratio requirements. The current 10% and 20% farebox recovery ratio requirements are difficult for many of us to achieve, and this will only get worse as planned increases to California minimum wage levels put pressure on us to raise our agency's wages. Maybe a 5% "credit" could be applied to small transit agencies that get on the leading (bleeding?) edge of this ZEB technology.

I am cc'ing Andrew Mutziger from the SLO County APCD, as well as Pete Rodgers from the SLO Council of Governments, so that they are aware of my concerns. I look forward to hearing from you on how our unique challenges could be addressed in the final rule.

Geoff Straw  
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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**March 7, 2018**  
**STAFF REPORT**

**AGENDA ITEM:** B-1

**TOPIC:** Fiscal Year 2018-19 Budget Assumptions

**ACTION:** Approve Budget Assumptions

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

**STAFF RECOMMENDATION:** Approve Budget Assumptions to Enable Staff to Begin Development of FY18-19 & FY19-20 Operating and Capital Budgets

**BACKGROUND/DISCUSSION:**

The following report outlines staff's recommended budget assumptions for the RTA's Fiscal Year 18-19 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 11<sup>th</sup> meeting prior to the final draft budget presentation to the Board in May.

**KEY ISSUES**

1. Address SoCo Transit's request to consolidate with the RTA.
2. State Transit Assistance (STA) funds used primarily for capital projects are projected to be up slightly due to new Senate Bill 1 – Road Repair and Accountability Act (SB-1) funds.
3. Local Transportation Funds (LTF) used for operating purposes are projected to be flat to the region.
4. Liability costs continue to escalate, despite the RTA's good safety record.
5. We continue to focus on Runabout costs, which had been escalating in recent years but have leveled off.
6. Fuel costs continue to remain low; this also results in declining ridership & 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) SLOCOG is working on STA funding projections for FY17-18 that take into account new SB-1 Road Repair and Accountability Act funds. RTA received just under \$450,000 in STA capital project funding in FY17-18. Staff will work with SLOCOG staff to determine a realistic estimate for FY18-19.
  - b) Continue to monitor the results and impacts of 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 FY17-18 budget adopted in May 2017 included \$4,488,200 in LTF operating revenues. At that same meeting, the advisory FY18-19 LTF amount was \$5,479,010. Staff is still developing estimated annual FY17-18 expenses, which impacts the carryover amount that could reasonably be identified for the FY18-19 budget.
  - d) Federal Transit Administration (FTA) Section 5307, 5311 and 5339 operating funding and capital funding for FY18-19 will be presented as previously presented in May 2017, taking into account preliminary projected revenues identified in the Fixing America's Surface Transportation (FAST) Act. Should the actual annual authorizations for federal transportation programs increase or decrease for any of these programs, staff would adjust these assumptions accordingly.
  - 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. This amount is approximately \$28,000 lower than what was included in the projection for FY18-19 and staff continues discussions with SBCAG officials for Santa Maria UZA funding for RTA Route 10 operations.
  - 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. Staff will also present a mock budget that includes SoCo Transit under a possible consolidation scenario.

- g) 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.
  - h) Due to changes in self-insured retention requirements, staff will review and provide recommendations regarding the RTA reserve policy, which was originally adopted in May 2014.
- 2) Address the request for tripper fixed route bus service between Cayucos and Morro Bay High School, as was included in the SLOCOG Unmet Transit Needs process.
  - 3) Work with the SLOCOG in evaluating 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 changes to the California minimum wage. We will continue discussions with SLOCOG regarding RTA's request to reduce the farebox recovery ratio in the three San Luis Obispo County urbanized areas to 15%.
    - 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.
  - 4) Evaluate options and provide analysis on the 5-year capital improvement program and methods to fund these needs.
    - a) Staff will work with SLOCOG on appropriate projects for the Augmented STA portion of SB-1 funds for RTA projects. For FY17-18, the RTA received funding for the design and engineering of the garage facility on Elks Lane as well as approximately \$59,000 that has been added to capital replacement reserves to match federal funds for three low floor Gillig buses to be delivered in the summer of 2020. These new SB-1 funds are an important source of capital revenues for the RTA and the other transit operators in our region.
    - b) Staff will work with SLOCOG on appropriate projects for future State of Good Repair portion of SB-1 funds for RTA projects, including funding toward the

construction of the garage facility on Elks Lane, reducing the need for LTF or outside financing to fund the project.

- 5) Address projected changes in demand for Runabout service.
  - a) Runabout service hours and miles are projected to remain flat based on recent demand trends, particularly with the shift in Tri-Counties Regional Center ridership that began in February 2017. In FY13-14, the burgeoning demand would have required significant Runabout service level increases but, with a variety of measures implemented at the Board's direction, Runabout demand has decreased.
  - 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 will also work with such as the Paso Robles Independent Skills Program to assist with travel training.
  - c) Staff does not foresee needing to move forward with using supplemental taxicab services, but should future service expansions be required staff will revisit this option.
- 6) Implement the RTA's strategy to develop a long-term administrative, operations and maintenance facility.

### **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, 2018 through April 30, 2019 rates. Estimates will be available from CalTIP in time to include in the RTA April 2018 draft budget. Although the number of RTA losses based on mileage has been lower than the pool average, the pool has experienced significant negative claims development, and the pool is working to ensure the stability of the pool and ensure equity between all members.
  - b) CalTIP vehicle physical damage will increase minimally due to the added asset value of newer vehicles in the fleet.

- c) As of July 1, 2017 CalTIP no longer provides employment practices liability insurance coverage as part of the premiums paid for general liability coverage. The RTA was able to join the Employment Risk Management Authority (ERMA) to obtain coverage. The annual premium is estimated at \$25,000 with a \$50,000 self-insured retention.
- 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.
- e) Property insurance will increase due to the addition of the Paso yard and because of the significant losses in the property insurance market, namely the fires and mudslides in California and hurricanes in the southern United States.
- f) For budget-making purposes, staff is assuming an 8% annual increase for healthcare costs for each of the next two fiscal years.

### 3) Staffing Expenses:

- a) The new 4-year Collective Bargaining Agreement (CBA) was ratified in November 2017, with new wage scales that began January 1, 2018. The FY18-19 budget will include significant changes in wages and benefits, primarily due to the effects of changes to the California minimum wage program.
- b) For FY18-19 core RTA services, the number of budgeted full-time positions will increase slightly, by approximately a half-time person. More specifically, in an effort to address hiring, retention and losses, a part-time position in training will be converted to a full-time position.
- c) For FY17-18, 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 2016 to December 2017 Consumer Price Index (CPI) for non-union employees (excluding Operations Supervisors) of 3.6% will be implemented in July 2018. The Operations Supervisor classification CPI increase adjustment will be implemented in January 2019, 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.

### **Proposed Budget Calendar**

- February 14 Detailed budget assumptions and revenue forecast to Executive Committee
- March 7 Obtain Board concurrence on proposed draft budget assumptions
- March 7 Provide mid-year FY17-18 Budget data to Board (no additional budget amendments are being requested)
- March 31 Based on feedback from Executive Committee draft FY18-19 Budget Draft complete.
- April 11 Draft FY18-19 Budget presentation to Executive Committee
- April 17 Formal FY18-19 Budget presentation to RTAC
- May 2 Final Board Budget presentation; Board adoption of FY18-19 Budget

### **Staff Recommendation**

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

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**March 7, 2018**  
**STAFF REPORT**

**AGENDA ITEM:** B-2

**TOPIC:** RTA Video & Audio Recording Policy and Procedures

**ACTION:** Adopt Policy

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

**STAFF RECOMMENDATION:** Adopt Revised Policy and Procedures as Presented

**BACKGROUND/DISCUSSION:**

On January 4, 2012, the RTA Board adopted the *RTA Video Policy*. A security surveillance recording policy is necessary due to the sensitive nature of video and audio recordings in public places, as well as limitations that should be established for the use of recordings. However, the existing policy and procedures document did not address security surveillance systems that were already installed at RTA facilities or that could be installed in the future.

Staff has attached two versions of the revised policy: the first depicts the policy as it would be published (i.e., the “clean” version), and the second shows proposed new language in underline/blue and deleted language in ~~strikethrough/blue~~. The revised policy continues to address the use of security surveillance recording systems in revenue vehicles, and also includes new guidelines for surveillance at facilities. These facilities include both operating and maintenance facilities that are not open to the public, as well as public-facing facilities such as customer service offices and passenger facilities. Staff also worked with representatives from Teamsters Local 986 to refine language related to the use of recordings when investigating reported employee incidents. A new section was also added that allows the RTA to capture the direct costs of retrieving and conveying the recordings based on Public Information Records Act requests; no charge would be levied to make copies for law enforcement and employee disciplinary investigations.

Attached on the next two pages are screenshots of the surveillance camera views that are currently available at the RTA operations yards in San Luis Obispo, as well as typical views in/around a typical fixed-route bus. These views could be changed at any time, although the public can easily see the camera “pods” that are located in public areas and employees can see them in non-public (employee only) areas.

**Staff Recommendation**

Adopt the *RTA Video & Audio Recording Policy and Procedures* document, and instruct staff to implement the procedures included therein.



exacqVision Client

exacqVision

Live Views

- Views
  - exterior lot-old
  - All Cameras
  - Maintenance
  - Shop Views
  - interior
  - service area
  - revenue room
  - all cams
  - Shop
  - Maintenance view
  - Exterior cameras

Modify

Cameras  
Groups  
Maps  
Views

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Front\_Door



Front\_To\_Rear



Rear\_Exit\_Door



Mid\_To\_Rear



Windsheild



Curb\_Side



Street\_Side



Back-Up\_Cam



# **POLICY AND PROCEDURES FOR VIDEO/AUDIO RECORDING ON VEHICLES & PROPERTY**

ORIGINALLY ADOPTED: JANUARY 4, 2012

REVISION DATE: \_\_\_\_\_

## **I. Policy for Vehicle & Facility Video Surveillance Recordings**

The San Luis Obispo Regional Transit Authority (RTA) recognizes that on-vehicle and facility surveillance recording systems are useful in promoting safety, discouraging bad behavior, and minimizing conflicts. The RTA also recognizes that video and audio recordings are a matter of sensitivity and the use of recording systems should be governed by policy guidelines. This policy covers any video and/or audio recording systems which may be installed in or near any RTA facility, or on any RTA owned or operated vehicle.

To ensure that customers are appropriately notified, the RTA will prominently place notices in public-facing facilities and on revenue vehicles that both images and audio may be recorded. No such notices are required in non-public workplace areas. Surveillance system use shall also not violate State, Federal, or local restrictions for video/audio recording.

Video surveillance recordings are to be conducted only for promoting bus and facility safety, providing for the security of its employees and riding public, the resolution of incidents/accidents involving RTA vehicles/property, visitors and employees, and Bus Operator incidents. These recordings are privileged information provided to authorized legal counsel, risk management, labor organizations as part of disciplinary proceedings, and law enforcement agents at the discretion of the RTA, or as required by law or contractual requirement. The RTA reserves the right to use electronic surveillance equipment such as video cameras, audio devices and telephone systems for the purpose of investigation and for ensuring the safety of employees and customers within the limitations of this policy.

The following statements pertain to employees of the RTA:

- A. **VEHICLES AND FACILITIES UNDER SURVEILLANCE** – Revenue vehicles and facilities may be equipped with electronic surveillance equipment and therefore employees may be subject to electronic surveillance in the course of their duties. In the case of passenger facilities, RTA member jurisdictions may install surveillance systems in and around the site, and those recordings are also admissible as evidence for disciplinary proceedings. Because recording systems are primarily intended to deter bad behavior, the recording devices will be placed in plain view; none will be placed clandestinely. Employees should assume that every camera has the capability of recording both audio and video.

- B. USE OF RECORDINGS FOR DISCIPLINARY PROCEEDINGS – Management will not take action against any employee unless that employee has violated a policy, rule or regulation pursuant to the terms and conditions of the RTA Employee Handbook or labor agreement. If an RTA representative uses or permits to be used any recordings in a manner not consistent with this policy, that RTA representative will face disciplinary action up to and including dismissal, and that recording shall not be used in any disciplinary proceeding.
- C. TAMPERING WITH RECORDING DEVICES PROHIBITED – Interfering with the normal operation or tampering with any on-vehicle or facility camera/audio system in an effort to disable it, keep it from recording or destroying a recording will be considered a serious infraction and may result in disciplinary action up to and including dismissal.

## **II. Incident Review for Continuously Recording Systems**

Authorized RTA representatives will retrieve and review the images and/or audio recordings from continuously recording on-vehicle and facility surveillance systems to investigate incidents, accidents, customer complaints and property damage, to confirm activities or violations reported to management personnel and for other documented causes, as necessary. Such causes shall be documented by completing a *Video Imaging Request Form* (see Attachment A) prior to the review taking place.

Authorized RTA representatives will not review recorded surveillance materials for the initial or sole purpose of looking for violations of work policies or procedures. Authorized RTA representatives may use images and/or audio from recording systems as evidence in disciplinary proceedings when such recordings were first viewed during a video review made for the purpose of investigating incidents, accidents, customer complaints and property damage, confirming activities or violations reported to management for other documented causes, as necessary. If violations of work policies or procedures are discovered during or incidental to review of surveillance materials being conducted in a manner that is otherwise consistent with this policy for other purposes, then such footage may be used in or to support disciplinary proceedings.

## **III. Video/Audio Review – Authorized RTA Representatives**

Only authorized RTA representatives will retrieve, review and retain the original surveillance materials. If further opinions are needed, the footage may be shared with appropriate San Luis Obispo County staff, RTA's liability insurance carriers or legal counsel for determination or evaluation of the incident. In order to maintain a proper chain of custody, the RTA Board of Directors has designated the following people as the authorized RTA representatives, also referred to as Custodians of Record:

- A. RTA Road Supervisors

- B. RTA Operations Manager
- C. RTA Manager, Maintenance & Facilities
- D. RTA Manager, Safety & Training
- E. RTA Executive Director

The RTA Executive Director may authorize additional positions as Custodians of Record. Other RTA personnel may be allowed to view video, as authorized by the RTA Executive Director, for the purpose of investigating a reported incident.

As technology evolves, other types of recording systems may be introduced. The RTA reserves the right to fully implement and use any recording system that may become available in the future.

#### **IV. Video/Audio Review – Authorized Reviews**

Reviews of a recording can only be authorized under the following limited set of circumstances:

- A. INCIDENTS, ACCIDENTS AND CUSTOMER COMPLAINTS – When management becomes aware of an incident requiring review in the above categories, the footage will be retrieved and reviewed by authorized RTA representatives.
- B. PROPERTY DAMAGE – Authorized RTA representatives will begin the review at the time any damage to property is noticed and/or reported.
- C. SUPERVISORY OBSERVATIONS – When a potential rule violation is observed by supervisory personnel, authorized RTA representatives will begin review of the incident no greater than sixty (60) minutes prior to or after the time the incident occurred in order to observe event(s) leading up to the incident.

Because of the technology involved, any review may include multiple camera angles and/or audio recordings that were recorded simultaneously.

#### **V. Additional Information**

The following additional procedures pertain to this policy:

- A. LEGAL ACCESS TO RTA VIDEO/AUDIO – Authorized RTA representatives will cooperate with law enforcement or other duly authorized governmental agencies by providing the opportunity to view images and/or audio recordings from surveillance systems, as requested. Duly authorized subpoenas for the release of surveillance materials from surveillance systems will be reviewed with legal counsel.

- B. THE USE OF VIDEO/AUDIO MATERIALS AS EVIDENCE – Video and/or audio evidence will stand on its own merit. The issue of whether a particular video and/or audio image does or does not prove an allegation is not an issue of policy, but rather an issue to be decided by the courts for legal cases, and by the reviewers and/or arbiters, on a case-by-case basis, in employee disciplinary proceedings.

If authorized RTA representatives are using video and/or audio as evidence in a disciplinary proceeding, the affected employee will be allowed to review the footage in the presence of a designated Custodian of Record, and/or be provided a copy as part of the disclosure of evidence.

- C. NO EXPECTATION OF PRIVACY – There should be no expectation of privacy aboard a public bus or on RTA property (with the exception of locker rooms and restrooms) by any person, including but not limited to RTA employees, the general public, or customers.

## **VI. Video/Audio Requests**

External agencies or internal departments may request to review surveillance materials. The agency designee responsible for maintaining video/audio records must follow the procedures on distribution of surveillance materials, per Attachment A.

## **VII. Video/Audio Record Retention**

Each “validated incident” shall be saved and labeled to indicate the date, the vehicle number or facility location, and an incident number. These files are saved for a minimum of one-year. After one year, recordings of “validated incidents” may be destroyed provided the destruction is approved by the RTA Executive Director in writing or the recordings are not evidence in any claim filed or any pending litigation. In the event the recordings are evidence in any claim filed or any pending litigation, RTA authorized representatives must preserve the recordings until the claim or the pending litigation is resolved.

## **VIII. Requests for Copy of Surveillance Materials**

All requests for a copy of surveillance materials must be made to the RTA Operations Manager, who is responsible for safeguarding the surveillance materials. The requestor must provide the following information for the request to be processed:

- A. Date of Request
- B. Name of Requestor

- C. Title of Requestor
- D. Phone Number of Requestor
- E. Badge Number / ID of Requestor (if applicable)
- F. Department / Division of Requestor (if applicable)
- G. Citation Number (if applicable)
- H. Incident Report (I/R) Number (if applicable)
- I. Reason for the Request (Administrative Issue, Accident/Incident Investigation, claims, etc.)
- J. Bus Number (if known)
- K. Date and Time when the Recording was made
- L. Length of the Recording (minutes) to be downloaded

The surveillance materials must be obtained, the potential incident reviewed, and then the material must be saved on the password-protected RTA file server, prior to distribution (see Attachment A).

## **IX. Copies of Incident Recordings**

Unofficial copies may be made for administrative purposes or upon request using appropriate electronic means (CD-ROM, DVD, etc.). It is the responsibility of the RTA Operations Manager to copy the incident and distribute the materials to the requestor. The copy should be labeled with the incident information (bus number or building location, date and time), the transit agency logo, a non-disclosure statement, and a serialized tracking or identification number (see Attachment B). The RTA Executive Director must authorize in advance the distribution of any copies of video and/or audio recording materials.

Upon distribution of the copy, the requestor must sign for the surveillance materials, acknowledging the sensitivity and limited use of the data. The agency designee will retain records pertaining to dates of request, as well as a receipt for the copy of the surveillance materials.

## **X. Public Viewing**

Pursuant to the California Public Records Act (California Government Code Section 6250, et seq.), surveillance recordings are public records. Therefore, a member of the public may request to review recorded footage.

This request will follow the above guidelines and the member of the public will be allowed to view the incident in the presence of an authorized RTA representative. The authorized RTA representative is not required to provide copies of recordings to any member of the public that requests a copy if one or more of a limited number of exceptions apply, including the following:

- A. Records pertaining to pending litigation to which the RTA it is a party, or to claims made pursuant to Division 3.6 (commencing with Section 810), until the pending litigation or claim has been finally adjudicated or otherwise settled.
- B. Records of complaints to, or investigations conducted by, or records of intelligence information or security procedures of, the office of the Attorney General and the Department of Justice, the Office of Emergency Services and any state or local police agency, or any investigatory or security files compiled by any other state or local police agency, or any investigatory or security files compiled by any other state or local agency for correctional, law enforcement, or licensing purposes.

## **XII. Chain of Custody**

Authorized RTA representatives will work with legal counsel to ensure the chain of custody will meet the current case law and statutory requirements.

## **XIII. Costs of Duplication**

The RTA will provide copies of video/audio recordings upon payment of the following fees: the requested public records will be produced at a charge of fifty (50) cents per DVD or other electronic media device, plus the actual costs of the staff time for retrieving and duplicating the records and postage (if necessary). The cost of staff time will be computed in accordance with the guidelines contained in Section 8740 of the State Administrative Manual. However, these fees may be waived if the costs of retrieval and duplication are less than the cost of processing the payment.

Costs of duplication will not be charged to law enforcement agencies, nor to labor organizations if the records were retrieved by RTA representatives as part of an employee disciplinary investigation.

See Attachment C.



ATTACHMENT A

RTA VIDEO IMAGING REQUEST FORM

**DIRECTION FOR USE:**

RTA authorized representatives, Law Enforcement and authorized parties requesting to view a copy of bus and facility video images and/or audio recordings must complete and submit this form. The completed form, with the proper signature, must be presented to the RTA Operations Manager or the RTA Executive Director. Requests are subject to the California Public Records Act (California Government Code Sections 6250, et seq.)

**REQUESTOR'S INFORMATION:**

DATE/TIME OF REQUEST	NAME	TITLE/BADGE NUMBER
AGENCY & DEPARTMENT		PHONE NO.

**INCIDENT INFORMATION:**

ROUTE NO.	BUS NO.	INCIDENT DATE/TIME	CITATION/INCIDENT #:
REASON FOR REQUEST:			

By signing this request form you are acknowledging that the surveillance materials contain privileged and confidential information for the viewing of the authorized recipient only, and is not to be released to another party without express written consent by the RTA Executive Director or designee.

SIGNATURE OF REQUESTOR	DATE SIGNED
------------------------	-------------

**FOR DEPARTMENT USE ONLY:**

Authorization for Copy

Authorization to Review Surveillance Material

COMPLETION DATE / TIME	COMPLETED BY
SIGNATURE	TITLE

**SURVEILLANCE MATERIALS RELEASED:**

TO: \_\_\_\_\_

DATE: \_\_\_\_\_

## ATTACHMENT B

### **Surveillance Materials Label with Non-Disclosure Statement**

The label will contain the following information:

RTA Logo

Date:

Time:

Video Number:

Vehicle Number or Facility Location:

Time:

Type of Incident:

This surveillance material contains privileged and confidential information for the viewing of the authorized recipient only and is not to be released to another party without prior, written permission from the RTA Executive Director.

## ATTACHMENT C

<b>BILLING RATE CALCULATION</b>		
<b>TOTAL ACTUAL STAFF TIME</b>		
<b>BENEFIT CONTRIBUTION PERCENTAGES</b>		
Employees's Retirement	5.82%	
Disability Insurance	0.98%	
Social Security	6.20%	
Medicare	1.45%	
Health, Vision, Dental Benefits	15.64%	
Workers Compensation	14.94%	
Life Insurance	0.23%	
<b>TOTAL PERCENT</b>	<b>45.25%</b>	
<b>FORMULA FOR CALCULATING THE STAFF TIME COST:</b>		
(Hourly Rate x 1.4525) x Actual Staff Time		
<b>DVD or Other Electronic Media Device</b>		
DVD Quantity - \$0.50		
Other Electronic Media Device - actual cost		
<b>TOTAL MEDIA CHARGE</b>		
<b>POSTAGE</b>		
<b>TOTAL COST OF DUPLICATION</b>		

**DO NOT DUPLICATE. FOR AUTHORIZED RTA USE ONLY**

# POLICY AND PROCEDURES FOR VIDEO/AUDIO RECORDING ON VEHICLES & PROPERTY

ORIGINALLY ADOPTED: JANUARY 4, 2012  
REVISION DATE: \_\_\_\_\_

## **I. Policy for Vehicle & Facility Video Surveillance Recordings**

The San Luis Obispo Regional Transit Authority (RTA) recognizes that on-vehicle and facility surveillance recording systems are useful in promoting safety, discouraging bad behavior, and minimizing conflicts. The RTA also recognizes that video and audio recordings are a matter of sensitivity and the use of onboard cameras recording systems should be governed by policy guidelines. This policy covers any video and/or audio recording systems which may be installed in or near any RTA facility, or on any RTA owned or operated vehicles.

To ensure that customers are appropriately notified, the RTA will prominently place notices in public-facing facilities and on revenue vehicles buses that both images and audio may be recorded while on the vehicle. No such notices are required in non-public workplace areas. Camera Surveillance system use shall also not violate State, Federal, or local restrictions for video/audio recording.

