

REGIONAL TRANSIT AUTHORITY EXECUTIVE COMMITTEE AGENDA

PLEASE NOTE THE DATE, TIME, AND LOCATION:

Thursday August 23, 2018

10:00 a.m. – 11:30 a.m.

SLOCOG Conference Room

1114 Marsh Street

San Luis Obispo, California

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

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act (ADA) may request such accommodations to aid hearing, visual, or mobility impairment (including Limited English Proficiency) by contacting the RTA offices at 781-4472. Please note that 48 hours advance notice will be necessary to honor a request.

1. **Call Meeting to Order, Roll Call**
2. **Public Comment:** The Committee reserves this portion of the agenda for members of the public to address the San Luis Obispo Regional Transit Authority Executive 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. **Closed Session**
CONFERENCE WITH LEGAL COUNSEL: It is the intention of the Executive Committee to meet in closed session concerning the following items:
Initiation of litigation pursuant to subdivision (c) of Section 54956.9. One case.
4. **Information Items**
A-1 Executive Director's Report (Receive)
5. **Action Items**
B-1 FTA Drug and Alcohol Policy, and Non-DOT Drug and Alcohol Policy and Testing Provisions Policy (Adopt)
B-2 Memorandum of Understanding between the RTA and CSAC-EIA (Approve)

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

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

6. **Consent Items**

C-1 Executive Committee Meeting Minutes of June 6, 2018 (Action)

7. **September 5, 2018 Draft RTA Board Agenda:** The Executive Committee is asked to review and comment on the proposed agenda items.

Information Items

A-1 Executive Director's Report (Receive)

A-2 Impacts of SB-1 on RTA Operating & Capital Budgets (Receive)

Action Items

B-1 FTA Drug and Alcohol Policy, and Non-DOT Drug and Alcohol Policy and Testing Provisions Policy (Adopt)

B-2 Memorandum of Understanding between the RTA and CSAC-EIA (Approve)

Consent Items

C-1 Executive Committee Meeting Minutes of June 6, 2018 (Information)

C-2 RTA Board Meeting Minutes of July 11, 2018 (Approve)

C-3 RTA Board Meeting Minutes of August 1, 2018 (Approve)

C-4 Token Transit Software and Subscription Services Agreement (Approve)

C-5 Amendment to CBA for Health Coverage (Approve)

C-6 Authorize Procurement of South County SRTP Services (Approve)

C-7 Declare three 2003 Gilligs Buses Surplus (Approve)

Closed Session Items – CONFERENCE WITH LEGAL COUNSEL: It is the intention of the Board to meet in closed session concerning the following items:

Initiation of litigation pursuant to subdivision (c) of Section 54956.9. One case.

8. **Adjournment**

Next RTA Executive Committee Meeting: **October 10, 2018**

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

August 23, 2018

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Executive Director's Report

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Accept as Information

BACKGROUND/DISCUSSION:

Operations:

The Annual CHP Terminal Inspection was completed in early August, and no significant findings were reported. We expect the final report in the coming weeks. Congratulations to the Maintenance and Operations departments for another "clean bill of health" regarding vehicle maintenance, drug/alcohol testing, driver record-keeping, and other safety-related areas of inspection.

The Employee of the Quarter BBQ was conducted on July 20th, and RTA Technician Michael Moore was selected by his peers as the honoree. Mr. Moore will join us at the September 5th RTA Board meeting. Also honored for Outstanding Achievement Awards were Bus Operators Cliff Bidleman and Mark Whittaker.

The RTA celebrated our 9th year of in-house operations on August 2nd. Staff members provided safety awards on buses on Friday August 3rd to highlight each Bus Operator's achievements in front of their riders.

We are currently training one Bus Operator candidate – the first candidate being trained on a one-on-one basis since we had to expand our training resources due to recent difficulties in recruiting qualified candidates. Francine should wrap up her accelerated training program in the first week of September. We have also recently sent two candidates in for drug screens and background checks; once cleared, we hope to have these two candidates in our training program by the end of August.

We also recently filled a vacancy in the Maintenance Technician group. Please welcome Domingo Pimentel, who begins on August 27th.

