



AGENDA
REGIONAL TRANSIT ADVISORY COMMITTEE

Thursday, July 16, 2020
2:00 p.m. – 3:30 p.m.

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

Call: +1 (805) 788-9200

Input the 4-digit Meeting Number followed by #: 5145#

Enter Attendee Access Code followed by #: 124578#

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

GUIDANCE FOR PUBLIC ACCESS:

On March 12, 2020 and March 18, 2020, Governor Gavin Newsom enacted Executive Orders N-25-20 and N-29-20 authorizing a local legislative body to hold public meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public to promote social distancing due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19).

In accordance with Executive Order N-29-20, and to ensure the safety of the San Luis Obispo Regional Transit Authority (RTA) Board of Directors and staff, and for the purposes of limiting the risk of COVID-19, **in-person public participation at public meetings of RTA will not be allowed** during the time period covered by the above-referenced Executive Orders. **Below are instructions on how to view the meeting remotely and how to leave public comments.**

Members of the public are encouraged to provide comments in the following ways.

HOW TO COMMENT:

The RTA is accepting general public comments for items on the RTA Board June agenda as well as items of interest not on the agenda within the jurisdiction of the RTA Board. ***Note: Every effort will be made to include your comments into the record, but due to time limitations, some comments may not be included. Members of the public can submit comments by:

Phone – Verbal Public Comments – Call: (805) 781-4833

- When leaving a message, 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 1:30 p.m. on July 16, 2020** (the day of the meeting) and will be limited to **three (3) minutes**.

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

- Include the agenda item number you are referencing or type “general comment,” if it is about an item not on the agenda.
- **Emailed written comments must be submitted no later than 5:00 p.m. on Wednesday, July 15, 2020.**

Mail – Written Public Comments

- Mail to:
Clerk of the Board
SLO RTA
179 Cross Street
San Luis Obispo, CA 93401
- **Mailed written comments must be received by the RTA no later than 5:00 p.m. on Wednesday, July 15, 2020.**

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)
- A-3 RTA Budget FY20-21 and Budget Amendment (Receive)

B. ACTION AGENDA ITEMS:

- B-1 Discuss Service Reduction Strategies (Verbal)

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 23, 2020 (Approve)

D. ADJOURNMENT

Next Meeting: October 15, 2020

Future Meeting Date: January 21, 2021

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

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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

MAY 6, 2020

STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Fiscal Year 2020-21 Operating and Capital Budget

PRESENTED BY: Tania Arnold, Deputy Director/CFO

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

RTAC RECOMMENDATION: Meeting cancelled due to COVID 19

BACKGROUND/DISCUSSION:

We appreciate the Board's support and leadership during these unprecedented times as we work to present a fiscally constrained Fiscal Year 2020-21 operating budget, and an advisory FY21-22 operating plan. In addition, we are presenting a five-year capital program.

The budget packet contains the following items:

- Our Vision and Mission statements,
- Budget Assumptions adopted by the Board at its March 4, 2020 meeting,
- Fiscally constrained FY20-21 operating and capital budgets,
- Fiscally unconstrained FY21-22 operating budget, and
- Fiscally unconstrained FY21-22 through FY24-25 capital budgets.

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

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

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

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

KEY ISSUES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Runabout hours and miles are assumed to increase slightly based on July 2019 to February 2020 ridership trends. Staff will continue to monitor the Runabout service, including the premium fare charged to Tri-Counties Regional Center starting in January 2018 and the functional assessments as part of the certification and recertification process. Should service demands change significantly during the fiscal year, a budget amendment will be presented to the Board for consideration, which will include options such as taxicab service as noted in the budget assumptions.

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

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

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

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

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

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

ADDITIONAL KEY ISSUE:

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

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

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

Revised Revenue Assumptions

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

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

Revised Expenses Assumptions

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

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

Capital Program

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

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

It should be noted that a portion of the FY19-20 capital funds for fully funded projects, such as the design and engineering for the Bus Maintenance Facility and bus stop improvements had not been carried over to the proposed FY20-21 budget. This will happen with a budget amendment after the FY20-21 has started and the carryover will have no financial impact to local jurisdictions because the funding has been fully secured.

Also included is a projected five-year capital improvement program as part of the budget plan. While only the first year is financially constrained, the projects identified in the ensuing four years provide a snapshot of future capital needs and potential cost levels. It should be noted that staff has only identified replacement projects and easily identifiable on-going projects (i.e., computer needs and bus stop improvements) in the capital improvement program. No expansion vehicles are included in the base budget. Also of note is the significant amount included in FY22-23 and FY23-24 for 40' fixed-route bus replacements. No LTF funds are programmed for capital projects in FY20-21.

Conclusion

Fiscal Year 2020-21 will be a challenging year, including financial uncertainty. We look forward to working with our customers, the Board and other stakeholders in providing stability and the highest quality of transportation services to residents of and visitors to our community. We believe that this budget reflects the path set by your Board in previous years and, although we would like to do more, we believe that this budget provides the optimum levels of service within the confines of existing limited resources.

Staff Recommendation for Executive Committee:

Recommend staff provide the FY20-21 budget to the Board for approval at the May 6th Board meeting.

Staff Recommendation for the Board:

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

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

AGENDA ITEM: B-3

TOPIC: Fiscal Year 2020-21 Budget Assumptions

ACTION: Approve FY20-21 Budget Assumptions

PRESENTED BY: Tania Arnold, Deputy Director/CFO

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

**EXECUTIVE COMMITTEE
RECOMMENDATION:**

BACKGROUND/DISCUSSION:

The following report outlines staff's recommended budget assumptions for the RTA's Fiscal Year 2020-21 Operating and Capital Budget, and it is the first step in the development of our operating budget and operating program. It should be noted that the RTA is again developing a two-year operating budget and five-year capital budget. As in past years, only the first year would be financially-constrained, while the out-years should be considered advisory. Upon the Board's guidance and approval of these assumptions, staff will prepare a detailed report along with preliminary budget numbers for presentation to the Executive Committee at their April 8th meeting prior to the final draft budget presentation to the Board in May.

KEY ISSUES

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

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

Mission Statement

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

Objectives and Revenue Impacts

- 1) Maintain service levels and hours of service that meet the standards of productivity and demand of our customers and communities through the effective and efficient delivery of RTA Fixed-Route and Runabout core services.
 - a) RTA received \$1,093,860 for RTA core services in STA funding, which includes capital funding for the planned new RTA Bus Maintenance Facility project. Staff will work with SLOCOG staff to determine a realistic estimate for FY20-21.
 - b) Continue to monitor the results and impacts on ridership and fare revenue from the December 31, 2017 fare increase, both on RTA Fixed-Route and on the Runabout service, which included the establishment of a Runabout premium service fare.
 - c) The FY19-20 budget adopted in May 2019 included \$3,350,105 in LTF operating revenues. At that same meeting, the advisory FY20-21 LTF amount was \$4,690,010. Staff is still developing estimated annual FY19-20 expenses, which impacts the carryover amount that could reasonably be identified for the FY20-21 budget, but does expect this amount to be minimal.
 - d) Federal Transit Administration (FTA) Sections 5307, 5311 and 5339 operating funding and capital funding for FY20-21 will be presented in the same format as previously presented in May 2019, taking into account preliminary projected revenues identified in the Fixing America's Surface Transportation (FAST) Act. Should the actual annual authorizations for FTA programs increase or decrease for any of these programs, staff would adjust these assumptions accordingly. Monies for FTA-funded projects are reimbursed either as progress payments or

as full payment at the end of the project and/or fiscal year, which requires focused care by staff to ensure adequate cash flow.