Video surveillance recordings are to be conducted only for promoting bus and facility safety, providing for the security of its employees and riding public, the resolution of incidents/accidents involving RTA vehicles/property, visitors and employees, and Bus Operator incidents. These recordings are privileged information provided to authorized legal counsel, risk management, labor organizations as part of disciplinary proceedings, and law enforcement agents at the discretion of the RTA, or as required by law or contractual requirement. The RTA reserves the right to use electronic surveillance equipment such as video cameras, audio devices and telephone systems for the purpose of investigation and for ensuring the safety of employees and customers within the limitations of this policy.

The following statements pertain to employees of the RTA:

- A. VEHICLES AND FACILITIES UNDER SURVEILLANCE – Revenue vehicles and facilities may be equipped with electronic surveillance equipment and therefore employees may be subject to electronic surveillance in the course of their duties. In the case of passenger facilities, RTA member jurisdictions may install surveillance systems in and around the site, and those recordings are also admissible as evidence for disciplinary proceedings. Because recording systems are primarily intended to deter bad behavior, the recording devices will be placed in plain view; none will be placed clandestinely. A list of vehicles shall be posted in the driver's room that depicts which vehicles are equipped with this equipment.

Employees should assume that every camera has the capability of recording both audio and video.

- B. USE OF RECORDINGS FOR DISCIPLINARY PROCEEDINGS – Management will not take action against any employee unless that employee has violated a policy, rule or regulation pursuant to the terms and conditions of the RTA Employee Handbook or labor agreement. If an RTA representative uses or permits to be used any recordings in a manner not consistent with this policy, that RTA representative will face disciplinary action up to and including dismissal, and that recording shall not be used in any disciplinary proceeding.
- C. TAMPERING WITH RECORDING DEVICES PROHIBITED – Interfering with the normal operation or tampering with any on-~~board~~ vehicle or facility camera/audio system in an effort to disable it, keep it from recording or destroying a recording will be considered a serious infraction and may result in disciplinary action up to and including dismissal.

## II. Incident Review for Continuously Recording Systems

Authorized RTA representatives will save-retrieve and review the images and/or audio recordings from continuously recording on-vehicle and facility surveillance systems to investigate incidents, accidents, customer complaints and property damage, to confirm activities or violations reported to management personnel and for other documented causes, as necessary. Such causes shall be documented by submitting-completing a ~~Bus~~ Video Imaging Request Form (see Attachment A) prior to the review taking place.

Authorized RTA representatives will not review recorded surveillance materials for the initial or sole purpose of looking for violations of work policies or procedures. Authorized RTA representatives may use images and/or audio from ~~camera-recording~~ systems as evidence in disciplinary proceedings when such ~~images-recordings~~ were first viewed during a video review made for the purpose of investigating incidents, accidents, customer complaints and property damage, confirming activities or violations reported to management for other documented causes, as necessary. If violations of work policies or procedures are discovered during or incidental to review of surveillance materials being conducted in a manner that is otherwise consistent with this policy for other purposes, then such footage may be used in or to support disciplinary proceedings.

## III. Video/Audio Review – Authorized RTA Representatives

Only authorized RTA representatives will retrieve, review and retain the original surveillance materials. If further opinions are needed, the footage may be shared with appropriate San Luis Obispo County staff, RTA's liability insurance carriers or legal counsel for determination or evaluation of the incident. In order to maintain a proper

chain of custody, the RTA Board of Directors has designated the following people as the authorized RTA representatives, also referred to as Custodians of Record:

- A. RTA [Road Supervisors](#)
- B. RTA Operations Manager
- C. RTA Manager, Maintenance & Facilities
- D. RTA Manager, Safety & Training
- E. RTA Executive Director

The RTA Executive Director may authorize additional positions as Custodians of Record. Other RTA personnel may be allowed to view video, as authorized by the RTA Executive Director, for the purpose of investigating a reported incident.

As technology evolves, other types of recording systems may be introduced. The RTA reserves the right to fully implement and use any recording system that may become available in the future.

#### **IV. Video/Audio Review – Authorized Reviews**

[Reviews of a recording can only be authorized under the following limited set of circumstances:](#)

- A. INCIDENTS, ACCIDENTS AND CUSTOMER COMPLAINTS – When management becomes aware of an incident requiring review in the above categories, the footage will be retrieved and reviewed by authorized RTA representatives.
- B. PROPERTY DAMAGE – Authorized RTA representatives will begin the review at the time any damage to property is noticed and/or reported.
- C. SUPERVISORY OBSERVATIONS – When a potential rule violation is observed by supervisory personnel, authorized RTA representatives will begin review of the incident [no greater than sixty \(60\) minutes](#) prior to [or after](#) the time the incident occurred in order to observe event(s) leading up to the incident.

Because of the technology involved, any review may include multiple camera angles and/or audio recordings that were recorded simultaneously.

#### **V. Additional Information**

[The following additional procedures pertain to this policy:](#)

- A. LEGAL ACCESS TO RTA VIDEO/AUDIO – Authorized RTA representatives will cooperate with law enforcement or other duly authorized governmental agencies

by providing the opportunity to view images and/or audio recordings from surveillance systems, as requested. Duly authorized subpoenas for the release of surveillance materials from surveillance systems will be reviewed with legal counsel.

- B. THE USE OF VIDEO/AUDIO MATERIALS AS EVIDENCE – Video and/or audio evidence will stand on its own merit. The issue of whether a particular video and/or audio image does or does not prove an allegation is not an issue of policy, but rather an issue to be decided by the courts for legal cases, and by the reviewers and/or arbiters, on a case-by-case basis, in employee disciplinary proceedings.

If authorized RTA representatives are using video and/or audio as evidence in a disciplinary proceeding, the affected employee will be allowed to review the footage in the presence of a designated Custodian of Record, and/or be provided a copy as part of the disclosure of evidence.

- C. NO EXPECTATION OF PRIVACY – There should be no expectation of privacy aboard a public bus or on RTA property (with the exception of locker rooms and restrooms) by any person, including but not limited to RTA employees, the general public, or customers.

## VI. Video/Audio Requests

External agencies or internal departments ~~on occasion~~ may request to review surveillance materials. The agency designee responsible for maintaining video/audio records must follow the procedures on distribution of surveillance materials, per Attachment A.

## VII. Video/Audio Record Retention

Each “validated incident” shall be saved and labeled to indicate the date, the vehicle number or facility location, and an incident number. These files are saved for a minimum of one-year. After one year, recordings of “validated incidents” may be destroyed provided the destruction is approved by the RTA Executive Director in writing or the recordings are not evidence in any claim filed or any pending litigation. In the event the recordings are evidence in any claim filed or any pending litigation, RTA authorized representatives must preserve the recordings until the claim or the pending litigation is resolved.

## VIII. Requests for Copy of Surveillance Materials

All requests for a copy of surveillance materials must be made to the RTA Operations Manager, who is responsible for safeguarding the surveillance materials. The requestor must provide the following information for the request to be processed:

- A. Date of Request
- B. Name of Requestor
- C. Title of Requestor
- D. Phone Number of Requestor
- E. Badge Number / ID of Requestor (if applicable)
- F. Department / Division of Requestor (if applicable)
- G. Citation Number (if applicable)
- H. Incident Report (I/R) Number (if applicable)
- I. Reason for the Request (Administrative Issue, Accident/Incident Investigation, claims, etc.)
- J. Bus Number (if known)
- K. Date and Time when the Recording was made
- L. Length of the Recording (minutes) to be downloaded

The surveillance materials must be obtained, the potential incident reviewed, and then the material must be saved on the password-protected RTA file server, prior to distribution (see Attachment A).

## IX. Copies of Incident Recordings

Unofficial copies may be made for administrative purposes or ~~to be given to an authorized agency upon request~~ using appropriate electronic means (CD-ROM, DVD, etc.). It is the responsibility of the RTA Operations Manager to copy the incident and distribute the materials to the requestor. The copy should be labeled with the incident information (bus number or building location, date and time), the transit agency logo, a non-disclosure statement, and a serialized tracking or identification number (see Attachment B). The RTA Executive Director must authorize in advance the distribution of any copies of video and/or audio recording materials ~~to external agencies~~.

Upon distribution of the copy, the requestor must sign for the surveillance materials, acknowledging the sensitivity and limited use of the data. The agency designee will retain records pertaining to dates of request, as well as a receipt for the copy of the surveillance materials.



## **X. Public Viewing**

Pursuant to the California Public Records Act (California Government Code Sections 6250, et seq.), surveillance recordings are public records. Therefore, a member of the public may request to review recorded footage.

This request will follow the above guidelines and the member of the public will be allowed to view the incident in the presence of an authorized RTA representative. The authorized RTA representative is not required to provide copies of recordings to any member of the public that requests a copy unless if one or more of a limited number of exceptions apply, including the following:

- A. Records pertaining to pending litigation to which the RTA it is a party, or to claims made pursuant to Division 3.6 (commencing with Section 810), until the pending litigation or claim has been finally adjudicated or otherwise settled.
- B. Records of complaints to, or investigations conducted by, or records of intelligence information or security procedures of, the office of the Attorney General and the Department of Justice, the Office of Emergency Services and any state or local police agency, or any investigatory or security files compiled by any other state or local police agency, or any investigatory or security files compiled by any other state or local agency for correctional, law enforcement, or licensing purposes.

## **XII. Chain of Custody**

Authorized RTA representatives will work with legal counsel to ensure the chain of custody will meet the current case law and statutory requirements.

## **XIII. Costs of Duplication**

The RTA will provide copies of video/audio recordings upon payment of the following fees: the requested public records will be produced at a charge of fifty (50) cents per DVD or other electronic media device, plus the actual costs of the staff time for retrieving and duplicating the records and postage (if necessary). The cost of staff time will be computed in accordance with the guidelines contained in Section 8740 of the State Administrative Manual. However, these fees may be waived if the costs of retrieval and duplication are less than the cost of processing the payment.

Costs of duplication will not be charged to law enforcement agencies, nor to labor organizations if the records were retrieved by RTA representatives as part of an employee disciplinary investigation.

See Attachment C.

# ATTACHMENT A

## RTA VIDEO IMAGING REQUEST FORM

### DIRECTION FOR USE:

RTA authorized representatives, Law Enforcement and authorized parties requesting to view a copy of bus and facility video images and/or audio recordings must complete and submit this form. The completed form, with the proper signature, must be presented to the RTA Operations Manager or the RTA Executive Director. Requests are subject to the California Public Records Act (California Government Code Sections 6250, et seq.)

### REQUESTOR'S INFORMATION:

DATE/TIME OF REQUEST	NAME	TITLE/BADGE NUMBER
AGENCY & DEPARTMENT		PHONE NO.

### INCIDENT INFORMATION:

ROUTE NO.	BUS NO.	INCIDENT DATE/TIME	CITATION/INCIDENT #:
REASON FOR REQUEST:			

By signing this request form you are acknowledging that the surveillance materials contain privileged and confidential information for the viewing of the authorized recipient only, and is not to be released to another party without express written consent by the RTA Executive Director or designee.

SIGNATURE OF REQUESTOR	DATE SIGNED
------------------------	-------------

### FOR DEPARTMENT USE ONLY:

Authorization for Copy

Authorization to Review Surveillance Material

COMPLETION DATE / TIME	COMPLETED BY
SIGNATURE	TITLE

### SURVEILLANCE MATERIALS RELEASED:

TO: \_\_\_\_\_

DATE: \_\_\_\_\_

## ATTACHMENT B

### **Surveillance Materials Label with Non-Disclosure Statement**

The label will contain the following information:

RTA Logo

Date:

Time:

Video Number:

Vehicle Number or Facility Location:

Time:

Type of Incident:

This surveillance material contains privileged and confidential information for the viewing of the authorized recipient only and is not to be released to another party without prior, written permission from the RTA Executive Director.

## ATTACHMENT C

<b>BILLING RATE CALCULATION</b>		
<b>TOTAL ACTUAL STAFF TIME</b>		
<b>BENEFIT CONTRIBUTION PERCENTAGES</b>		
Employees's Retirement	5.82%	
Disability Insurance	0.98%	
Social Security	6.20%	
Medicare	1.45%	
Health, Vision, Dental Benefits	15.64%	
Workers Compensation	14.94%	
Life Insurance	0.23%	
<b>TOTAL PERCENT</b>	<b>45.25%</b>	
<b>FORMULA FOR CALCULATING THE STAFF TIME COST:</b>		
(Hourly Rate x 1.4525) x Actual Staff Time		
<b>DVD or Other Electronic Media Device</b>		
DVD Quantity - \$0.50		
Other Electronic Media Device - actual cost		
<b>TOTAL MEDIA CHARGE</b>		
<b>POSTAGE</b>		
<b>TOTAL COST OF DUPLICATION</b>		

**DO NOT DUPLICATE. FOR AUTHORIZED RTA USE ONLY**

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**March 7, 2018**

**STAFF REPORT**

**AGENDA ITEM:** B-3

**TOPIC:** South County Transit Request to Consolidate into the RTA

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

**STAFF RECOMMENDATION:** Pursue South County Transit's Request to Consolidate into the RTA

**BACKGROUND/DISCUSSION:**

**Summary**

Staff presented the findings and recommendations of the most recent TDA-required Triennial Performance Audit to the RTA Board at its September 6, 2017 meeting. The presentation included staff's recommended next steps, including possible consolidation of South County Transit (SoCo Transit) into the RTA. SoCo Transit is a separate Joint Powers Authority (JPA) that includes the cities of Arroyo Grande, Grover Beach and Pismo Beach, as well as San Luis Obispo County, with the stated purpose of operating fixed-route public transit services in the Five Cities Area.

At the January 18<sup>th</sup> SoCo Transit Board meeting, staff reported that consolidation into the RTA would result in an annual net savings to the SoCo Transit jurisdictions of approximately \$6,000, as well as avoiding an estimated annual \$70,000 TDA penalty. The SoCo Transit Board unanimously approved staff's recommendation to pursue consolidation into the RTA. However, staff subsequently learned in February 2018 from SLOCOG staff members that consolidation would increase SoCo Transit's share of the annual regional portion of the State Transit Assistance (STA) allocation by approximately \$6,000. Together, these three elements result in an estimated annual net benefit of roughly \$82,000 to the South County jurisdictions.

Since SoCo Transit achieves a relatively low farebox recovery ratio (FRR), consolidation would effectively lower the combined RTA/SoCo Transit FRR results. However, as described below, the RTA has requested State-allowed relief from SLOCOG under consolidation that would ultimately benefit the RTA. Presuming the SLOCOG Board will adopt the requested new FRR requirement, no net cost increases or revenue declines are expected for the RTA jurisdictions because of So Co Transit consolidation into the RTA.

## Discussion

Since staff's September 2017 presentation to the RTA Board, one new item that emerged during subsequent discussions with County Counsel staff regards the advisability of continuing to operate under two separate JPAs. Briefly, the possibility of SoCo Transit remaining as a separate entity would not result in the cost-savings that would be realized with one single operations-related workforce (Bus Operators, Utility Workers and Mechanics). As such, staff worked with Deputy Counsel Tim McNulty to develop a revised RTA JPA document that would still permit local decision-making for transit services in the Five Cities Area, but would abolish the South County Transit JPA. Staff shared an initial draft Revised RTA JPA document with all seven City Managers and County public works staff for review and comment, and the attached Amended and Restated JPA includes suggested edits that were submitted by the attorneys representing the Cities of Paso Robles and Pismo Beach.

In previous public presentations, staff highlighted nine challenges and opportunities under consolidation. These challenges and opportunities have been further refined based on conversations with City and County staff, and are described in detail below:

1. Impacts to the RTA's blended FRR – as mentioned above, under current SLOCOG rules on TDA funds, SoCo Transit's relatively poor FRR would lower the combined FRR under consolidation. At the same time, the blended rural/urban FRR requirement level would be raised slightly due to more combined miles being operated in urban areas; it is currently 17.34% for the RTA only. Staff has formally requested that SLOCOG grant the Arroyo Grande - Grover Beach Urbanized Area a lower 15% FRR requirement, which is permitted under State law for circumstances such as integrated transit services. SLOCOG staff intends to present possible revisions to its TDA policies and procedures at its April 2018 SLOCOG Board meeting. If SLOCOG agrees to RTA staff's recommendation, no negative financial impact would be incurred by the RTA jurisdictions under consolidation.
2. Planned increases to the minimum wage will affect future FRR results – as the California minimum wage level increases to \$15/hour by 2022, this will place upward pressure on Bus Operator and other employees' wages over time. This has been reflected in both the RTA and SoCo Transit collective bargaining agreements with Teamsters Local 986, and this will have the effect of eroding the RTA's FRR over time. This is another reason that SLOCOG should consider a revised FRR requirement in the urbanized areas.
3. Increased health insurance costs – as long as the Affordable Care Act provisions remain for employees who work greater than 30 hours per week for agencies with more than 50 employees, six current SoCo Transit employees would become eligible for medical-only benefits under consolidation. These additional costs would be solely borne by the SoCo Transit jurisdictions. However, providing medical benefits would likely improve employee retention. The

estimated net increase in costs to the South County jurisdictions would be approximately \$40,000 per year.

4. Reduced vehicle-related insurance costs – staff has confirmed with our liability and physical damage carrier that under consolidation the region will save \$17,000 annually in reduced administrative fees, and the per-mile cost for SoCo Transit miles operated will initially decline (currently \$0.48/mile for SoCo Transit vs. \$0.36/mile for RTA using FY17-18 figures). Together, this equates to an initial cost-savings estimate on the order of \$41,000 for the South County jurisdictions.
5. Increased workers compensation costs – we originally reported this as a cost-savings at the October 2017 SoCo Transit Board meeting, but we have since learned that it is likely RTA's recent work comp experience will result in higher overall costs to the South County jurisdictions under consolidation. The estimated net impact, based on FY17-18 figures, would be an annual increase of approximately \$13,000.
6. Fewer public meetings redirects resources – would allow between 60 and 90 annual hours of senior staff time to be used for other issues. No cost savings is assumed in this analysis.
7. Savings in payroll preparation and associated ADP fees – consolidation would not require separately coding SoCo Transit and RTA wages/benefits. No costs savings is assumed in this analysis.
8. Savings in audit and planning costs – one consolidated annual fiscal and compliance audit saves \$3,000 annually (not counting the additional staff time currently expended). One consolidated TDA Triennial Performance Audit saves \$20,000 every three years. One consolidated Short-Range Transit Plan saves approximately \$50,000 every five to seven years. Annualized, this equates to a cost-savings of approximately \$18,000 annually.
9. FRR penalty avoided – based on the adopted SoCo Transit FY17-18 budget, the South County jurisdictions would avoid approximately \$70,000 in FY18-19 (the year that a SLOCOG penalty would be assessed).
10. (NEW) Additional allocation of STA Regional Funds – based on SLOCOG's current allocation formula, consolidation into the RTA would net the SoCo Transit jurisdictions an additional \$6,000 annually in formula STA Regional funds due to increased integration with the RTA. However, this greater allocation would also reduce the remaining STA amount that SLOCOG traditionally sets aside as STA reserves; this would only become an issue for other transit agencies in the county if a financial shortfall emerges during the fiscal year.

A "legacy" item is how risk management cases will be resolved. SoCo Transit's vehicle liability and workers compensation carriers (CalTIP and CSAC EIA, respectively) will

require that the successor agency – the RTA – become responsible for any open or pending vehicle collision/incident or workers compensation incidents. In California, persons have up to one year from a purported incident to file a claim, and this results in some uncertainty for future experience modification levels. On the flipside, SoCo Transit has investments in the CalTIP and CSAC liability pools that would be transferred to the RTA. For the purposes of this discussion, both of our risk management policies provide first-dollar coverage (aka, “no deductible”), so no specific reserves need to be established nor are any cost impacts assumed.

### **Recommended Steps to Pursue Consolidation**

Based on the findings above, staff recommends that the RTA Board conceptually accept SoCo Transit’s request to consolidate into the RTA pending further investigation. More specifically, we are asking the Board’s concurrence to implement the following steps to actively pursue SoCo Transit consolidation into the RTA:

1. Monthly SoCo Transit Board Meetings: The SoCo Transit Board has scheduled monthly meetings so that important decisions can be made in a timely manner. If no pressing issues arise in a given month, the meeting would be cancelled. SoCo Transit’s next Board special meeting is scheduled for 1:30 PM on March 21<sup>st</sup> at the Pismo Beach City Hall.
2. Monthly Employee Meetings: Staff will conduct monthly meetings with Teamsters Local 986 officials and employees at both SoCo Transit and the RTA to address concerns and develop proposals that could affect the workforce.
3. Risk Management Commitments: Staff will develop separate Board Resolutions that are acceptable to our two risk management providers explaining that all liabilities and assets of SoCo Transit – including those related to existing risk management policies – will be assumed by the RTA.
4. Transition of Branding: Work with the SoCo Transit Board to determine how and when the SoCo Transit brand will “melt away.” For example the existing buses need not be repainted nor the relatively new bus stop signs be replaced with the RTA brand immediately – but that transition could occur when existing assets age-out and are replaced. Along the same lines, Bus Operator uniforms would transition to the RTA uniforms at the annual (October) replenishment or as needed due to fraying/damage. Finally, bus schedules would remain branded as SoCo Transit until the current stock would need to be replenished.
5. Determine Local Fare Levels: Staff will work with the SoCo Transit Board to determine if the fare program implemented in July 2016 should remain in place or transition to the RTA’s slightly higher fares. The base SoCo Transit cash fare is \$1.50 (the same as other local fixed routes like SLO Transit and Paso Express), while the RTA’s single-zone fare is \$1.75; the RTA’s multi-ride pass prices are also higher than local fixed-route providers’ passes.



6. Risk Management Planning: Staff will finalize plans with our risk management partners to establish milestones and key decision-points upon consolidation. The fiscal year for CalTIP begins on May 1 and for CSAC on July 1. As such, the FY18-19 administrative fees will be enforced prior to consolidation, so the savings will be realized in FY19-20 and later.
7. Health Insurance Plan Transition: Staff will finalize plans with our health insurance carriers to transition existing full-time SoCo Transit employees onto the RTA's plans upon consolidation, and add SoCo Transit employees that would become eligible for medical-only benefits (known as "Part-Time/Health-Benefited" employees in the RTA's collective bargaining agreement).
8. Coordination with Regulatory Agencies: Staff will work with the DMV, CHP, FTA, Caltrans, the SLO County Air District and other regulatory agencies to transition assets and related reporting requirements to the RTA upon consolidation.
9. Transition of Vendor Agreements: Staff will work with vendors and other organizations with whom SoCo Transit has contracted for property, goods and services.
10. City Council and Board of Supervisors Presentations for Comment: Staff will schedule presentations on the proposed consolidation, as well as the draft amended RTA JPA document, to all seven City Councils and the Board of Supervisors in March and April 2018. The purpose of the presentations would be to determine support for the consolidation and to solicit public comments.
11. Refinement of JPAs: Once comments from each jurisdiction's legislative body is incorporated into the final revised RTA JPA and a resolution abolishing the SoCo Transit JPA is developed, they would be presented to the RTA and SoCo Transit Boards in May 2018 for final refinements and presentation of a milestone schedule.
12. Adoption of Revised RTA JPA and Rescission of SoCo Transit JPA: The resulting documents would then be presented for adoption at each RTA and SoCo Transit jurisdiction in summer 2018, followed by ratification by the two Boards.

Staff has attached three versions of the RTA joint powers agreement so that readers can plainly see the existing JPA language and the proposed new language, as follows:

1. "Clean" version of draft amended and restated JPA on pages B-3-7 through B-3-19.
2. "Redline" version, which shows the new language in underline/red and suggested deletions in ~~strikethrough/red~~ on pages B-3-20 through B-3-29.

3. Current version of the JPA that was officially adopted on April 16, 2013 and filed with the Secretary of State on June 24, 2013 on pages B-3-30 through B-3-43.

We have also included a copy of the SoCo Transit JPA for context on pages B-3-44 through B-3-52.