Service Planning & Marketing:

Staff has executed an agreement with Stantec Architecture Inc. to complete the RTA Bus Garage Design and Engineering process. A kick-off meeting will be conducted in mid-September, and the 56-week project should be completed by fall 2019. This

design/engineering project is being funded with FTA Section 5307 funds, with local match provided by the new Senate Bill 1 – Road Repair and Accountability Act (SB-1) funds.

Staff continues to work with a team led by the Wallace Group to complete the design/engineering of the Government Center passenger facility improvements. The 30% design documents were shared with our partners at the City of SLO and the County on August 13th, and we should have our comments submitted by the September 5th Board meeting.

To address recent declines in fixed-route ridership, the RTA is investing in additional Intelligent Transportation Systems to both ease the boarding/fare-paying process and to make the ride more enjoyable on the long-haul/commuter trips. With regard to fare-paying, we have worked with Token Transit (the same system used by SLO Transit) to enable fare-sharing among different transit agencies in the county. This system allows fare payment using a SmartPhone. We are also demonstrating a Wi-Fi system on four commuter buses (three of the four MCI over-the-road coaches and bus #1508).

Finance and Administration:

Following the Board's action at the special meeting on August 1st, staff submitted notice that we would no longer contract with CalPERS for health insurance coverage. We continue to finalize negotiations on two lower-cost options through CSAC-EIA, and to work with the Teamsters to finalize an amendment to the Collective Bargaining Agreement; that amended agreement language will need to be considered by the Board at its September 5th meeting.

We submitted two grant proposals to fund the construction of the Bus Garage Facility in late-July: one for Better Utilizing Infrastructure and Leveraging Development (BUILD) funds, and another for FTA Section 5339(b) Bus and Bus Facilities funds. We hope to be awarded funds from one or both in order to reduce the impacts on local jurisdictions.

Staff continues to engage California Air Resources Board and SLO Air Pollution Control District (SLOAPCD) officials in discussions on the proposed draft Innovative Clean Transit regulation. As noted in previous meetings, this unfunded mandate could have a profound financial impact on transit agencies across the state, particularly those like the RTA that operate long routes at freeway speeds.

As shown in the tables at the end of this report, we finished the previous fiscal year below budget for administration, operations and maintenance. Capital outlays were also below budget. Detailed financial and operating results for Fiscal Year 2017-18 will be reported at the RTA Board meeting on September 5th.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
YEAR TO DATE THRU JUNE 30, 2018
CURRENT FISCAL YEAR - 2017/2018**

