



AGENDA
REGIONAL TRANSIT ADVISORY COMMITTEE

Wednesday, April 17, 2019

10:00 a.m. – 11:30 a.m.

**San Luis Obispo Council of Governments
1114 Marsh Street
San Luis Obispo, CA 93401**

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.

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. **A. INFORMATION AGENDA ITEMS:**
 - A-1 Executive Director's Report (Verbal)
 - A-2 Member Comments / Reports from Jurisdictions (Verbal)

- B. ACTION AGENDA ITEMS:**
 - B-1 Fiscal Year 2019-20 Operating and Capital Budget (Recommend)

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 January 17, 2019 (Approve)

D. ADJOURNMENT

Next Meeting: Thursday July 18, 2019 2:00 p.m. – please note date and time!

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY VISION STATEMENT, VISION ELEMENTS, MISSION STATEMENT AND STRATEGIC DIRECTION

VISION

The RTA of the future is an integral part of the “SLO lifestyle.” From the vineyards in North County, to the secluded beach towns on the North Coast, to multi-faceted communities in the South County, residents and visitors use public transportation rather than relying on their cars.

Vision Elements

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

MISSION

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

STRATEGIC DIRECTION

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

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY VALUES

Commitment to Serve

Provide valuable services to the public and direct our energies in strengthening our relationships with our customers and the community while maintaining responsible ethical fiscal management.

Leadership

Be trustworthy, credible, confident, progressive and influential in all we do.

Teamwork

Work together with trust, support and mutual cooperation and respect. Provide an environment that fosters frank and open communication. Have Fun in our daily activities and keep issues in perspective. Have pride in our accomplishments while taking on our challenges with spirit and vigor.

Integrity

Promote honesty, loyalty, dignity, respect, decency, fairness, courtesy, responsibility, and character.

Human Development

Provide the appropriate resources and environment for employees to be successful, motivate individuals to take initiative and to be creative in all of our efforts.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

APRIL 17, 2019

STAFF REPORT to RTAC

AGENDA ITEM: B-1

TOPIC: Fiscal Year 2019-20 Operating and Capital Budget

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Adopt Fiscal Year 2019-20 Budget as Presented

RTAC RECOMMENDATION:

BACKGROUND/DISCUSSION:

We are pleased to present a fiscally constrained Fiscal Year 2019-20 operating budget, and an advisory FY20-21 operating plan. In addition, we are presenting a five-year capital program.

We appreciate the Board's support and leadership. The budget presentation assumes the same core levels of service miles and hours for fixed-route services that are currently being operated. In accordance with the adopted RTA Strategic Business Plan (SBP), the RTA will make consistent efforts to explore new service and service delivery options as well as work with regional efficiencies in the delivery of transportation to the jurisdictions. Also, as noted in the SBP, recommended changes to seasonal or lifeline services (i.e., the County-funded Shandon Dial-A-Ride) will include target productivity standards that must be met in order to qualify for continued funding. These SBP items were developed to support the RTA *Short Range Transit Plan* language in Chapter 4 Goals and Objectives. The hours and miles for fixed-route services are calculated using our automated GPS-based Intelligent Transportation System.

Runabout hours and miles are assumed to hold steady based on current ridership trends. Staff will continue to monitor the Runabout service, including the premium fare charged to Tri-Counties Regional Center starting in January 2018 and the functional assessments as part of the certification and recertification process. Should service demands change significantly during the fiscal year, a budget amendment will be presented to the Board for consideration, which will include options such as taxicab service as noted in the budget assumptions.

Route 14 service will continue to operate during peak academic year travel periods between downtown San Luis Obispo and the main Cuesta College campus, our highest trip generators in the regional system. The Route 15 service along the North Coast will continue to operate as a deviated fixed-route service to conserve limited resources.

In May 2014, the RTA adopted a reserve policy – one for cash flow purposes, and one for capital projects. As noted during the budget assumptions presentation in March 2019, revisions to this policy to address self-insured retention requirements have been delayed due to staffing shortages but is being carried forward to ensure this item is addressed.

No Local Transit Fund (LTF) is required for local match for any of the proposed capital projects in the current fiscal year, but the advisory FY20-21 budget does include the use of LTF as an advisory number at this time. Although these funds needed to fund construction of the long-term Bus Maintenance Facility would be generated from financing, the amount is included for planning purposes. The FY19-20 RTA operating budget is proposed at \$10,005,430 and the capital budget is proposed at \$1,443,530. With the additional State Transit Assistance (STA) funds made available through the new Senate Bill 1 – Road Repair and Accountability Act of 2017 (SB1 Augmentation) fund, the LTF request has remained relatively flat.

It should be noted that staff continues to present separate columns in the revenue and expense tables for Paso Robles Express fixed-route and dial-a-ride services, as well as for the County-funded (SLOCAT) transit services. This separation is presented so that readers can easily distinguish between core RTA services and those operated under contract for our partner agencies. As South County Transit consolidation discussions continue, information would be presented as a separate column should consolidation occur, as well.

In summary, RTA staff has done a tremendous job of holding the line on expenses. The major increases in this year's operating budget are costs for vehicle liability insurance, the wage adjustments programmed and projected in the Collective Bargaining Agreement for covered employees, and costs associated with employee benefits, including workers compensation.

The budget packet contains the following items:

- Our Vision and Mission statements,
- Budget Assumptions adopted by the Board at its March 6, 2019 meeting,
- Fiscally constrained FY19-20 operating and capital budgets,
- Fiscally unconstrained FY20-21 operating budget, and
- Fiscally unconstrained FY20-21 through FY23-24 capital budgets.

Lastly, we have broken each fixed-route service into weekday, Saturday and Sunday sections to better understand the financial commitment necessary to operate these distinct services should service reductions become necessary due to funding or other constraints.

Revised Revenue Assumptions

We are predicating the revenue stream for the FY19-20 budget on the latest information that we have available on Local Transportation Funds (LTF) and State Transit Assistance (STA) funding for the region. The amount included for Rural Transit Funds

(RTF) are highlighted in yellow; staff anticipates additional information about this assumption in mid-April 2019.

For FY20-21, staff estimates a roughly 6.5% increase in operating costs, with a significant portion of the increase for wages as identified in the Collective Bargaining Agreement (CBA). As a result, early projections for FY20-21 LTF funding is up over 34% at \$5,314,260. There are other significant assumptions, including the continued use of STA for operations due to the STA SB1 Augmentation. Staff will provide updates to the Board during future funding presentations. This is also impacted by the need to fund construction of the long-term Bus Maintenance Facility, which has an additional advisory amount of LTF of \$5,729,717 in FY20-21; as noted previously, it is a projection of what will need to be financed for construction of the garage project beginning in FY20-21.

Federal funding apportionments were favorable to the region, and staff will work with SLOCOG and the City of San Luis Obispo to cooperatively program the funds for FY20-21. Staff was pleased with the allocations from the FTA Section 5307 Small Transit Intensive Cities program, which has helped fund significant capital projects that will need to be considered in the region.

Administration and Operations Expenses

Workers compensation insurance provided by CSAC Excess Insurance Authority is projected to be in line with FY17-18 levels, impacted most notably due to the increase in wages. The slowing of premium increases has provided a welcome relief – especially with the realization that worker's compensation for transit services is especially challenging statewide as loss development trends for the state are not favorable. We continue to work with our employee committee that has evaluated workplace safety and has initiated a proactive program to reduce the number and severity of claims.