### **Staff Recommendation**

Actively pursue steps to address SoCo Transit's request to consolidate into the RTA, and direct staff to undertake the twelve Recommended Steps listed above.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
AMENDED AND RESTATED JOINT POWERS AGREEMENT

WITNESSETH:

This AMENDED AND RESTATED Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018 by and among the incorporated cities of Arroyo Grande, Atascadero, El Paso de Robles, Grover Beach, Morro Bay, Pismo Beach and San Luis Obispo, all being municipal corporations in the County of San Luis Obispo, California (hereinafter called "Cities") and the County of San Luis Obispo, a body politic and corporate, and a subdivision of the State of California, (hereinafter called "County").

WHEREAS, the parties first entered into a Joint Powers Agreement to establish the San Luis Obispo Regional Transit Authority ("RTA") on March 9th, 1990, and subsequently amended the agreement on September 2, 1998, and April 16, 2013, and which is being amended and restated for clarity;

WHEREAS, Section 6500 et seq. of the California Government Code (Title 1, Div. 7, Chapter 5, Article 1) provides for agreements between two or more public agencies to jointly exercise any power common to the contracting parties, subject to certain mandatory provisions contained therein; and

WHEREAS, the Cities and County have previously entered into a joint powers agreement for the formation of the San Luis Obispo Council of Governments ("SLOCOG") for the purpose of providing, among other things, for a regional transportation agency and all of its members are members of this Agreement; and

WHEREAS, the San Luis Obispo Council of Governments, at a regularly held meeting on May 10, 1989, voted to consolidate the administration of several transportation systems through a regional transit joint powers agreement; and

WHEREAS, the cities of Arroyo Grande, Grover Beach, Pismo Beach, and the County of San Luis Obispo were formerly members of the South County Area Transit Joint Powers Agency which began operating a public transit system within those jurisdictions in January, 1978, and which ceased to exist and transferred its assets to RTA in return for amendments made to this Agreement effective \_\_\_\_2018.

NOW THEREFORE, it is agreed as follows:

ARTICLE I  
General Provisions

Section 1. Recitals are True and Correct: All of the above recitals are true and correct and incorporated herein by reference.

Section 2. Purpose: The purpose of this Agreement is to exercise the common powers of the member agencies for the formation of a joint powers authority with full power and authority to own, operate and administer a county-wide public transportation system within the boundaries and over the territory over which the Joint Powers Agency has jurisdiction.

Section 3. Name: The official name of the entity shall be San Luis Obispo Regional Transit Authority and hereafter referred to as RTA.

ARTICLE II  
Organization

Section 1. Board Members: The membership of the RTA Governing Board shall be the same as the membership of the SLOCOG governing board.

Section 2. Board Meetings - Voting - Quorum: Regular meetings shall be generally held in the first week of July, September, November, January, March and May or as specified in a biannually adopted meeting calendar. Special meetings may be called by the President or upon written request of at least three (3) members of the RTA Board.

Voting and quorum provisions shall be the same as those provided in the SLOCOG Joint Powers Agreement, however, any vote regarding South County Transit local fixed route services, or other public transportation services operated solely within the Arroyo Grande-Pismo Beach urbanized area, including the budgeting and funding of such services, shall require at least three affirmative votes from Board members who also sit on the South County Transit Committee, as defined in Section 7.C.iii., below.

Section 3. Officers: The officers of SLOCOG shall serve as officers of RTA.

Section 4. Executive Director: The RTA Board shall designate an Executive Director to operate RTA. The Executive Director shall serve at the pleasure of the RTA

Board, with delegated powers to certify documents of the RTA Board as required by the law and to assume such duties and responsibilities as the Board may direct.

Section 5. Members:

- A. The County of San Luis Obispo and all cities incorporated in the County of San Luis Obispo presently or in the future, are declared eligible for membership.
- B. Member city agencies may elect to have an alternate member(s) from their city council in addition to any official member, but said alternate(s) shall be able to vote only in the absence of the official representative.
- C. Membership shall be contingent upon the execution of this Joint Powers Agreement.

Section 6. Boundaries and Service Levels: The service area boundaries shall be all of the area within the boundaries of San Luis Obispo County as designated by the RTA Board. Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the unmet transit needs hearing required by Public Utilities Code Section 99401.5 may be instituted, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of formula developed by the RTA Board members representing the affected jurisdictions.

Section 7. Committees:

- A. Committees and subcommittees may be established as RTA may deem appropriate.
- B. Membership on “ad-Hoc” policy committees shall be at the discretion of the President. Nothing herein shall be construed to limit membership on these aforesaid committees to officials of the member agencies. The President may appoint any individual deemed qualified to serve on a committee.
- C. Standing committees shall include the:
  - i. Regional Transit Advisory Committee (RTAC) serving as a Regional Transit Productivity Committee to advise the Board on the efficiency and effectiveness of the transit system.

- ii. Executive Committee comprised of the President, Vice President and the past President and at least one representative from the County of San Luis Obispo (if none of the above are from the County of San Luis Obispo) shall advise the Executive Director and RTA on: draft agendas, personnel issues, budget and Overall Work Program; controversial, sensitive and major policy issues; and shall facilitate the annual performance evaluation of the Executive Director. Items for review shall be selected by the Executive Director in consultation with the President. All Committee members may include agenda items as they desire. For purposes of conducting business, two members shall constitute a quorum.
  
- iii. South County Transit Committee (SCTC) comprised of RTA Board members representing the four jurisdictions included in the Arroyo Grande - Pismo Beach Urbanized Area as defined in the 2010 Decennial Census. The SCTC member jurisdictions include the cities of Arroyo Grande, Grover Beach, Pismo Beach, and the County of San Luis Obispo, representing the Oceano Area and the Avila Beach Area. The SCTC's roles and responsibilities include:
  - a) The SCTC shall determine South County Transit local fixed-route services and any other public transportation services operated solely within the Arroyo Grande – Pismo Beach Urbanized Area by virtue of the voting requirements for all South County Transit matters provided above in Article II, Section 2 of this Agreement
  
  - b) At a minimum, the SCTC shall meet annually to consider annual service levels, fare levels, major marketing campaigns, and capital improvement plans, and to ratify financial commitments for each jurisdiction participating in South County Transit services. At the request of two or more SCTC members, properly noticed special SCTC meetings may also be conducted.
  
  - c) For purposes of conducting business, three of the four SCTC members shall constitute a quorum.

- d) The SCTC shall submit an annual South County Transit operating budget and multi-year capital improvement plan to the full RTA Board prior to May 1 each year for consideration as part of the RTA Overall Annual Budget.
- e) Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the annual unmet transit needs h required by California Public Utilities Code Section 99401.5 may be instituted in the SCTC service area, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of a formula developed by the SCTC members representing the affected jurisdictions.
- f) Each SCTC member agency shall make an annual State Transportation Development Act contribution based upon the percentage of total SCTC-served population related to the area served within that member agency. All population percentages utilized shall be those annually adopted by the San Luis Obispo Council of Governments for allocating Transportation Development Act funds based annually on estimates prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities.
- g) Any member of the SCTC may withdraw from the SCTC after providing written notice to the RTA Board President one (1) year in advance of the requested withdrawal date. A withdrawing member's financial obligation under this subsection is limited to the withdrawing member's pro-rata share of the currently adopted SCTC operating budget within the service area of the obligated commitments affecting the withdrawing member and any SLOCOG finding as to unmet transit needs that are reasonable to meet pursuant to Public Utilities Code Section 99401.5. However, the obligations of a withdrawing member under this subsection are limited to the special transportation funds to which the withdrawing

member would be entitled, such as Transportation Development Act funds, and this section shall not impose any obligation on the general funds of the withdrawing member.

- D. No committee shall commit RTA on any matter or questions of policy. Such matters or questions can only be decided by RTA.
- E. All committees shall receive clerical assistance from RTA staff and, by agreement, SLOCOG staff for the purpose of maintaining minutes of meetings and other such duties as the Executive Director may direct. The chair of each committee shall sign the original copy of the minutes indicating verification of contents upon committee adoption. Copies of minutes of all meetings shall be sent to members of RTA and the Executive Director.

### ARTICLE III Financial Provisions

Section 1. Budget: The Executive Director shall prepare an Overall Annual Budget for RTA adoption prior to commencement of each fiscal year. The fiscal year shall be July 1 to June 30. The Overall Annual Budget will include financial details on core RTA services, as well as financial details for those various public transportation services provided under agreement to other agencies. Core RTA services include intercity fixed-routes along the US-101 and SR-1 corridors, and regional Americans with Disabilities Act complementary paratransit services. The approval of the Overall Annual Budget shall be in accordance with the following procedures:

- A. The RTA Executive Director will present a report outlining a set of Budget Assumptions budget assumptions to the RTA Executive Committee no later than its February meeting and to the full RTA Board no later than its March meeting.
- B. The RTA Executive Director will present a full draft Overall Annual Budget to the RTA Executive Committee and to the Regional Transit Advisory Committee no later than each committee's April meeting. Each committee will provide feedback to the RTA Executive Director, along with a formal recommendation that the full RTA Board consider the Overall Annual Budget for adoption (as amended).



- C. The RTA Executive Director will present the full final draft Overall Annual Budget to the RTA Board no later than its May meeting; in no case shall the Overall Annual Budget be adopted later than June 30<sup>th</sup> of each year.

The annual operating and capital budgets for non-core services provided under agreement to another agency requires ratification by its governing body prior to consideration of the Overall Annual Budget by the RTA Board.

Accounting practices to be applied will conform to those used by San Luis Obispo County, consistent with Transportation Development Act rules and regulations.

A Consolidated Fund balance and cash balance for RTA core services will carry forward from one year to the next. Separate Consolidated Fund balances and cash balances will be maintained for public transportation services provided by RTA under agreement to other agencies.

The Overall Annual Budget may additionally carry funds for future fiscal years where necessary to develop a multi-year Capital Improvement Program and to reflect obligations under state or federal funding agreements, to the extent allowable by California law.

No member Agency shall be required to expend any of its general fund monies to support the operations of RTA. The operation of the transit system shall be funded from revenues derived from operations, member Transportation Development Act fund contributions, grants, and any other appropriate revenue sources. Each member agency shall make an annual contribution to RTA in accordance with the adopted budget.

Any formula may be amended upon approval of all jurisdictions affected by that formula and ratified by RTA.

All population percentages utilized shall be those annually adopted by SLOCOG for allocating Transportation Development Act Funds based annually on estimates prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities.

Section 2. Expenditures: RTA may establish procedures and policies to insure competitive prices for the purchases of goods and services. Formal bidding shall not be required unless directed specifically by RTA or unless required by state or federal law. Particularly in the purchase of equipment, including buses, RTA may consider the

design, maintenance and operating costs, and other similar factors in determining the most suitable equipment and need not purchase equipment having the lowest initial cost.

Section 3. Treasurer and Auditor: Pursuant to Government Code Section 6505.5, the Treasurer of the County of San Luis Obispo is hereby designated as Treasurer of RTA. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Auditor/Controller of the County of San Luis Obispo is designated as the Auditor of RTA pursuant to Government Code Section 6505.5.

Section 4. Annual Audit: RTA shall cause an annual audit to be prepared and filed in accordance with Government Code Section 6505 and Public Utilities Code Section 99245. This audit shall include RTA core services, as well as those service provided under agreement for other agencies.

Section 5. Annual Report: The Executive Director shall prepare and submit an annual report of the operations to the RTA Board, SLOCOG and State Controller within 90 days of the end of the fiscal year pursuant to Public Utilities Code, Section 99243.

Section 6. Periodic Reporting: The RTA Board may require periodic reporting of ridership, finances, or other information. This periodic reporting shall include RTA core services, as well as those service provided under agreement to other agencies. It shall be the responsibility of the Executive Director to provide such reports in a form acceptable to the RTA Board.

#### ARTICLE IV Authority

Section 1. Powers: RTA shall have all powers necessary to carry out the purpose of this Agreement, except the power to tax. Its power to expend funds shall be limited only by the availability of funds as set forth in ARTICLE III: Financial Provisions, Section 1. The powers of RTA specifically include, but are not limited to, the following:

- A. To solicit bids and negotiate contracts from private enterprise for services and/or operation.
- B. To sue or be sued.
- C. To employ agents, employees and contract for professional services.

- D. To make and enter contracts, including labor, purchase agreement and employment contracts.
- E. To acquire, convey, construct, manage, maintain and operate necessary equipment, building and improvements.
- F. To acquire and convey real and personal property.
- G. To incur debts, liabilities and obligations, as well as obligations of financial assistance from State and Federal agencies, and to obligate RTA to operate the improvements, equipment or transportation system in accordance with the terms and conditions of said financial assistance.
- H. To purchase insurance as required by law or deemed necessary by the Board.
- I. To develop policies and procedures necessary to remain in compliance with Federal Transit Administration Section 5307 Urbanized Area Formula Program and other federal grant program funding requirements.

Section 2. RTA is a Public Legal Entity: RTA is a public entity duly formed and existing under the laws of the State of California. It is a separate and distinct legal entity from its member agencies. The debts, duties and obligations created pursuant to this Agreement, shall be solely the obligations of RTA and not those of its officers, employees, members of the Board of Directors or the member agencies.

## ARTICLE V Miscellaneous Provisions

Section 1. Withdrawal of Member: A withdrawing member's financial obligation under this Section is limited to the withdrawing member's pro-rata share of the currently adopted operating budget based upon ARTICLE III, Section 1 within the service area of the obligated commitments affecting the withdrawing member and any SLOCOG finding as to unmet transit needs that are reasonable to meet pursuant to Public Utilities Code Section 99401.5.

Section 2. Amendment of Agreement: No amendment to this Agreement shall be made without the written consent of all member agencies at the time of the amendment.

Section 3. Ratification - Effective Date: This Agreement shall be deemed effective as to those parties executing this Agreement upon their execution of the Agreement.

Section 4. Assignability: In the event it is deemed in the best public interest to have RTA services performed by another individual or entity, whether public or private, and provided that the assignment complies with State and Federal laws, the agency on affirmative vote of the majority in accordance with Section 2 of ARTICLE II, may sell, lease or assign all of its real and personal property and cease operations upon such terms and conditions as RTA determines to be reasonable.

Section 5. Termination: This Agreement shall continue in full force and effect until rescinded by a majority of the member agencies.

Section 6. Notification to Secretary of State: Pursuant to Government Code Section 6503.5, RTA shall cause a notice of the execution of this Agreement to be prepared and filed with the Office of the Secretary of the State of California, within thirty (30) days after the effective date of any amendment to this Agreement. Until such filings are completed, RTA shall not incur indebtedness of any kind.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

IN WITNESS THEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

*[Signatures on following pages]*

**City of Arroyo Grande**

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:

\_\_\_\_\_  
Arroyo Grande City Attorney

Date: \_\_\_\_\_

**City of Atascadero**

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:

\_\_\_\_\_  
Atascadero City Attorney

Date: \_\_\_\_\_

**City of Grover Beach**

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:

\_\_\_\_\_  
Grover Beach City Attorney

Date: \_\_\_\_\_

**City of Morro Bay**

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:

\_\_\_\_\_  
Morro Bay City Attorney

Date: \_\_\_\_\_

**City of Paso Robles**

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:

\_\_\_\_\_  
Paso Robles City Attorney

Date: \_\_\_\_\_

**City of Pismo Beach**

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:

\_\_\_\_\_  
Pismo Beach City Attorney

Date: \_\_\_\_\_

**City of San Luis Obispo**

By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:

\_\_\_\_\_  
San Luis Obispo City Attorney

Date: \_\_\_\_\_

**County of San Luis Obispo**

By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:

By: \_\_\_\_\_  
County Counsel

Date: \_\_\_\_\_

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
AMENDED AND RESTATED JOINT POWERS AGREEMENT

WITNESSETH:

This AMENDED AND RESTATED Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018 by and among the incorporated cities of Arroyo Grande, Atascadero, El Paso de Robles, Grover Beach, Morro Bay, Pismo Beach and San Luis Obispo, all being municipal corporations in the County of San Luis Obispo, California (hereinafter called "Cities") and the County of San Luis Obispo, a body politic and corporate, and a subdivision of the State of California, (hereinafter called "County").

WHEREAS, the parties first entered into a Joint Powers Agreement to establish the San Luis Obispo Regional Transit Authority ("RTA") on March 9th, 1990, and subsequently amended the agreement on September 2, 1998, and April 13, 2013, and which is being amended and restated for clarity;

WHEREAS, Section 6500 et seq. of the California Government Code (Title 1, Div. 7, Chapter 5, Article 1) provides for agreements between two or more public agencies to jointly exercise any power common to the contracting parties, subject to certain mandatory provisions contained therein; and

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WHEREAS, the San Luis Obispo Council of Governments, at a regularly held meeting on May 10, 1989, voted to consolidate the administration of several transportation systems through a regional transit joint powers agreement; and

WHEREAS, the cities of Arroyo Grande, Grover Beach, Pismo Beach, and the County of San Luis Obispo were formerly members of the South County Area Transit Joint Powers Agency which began operating a public transit system within those jurisdictions in January, 1978, and which ceased to exist and transferred its assets to RTA in return for amendments made to this Agreement effective \_\_\_\_\_ 2018.



NOW THEREFORE, it is agreed as follows:

ARTICLE I  
General Provisions

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~~Section 1~~ Section 2. Purpose: The purpose of this Agreement is to exercise the common powers of the member agencies for the formation of a ~~Joint Powers Agreement~~ joint powers authority with full power and authority to own, operate and administer a county-wide public transportation system within the boundaries and over the territory over which the ~~joint powers authority~~ Joint Powers Agency has jurisdiction.

~~Section 2~~ Section 3. Name: The official name of the entity shall be San Luis Obispo Regional Transit Authority and hereafter referred to as RTA.

ARTICLE II  
Organization

Section 1. Board Members: The membership of the RTA Governing Board shall be the same as the membership of the ~~San Luis Obispo Council of Governments (hereinafter referred to as SLOCOG)~~ SLOCOG governing board.

Section 2. Board Meetings - Voting - Quorum: Regular meetings shall be generally held in the first week of July, September, November, January, March and May or as specified in a biannually adopted meeting calendar. Special meetings may be called by the President or upon written request of at least three (3) members of the RTA Board.

Voting and quorum provisions shall be the same as those provided in the SLOCOG Joint Powers Agreement, however, any vote regarding South County Transit local fixed route services, or other public transportation services operated solely within the Arroyo Grande-Pismo Beach urbanized area, including the budgeting and funding of such services, shall require at least three affirmative votes from Board members who also sit on the South County Transit Committee, as defined in Section 7.C.iii., below.

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Board, with delegated powers to certify documents of the RTA Board as required by the law and to assume such duties and responsibilities as the Board may direct.

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- A. The County of San Luis Obispo and all cities incorporated in the County of San Luis Obispo presently or in the future, are declared eligible for membership.
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Section 7. Committees:

- A. Committees and subcommittees may be established as RTA may deem appropriate.
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- C. Standing committees shall include the:
  - i. Regional Transit Advisory Committee (RTAC) serving as a Regional Transit Productivity Committee to advise the Board on the efficiency and effectiveness of the transit system.

- ii. ~~An~~ Executive Committee comprised of the President, Vice President and the past President and at least one representative from the County of San Luis Obispo (if none of the above are from the County of San Luis Obispo) shall advise the Executive Director and RTA on: draft agendas, personnel issues, budget and Overall Work Program; controversial, sensitive and major policy issues; and shall facilitate the annual performance evaluation of the Executive Director. Items for review shall be selected by the Executive Director in consultation with the President. All Committee members may include agenda items as they desire. For purposes of conducting business, two members shall constitute a quorum.
  
- iii. South County Transit Committee (SCTC) comprised of RTA Board members representing the four jurisdictions included in the Arroyo Grande – Pismo Beach Urbanized Area as defined in the 2010 Decennial Census. The SCTC member jurisdictions include the cities of Arroyo Grande, Grover Beach, Pismo Beach, and the County of San Luis Obispo, representing the Oceano Area and the Avila Beach Area. The SCTC's roles and responsibilities include:
  - a) The SCTC shall determine South County Transit local fixed-route services and any other public transportation services operated solely within the Arroyo Grande – Pismo Beach Urbanized Area by virtue of the voting requirements for all South County Transit matters provided above in Article II, Section 2 of this Agreement
  
  - b) At a minimum, the SCTC shall meet annually to consider annual service levels, fare levels, major marketing campaigns, and capital improvement plans, and to ratify financial commitments for each jurisdiction participating in South County Transit services. At the request of two or more SCTC members, properly noticed special SCTC meetings may also be conducted.
  
  - c) For purposes of conducting business, three of the four SCTC members shall constitute a quorum.
  
  - d) The SCTC shall submit an annual South County Transit operating budget and multi-year capital improvement plan to the full RTA Board prior to May 1 each year for consideration as part of the RTA Overall Annual Budget.

- e) Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the annual unmet transit needs h required by California Public Utilities Code Section 99401.5 may be instituted in the SCTC service area, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of a formula developed by the SCTC members representing the affected jurisdictions.
- f) Each SCTC member agency shall make an annual State Transportation Development Act contribution based upon the percentage of total SCTC-served population related to the area served within that member agency. All population percentages utilized shall be those annually adopted by the San Luis Obispo Council of Governments for allocating Transportation Development Act funds based annually on estimates prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities.
- g) Any member of the SCTC may withdraw from the SCTC after providing written notice to the RTA Board President one (1) year in advance of the requested withdrawal date. A withdrawing member's financial obligation under this subsection is limited to the withdrawing member's pro-rata share of the currently adopted SCTC operating budget within the service area of the obligated commitments affecting the withdrawing member and any SLOCOG finding as to unmet transit needs that are reasonable to meet pursuant to Public Utilities Code Section 99401.5. However, the obligations of a withdrawing member under this subsection are limited to the special transportation funds to which the withdrawing member would be entitled, such as Transportation Development Act funds, and this section shall not impose any obligation on the general funds of the withdrawing member.

D. No committee shall commit RTA on any matter or questions of policy. Such matters or questions can only be decided by RTA.

- E. All committees shall receive clerical assistance from RTA staff and, by agreement, SLOCOG staff for the purpose of maintaining minutes of meetings and other such duties as the Executive Director may direct. The chair of each committee shall sign the original copy of the minutes indicating verification of contents upon committee adoption. Copies of minutes of all meetings shall be sent to members of RTA and the Executive Director.

ARTICLE III  
Financial Provisions

Section 1. Budget: The Executive Director shall prepare an ~~annual budget~~ Overall Annual Budget for RTA adoption prior to commencement of each fiscal year. The fiscal year shall be July 1 to June 30. The Overall Annual Budget will include financial details on core RTA services, as well as financial details for those various public transportation services provided under agreement to other agencies. Core RTA services include intercity fixed-routes along the US-101 and SR-1 corridors, and regional Americans with Disabilities Act complementary paratransit services. The approval of the Overall Annual Budget shall be in accordance with ~~these procedures~~ prescribed by the Joint Powers Agreement of SLOCOG the following procedures:

- A. The RTA Executive Director will present a report outlining a set of Budget Assumptions budget assumptions to the RTA Executive Committee no later than its February meeting and to the full RTA Board no later than its March meeting.
- B. The RTA Executive Director will present a full draft Overall Annual Budget to the RTA Executive Committee and to the Regional Transit Advisory Committee no later than each committee's April meeting. Each committee will provide feedback to the RTA Executive Director, along with a formal recommendation that the full RTA Board consider the Overall Annual Budget for adoption (as amended).
- C. The RTA Executive Director will present the full final draft Overall Annual Budget to the RTA Board no later than its May meeting; in no case shall the Overall Annual Budget be adopted later than June 30<sup>th</sup> of each year.

The annual operating and capital budgets for non-core services provided under agreement to another agency requires ratification by its governing body prior to consideration of the Overall Annual Budget by the RTA Board.

Accounting practices to be applied will conform to those used by San Luis Obispo County, consistent with Transportation Development Act rules and regulations.

A Consolidated Fund balance and cash balance for RTA core services will carry forward from one year to the next. Separate Consolidated Fund balances and cash balances will be maintained for public transportation services provided by RTA under agreement to other agencies.

