



AGENDA
REGIONAL TRANSIT ADVISORY COMMITTEE

Thursday, January 20, 2021

2:00 p.m. – 3:30 p.m.

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

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

Important Notice Regarding COVID-19

Due to the continuing increase of Coronavirus (COVID-19) cases and in accordance with AB 361, which amends Government Code §54953 to allow local legislative bodies to hold virtual meetings after September 30, 2021, if certain criteria is met, the Regional Transit Advisory Committee (RTAC) meeting will be a virtual meeting held via Zoom webinar.

HOW TO WATCH:

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

https://us02web.zoom.us/webinar/register/WN_rMI70dp_Qh6giBz5w5Eq7w

HOW TO COMMENT:

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

Members of the public can submit comments by:

Zoom webinar – Verbal, Live Public Comments

- See details on page 1 of this agenda under ‘How to Watch.’
- Phone – Verbal Public Comments – Call: (805) 781-4833 – State and spell your name, state the agenda item number you are calling about and leave your comment/s. Verbal comments must be received no later than 5:00 p.m. on January 19, 2022 (the day of the meeting) and will be limited to three (3) minutes.

Email – Written Public Comments – info@slorta.org with the subject line “public comment.” Include the agenda item number you are referencing or type “general comment,” if it is about an item not on the agenda. Emailed written comments must be submitted no later than **5:00 p.m. on Wednesday, January 19, 2022.**

Mail – Written Public Comments – Public Comments by mail must be received no later than **5:00 p.m. on Wednesday, January 19, 2022.**

**Mail to:
Clerk of the Board, RTA
179 Cross Street
San Luis Obispo, CA 93401**

- 1. CALL MEETING TO ORDER, ROLL CALL**
- 2. PUBLIC COMMENTS:** This portion of the agenda is set aside for any members of the public to directly address the Regional Transit Advisory Committee on any items not on the agenda and within the jurisdiction of the Committee. Comments are limited to three minutes per speaker. The Committee will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.
- 3. ELECTION OF OFFICERS: Elect RTAC Chair & Vice Chair**
- 4. Annual ADA Appeal Committee Assignment**
- 5. A. INFORMATION AGENDA ITEMS:**
 - A-1 Executive Director’s Report (Verbal)
 - A-2 Member Comments / Reports from Jurisdictions (Verbal)
 - A-3 Review FY20-21 Budget Assumptions & Discuss FY21-22 Budget Calendar (Receive)

B. ACTION AGENDA ITEMS:

None

C. CONSENT AGENDA ITEMS:

The following item is considered routine and non-controversial by staff and will be approved by one motion if no member of the RTAC or public wishes the 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 RTAC members, without the removal of the item from the Consent Agenda. Staff recommendations for each item are noted following the item.

C-1 RTAC Minutes of October 21, 2021 (Approve)

E. ADJOURNMENT

Next Meeting: April 21, 2022; Future Meeting Dates: July 21 and October 20, 2022

**REGIONAL TRANSIT ADVISORY COMMITTEE
JANUARY 20, 2022
STAFF REPORT**

AGENDA ITEM: A-3

TOPIC: Review FY21-22 Budget Assumptions
& Discuss FY22-23 Budget Calendar

ACTION: Receive

PRESENTED BY: Tania Arnold

STAFF RECOMMENDATION: Receive

Proposed Budget Calendar for FY22-23

February 9 Detailed budget assumptions and revenue forecast to Executive Committee.

March 2 Obtain Board concurrence on proposed draft budget assumptions.

March 31 Based on feedback from Executive Committee draft FY23 Budget Draft complete.