The overall Administration Expense for RTA core services is relatively flat compared to last fiscal year. Marketing and Reproduction has increased slightly with staff anticipating conducting a customer perception survey in March 2020. Labor costs have declined slightly, most notably due to staff turnover and hiring of junior employees at slightly lower salary levels that occurred in FY18-19.

The proposed service delivery cost is up by roughly 8% from what was identified in the FY18-19 budget. The primary reasons for this increase are described below.

As included in the budget assumptions that your Board accepted in March 2019, the new 4-year CBA was ratified in November 2017, with new wage scales that began January 1, 2018. The FY19-20 budget includes significant changes in wages and benefits, primarily due to the California Legislature's recent minimum wage hike to \$15.00 per hour by 2021 will result in wage compression issues. The RTA's current average hourly wage for Bus Operators is \$18.53 per hour, with a current starting wage rate of \$15.60 per hour. An annual inflationary adjustment for non-union employees (excluding Operations Supervisors) of 3.2% will be implemented in July 2019. The

Operations Supervisor classification CPI increase adjustment will be implemented in January 2020, to coincide with Bus Operator wage scale adjustments identified in the CBA. Employees within the salary range for their position will be eligible for a step merit increase subject to performance assessments. The wage scales for non-CBA employees is presented in tabular format at the end of this budget document.

Staff has included preliminary numbers for the CalTIP general liability and auto physical damage renewal, as well as the addition of employment practices liability coverage through ERMA. Staff will also be evaluating options for consolidating insurance coverage between the RTA and SoCo Transit, which would reduce duplicative administrative charges, both for general liability and workers compensation.

Finally, due to the unrest in North Africa and the Middle East, as well as increased domestic oil output, fuel prices have continued to swing wildly over the past few years. Staff has tried to budget fuel somewhat conservatively, but we may need to adjust it if fuel prices change significantly during the fiscal year. Due to our limited infrastructure, we are unable to purchase fuel in bulk to realize economies of scale. It should be noted that diesel-powered buses manufactured after 2009 also require the use of Diesel Exhaust Fluid (DEF) to meet emissions requirements. DEF costs more than diesel fuel, and it is used at a roughly 5% ratio DEF to diesel; its use is included in the fuel line item.

Fixed-Route Ridership Patterns

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

Capital Program

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

- \$89,460 for specialized maintenance equipment to improve efficiencies;
- Bus stop improvements; and
- Miscellaneous computer equipment, including an update to the computer used to manage the fixed route fare collection system.

In FY18-19, funding of \$388,880 was included from the STA SB1 State of Good Repair program to keep the planned new Bus Maintenance Facility moving forward. The project is currently at the Schematic Design (30%) phase, and it was submitted to the City of San Luis Obispo Architecture Review Commission on March 29, 2019 to begin the formal development and permitting process. To be conservative, we did not assume the

same level of funding in FY19-20, but we included \$400,000 as placeholder funding in FY20-21.

It should be noted that a portion of the FY18-19 capital funds for fully funded projects, such as the design and engineering for the Bus Maintenance Facility, bus stop improvements, and bus rehabilitation has been carried over to the draft FY19-20 budget. This carryover will have no financial impact to local jurisdictions because the funding has been fully secured.

Also included is a projected five-year capital improvement program as part of the budget plan. While only the first year is financially constrained, the projects identified in the ensuing four years provide a snapshot of future capital needs and potential cost levels. It should be noted that staff has only identified replacement projects and easily identifiable on-going projects (i.e., computer needs and bus stop improvements) in the capital improvement program. No expansion vehicles are included in the base budget. It should be noted that the two recent SLOCOG SB1 Congested Corridor grant proposals include expansion buses; should funding be granted, staff will present a budget amendment for consideration. The capital program also includes the March 29, 2019 Schematic Design estimated construction cost for the Bus Maintenance Facility project. These numbers will be revised during refinement of the project. Also of note is the significant amount included in FY22-23 for 40' fixed-route bus replacements. No LTF funds are currently programmed for capital projects in FY19-20, but do include the advisory number for FY20-21.

Conclusion and Staff Recommendation

Fiscal Year 2019-20 will be another challenging year, including financial barriers and the need to implement the long-planned facility related capital project. We look forward to working with our customers, the Board and other stakeholders in providing the highest quality of transportation services to residents of and visitors to our community. We believe that this budget reflects the path set by your Board in previous years and, although we would like to do more, we believe that this budget provides the optimum levels of service within the confines of existing limited resources.

The Staff recommends that the Board adopt the FY19-20 budget as presented.

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**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
MARCH 6, 2019
STAFF REPORT**

AGENDA ITEM: B-1

TOPIC: Fiscal Year 2019-20 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 Operating and Capital Budgets

BACKGROUND/DISCUSSION:

The following report outlines staff's recommended budget assumptions for the RTA's Fiscal Year 2019-20 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 10th 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 are projected to be flat to the region but they are higher than FY17-18 due to the Senate Bill 1 – Road Repair and Accountability Act (SB-1) funds, which included augmented STA funds and State of Good Repair 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, especially general liability costs.
5. We continue to focus on Runabout costs, which had been escalating in recent years but have leveled off.
6. Address staffing and retention, in particularly in the Bus Operator classification.

7. Fuel costs continue to remain low; this also results in declining ridership and fares.

Mission Statement

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

Objectives and Revenue Impacts

- 1) Maintain service levels and hours of service that meet the standards of productivity and demand of our customers and communities through the effective and efficient delivery of RTA Fixed-Route and Runabout core services.
 - a) RTA received \$1,304,500 for RTA core services in STA funding, which includes \$517,450 in SB-1 State of Good Repair funding being used to fund the new RTA Bus Maintenance Facility project at 253 Elks Lane. Staff will work with SLOCOG staff to determine a realistic estimate for FY18-19.
 - b) Continue to monitor the results and impacts on ridership and fare revenue from the December 31, 2017 fare increase, both on RTA Fixed-Route and on the Runabout service, which included the establishment of a Runabout premium service fare.
 - c) The FY18-19 budget adopted in May 2018 included \$3,883,400 in LTF operating revenues. At that same meeting, the advisory FY19-20 LTF amount was \$4,598,870. Staff is still developing estimated annual FY18-19 expenses, which impacts the carryover amount that could reasonably be identified for the FY19-20 budget.
 - d) Federal Transit Administration (FTA) Sections 5307, 5311 and 5339 operating funding and capital funding for FY19-20 will be presented in the same format as previously presented in May 2018, taking into account preliminary projected revenues identified in the Fixing America's Surface Transportation (FAST) Act. Should the actual annual authorizations for FTA programs increase or decrease for any of these programs, staff would adjust these assumptions accordingly.
 - 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 likely to be 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. As a consolidation date is reviewed for SoCo Transit, staff will present a mock consolidated budget for review. Assuming consolidation is ultimately adopted, staff will present a budget amendment for adoption by the Board.