	RT 9 P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 S.M., NIPOMO, A.G., S.L.O.	RT 12 MORRO BAY, CUESTA, SAN LUIS	RT 14 CUESTA, SAN LUIS TRIPPER	RT 15 SAN SIM., CAMBRIA, CAYUCOS, M.B.	TOTAL RTA CORE SERVICES	RT 7 PASO EXPRESS ROUTE A	RT 8 PASO EXPRESS ROUTE B	TOTAL PASO EXPRESS FIXED ROUTE	PASO EXPRESS DIAL A RIDE	RUNABOUT	SYSTEM TOTAL
REVENUES:												
FARES	\$ 397,223	\$ 385,111	\$ 263,750	\$ 18,662	\$ 31,661	\$ 1,096,407	\$ 69,235	\$ 68,656	\$ 137,891	\$ 6,598	\$ 154,035	\$ 1,394,931
TOTAL ROUTE REVENUES	\$ 397,223	\$ 385,111	\$ 263,750	\$ 18,662	\$ 31,661	\$ 1,096,407	\$ 69,235	\$ 68,656	\$ 137,891	\$ 6,598	\$ 154,035	\$ 1,394,931
EXPENDITURES:												
ADMINISTRATION	\$ 351,257	\$ 285,701	\$ 190,466	\$ 18,730	\$ 73,708	\$ 919,863	\$ 17,185	\$ 16,959	\$ 34,143	\$ 7,658	\$ 704,312	\$ 1,665,976
MARKETING	34,327	27,936	18,619	1,965	7,226	90,073	62	62	123	-	-	90,196
OPERATIONS/CONTINGENCY	1,162,145	972,606	630,176	62,439	252,588	3,079,954	289,947	287,503	577,449	119,777	2,073,972	5,851,153
FUEL	250,278	243,080	135,992	13,161	65,376	707,886	26,324	26,634	52,959	4,548	167,115	932,507
INSURANCE	143,019	138,954	77,756	7,505	37,424	404,658	16,919	17,138	34,057	4,550	179,934	623,199
TOTAL EXPENDITURES	\$ 1,941,026	\$ 1,668,277	\$ 1,053,010	\$ 103,800	\$ 436,322	\$ 5,202,434	\$ 350,436	\$ 348,295	\$ 698,731	\$ 136,533	\$ 3,125,333	\$ 9,163,031
FAREBOX RATIO	20.5%	23.1%	25.0%	18.0%	7.3%	21.1%	19.8%	19.7%	19.7%	4.8%	4.9%	15.2%
SERVICE MILES	365,605.7	355,167.9	198,730.0	19,403.7	95,646.7	1,034,554.1	43,044.9	43,814.6	86,859.5	11,625.0	459,851.0	1,592,889.6
SERVICE HOURS	13,697.6	11,139.4	7,425.1	727.7	2,877.8	35,867.5	3,137.4	3,118.3	6,255.7	1,391.0	27,446.5	70,960.7
RIDERSHIP (Automatic Counters)	267,501	232,651	177,135	20,187	21,753	719,227	57,078	56,642	113,720	2,861	39,898	875,706
RIDERS PER MILE	0.73	0.65	0.91	1.04	0.24	0.70	1.33	1.29	1.31	0.25	0.09	0.55
RIDERS PER HOUR	19.4	20.8	24.4	27.7	8.3	20.1	18.2	18.2	18.2	2.1	1.5	12.3
COST PER PASSENGER	\$ 7.26	\$ 7.17	\$ 5.94	\$ 5.14	\$ 20.06	\$ 7.23	\$ 6.14	\$ 6.15	\$ 6.14	\$ 47.72	\$ 78.33	\$ 10.46
SUBSIDY PER PASSENGER	\$ 5.77	\$ 5.52	\$ 4.46	\$ 4.22	\$ 18.60	\$ 5.71	\$ 4.93	\$ 4.94	\$ 4.93	\$ 45.42	\$ 74.47	\$ 8.87
RIDERSHIP (GFI Fareboxes)	234,385	191,258	143,584	10,740	15,642	595,609	51,565	50,049	101,614	2,861	39,898	739,982
RIDERS PER MILE	0.64	0.54	0.72	0.55	0.16	0.58	1.20	1.14	1.17	0.25	0.09	0.46
RIDERS PER HOUR	17.1	17.2	19.3	14.8	5.4	16.6	16.4	16.1	16.2	2.1	1.5	10.4
COST PER PASSENGER	\$ 8.28	\$ 8.72	\$ 7.33	\$ 9.66	\$ 27.89	\$ 8.73	\$ 6.80	\$ 6.96	\$ 6.88	\$ 47.72	\$ 78.33	\$ 12.38
SUBSIDY PER PASSENGER	\$ 6.59	\$ 6.71	\$ 5.50	\$ 7.93	\$ 25.87	\$ 6.89	\$ 5.45	\$ 5.59	\$ 5.52	\$ 45.42	\$ 74.47	\$ 10.50

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
AUGUST 23, 2018
STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Drug & Alcohol Testing Program Update

ACTION: Adopt Updated Policies

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Adopt

BACKGROUND/DISCUSSION:

As required under U.S. Department of Transportation regulations, each recipient of FTA funds must adopt a compliant Drug and Alcohol Testing policy. The RTA last updated its Drug and Alcohol Testing Policy when services were brought in-house in 2009.

The U.S. DOT recently amended its regulations, and the attached *Safety-Sensitive Employee Drug and Alcohol Policy* meets the new requirements. Covered employees include everyone who operates a revenue vehicle or a non-revenue vehicle that requires a Commercial Driver's License, and those employees who control/dispatch a revenue vehicle. Covered employees also include those who maintain revenue service vehicles or equipment. In short, our Bus Operators, Supervisors, Technicians, Utility Workers, and Trainers are subject to this policy

Also attached is a *Non-DOT Drug and Alcohol Policy and Testing Provisions Policy* that ensures a drug- and alcohol-free workplace by requiring non safety-sensitive employees to comply with the policy. This policy covers all RTA employees who are not subject to the *Safety-Sensitive Employee Drug and Alcohol Policy*.