- e) FTA Section 5307 operating funding from the Santa Maria Urbanized Area for RTA Route 10 will be budgeted based on commitments with Santa Barbara County Association of Governments (SBCAG) and the City of Santa Maria.
 - f) Detailed miles/hours and span of service for each RTA core Fixed-Route and Runabout will be provided with the draft budget. For context, detailed budgets based on miles/hours and span of service will also be provided separately for SLO County Services and North County Local Services. As a consolidation date is reviewed for SoCo Transit, staff will present a mock consolidated budget for review. Assuming consolidation is ultimately adopted, staff will present a budget amendment for adoption by the Board.
 - g) Productivity of each RTA-operated fixed-route service during holiday time periods will be presented to the Board as part of the draft budget, specifically associated with the service provided the weeks of Christmas and New Years to determine if service levels should be reduced. Staff will present the results of the elimination of the commuter Express trips from December 2019.
 - h) Staff will continue to research and evaluate new revenue resources should any potential shortfall in operating revenues arise. If we are unable to secure funding, staff would recommend that the Board consider adjusting the TDA allocation from the RTA jurisdictions and/or adjust service levels.
 - i) Due to changes in self-insured retention requirements, staff will review and provide recommendations regarding the RTA reserve policy once consolidation is completed. The reserve policy was originally adopted in May 2014, as part of the budget process.
- 2) Work with SLOCOG and our transit agency partners in the region to evaluate region-wide service efficiencies.
- a) Transit agencies across the country have experienced ridership declines due to the relatively low price of fuel and increasing private automobile ownership rates, which are affecting farebox recovery ratios. Other factors also include increasing costs due to the California minimum wage. These issues have caused farebox recovery ratios to decline for most transit agencies.
 - b) Review the tasks and financial impacts included in the SoCo Transit contract for administrative, financial, marketing, maintenance and dispatch services, and evaluate efficiencies with the RTA – including SoCo Transit's request to consolidate into the RTA.

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

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

Expenses Impacts

- 1) Fuel consumption and price will be budgeted conservatively; diesel fuel will be budgeted at \$3.30 per gallon. Included in the fuel line item will be diesel exhaust fluid (DEF), used to lower diesel exhaust emissions on the newer Fixed-Route vehicles.
- 2) Insurance Expenses:
 - a) CalTIP liability insurance premiums are projected to increase. The exact amount is not known at this time, as CalTIP actuaries are still working on May 1, 2020 through April 30, 2021 rates. Estimates will be available from CalTIP in time to include in the RTA draft budget presented to the Executive Committee at its April 2020 meeting. Although the number of RTA losses based on mileage has been lower than the statewide pool average, the RTA did experience a large claim in February 2019 that will impact future premiums. The pool had experienced significant negative claims development but those have stabilized due to efforts of all the member agencies to ensure the stability of the pool and ensure equity in costing among all members. This included a recently actuarial study on the application and formulas used in applying and calculating each agencies experience modification factor. More importantly, the California liability market continues to contract, which also increases per-mile costs.
 - b) CalTIP vehicle physical damage will increase minimally due to the added asset value of newer vehicles in the fleet, namely the six new 40-foot buses and eight new cutaway vehicles that RTA received in replacement for vehicles that had exceeded their useful life during the FY18-19.
 - c) Our annual Employment Risk Management Authority premium is estimated at \$27,000, with a \$50,000 self-insured retention. This self-insured retention does not currently have a reserve in place to cover it should a loss develop. As noted previously, staff hopes to bring a revised reserve policy to the Board once consolidation is completed to address this reserve need.
 - d) Workers compensation premiums through the CSAC Excess Insurance Authority are projected to increase, with the realization that workers compensation for transit services is especially challenging statewide as loss development trends in the state are not favorable. Staff will obtain a more refined estimate in early March. We continue to work with our employee committee that has evaluated workplace safety and has initiated a proactive program to address the number of claims and severity of the claims. The decline in FY18-19 was a result of these efforts, and although premiums are expected to rise, a significant portion of that increase is attributable to the increase in wages identified in the collective

bargaining agreement that are triggered by the changes in the California minimum wage.

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

3) Staffing Expenses:

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

Proposed Budget Calendar

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

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

Staff Recommendation for Executive Committee:

Recommend staff provide the FY20-21 budget assumptions and budget calendar to the Board for approval at the March 4th Board meeting, so that a detailed work plan and budget may be developed.

Staff Recommendation for the Board:

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

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

		2018/2019 COMBINED ACTUAL	2019/2020 ADOPTED OPERATING BUDGET	2019/2020 ADOPTED SLOCAT BUDGET	2019/2020 ADOPTED N. COUNTY BUDGET	2020/2021 PROPOSED OPERATING BUDGET	2020/2021 PROPOSED SLOCAT BUDGET	2020/2021 PROPOSED N. COUNTY BUDGET	2021/2022 PROJECTED OPERATING BUDGET	2021/2022 PROJECTED SLOCAT BUDGET	2021/2022 PROJECTED N. COUNTY BUDGET
FUNDING SOURCES:											
1.	GENERAL RESERVES	2,065,078	2,502,930	100,900	163,890	1,769,731	111,070	174,300	1,739,620	125,500	182,220
	ESTIMATED FUND BALANCE	2,065,078	2,502,930	100,900	163,890	1,769,731	111,070	174,300	1,739,620	125,500	182,220
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR										
CASH FLOW REQUIREMENTS PER TDA											
	TOTAL	1,823,580	1,648,570	111,070	174,300	1,739,620	125,500	182,220	1,833,080	132,500	204,640
3.	FUND BALANCE AVAILABLE	241,498	854,360	(10,170)	(10,410)	30,111	(14,430)	(7,920)	(93,460)	(7,000)	(22,420)
NON TDA SOURCES											
FARES											
	SCT MANAGEMENT CONTRACT	1,367,564	1,228,770	49,450	106,170	1,228,770	28,900	106,170	1,253,350	29,480	58,730
	COUNTY MANAGEMENT CONTRACT	124,660	122,650	-	-	126,660	-	-	136,080	-	-
	NORTH COUNTY MANAGEMENT CONTRACT	90,130	88,680	-	-	91,580	-	-	98,390	-	-
	INTEREST	43,740	43,030	-	-	44,440	-	-	47,740	-	-
	STATE TRANSIT ASSISTANCE (STA) INCLUDING SBT	43,473	52,360	-	-	38,670	-	-	38,670	-	-
	RURAL TRANSIT FUND (Administration)	365,815	601,700	206,000	160,810	724,900	165,600	134,800	724,900	165,600	134,800
	FEDERAL TRANSIT FUND (Administration)	30,000	30,000	-	-	30,000	-	-	30,000	-	-
	RURAL TRANSIT FUND (Operating Funds)	402,464	300,000	-	-	250,000	-	-	250,000	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	574,340	603,060	-	-	633,210	-	-	633,210	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	503,200	534,305	-	-	544,630	-	-	544,630	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	1,127,940	919,820	-	262,021	963,310	-	275,120	963,310	-	275,120
	FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating	366,960	385,310	-	-	404,580	-	-	424,810	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	536,200	560,510	-	-	586,040	-	-	586,040	-	-
	CUESTA CONTRIBUTION ROUTE 12	75,220	84,670	-	-	82,810	-	-	87,780	-	-
	CUESTA CONTRIBUTION NORTH COUNTY	40,580	-	-	40,580	-	-	-	-	-	-
	SPECIAL EVENTS REVENUE/OTHER	21,548	-	-	-	-	-	-	-	-	-
SUB TOTAL		5,713,835	5,554,865	255,450	569,581	5,769,600	194,500	556,670	5,838,910	195,080	509,230
4.	TOTAL FUND BALANCE & NON TDA FUNDING	5,955,333	6,409,225	245,280	559,171	5,799,711	180,070	548,750	5,745,450	188,080	486,810
5.											