- g) Productivity of service during holiday time periods will be presented to the Board as part of the draft budget, specifically associated with the service provided the weeks of Christmas and New Years to determine if service levels should be reduced.
 - h) Staff will continue to research and evaluate new revenue resources should any potential shortfall in operating revenues arise. If we are unable to secure funding, staff would recommend that the Board consider adjusting the TDA allocation from the RTA jurisdictions and/or adjust service levels.
 - i) Due to changes in self-insured retention requirements, staff will review and provide recommendations regarding the RTA reserve policy, which was originally adopted in May 2014. Note: this item is being carried over to the FY19-20 due to staffing shortfalls during the current fiscal year not allowing adequate time to address this item.
- 2) Work with SLOCOG and our transit agency partners in the region to evaluate region-wide service efficiencies.
- a) Transit agencies across the country have experienced ridership declines due to the relatively low price of fuel and increasing private automobile ownership rates, which are affecting farebox recovery ratios. Other factors also include increasing costs due to the California minimum wage. These issues have caused farebox recovery ratios to decline for most transit agencies.
 - b) Review the tasks and financial impacts included in the SoCo Transit contract for administrative, financial, marketing, maintenance and dispatch services, and evaluate efficiencies with the RTA – including SoCo Transit’s request to consolidate into the RTA.
 - c) The RTA will work with SLOCOG staff and other transit providers to evaluate efficiencies in the provision of service throughout the county.
 - d) Staff will use the *2018-20 RTA Strategic Business Plan* as well as the *2016 Short Range Transit Plan* to evaluate potential efficiencies, and with Board concurrence, implement efficiencies.

- 3) Evaluate options and provide analysis on the 5-year capital improvement program and methods to fund these needs.
 - a) Staff will continue to work with SLOCOG to prioritize capital projects using the State of Good Repair STA portion of SB-1 funds. For FY17-18 and FY18-19, the RTA received funding for the design and engineering of the new RTA Bus Maintenance Facility 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 revenues for the RTA and the other transit operators in our region. It directly impacts the RTA need for LTF to fund operations and the local match for capital projects by reducing local match needed for federal funds, and interest when financing for capital projects is needed.
 - b) Staff will complete the design, engineering, and permitting process for the long-term RTA Bus Maintenance Facility in late 2019. Assuming sufficient funding can be identified, the RTA will then conduct the construction services procurement in spring 2020, with construction mobilization to begin in late summer 2020.
- 4) 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 continue to work with groups such as the Paso Robles Independent Skills Program that have completed the RTA travel training review process and are now able to assist their clients with travel training.
 - c) Staff does not foresee needing to move forward with using supplemental taxicab services, but should future service expansions be required or if staffing shortages persist, staff will revisit this option.

Expenses Impacts

- 1) Fuel consumption and price will be budgeted conservatively; diesel fuel will be budgeted at \$3.30 per gallon. Included in the fuel line item will be diesel exhaust

fluid (DEF), used to lower diesel exhaust emissions on the newer Fixed-Route vehicles.

2) Insurance Expenses:

- a) CalTIP liability insurance premiums are projected to increase. The exact amount is not known at this time, as CalTIP actuaries are still working on May 1, 2019 through April 30, 2020 rates. Estimates will be available from CalTIP in time to include in the RTA April 2019 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 by conducting an 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 costs.
- b) CalTIP vehicle physical damage will increase minimally due to the added asset value of newer vehicles in the fleet, namely the six new 40-foot buses and eight new cutaway vehicles that RTA received in replacement for vehicles that had exceeded their useful life during the FY18-19.
- c) Our annual Employment Risk Management Authority premium is estimated at \$27,000, with a \$50,000 self-insured retention. This self-insured retention does not currently have a reserve in place to cover it should a loss develop. As noted previously, staff hopes to bring a revised reserve policy to the Board in FY19-20 to address this reserve need.
- d) Workers compensation premiums through the CSAC Excess Insurance Authority are projected to increase, with the realization that workers compensation for transit services is especially challenging statewide as loss development trends in the state are not favorable. Staff will obtain a more refined estimate in early March. We continue to work with our employee committee that has evaluated workplace safety and has initiated a proactive program to address the number of claims and severity of the claims. The decline in FY18-19 was a result of these efforts, and although premiums are expected to rise, a significant portion of that increase is attributable to the increase in wages identified in the collective bargaining agreement that are triggered by the changes in the California minimum wage.
- e) Property insurance will increase due to the significant losses in the property insurance market, namely the wildfires in California.
- f) For budget-making purposes, staff is assuming a 6% annual increase for healthcare costs for each of the next two fiscal years.

3) Staffing Expenses:

- a) The new 4-year Collective Bargaining Agreement (CBA) was ratified in November 2017, with new wage scales that began January 1, 2018. The FY19-20 budget will include significant changes in wages and benefits, primarily due to the effects of changes to the California minimum wage program. Should the January 2020 minimum wage change be delayed by the Governor, staff would bring a budget amendment to the Board. The draft budget will assume the minimum wage change will be implemented as planned.
- b) The number of FY19-20 budgeted full-time equivalent (FTE) positions will remain the same as in FY18-19. As a reminder, the number of budgeted training department positions in FY18-19 was increased by 0.5 FTEs. It was in an effort to address Bus Operator staff shortages. This effort has proved helpful, even though staff hiring and retention continues to be a critical issue.
- c) For FY19-20, 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 2017 to December 2018 of 3.2% will be implemented in July 2019. The Operations Supervisor classification CPI increase adjustment will be implemented in January 2020, 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 6 | Detailed budget assumptions and revenue forecasts presented to Executive Committee |
| March 6 | Obtain Board concurrence on proposed draft budget assumptions |
| March 6 | Provide mid-year FY18-19 Budget data to Board (no additional budget amendments are being requested) |
| March 31 | Based on feedback from Executive Committee, develop FY19-20 Budget |
| April 10 | Present draft FY19-20 Budget to Executive Committee |
| April 17 | Present final draft FY19-20 Budget to RTAC |
| May 1 | Final Board Budget presentation; Board adoption of FY19-20 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
PROPOSED OPERATING REVENUE BUDGET FOR 2019/2020**