Staff Recommendation

Adopt the attached *Safety-Sensitive Employee Drug and Alcohol Policy* and the *Non-DOT Drug and Alcohol Policy and Testing Provisions Policy*.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
NON-DOT DRUG AND ALCOHOL POLICY AND TESTING PROVISIONS POLICY**

The San Luis Obispo Regional Transit Authority (RTA) recognizes that the abuse of alcohol and use of illegal drugs by any employee threatens the health and safety of that employee, the employee's co-workers, and the general public. The RTA also recognizes that employees should be able to work in an alcohol and drug-free environment, and to work with other employees who are alcohol and drug-free. The RTA has, therefore, adopted this drug and alcohol testing policy for all employees who are not covered by U.S. Department of Transportation (DOT) regulations. Employees covered under DOT regulations are covered by a separate *Safety-Sensitive Employee Drug and Alcohol Policy*.

Nothing in this *Non-DOT Drug and Alcohol Policy and Testing Provisions Policy* is intended, nor should it be construed by the employee, to alter the employment relationship between the RTA and its employees. Either the RTA or the Non-DOT employee may terminate the employment relationship with or without cause, and with or without notice, at any time. The RTA also reserves the right to modify or terminate the provisions of this testing policy at any time, with or without prior notice.

I. DEFINITIONS

The following terms, when used in the *Non-DOT Drug and Alcohol Policy and Testing Provisions Policy*, are defined as follows:

- A. "Drug" – A substance considered a controlled substance and included in schedule I, II, III, IV, or V under the federal Controlled Substances Act, 21 U.S.C. § 801, et. Seq.
- B. "Non-DOT Employee" – For purposes of this *Non-DOT Drug and Alcohol Policy and Testing Provisions Policy* only, employee is a person employed by the RTA whose job does not require a commercial driver's license and who is not subject to drug and alcohol testing under federal Department of Transportation regulations.
- C. "Prospective employee" – A person who applies, whether orally or in writing, for employment with the RTA for a job that does not require a commercial driver's license and would not subject the prospective employee to drug and alcohol testing under federal DOT regulations.
- D. "Reasonable suspicion drug and alcohol testing" – Testing based upon evidence that an employee is using or has used alcohol and/or drugs in violation of this policy drawn from specific objective and articulable facts and reasonable inferences drawn from those facts in light of experience. For purposes of this policy, facts and inferences may be based upon, but are not limited to, any of the following:
 - i. observable phenomena while at work such as direct observation of drug use or alcohol abuse or of the physical symptoms or manifestations of being impaired due to alcohol or drug use;
 - ii. abnormal conduct or erratic behavior while at work or a significant deterioration in work performance;
 - iii. a report of alcohol or drug use provided by a reliable and credible source;
 - iv. evidence that an individual has tampered with any alcohol or drug test during the individual's employment with the current employer;
 - v. evidence that an employee has caused an incident or collision while at work which resulted in an injury to a person that, if suffered by an employee, a record or report could be required by CalOSHA, or resulted in damage to property, including to

- equipment, in an amount reasonably estimated at the time of the accident to exceed one thousand (\$1,000) dollars;
- vi. evidence that an employee has manufactured, sold, distributed, solicited, possessed, used, or transferred drugs while working or while on the employer's premises or while operating any of the employer's vehicles, machinery, or equipment.
- E. "Sample" – A sample from the human body capable of revealing the presence of alcohol and/or drugs or their metabolites. "Sample" does not include blood, except in circumstances where a blood test was administered by or at the direction of a person providing treatment to an employee involved in a workplace incident or collision. A blood sample cannot be administered at the request or suggestion of the employer.
 - F. "Legal drug" – A prescription medication prescribed for the employee consuming the medication, and being taken in the amount prescribed by the employee's treating physician, and in accordance with the prescribed directions, or over-the-counter medication being taken and used for its intended purpose and in accordance with any applicable directions.
 - G. "Under the influence of alcohol" – Being under the influence of alcohol shall mean having an alcohol concentration level of .04 grams of alcohol, or greater, per two hundred ten liters of breath, or its equivalent.