FUNDING SOURCES:

TDA REQUIRED

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

Population
Based

18%
49%

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

6

TOTAL FUNDING SOURCES

7

FUNDING USES:

ADMINISTRATION
INTEREST EXPENSE
MANAGEMENT CONTRACTS
SERVICE DELIVERY
CONTINGENCY

9

TOTAL FUNDING USES

2018/2019 COMBINED ACTUAL	2019/2020 ADOPTED OPERATING BUDGET	2019/2020 ADOPTED SLOCAT BUDGET	2019/2020 ADOPTED N. COUNTY BUDGET	2020/2021 PROPOSED OPERATING BUDGET	2020/2021 PROPOSED SLOCAT BUDGET	2020/2021 PROPOSED N. COUNTY BUDGET	2021/2022 PROJECTED OPERATING BUDGET	2021/2022 PROJECTED SLOCAT BUDGET	2021/2022 PROJECTED N. COUNTY BUDGET
227,552	203,346	-	-	265,873	-	-	297,610	-	-
396,446	353,596	-	-	452,219	-	-	506,200	-	-
172,409	153,940	-	-	201,279	-	-	225,305	-	-
138,076	119,235	-	-	155,261	-	-	173,795	-	-
965,767	358,273	-	456,909	464,698	-	512,370	520,168	-	629,580
105,809	93,465	-	-	122,540	-	-	137,168	-	-
789,588	699,194	-	-	906,474	-	-	1,014,680	-	-
2,520,666	1,903,361	369,330	-	2,467,625	476,800	-	2,762,184	505,240	-
5,376,312	3,884,410	369,330	456,909	5,035,969	476,800	512,370	5,637,110	505,240	629,580
(503,203)	(534,305)	-	-	(564,630)	-	-	(564,630)	-	-
4,873,109	3,350,105	369,330	456,909	4,471,339	476,800	512,370	5,072,480	505,240	629,580
10,768,442	9,759,330	614,610	1,016,080	10,271,050	656,870	1,061,120	10,817,930	693,320	1,116,390
1,690,076	1,633,470	7,500	117,250	1,773,910	7,870	128,980	1,902,620	7,500	138,140
7,457	-	-	-	-	-	-	-	-	-
258,530	122,650	88,680	43,030	126,660	91,580	44,440	136,080	98,300	47,740
8,269,218	7,907,710	493,740	843,950	8,270,040	530,880	875,630	8,673,430	559,490	917,860
120,361	95,500	24,690	11,850	100,440	26,540	12,070	105,800	27,940	12,650
10,365,642	9,759,330	614,610	1,016,080	10,271,050	656,870	1,061,120	10,817,930	693,320	1,116,390

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

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

Administration and Service Delivery Totals			
	Actual Combined FY 2018-19	Adopted Operating Budget FY 2019-20	Proposed Operating Budget FY 2020-21
Administration:			
Labor			
Labor - Administration Workers Comp			
Hours	70,279	70,210	69,660
Miles	1,581,425	1,563,240	1,570,560
operations cost	819,672	879,630	1,042,550
operations cost	64,365	51,090	50,490
operations cost	460,186	476,920	510,280
operations cost	19,721	20,710	33,160
operations cost	154,634	112,860	129,790
operations cost	42,932	44,970	70,540
operations cost	306,107	292,950	308,400
hourly	80,989	133,240	87,160
operations cost	(43,740)	(43,030)	(44,440)
operations cost	(90,130)	(88,680)	(91,580)
operations cost	(124,660)	(122,650)	(136,080)
Total Administration	1,690,076	1,758,010	2,048,260
Service Delivery:			
Labor - Operations			
Labor - Operations Workers Comp			
hourly	4,276,507	5,086,120	5,819,150
hourly	438,094	347,740	339,860
Labor - Maintenance			
Labor - Maintenance Workers Comp			
hourly	1,000,133	1,121,220	1,312,390
hourly	127,455	101,170	93,080
miles	1,021,026	1,048,730	968,920
miles	707,786	677,570	736,450
miles	45,476	44,903	48,340
miles	54,894	63,590	51,350
miles	504,564	628,670	613,550
miles	113,283	125,900	137,520
miles	8,289,218	9,245,610	10,150,780
Total Operations			
Contingency	120,361	132,040	146,390
Interest Expense	7,457	-	-
Management Contracts	258,530	254,360	282,210
TOTAL FUNDING USES	10,365,642	11,390,020	12,627,640

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

Route 9		Total Adopted Budget FY 2019-20	Weekday Proposed Budget FY 2020-21	Saturday Proposed Budget FY 2020-21	Sunday Proposed Budget FY 2020-21	Total Proposed Budget FY 2020-21	Projected Budget FY 2021-22
Administration:							
Total Administration (Net of Contracts)							
Service Delivery:	Labor - Operations	13,710	11,750	660	430	12,840	12,840
	Labor - Operations Workers Comp	363,430	314,380	18,240	12,390	345,010	345,010
	Labor - Maintenance	341,580	322,000	18,260	12,050	352,310	375,070
	Labor - Maintenance Workers Comp						
	Fuel	946,320	883,960	49,650	32,350	965,960	1,021,890
	Insurance	64,590	51,190	2,880	1,870	55,940	59,180
	Maintenance (parts, supplies, materials)	208,610	199,630	11,210	7,310	218,150	230,730
	Maintenance Contract Costs	18,900	14,890	840	550	16,280	17,210
	Total Operations	239,000	191,470	11,110	7,550	210,130	208,300
		154,050	138,620	8,040	5,460	152,120	158,100
Capital/Studies:		139,270	121,420	7,040	4,790	133,250	127,970
Total Capital Outlay		27,880	24,670	1,430	970	26,070	28,700
Contingency		1,798,020	1,625,850	92,200	60,850	1,778,900	1,852,080
Interest Expense		315,110	4,907,340	278,290	183,660	5,369,290	5,132,740
TOTAL FUNDING USES		21,200	19,060	1,070	700	20,830	21,830
TOTAL NON-CAPITAL EXPENDITURES		-	-	-	-	-	-
		2,476,510	6,874,250	389,820	257,260	7,521,330	7,381,720
		2,161,400	1,966,910	111,530	73,600	2,152,040	2,248,980