The budget Overall Annual Budget may additionally carry funds for future fiscal years where necessary to develop a multi-year Capital Improvement Program and to reflect obligations under state or federal funding agreements, to the extent allowable by California law.

No member Agency shall be required to expend any of its general fund monies to support the operations of RTA. The operation of the transit system shall be funded from revenues derived from operations, member Transportation Development Act fund contributions, grants, and any other appropriate revenue sources. Each member agency shall make an annual contribution to RTA in accordance with the adopted budget.

Any formula may be amended upon approval of all jurisdictions affected by that formula and ratified by RTA.

All population percentages utilized shall be those annually adopted by SLOCOG for allocating Transportation Development Act Funds based annually on estimates prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities.

Section 2. Expenditures: RTA may establish procedures and policies to insure competitive prices for the purchases of goods and services. Formal bidding shall not be required unless directed specifically by RTA or unless required by state or federal law. Particularly in the purchase of equipment, including buses, RTA may consider the design, maintenance and operating costs, and other similar factors in determining the most suitable equipment and need not purchase equipment having the lowest initial cost.

Section 3. Treasurer and Auditor: Pursuant to Government Code Section 6505.5, the Treasurer of the County of San Luis Obispo is hereby designated as Treasurer of RTA. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Auditor/Controller of the County of San Luis Obispo is designated as the Auditor of RTA pursuant to Government Code Section 6505.5.

Section 4. Annual Audit: RTA shall cause an annual audit to be prepared and filed in accordance with Government Code Section 6505 and Public Utilities Code

Section 99245. This audit shall include RTA core services, as well as those service provided under agreement for other agencies.

Section 5. Annual Report: The Executive Director shall prepare and submit an annual report of the operations to the RTA Board, SLOCOG and State Controller within 90 days of the end of the fiscal year pursuant to Public Utilities Code, Section 99243.

Section 6. Periodic Reporting: The RTA Board may require periodic reporting of ridership, finances, or other information. This periodic reporting shall include RTA core services, as well as those service provided under agreement to other agencies. It shall be the responsibility of the Executive Director to provide such reports in a form acceptable to the RTA Board.

#### ARTICLE IV Authority

Section 1. Powers: RTA shall have all powers necessary to carry out the purpose of this Agreement, except the power to tax. Its power to expend funds shall be limited only by the availability of funds as set forth in ARTICLE III: Financial Provisions, Section 1. The powers of RTA specifically include, but are not limited to, the following:

- A. To solicit bids and negotiate contracts from private enterprise for services and/or operation.
- B. To sue or be sued.
- C. To employ agents, employees and contract for professional services.
- D. To make and enter contracts, including labor, purchase agreement and employment contracts.
- E. To acquire, convey, construct, manage, maintain and operate necessary equipment, building and improvements.
- F. To acquire and convey real and personal property.
- G. To incur debts, liabilities and obligations, as well as obligations of financial assistance from State and Federal agencies, and to obligate RTA to operate the improvements, equipment or transportation system in accordance with the terms and conditions of said financial assistance.
- H. To purchase insurance as required by law or deemed necessary by the Board.

- I. To develop policies and procedures necessary to remain in compliance with Federal Transit Administration Section 5307 Urbanized Area Formula Program and other federal grant program funding requirements.

Section 2. RTA is a Public Legal Entity: RTA is a public entity duly formed and existing under the laws of the State of California. It is a separate and distinct legal entity from its member agencies. The debts, duties and obligations created pursuant to this Agreement, shall be solely the obligations of RTA and not those of its officers, employees, members of the Board of Directors or the member agencies.

## ARTICLE V Miscellaneous Provisions

Section 1. Withdrawal of Member: A withdrawing member's financial obligation under this Section is limited to the withdrawing member's pro-rata share of the currently adopted operating budget based upon ARTICLE III, Section 1 within the service area of the obligated commitments affecting the withdrawing member and any SLOCOG's finding as to unmet transit needs that are reasonable to meet pursuant to Public Utilities Code Section 99401.5.

Section 2. Amendment of Agreement: No amendment to this Agreement shall be made without the written consent of all member agencies at the time of the amendment.

Section 3. Ratification - Effective Date: This Agreement shall be deemed effective as to those parties executing this Agreement upon their execution of the Agreement.

Section 4. Assignability: In the event it is deemed in the best public interest to have RTA operated services performed by another individual or entity, whether public or private, and provided that the assignment complies with State and Federal laws, the agency on affirmative vote of the majority in accordance with Section 2 of ARTICLE II, may sell, lease or assign all of its real and personal property and cease operations upon such terms and conditions as RTA determines to be reasonable.

Section 5. Termination: This Agreement shall continue in full force and effect until rescinded by a majority of the member agencies.

Section 6. Notification to Secretary of State: Pursuant to Government Code Section 6503.5, RTA shall cause a notice of the execution of this Agreement to be prepared and filed with the Office of the Secretary of the State of California, within thirty (30) days after the effective date of any amendment to this Agreement. Until such filings are completed, RTA shall not incur indebtedness of any kind.



IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

IN WITNESS THEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

*[Signatures on following pages]*



State of California
Secretary of State

FILE NO. 2067

AMENDMENT OF A JOINT POWERS AGREEMENT
(Government Code section 6503.5)

FILED
Secretary of State
State of California

JUN 24 2013

(Office Use Only)

Instructions:

- 1. Complete and mail to: Secretary of State, P.O. Box 942877, Sacramento, CA 94277-0001.
2. Include filing fee of \$1.00.
3. Do not include attachments.
4. A copy of the full text of the joint powers agreement and amendments, if any, must be submitted to the State Controller's office. For address information, contact the State Controller's office at www.sco.ca.gov.

Date of filing initial notice with the Secretary of State: May 17, 1979

File number of initial notice: 459

Name of the agency or entity created under the agreement and responsible for the administration of the agreement: San Luis Obispo Regional Transit Authority

Agency's or Entity's Mailing Address: 179 Cross Street, San Luis Obispo, CA 93401

Title of the agreement: San Luis Obispo Regional Transit Authority Joint Powers Agreement

Complete one or more boxes below. The agreement has been amended to:

- [ ] Change the parties to the agreement as follows:
[ ] Change the name of the administering agency or entity as follows:
[ ] Change the purpose of the agreement or the powers to be exercised as follows:
[ ] Change the short title of the agreement as follows:
[X] Make other changes to the agreement as follows: Modifications to titles and other provisions including the power to incur debt.

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME [ Geoff Straw, Executive Dir. ]
ADDRESS SLORTA
179 Cross Street
CITY/STATE/ZIP [ SLO, CA 93401 ]

Date 6.17.2013
Signature [Handwritten Signature]
Timothy McNulty, Counsel
Typed Name and Title

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
JOINT POWERS AGREEMENT

WITNESSETH:

This Agreement is made and entered into this 9<sup>th</sup> day of March, 1990, and amended on 2<sup>nd</sup> day of September, 1998, and further amended on APRIL 16, 2013, 2013, by and among the incorporated cities of Arroyo Grande, Atascadero, EL Paso de Robles, Grover Beach, Morro Bay, Pismo Beach and San Luis Obispo, all being municipal corporations in the County of San Luis Obispo, California (hereinafter called "Cities") and the County of San Luis Obispo, a body politic and corporate, and a subdivision of the State of California, (hereinafter called "County").

WHEREAS, Section 6500 et seq. of the California Government Code (Title 1, Div. 7, Chapter 5, Article 1) provides for agreements between two or more public agencies to jointly exercise any power common to the contracting parties, subject to certain mandatory provisions contained therein; and

WHEREAS, the Cities and County have previously entered into a joint powers agreement for the formation of the San Luis Obispo Council of Governments for the purpose of providing, among other things, for a regional transportation agency; and

WHEREAS, the San Luis Obispo Council of Governments, at a regularly held meeting on May 10, 1989, voted to consolidate the administration of several transportation systems through a regional transit joint powers agreement.

NOW THEREFORE, it is agreed as follows:

ARTICLE I  
General Provisions

Section 1. Purpose: The purpose of this Agreement is to exercise the common powers of the member agencies for the formation of a Joint Powers Agreement with full power and authority to own, operate and administer a county-wide public transportation system within the boundaries and over the territory over which the Joint Powers Agency has jurisdiction.

Section 2. Name: The official name of the entity shall be San Luis Obispo Regional Transit Authority and hereafter referred to as RTA.

ARTICLE II  
Organization

Section 1. Board Members: The membership of the RTA Governing Board shall be the same as the membership of the San Luis Obispo Council of Governments (hereinafter referred to as SLOCOG).

Section 2. Board Meetings - Voting - Quorum: Regular meetings shall be generally held in the first week of July, September, November, January, March and May or as specified in a biannually adopted meeting calendar. Special meetings may be called by the President or upon written request of at least three (3) members of the RTA Board.

Voting and quorum provisions shall be the same as those provided in the SLOCOG Joint Powers Agreement.

Section 3. Officers: The officers of SLOCOG shall serve as officers of RTA.

Section 4. Executive Director: The RTA Board shall designate an Executive Director to operate RTA. The Executive Director shall serve at the pleasure of the RTA Board, with delegated powers to certify documents of the RTA Board as required by the law and to assume such duties and responsibilities as the Board may direct.

Section 5. Members:

1. The County of San Luis Obispo and all cities incorporated in the County of San Luis Obispo presently or in the future, are declared eligible for membership.
2. Member city agencies may elect to have an alternate member(s) from their city council in addition to any official member, but said alternate(s) shall be able to vote only in the absence of the official representative.
3. Membership shall be contingent upon the execution of this Joint Powers Agreement.

Section 6. Boundaries and Service Levels: The service area boundaries shall be all of the area within the boundaries of San Luis Obispo County as designated by the RTA Board. Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the Unmet Transit Needs Hearing (PUC Section 99401.5) may be instituted, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of formula developed by the RTA Board members representing the affected jurisdictions.

Section 7. Committees:

1. Committees and subcommittees may be established as RTA may deem appropriate.
2. Membership on "ad-Hoc" policy committees shall be at the discretion of the President. Nothing herein shall be construed to limit membership on these aforesaid committees to officials of the member agencies. The

President may appoint any individual deemed qualified to serve on a committee.

3. Standing committees shall include the:
  - a. Regional Transit Advisory Committee (RTAC) serving as a Regional Transit Productivity Committee to advise the Board on the efficiency and effectiveness of the transit system.
  - b. An Executive Committee comprised of the President, Vice President and the past President and at least one representatives from the county of San Luis Obispo (if none of the above) shall advise the Executive Director and RTA on: draft agendas, personnel issues, budget and Overall Work Program; controversial, sensitive and major policy issues; and shall facilitate the annual performance evaluation of the Executive Director. Items for review shall be selected by the Executive Director in consultation with the President. All Committee members may include agenda items as they desire. For purposes of conducting business, two members shall constitute a quorum.
4. No committee shall commit RTA on any matter or questions of policy. Such matters or questions can only be decided by RTA.
5. All committees shall receive clerical assistance from RTA staff and, by agreement, SLOCOG staff for the purpose of maintaining minutes of meetings and other such duties as the Executive Director may direct. The chair of each committee shall sign the original copy of the minutes indicating verification of contents upon committee adoption. Copies of minutes of all meetings shall be sent to members of RTA and the Executive Director.

### ARTICLE III Financial Provisions

Section 1. Budget: The Executive Director shall prepare an annual budget for RTA adoption prior to commencement of each fiscal year. The approval of the Annual Budget shall be in accordance with those procedures prescribed by the Joint Powers Agreement of SLOCOG.

Accounting practices to be applied will conform with those used by San Luis Obispo County, consistent with Transportation Development Act rules and regulations.

A Consolidated Fund balance and cash balance will carry forward from one year to the next.

The budget may additionally carry funds for future fiscal years where necessary to develop a multi-year Capital Improvement Program and to reflect obligations under state or federal funding agreements, to the extent allowable by California law.

No member Agency shall be required to expend any of its general fund monies to support the operations of RTA. The operation of the transit system shall be funded from revenues derived from operations, member Transportation Development Act fund contributions, grants, and any other appropriate revenue sources. Each member agency shall make an annual contribution to RTA in accordance with the adopted budget.

Any formula may be amended upon approval of all jurisdictions affected by that formula and ratified by RTA.

All population percentages utilized shall be those annually adopted by SLOCOG for allocating Transportation Development Act Funds based annually on estimates prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities.

Section 2. Expenditures: RTA may establish procedures and policies to insure competitive prices for the purchases of goods and services. Formal bidding shall not be required unless directed specifically by RTA or unless required by state or federal law. Particularly in the purchase of equipment, including buses, RTA may consider the design, maintenance and operating costs, and other similar factors in determining the most suitable equipment and need not purchase equipment having the lowest initial cost.

Section 3. Treasurer and Auditor: Pursuant to Government Code Section 6505.5, the Treasurer of the County of San Luis Obispo is hereby designated as Treasurer of RTA. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Auditor/Controller of the County of San Luis Obispo is designated as the Auditor of RTA pursuant to Government Code Section 6505.5.

Section 4. Annual Audit: RTA shall cause an annual audit to be prepared and filed in accordance with Government Code Section 6505 and Public Utilities Code Section 99245.

Section 5. Annual Report: The Executive Director shall prepare and submit an annual report of the operations to the RTA Board, SLOCOG and State Controller within 90 days of the end of the fiscal year pursuant to Public Utilities Code, Section 99243.

Section 6. Periodic Reporting: The RTA Board may require periodic reporting of ridership, finances, or other information. It shall be the responsibility of the Executive Director to provide such reports in a form acceptable to the RTA Board.

## ARTICLE IV

### Authority

Section 1. Powers: RTA shall have all Powers necessary to carry out the purpose of this Agreement, except the power to tax. Its power to expend funds shall be limited only by the availability of funds as set forth in ARTICLE III: Finances, Section 1. The Powers of RTA specifically include, but are not limited to, the following:

1. To solicit bids and negotiate contracts from private enterprise for services and/or operation.
2. To sue or be sued.
3. To employ agents, employees and contract for professional services.
4. To make and enter contracts, including labor, purchase agreement and employment contracts.
5. To acquire, convey, construct, manage, maintain and operate necessary equipment, building and improvements.
6. To acquire and convey real and personal property.
7. To incur debts, liabilities and obligations, as well as obligations of financial assistance from State and Federal agencies, and to obligate RTA to operate the improvements, equipment or transportation system in accordance with the terms and conditions of said financial assistance.

Section 2. RTA is a Public Legal Entity: RTA is a public entity duly formed and existing under the laws of the State of California. It is a separate and distinct legal entity from its member agencies. The debts, duties and obligations created pursuant to this Agreement, shall be solely the obligations of RTA and not those of its officers, employees, members of the Board of Directors or the member agencies.

## **ARTICLE V**

### Miscellaneous Provisions

Section 1. Withdrawal of Member: A withdrawing member's financial obligation under this Section is limited to the withdrawing member's pro-rata share of the currently adopted operating budget based upon ARTICLE III, Section 1 within the service area of the obligated commitments affecting the withdrawing member and any SLOCOG's finding as to unmet transit needs that are reasonable to meet pursuant to Public Utilities Code Section 99401.5.

Section 2. Amendment of Agreement: No amendment to this Agreement shall be made without the consent of all member agencies at the time of the amendment.

Section 3. Ratification - Effective Date: This Agreement shall be deemed effective as to those parties executing this agreement upon their execution of the agreement.



Section 4. Assignability: In the event it is deemed in the best public interest to have RTA operated by another individual or entity, whether public or private, and provided that the assignment complies with State and Federal laws, the agency on affirmative vote of the majority in accordance with Section 2 of ARTICLE II, may sell, lease or assign all of its real and personal property and cease operations upon such terms and conditions as RTA determines to be reasonable.

Section 5. Termination: This Agreement shall continue in full force and effect until rescinded by a majority of the member agencies.

Section 6. Notification to Secretary of State: Pursuant to Government Code Section 6503.5, RTA shall cause a notice of the execution of this Agreement to be prepared and filed with the Office of the Secretary of the State of California, within thirty (30) days after the effective date of any amendment to this Agreement. Until such filings are completed, RTA shall not incur indebtedness of any kind.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

IN WITNESS THEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

City of Arroyo Grande  
By:   
MAYOR  
  
Clerk

Date: FEBRUARY 12, 2013

Resolution No. 4509

City of Atascadero  
By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

City of Grover Beach  
By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_



**City of Arroyo Grande**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of Atascadero**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

*Nancy McClure Torres*  
Clerk

Date: January 8, 2013

Resolution No. 2013-001

**City of Grover Beach**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of Morro Bay**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of Paso Robles**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of Pismo Beach**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

Section 3. Ratification - Effective Date: This Agreement shall be deemed effective as to those parties executing this agreement upon their execution of the agreement.

Section 4. Assignability: In the event it is deemed in the best public interest to have RTA operated by another individual or entity, whether public or private, and provided that the assignment complies with State and Federal laws, the agency on affirmative vote of the majority in accordance with Section 2 of ARTICLE II, may sell, lease or assign all of its real and personal property and cease operations upon such terms and conditions as RTA determines to be reasonable.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

IN WITNESS THEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

**City of Arroyo Grande**

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Resolution No. \_\_\_\_\_

**City of Atascadero**

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Clerk


Resolution No. \_\_\_\_\_

**City of Grover Beach**

By: \_\_\_\_\_

Date: 11/19/2012

  
John P. Shoals, Mayor

  
Donna L. McMahon, City Clerk

Resolution No. 12-77

**City of Morro Bay**

By: *Jessie L. Gross*  
*Jane Bab*  
Clerk

Date: January 8, 2013

Resolution No. 06-13

**City of Paso Robles**

By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of Pismo Beach**

By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of San Luis Obispo**

By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**County of San Luis Obispo**

By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:  
TIM MCNULTY  
County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

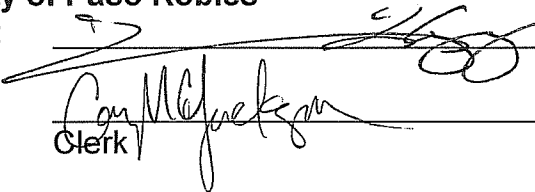
Date: \_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_  
Resolution No. \_\_\_\_\_

**City of Morro Bay**  
By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_  
Resolution No. \_\_\_\_\_

**City of Paso Robles**  
By:   
\_\_\_\_\_  
Clerk

Date: 16 April 2013  
Resolution No. 13-055

**City of Pismo Beach**  
By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_  
Resolution No. \_\_\_\_\_

**City of San Luis Obispo**  
By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_  
Resolution No. \_\_\_\_\_

**County of San Luis Obispo**  
By: \_\_\_\_\_  
\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_  
Resolution No. \_\_\_\_\_

Approved as to form and legal effect:  
TIM MCNULTY  
County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

**City of Morro Bay**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of Paso Robles**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of Pismo Beach**

By: Shelly Wiggins

EO  
Clerk

Date: December 18, 2012

Resolution No. R-2012-098

**City of San Luis Obispo**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**County of San Luis Obispo**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:  
TIM MCNULTY  
County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

Date: \_\_\_\_\_

**City of Pismo Beach**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

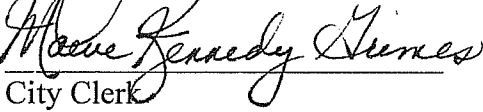
Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of San Luis Obispo**

By:  \_\_\_\_\_

Mayor Jan Marx

  
\_\_\_\_\_  
City Clerk

Date: 12/17/12

Resolution No. 10413 (2012 Series)

APPROVED AS TO FORM:

  
\_\_\_\_\_

J. Christine Dietrick  
City Attorney

**County of San Luis Obispo**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

Approved as to form and legal effect:

TIM MCNULTY

County Counsel

By: \_\_\_\_\_

Deputy County Counsel

**City of Morro Bay**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of Paso Robles**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of Pismo Beach**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**City of San Luis Obispo**

By: \_\_\_\_\_

\_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

Resolution No. \_\_\_\_\_

**County of San Luis Obispo**

By: Paul A. Leipzig  
Chairperson of the Board of Supervisors

Julie L. Rodewald  
Clerk -Recorder and Ex-Officio Clerk of the Board of Supervisors

By: Sandy Currens, Deputy Clerk

Date: 1/11/2013

Resolution No. 2013-0045

Approved as to form and legal effect:

RITA L. NEAL  
County Counsel

By: [Signature]  
Chief Deputy County Counsel

Date: 12/24/12

JOINT POWERS AGREEMENT  
SOUTH COUNTY AREA TRANSIT

This agreement, by and between the cities of Arroyo Grande, Grover City, Pismo Beach, and the County of San Luis Obispo, representing the Oceano Area and the Avila Beach Area, is hereby entered into pursuant to Section 6500 et seq. of the Government Code of the State of California.

ARTICLE I  
GENERAL PROVISIONS

SECTION 1: PURPOSES.

The purpose of this Agreement is to exercise the common powers of the member agencies by the formation of Joint Powers Agency with full power and authority to own, operate, plan for, and administer a public transportation system within the territory over which the Joint Powers Agency has jurisdiction (see map attached hereto as Exhibit A). This territory is consistent with the Arroyo Grande – Grover Beach Urbanized Area, which was designated as a result of the 2010 Decennial Census.

SECTION 2: NAME.

The official name of the Joint Powers Agency shall be South County Area Transit, and hereinafter referred to as “South County Transit” or alternately as “Agency.”

SECTION 3: POWERS.

The Agency shall have all the powers necessary to carry out the purposes of this Agreement, except the power to tax. The power to expend funds shall be limited only by the availability of funds as set forth in Section 1 of Article III, Financial Provisions of this Agreement. The powers of the Agency specifically include, but are not limited to, the following:

a. To operate a public transit system to serve all three incorporated cities in South San Luis Obispo County and the Oceano and Avila Beach areas of San Luis Obispo County, as is shown on the map attached hereto as Exhibit A.

b. To sue and be sued.



- c. To employ agents, employees and to contract for professional or other services.
- d. To make and enter into contracts including labor, purchase agreement and employment contracts.
- e. To acquire, convey, construct, manage, maintain and operate buildings and improvements.
- f. To acquire and convey real and personal property.
- g. To incur debts, liabilities and obligations from private, state and federal agencies.
- h. To apply for and execute contracts of financial assistance from state and federal agencies and to obligate the Agency to operate the improvements, equipment, or transportation system in accordance with the terms and conditions of said financial assistance.
- i. To purchase necessary insurance.
- j. To develop policies and procedures necessary to remain in compliance with Federal Transit Administration Section 5307 Urbanized Area Formula Program and other federal grant program funding requirements.

SECTION 4: AGENCY IS A PUBLIC LEGAL ENTITY.

The Joint Powers Agency, South County Transit, is a public entity duly formed and existing under the laws of the State of California. It is a separate and distinct legal entity from its member agencies. The debts, duties and obligations created pursuant to this Agreement, or those created pursuant to the previous Agreement, shall be solely the obligation of South County Transit and not those of its member agencies or of officers, employees, members of the Board of Directors or members of the member agencies.

ARTICLE II  
ORGANIZATION

SECTION 1: BOARD OF DIRECTORS.

The powers of the Agency are vested in its Board of Directors. The Board of Directors shall be composed of one representative from each member agency. Each member of the Board of Directors shall have one vote. Each member agency shall appoint one regular member and one alternate member to the Board of Directors, and shall notify the Agency in writing of their

appointments or of any change of representative. The representative shall serve solely at the pleasure of the appointing member agency. Representatives shall be either elected officials or officers or employees of the member agency.

#### SECTION 2: MEETINGS – VOTING QUORUM.

The Board shall establish a time, place and date for a regular quarterly meeting. Regular meetings may be adjourned from time to time. Special meetings may be called by the Chairman or upon written request by any two members of the Board. Members shall be given at least 48 hours written notice of special meetings, provided however, the representative of any member may waive said notice.

A majority of the members shall constitute a quorum for the transaction of business.

Unless specifically limited by this Agreement, the vote of the majority of the members present at any regular, adjourned or special meeting shall be sufficient to act upon any matter.

#### SECTION 3: OFFICERS.

The Board shall elect a Chairman and Vice-Chairman, and the Vice-Chairman shall act in the absence of the Chairman. The Board shall also elect such other officers as deemed necessary.