II. PROHIBITED CONDUCT

The RTA strictly prohibits the use, possession, consumption, sale, solicitation, transfer (or any attempt to sell, solicit, or transfer) of alcohol or any illegal or unauthorized drug including any "look alike" substance, or being under the influence of alcohol or any illegal or unauthorized drug, during work time, while conducting any type of business on the RTA's behalf, or while on the RTA's premises or property. Any employee engaging in such activity shall be subject to discipline up to and including the immediate termination of their employment with the RTA pursuant to the terms of applicable state law.

An employee may use, possess, and be under the influence of a legal drug while on the RTA's premises or property or during working time provided the prescription or over-the-counter drug will not impair the employee's work performance or present a safety risk to the employee, others or property. The RTA reserves the right to take appropriate action (including relieving the employee from his/her work duties) if an employee's use of legal drugs either impairs or is likely to impair the employee's ability to perform his or her work assignments.

Failure to submit to any drug or alcohol testing under this policy including, but not necessarily limited to, an employee's failure to report in a timely manner to a collection site, sign any required consent form or otherwise fully cooperate in the collection of any authorized sample, is strictly prohibited, and will result in termination.

Any action taken against an employee or prospective employee pursuant to this policy based on a drug or alcohol test will be based only on the results of that test or the employee's refusal to submit to the test.

III. WHEN DRUG OR ALCOHOL TESTING MAY BE CONDUCTED

The RTA reserves the right to conduct any form of drug or alcohol testing permitted under State and Federal law. The testing methods the RTA uses to test employees for drug or alcohol use include, but are not necessarily limited to, the following methods:

A. Pre-Employment Drug Testing

Prospective employees, who are determined to be minimally qualified and who have passed at least the first round of applicant screening, or to whom a conditional offer of employment has been made, may be required to submit to pre-employment drug testing. If drug testing is required as part of the hiring process, prospective employees must obtain a negative test result to be considered qualified for employment with the RTA.

If drug testing is required, the testing shall screen for the presence of the following substances or similar substances:

- Cocaine
- Amphetamines
- Marijuana
- Opioids
- Phencyclidine (PCP)

Prospective employees will be given an opportunity to provide any information which may be considered relevant to the test, including identifying prescription or non-prescription drugs currently or recently used, or other relevant medical information.

A prospective employee who receives a confirmed positive drug test result will not be considered qualified for employment at the RTA and will not be allowed to re-apply or be considered for a position with the RTA or any of its affiliates for a period of two years. A prospective employee's refusal to submit to drug testing shall be viewed as a confirmed positive drug test. A prospective employee's negative dilute test will be deemed as a negative drug test. A past employee rehired within two years will not need to complete another pre-employment drug test.

B. Post-Incident/Collision Drug and Alcohol Testing

The RTA may conduct drug and alcohol testing when investigating any incident in the work place, provided the incident results in an injury to any employee (including the employee causing the incident), or causes damage to property or equipment in an amount reasonably estimated at the time of the incident to exceed one thousand dollars (\$1,000). For purposes of this policy, the term "injury" is an abnormal condition or disorder. Injuries include cases such as, but not limited to, a cut, fracture, sprain or amputation as noted by the Occupational Safety and Health Administration (OSHA) [29 CFR 1904.46].

A test result indicating an alcohol concentration level of greater than .04 grams of alcohol per two hundred ten liters of breath, or its equivalent, shall be considered a positive test result within the meaning of this policy. Any employee who refuses to submit to testing under this provision will be deemed to have received a confirmed positive drug test. Reasonable suspicion testing is defined in Section I(D) of this policy.

If drug testing is required, the testing shall screen for the presence of the following substances or similar substances:

- Cocaine
- Amphetamines
- Marijuana
- Opioids
- Phencyclidine (PCP)

Employees will be given an opportunity to provide any information which may be considered relevant to the test, including identifying prescription or non-prescription drugs currently or recently used, or other relevant medical information.

Alcohol breath tests shall be conducted pursuant to the requirements governing evidential breath testing devices, alcohol screening devices and the qualifications for personnel administering the initial confirmatory test consistent with regulations adopted as of January 1, 1999 by the United States Department of Transportation governing alcohol testing required to be conducted pursuant to the Federal Omnibus Transportation Employee Testing Act of 1993. If the RTA elects to use a breath test for purposes of determining the presence of alcohol, it will not provide for a split specimen at the time the sample is collected and it will not be reviewed by the Medical Review Officer.