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

Route 12, 14 and 15		Total Adopted Budget FY 2019-20	Weekday Proposed Budget FY 2020-21	Saturday Proposed Budget FY 2020-21	Sunday Proposed Budget FY 2020-21	Total Proposed Budget FY 2020-21	Projected Budget FY 2021-22
Administration:							
Total Administration (Net of Contracts)							
Service Delivery:	Labor - Operations	10,490	9,260	920	710	10,890	10,890
	Labor - Operations Workers Comp	296,110	265,510	26,640	18,540	310,690	310,690
	Labor - Maintenance	266,630	259,090	25,820	19,320	304,230	323,660
	Labor - Maintenance Workers Comp						
	Fuel	724,060	696,640	69,210	53,410	819,260	866,700
	Insurance	49,420	40,340	4,010	3,090	47,440	50,190
	Maintenance (parts, supplies, materials)	159,610	157,320	15,630	12,060	185,010	195,690
	Maintenance Contract Costs	14,460	11,740	1,170	900	13,810	14,600
	Total Operations	194,730	161,700	16,220	11,290	189,210	187,580
		125,510	117,070	11,750	8,170	136,990	142,370
Capital/Studies:		113,460	102,540	10,290	7,160	119,990	115,240
Total Capital Outlay		22,720	20,830	2,090	1,450	24,370	25,850
Contingency		1,403,970	1,308,180	130,370	97,530	1,536,080	1,598,220
Interest Expense		245,970	3,948,460	393,490	294,370	4,636,320	4,429,160
TOTAL FUNDING USES		16,210	15,020	1,490	1,150	17,660	18,520
TOTAL NON-CAPITAL EXPENDITURES		-	-	-	-	-	-
		1,932,780	5,530,750	551,170	412,370	6,497,290	6,369,560
		1,686,810	1,582,290	157,680	118,000	1,857,970	1,940,400

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

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

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

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

JUNE 3, 2020

STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Fiscal Year 2019-20 Operating Budget
Amendment and Fiscal Year 2020-21
Operating and Capital Budget Amendment

ACTION: Approve

PRESENTED BY: Tania Arnold

STAFF RECOMMENDATION: Approve Budget Amendments

SUMMARY:

The current Fiscal Year 2019-20 RTA operating and capital budget was adopted on May 1, 2019 and was based on a range of early assumptions. Subsequently, staff had to make significant changes to service levels and administrative oversight to address the COVID-19 pandemic. As mentioned at the May 6, 2020 RTA Board meeting, the CARES Act signed into law on March 27th provided a record-breaking \$2.2 trillion to help prevent, prepare for and respond to the COVID-19 pandemic, including \$25 billion for public transit. In San Luis Obispo County, the formula fund amounts for the three small urbanized areas are roughly triple the typical annual apportionment, while the rural formula funds being immediately distributed by Caltrans is roughly equivalent to one years' worth. Below are details of CARES Act funding apportioned by the Federal Transit Administration as Section 5307 funds to the region, by Urbanized Area (UZA):

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

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

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

cohorts at other rural transit agencies have expressed concerns through CalACT and the CTA that all of the 5311 CARES Act funding should be immediately dispersed to help transit agencies respond to and plan for recovery from the pandemic.

This one-time CARES Act funding can be used for all net operating expenses (after deducting fares) incurred since January 20, 2020; no local match is required. The transit agencies operating in the three urbanized areas in SLO County agreed to use these new funds to reimburse 100% of net operating costs from February 1 through June 30, 2020, and in principle agreed with SLOCOG officials to meet in the coming weeks to further develop funding splits going forward. RTA staff has requested that SLOCOG and Santa Barbara County Association of Governments (SBCAG) meet with us soon to agree on funding splits for the Santa Maria UZA funds. While the draft FY20-21 budget depicted in May 6, 2020 RTA Board Agenda included zero CARES Act funds, staff is now bringing a budget revision to the RTA Board to replace some of the Local Transportation Funds that could instead be used by the RTA jurisdictions for local streets/roads purposes in FY20-21.

There are a number of changes in the current fiscal year and in subsequent years, which staff has noted in **yellow** in the detailed pages. In total, it is projected that the jurisdictions will have a reduction of the LTF required for FY2020-21 and FY2021-22 of **\$2,216,200**, as a result of this budget amendment, should the Board move forward with a 5% service reduction that was included in the budget adopted on May 6, 2020.

- Although not detailed below, the supporting information is provided should the Board **NOT** move forward with a service reduction. The reduction of the LTF required for FY2020-21 and FY2021-22 of **\$1,553,730** (\$1,357,480 for FY2020-21 and \$196,250 for FY2021-22).

Below is a summary of the **Operating Revenue and Expense** revisions (the FY20-21 and FY21-22 are based on the adopted 5% service reduction):

1. For the remainder of FY2019-20:
 - a. Increase in *CASH FLOW REQUIREMENTS PER TDA* of \$92,090 due to the reduction in fares revenue.
 - b. Addition of *PERS BUYOUT* of \$3,373,900 based on original actuarial information provided in the fall of 2019. Fully paying it down eliminates the need to finance the buyout.
 - c. Increase in *DEBT SERVICE RESERVE FOR BUS MAINTENANCE FACILITY* of \$207,660 which is a requirement the RTA will need to fund with LTF and can do that now in order to reduce the impact when the Debt Service Reserve begins in FY2022-23.
 - d. Changes to *NON TDA SOURCES*:
 - i. Reduction in *FARES* of \$352,830 (from \$1,228,770 to \$875,940) due to the suspension of fares on March 20, 2020.
 - ii. Reduction in *INTEREST* income of \$24,360 (from \$52,360 to \$28,000) due to current market conditions.

- iii. Addition of new *FTA 5307 CARES* funds from the three San Luis Obispo County urbanized areas, totaling \$4,066,390.
- iv. No new *FTA 5311 CARES* funds in the current fiscal year. Due to timing of the exchange of those funds on a regional level, they are identified in FY2020-21 only.
- v. No new *FTA 5307 CARES* funds from the Santa Maria urbanized area is presented; a future budget amendment could be forthcoming following negotiations with Santa Maria Area Transit and Santa Barbara County Association of Governments officials.
- vi. Reduction in *CUESTA CONTRIBUTION FOR ROUTES 12 & 14* by \$15,550 (from \$84,670 to \$69,120) due to reduced service, including suspension of Route 14 starting on March 16, 2020.