| | 2017/2018 COMBINED ACTUAL | 2018/2019 ADOPTED OPERATING BUDGET | 2018/2019 ADOPTED SLOCAT BUDGET | 2018/2019 ADOPTED N. COUNTY BUDGET | 2019/2020 PROPOSED OPERATING BUDGET | 2019/2020 PROPOSED SLOCAT BUDGET | 2019/2020 PROPOSED N. COUNTY BUDGET | 2020/2021 PROJECTED OPERATING BUDGET | 2020/2021 PROJECTED SLOCAT BUDGET | 2020/2021 PROJECTED N. COUNTY BUDGET |
|--|---------------------------------|---|--|---|--|---|--|---|--|---|
| FUNDING SOURCES: | | | | | | | | | | |
| GENERAL RESERVES | 2,357,470 | 1,747,520 | 143,078 | 174,480 | 2,502,930 | 100,900 | 163,890 | 1,714,730 | 111,070 | 181,040 |
| 1. ESTIMATED FUND BALANCE | 2,357,470 | 1,747,520 | 143,078 | 174,480 | 2,502,930 | 100,900 | 163,890 | 1,714,730 | 111,070 | 181,040 |
| 2. LESS REQUIRED RESERVES FOR FISCAL YEAR | | | | | | | | | | |
| CASH FLOW REQUIREMENTS PER TDA | 1,551,680 | 1,558,790 | 100,900 | 163,890 | 1,714,730 | 111,070 | 181,040 | 1,851,480 | 119,960 | 206,190 |
| TOTAL | 1,551,680 | 1,558,790 | 100,900 | 163,890 | 1,714,730 | 111,070 | 181,040 | 1,851,480 | 119,960 | 206,190 |
| 3. FUND BALANCE AVAILABLE | 805,790 | 188,730 | 42,178 | 10,590 | 788,200 | (10,170) | (17,150) | (136,750) | (8,890) | (25,150) |
| NON TDA SOURCES | | | | | | | | | | |
| FARES | 1,437,854 | 1,263,280 | 33,320 | 104,090 | 1,228,770 | 49,450 | 106,170 | 1,253,350 | 50,440 | 108,290 |
| SCT MANAGEMENT CONTRACT | 119,270 | 124,660 | - | - | 122,650 | - | - | 126,660 | - | - |
| COUNTY MANAGEMENT CONTRACT | 85,230 | 90,130 | - | - | 88,680 | - | - | 91,580 | - | - |
| NORTH COUNTY MANAGEMENT CONTRACT | 41,850 | 43,740 | - | - | 43,030 | - | - | 44,440 | - | - |
| INTEREST | 19,636 | 12,150 | 490 | - | 52,360 | - | - | 52,360 | - | - |
| STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1 | 418,547 | 399,080 | 109,170 | - | 291,500 | 148,200 | 101,760 | 291,500 | 148,200 | 5,190 |
| RURAL TRANSIT FUND (Administration) | 30,000 | 30,000 | - | - | 30,000 | - | - | 30,000 | - | - |
| RURAL TRANSIT FUND (Operating Funds) | 300,000 | 402,460 | - | - | 474,310 | - | - | 400,000 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo | 546,990 | 574,340 | - | - | 603,060 | - | - | 633,210 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating | | 503,200 | - | - | 514,700 | - | - | 514,700 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating | 1,076,610 | 878,400 | - | 249,540 | 919,820 | - | 262,021 | 963,310 | - | 275,120 |
| FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating | 349,490 | 366,960 | - | - | 385,310 | - | - | 404,580 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating | 513,050 | 536,200 | - | - | 560,510 | - | - | 586,040 | - | - |
| CUESTA CONTRIBUTION ROUTE 12 | 68,080 | 75,220 | - | - | 84,670 | - | - | 90,200 | - | - |
| CUESTA CONTRIBUTION NORTH COUNTY | 40,580 | - | - | 40,580 | - | - | 40,580 | - | - | - |
| SPECIAL EVENTS REVENUE/OTHER | 136,551 | - | - | - | - | - | - | - | - | - |
| 4. SUB TOTAL | 5,183,738 | 5,299,820 | 142,980 | 394,210 | 5,399,370 | 197,650 | 510,531 | 5,481,930 | 198,640 | 388,600 |
| 5. TOTAL FUND BALANCE & NON TDA FUNDING | 5,989,528 | 5,488,550 | 185,158 | 404,800 | 6,187,570 | 187,480 | 493,381 | 5,345,180 | 189,750 | 363,450 |

| | | 2017/2018 COMBINED ACTUAL | 2018/2019 ADOPTED OPERATING BUDGET | 2018/2019 ADOPTED SLOCAT BUDGET | 2018/2019 ADOPTED N. COUNTY BUDGET | 2019/2020 PROPOSED OPERATING BUDGET | 2019/2020 PROPOSED SLOCAT BUDGET | 2019/2020 PROPOSED N. COUNTY BUDGET | 2020/2021 PROJECTED OPERATING BUDGET | 2020/2021 PROJECTED SLOCAT BUDGET | 2020/2021 PROJECTED N. COUNTY BUDGET |
|--|---------------------|---------------------------------|---|--|---|--|---|--|---|--|---|
| FUNDING SOURCES: | | | | | | | | | | | |
| | TDA REQUIRED | | | | | | | | | | |
| CITY OF ARROYO GRANDE | Population Based | 226,679 | 227,552 | - | - | 226,806 | - | - | 305,142 | - | - |
| CITY OF ATASCADERO | | 394,767 | 396,446 | - | - | 394,391 | - | - | 530,608 | - | - |
| CITY OF GROVER BEACH | | 171,271 | 172,409 | - | - | 171,700 | - | - | 231,003 | - | - |
| CITY OF MORRO BAY | | 137,073 | 138,076 | - | - | 132,992 | - | - | 178,925 | - | - |
| CITY OF PASO ROBLES | | 969,332 | 407,287 | - | 558,480 | 399,608 | - | 547,479 | 537,626 | - | 746,950 |
| CITY OF PISMO BEACH | | 104,588 | 105,809 | - | - | 104,248 | - | - | 140,254 | - | - |
| CITY OF SAN LUIS OBISPO | | 783,153 | 789,588 | - | - | 779,861 | - | - | 1,049,213 | - | - |
| COUNTY OF SAN LUIS OBISPO | | 2,485,857 | 2,149,434 | 371,232 | - | 2,122,954 | 427,130 | - | 2,856,190 | 465,770 | - |
| TDA REQUIREMENTS BEFORE 5311 EXCHANGE | | | 5,272,720 | 4,386,600 | 371,232 | 558,480 | 4,332,560 | 427,130 | 547,479 | 5,828,960 | 465,770 |
| LESS: RURAL TRANSIT FUND/5311 EXCHANGE | | (498,210) | (503,200) | - | - | (514,700) | - | - | (514,700) | - | - |
| 6. NET TDA REQUIREMENTS | | 4,774,510 | 3,883,400 | 371,232 | 558,480 | 3,817,860 | 427,130 | 547,479 | 5,314,260 | 465,770 | 746,950 |
| 7. TOTAL FUNDING SOURCES | | 10,764,038 | 9,371,950 | 556,390 | 963,280 | 10,005,430 | 614,610 | 1,040,860 | 10,659,440 | 655,520 | 1,110,400 |
| 8. FUNDING USES: | | | | | | | | | | | |
| ADMINISTRATION | | 1,658,049 | 1,569,260 | 7,500 | 107,920 | 1,612,050 | 7,500 | 114,720 | 1,677,180 | 8,560 | 119,910 |
| INTEREST EXPENSE | | 19,249 | 11,640 | - | - | - | - | - | - | - | - |
| MANAGEMENT CONTRACTS | | 246,350 | 124,660 | 90,130 | 43,740 | 122,650 | 88,680 | 43,030 | 126,660 | 91,580 | 44,440 |
| SERVICE DELIVERY | | 7,889,800 | 7,573,670 | 436,910 | 800,240 | 8,172,370 | 493,740 | 870,900 | 8,749,480 | 530,290 | 933,040 |
| CONTINGENCY | | - | 92,720 | 21,850 | 11,380 | 98,360 | 24,690 | 12,210 | 106,120 | 25,090 | 13,010 |
| 9. TOTAL FUNDING USES | | 9,813,448 | 9,371,950 | 556,390 | 963,280 | 10,005,430 | 614,610 | 1,040,860 | 10,659,440 | 655,520 | 1,110,400 |