April 13 Draft FY23 Budget presentation to Executive Committee

April 21 Formal FY23 Budget presentation to RTAC

May 4 Final Board Budget presentation; Board adoption of FY23 Budget

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

**MARCH 3, 2021
STAFF REPORT**

**RTA Board Approved
March 3, 2021**

AGENDA ITEM: C-1

TOPIC: Fiscal Year 2021-22 Budget Assumptions

ACTION: Approve FY20-21 Budget Assumptions

PRESENTED BY: Tania Arnold, Deputy Director/CFO

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

EXECUTIVE COMMITTEE RECOMMENDATION: Recommend staff provide the FY21-22 budget assumptions and budget calendar to the Board for approval at the March 3rd Board meeting, so that a detailed work plan and budget may be developed

BACKGROUND/DISCUSSION:

The following report outlines staff's recommended budget assumptions for the RTA's Fiscal Year 2021-22 Operating and Capital Budget, and it is the first step in the development of our operating budget and operating program. It should be noted that the RTA is again developing a two-year operating budget and five-year capital budget. As in past years, only the first year would be financially-constrained, while the out-years should be considered advisory. Upon the Board's guidance and approval of these assumptions, staff will prepare a detailed report along with preliminary budget numbers for presentation to the Executive Committee at their April 14th meeting prior to the final draft budget presentation to the Board in May.

KEY ISSUES

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

- c. Address staffing and retention, particularly in the Bus Operator classification.
2. Negotiate a new or extended Collective Bargaining Agreement with Teamsters Local 986, which represents Bus Operators, Technicians and Utility employees. The current CBA expires December 31, 2021.
3. Continue efforts to implement Zero Emission Bus technologies, including procurement of battery-electric vehicles and start-up of recharging infrastructure.
4. The construction of the long-planned new Bus Maintenance Facility located at 253 Elks Lane is scheduled to be completed in February 2022. However, wrapping up the roughly 18-month construction period will continue to require a substantial amount of staff's resources to complete this vital project.
5. Address the final funding gap for the CalPERS liability due to the termination of the RTA's contract with CalPERS as of January 10, 2020.
6. State Transit Assistance (STA) funds are projected to be higher than the revised amount adopted by the SLOCOG Board in October 2020 but the increase is likely less than original projections for FY20-21. As a reminder, starting in FY17-18 the funding to the region is significantly higher due to the Senate Bill 1 – Road Repair and Accountability Act (SB-1) funds, which include augmented STA funds and State of Good Repair funds.
7. Local Transportation Funds (LTF) used for operating purposes are projected to be flat in the region.
8. Fuel costs continue to be volatile; this also impacts ridership and fares.

Mission Statement

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

Objectives and Revenue Impacts

- 1) Maintain service levels and hours of service that meet the standards of productivity and demand of our customers and communities through the effective and efficient delivery of RTA Fixed-Route and Runabout core¹ services.
 - a) RTA received \$714,751 for RTA core services in STA funding in FY20-21. Staff will work with SLOCOG staff to determine a realistic estimate for FY21-22.
 - b) Continue to monitor the results and impacts on ridership and fare revenue from the pandemic interim cash fare and the overall regular fare structure. The last

fare change was implemented in December 31, 2017, both on RTA Fixed-Route and on the Runabout service, which included the establishment of a Runabout premium service fare.

- c) The FY20-21 budget adopted in May 2020 included \$4,471,339 in LTF operating revenues, which was amended a few times during the fiscal year, with the current LTF level being \$2,682,429. At the May 2020 Board meeting, the advisory FY21-22 LTF projection was \$ 5,072,480, which was revised during FY20-21 down to \$2,552,340 after budget amendment #4. Staff is still developing estimated annual FY20-21 expenses, which impacts the carryover amount that could reasonably be identified for the FY21-22 budget, but does expect this carryover amount to be relatively small.
- d) Federal Transit Administration (FTA) Sections 5307, 5311 and 5339 operating funding and capital funding for FY21-22 will be presented in the same format as indicated in the most recent budget amendment, taking into account preliminary projected revenues identified in the now-expired Fixing America's Surface Transportation (FAST) Act. Should the actual annual authorizations for FTA programs increase or decrease for any of these programs, staff would adjust these assumptions accordingly in time for the Board's consideration of the budget in May 2021. Monies for FTA-funded projects are reimbursed either as progress payments or as full payment at the end of the project and/or fiscal year, which requires focused care by staff to ensure adequate cash flow. This reimbursement arrangement was waived for CARES Act funding, which staff anticipates being fully expended in fiscal year 2021.
- e) FTA Section 5307 operating funding from the Santa Maria Urbanized Area for RTA Route 10 and Runabout will be budgeted based on commitments with Santa Barbara County Association of Governments (SBCAG) and the City of Santa Maria. Staff is currently meeting with SBCAG to determine allocations for the next three-year period.
- f) Detailed miles/hours and span of service for each RTA core Fixed-Route and Runabout will be provided with the draft budget. For context, detailed budgets based on miles/hours and span of service will also be provided separately for SLO County Services, South County Transit, and North County Local Services.
- g) Productivity of each RTA-operated fixed-route service during holiday time periods will be presented to the Board as part of the draft budget, specifically associated with the service provided during the weeks of Thanksgiving, Christmas and New Years to determine if service levels should remain at a reduced level similar to 2020.
- h) Staff will continue to research and evaluate new revenue sources should any potential shortfall in operating revenues arise. If we are unable to secure funding,