2. For FY2020-21:

- a. Increase in *GENERAL RESERVES* of \$3,581,560 (from \$1,769,731 to \$5,351,291) due to items 1.b. and 1.c. above.
- b. Increase in *CASH FLOW REQUIREMENTS PER TDA* of \$88,200 due to the reduction in fares revenue.
- c. Carryover of the *DEBT SERVICE RESERVE FOR BUS MAINTENANCE FACILITY* amounting to \$207,660 due to item 1.c. above.
- d. Increase to *OFFSET RESERVE TO CARRYOVER TO FY21-22* of \$1,000,000 which is allowing the LTF allocated to be carried forward and reduce the requirements in future years.
- e. Changes to *NON TDA SOURCES*:
 - i. Reduction in *FARES* of \$352,830 (from \$1,228,770 to \$875,940) due to reduced ridership projections after service levels are restored to pre-COVID-19 service levels.
 - ii. Elimination of *STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1* used for Operations (originally adopted amount of \$724,900). Note: these funds are now proposed for capital uses.
 - iii. Elimination of *RURAL TRANSIT FUND (Operating Funds)* used of \$250,000. Note: these funds are now proposed for capital uses.
 - iv. Reduced use of *FTA 5307* from the three San Luis Obispo County urbanized areas by 25%, or reduction of \$545,640 (from total of \$2,182,560 to total of \$1,636,920). Note: these funds are now proposed for capital uses.
 - v. Addition of new *FTA 5307 CARES* funds from the three San Luis Obispo County urbanized areas of \$4,053,400.
 - vi. Addition of new *FTA 5311 CARES* funds for the portion of services the RTA provides in rural areas totaling \$591,790.
 - vii. No new *FTA 5307 CARES* funds from the Santa Maria urbanized area is presented; a future budget amendment could be forthcoming following negotiations with SMAT and SBCAG officials..
- f. Increase in *RURAL TRANSIT FUNDS/5311 EXCHANGE* of \$591,790 (from \$564,630 to \$1,156,420) per item 2.e.vi. above.
- g. Reduction in *NET TDA REQUIREMENTS* of \$2,183,360 (from \$4,471,339 to \$2,797,719).

- h. Addition of \$3,373,900 for the *PERS BUYOUT* as noted in 1.b. above.
- 3. For FY2021-22:
 - a. Increase in *GENERAL RESERVES* of \$1,295,860 (from \$1,739,620 to \$3,035,480) due to items 1.c. and 2.d. above.
 - b. Increase in *CASH FLOW REQUIREMENTS PER TDA* of \$6,140 (from 1,833,080 to \$1,839,220) due to the reduction in *FARES* revenue.
 - c. Carryover of the *DEBT SERVICE RESERVE FOR BUS MAINTENANCE FACILITY* due to item 1.c. above.
 - d. Changes to *NON TDA SOURCES*:
 - i. Reduction in *FARES* of \$24,610 (from \$1,253,350 to \$1,228,770) due to reduced ridership projections after service levels are restored to prior service levels back to fares originally projected for FY2019-20.
 - ii. Reduction in *STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1* used for Operations of \$524,900 (from \$724,900 to \$200,000).
Note: these funds are now proposed for capital uses.
 - e. Reduction in *NET TDA REQUIREMENTS* of \$532,580 (from \$5,072,480 to \$4,539,900).

Below is a summary of the **Capital Revenue and Expense** revisions:

- 1. For FY2019-20: No changes
- 2. For FY2020-21:
 - a. Increase in *BEGINNING CAPITAL PROJECTS RESERVE* of \$255,520 (from \$470,460 to \$725,980).
 - b. Changes to *NON-TDA SOURCES*:
 - i. Increase in *STATE TRANSIT ASSISTANCE (STA) WITH SB1 AUGMENTATION* funds of \$724,900 (from \$469,410 to \$1,194,310) as noted in Operating item 2.e.ii. – moved from operating to capital.
 - ii. Addition of *APCD AB 617 FOR GARAGE PROJECT* funding for the bus maintenance facility totaling \$721,980.
 - iii. Increase in *RURAL TRANSIT FUNDS (Capital)* as noted in item 2.e.iii. from operating to capital.
 - iv. Increase in *FTA 5307* from the three San Luis Obispo County urbanized areas by 25% as noted in 2.e.iv. from operating to capital (increase of \$545,640; from \$821,190 to \$1,366,830).
 - c. Reduction in *NET TDA REQUIREMENTS/FINANCING NEED FOR BUS MAINTENANCE FACILITY* of \$3,659,500 (from \$6,735,760 to \$3,076,260) as a result of additional FTA 5307 from the three San Luis Obispo County urbanized areas, new APCD AB 617 funds, and the reduced construction cost for the Bus Maintenance Facility.
 - d. Reduction in *CAPITAL* expenditure of \$1,672,500 (from \$15,046,000 to \$13,373,500) as a result of the reduced construction cost for the Bus Maintenance Facility.
- 3. For FY2021-22:
 - a. Increase in *BEGINNING CAPITAL PROJECT RESERVE* of \$255,520 (from \$470,460 to \$725,980) as noted in 2.a. above.
 - b. Changes in *NON TDA SOURCES*:

- i. Increase in *STATE TRANSIT ASSISTANCE (STA) WITH SB1 AUGMENTATION* funds totaling \$524,900 (from \$469,410 to \$994,310) noted in Operating item 3.d.ii. moved from operating to capital.
- ii. Reduction in *FTA 5307* of \$399,990 (from total of \$684,440 to \$288,450) from the three San Luis Obispo County urbanized areas that was originally budgeted for the facility. Due to the increase in FY2020-21 it is now at the maximum 80% of federal funds allowed.
- c. Reduction in *NET TDA REQUIREMENTS/FINANCING NEEDED FOR BUS MAINTENANCE FACILITY* of \$1,935,543 (from \$12,896,553 to \$10,961,010) as a result of the reduced construction cost for the Bus Maintenance Facility.
- d. Reduced in *CAPITAL* expenditure of \$1,558,600 (from \$14,444,530 to \$12,885,930) as a result of the reduced construction cost for the Bus Maintenance Facility.