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED CAPITAL REVENUE BUDGET FOR 2019/2020**

| | 2017/2018 COMBINE ACTUAL | 2018/2019 AMENDED CAPITAL BUDGET | 2018/2019 ADOPTED SLOCAT BUDGET | 2018/2019 ADOPTED N. COUNTY BUDGET | 2019/2020 PROPOSED CAPITAL BUDGET | 2019/2020 PROPOSED SLOCAT BUDGET | 2019/2020 PROPOSED N. COUNTY BUDGET | 2020/2021 PROJECTED CAPITAL BUDGET | 2020/2021 PROJECTED SLOCAT BUDGET | 2020/2021 PROJECTED N. COUNTY BUDGET |
|---|--------------------------------|---|--|---|--|---|--|---|--|---|
| FUNDING SOURCES: | | | | | | | | | | |
| CAPITAL PROJECTS RESERVE | 870,593 | 656,950 | 119,330 | 235,630 | 530,800 | 119,330 | 342,580 | 512,610 | 119,330 | 5,320 |
| 1. ESTIMATED FUND BALANCE | 870,593 | 656,950 | 119,330 | 235,630 | 530,800 | 119,330 | 342,580 | 512,610 | 119,330 | 5,320 |
| 2. LESS REQUIRED RESERVES FOR FISCAL YEAR | | | | | | | | | | |
| CAPITAL PROJECTS RESERVE | 900,023 | 530,800 | 119,330 | 342,580 | 512,610 | 119,330 | 5,320 | 470,457 | 5,430 | 5,320 |
| TOTAL | 900,023 | 530,800 | 119,330 | 342,580 | 512,610 | 119,330 | 5,320 | 470,457 | 5,430 | 5,320 |
| 3. FUND BALANCE AVAILABLE | (29,430) | 126,150 | - | (106,950) | 18,190 | - | 337,260 | 42,153 | 113,900 | - |
| NON TDA SOURCES | | | | | | | | | | |
| STATE TRANSIT ASSISTANCE (STA) WITH SB1 AUGMENTATION | 306,422 | 505,040 | 39,050 | 106,950 | 492,160 | - | 5,190 | 492,160 | - | - |
| LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP) | 268,770 | - | - | - | - | - | - | - | - | - |
| PROPOSITION 1B FUNDING - SAFETY & SECURITY | 178,110 | 134,990 | - | - | - | - | - | - | - | - |
| STA SB1 AUGMENTATION (Prior Years) & STATE OF GOOD REPAIR | - | 1,195,000 | - | - | - | - | - | 400,000 | - | - |
| PROPOSITION 1B FUNDING - BUS REPLACEMENT | - | 683,170 | - | - | - | - | - | - | - | - |
| CONGESTION MITIGATION AND AIR QUALITY (CMAQ) | - | 396,000 | - | - | - | - | - | - | - | - |
| RURAL TRANSIT FUND (Capital) | 3,054 | - | - | - | - | - | - | - | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo | 13,229 | 1,314,240 | - | - | 290,640 | - | - | 263,520 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5309) - State of Good Repair | - | - | - | - | - | - | - | - | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5339) - Bus and Bus Facilities | 45,038 | 939,520 | 65,220 | - | - | - | - | 6,285,000 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307-North County) | 572,098 | 777,250 | - | - | 351,900 | - | 538,250 | 294,150 | - | - |
| FEDERAL TRANSIT ADM (FTA) (Section 5307-South County) | 13,229 | 1,166,240 | - | - | 290,640 | - | - | 263,520 | - | - |
| 4. SUB TOTAL | 1,399,951 | 7,111,450 | 104,270 | 106,950 | 1,425,340 | - | 543,440 | 7,998,350 | - | - |
| 5. TOTAL FUND BALANCE & NON TDA FUNDING | | 7,237,600 | 104,270 | - | 1,443,530 | - | 880,700 | 8,040,503 | 113,900 | - |
| 6. NET TDA REQUIREMENTS | - | - | - | - | - | - | - | 5,729,717 | - | - |
| 7. TOTAL FUNDING SOURCES | 1,370,521 | 7,237,600 | 104,270 | - | 1,443,530 | - | 880,700 | 13,770,220 | 113,900 | - |
| 8. FUNDING USES: | | | | | | | | | | |
| CAPITAL | 1,169,926 | 7,025,930 | 104,270 | - | 1,443,530 | - | 880,700 | 13,770,220 | 113,900 | - |
| LOAN PAYDOWN | 200,595 | 211,670 | - | - | - | - | - | - | - | - |
| 9. TOTAL FUNDING USES | 1,370,521 | 7,237,600 | 104,270 | - | 1,443,530 | - | 880,700 | 13,770,220 | 113,900 | - |

| | | Actual Combined FY2017-18 | Adopted Operating Budget FY 2018-19 | Proposed Operating Budget FY 2019-20 | Projected Operating Budget FY2020-21 |
|--|-----------------------------|---------------------------------|--|---|---|
| Administration and Service Delivery Totals | | | | | |
| | Hours | 71,076 | 72,080 | 70,210 | 70,210 |
| | Miles | 1,592,889 | 1,624,850 | 1,563,240 | 1,563,240 |
| Administration: | | | | | |
| Labor | operations cost | 910,006 | 894,050 | 879,630 | 908,410 |
| Labor - Administration Workers Comp | operations cost | 66,631 | 65,150 | 72,770 | 75,150 |
| Office Space Rental | operations cost | 433,799 | 458,500 | 476,920 | 496,080 |
| Property Insurance | operations cost | 17,200 | 19,780 | 20,710 | 21,980 |
| Professional Technical Services | operations cost | 77,984 | 98,480 | 98,480 | 106,410 |
| Professional Development | operations cost | 37,234 | 46,270 | 43,770 | 46,240 |
| Operating Expense | operations cost | 271,349 | 265,450 | 292,950 | 307,100 |
| Marketing and Reproduction | hourly | 90,196 | 95,530 | 103,400 | 106,960 |
| North County Management Contract | operations cost | (41,850) | (43,740) | (43,030) | (44,440) |
| County Management Contract | operations cost | (85,230) | (90,130) | (88,680) | (91,580) |
| SCT Management Contract | operations cost | (119,270) | (124,660) | (122,650) | (126,660) |
| | Total Administration | 1,658,049 | 1,684,680 | 1,734,270 | 1,805,650 |
| Service Delivery: | | | | | |
| Labor - Operations | hourly | 3,945,608 | 4,556,490 | 5,086,120 | 5,475,320 |
| Labor - Operations Workers Comp | hourly | 450,826 | 440,830 | 492,390 | 508,490 |
| Labor - Maintenance | hourly | 966,370 | 1,033,450 | 1,121,220 | 1,207,690 |
| Labor - Maintenance Workers Comp | hourly | 131,938 | 129,010 | 144,100 | 148,810 |
| Fuel | miles | 951,945 | 991,560 | 1,048,730 | 1,048,730 |
| Insurance (Liability, Physical Damage, Employment Practices) | miles | 639,240 | 720,500 | 781,390 | 873,580 |
| Special Transportation (for SLOCAT) | n/a | 45,834 | 43,900 | 44,900 | 48,340 |
| Avila Trolley | n/a | 51,973 | 61,750 | 63,590 | 68,460 |
| Maintenance (parts, supplies, materials) | miles | 579,676 | 703,460 | 628,670 | 705,700 |
| Maintenance Contract Costs | miles | 126,390 | 129,870 | 125,900 | 127,690 |
| | Total Operations | 7,889,800 | 8,810,820 | 9,537,010 | 10,212,810 |
| Contingency | hourly | - | 125,950 | 135,260 | 144,220 |
| Interest Expense | operations cost | 19,249 | 11,640 | - | - |
| Management Contracts | | 246,350 | 258,530 | 254,360 | 262,680 |
| TOTAL FUNDING USES | | 9,813,448 | 10,891,620 | 11,660,900 | 12,425,360 |