If the employee being tested holds a position involving duties which could subject the employee, others, or property to injury or damage, the employee will be removed from his or her normal work duties and may be placed in a job (if available) that will not subject the employee, others, or property to injury or damage until the results of the reasonable suspicion drug test are received. If the employee's reasonable suspicion drug test is confirmed positive in violation of this policy, the employee will be discharged immediately.

C. Reasonable Suspicion Drug and Alcohol Testing

Any employee for whom a reasonable suspicion exists that the employee is under the influence of alcohol or an illegal or unauthorized substance will be subject to alcohol or drug testing using the same testing procedures described in the Post-Incident/Collision Drug and Alcohol Testing section above.

D. Rehabilitation Testing

Pursuant only to Section VII of this Policy, the RTA may conduct drug or alcohol testing of employees during, and after completion of, drug or alcohol rehabilitation.

IV. DISCIPLINARY ACTION

A. Positive Drug Test

Use of non-prescribed legal or illegal drugs on RTA time will result in termination from the RTA.

B. Positive Alcohol Test

If a test of any employee results in an alcohol concentration of 0.04 or greater, the employee will be suspended for the remainder of his/her shift, and referred to an appropriate substance abuse counselor for assessment and enrollment in a treatment and rehabilitation program, and may be terminated.

Consumption of alcohol on RTA time will result in termination from the RTA.

V. TREATMENT AND REHABILITATION PROGRAM

- A. Employees referred to the treatment and rehabilitation program as a result of Medical Review Officer (MRO) verified positive drug test or breath test showing an alcohol concentration of 0.04 or greater, must immediately cease any substance abuse, must be subject to testing before returning to duty, must subject themselves to periodic unannounced testing for a period of not to exceed sixty months with at least six periodic unannounced tests in the first 12 months following the return to duty, and must comply with all other conditions of the treatment and counseling program recommended by the substance abuse professional.
- B. An employee required to take time off in order to participate in a rehabilitation program will be permitted to use accrued sick leave, vacation time, and/or unpaid leave as provided under the Family and Medical Leave Act.
- C. Participation in or seeking substance abuse treatment and rehabilitation will not result in disciplinary action; other than those actions outlined in this policy, however, non-covered duties may be assigned at the discretion of the RTA Executive Director until it is determined that the employee may return to duty. Successful completion of the prescribed treatment and rehabilitation program will be required for the employee to continue employment with the RTA.
- D. If an employee had a positive test for drugs or alcohol and is undergoing substance abuse treatment and counseling or has returned to duty upon successfully completing such treatment and rehabilitation, and a second test is verified by the MRO as positive, the employee will be terminated from the RTA.
- E. Any employee who refuses to report for assessment, evaluation, and/or referral for treatment with a substance abuse counselor will be terminated from the RTA.
- F. Any employee who, after assessment by a substance abuse counselor, is referred for rehabilitation and the employee refuses to enter or successfully complete such a rehabilitation program will be terminated by the RTA.
- G. Any employee who refuses to provide an adequate breath volume for alcohol testing or refuses to provide an adequate urine sample without a valid medical explanation after he/she received notice of the requirement to be tested, or who engages in conduct that clearly obstructs the testing procedure, will be terminated from the RTA.
- H. Employees who undergo substance abuse treatment and counseling under this policy and who continue to work must meet all established standards of conduct and job performance.

VI. EMPLOYEE ASSISTANCE PROGRAM

The RTA maintains an employee assistance program to assist employees with personal or behavior problems. See Human Resources for additional resources available.

VII. CONFIDENTIALITY

The RTA shall regard as confidential all communications it receives that pertain to the drug or alcohol test results of an employee or prospective employee, or any information the RTA otherwise receives through its drug and alcohol testing program. The RTA, however, reserves the right to disclose the results of a drug or alcohol test, or other related information, under the following circumstances:

- A. In an administrative RTA or judicial proceeding under workers' compensation laws, or unemployment compensation laws, or under common or statutory laws where any action taken

by the RTA based on a positive test result as defined by this policy is either relevant or challenged.