For reference, the amendment also includes revisions to the services the RTA provides on behalf of the **City of Paso Robles**. Those revisions include:

- 1. For FY2019-20:
 - a. Increase in *CASH FLOW REQUIREMENTS PER TDA* of \$415,010 (from \$174,300 to \$589,310) which is allowing the LTF and STA allocated to be carried forward and reduces the requirements in future years, and due to the reduction in *FARES*.
 - b. Reduction in *FARES* of \$8,360 (from \$106,170 to \$97,810) due to the suspension of fares on March 20, 2020.
 - c. Addition of new *FTA CARES* funding of \$423,370.
- 2. For FY2020-21:
 - a. Increase in *GENERAL RESERVES* of \$415,010 (from \$174,300 to \$589,310), which is the carryover from FY19-20 *CASH FLOW REQUIREMENTS PER TDA* revised in 1.a.
 - b. Increase in *CASH FLOW REQUIREMENTS PER TDA* of \$562,960 (from \$182,220 to \$581,180), which is allowing the LTF and STA allocated to be carried forward and reduces the requirements in future years.
 - c. Reduction in *FARES* of \$8,360 (from \$106,170 to \$97,810) due to reduced ridership projections after service levels are restored to prior service levels.
 - d. Elimination of *FTA 5307* funds of \$275,120, which will free up funds for other projects.
 - e. Addition of new *FTA CARES* funding of \$779,800.
 - f. Elimination of LTF of \$512,370.
- 3. For Projected FY2021-22 (reminder, this is advisory only):
 - a. Increase in *GENERAL RESERVES* of \$562,960 (from \$182,220 to \$581,180), which is the carryover from FY19-20 *CASH FLOW REQUIREMENTS PER TDA* revised in 2.b.
 - b. Reduction in *CASH FLOW REQUIREMENTS PER TDA* totaling \$11,860 due to an error in the original budget for fares.

- c. Increase in FARES back to original FY2019-20 levels. This is a revised number as there was an error in the original projection.
- d. With the revisions noted in 3.a. and 3.b., an additional \$410,820 is available in *FUND BALANCE AVAILABLE* to start the fiscal year, which allows the LTF request to drop by \$458,260 (from \$629,580 to \$171,320).

In total, it is projected that the City of Paso Robles will have a reduction of the LTF required for FY2020-21 and FY2021-22 of \$970,630, as a result of CARES funds for services provided **just for the City of Paso Robles.**

Staff Recommendation

Approve the budget amendment as indicated in the staff report.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED AMENDED OPERATING REVENUE BUDGET FOR 2019/20 AND 2020/2021

FUNDING SOURCES:

GENERAL RESERVES

1. ESTIMATED FUND BALANCE

2. LESS REQUIRED RESERVES FOR FISCAL YEAR

CASH FLOW REQUIREMENTS PER TDA

PERS BUYOUT

DEBT SERVICE RESERVE FOR BUS MAINTENANCE FACILITY

OFFSET RESERVE TO CARRYOVER TO FY21-22

TOTAL

3. FUND BALANCE AVAILABLE

NON TDA SOURCES

FARES

SCT MANAGEMENT CONTRACT

COUNTY MANAGEMENT CONTRACT

NORTH COUNTY MANAGEMENT CONTRACT

INTEREST

STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1

RURAL TRANSIT FUND (Administration)

RURAL TRANSIT FUND (Operating Funds)

FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo

FTA (Section 5307) - San Luis Obispo CARES

FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating

FTA (Section 5311) - Operating CARES

FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating

FTA (Section 5307-N. County) - Operating CARES

FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating

FTA (Section 5307-SM) - Operating CARES

FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating

FTA (Section 5307) - S. County Operating CARES

CUESTA CONTRIBUTION FOR ROUTE 12 AND 14

CUESTA CONTRIBUTION NORTH COUNTY

SPECIAL EVENTS REVENUE/OTHER

4. SUB TOTAL

5. TOTAL FUND BALANCE & NON TDA FUNDING

	2019/2020 AMENDED OPERATING BUDGET	2019/2020 ADOPTED OPERATING BUDGET	2020/2021 AMENDED OPERATING BUDGET	2020/2021 ADOPTED OPERATING BUDGET	2021/2022 REVISED OPERATING BUDGET	2021/2022 ORIGINAL OPERATING BUDGET
GENERAL RESERVES	2,502,930	2,502,930	5,351,291	1,769,731	3,035,480	1,739,620
1. ESTIMATED FUND BALANCE	2,502,930	2,502,930	5,351,291	1,769,731	3,035,480	1,739,620
2. LESS REQUIRED RESERVES FOR FISCAL YEAR						
CASH FLOW REQUIREMENTS PER TDA	1,740,660	1,648,570	1,827,820	1,739,620	1,839,220	1,833,080
PERS BUYOUT	3,373,900	-	-	-	-	-
DEBT SERVICE RESERVE FOR BUS MAINTENANCE FACILITY	207,660	-	207,660	-	207,660	-
OFFSET RESERVE TO CARRYOVER TO FY21-22	-	-	1,000,000	-	-	-
TOTAL	5,322,220	1,648,570	3,035,480	1,739,620	2,046,880	1,833,080
3. FUND BALANCE AVAILABLE	(2,819,290)	854,360	2,315,811	30,111	988,600	(93,460)
<u>NON TDA SOURCES</u>						
FARES	875,940	1,228,770	875,940	1,228,770	1,228,770	1,253,350
SCT MANAGEMENT CONTRACT	122,650	122,650	126,660	126,660	136,080	136,080
COUNTY MANAGEMENT CONTRACT	88,680	88,680	91,580	91,580	98,390	98,390
NORTH COUNTY MANAGEMENT CONTRACT	43,030	43,030	44,440	44,440	47,740	47,740
INTEREST	28,000	52,360	38,670	38,670	38,670	38,670
STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	601,700	601,700	-	724,900	200,000	724,900
RURAL TRANSIT FUND (Administration)	30,000	30,000	30,000	30,000	30,000	30,000
RURAL TRANSIT FUND (Operating Funds)	300,000	300,000	-	250,000	250,000	250,000
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	603,060	603,060	474,910	633,210	633,210	633,210
FTA (Section 5307) - San Luis Obispo CARES	1,789,210	-	1,132,120	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	534,305	534,305	564,630	564,630	564,630	564,630
FTA (Section 5311) - Operating CARES	-	-	591,790	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	919,820	919,820	722,480	963,310	963,310	963,310
FTA (Section 5307-N. County) - Operating CARES	1,097,930	-	1,403,640	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating	385,310	385,310	404,580	404,580	424,810	424,810
FTA (Section 5307-SM) - Operating CARES	-	-	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	560,510	560,510	439,530	586,040	586,040	586,040
FTA (Section 5307) - S. County Operating CARES	1,179,250	-	1,517,640	-	-	-
CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	69,120	84,670	82,810	82,810	87,780	87,780
CUESTA CONTRIBUTION NORTH COUNTY	-	-	-	-	-	-
SPECIAL EVENTS REVENUE/OTHER	-	-	-	-	-	-
4. SUB TOTAL	9,228,515	5,554,865	8,541,420	5,769,600	5,289,430	5,838,910
5. TOTAL FUND BALANCE & NON TDA FUNDING	6,409,225	6,409,225	10,857,231	5,799,711	6,278,030	5,745,450

FUNDING SOURCES: TDA REQUIRED

CITY OF ARROYO GRANDE	203,346
CITY OF ATASCADERO	353,596
CITY OF GROVER BEACH	153,940
CITY OF MORRO BAY	119,235
CITY OF PASO ROBLES	358,273
CITY OF PISMO BEACH	93,465
CITY OF SAN LUIS OBISPO	699,194
COUNTY OF SAN LUIS OBISPO	1,903,361
	18%
	49%

Population
Based

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

6.