| | Actual Capital Expenditures FY 2017-18 | Amended Capital Budget FY 2018-19 | Projected Capital Budget FY 2019-20 | Projected Capital Budget FY 2020-21 | Projected Capital Budget FY 2021-22 | Projected Capital Budget FY 2022-23 | Projected Capital Budget FY 2023-24 |
|--|---|--|--|--|--|--|--|
| Capital Expenditures | | | | | | | |
| Capital/Studies: | | | | | | | |
| Computer System Maintenance/Upgrades | 40,183 | 43,830 | 46,020 | 48,320 | 50,740 | 53,280 | 55,940 |
| Miscellaneous Capital | | | | | | | |
| Facility Improvements | 17,452 | - | - | - | - | - | - |
| Maintenance Equipment | 16,701 | 25,310 | - | - | - | - | - |
| Rotary Lift/Wireless Lift | - | - | - | - | - | - | - |
| Passenger Protection 1300 buses | - | - | - | - | - | - | - |
| Specialized Maintenance Tools | - | 85,200 | 89,460 | - | - | - | - |
| Desks and Office Equipment | 4,472 | 10,000 | - | - | - | - | - |
| Radios | - | - | - | 6,600 | - | - | - |
| Vehicle ITS/Camera System | 102,138 | 61,370 | - | - | - | - | - |
| Bus Stop Improvements/Bus Stop Solar Lighting | 90,747 | 240,820 | 252,860 | 265,500 | 278,780 | 292,720 | 307,360 |
| Bus Rehabilitation | - | - | - | - | - | - | - |
| RouteMatch Dispatching Software/Call Back System | - | - | - | - | - | - | - |
| Vehicles | - | - | - | - | - | - | - |
| Support Vehicles | - | 18,000 | - | 56,700 | 63,000 | - | - |
| 40' Coaches | - | 3,140,380 | - | 631,800 | 1,326,700 | 4,875,600 | - |
| Trolley replacement vehicles | - | - | - | - | - | 253,300 | - |
| Cutaway and Dial A Ride Vehicles | - | 81,520 | 880,700 | 113,900 | - | 133,000 | - |
| Runabout Vehicles | - | 729,320 | 555,200 | 261,300 | 316,600 | - | - |
| Total Capital Outlay | 271,693 | 4,435,750 | 1,824,240 | 1,384,120 | 2,035,820 | 5,607,900 | 363,300 |
| Loan Pay down | 200,595 | 211,670 | - | - | - | - | - |
| Short Range Transit Plans - Nipomo | - | 22,750 | - | - | - | - | - |
| Elks Lane Project | 48,596 | 2,671,700 | 499,990 | 12,500,000 | 12,500,000 | - | - |
| Paso Property Improvements | 849,637 | - | - | - | - | - | - |
| TOTAL FUNDING USES | 1,370,521 | 7,341,870 | 2,324,230 | 13,884,120 | 14,535,820 | 5,607,900 | 363,300 |

| | | Total Adopted Budget FY 2018-19 | Weekday Proposed Budget FY 2019-20 | Saturday Proposed Budget FY 2019-20 | Sunday Proposed Budget FY 2019-20 | Total Proposed Budget FY 2019-20 | Projected Budget FY 2020-21 |
|--|-----------------|--|---|--|--|---|--|
| Route 9 | | | | | | | |
| | Hours | 13,870 | 12,590 | 670 | 450 | 13,710 | 13,710 |
| | Miles | 376,810 | 331,300 | 19,170 | 12,960 | 363,430 | 363,430 |
| Administration: | | | | | | | |
| Total Administration (Net of Contracts) | | 323,920 | 308,590 | 16,870 | 11,360 | 336,820 | 350,600 |
| Service Delivery: | | | | | | | |
| Labor - Operations | hourly | 839,420 | 870,070 | 46,300 | 31,100 | 947,470 | 1,019,980 |
| Labor - Operations Workers Comp | hourly | 81,210 | 84,230 | 4,480 | 3,010 | 91,720 | 94,720 |
| Labor - Maintenance | hourly | 190,380 | 191,810 | 10,210 | 6,860 | 208,880 | 224,980 |
| Labor - Maintenance Workers Comp | hourly | 23,770 | 24,650 | 1,310 | 880 | 26,840 | 27,720 |
| Fuel | miles | 225,330 | 217,870 | 12,610 | 8,520 | 239,000 | 239,000 |
| Insurance | miles | 163,980 | 162,430 | 9,400 | 6,350 | 178,180 | 199,210 |
| Maintenance (parts, supplies, materials) | miles | 156,180 | 127,100 | 7,350 | 4,970 | 139,420 | 156,520 |
| Maintenance Contract Costs | miles | 28,830 | 25,460 | 1,470 | 1,000 | 27,930 | 28,320 |
| Total Operations | | 1,709,100 | 1,703,620 | 93,130 | 62,690 | 1,859,440 | 1,990,450 |
| Capital/Studies: | | | | | | | |
| Total Capital Outlay | | 2,380,190 | 288,650 | 15,780 | 10,620 | 315,050 | 5,084,890 |
| Contingency | hourly | 20,030 | 20,040 | 1,070 | 720 | 21,830 | 23,260 |
| Interest Expense | operations cost | 2,510 | - | - | - | - | - |
| TOTAL FUNDING USES | | 4,435,750 | 2,320,900 | 126,850 | 85,390 | 2,533,140 | 7,449,200 |
| TOTAL NON-CAPITAL EXPENDITURES | | 2,055,560 | 2,032,250 | 111,070 | 74,770 | 2,218,090 | 2,364,310 |

| | | Total Adopted Budget FY 2018-19 | Weekday Proposed Budget FY 2019-20 | Saturday Proposed Budget FY 2019-20 | Sunday Proposed Budget FY 2019-20 | Total Proposed Budget FY 2019-20 | Projected Budget FY 2020-21 |
|---------------------------------------|--|--|---|--|--|---|-----------------------------------|
| Route 10 | | | | | | | |
| | Hours | 11,670 | 10,230 | 620 | 370 | 11,220 | 11,220 |
| | Miles | 371,440 | 323,240 | 19,690 | 11,870 | 354,800 | 354,800 |
| Administration: | | | | | | | |
| | Total Administration (Net of Contracts) | 288,250 | 266,490 | 16,180 | 9,690 | 292,360 | 304,260 |
| Service Delivery: | | | | | | | |
| | Labor - Operations | 706,270 | 706,980 | 42,850 | 25,570 | 775,400 | 834,730 |
| | Labor - Operations Workers Comp | 68,330 | 68,440 | 4,150 | 2,480 | 75,070 | 77,520 |
| | Labor - Maintenance | 160,190 | 155,850 | 9,450 | 5,640 | 170,940 | 184,120 |
| | Labor - Maintenance Workers Comp | 19,990 | 20,030 | 1,210 | 720 | 21,960 | 22,690 |
| | Fuel | 222,120 | 212,570 | 12,950 | 7,810 | 233,330 | 233,330 |
| | Insurance | 161,630 | 158,480 | 9,650 | 5,820 | 173,950 | 194,480 |
| | Maintenance (parts, supplies, materials) | 153,960 | 124,010 | 7,550 | 4,550 | 136,110 | 152,800 |
| | Maintenance Contract Costs | 28,420 | 24,840 | 1,510 | 910 | 27,260 | 27,650 |
| | Total Operations | 1,520,910 | 1,471,200 | 89,320 | 53,500 | 1,614,020 | 1,727,320 |
| Capital/Studies: | | | | | | | |
| | Total Capital Outlay | 2,118,120 | 249,270 | 15,130 | 9,060 | 273,460 | 4,412,680 |
| Contingency | hourly | 16,850 | 16,280 | 990 | 590 | 17,860 | 19,040 |
| Interest Expense | operations cost | 2,120 | - | - | - | - | - |
| TOTAL FUNDING USES | | 3,946,250 | 2,003,240 | 121,620 | 72,840 | 2,197,700 | 6,463,300 |
| TOTAL NON-CAPITAL EXPENDITURES | | 1,828,130 | 1,753,970 | 106,490 | 63,780 | 1,924,240 | 2,050,620 |