All officers shall serve for a term of one year from the date of their election or until their successors are elected. The Chairman or Vice-Chairman is authorized to execute all documents in the name of the Agency.

#### SECTION 4: ADMINISTRATION.

The Board may in its discretion, appoint an Administrator of the transit system, to serve at the pleasure of the Board, and to have the power to certify Agency documents as required by law and to assume such duties and responsibilities as the Board may direct.

#### SECTION 5: NEW MEMBERS.

The Board may accept new members to the Agency on such terms and conditions as the Board may prescribe.

SECTION 6: CHANGE OF BOUNDARIES.

The boundaries of this Agency are subject to change, as set forth hereinafter. If any portion of the unincorporated area of the County is annexed to a member city, that annexed portion shall automatically be included within the boundaries of this Agency, and the said member city shall assume any obligations of the County as to that area. If a new city should be formed in any portion of the unincorporated area of the County presently included within the territory of this Agency, and if such a new city should become a party to this Agreement, then the affected area shall be the responsibility of the new city and the County shall not be responsible for any obligations on account of the area so included within the new city as of the effective date of the incorporation of the new city. The boundaries of this Agency shall be adjusted to reflect annexations or new incorporations as set forth hereinabove.

SECTION 7: SERVICE LEVELS.

Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the annual Unmet Transit Needs Hearing (PUC Section 99401.5) may be instituted, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of formula developed by the Board members representing the affected jurisdictions.

SECTION 8: COMMITTEES.

a. Committees and subcommittees may be established as the Board may deem appropriate. Committees and subcommittees must abide by open meetings requirements of the Brown Act (Government Code Section 54950).

b. Membership on “ad-Hoc” policy committees shall be at the discretion of the Board Chairman. Nothing herein shall be construed to limit membership on these aforesaid committees to officials of the member agencies. The Chairman may appoint any individual deemed qualified to serve on a committee.

c. An Executive Committee comprised of the City Managers from the three cities and a County of San Luis Obispo-designated employee shall advise the Administrator and the Board on draft agendas, personnel issues, budget, and controversial, sensitive and major policy issues. Items for review shall be selected by the Administrator in consultation with the Chairman. All

Committee members may include agenda items as they desire. For purposes of conducting business, three members shall constitute a quorum.

d. No committee shall commit the Agency on any matter or questions of policy. Such matters or questions can only be decided by the Board.

e. All committees shall receive clerical assistance from Agency staff for the purpose of maintaining minutes of meetings, complying with Brown Act open meeting requirements, and other such duties as the Administrator may direct. The chair of each committee shall sign the original copy of the minutes indicating verification of contents upon committee adoption. Copies of minutes of all meetings shall be sent to Board members.

### ARTICLE III FINANCIAL PROVISIONS

#### SECTION 1: BUDGET – LIMITATION OF FINANCIAL COMMITMENT.

The Board shall establish the fiscal year for the Agency and shall, prior to the commencement of each fiscal year, adopt an annual budget prepared by the Administrator.

A Consolidated Fund balance and cash balance will carry forward from one year to the next. The budget may additionally carry funds for future fiscal years where necessary to develop a multi-year Capital Improvement Program and to reflect obligations under state or federal funding agreements, to the extent allowable by California law.

Accounting practices to be applied will conform with those used by San Luis Obispo County, consistent with Transportation Development Act rules and regulations.

No member Agency shall be required to expend any of its general fund monies to support the operations of the Agency, unless said expenditure is first approved by the legislative body of the member agency. The operation of the transit system shall be locally funded from Transportation Development Act monies or from grant monies, and from revenues derived from operations. Each member agency shall make an annual contribution to the Agency based upon the percentage of population related to the area served within that member agency. All population percentages utilized shall be those annually adopted by the San Luis Obispo Council of Governments for allocating Transportation Development Act Funds based annually on estimates

prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities.

SECTION 2: EXPENDITURES.

The Board will establish procedures and policies to insure competitive prices for the purchases of goods and services that meet federal and state procurement requirements.

SECTION 3: TREASURER AND AUDITOR.

Pursuant to Government Code Section 6505.5, the Treasurer of the County of San Luis Obispo is hereby designated as Treasurer of the Agency. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Auditor/Controller of the County of San Luis Obispo is designated as the Auditor of the Agency pursuant to Government Code Section 6505.5.

SECTION 4: ANNUAL AUDIT.

The Board of Directors shall cause an annual audit to be prepared and filed in accordance with Government Code Section 6505 and Public Utilities Code Section 99245.

SECTION 5: OFFICIAL BONDS.

The Administrator and such other employees or agents as the Board may direct shall file an official bond in an amount to be determined by the Board. The cost of said bond(s) shall be borne by the Agency.

SECTION 6: ANNUAL REPORT.

The Administrator shall prepare and submit an annual report of the operations to the San Luis Obispo Council of Governments and the Office of the State Controller within 90 days of the end of the fiscal year pursuant to Public Utilities Code, Section 99243.

SECTION 7: PERIODIC REPORTING.

The Board may require periodic reporting of ridership, finances, or other information. It shall be the responsibility of the Administrator to provide such reports in a form acceptable to the Board.

ARTICLE IV  
MISCELLANEOUS PROVISIONS

SECTION 1: WITHDRAWAL OF MEMBERS.

Any member of this Agency may withdraw at any time after written notice to the Agency Board.

A withdrawing member's financial obligation under this Section is limited to the withdrawing member's pro-rata share of the currently adopted operating budget based upon ARTICLE III, SECTION 1 within the service area of the obligated commitments affecting the withdrawing member and any San Luis Obispo Council of Governments finding as to Unmet Transit Needs that are Reasonable to Meet pursuant to Public Utilities Code Section 99401.5. However, the obligations of a withdrawing member under this section is limited to the special transportation funds to which the withdrawing member would be entitled, such as Transportation Development Act funds, and this section shall not impose any obligation on the general funds of the withdrawing member.

SECTION 2: AMENDMENT OF AGREEMENT.

This Agreement may be amended at any time with the unanimous approval of the legislative bodies of the member agencies. No amendment to this Agreement shall be effective without such unanimous approval.

SECTION 3: RATIFICATION – EFFECTIVE DATE.

This Agreement shall be become effective upon ratification by all member agencies. This Agreement shall be dated and shall be effective upon the last date ratified by a member agency.

SECTION 4: ASSIGNABILITY.

In the event it is deemed in the best public interest to have the public transportation system operated by another individual or entity, whether public or private, and provided that the assignment complies with state and federal law, the Agency on affirmative vote of all of its members, may sell, lease or assign all of its real and personal property and may cease operations upon such terms and conditions as the Board determines to be reasonable.

SECTION 5: TERMINATION.

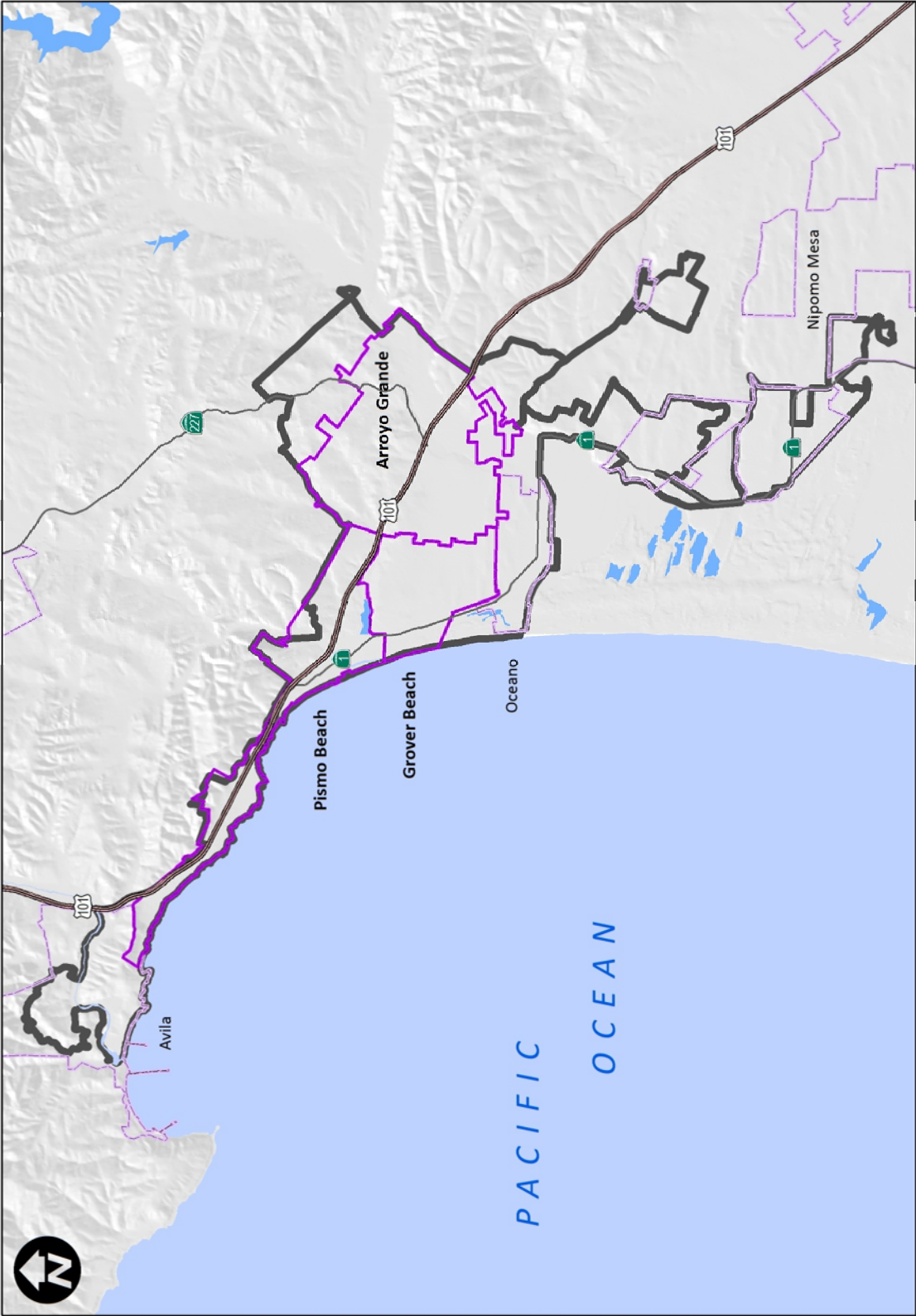
This Agreement shall continue in full force and effect until cancelled by a majority of the member agencies.

SECTION 6: NOTIFICATION TO SECRETARY OF STATE.

Pursuant to Government Code Section 6503.5, the Agency shall cause a notice of the execution of this Agreement to be prepared and filed with the Office of the Secretary of the State of California, within thirty (30) days after the effective date of this Agreement. The Agency shall likewise cause such a notice to be prepared and filed with the Office of the Secretary of State within thirty (30) days after the effective date of any amendment to this Agreement. Until such filings are completed, the Agency shall not incur indebtedness of any kind.

IN WITNESS WHEREOF, the parties have executed this Agreement as to be effective on the \_\_\_\_ day of \_\_\_\_\_, 2016, which is the last date of signing by a member.

Exhibit A – SCT Planning Area Map



**Map 1. Arroyo Grande-Grover Beach UA**

Arroyo Grande-Grover Beach UA    Incorporated cities    Unincorporated communities

Date created: January 12, 2016





## San Luis Obispo Regional Transit Authority

### Executive Committee Meeting

Draft Minutes 12/13/2017

C-1

Members Present: Lynn Compton, President  
Tom O'Malley, Past President  
Jamie Irons, Vice President

Members Absent: None

Staff Present: Geoff Straw, Executive Director  
Tania Arnold, Deputy Director and CFO  
Shelby Walker, Administrative Assistant  
Tim McNulty, County Counsel

Also Present: Pete Rodgers, SLOCOG  
Ron De Carli, SLOCOG  
Aida Nicklin, SLOCOG  
Stephanie Hicks, SLOCOG

**1. Call to Order and Roll Call:**

**Vice President Jamie Irons** called the meeting to order at 10:04 a.m. Silent Roll Call was taken and a quorum was present. **President Lynn Compton** arrived at 10:19 a.m.

**2. Public Comments:**

**Mr. Eric Greening**, stated he is glad that **Mr. Geoff Straw** is responding to the Cal Poly Master Plan EIR. The plan calls for the RTA and SLO Transit buses to no longer go through campus and instead have a campus shuttle service. He asked if the shuttles would be scheduled to meet up with bus services and if so would there be dispatchers for Cal Poly in order to communicate with RTA and SLO Transit. **Mr. Geoff Straw** stated that he will be working with SLO Transit and San Luis Obispo Public Works to coordinate the comments the response to the Master Plan. He believes it would be in the best interest of Cal Poly if both RTA and SLO Transit systems continue to be allowed to drive on campus.

### 3. Information Items:

#### A-1 Executive Director's Report

**Mr. Straw** stated the construction project officially broke ground on November 6, 2017 and the majority of the underground and surface work will be completed by the end of December. The modular building will not be available until March but can use the parking if we get asked to leave our current location. We are currently out to bid for design/build services to complete the Government Center passenger facility. Bids are due on December 18th. If the bids are higher than the amount authorized at the March 2017 Board meeting, we will bring it back to the Board in January for consideration.

We are currently recruiting for our next Bus Operator training class. We currently have three full-time and six part-time openings at the RTA and one part-time opening at SoCo Transit. Staff is conducting outreach to alert riders of the new RTA and Runabout fares that go into effect on December 31. Notices are posted in all buses, at all major bus stops, and on our website. Staff is currently analyzing responses to Customer Perception Surveys conducted in October on all services either directly operated or managed by the RTA. The results from the rider and employee surveys will be presented at the January Board meeting and will help build the strategic business plan update.

RTA core fixed-route ridership is down 5.3%. The greatest decline continues to be shown on Route 14, working with Cuesta College staff to figure out possible reasons. Runabout ridership is 7.7% lower than the total from the first four months of the previous year. He mentioned that we will be recognizing **Mr. Omar McPherson** at the Board meeting for his 10 year anniversary.

**Mr. Straw** concluded his report.

**Vice President Irons** asked if there is any way that the County could set up a temporary job trailer at the Paso Yard if we are forced out of the current locations. **Mr. Straw** stated that different options have been discussed if that were to happen but that we do not want to take on the cost of renting a trailer if it is not necessary.

**Mr. Pete Rodgers** asked if there will be a ribbon cutting ceremony for the new Paso Robles Yard. **Mr. Straw** stated no, it is not necessary for this project.

### 4. Action Items

#### B-1 Consider Fiscal Year 2017-18 Capital Budget Amendment #2

**Ms. Tania Arnold** stated this is an operating and capital budget amendment, neither require additional funding from the jurisdictions. The revenue changes are driven by the SB 1 funding that is coming into the region. Additional SB 1 funding is going to the RTA design and engineering of the garage facility on Elks Lane based on the revised amount approved by the SLOCOG Board

at the December 6, 2017 meeting. Based on equipment replacement plans, the SB1 funding for the County has been added to capital replacement reserves and will be used as part of the local match for a Nipomo Dial-A-Ride vehicle. For Paso Robles SB 1 Augmentation, based on equipment replacement plans, the funding has been added to capital replacement reserves and will be used as part of the local match for the Paso Express fixed route vehicle replacements. The remaining balance of RTA STA SB 1 funds has been added to capital replacement reserves for the recently placed an order for three low floor Gillig buses to be delivered in the summer of 2020.

She stated that operations and maintenance labor cost went up as a result of the increases to wages and benefits identified in the new CBA. As a result of current year fuel savings, budgeted fuel costs can be reduced by \$106,100 – which fully funds the increased CBA-based costs presented above. Additional SB1 funds are added for design and engineering work needed for the Elks Lane bus maintenance facility.

**Ms. Arnold** concluded her report.

**Mr. Greening** asked if there is excess money not needed for operations does it go to the Elks Lane Project. Is there any thought being given to the increase future cost of labor wages, and we planning ahead for funds available for that as well. **Mr. Straw** stated that in terms of the Elks Lane Project, we identify capital funds that are necessary for the project and do not take away funds from the operational side. The Board did adopt the CBA and have discussed the impacts over time of the wage increases and they know that we may require more TDA funding.

**Board Member O'Malley** moved approval of action item B-1 and seconded by **Vice President Irons**. The motion carried on a voice vote.

5. **Consent Agenda Items**

C-1 Executive Committee Meeting Minutes of October 11, 2017

**Vice President Irons** moved approval of consent agenda and seconded by **Board Member O'Malley**. The motion carried on a voice vote.


6. **Agenda Review:**

**Mr. Straw** reviewed RTA Board Agenda items for the January 3, 2018 meeting.

**Board Member O'Malley** asked for some clarification on the committee assignment details, primarily the property subcommittee assignments.

7. **Adjournment:** **President Compton** adjourned RTA Executive Committee meeting at 10:30 a.m.

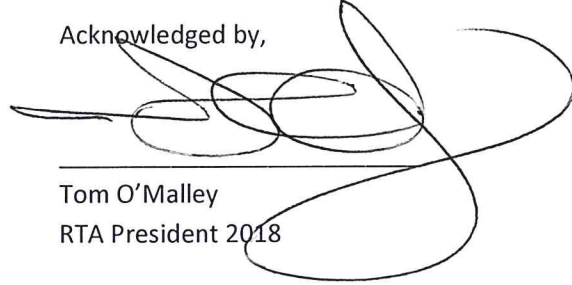
Respectfully Submitted,



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Shelby Walker  
Administrative Assistant

Acknowledged by,



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Tom O'Malley  
RTA President 2018

**DRAFT**  
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**MINUTES OF JANUARY 3, 2018**  
**C-2**

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**BOARD MEMBERS PRESENT:**

DEBBIE ARNOLD, FIFTH DISTRICT, COUNTY OF SAN LUIS OBISPO  
TIM BROWN, CITY OF ARROYO GRANDE  
LYNN COMPTON, FOURTH DISTRICT, COUNTY OF SAN LUIS OBISPO (Past President)  
BRUCE GIBSON, SECOND DISTRICT, COUNTY OF SAN LUIS OBISPO  
JOHN HEADDING, CITY OF MORRO BAY  
TOM O'MALLEY, CITY OF ATASCADERO (President)  
DAN RIVOIRE, CITY OF SAN LUIS OBISPO (Vice President)  
JOHN SHOALS, CITY OF GROVER BEACH  
FRED STRONG, CITY OF PASO ROBLES  
ED WAAGE, CITY OF PISMO BEACH

**BOARD MEMBERS ABSENT:**

ADAM HILL, THIRD DISTRICT, COUNTY OF SAN LUIS OBISPO  
JOHN PESCHONG, FIRST DISTRICT, COUNTY OF SAN LUIS OBISPO

**STAFF PRESENT:**

GEOFF STRAW, EXECUTIVE DIRECTOR  
TANIA ARNOLD, CFO & DIRECTOR OF ADMINISTRATION  
SHELBY WALKER, ADMINISTRATIVE ASSISTANT  
TIM MCNULTY, SAN LUIS OBISPO COUNTY COUNSEL  
MARY GARDNER, MARKETING & COMMUNITY RELATIONS MANAGER  
PHIL MOORES, OPERATIONS MANAGER  
OMAR MCPHERSON, GRANTS MANAGER

**CALL TO ORDER AND ROLL CALL:** President Lynn Compton called the Joint SLOCOG and RTA meeting to order at 8:30 a.m. A roll call was taken and a quorum was present.

**SLOCOG AND RTA BOARD ADMINISTRATIVE ITEMS:**

**a. Welcome New Board Member:** The SLOCOG and RTA Board welcomed new Board Member City of Morro Bay Council Member John Headding.

**Public Comments:** None

**b. ELECTION OF OFFICERS: President Compton:** called for nominations for President and Vice President.

**For President: Board Action on a voice vote: Board Member Debbie Arnold** moved to nominate **Board Member Tom O'Malley** for President. **Board Member Fred Strong** seconded, and the motion carried unanimously.

**For Vice President: Board Action on a voice vote: Board Member O'Malley** moved to nominate **Board Member Dan Rivoire** for Vice President. **Board Member Arnold** seconded, and the motion carried unanimously.

**c. EXECUTIVE COMMITTEE ASSIGNMENT:**

**Board Action on a voice vote: Board Member Strong** moved to appoint **President O'Malley, Vice President Rivoire,** and **Past President Compton** as the 2018 Executive Committee. **Board Member Brown** seconded, and the motion passed unanimously.

**d. PRESENTATION:** Plaque of Appreciation to Outgoing **President Lynn Compton** was presented by the RTA and SLOCOG staff as well as fellow Board members.

**ADJOURN TO RTA BOARD MEETING: President Compton** adjourned the Joint meeting to RTA Board meeting at 8:38 a.m., a roll call was taken and a quorum was present.

**Public Comments: Mr. Greening,** Atascadero, thanked **President Compton** for her service as the President and serving on the Executive Committee. He thanked **Mr. Omar McPherson** for his years of service and for finding the resources for RTA. He stated that he appreciated the correspondence that **Mr. Straw** sent in relative to the Cal Poly Master Plan. He let the Board know that they have until January 8<sup>th</sup> to get their responses in. The Cal Poly Master Plan claims that they will be having their own on-campus shuttle system and will be stopping public transit from going through campus and only having the transit systems meeting on the edge of campus. There has been no evidence of the operational cost of the plan. The plan does not state whether these shuttles will have the dispatchers to coordinate with the transit systems and help transfer riders.

**A. INFORMATION AGENDA:**

**A-1 Executive Director's Report: Mr. Straw** stated that he would first like to thank Past President Compton for being a leader on both the RTA and SoCo Transit Boards. He continued by stating the construction project officially broke ground on November 6, 2017 and the majority of the underground and surface work will be completed in the next couple of weeks. The Mitigated Negative Declaration determination report adopted on September 14, 2016 requires mitigations monitoring updates to the RTA Board throughout the construction phase, and annually thereafter for five years. Staff from the Wallace Group is assisting RTA with on-going mitigations monitoring. The contractor has adhered to or is adhering to all construction-related mitigations.

Staff mistakenly eliminated Route 14 service to the main Cuesta College campus on Tuesday December 19th and the morning of Wednesday December 20<sup>th</sup>, which is during Finals Week. We mistakenly believed classes were over, and ceased Route 14 service. When management became aware of this oversight, we restored service on Wednesday afternoon, sent an apology letter to campus leaders and committed the agency to communicate better with campus officials about these vital service decisions.

Unfortunately, no proposals were submitted for the Government Center improvements. Staff is conducting follow-up interview with firms that expressed interest. We are currently recruiting for our next Bus Operator training class, which will begin on January 22<sup>nd</sup>. The RTA and SCT will conduct a combined Employee of the Quarter and Launch Party on January 21<sup>st</sup>, and all Board members are welcome to join us. Please contact me to RSVP.

The new RTA and Runabout fares that went into effect on December 31. Notices were posted in all buses, at all major bus stops, and on our website; letters were also mailed to all Runabout riders that have ridden within the past six months. The only issue that has come up has been with the RTA/SoCo Transit 7-Day pass and the price difference between the two systems. Staff is working with SLOCOG officials to submit Federal funding plans for incorporation into the region's Transportation Improvement Program. If repeal of SB1 funding gains momentum and it is ultimately repealed, the RTA and other transit programs in the county will need to rely upon greater proportions of TDA funds as well as possible financing of critical bus replacement and facility construction needs.

The California Air Resources Board formally published the draft Innovative Clean Transit regulation in late December, a new proposal that would compel the purchase of zero-emission buses. Because we operate fewer than 100 buses, the RTA would not be subject to the initial 2020 mandate that 25% of new bus procurements would be zero-emission. However, the next phase in 2022 would require 50% of new bus procurements at transit agencies with more than 30 buses be zero emission, followed by the third phase in 2026 requiring 75% of all new bus purchases must be zero-emission, and the 2029 requirement at 100% of all new bus purchases. This aggressive plan would have a profound impact on the RTA, both in the terms of the capital infrastructure costs associated with electrifying our fleet and possible operating impacts due to limited range of current battery electric bus technologies. We will continue to work with our partners at the California Transit Association and CalACT to ensure the ARB understands our grave concerns about this unfunded mandate.