NET TDA REQUIREMENTS

7.

TOTAL FUNDING SOURCES

8.

FUNDING USES:

ADMINISTRATION
PERS BUYOUT
MANAGEMENT CONTRACTS
SERVICE DELIVERY
CONTINGENCY

9.

TOTAL FUNDING USES

2019/2020 AMENDED OPERATING BUDGET	2019/2020 ADOPTED OPERATING BUDGET	2020/2021 AMENDED OPERATING BUDGET	2020/2021 ADOPTED OPERATING BUDGET	2021/2022 REVISED OPERATING BUDGET	2021/2022 ORIGINAL OPERATING BUDGET
203,346	203,346	208,230	265,873	269,493	297,610
353,596	353,596	354,175	452,219	458,376	506,200
153,940	153,940	157,640	201,279	204,019	225,305
119,235	119,235	121,600	155,261	157,375	173,795
358,273	358,273	363,948	464,698	471,024	520,168
93,465	93,465	95,973	122,540	124,208	137,168
699,194	699,194	709,945	906,474	918,815	1,014,680
1,903,361	1,903,361	1,932,628	2,467,625	2,501,220	2,762,184
3,884,410	3,884,410	3,944,139	5,035,969	5,104,530	5,637,110
(534,305)	(534,305)	(1,156,420)	(564,630)	(564,630)	(564,630)
3,350,105	3,350,105	2,787,719	4,471,339	4,539,900	5,072,480
9,759,330	9,759,330	13,644,950	10,271,050	10,817,930	10,817,930
1,633,470	1,633,470	1,773,910	1,773,910	1,902,620	1,902,620
-	-	3,373,900	-	-	-
122,650	122,650	126,660	126,660	136,080	136,080
7,907,710	7,907,710	8,270,040	8,270,040	8,673,430	8,673,430
95,500	95,500	100,440	100,440	105,800	105,800
9,759,330	9,759,330	13,644,950	10,271,050	10,817,930	10,817,930

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

FUNDING SOURCES:

BEGINNING CAPITAL PROJECTS RESERVE

1. ESTIMATED FUND BALANCE

2. LESS REQUIRED RESERVES FOR FISCAL YEAR

CAPITAL PROJECTS RESERVE

TOTAL

3. FUND BALANCE AVAILABLE

NON TDA SOURCES

STATE TRANSIT ASSISTANCE (STA) WITH SB1 AUGMENTATION

LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)

PROPOSITION 1B FUNDING - SAFETY & SECURITY

STA SB1 AUGMENTATION (Prior Years) & STATE OF GOOD REPAIR

PROPOSITION 1B FUNDING - BUS REPLACEMENT & BUS MAINTENANCE FACILITY

APCD AB 617 FOR GARAGE PROJECT

RURAL TRANSIT FUND (Capital)

FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo

FEDERAL TRANSIT ADM (FTA) (Section 5309) - State of Good Repair

FEDERAL TRANSIT ADM (FTA) (Section 5339) - Bus and Bus Facilities

FEDERAL TRANSIT ADM (FTA) (Section 5307-North County)

FEDERAL TRANSIT ADM (FTA) (Section 5307-South County)

SUB TOTAL

4. TOTAL FUND BALANCE & NON TDA FUNDING

5. NET TDA REQUIREMENTS/FINANCING NEEDED FOR BUS MAINTENANCE FACILITY

6. TOTAL FUNDING SOURCES

7. FUNDING USES:

CAPITAL

LOAN PAYDOWN

8. TOTAL FUNDING USES

	2020/2021 AMENDED CAPITAL BUDGET	2020/2021 ADOPTED CAPITAL BUDGET	2021/2022 REVISED CAPITAL BUDGET	2021/2022 ORIGINAL CAPITAL BUDGET
	171,870	171,870	725,980	470,460
	171,870	171,870	725,980	470,460
	725,980	470,460	483,820	480,333
	725,980	470,460	483,820	480,333
	(554,110)	(298,590)	242,160	(9,873)
	1,194,310	469,410	994,310	469,410
	-	-	-	-
	-	-	-	-
	1,033,230	1,033,230	400,000	400,000
	721,980	-	-	-
	250,000	-	-	-
	421,820	263,520	85,430	218,760
	-	-	-	-
	6,285,000	6,285,000	-	-
	534,980	294,150	117,590	250,920
	410,030	263,520	85,430	218,760
	10,851,350	8,608,830	1,682,760	1,557,850
	10,297,240	8,310,240	1,924,920	1,547,977
	3,076,260	6,735,760	10,961,010	12,896,553
	13,373,500	15,046,000	12,885,930	14,444,530
	13,373,500	15,046,000	12,885,930	14,444,530

	Amended Capital Budget FY 2020-21	Adopted Capital Budget FY 2020-21	Revised Capital Budget FY 2021-22	Original Capital Budget FY 2021-22
Capital Expenditures				
Capital/Studies:				
Computer System Maintenance/Upgrades	44,940	44,940	47,190	47,190
Miscellaneous Capital				
Maintenance Equipment	40,200	40,200	-	-
Specialized Maintenance Tools	-	-	-	-
Desks and Office Equipment	-	-	-	-
Radios	6,600	6,600	-	-
Vehicle ITS/Camera System	-	-	-	-
Bus Stop Improvements/Bus Stop Solar Lighting	265,500	265,500	278,780	278,780
Bus Rehabilitation	-	-	-	-
Vehicles				
Support Vehicles	56,700	56,700	63,000	63,000
40' Coaches	631,800	631,800	-	-
Trolley replacement vehicles	-	-	-	-
Cutaway and Dial A Ride Vehicles	-	-	113,900	113,900
Runabout Vehicles	261,300	261,300	316,600	316,600
Total Capital Outlay	1,307,040	1,307,040	819,470	819,470
Loan Pay down	-	-	-	-
Short Range Transit Plans - Nipomo	-	-	-	-
Elks Lane Project	12,066,460	13,738,960	12,066,460	13,738,960
TOTAL FUNDING USES	13,373,500	15,046,000	12,885,930	14,558,430

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
REGIONAL TRANSIT ADVISORY COMMITTEE

January 23rd, 2020

DRAFT MINUTES

C-1

Members Present:

Eric Greening (<i>Vice Chair</i>)	Fixed Route Representative
Wendy Hall	County of San Luis Obispo
Omar McPherson	South County Transit (SCT)
Dawn Patterson	Atascadero Transit
Cheryl Andrus	Cal Poly
Mark Dariz	Runabout/DAR Representative
Todd Katz	Fixed Route Alternate Rep.