| | | Total Adopted Budget FY 2018-19 | Weekday Proposed Budget FY 2019-20 | Saturday Proposed Budget FY 2019-20 | Sunday Proposed Budget FY 2019-20 | Total Proposed Budget FY 2019-20 | Projected Budget FY 2020-21 |
|--|-----------------|--|---|--|--|---|--|
| Route 12, 14 and 15 | | | | | | | |
| | Hours | 11,330 | 9,570 | 530 | 390 | 10,490 | 10,490 |
| | Miles | 320,820 | 273,270 | 12,260 | 10,580 | 296,110 | 296,110 |
| Administration: | | | | | | | |
| Total Administration (Net of Contracts) | | 268,360 | 240,820 | 12,500 | 9,650 | 262,970 | 273,710 |
| Service Delivery: | | | | | | | |
| Labor - Operations | hourly | 685,710 | 661,370 | 36,630 | 26,950 | 724,950 | 780,420 |
| Labor - Operations Workers Comp | hourly | 66,340 | 64,030 | 3,550 | 2,610 | 70,190 | 72,480 |
| Labor - Maintenance | hourly | 155,520 | 145,800 | 8,070 | 5,940 | 159,810 | 172,140 |
| Labor - Maintenance Workers Comp | hourly | 19,420 | 18,740 | 1,040 | 760 | 20,540 | 21,210 |
| Fuel | miles | 191,850 | 179,710 | 8,060 | 6,960 | 194,730 | 194,730 |
| Insurance | miles | 139,610 | 133,980 | 6,010 | 5,190 | 145,180 | 162,310 |
| Maintenance (parts, supplies, materials) | miles | 132,970 | 104,840 | 4,700 | 4,060 | 113,600 | 127,520 |
| Maintenance Contract Costs | miles | 24,550 | 21,000 | 940 | 810 | 22,750 | 23,080 |
| Total Operations | | 1,415,970 | 1,329,470 | 69,000 | 53,280 | 1,451,750 | 1,553,890 |
| Capital/Studies: | | | | | | | |
| Total Capital Outlay | | 1,971,960 | 225,260 | 11,690 | 9,030 | 245,980 | 3,969,630 |
| Contingency | hourly | 16,370 | 15,230 | 840 | 620 | 16,690 | 17,800 |
| Interest Expense | operations cost | 2,050 | - | - | - | - | - |
| TOTAL FUNDING USES | | 3,674,710 | 1,810,780 | 94,030 | 72,580 | 1,977,390 | 5,815,030 |
| TOTAL NON-CAPITAL EXPENDITURES | | 1,702,750 | 1,585,520 | 82,340 | 63,550 | 1,731,410 | 1,845,400 |

| | | Total Adopted Budget FY 2018-19 | Total Proposed Budget FY 2019-20 | Projected Budget FY 2020-21 |
|--|-----------------|--|---|--|
| Runabout | | | | |
| | Hours | 27,330 | 27,120 | 27,120 |
| | Miles | 453,750 | 450,870 | 450,870 |
| Administration: | | | | |
| Total Administration (Net of Contracts) | | 554,860 | 588,180 | 612,600 |
| Service Delivery: | | | | |
| Labor - Operations | hourly | 1,654,040 | 1,874,220 | 2,017,640 |
| Labor - Operations Workers Comp | hourly | 160,030 | 181,440 | 187,380 |
| Labor - Maintenance | hourly | 375,150 | 413,170 | 445,030 |
| Labor - Maintenance Workers Comp | hourly | 46,830 | 53,100 | 54,830 |
| Fuel | miles | 271,340 | 296,500 | 296,500 |
| Insurance | miles | 197,460 | 221,060 | 247,140 |
| Maintenance (parts, supplies, materials) | miles | 188,080 | 172,980 | 194,170 |
| Maintenance Contract Costs | miles | 34,720 | 34,640 | 35,140 |
| Total Operations | | 2,927,650 | 3,247,110 | 3,477,830 |
| Capital/Studies: | | | | |
| Total Capital Outlay | | 790,020 | 609,030 | 303,040 |
| Contingency | hourly | 39,470 | 43,160 | 46,020 |
| Interest Expense | operations cost | 4,960 | - | - |
| TOTAL FUNDING USES | | 4,316,960 | 4,487,480 | 4,439,490 |
| TOTAL NON-CAPITAL EXPENDITURES | | 3,526,940 | 3,878,450 | 4,136,450 |

| | | Adopted Budget FY 2018-19 | Total Proposed Budget FY 2019-20 | Projected Budget FY 2020-21 |
|---------------------------------------|--|---------------------------------|---|-----------------------------------|
| County Services | | | | |
| Administration: | | | | |
| | Total Administration (Net of Contracts) | 97,630 | 96,180 | 100,140 |
| Service Delivery: | | | | |
| | Labor - Operations | 194,140 | 234,020 | 251,930 |
| | Labor - Operations Workers Comp | 18,780 | 22,660 | 23,400 |
| | Labor - Maintenance | 44,030 | 51,590 | 55,570 |
| | Labor - Maintenance Workers Comp | 5,500 | 6,630 | 6,850 |
| | Fuel | 19,900 | 20,700 | 20,700 |
| | Insurance | 13,410 | 14,940 | 16,700 |
| | Special Transit (Senior Vans, Incentives, etc) | 43,900 | 44,900 | 48,340 |
| | Avila Trolley | 61,750 | 63,590 | 68,460 |
| | Maintenance (parts, supplies, materials) | 29,970 | 28,930 | 32,470 |
| | Maintenance Contract Costs | 5,530 | 5,790 | 5,870 |
| | Total Operations | 436,910 | 493,750 | 530,290 |
| Capital/Studies: | | | | |
| | Total Capital Outlay | 81,520 | - | 113,900 |
| | Contingency | 21,850 | 23,530 | 25,090 |
| | Short Range Transit Plans - Nipomo | 22,750 | - | - |
| | Interest Expense | - | - | - |
| | | operations cost | | |
| TOTAL FUNDING USES | | <u>660,660</u> | <u>613,460</u> | <u>769,420</u> |
| TOTAL NON-CAPITAL EXPENDITURES | | <u>556,390</u> | <u>613,460</u> | <u>655,520</u> |

| | | Adopted Total Budget FY 2018-19 | Proposed Route A & B Budget FY 2019-20 | Proposed Paso DAR Budget FY 2019-20 | Total Proposed Budget FY 2019-20 | Projected Budget FY 2020-21 |
|---------------------------------------|--|--|---|--|---|-----------------------------------|
| North County Services | | | | | | |
| | Hours | 7,880 | 6,350 | 1,320 | 7,670 | 7,670 |
| | Miles | 102,030 | 87,260 | 10,770 | 98,030 | 98,030 |
| Administration: | | | | | | |
| | Total Administration (Net of Contracts) | 151,660 | 132,380 | 25,370 | 157,750 | 164,350 |
| Service Delivery: | | | | | | |
| | Labor - Operations | 476,910 | 438,840 | 91,220 | 530,060 | 570,620 |
| | Labor - Operations Workers Comp | 46,140 | 42,480 | 8,830 | 51,310 | 52,990 |
| | Labor - Maintenance | 108,170 | 96,740 | 20,110 | 116,850 | 125,860 |
| | Labor - Maintenance Workers Comp | 13,510 | 12,430 | 2,580 | 15,010 | 15,510 |
| | Fuel | 61,020 | 57,380 | 7,080 | 64,460 | 64,470 |
| | Insurance | 44,400 | 42,790 | 5,280 | 48,070 | 53,730 |
| | Maintenance (parts, supplies, materials) | 42,290 | 33,480 | 4,130 | 37,610 | 42,220 |
| | Maintenance Contract Costs | 7,800 | 6,700 | 830 | 7,530 | 7,640 |
| | Total Operations | 800,240 | 730,840 | 140,060 | 870,900 | 933,040 |
| Capital/Studies: | | | | | | |
| | Total Capital Outlay | - | 765,800 | 114,900 | 880,700 | - |
| Contingency | | | | | | |
| | hourly | 11,380 | 10,110 | 2,100 | 12,210 | 13,010 |
| Interest Expense | | | | | | |
| | operations cost | - | - | - | - | - |
| TOTAL FUNDING USES | | 963,280 | 1,639,130 | 282,430 | 1,921,560 | 1,110,400 |
| TOTAL NON-CAPITAL EXPENDITURES | | 963,280 | 873,330 | 167,530 | 1,040,860 | 1,110,400 |