- B. To any federal or other unit of the federal government as required under federal law, regulation, or order, or in accordance with compliance requirements of a federal government contract.
- C. To any state authorized to license individuals if the employee tested is licensed by that RTA and the rules of that RTA require such disclosure.
- D. To a substance abuse evaluation or treatment facility or professional for the purpose of evaluation or treatment of the employee.

VIII. ACCESS TO RECORDS

Employees or prospective employees who are subject to a drug or alcohol test pursuant to this policy, and for whom a positive test result is obtained, shall be given access to any records relating to the employee's drug or alcohol test, including records of the laboratory where the testing was conducted, and any records relating to the medical review officer selected by the RTA to interpret the test result.

Notwithstanding the above, a prospective employee shall be entitled to records under this section only if the prospective employee requests the records within fifteen calendar days from the date the RTA provides the prospective employee with written notice of his or her test result as required by state or federal law. The RTA shall not release any records concerning a positive test result obtained by a prospective employee unless the records are requested within that fifteen-day period.

All requests for drug or alcohol testing records shall be made in writing and addressed to the attention of the RTA Human Resources Department.

NON-DOT ALCOHOL AND DRUG TESTING POLICY ACKNOWLEDGMENT

By my signature below, I acknowledge that I have received and understand that I must review the *Non-DOT Drug and Alcohol Policy and Testing Provisions Policy* and that I voluntarily agree to comply with this policy as a condition of employment or selection for employment. I understand that my compliance with this policy is a continuing condition of my employment.

All employees of the RTA subject to the *Non-DOT Drug and Alcohol Policy and Testing Provisions Policy* are employed "at will." "At will" Employees have the right to terminate their employment at any time for any reason and the San Luis Obispo Regional Transit Authority retains a similar right to terminate the employment relationship at any time with or without cause. All statements contained in this policy shall be interpreted consistent with this termination policy and no officer or employee has any authority to modify this statement in any way.

I recognize that either the RTA or I may terminate the employment relationship at any time for any reason.

Print Name

Employee Signature

Date

San Luis Obispo Regional Transit Authority

Safety-Sensitive Employee Drug and Alcohol Policy

Effective as of 9/5/2018

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1. Purpose of Policy

The San Luis Obispo Regional Transit Authority (RTA) provides public transit services for the residents of San Luis Obispo County. Part of the RTA's mission is to ensure that this service is delivered safely, efficiently, and effectively by establishing a drug and alcohol-free work environment, and to ensure that the workplace remains free from the effects of drugs and alcohol in order to promote the health and safety of employees and the public.

This policy complies with 49 CFR Part 655, as amended and 49 CFR Part 40, as amended, for safety-sensitive employees at the RTA. Copies of Parts 655 and 40 are available in the RTA Operations Manager's office and can be found on the internet at the Federal Transit Administration (FTA) Drug and Alcohol Program website <http://transit-safety.fta.dot.gov/DrugAndAlcohol/>.

All covered employees are required to submit to drug and alcohol tests as a condition of employment in accordance with 49 CFR Part 655.

Portions of this policy are not FTA-mandated, but reflect the RTA's policy. These additional provisions are identified by underlined text.

In addition, the DOT has published 49 CFR Part 32, implementing the Drug-Free Workplace Act of 1988, which requires the establishment of drug-free workplace policies and the reporting of certain drug-related offenses to the FTA.

All RTA employees – whether safety-sensitive or not – are subject to the provisions of the Drug-Free Workplace Act of 1988.

The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the covered workplaces. An employee who is convicted of any criminal drug statute for a violation occurring in the workplace shall notify the Operations Manager no later than five days after such conviction.

2. Covered Employees

This policy applies to every person, including an applicant or transferee, who performs or will perform a "safety-sensitive function" as defined in Part 655, section 655.4.

You are a covered employee if you perform any of the following:

- Operating a revenue service vehicle, in or out of revenue service
- Operating a non-revenue vehicle requiring a commercial driver's license
- Controlling movement or dispatch of a revenue service vehicle
- Maintaining (including repairs, overhaul and rebuilding) of a revenue service vehicle or equipment used in revenue service

A volunteer is a covered employee if:

- The volunteer is required to have a commercial driver's license to operate the vehicle, or
- The volunteer performs a safety-sensitive function and receives remuneration in excess of his or her actual expenses incurred.