Staff has finalized the maintenance facility design and engineering request for proposal document, and is currently finalizing the grant documents. We expect to begin advertising the procurement in early March.

In terms of overall non-capital expenses, we are slightly below budget – 39.6% through 41.7% of the fiscal year. RTA core fixed-route ridership declined by 6.1% in comparison to last year. Staff recently discovered an error in how boardings were calculated and reported for Route 14 in FY16-17, and we might need to revise the year-end report that was presented at the September Board meeting. We are currently working with our Automatic Passenger Counting system vendor, and will provide an update at the March 2018 meeting. Runabout ridership totaled is 10.4% lower than the total from the first four

months of the previous year. Staff has done a good job stemming the unsustainable increases in Runabout ridership experienced over the past several years. He mentioned that page A-1-7 shows the numbers in detail.

Lastly, **Mr. Straw** mentioned that with the Triennial Performance Audit there was a recommendation for SoCo Transit to consolidate with RTA. Working with the city managers and the County on the efforts of the consolidation. There would be an amendment to the JPA and a subcommittee would be put in place for SoCo Transit.

**Past President Compton** opened Board and public comment.

**Mr. Greening**, Atascadero, thanked **Mr. Straw** for a great report. He asked why there were no bids on the Government Center improvement projects and what can be done to make the project more appealing to bidders. He also stated that relative to the Cal Poly Master Plan, he is hoping that the cost of a possible large transit stop area will not be put on RTA or SLO Transit. **Mr. Straw** stated that he has shared his draft response with **Mr. Greening** and San Luis Obispo City officials, hoping to address some concerns about redundancy in services provided. We also want to make sure those with disabilities are able to get on the campus with ease.

**Board Member Strong** asked if we are not getting bids for the projects due to the recent fires and tragedies in the state. **Mr. Straw** stated that we will be going over the reasoning there was no bids in item B-3.

**Past President Compton** closed Board and public comment.

**A-2** Certificate of Recognition: 10 Years of Service- Omar McPherson: **Mr. Straw** stated he would like to thank **Mr. McPherson** for all his hard work over the past ten years. Not only does he find funds for projects but he is also a great mentor to others.

**Past President Compton** opened Board and public comment.

**Past President Compton** closed Board and public comment.

**A-3** Presentation of Customer Perception Survey: Prior to the staff report, **Mr. Greening** asked if the senior ridership is up substantially and if it is due to the travel training. **Mr. Straw** stated that he was not sure but that we can take a look into the data and see. He continued by stating on-board surveyors distributed and collected RTA, SoCo Transit, and Paso Express fixed-route rider surveys. Drivers distributed and collected the surveys on Runabout and Nipomo Dial-A-Ride services. An employee survey, which includes responses from both the RTA and SoCo Transit workforces, since some employees work at both agencies. The number of fixed-route rider responses for this survey effort was far greater than that achieved in our first rider survey completed in 2013.

The primary purposes of the 2017 RTA Customer Perception survey effort are to collect updated information and compare to survey results from previous perception surveys, to compare to Strategic Business Plan standards, and inform possible changes to the next SBP.



Some similar results for the RTA and Paso Express fixed-route rider surveys of 2013 and 2017 were most riders use the fixed-route services for round-trips and many have been riding for more than a year or daily. The major differences between the 2013 and 2017 results were that there was an increase in use by female riders, young and senior riders. Conversely, the proportion of those aged 18 to 64 is declining – especially those aged 18 to 25. Also, an increasing number stated without transit, they would not make a trip or would have to ask a friend or family member.

He stated that there was a number of important Runabout rider survey takeaways even though there was about 30 responses. A large majority of Runabout riders were traveling roundtrip, which is higher than fixed-route. More than half reported that they would not make the trip in the absence of Runabout. Medical and work were the top purposes for people using the services. 80% of trip fares were paid using a Punch Pass. Almost two-thirds of riders are over 65 years and female. More than two-thirds use a mobility device. The cost to ride was ranked the lowest according to the riders.

He continued by discussing the employee survey results, which represent the combined RTA and SoCo Transit workforces. The proportion of survey respondents among the various position titles is representative of this combined workforce. He stated that almost 1/3 of the employees use transit services, this could include their family members. We are pleased that courtesy and safety continues to rank as the highest focal areas of the employees. However, cleanliness of buses and stops ranked the lowest and is in stark contrast to riders' overall perceptions. There were several comments about the wages and benefits being too low.

Common improvement requests were for more frequent service, later evening service, and expanded service on weekends. Other requests include Wi-Fi on the buses, better links with SoCo Transit and SLO Transit routes, better service at Cuesta College, and ways to address behavior issues at bus stops and on the buses. The full report is available on the RTA website.

**Mr. Straw** concluded his report.

**Past President Compton** opened Board and public comment.

**Past President Compton** closed Board and public comment.

**A-4** RTA Strategic Business Plan Revision: **Mr. Straw** that a copy of the Strategic Business Plan (SBP) has been provided in the Board packet as well as a redline copy. He stated that the Short Range Transit Plan set the base of what we can achieve and the SBP sets the goals and objectives of how we will achieve the vision. The SBP provides focus for staff when developing budgets and other plans. He asked the Board members share with their City Councils and senior staff and provide comments back to him by mid-February. If approved by the Board in March 2018, staff will use the goals and objectives to move the organization forward, and results will be provided at RTA Board Meetings. Some of the primary changes for the 2018-20 SBP is that it recognizes challenges of funding our planned capital projects, recognizes the technical and social pressures of a changing transportation landscape, and parses service standards at a more granular level for each service type.

**Mr. Straw** concluded his report.

**Past President Compton** opened Board and public comment.

**Mr. Greening**, Atascadero, stated that in terms of on time performance, one metric that should be used is if the connections are made both with other transit systems and with other RTA routes.

**Board Member Strong** stated that autonomous cars are a possible concern in the long term and asked are we looking into that. **Mr. Straw** stated that the liability landscape will change with autonomous vehicles. The liability would be more on the manufacturer than on the operator. It is something that will be keeping a close eye on this.

**Board Member Brown** asked if it would change the liability pool. **Mr. Straw** stated that the majority would go to the manufacturer rather than us.

**Past President Compton** closed Board and public comment.

**B. ACTION AGENDA:**

**B-1** Consider Fiscal Year 2017-18 Operating and Capital Budget Amendment #2: **Ms. Tania Arnold** stated the budget adjustments results in no financial impact on the jurisdictions. There are some revenue changes mainly having to do with the addition of STA SB1 funding. STA SB1 funding of \$364,830 will be used for the RTA design and engineering of the garage facility on Elks Lane. The remaining balance of STA SB 1 funds have been added to capital replacement reserves. STA SB1 funding for SLOCAT and Paso Robles has been added to capital replacement reserves and will be used as part of the local match vehicle replacement.

There are also a few expenditure changes. As a result of the increases to wages and benefits identified in the new CBA, labor cost for operations and maintenance has increased. The fuel savings of current year helped reduce cost by \$106,100, which fully funds the increased CBA-based costs. Additional SB1 funds are added for design and engineering work needed for the Elks Lane bus maintenance facility.

**Ms. Arnold** concluded her report.

**Past President Compton** opened Board and public comment.

**Past President Compton** closed Board and public comment.

**Board Member Strong** moved to approve the Agenda Item B-1. **Board Member O'Malley** seconded, and the motion carried on a roll call vote.

**B-2** Annual Fiscal & Compliance Audit for Fiscal Year 2016-17: **Ms. Arnold** stated that each year RTA has a number of audits. This year we had a normal fiscal audit and a single audit. Initial field work began in April and May where they review the books and then they come back in August to review again. In the Board packets there is a copy of the independent auditors report on basic financial statements, single audit, management letter, and TDA compliance letter.

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. Moss Levy, and Hartzheim LLP issued unmodified opinion on basic financial statements.

She stated that staff recommends that the Board review and accept the Fiscal Year 2016-17 Annual Fiscal and Compliance Audit report and the Fiscal Year 2016-17 Annual Single Audit report.

**Ms. Arnold** concluded her report.

**Past President Compton** opened Board and public comment.

**Past President Compton** closed Board and public comment.

The Board agreed to accept and file the Fiscal Year 2016-17 Annual Fiscal and Compliance Audit report and the Fiscal Year 2016-17 Annual Single Audit report.

**B-3** Consider Capital Project Amendments to Complete Gov't Ctr. Improvements: **Mr. Straw** stated staff bid out Design, Engineering and Construction Services, and no bids were received by the deadline of December 18, 2017. We consulted with the Wallace Group for input on whether the project budget was inadequate, and what other factors might have contributed to the lack of vendor response. We also reached out to vendors that initially expressed an interest in the design/build contract. The feedback is that the budget was insufficient for a project that includes a design component, installation of underground utility conduits, in addition to laying pavers, tree replacement, landscape work, and installation of the passenger amenities. Their preliminary estimate was that \$40,000 would be a more appropriate budget for design, \$10,000 for permitting, and between \$80,000 and \$100,000 for construction.

We believe that this is a vital project, since it appears that the long-term Consolidated Downtown Transit Center project will not move forward as originally envisioned. Staff has identified savings from the Paso Robles Bus Parking Yard project and the balance in FTA 5339 for this project. There is no new financial impact to the jurisdictions. He stated staff requests the Board's authorization to procure Design/Engineering Services and Construction Services, at a combined cost not to exceed \$150,000.

**Past President Compton** opened Board and public comment.

**Board Member Strong** thanked RTA staff for the creative budgeting for this project.

**Mr. Greening**, Atascadero, asked if the Executive Committee will have a role for this project. **Mr. Straw** stated they do not have a role for this project.

**Past President Compton** closed Board and public comment.

**Broad Member Strong** moved to approve the Agenda Item B-3. **Board Member John Shoals** seconded, and the motion carried on a voice vote.

**C. CONSENT AGENDA:**

- C-1 Executive Committee Meeting Minutes of October 11, 2017 (Information)
- C-2 RTA Board Meeting Minutes of November 1, 2017 (Approve)
- C-3 Resolution Authorizing Executive Director to Execution of FTA Annual Certifications and Assurances (Approve)
- C-4 Resolution Authorizing Executive Director to Submit Application for FTA Section 5307, 5339 and CMAQ Funds (Approve)
- C-5 Resolution Authorizing Executive Director to Submit Application for Rural Transit Funds (Approve)
- C-6 Local Government Agency Fleet Card Program (Approve)

**Broad Member Shoals** moved to approve the Consent Agenda. **Board Member Strong** seconded, and the motion carried on a roll call vote.

**BOARD MEMBER COMMENTS:**

**ADJOURN TO SLOCOG BOARD MEETING:** Past President Compton adjourned the RTA meeting to SLOCOG Board meeting at 9:35 a.m.

**CLOSED SESSION:**

- D-1 It is the intention of the Board to meet in closed session concerning the following item:  
Executive Director Performance Evaluation (Govt. Code Section 54957)

**Went into closed session at 9:59 a.m.**

**Came back to open session at 10:08 a.m.**

**Mr. Tim McNulty stated there was nothing to report out of closed session.**

**ADJOURNMENT:** Past President Compton adjourned RTA meeting at 10:08 a.m.

Respectfully Submitted,

Shelby Walker

RTA Administrative Assistant

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**MARCH 7, 2018**

**STAFF REPORT**

**AGENDA ITEM:** C-3

**TOPIC:** State of California SB-1 SGR Grant Program

**ACTION:** Approve

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

**STAFF RECOMMENDATION:**

- a) Approve RTA FY 2017/18 State of Good Repair (SGR) Project List and Adopt Governing Body Resolution (Attachment A)
- b) Approve Geoff Straw as Executive Director SGR Authorized Agents (Attachment B)
- c) Adopt RTA Resolution Authorizing for the Execution of the Certifications and Assurances for the SGR Program (Attachment C)

**Background:**

**State of Good Repair Program (SGR)** – SB-1 is a historic transportation measure that will provide over \$50 billion in the next decade to maintain and improve California’s transportation system. The SGR Program will provide approximately \$105 million annually to transit operators in California for eligible transit maintenance, rehabilitation and capital projects. The SGR Program will benefit the public by providing public transportation agencies with a consistent and dependable revenue source to invest in the upgrade, repair and improvement of their agency’s transportation infrastructure, and in turn improve transportation services.

The SGR is funded from a portion of a new Transportation Improvement Fee (TIF) on vehicles registrations due on or after January 1, 2018. A portion of this fee will be transferred to the SCO for the SGR Program. In collaboration with the SCO, the California Department of Transportation (Department) is tasked with the management and administration of the SGR Program. These funds will be allocated under the State Transit Assistance (STA) Program formula to eligible agencies pursuant to Public Utilities Code (PUC) section 99312.1. Half is allocated according to population and half according to transit operator revenues.

San Luis Obispo Council of Government program the total amount (**\$397,338**) SB-1 SGR funding (includes operators portions) to the regions toward the New RTA Bus Maintenance Facility and RTA the operator (PUC 99314) amount of \$15,283.

The contributing agency must list the project on their own SGR project list indicating the sub-recipient. Funds can only be allocated from the SCO to the contributing agency’s designated transportation planning agency. The local agency must make their own arrangements for sub-allocation of funds to the alternate agency. The Department is not responsible for tracking funding agreements (borrowing, loaning, delegating, relinquishing funds, etc.) between the contributing and sub-recipient agencies. A pass-through arrangement to a sub-recipient does not relieve the contributing agency of its responsibilities to carry out the terms and conditions of the SGR Program. The contributing agency is responsible for ensuring the project is completed

as described on the project list and in compliance with all items in the Certifications and Assurances document.

Pursuant to Public Utilities Code 99312.1(d)(1) prior to receiving an apportionment of the SGR monies from the SCO in a given fiscal year, a potential recipient must submit a project list proposed to be funded with SGR funds. The initial SGR Program project list must be submitted to the Department by January 31, 2018 for an agency to be eligible to receive FY 17/18 SGR funding. The Department will provide the SCO a list of all agencies that have submitted the required information and are eligible to receive an apportionment of funds. If a potential recipient misses the January 31, 2018 submittal, or submits incomplete information, it may submit a compliant list by April 19, 2018 to be eligible for allocation in the following quarter. The SCO will allocate all the revenue in the first quarter only to those potential recipients that have submitted timely and complete information. Each recipient agency is required to annually report on all activities completed with those funds to the Department. Each agency also must include the SGR revenues and expenditures in their annual Transportation Development Act (TDA) Audit. In subsequent years, a project list will be due to the Department on September 1<sup>st</sup> each year. The content and format of the SGR project list is as follows:

- A signed cover letter on agency letterhead, with original signature authorizing and approving the list of projects for funding.
- A signed and dated board resolution authorizing the list of projects for SGR funding commitment, or a copy of a publicly adopted document listing the applicable projects such as the Short Range Transit Plan (SRTP).
- A proposed list of projects to utilize at a minimum the estimated amount of funding available to the agency for the upcoming fiscal year. The potential recipient may include project information for future fiscal years but are expected to update the project list as needed each fiscal year and submit each year to the Department. This list must include the following information:
  1. Project Title
  2. Proposed Project Description (Scope of Work)
  3. Proposed Project Schedule (Start to Completion)
  4. Project Location
  5. Estimated Project Cost by Fiscal Year
  6. Estimated Useful Life of the Improvement
  7. Description of Projected Benefit Outcome
  8. Additional Project information required on the Project List template.
- Reporting on projects or service funded by the SB-1 Allocation pursuant to Public Utilities Code Section 99312.1(a).

Each potential recipient must also submit the following two documents to the Department prior to receiving their first allocation. This is a one-time requirement. However, a re-submittal of an amended Authorized Agent form is required once a local agency has a personnel change.

- 1) **Authorized Agent Form** – The executive authority of the potential recipient must submit a signed and dated Authorized Agent Form identifying the agent who has the authority to act on behalf of the Agency.
- 2) **Certifications and Assurances** – Each potential recipient must submit a signed, dated, and Board Approved Certifications and Assurances document.

**ATTACHMENT A**  
**Resolution No. 18-\_\_\_\_\_**

**AUTHORIZATION FOR THE SAN LUIS OBISPO REGIONAL TRANSIT  
AUTHORITY (RTA) PROJECT LIST FOR THE FY 2017/18 CALIFORNIA STATE OF  
GOOD REPAIR (SGR) PROGRAM**

**WHEREAS**, the San Luis Obispo Regional Transit Authority, hereinafter referred to as RTA, is a recipient of SB-1 SGR funds in the San Luis Obispo region; and

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

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

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

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

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

**NOW, THEREFORE, BE IT RESOLVED** that RTA acting as the recipient, does hereby authorize the FY 2017/18 RTA SGR Project List to include the New San Luis Obispo Regional Transit Authority (RTA) Bus Maintenance Facility.

On a motion by Delegate \_\_\_\_\_, seconded by Delegate \_\_\_\_\_, and on the following roll call vote, to wit: the foregoing resolution is hereby adopted this 7<sup>th</sup> day of March 2018.

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINING:**

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Tom O'Malley, RTA Board President

**ATTEST:**

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Geoff Straw, Executive Director

**APPROVED AS TO FORM AND LEGAL EFFECT:**

---

Timothy McNulty, RTA Legal Counsel

Date: \_\_\_\_\_



**Attachment B  
Authorized Agent**

The following individual(s) are hereby authorized to execute for and on behalf of the named Regional Entity/Transit Operator, and to take any actions necessary for the purpose of obtaining State Transit Assistance State of Good Repair funds provided by the California Department of Transportation, Division of Rail and Mass Transportation. This form is valid at the beginning of Fiscal Year 2017-2018 until the end of the State of Good Repair Program. If there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself.

Geoff Straw Executive Director  
\_\_\_\_\_  
*OR*  
(Name and Title of Authorized Agent)

\_\_\_\_\_  
*OR*  
(Name and Title of Authorized Agent)

\_\_\_\_\_  
(Name and Title of Authorized Agent)

*AS THE* Board Chair  
\_\_\_\_\_  
(Chief Executive Officer / Director / President / Secretary)

*OF THE* San Luis Obispo Regional Transit Authority  
\_\_\_\_\_  
(Name of County/City Organization)

Tom O'Malley                                  RTA Board President  
(Print Name)    (Title)

\_\_\_\_\_  
(Signature)

Approved this 7<sup>th</sup> day of March, 2018

FY 17-18 SB-1 STA State of Good Repair

# State Transit Assistance State of Good Repair Program

## Recipient Certifications and Assurances

**Recipient:** SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA) .

**Effective Date:** March 7, 2018 .

In order to receive State of Good Repair Program (SGR) funds from the California Department of Transportation (Department), recipients must agree to following terms and conditions:

### **A. General**

- (1) The recipient agrees to abide by the State of Good Repair Guidelines as may be updated from time to time.
- (2) The potential recipient must submit to the Department a State of Good Repair Program Project List annually, listing all projects proposed to be funded by the SGR program. The project list should include the estimated SGR share assigned to each project along with the total estimated cost of each project..
- (3) The recipient must submit a signed Authorized Agent form designating the representative who can submit documents on behalf of the recipient and a copy of the board resolution authorizing the agent.

### **B. Project Administration**

- (1) The recipient certifies that required environmental documentation will be completed prior to expending SGR funds. The recipient assures that each project approved for SGR funding comply with Public Resources Code § 21100 and § 21150.
- (2) The recipient certifies that SGR funds will be used for transit purposes and SGR funded projects will be completed and remain in operation for the estimated useful lives of the assets or improvements.
- (3) The recipient certifies that it has the legal, financial, and technical capacity to deliver the projects, including the safety and security aspects of each project.
- (4) The recipient certifies that there is no pending litigation, dispute, or negative audit findings related to any SGR project at the time an SGR project is submitted in the annual list.

- (5) Recipient agrees to notify the Department immediately if litigation is filed or disputes arise after submission of the annual project list and to notify the Department of any negative audit findings related to any project using SGR funds.
- (6) The recipient must maintain satisfactory continuing control over the use of project equipment and/or facilities and will adequately maintain project equipment and/or facilities for the estimated useful life of each project.
- (7) Any and all interest the recipient earns on SGR funds must be reported to the Department and may only be used on approved SGR projects or returned to the Department.
- (8) The recipient must notify the Department of any proposed changes to an approved project list by submitting an amended project list.
- (9) Funds will be expended in a timely manner.

### **C. Reporting**

- (1) Per Public Utilities Code § 99312.1 (e) and (f), the recipient must submit the following SGR reports:
  - a. Annual Expenditure Reports within six months of the close of the fiscal year (by December 31<sup>st</sup>) of each year.
  - b. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of SGR funds. A copy of the audit report must be submitted to the Department within six months of the close of each fiscal year in which SGR funds have been received or expended.

### **D. Cost Principles**

- (1) The recipient agrees to comply with Title 2 of the Code of Federal Regulations Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
- (2) The recipient agrees, and will assure that its contractors and subcontractors will be obligated to agree, that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual project cost items and (b) those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

- (3) Any project cost for which the recipient has received payment that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, are subject to repayment by the recipient to the State of California (State). Should the recipient fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the recipient from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.

#### **E. Record Retention**

- (1) The recipient agrees, and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the recipient, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All accounting records and other supporting papers of the recipient, its contractors and subcontractors connected with SGR funding shall be maintained for a minimum of three (3) years from the date of final payment and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the recipient, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the recipient pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the recipient's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.
- (2) For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of the recipient's contracts with third parties pursuant to Government Code § 8546.7, the recipient, its contractors and subcontractors and the Department shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the recipient shall furnish copies thereof if requested.
- (3) The recipient, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other

pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

**F. Special Situations**

- (1) Recipient acknowledges that if a project list is not submitted timely, the recipient forfeits its apportionment for that fiscal year.
- (2) Recipients with delinquent expenditure reports may risk future eligibility for future SGR funding.
- (3) Recipient acknowledges that the Department shall have the right to perform an audit and/or request detailed project information of the recipient's SGR funded projects at the Department's discretion from SGR award through 3 years after the completion and final billing of any SGR funded project.. Recipient agrees to provide any requested project information.

I certify all of these conditions will be met.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA)**

**BY:** \_\_\_\_\_  
Tom O'Malley, RTA Board President

**ATTEST:**

\_\_\_\_\_  
Geoff Straw, Executive Director

**APPROVED AS TO FORM AND LEGAL EFFECT:**

\_\_\_\_\_  
Timothy McNulty, RTA Legal Counsel

Date: \_\_\_\_\_

**ATTACHMENT C**

**RESOLUTION 18-**

**AUTHORIZATION FOR THE EXECUTION OF THE CERTIFICATIONS AND ASSURANCES FOR THE CALIFORNIA STATE OF GOOD REPAIR PROGRAM**

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

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

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

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

**WHEREAS**, the San Luis Obispo Regional Transit Authority (RTA) wishes to delegate authorization to execute these documents and any amendments thereto to the Executive Director, Geoff Straw

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the San Luis Obispo Regional Transit Authority (RTA) that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all SGR funded transit projects.

**NOW THEREFORE, BE IT FURTHER RESOLVED** that the Executive Director, Geoff Straw be authorized to execute all required documents of the SGR program and any Amendments thereto with the California Department of Transportation.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY (RTA)**

**BY:** \_\_\_\_\_  
Tom O'Malley, RTA Board President

**ATTEST:**  
\_\_\_\_\_  
Geoff Straw, Executive Director

**APPROVED AS TO FORM AND LEGAL EFFECT:**  
\_\_\_\_\_  
Timothy McNulty, RTA Legal Counsel

Date: \_\_\_\_\_

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**March 7 2018**

**STAFF REPORT**

**AGENDA ITEM:** C-4

**TOPIC:** Updated Policy and Procedures for Public Comment Regarding Fare or Service Changes

**ACTION:** Approve

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

**STAFF RECOMMENDATION:** Approve the Updated Document

**BACKGROUND/DISCUSSION:**

The current *Procedures for Public Comment Regarding Fare or Service Changes* was adopted by the RTA Board in September 2010. Since that time staff has expanded and refined the procedures for soliciting public comment, including use of the LCD screens that were installed in the fixed route buses in 2016.