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
REGIONAL TRANSIT ADVISORY COMMITTEE

January 17, 2019

DRAFT MINUTES

C-1

Members Present:

| | |
|-------------------------------------|-----------------------------|
| Eric Greening (<i>Vice Chair</i>) | Fixed Route Representative |
| Shelly Horton | South County Transit (SCT) |
| Wendy Hall | County of San Luis Obispo |
| Janeen Burlingame | Morro Bay Transit |
| Mark Dariz | Runabout/DAR Representative |
| Dawn Patterson | Atascadero Transit |
| Gamaliel Anguiano (<i>Chair</i>) | SLO Transit |
| Todd Katz | Fixed Route Alternate Rep. |

Members Absent:

| | |
|---------------|---------------------|
| Dick McKinley | City of Paso Robles |
| Cheryl Andrus | Cal Poly |
| Mark Sanchez | Cuesta College |

Staff Present:

| | |
|------------------|-----|
| Geoff Straw | RTA |
| Chelsea Sperakos | RTA |
| Tania Arnold | RTA |

Guest:

| | |
|---------------|--------|
| Sarah Woolsey | SLOCOG |
|---------------|--------|

1. Call Meeting to Order, Roll Call:

Chairperson Gamaliel Anguiano called the meeting to order at 2:04 PM.

2. Election of Officers: RTAC Chair, Vice Chair, & ADA Appeal Committee Assignment

Mr. Eric Greening nominated **Mr. Gamaliel Aguiano** for re-election to the position of chairperson, and **Ms. Dawn Patterson** seconded. The motion carried on voice vote unanimously.

Mr. Anguiano nominated **Mr. Greening** for re-election to the position of vice chairperson, and **Ms. Dawn Patterson** seconded. The motion carried on voice vote unanimously.

Mr. Greening nominated for the re-election of **Mr. Anguiano, Mr. Mark Dariz, and Ms. Janeen Burlingame** to the assignment of ADA Appeal Committee, and **Ms. Patterson** seconded. The motion carried on voice vote unanimously.

3. Public Comments: None.

A. Information Items

A-1 Executive Director's Report: **Mr. Geoff Straw** reported that the passage of the Innovative Clean Transit rule will pose a challenge for RTA due to funding and battery range of new electric buses. This act phases out petroleum fueled vehicles by 2029. RTA will submit a low emission document for the board to review at the meeting in March 2019.

The Employee of the Quarter BBQ is on Friday February 1st and **Mr. Straw** opened the invitation to any RTAC member that wants to attend as a way to get to know the staff at the agency and tour the facility. The government center plan is 90% complete; RTA is working with SLO County for continuation of the project. Construction bidding has been delayed. There is no room for changes without additional funding. Five new bus operators have been hired and are in the process of training. There are nine job openings, so RTA will continue recruitment.

RTA is set to launch Token Transit, which will reduce the need for ticket vending machines. The app will make passes accessible to riders on their smartphones. This is funded by Proposition 1B Safety & Security bond proceeds. The Bus Garage Facility project design has been submitted to the City of San Luis Obispo Planning Department on December 17th. **Mr. Straw** stated that he will be presenting the project to the City with a video which was shown to board members.

RTA was not selected for the BUILD grant that would have been for the Bus Garage Facility. The project is still in need of funding, so RTA is requesting FTA to reallocate funds that have already been granted for the Bus Maintenance Facility project. RTA has experienced role changes recently, including the loss of Trena Wilson (Administrative Assistant - Finance) and Leslie Sanchez (Human Resources). Chelsea Sperakos was hired as the Administrative Assistant replacing Shelby Walker who left at the end of August. RTA is now recruiting for the positions of Operations Manager, Human Resources Officer and Accounting Technician.

Fixed route ridership is down 5.7% since 2017. Highway 1 routes have increased ridership (routes 12, 14 & 15) while Highway 101 routes have decreased ridership (routes 9 & 10). Runabout ridership has maintained the same levels since last year. RTA is continuing to look for ways to reduce demands due to Runabout being an expensive service. Overall non-capital expenses are on budget; administrative costs are at 110% due to unanticipated technical costs. Service delivery costs and fare box recovery ratio are maintaining within standards.

A-2 Member Comments/ Reports from Jurisdictions: **Chairperson Anguiano** reported that Dee Lawson, the Transit Coordinator for SLO Transit, has retired, and Megan Weeks has been selected to fill that position. There is a vacancy in the Transit Assistant position. There have been minor route changes. Solar panel installation.

Mr. Todd Katz asked if there is a plan to relieve transit congestion. Has the Board looked into diagonal crosswalks, changing parking, short range transit shows not enough transfers across two systems. Discussion followed.

Ms. Dawn Patterson noted the City has issued a request for proposals for driver services, with proposals due back at the end of January. Atascadero Transit is recruiting part time dispatcher, and is in need of a bus washing service.

Mr. Greening expressed his gratitude for the transit services.

Ms. Janeen Burlingame reported on the status of the Morro Bay Transit vehicle procurements, replacement trolleys. She discussed funding for replacing year-round small buses. Also noted was the study will be conducted for a City park transit hub improvements. The Short Range Transit Plan is progressing, and staff is finishing up audits.

Other members had nothing to report.

A-3 Review FY18-19 Budget Assumptions & Discuss FY 19-20 Budget Calendar: **Ms. Tania Arnold** reviewed some of the prior budget assumptions and reported on items that are projected to experience change: workers compensation is up, liability insurance is up, minimal impact to employees for health insurance, and driver shortage has resulted in more overtime will be part of budget. SB-1 using for capital.

A-4 RTAC Input on Holiday Service Levels: The committee discussed various changes in schedules, including the SLO Transit winter schedule. **Mr. Straw** noted that the RTA has gathered three winter's worth of data to determine service coverage during the week of Christmas and New Year. Due to ridership patterns, service alternatives are being explored. Staff coverage was dicey this year due to time off requests.

B. Action Items: None

C. Consent Agenda Items:

C-1 Approve RTAC Meeting Minutes April 17, 2018:

Vice Chairperson Greening moved to approve the minutes and **Ms. Patterson** seconded. The motion carried on a voice vote, with Ms. Burlingame abstaining.

D. Adjournment:

Chairperson Anguiano adjourned the meeting at 3:24 PM.

Next RTAC Meeting: April 17th, 2019 at 10:00 AM.

Respectfully Submitted by Chelsea Sperakos, Administrative Assistant
San Luis Obispo Regional Transit Authority