Members Absent:

Gamaliel Anguiano	SLO Transit
Janeen Burlingame	Morro Bay Transit
Mark Sanchez	Cuesta College
Dick McKinley	City of Paso Robles

Staff Present:

Chelsea Sperakos	RTA
Tania Arnold	RTA

Guests:

Mark Schaffer	Ride-On Transportation
Stephen Hanamakai	SLOCOG

1. **CALL MEETING TO ORDER, ROLL CALL** Vice Chairperson Eric Greening called the meeting to order at 2:01 PM and roll call was taken. There was a quorum present.
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.

There was no public comment.

3. **ELECTION OF OFFICERS:**
- A. **Elect RTAC Chair & Vice Chair 2020**

Mr. Omar McPherson nominated Mr. Eric Greening for Chairperson and Ms. Dawn Patterson seconded the nomination. The motion passed unanimously via voice vote.

Ms. Patterson nominated Mr. McPherson for Vice Chairperson and Chairperson Greening seconded the nomination. The motion passed unanimously via voice vote.

B. Annual ADA Appeal Committee Assignment

Mr. Mark Dariz reported that there was one cancelled committee meeting, but the committee had not met in 2019.

Vice Chairperson McPherson motioned to keep the existing appeals committee and **Ms. Patterson** seconded the motion. The motion passed unanimously via voice vote.

A. INFORMATION AGENDA ITEMS:

A-1 Executive Director's Report (Verbal)

Mr. Geoff Straw stated the construction on new government center transit shelters started this week. The project could be done by the end of March, weather permitting. The bus maintenance garage project is scheduled to go out to bid in March and staff is expecting construction to be completed in December 2021. The final pieces of financing are being put together. The construction estimate came to \$25.4 million for completion.

Ms. Tania Arnold stated that an interim funding plan for the facility will be presented at the March meeting; staff is expecting to complete the TIFIA loan process in June. Staff is also hoping to break ground on the project in June.

Mr. Mark Shaffer asked if the new facility includes electric bus charging.

Mr. Straw stated there is no on-site gas fueling in anticipation of electric needs. The first phase of the facility will have 4 charging stations. The Air Pollution Control District gave funding towards phase 1. The RTA still has concerns about the range of electric buses.

Mr. Greening asked if staff is still looking into other types of zero emission buses. He also asked if we would need additional staff when these buses are brought on and will the mechanics be trained in time.

Mr. Straw stated the agency is still pursuing plug in electric because hydrogen fails in our area, especially with the inclines. There is difficulty with hydrogen vehicles because it has highly sophisticated engineering. The mechanics will have to update training. Staff is working on creating a collaboration with other counties.

Discussion continued regarding electrification.

Mr. Straw stated for recruitment we are down 12 drivers. There are 3 drivers in training, 6 potential drivers in background checks. David Roessler, the RTA Maintenance and Facilities Manager has retired; first interviews for that position will be in February. Staff is moving forward with the consolidation of SCT into RTA and will be restarting that process.

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

Ms. Patterson stated that Atascadero Transit has hired a brand new dispatcher and recruiting for one driver. Recruitment has been predicted as an impediment when they want to expand services.

Ms. Cheryl Andrus stated that Cal Poly is planning a sustainability shred. This year will be focused around transit and staff is asking community members to brainstorm on how to do some things better

on campus. The university is in negotiations with SLO Transit for their regular contract. Deadline for master plan comments is February 3rd.

Vice Chairperson McPherson stated the holiday schedule eliminated express trips to help with driver shortage. The agency received feedback from one rider and lots of drivers. Administration is considering reassessing the holiday schedule more effectively for next year.

Chairperson Greening stated he heard from one rider that it was difficult to get to early Amtrak trips and unable to make the connection without express trip.

Mr. Todd Katz stated that a couple of cities are experimenting with fare free buses, and local agencies might want to consider this option.

Mr. Stephen Hanamakai stated that SLOCOG is working with CalACT, reducing farebox ratios for smaller counties, and rather than initiating a penalty, initiating a plan of action to remedy. A team is coordinating a comment letter for Cal Poly's master plan.

Chairperson Greening reported that the loading on Palm Street seems to be going smoothly despite construction.

A-3 Review FY19-20 Budget Assumptions & Discuss FY20-21 Budget Calendar (Receive)

Ms. Arnold stated there are carry over items from the previous fiscal year and the draft budget calendar are up for discussion. Some of these items include the new strategic business plan for 2021, consolidation reserve policies, general liability and workers comp. The safety program has reduced preventable collisions and workers comp. The agency has seen significant increases in wages (9%). Staff is not projecting any changes to service levels or additional routes.

A-4 Review Draft SoCo Transit and Rural DARs SRTPs (Accept)

Mr. Straw stated that this is a joint short range transit plan (SRTP). Funding was received from a grant from FTA, federal funds, SCT funds, and SLO County funds. The main SCT change is to serve the neighborhood above Ramona Gardens and reduce the size of vehicles. Note: "Financially unconstrained" to serve Lopez High. SCT Board has adopted the plan. Dial-A-Ride Shandon is only operated if there is a call because in 2019 the service only had two rides. Dial-A-Ride Templeton is call as needed as well. The agency will speak with Atascadero about collaboration. Dial-A-Ride Nipomo customers are 90% elementary school age due to school buses being unavailable. Staff is recommending allowing medical trips to Santa Maria, and is trying to find funding so the full fare does not need to be paid to make connections.

Chairperson Greening asked what would be the cost of a smaller electric bus.

Mr. Straw stated there is nothing that is available at the moment.

Mr. Katz asked it was difficult for non-seniors to utilize Dial-A-Ride outside of Nipomo, especially going north.

Mr. Straw stated that staff is looking for solutions.

Ms. Patterson asked what the funding requirements are for item A-4-10.

Mr. Straw stated the funds will be towards the repaving of the empty SCT lot. Staff will be pursuing federal funds for this as well as purchasing two cutaways.

Chairperson Greening asked is there potential to expand ridership, if we continue to serve the hospital, and would that add time to trips.

Mr. Straw stated this will be included in a larger north county study, which has not been updated since 2012. Discussion continued regarding Atascadero and Templeton coverage.

Vice Chairperson McPherson made a motion to accept item A-4, and **Ms. Patterson** seconded the motion. The motion passed unanimously via voice vote.

B. ACTION AGENDA ITEMS: No Items

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 17, 2019 (Approve)

Ms. Patterson made a motion to approve item C-1, and **Vice Chairperson McPherson** seconded the motion. The motion passed unanimously via voice vote.

D. ADJOURNMENT The meeting was adjourned at 3:10 PM.

Next Meeting: April 23, 2020 2 p.m. – please note date!

Future Meeting Dates: July 16, 2020, October 15, 2020, and January 21, 2021

Respectfully Submitted,

Acknowledged by,

Chelsea Sperakos
Administrative Assistant

Eric Greening
RTAC Chairperson 2020