staff would recommend that the Board consider adjusting the TDA allocation from the RTA jurisdictions and/or adjust service levels.

- i) Due to changes in self-insured retention requirements, and now that consolidation has been completed, staff is reviewing and will provide recommendations regarding the RTA reserve policy during FY21-22.
- 2) Work with SLOCOG and our transit agency partners in the region to evaluate region-wide service efficiencies.
 - a) Transit agencies across the country are highly impacted by the COVID-19 pandemic, which is impacting ridership and farebox revenues. As a result, the State of California has suspended farebox recovery ratio requirements through the end of FY21-22.
 - b) The RTA will work with SLOCOG staff and other transit providers to evaluate efficiencies in the provision of service throughout the county.
 - c) Staff will use the *2018-20 RTA Strategic Business Plan* as well as the *2016 Short Range Transit Plan* to evaluate potential efficiencies, and with Board concurrence, implement efficiencies.
 - 3) Evaluate options and provide analysis on the 5-year capital improvement program and methods to fund these needs.
 - a) Staff will continue to work with SLOCOG to prioritize capital projects using the State of Good Repair STA portion of SB-1 funds. These new SB-1 funds are an important source of revenues for the RTA and the other transit operators in our region. It directly impacts the RTA need for LTF to fund operations and the local match for capital projects by reducing local match needed for federal funds, and interest when financing for capital projects is needed.
 - b) Other potential new capital projects include AB617 Clean Air Program and LCTOP funds intended to support our transition to zero emission buses.
 - 4) Address projected changes in demand for Runabout service.
 - a) Runabout service hours and miles are projected to return to pre-pandemic levels by the middle of FY21-22. Staff will closely monitor this and seek the Board's direction as demand increases over time.
 - b) Staff has to suspend in-person Runabout service eligibility assessment during the pandemic. As we emerge from the pandemic, we will re-institute this program to ensure that only those persons truly eligible for Runabout service are initially registered or re-registered as part of the Runabout application process. Staff will

also provide mobility training for disabled persons who are able to use fixed-route services for some or all of their travel needs.

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

Expenses Impacts

- 1) Fuel price will be budgeted conservatively; diesel fuel will be budgeted at \$3.30 per gallon. Included in the fuel line item will be diesel exhaust fluid (DEF), used to lower diesel exhaust emissions on the newer Fixed-Route vehicles.
- 2) Insurance Expenses:
 - a) CalTIP liability insurance premiums are projected to increase. The exact amount is not known at this time, as CalTIP actuaries are still working on May 1, 2021 through April 30, 2022 rates. Estimates will be available from CalTIP in time to include in the RTA draft budget presented to the Executive Committee at its April 2021 meeting. Although the number of RTA losses based on mileage has been lower than the statewide pool average, the RTA did experience a large claim in February 2019 that will impact future premiums. The pool had experienced significant negative claims development but those have stabilized due to efforts of all the member agencies to ensure the stability of the pool and ensure equity in costing among all members. This included a recently actuarial study on the application and formulas used in applying and calculating each agencies experience modification factor. More importantly, the California liability market continues to contract, which also increases per-mile costs.
 - b) CalTIP vehicle physical damage will increase minimally due to the added asset value of newer vehicles in the fleet.
 - c) Our annual Employment Risk Management Authority premium is estimated at \$34,000, with a \$50,000 self-insured retention. This self-insured retention does not currently have a reserve in place to cover it should a loss develop. As noted previously, staff is reviewing and will provide recommendations regarding the RTA reserve policy during the FY21-22.
 - d) Workers compensation premiums through the Public Risk Innovation, Solutions, and Management (PRISM) are projected to increase, with the realization that workers compensation for transit services is especially challenging statewide as loss development trends in the state are not favorable. Based on estimates provided in January 2021 from PRISM, the estimate is less than the projection include in May 2020 for the FY21-22. Staff will obtain a more refined estimate in early March. We continue to work with our employee committee that has evaluated workplace safety and has initiated a proactive program to address the number of claims and severity of the claims. Although premiums are expected to