For context, staff has provided both the proposed new policy document, as well as a copy of the 2010 version.

**Staff Recommendation:**

Staff recommends that the Board approve the new *RTA Policy and Procedures For Public Comment Regarding Fare Or Service Changes* policy document.

# POLICY AND PROCEDURES FOR PUBLIC COMMENT REGARDING FARE OR SERVICE CHANGES

ORIGINALLY ADOPTED: September 8, 2012  
REVISION DATE: \_\_\_\_\_

The San Luis Obispo Regional Transit Authority (RTA) recognizes the importance of considering public input prior to implementing changes to fares and/or service levels. The RTA hereby establishes procedures through which public input shall be solicited and considered. These procedures comply with Federal Transit Administration (FTA) regulations for federally supported transit projects. The RTA transit system is supported in part through funds available through the FTA.

Staff would begin the process of proposing changes by working with City Manager(s) and/or County Public Works officials in affected jurisdictions to identify problems, to develop alternatives, and to ultimately determine the optimal solution(s). This is particularly important in cases where fixed route buses would travel along corridors not currently served or where bus stop changes are being proposed.

The RTA requires solicitation of public comment for the following types of fare or major service changes:

**Fare Changes:** Any fare increase or decrease is considered a major change and requires solicitation and consideration of public comments.

**Fixed Route Service Changes:** A change in fixed route transit service is considered a major change if any of the following pertain to the change:

Major Service Restructuring or Realignment: Significant restructuring or realignment of service would include changes to routes that affect at least 25% of the existing route mileage, or relocation or elimination of the existing timed transfer points. Installation of a new bus stop or elimination of existing bus stop is not considered a major service restructuring or realignment.

Major Service Reduction: A major service reduction includes an increase in service headways, decrease in daily operating hours or span of service, or reduction in service days.

**ADA Paratransit (Runabout) Service Changes:** A change in Runabout service is considered a major change if any of the following pertain to the change:

Service Reduction: A major service reduction is defined as any reduction in span of service (operating hours), reduction in days on which service is available, or reduction in the area served by Runabout.



Service Availability: A major change in service availability is defined as the introduction of revised eligibility criteria for access to the service or introduction of significant changes in procedures for service participation (e.g., introduction of a more rigorous application process).

In all cases defined above, the RTA shall adhere to the following procedures to solicit public input:

- Begin the process of proposing changes by working with City Manager(s) and/or County Public Works officials in affected jurisdictions to determine the optimal solution(s). This is particularly important in cases where fixed route buses would travel along corridors not currently served or where bus stop changes are being proposed.
- Schedule informational meetings to solicit public comment at the Transit Centers during busy boarding times (preferable to busy departure times) and talk to fixed route riders. Staff will include informational materials available for take-away if relevant.
- Inform fixed route riders about upcoming changes on LCD screens on-board the buses, on social media and company website, as well as at top (30) bus stops with email and phone options for feedback. Where appropriate staff will include an online survey for more guided questions and opportunities for analysis.
- Post announcements on fixed route buses and Runabout vans in both English and Spanish.
- Inform group ticket purchasers of changes via phone discussions, including Department of Social Services, school district offices, senior centers, Chamber of Commerce.
- Inform other transit agencies (Morro Bay, SLO Transit, Atascadero, SMAT).
- Schedule a public hearing by the RTA Board of Directors.
- Publish an advertisement in a newspaper or print addition with general local distribution (SLO Tribune, New Times) announcing the public hearing no less than five (5) days prior to the date of the meeting .
- Post announcements of the public hearing in all RTA fixed route or Runabout vehicles at least five (5) days prior to the date of the meeting.
- Present proposed changes at City Councils in affected areas of the County. Present at the County Board of Supervisors as applicable.

- Send letter to Runabout riders who used the service in the previous six months if the change would affect these riders.
- If a fare change is proposed, staff would include information on the “Purchase Passes” section of the RTA webpage.
- Receive and document comments via telephone, email, US mail, text or delivered in person.
- Report in summary format all information received in the public comment process to the RTA Board of Directors as part of the hearing process.

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## **San Luis Obispo Regional Transit Authority (RTA) Procedures for Public Comment Regarding Fare or Service Changes to RTA**

Effective September 8, 2010, the RTA hereby establishes procedures through which public input shall be obtained regarding transit fare or service changes. These procedures comply with Federal Transit Administration (FTA) regulations for federally supported transit projects. The RTA transit system is supported in part through funds available through the FTA.

The RTA requires solicitation of public comment for the following service changes:

**Fare Changes:** Any fare increase or decrease is considered a major change and requires solicitation of public comment.

**Fixed Route Service Changes:** A change in fixed route transit service is considered a major change if any of the following pertain to the change:

Service Restructuring, Realignment, Expansion, and Reduction: Significant restructuring, reduction or realignment of service would include changes to routes that affect at least 25% of the existing route mileage, or relocation or elimination of the existing timed transfer points. Stop elimination is not considered a major service reduction. "Major Service reduction" is defined as an increase (emphasis added) in service headways, decrease in operating hours or span of service, reduction in service days, or significant restructuring or realignment of service.

**ADA Paratransit (Runabout) Service Changes:** A change in Runabout service is considered a major change if any of the following pertain to the change:

Service Reduction: Major Service reduction is defined as a reduction in span of service (operating hours), reduction in days on which service is available or reduction in the area served by Runabout.

Service Availability: A major change in service availability is defined as the introduction of revised eligibility criteria for access to the service or introduction of significant changes in procedures for service participation (e.g. introduction of an application process).

In all cases defined above, the RTA shall adhere to the following procedures:

- Schedule meetings to solicit public comment at convenient public locations across the county.
- Publish an advertisement in a newspaper or print addition with general local distribution (SLO Tribune, New Times or Tolosa Press) announcing the public meeting no less than five (5) days prior to the date of the meeting.
- Post announcements of any public meetings in all RTA fixed route and Runabout vehicles at least five (5) days prior to the date of the meeting.
- Post announcements in both English and Spanish.
- Mail service change announcements and public meeting notices to specific groups including but not limited to: Department of Social Services, school district offices, senior centers, Chamber of Commerce.
- Schedule a public hearing by the RTA Board of Directors.
- Publish an advertisement in a newspaper or print addition with general local distribution (SLO Tribune, New Times or Tolosa Press) announcing the public meeting no less than five (5) days prior to the date of the meeting
- Post announcements of the public hearing in all RTA fixed route and Runabout vehicles at least five (5) days prior to the date of the meeting.
- Receive and document comments via telephone, email, US mail, or fax or delivered in person.
- Report in summary format all information received in the public comment process to the RTA Board of Directors as part of the hearing process.

08/4/2010



**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**March 7, 2018**

**STAFF REPORT**

**AGENDA ITEM:** C-5

**TOPIC:** Revised Strategic Business Plan

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

**STAFF RECOMMENDATION:** Approve

**BACKGROUND/DISCUSSION:**

The Board adopted the current RTA 2015-2017 Strategic Business Plan (SBP) in July 2014. That guiding document was developed following adoption of the 2010 Short Range Transit Plan (SRTP), building upon the goals and objectives developed in the SRTP. For measurement purposes, the SRTP sets the base of what the RTA believes it can achieve and the Strategic Business Plan sets the goal of what RTA strives to achieve.

To ensure that the SBP remains a living document, staff incorporated recommendations in the recent SRTP (adopted July 2016) and the TDA Triennial Performance Audit report into the RTA 2018-2020 SBP provided today to help our agency remain focused.

The initial draft 2018-20 SBP was presented to the Board in January for comment. Staff also shared the final draft SBP document with staff members at each jurisdiction, and no requests for changes were submitted. Staff will use the new RTA 2018-20 SBP goals and objectives to move the organization forward, and results will be provided at RTA Board Meetings.

**Staff recommendation:** Approve the RTA 2018-2020 Strategic Business Plan.

# SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

## 2018-2020 STRATEGIC BUSINESS PLAN

### Executive Summary

This RTA 2018-20 Strategic Business Plan is an update to the previous Plans adopted by the RTA Board of Directors in October 2008, October 2011 and July 2014. This updated three-year Plan incorporates both new and revised standards. It is anticipated that this Plan will be reviewed and revised again (as necessary) in mid-2020 to reflect changing conditions.

### Background

In October 2008, the RTA Board, RTA staff, SLOCOG staff and members of the public met in a daylong workshop to craft the elements of the first RTA Strategic Business Plan. The enduring major components of the Plan are the RTA Vision Statement, Mission Statement, Vision Elements, and Strategic Direction. Staff uses the measurable Standard of Excellence in the Plan to help guide the organization toward meeting long-term goals and objectives. The goals and objectives are premised on the following components:

### **Vision Statement**

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 the multi-faceted communities in the South County, residents and visitors will use public transportation rather than relying solely on their cars.

### **Mission Statement**

The Mission of 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.

### **Vision Elements**

1. Continue successful partnerships with cities and the county, other public agencies, businesses and schools.
2. Provide excellent, reliable, sustainable and seamless service that is effective in getting residents and visitors where they want to travel.
3. Secure reliable funding.
4. Sustain and continue to improve the Intelligent Transportation Systems (ITS) program to improve service quality and provide efficiencies.
5. Develop a well-executed image-building campaign with a single face for public transportation.



## **Strategic Direction**

1. Stabilize and grow funding.
2. Continue to improve service quality: On-time performance, scheduling and routing, customer amenities on our vehicles and at our bus stops, and operating procedures.
3. Consolidate and streamline operations to improve efficiency and effectiveness of public transportation throughout the county.
4. Include public transportation as part of the lifestyle evolution needed to confront climate change.
5. Reduce Vehicle Miles Traveled in private automobiles.
6. Embrace technological improvements that will positively impact efficiency and quality of service.

## **Long-Term Goals**

1. Provide market-driven services that meet the needs of the communities that we serve but that will also attract and retain discretionary riders.
2. Provide transportation services that are safe, reliable, economical and accessible in an efficient manner with innovative management practices and technological advancements.
3. Lead and participate in the analysis of the integration of the various transit systems throughout the county to ensure that customers are provided seamless transit alternatives and services that attract discretionary riders from every community that RTA serves.
4. Promote the value of RTA and public transportation to the quality of life in San Luis Obispo County, the environmental rewards of utilizing public transportation and the reduction of vehicle miles traveled.

## Objectives to Meet Long-Term Goals

- 1.1 Link population centers and major traffic generators with destinations in the region.
- 1.2 Coordinate service with all public transportation operators and services.
  
- 2.1 Provide safe public transportation.
- 2.2 Provide reliable public transportation.
- 2.3 Provide effective public transportation.
- 2.4 Provide efficient public transportation.
- 2.5 Provide comfortable public transportation.
  
- 3.1 Achieve a high level of customer satisfaction.
- 3.3 Provide service that is supported by market demand.
- 3.3 Manage service in a cost-effective manner.
- 3.4 Deploy technology effectively and efficiently.
  
- 4.1 Provide accountability and transparency.
- 4.2 Increase use and support of public transportation in San Luis Obispo County.
- 4.3 Implement an annual marketing plan.
- 4.4 Use public funding efficiently in meeting public transportation needs of communities that RTA serves.
- 4.5 Educate community and business leaders and the public on the value of RTA services.

## Business Conditions and Opportunities

Similar to the experience of most other public transit agencies across the nation, the RTA and its partner agencies have experienced ridership declines since our peak in FY14-15. Some of this decline can be attributed to an improving economy that allows some riders to occasionally or even entirely replace transit usage with private automobile travel. Other factors include relatively low fuel prices over the past few years, as well as “disruptive” and high-technology alternatives such as Uber and Lyft that offer travelers real-time – albeit more costly – personalized transportation. Current RTA fixed-route ridership now equals that of FY11-12, while Runabout ridership has thankfully settled to more financially feasible levels after several years of unprecedented annual growth.

California Transportation Develop Act (TDA) revenues have largely recovered after the steep declines encountered during the Great Recession, which has resulted in increased net revenues for jurisdictions for transit and non-transit uses. Once the newly enacted Senate Bill 1 (SB1) funds begin to flow, it will essentially replace the capital funds formerly provided under Proposition 1B. However, the SB1 funds could conceivably be eliminated through an initiative that could go before California voters in November 2018. If SB1 funds are eliminated, the RTA and other transit programs in the county would need to rely more heavily on TDA funds, which

would reduce the funds left over for use by jurisdictions to pay for roadway repairs. SB1 also provided an uptick in Cap and Trade funds, so that funding increase is also in jeopardy.

Discretionary Federal Transit Administration (FTA) capital funds that have previously been used to replace buses and construct needed facilities have dried up, and there is not a replacement funding source being seriously discussed at the national level. In short, the RTA's ability to rely upon large infusions of discretionary capital funds in the future is uncertain at best. This might result in the RTA needing to finance such large-ticket items as a long-term operations/maintenance facility and/or the replacement of buses.

## **Business Direction for 2018 and Beyond**

1. Focus on cost effectiveness and living with our resources, and by undertaking efforts to secure sustainable operating and capital revenues.
2. Seek and implement innovative opportunities to improve service for our customers within current resources.
3. Be a leader among transit systems in developing and implementing environmentally friendly transit service and sustainable business practices.
4. Work with South County Transit and the County to develop a Joint Short Range Transit Plan that covers both local fixed-route services in the Five Cities Area and demand response services in Nipomo.
5. Begin the engineering and design phase for a long-term operations/maintenance facility. Secure grant funding and other financing to construct the facility prior to the end of our lease for our current facility (February 2022).
6. Plan and prepare for the future growth of the system and respond to technological, social and other pressures to remain a competitive and highly valued transportation alternative.

## **Focused 2018-20 Strategic Business Plan Goals and Objectives**

**Goal 1: Increase Ridership** – Increase ridership through improved system design by attracting discretionary customers and improving sub-regional transit alternatives.

### **Objectives**

1. Implement sub-regional service alternatives recommendations from the 2016 RTA Short Range Transit Plan, the SLOCOG Regional Transportation Plan and other technical studies completed in each sub-region in the County.

2. Continue to analyze data to improve service efficiencies and effectiveness.
3. Complete a biannual Community Perception Survey to address current and potential customer needs.
4. Improve customer communications and information about RTA services.
5. Continue to explore alternative transit modes using emerging technologies to address underperforming and rural needs.
6. Achieve RTA Key Performance Indicators (KPIs) to improve existing service (On Time Performance, Customer Comments, Service Interruptions, Vehicle Collision Rate, etc.).
7. Evaluate route scheduling to maximize the convenience of transfers between the various transit systems in the region. In addition, consider consistent region-wide designation of routes and equivalent fares by service type.

**Goal 2: Key Performance Indicators** – Expand the development and use of our KPIs to enhance system performance, employee performance, and improve service quality to our customers.

#### **Objectives**

1. Meet or exceed KPIs that include the following Standards Categories: Service Quality and Efficiency, Resources and Revenue, Safety, Human Resources, Fleet and Facilities, Leadership.
2. With policy guidance from the RTA Board, the Executive Director with input from throughout the organization shall focus resources as necessary to meet the standards as detailed in this document. These efforts will be communicated to everyone in the organization who will have a lead role in achieving each standard, and these efforts will be reported as part of the bi-monthly updates to the RTA Board of Directors.

**Goal 3: Innovation** – Explore innovative opportunities to improve our service for our customers and potential customers.

#### **Objectives**

1. Continue to look for ways to enhance decision-making processes using RTA's Intelligent Transportation System (ITS) Program in conjunction with other jurisdictions.
2. Identify and secure funding to sustain and expand the ITS Program.
3. Ensure that persons with disabilities have adequate mobility.

## 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 (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.

*Measurement:* Objective.

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

**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.

**Standard 3:** “On-time” is defined as no later than six minutes from any timepoint 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:

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

*Measurement:* Objective.

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

**Standard 4:** The On-Time Performance 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.

**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.

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

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

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

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

**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.

**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.

**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.

**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.

**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.

**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.

**Standard 3:** Preventable workers compensation lost-time claims will not exceed 6 annually, and preventable medical-only claims will not exceed 5 annually.

*Measurement:* Objective.

- All work comp claims shall be duly investigated and immediately reported by Finance and Administration to our carrier.

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

*Measurement:* Objective.

- As measured in biannual Community Perception Survey.

**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.

**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.

**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.

**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.

**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.

**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.

**Standard 2:** Road calls will not exceed 5 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.

**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.

**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.

**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.

**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.

**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.

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

*Measure:* Subjective.

- To be evaluated by Executive Director.

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

*Measurement:* Subjective.

- To be evaluated by Executive Director and RTA Board.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**March 7, 2018**

**STAFF REPORT**

**AGENDA ITEM:** C-6

**TOPIC:** Resolution of Support for SB 1 Solutions for Congested Corridors Grant Applications

**ACTION:** Approve

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

**STAFF RECOMMENDATION:** Approved the Resolution of Support for SB 1 Solutions for Congested Corridors Grant Applications

**BACKGROUND/DISCUSSION:**

On February 7, 2018, the San Luis Obispo Council of Governments (SLOCOG) Board authorized the submittal of two applications to the California Transportation Commission's (CTC) Solutions for Congested Corridors Program (SCCP), which was created by Senate Bill 1 (SB-1), the *Road Repair and Accountability Act of 2017*. This allow the region to leverage SLOCOG's RTIP funding and further advance improvements and investments within the region's priority corridors. The two application include proposals for service enhancement and the related capital needs in order to fulfil those service enhancements, which would be provided by the RTA.

**RECOMMENDATION:**

Staff recommends the Board approve the resolution of Support for the SB-1 Solutions for Congested Corridors Grant Application for the US-101 San Luis Obispo Multimodal Corridor Program and the SR 46 Urban Area Multimodal Corridor Program.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
RESOLUTION NO. 18-\_\_\_\_**

**RESOLUTION OF SUPPORT FOR SB 1 SOLUTIONS FOR CONGESTED CORRIDORS GRANT  
APPLICATIONS FOR THE US 101-SAN LUIS OBISPO MULTIMODAL CORRIDOR PROGRAM  
AND THE SR 46 URBAN AREA MULTI MODAL CORRIDOR PROGRAM**

**WHEREAS**, the San Luis Obispo Regional Transit Authority (RTA) is a Joint Powers Authority (JPA) in San Luis Obispo County that operates bus service connecting cities throughout San Luis Obispo County (and beyond), including Arroyo Grande, Atascadero, Grover Beach, Morro Bay, Paso Robles, Pismo Beach, San Luis Obispo, Santa Maria, and other cities; and

**WHEREAS**, on February 7, 2018, the San Luis Obispo Council of Governments (SLOCOG) Board authorized the submittal of two applications to the California Transportation Commission's (CTC) Solutions for Congested Corridors Program (SCCP), which was created by Senate Bill (SB) 1 (Beall), the Road Repair and Accountability Act of 2017, to leverage SLOCOG's RTIP funding and further advance improvements and investments within the region's priority corridors; and

**WHEREAS**, under the SSCP, the CTC allocates \$250 million annually to projects "designed to reduce congestion in highly traveled and highly congested corridors through performance improvements that balance transportation improvements, community impacts, and that provide environmental benefits" (as stated in the program guidelines); and

**WHEREAS**, the applications, titled the US 101-San Luis Obispo Multimodal Corridor Program (101 SLO MCP) and the SR 46 Urban Area Multimodal Corridor Program (46 MCP), respectively, were submitted by the February 16, 2018, application deadline; and

**WHEREAS**, each of the applications has a critical regional transit component to reduce congestion; the 101 SLO MCP includes bus acquisition to expand fleet capacity and allow for increased Route 10 peak hour service, as well as the implementation of transit signal priority (TSP) capability along the Route 10, and the 46 MCP includes bus acquisition related to Route 9 peak hour service enhancements; and

**WHEREAS**, SLOCOG staff worked closely with RTA staff to prepare the two applications; and

**WHEREAS**, US Highway 101 in the Pismo Beach area is the most heavily-traveled road segment in San Luis Obispo County, has more daily traffic than any US 101 segment between Prunedale and Goleta, regularly experiences a degraded traffic level of service, especially southbound in the evening peak hour, and has low travel time reliability during congested periods; and

**WHEREAS**, State Route 227 between Price Canyon Road and the City of San Luis Obispo, an alternate commute route to US 101, also experiences recurring peak hour congestion; and

**WHEREAS**, the SR 46 Corridor between US 101 and Jardine Rd is in need of increased safety and system efficiency, including better connectivity in all direction that separates local, regional, and interregional traffic, while promoting multi-modal movement options and ensuring the efficient movement of goods.

**NOW THEREFORE, BE IT RESOLVED**, the RTA Board supports the US 101-San Luis Obispo Multimodal Corridor Program and the SR 46 Urban Area Multimodal Corridor Program applications. The Board emphasizes the importance of expanded public transportation as a tool for reducing congestion in heavily traveled and highly congested corridors by providing more multimodal travel choices, replacing single-occupancy vehicle (SOV) trips with transit trips during peak periods, and reducing vehicle miles traveled (VMT).

**BE IT FURTHER RESOLVED** that the Executive Director is authorized to transmit a letter of support for the applications to the CTC.

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

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINING:**

The foregoing resolution is hereby passed and adopted by the San Luis Obispo Regional Transit Authority of San Luis Obispo County, State of California, at a regular meeting of said Board of Directors held on the 7<sup>th</sup> day of March 2018.

\_\_\_\_\_  
Tom O'Malley  
President of the RTA Board of Directors

ATTEST:

\_\_\_\_\_  
Geoff Straw  
RTA Executive Director

APPROVED AS TO FORM AND LEGAL EFFECT:

Timothy McNulty  
County Counsel

By: \_\_\_\_\_  
RTA Legal Counsel

Dated: \_\_\_\_\_



**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**March 7, 2018**

**STAFF REPORT**

**AGENDA ITEM:** C-7

**TOPIC:** Memorandum of Agreement for Tire Leasing

**ACTION:** Approve

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

**STAFF RECOMMENDATION:** Authorize Executive Director to execute Memorandum of Agreement with Goodyear for leasing tires

**BACKGROUND/DISCUSSION:**

RTA currently purchases tires for use on the large fixed route vehicles. Staff reviewed the purchasing history and identified potential savings by transitioning to a leased tire agreement for those vehicles. Staff completed a bid process and received three quotes with Goodyear being the lowest cost responsible bidder.

**RECOMMENDATION:**

Staff recommends the Board authorize the Executive Director to execute the Memorandum of Agreement with Goodyear for leasing tires.

MEMORANDUM OF AGREEMENT

MEMORANDUM OF AGREEMENT (this “Agreement”) effective March 1, 2018, by and between SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, of SAN LUIS OBISPO, CALIFORNIA (“RTA”), operating both the RTA and South County Transit (“SoCal Transit”) and THE GOODYEAR TIRE & RUBBER COMPANY, a corporation of Akron, Ohio (“Goodyear”).

1. GENERAL TERMS AND CONDITIONS

Goodyear will furnish RTA tires for use on vehicles under the terms and conditions set forth below; however, RTA may use tires in its possession, not furnished by Goodyear under any similar mileage contract previously in effect, until such tires are unfit for further service.

A tire means a casing only for a tubeless tire; and a vehicle means any vehicle of seven or more passenger carrying capacity, designed for operation on pneumatic tires and used publicly for the transportation of passengers.

Tires furnished shall be in sufficient quantity to keep all vehicles fully equipped and to provide a reserve supply, at a maximum level determined by Goodyear, as spare stock inventory to be mounted on rims and kept in RTA's garage for use in case of emergency. To assure its effective use, existing spare stock shall be applied prior to application of new inventory.

RTA agrees to use exclusively tires furnished by Goodyear; however, RTA may use up to 5% of its fleet, for test purposes, on tires of other manufacturers. RTA will not transfer, sublet, or lend the tires furnished by Goodyear, or permit the tires to be used by anyone other than RTA, without the prior written consent of Goodyear.

2. MILEAGE REPORTS AND TIRE RECORDS

RTA shall keep an accurate record of the total number of miles run during the term and submit a report of such total mileage on each vehicle prior to the 10th day of the month following the month the miles were run.

Vehicle mileage shall be determined either by means of an instrument that will accurately record mileage being run on each vehicle, or by multiplying the number of trips of each vehicle by the number of miles over the route it is driven and adding all miscellaneous mileage that may be run to and from the routes, such as in testing vehicles and instructing drivers.

If the latter method is used, RTA shall furnish Goodyear a schedule of the established routes covered by its vehicles and shall advise Goodyear of any changes, additions, or deletions in



710-1a

such routes. Goodyear shall have access to such recording instruments and/or mileage records at all times.

On a weekly basis, RTA will provide to Goodyear all information on receipt of tires, tire changes, and vehicle and/or spare stock tire inventory to enable Goodyear to maintain a record of individual tire mileage and tire location.

3. PAYMENT

RTA shall pay Goodyear for the mileage run on tires furnished during the month immediately preceding, and for any tires invoiced in accordance with Articles 11 and 15, at the effective rate per tire mile for vehicles as shown in the attached *Exhibit A*. Billing terms on invoices shall be net 30 days. A separate rate and value shall apply to any other make/model vehicles not shown on *Exhibit A* placed in operation during the term of this Agreement or one requiring a different size and/or construction type of tire. RTA agrees to supply a financial statement to Goodyear on an annual basis at RTA's fiscal year end.

4. ADDITIONAL VEHICLES

If RTA acquires new vehicles, RTA agrees to: (1) acquire such vehicles less tires, (2) give Goodyear ample notice of such acquisition, and (3) have such vehicles equipped with Goodyear tires of sufficient carrying capacity to conform to the approved standards of The Tire & Rim Association of America, Inc. Upon Goodyear's delivery of the tires to the OE Manufacturer, refurbisher, or other outside source designated by RTA, RTA agrees to assume responsibility for such consigned tires in accordance with all terms of this Agreement. If such vehicles equipped with Goodyear's tires are driven overland during delivery, Goodyear shall receive payment at the usage rate specified in accordance with Articles 3, 11 and 12.

5. TITLE TO TIRES AND LIENS ON VEHICLES

Title to all tires and/or equipment furnished shall remain with Goodyear or its assignees and, upon purchase by RTA in accordance with Article 15, shall continue to remain with Goodyear until Goodyear has received full payment of all sums owed by RTA under the terms of this Agreement. RTA will indemnify and hold Goodyear harmless against any claim on Goodyear's tires made by any holder of a lien on any vehicles on which RTA uses such tires. RTA will keep Goodyear advised of such liens, giving Goodyear any and all information that Goodyear may request.

If, for any reason, any of the tires or equipment furnished to RTA by Goodyear pursuant to this Agreement is determined to be property of RTA, notwithstanding the provisions of this Article 5 or otherwise in this Agreement, RTA shall be deemed to have hereby granted, and hereby does grant to Goodyear a security interest in all such tires and equipment furnished by

710-1a

Goodyear to RTA, wherever located, whether now or hereafter acquired, and all proceeds and products thereof, to secure the repayment of all of RTA's indebtedness to Goodyear, whether now existing or hereafter arising, without regard to the form of such indebtedness, whether on open account, promissory note, or otherwise, and to secure the performance by RTA of its obligations to Goodyear pursuant to this Agreement. The security interests granted herein may include, but shall not be limited to, a purchase money security interest securing obligations incurred to purchase the tires or equipment from Goodyear, or any obligations substituted therefore.

6. POSSESSION AND CANCELLATION

Should RTA breach the terms of this Agreement through non-payment, non-payment on total amount due at termination, impaired credit standing, assignment for the benefit of creditors, failure to report miles operated in accordance with Article 2, or erroneous reporting of miles run, or is placed in receivership or adjudicated bankrupt, then, under any of the above conditions, Goodyear shall have the right, at its option, without prejudice to any other rights and remedies, to stop shipping tires, take possession of inventory whether or not the inventory is applied on vehicles without being deemed guilty of trespass, and bill RTA for all costs of removing tires and/or terminate this Agreement in accordance with Article 15.

Should Goodyear exercise any of these options, Goodyear shall be relieved from any further obligation under this Agreement; however, this shall not relieve RTA from its obligation to pay for the use of the tires furnished or from its liability for all damages caused by such breach. RTA specifically agrees to be responsible for and pay any and all attorney fees, court costs and other expenses incurred by Goodyear in collecting amounts owed by RTA or in enforcing any other right under this Agreement.

None of the following constitutes a waiver by Goodyear of any rights or remedies arising from this Agreement: (a) any failure or delay in exercising any right, remedy, power, or privilege or in enforcing any condition or provision under this Agreement; or (b) any act, omission, or course of dealing between the parties. Any waiver authorized by Goodyear on one occasion with respect to any provision of this Agreement is effective only in that instance and shall not constitute a general waiver of that provision nor shall it be deemed a waiver of any other provision.

Notwithstanding any provision to the contrary contained herein, Goodyear may terminate this Agreement for any other reason ninety (90) days after providing RTA written notice thereof.

7. TAXES

In addition to the effective mileage rate, RTA shall pay Goodyear an amount to compensate for the current Manufacturers' Excise Tax under the U.S. Revenue Act of 1932, as amended, and for any business, sales, excise, use, processing or similar tax imposed upon the goods

leased or sold, or service rendered, or upon the manufacture, sale, delivery or disposal, or whenever any tax, excise, levy, law, or governmental regulation shall have the effect directly or indirectly of increasing the cost of manufacture, sale, delivery or disposal of such goods or service. RTA will furnish tax exemption certificates and will be exempt from all taxes covered. RTA will be responsible for all property taxes on the tires, making any required listing for taxation in its own name as Bailee.

8. INDEMNIFICATION

Goodyear shall indemnify, defend and hold harmless, the RTA, SoCo Transit, and all of their officers, directors, employees, agents and contractors from and against any and all claims (including attorneys' fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, damage to or loss of use of property caused by (1) the acts, omissions or willful misconduct by Goodyear, or any of its officers, directors, employees, agents, subcontractors or suppliers in connection with or arising out of the performance of this Agreement; (2) a breach by Goodyear of any of the terms of this Agreement, including all exhibits and documents incorporated herein; or (3) a violation of any applicable federal, state or local law, rule, regulation or ordinance by Goodyear. The provisions of this Article 8 shall survive any termination or expiration of this Agreement. In no event will Goodyear be liable to RTA, SoCo Transit, or any of their officers, directors, employees, agents and contractors for any incidental or consequential damages.

9. CONTINGENCIES

Goodyear shall be excused from deliveries or delay in deliveries if such failure to deliver or delay shall be caused by war, acts of terrorism, strikes, lockouts or other labor disturbances, fires, interruptions of transportation facilities, accidents, inability to obtain merchandise, shortage of energy source or raw material, or other similar causes beyond Goodyear's control. This Agreement is subject to applicable restrictions imposed by any Federal agency or by any other governmental authority.

10. SERVICE

RTA agrees to apply to, remove from, and remount on rims or wheels tires furnished and to perform all other tire service, including regrooving and repair of flat tires, as required by Goodyear to keep them in proper operating condition. Goodyear will provide necessary repair materials and valve hardware. RTA will install and maintain in its garage suitable facilities for the inflation of tires and will keep said tires inflated to conform to the approved standards of The Tire & Rim Association of America, Inc.

RTA will determine at all times when tires are to be removed from vehicles. Goodyear shall make the determination as to the fitness for return to service of a particular tire or tires;

710-1a

however, RTA shall not be obliged to use tires which, because of their condition, interfere unreasonably with the use and operation of vehicles. All tires determined by Goodyear to be permanently unfit for further service shall be returned to Goodyear promptly by the RTA.

11. USE, CARE AND STORAGE OF TIRES

RTA agrees to provide a safe and suitable place in an enclosed building for storage of spare tires and tires unfit for further service so that such tires are not subject to damage by the elements; to either keep each bus equipped with at least one properly inflated spare tire or provide adequate road service for its fleet; and to pay Goodyear for any damage or loss resulting from accident, fire, adverse mechanical conditions, improper or negligent use, loss, theft, or fraudulent conversion of said tires, or from the operation of a vehicle with an underinflated or flat tire. For the purpose of determining the amount of any damage or loss under this Article 11, the value of tires shall be determined by subtracting from the Base Average Mileage of

<b>Fixed Base Mileage Non-Recapped</b>	<b>Fixed Base Mileage Recapped</b>	<b>Rate Group</b>	<b>Tire Sizes(s)</b>
60000	N/A	A	B305/85R22.5

the mileage run by the particular tire prior to such damage or loss, and multiplying the difference, representing unused mileage on the tire, by the tire rate in effect.

12. SALE OR DISPOSITION OF VEHICLES

If RTA sells or in any manner disposes of any vehicles which shall have been equipped with tires supplied under this Agreement, or if RTA places tires in storage or renders a vehicle inactive through discontinuance of its business or discontinuance of the use of any such tires or vehicles for a period exceeding ninety (90) days, RTA shall provide Goodyear prompt notice thereof and Goodyear shall have the option to: (a) require RTA to remove tires from inactive vehicles or spare stock inventory and reapply on active wheel positions, or (b) require RTA to purchase the unused mileage in each such tire, including spares and/or obsolete spare stock, at prices to be computed as set forth in Article 11, plus any applicable taxes.

13. LEASED VEHICLES

RTA represents/warrants that it owns outright or has legal possession of all vehicles comprising the fleet operated by it. If RTA acquires the right to operate any vehicles not owned by it ("Leased Vehicles"), RTA agrees (a) to notify Goodyear of details of such arrangement, (b) that all Leased Vehicles will be furnished to RTA by the owner without tires so that they may be equipped with tires furnished by Goodyear under this Agreement, and (c) to obtain an agreement acceptable to and for the benefit of Goodyear whereby owner acknowledges Goodyear's ownership/right to possession of all tires supplied by it and waives

710-1a

all rights by virtue of their use on Leased Vehicles or otherwise. Should RTA surrender or otherwise lose possession of any of the Leased Vehicles equipped with tires supplied by Goodyear, RTA shall purchase each tire (including spares) in accordance with Article 12. The term "Leased Vehicles" shall not apply to any vehicle rented or borrowed for temporary use for a period not to exceed 120 days.

14. RATES AND ADJUSTMENT

On all mileage run on and after March 1st, 2018, and prior to March 1st, 2019, the rate(s) per tire mile shall be as follows:

\$	Rate Group	Tire Size
0.006436	A	B305/85R22.5

Such rates shall be referred to as the Effective Rate (s).

On March 1st, 2019 and on the first day of each March thereafter during the term of this Agreement the effective mileage rate shall be increased 4% to determine the new effective mileage rate during the next ensuing twelve (12) month period.

15. TERM OF AGREEMENT AND DISPOSITION OF TIRES AT TERMINATION

This Agreement shall become effective on the 1st day of March, 2018, and terminate on the 28th day of February, 2021; subject, however, to automatic renewal for additional twelve (12) month periods, unless thirty (30) days prior to commencement of any such twelve (12) month period either party notifies the other in writing of their decision to terminate this Agreement. At such termination date, unless the parties enter into a new mileage agreement to become immediately effective, RTA will, within 30 days after submission of statement by Goodyear, pay for the unused mileage in each remaining consigned tire at prices to be computed by determining the higher of either (a) the Base Average Mileage as set forth in Article 11, or (b) the Actual Average Mileage of tires permanently removed from service during the twelve (12) month period immediately preceding accounting date, plus any applicable taxes.

Title to all tires shall remain with Goodyear until all such statements and billings have been paid in full, at which time RTA will acquire each such used tire as is, and Goodyear makes no warranties as to the condition or fitness for continued use of such tires.

16. RUN-OUT OPTION

Notwithstanding any provision to the contrary contained herein, Goodyear hereby grants to RTA the following option.

- (a) Upon the expiration of the term, as extended and amended, and only in the event RTA wishes to change supplier, RTA has the right to further extend this Agreement and continue to use all tires furnished by Goodyear in RTA's possession on the expiration date for a period of thirty-six (36) month from said expiration date.
- (b) All terms, conditions and provisions of this Agreement, as previously amended and extended, shall remain in full force and effect during said thirty-six (36) month period, except that Goodyear shall be relieved of any requirement to furnish RTA with tires, repair material, equipment, or tire service during said thirty-six (36) month period unless requested by RTA and agreed to by Goodyear.
- (c) The rate or rates per tire mile in effect during such thirty-six (36) month period shall be the rate or rates in effect immediately preceding the commencement date of such thirty-six (36) month period.
- (d) It is understood that RTA shall continuously use such tires insofar as practicable on its highest mileage runs until such tires are rendered permanently unfit for service during said thirty-six (36) month period.
- (e) Upon expiration of said thirty-six (36) month period, RTA shall pay for any unused mileage remaining in such tires at the rate set forth in paragraph (c) above. RTA will acquire each such used tire as is, and Goodyear makes no warranties as to the condition or fitness for continued use of such tires. The amount of the unused mileage shall be determined as set forth in Article 15 of this Agreement.
- (f) The option granted herein is exercisable upon thirty (30) calendar day prior written notice to the expiration date of the term, as extended and amended. It is the RTA's responsibility to provide written notification to Goodyear per Article 21 of this Agreement.

17. MODIFICATION OF AGREEMENT

This Agreement cannot be altered, modified or assigned in any respect unless by written consent of both parties or by special written document signed by both parties in like manner.

18. UNIFORM COMMERCIAL CODE FINANCING STATEMENTS

RTA specifically and expressly authorizes Goodyear to prepare, sign, and record or file such financing statements and/or other documents, or take any other action, it may deem necessary

710-1a

prudent to perfect or protect its rights as owner of the furnished tires and equipment, and its security interests in the furnished tires and equipment, as set forth in this Agreement.

19. ACCESS TO DOCUMENTS AND INFORMATION

All access to documents and information hereunder will be reasonable access. RTA will use reasonable efforts to preserve the confidentiality of documents and information submitted hereunder to the extent permitted by applicable law.

20. MISCELLANEOUS

The terms and provisions set forth in Exhibit B and Exhibit C are hereby incorporated in this Agreement by reference and made a part hereof. If any provision hereof is held to be illegal or invalid, the validity of the remaining portions of the Agreement shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be illegal or invalid. The terms and conditions of this Agreement shall be construed under and governed by the laws of the State of California without giving effect to the principles of conflict of laws thereof. Any action to enforce any of the terms and provisions of this Agreement shall be filed in state court in San Luis Obispo County, California or in federal court in Los Angeles, California.

21. NOTICE

Unless otherwise provided in this Agreement, all notices relating to this Agreement shall be in writing and shall be personally delivered or sent by registered or certified mail, overnight courier, electronic mail (at such email addresses as a party may designate in accordance herewith), or telefacsimile, in each case to the respective address set forth below:

If to Goodyear:   The Goodyear Tire & Rubber Company  
                          ATTN: Manager Business Operations  
                          200 Innovation Way D/710  
                          Akron, OH 44316-0001

If to RTA:           SLO Regional Transit Authority  
                          ATTN: Carrie Hall, Accounting Tech – Maintenance  
                          179 Cross Street  
                          San Luis Obispo, CA 93401

Any party may change the address at which they are to receive notices hereunder by notice in writing in the foregoing manner given to the other party.

The undersigned parties have caused this Agreement to be signed in duplicate.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

BY \_\_\_\_\_

PRINTED NAME \_\_\_\_\_

TITLE \_\_\_\_\_

THE GOODYEAR TIRE & RUBBER COMPANY

BY \_\_\_\_\_

Walter L. Welker  
Manager Business Operations  
Mileage Sales, Lease & Service



## EXHIBIT A

SCHEDULE OF VEHICLES

<b>Rate Group</b>	<b>Number of Vehicles</b>	<b>Make of Vehicle</b>	<b>Model</b>	<b>Tire Size</b>	<b>Number of Wheels</b>
A	10	GILLIG	PHANTOM	B305/85R22.5	Six
	19	GILLIG	LOW FLOOR	B305/85R22.5	Six

## EXHIBIT B

### **The Goodyear Tire & Rubber Company Standard Rider for Mileage Contracts**

*The following rider contains standard terms and conditions that The Goodyear Tire & Rubber Company (Goodyear) requires in all mileage contracts and must be incorporated into the terms and provisions of the Contract that governs the relationship between Goodyear and the entity soliciting the bid (RTA). It is in addition to more specific revisions which may be necessary upon review of the bid package, and in the event of any conflict, the terms hereof shall prevail.*

Notwithstanding anything to the contrary set forth in the Contract or bid specifications:

1. References in this Contract to Goodyear's compliance with laws, rules or regulations shall be deemed to refer to Goodyear's compliance with applicable laws, rules or regulations in connection with Goodyear's performance of this Contract, and nothing herein expands the scope of such laws, rules or regulations.
2. References to in this Contract to indemnifiable fees and expenses shall be deemed to refer to reasonable fees and expenses. Indemnification requirements set forth herein shall not include indemnification for RTA's own acts or omissions. Neither party will be liable for any special, exemplary, consequential, indirect, incidental, punitive or non-economic damages hereunder.
3. To the extent continued performance by RTA is subject to funding availability, RTA will promptly terminate in the event of funding unavailability and will, upon termination, pay for all unused mileage in the relevant tires, and take title to such tires, "as-is".
4. This Contract will be granted, and may be terminated, in whole and not in part.
5. Goodyear's obligations as to tax exemptions are subject to RTA providing Goodyear with proper exemption certificates.
6. If laws, changes in vehicles, governmental regulations or requirements or other causes beyond Goodyear's reasonable control, including additions or deletions made by RTA, require any change in applicable materials, performance or methods that reduce the mileage available from the tires covered by this Contract or that increase Goodyear's cost of performance under, or the time required for performance of, this Contract, RTA agrees that Goodyear shall be given reasonable prior written notice thereof (including in respect of any requirement not set forth herein) and that an equitable adjustment shall be made to the terms hereof, including, without limitation, the rates specified hereunder.
7. Any delivery of tires to original equipment manufacturers from which RTA purchases any new vehicles covered hereby shall be limited to deliveries in the United States and Canada.
8. Disclosures of documents or information hereunder are subject to Goodyear's standard confidentiality policy (attached).
9. The parties agree that, because this Contract is not a construction contract, the Davis-Bacon and Copeland Acts, and related rules and regulations, do not apply. Requirements relating to equal opportunity notices shall be deemed to be satisfied by notices substantially similar thereto and/or in compliance with applicable federal requirements.
10. Applicable requirements relating to transportation by sea or air shall apply where those methods of transportation or shipment are used by Goodyear for tires identified to this Contract.
11. The parties agree that the purpose of this Contract is not to finance the development of a product or information.
12. No termination will affect RTA's responsibility for obligations incurred hereunder (a) through the date of termination (including payment for services provided through the effective time of termination) or (b) of a nature that would survive termination.
13. Goodyear may, in connection with any services provided hereunder, use RTA's on-site punch clocks.
14. If any liquidated damages are payable hereunder, (a) Goodyear's performance and liability are subject to applicable force majeure, contingency or like limitations, (b) such damages will not be assessed after this Contract has been substantially completed, (c) such damages will be in lieu of actual damages and (d) such damages will not be assessed after reprocurement has been or should have been effected by RTA, reprocurement to be effected promptly by RTA.

THE GOODYEAR TIRE & RUBBER COMPANY  
MILEAGE SALES  
CONFIDENTIALITY POLICY

(REFERENCED IN RIDER 8 PREVIOUS PAGE)

Confidential Information is information in Goodyear's possession that is not generally available to the public. Confidential Information may include, by way of example, without limitation, data, photographs, plans, reports, specifications and pricing information. The party receiving any such Confidential Information shall exercise care to prevent the disclosure of Confidential Information to any third party, using the same standards of care which it employs with its own confidential information of similar character. Said party shall limit internal dissemination of Confidential Information within its own organization to individuals whose duties justify the need to know such information, and then only provided there is a clear understanding by such individuals of their obligation to maintain the confidential status of such information and to restrict its use solely to the purpose specified herein. The party receiving such Confidential Information shall be under no obligation with respect to any Confidential Information: (a) which is, at the time of disclosure, available to the general public; or (b) which becomes at a later date available to the general public through no fault of the receiving party and then only after such date; or (c) which receiving party can demonstrate was in its possession before receipt; or (d) which is disclosed to receiving party without restriction on disclosure by a third party who has the lawful right to disclose such information. Information shall not be deemed to be available to the general public for the purposes of the above exceptions (i) merely because it is embraced by more general information in the prior possession of receiving party or of others, or (ii) merely because it is expressed in public literature in general terms not specifically in accordance with the Confidential Information. Goodyear does not disclose information subject to obligations of confidence to third parties, nor does it disclose privileged information, or, as to a contract, information not reasonably related thereto. Goodyear permits site access only upon reasonable notice, during normal business hours and subject to Goodyear's site access policies.

Notwithstanding anything to the contrary, no party is relieved from the applicable requirements of the California Public Records Act.

## EXHIBIT C

### Use of No Value Tires or Scrap Tires for Disposing or Storage of Buses

1. Goodyear will furnish “No-Value Tires” to RTA (upon availability basis) for the sole and exclusive purpose of equipping RTA's obsolete or out-of-service vehicles. It is understood that a “No-Value Tire” means any tire furnished under the Agreement which has been determined by Goodyear to be permanently unfit for further service under the Agreement. Each “No-Value Tire” furnished under this Agreement shall be listed on the document entitled **710-15 Mileage Tire Disposition** and shall reflect the tire as **“uncut-60”**, under casing disposition. It is also understood that obsolete or out-of-service vehicle means any vehicle furnished with tires under the Agreement which has been determined by RTA to be unfit for further service under the Agreement and which will not, under any circumstances, be used on any public road or highway or on any public property of any kind and will not be used to transport any person.
2. In consideration of the accommodation and benefit given RTA, RTA agrees to use the “No-Value Tires” furnished for the sole and exclusive purpose of equipping RTA's obsolete or out-of-service vehicles and further agrees to insure that such “No-Value Tires” are properly disposed of if and when they are removed from such obsolete or out-of service vehicles.
  - a. RTA will acquire each “No-Value Tire” as is, and Goodyear makes no warranties as to the condition or fitness for continued use of such tire. RTA further agrees to assume all liability for use of, possession of, or disposal of any “No-Value Tires” furnished hereunder.
  - b. RTA agrees not to file or assert against Goodyear any claim, action or cause of action for loss, liability or damage arising out of RTA's use of, possession of, or disposal of “No-Value Tires” furnished under this Agreement.
  - c. RTA agrees to indemnify, defend and hold Goodyear harmless against all claims of any party for loss, liability or damage, including injury, resulting from Goodyear's furnishing of “No-Value Tires” to RTA hereunder, including any and all costs, legal fees, expenses and attorneys' fees resulting from such claims.
  - d. RTA agrees to dispose of each “No-Value Tire” in full compliance with applicable Federal, State and local laws, rules and regulations. RTA agrees to indemnify, save harmless and defend Goodyear from and against any and all liabilities, claims, penalties, forfeitures, suits and the costs and expenses incident thereto, (including costs of defense, settlement and reasonable attorneys' fees), which Goodyear may hereafter incur, become responsible for

or pay out as a result of death or bodily injuries to any person, destruction or damage to any property, contamination of or adverse effects on the environment, or any violation of governmental laws, regulations or orders, caused, in whole or in part, by the disposal by RTA of “No-Value Tires” furnished to RTA hereunder.

- e. Title and all other incidents of ownership to the “No-Value Tire” shall be transferred from Goodyear and vested in RTA at the time Goodyear delivers to RTA a copy of the **710-15 Mileage Tire Disposition** designating the tires as **“uncut-60.”**
- 3. It is further agreed that Goodyear and RTA shall have the right, at their option, without prejudice to any other rights and remedies, to decline to further provide/utilize “No-Value Tires”.
- 4. Paragraph 2 of this Exhibit shall survive termination of this Agreement.