rise, a significant portion of that increase is attributable to the increase in wages identified in the collective bargaining agreement that are triggered by the changes in the California minimum wage.

- e) Property insurance will increase due to the significant losses in the property insurance market, namely the wildfires in California.
- f) For budget-making purposes, staff is assuming a 6% annual increase for healthcare costs for each of the next two fiscal years. Although the increase for 2021 was slightly higher than this, staff believes that this estimate is reasonable.

3) Staffing Expenses:

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

Proposed Budget Calendar

February 10 Detailed budget assumptions and revenue forecasts presented to Executive Committee

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

Staff Recommendation for Executive Committee:

Recommend staff provide the FY21-22 budget assumptions and budget calendar to the Board for approval at the March 3rd Board meeting, so that a detailed work plan and budget may be developed.

Staff Recommendation for the Board:

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

ⁱ Core services are defined as:

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

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
REGIONAL TRANSIT ADVISORY COMMITTEE

October 21, 2021

DRAFT MINUTES

C-1

Members Present:

Janeen Burlingame	Morro Bay Transit
Ryan Cornell	City of Paso Robles
Marlene Cramer	Cal Poly
Mark Dariz	Runabout/DAR Representative
Eric Greening (<i>Chair</i>)	Fixed Route Representative
Omar McPherson	South County Transit (SCT)
Dawn Patterson	Atascadero Transit
Josh Roberts	County of San Luis Obispo

Members Absent:

Dan Troy	Cuesta College
Todd Katz	Fixed Route Alternate Rep.
Austin O'Dell	SLO Transit

Staff Present:

Geoff Straw	RTA
Tania Arnold	RTA
Shelby Walker	RTA

Guests:

Mark Schaffer	Ride-On
Sarah Woolsey	SLOCOG

1. **CALL MEETING TO ORDER, ROLL CALL** Chairperson Eric Greening called the meeting to order at 2:00 PM and roll call was taken. There was a quorum present.

2. **PUBLIC COMMENTS:** NONE

3. A. INFORMATION AGENDA ITEMS:

A-1 Executive Director's Report (Verbal)

Mr. Geoff Straw stated that RTA has had one additional COVID-19 case. Total of 15 cases so far, with one employee seemingly dealing with long-term effects. Staff will be following County's lead on employee vaccination/testing and tracking. Updates for the Bus Maintenance Facility were provided and the project should be completed by the end of January. If RTAC members would like a tour, they can schedule one with him. Staff is planning an Open House / Scavenger Hunt on January 7th for employees and their families. As a reminder, the Ribbon-Cutting Ceremony is slated for Thursday January 20th at 10AM and staff hopes that all RTAC members can attend – a save-the-date invitation will be emailed later this month.

Mr. Greening asked about the vaccine mandate and if it affects public entities. **Mr. Straw** stated that we are waiting to hear from OSHA and will follow their guidance. **Mr. Greening** asked about

updates on hiring Bus Operators. **Mr. Straw** stated that we are down twelve Bus Operators and we have no new applicants.

A-2 Member Comments / Reports from Jurisdictions (Verbal)

Ms. Janeen Burlingame stated that there was a joint meeting between Public Works Advisory Board and Recreation Parks Commission to discuss bus stop improvements at Triangle Park. She stated they have been having a hard time recruiting Bus Operators.

Ms. Dawn Patterson noted that it is starting to be festival season in Atascadero. She is working with RTA on reroutes for the necessary days. She mentioned that their tri-annual audit is coming up.

Mr. Mark Schaffer stated they have six driver candidates in training. He noted an uptick in ridership due to riders going back to their regular programs.

Ms. Marlene Cramer noted that over ninety percent of classes are back in person. The suspension of certain routes does affect the students and staff, but we understand the challenge for transit providers are having trying to hire Bus Operators. As of this fall, we subsidized RTA trips for students and staff that log their trips through iRideshare to qualify.

Mr. Greening said it is convenient to have message boards installed at the main transit center downtown San Luis Obispo.

A-3 Public Transportation Section of the Regional Transportation Plan (RTP) Discussion

Mr. Straw stated that as a transit agency, we were contacted by SLOCOG as they are developing the public transportation chapter of the RTP that was accepted by the Board at the October meeting. There are some significant things to recognize. There are four options that were presented as part of RTP. He gave a brief explanation of each of the options and how those options can impact public transit in the region. The RTP was presented to SSTAC and TTAC committees and they gave their recommendations as well.

Mr. Greening asked there any sense between the jurisdictions to put another revenue measure before the voters to help with funding. **Mr. Straw** stated we really rely on the elected officials in the county to make those decisions.

B. ACTION AGENDA ITEMS:

B-1 Budget Amendment (Approve)

Ms. Tania Arnold stated that the amendment includes a number of items that we will discuss. The amendment reduces the LTF required from the jurisdictions for the current fiscal year by \$550,440. There are a number of changes to operating revenue of the budget. One is an increase in fare revenue, because we re-implemented full fares in July 2021 and it has been a stronger recovery than originally anticipated. There is also a small increase in STA funding as well as an increase in regular FTA 5307 apportioned within SLO County. We did not use our regular 5307 apportionments due to new COVID-19 emergency funding, so we are carrying over a portion over to the current fiscal year. There is a reduction of 5307 funds from the Santa Maria UZA 5307. Changes in TDA required an increase with the Rural Transit Fund/5311 Exchange and a decrease in LTF required.

There are a number of changes to capital revenue. There is a decrease in equipment replacement reserves. Changes in non-TDA sources are carryover funding of Prop 1B, APCD AB 617, FTA Section 5307, FTA Section 5339 and financing balance available from TIFIA. On the expenditure side is the annual payment related to the CalPERS settlement. There is also capital

projects that are being carried over, including a radio project, bus stop improvements still being worked, Runabout vehicle replacements, and balance for the Bus Maintenance Facility.

Ms. Arnold advises that the Executive Committee recommend staff provide Budget Amendment #1 to the Board for approval at the November 3rd Board meeting. There will be additional budget amendments coming in the future, but we wanted to bring this one to the Board now.

Mr. Straw stated that we also try to minimize the amount of LTF we use so other programs can get those funds. The Executive Committee discussed this in detail at their meeting and decided the best thing to do was to carry over the LTF.

Mr. Greening asked if RTAC being asked to choose between the options or are we recommend that the option be available. **Mr. Straw** stated that the RTAC is being asked to recommend the option to be presented to the Board and they will decide whether or not to adopt it.

Mr. Ryan Cornell asked about the CalPERS buyout and **Mr. Straw** gave clarification. Further discussion ensued.

Ms. Burlingame made a motion to approve, and **Mr. Ryan Cornell** seconded. The motion carried on a roll call vote.

C. CONSENT AGENDA ITEMS:

C-1 RTAC Minutes of July 22, 2021 (Approve)

Mr. Greening made note of a correction needed on the minutes. **Ms. Patterson** made a motion to approve, and **Ms. Burlingame** seconded the motion. The motion was approved unanimously with a voice vote.

D. ADJOURNMENT:

Mr. Straw provided the date for the bus maintenance facility ribbon cutting of January 20, 2022 and RTAC members will be invited.

Chairperson Greening adjourned the meeting at 3:00 PM.

Next Meeting: January 20, 2022

Respectfully Submitted,

Acknowledged by,

Shelby Walker
RTA Administrative Assistant

Eric Greening
RTAC Chairperson 2021

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