See Addendum A for a list of covered positions by job title.

3. Prohibited Behavior

Use of illegal drugs is prohibited at all times. All covered employees are prohibited from reporting for duty or remaining on duty any time there is a quantifiable presence of a prohibited drug in the body at or above the minimum thresholds defined in Part 40. Prohibited drugs include:

- marijuana
- cocaine
- phencyclidine (PCP)
- opioids
- amphetamines

All covered employees are prohibited from performing or continuing to perform safety-sensitive functions while having an alcohol concentration of 0.04 or greater.

All covered employees are prohibited from consuming alcohol while performing safety-sensitive job functions, or while on-call to perform safety-sensitive job functions. If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time that they are called to report for duty. If the on-call employee claims the ability to perform his or her safety-sensitive function, he or she must take an alcohol test with a result of less than 0.02 prior to performance.

All covered employees are prohibited from consuming alcohol within four (4) hours prior to the performance of safety-sensitive job functions.

All covered employees are prohibited from consuming alcohol for eight (8) hours following involvement in an accident or until he or she submits to the post-accident drug and alcohol test, whichever occurs first.

4. Consequences for Violations

4.1 FTA Consequences

Following a positive drug or alcohol (BAC at or above 0.04) test result or test refusal, the employee will be immediately removed from safety-sensitive duty and referred to a Substance Abuse Professional.

Following a BAC of 0.02 or greater, but less than 0.04, the employee will be immediately removed from safety-sensitive duties for at least eight hours or the duration of the workday, whichever is longer, unless a retest results in the employee's alcohol concentration being less than 0.02.

4.2 RTA Consequences

Positive Alcohol Test Results:

Under the RTA's sole authority, when a covered employee receives a confirmatory alcohol test result within the prohibited timeframes, the following disciplinary action will occur:

- A confirmed BAC of 0.04 or greater: Termination

The employee will not be permitted to return to service or resume their duties and will be referred to the SAP. The employee will not be permitted to drive their own vehicle, and an alternate means of transportation will be utilized.

- A confirmed BAC of 0.02 or greater but less than 0.04:

If after the initial test confirming a BAC between .02 and .039, the confirmation test after the fifteen-minute wait period is still between .02 and .039, the employee is terminated. If the confirmation test is under .02, the employee will be immediately removed from his/her safety-sensitive duties and placed on paid administrative leave. The employee will remain off duty until their next scheduled duty period, but not less than 8 hours following the administration of the test.

Positive Prohibited Drug Test Results:

Under the RTA's sole authority, all covered employees are prohibited from reporting for duty or remaining on duty any time there is a quantifiable presence of a prohibited drug in the body above the minimum thresholds defined in CFR 49 Part 40.

Under the RTA's sole authority, following a positive drug test result or refusal to test, the following disciplinary action will occur for covered employees:

- Job Applicants (applying for covered positions only): Not Hired
- Employee: Termination

When positive drug results are received from the Medical Review Officer (MRO), the Designated Employer Representative (DER) or Drug and Alcohol Program Manager (DAPM) in his/her absence will immediately notify the Executive Director, Deputy Director, Operations Manager, Maintenance Manager, and Marketing Manager. The employee will not be permitted to return to service or resume their duties and will be referred to the SAP.

Commercial Driver's License Suspension Due To a DUI Conviction:

Under the sole authority of the RTA, if a covered employee's commercial driver's license (CDL) is suspended for more than 30 days due to a DWI/DUI, whether stemming from the operation of an RTA vehicle or a privately owned vehicle the following disciplinary action will occur:

- Employee: Termination

Zero Tolerance

Per the RTA policy, any employee who tests positive for drugs or alcohol (BAC at or above 0.04) or refuses to test will be referred to a Substance Abuse Professional (SAP) and terminated from employment.

5. Circumstances for Testing

All covered employees under the RTA authority may be subject to testing for reasonable suspicion, post-accident, random, or return to duty/follow-up using non-DOT testing forms.

5.1 Pre-Employment Testing

A negative pre-employment drug test result is required before an employee can first perform safety-sensitive functions. If a pre-employment test is cancelled, the individual will be required to undergo another test and successfully pass with a verified negative result before performing safety-sensitive functions.

If a covered employee has not performed a safety-sensitive function for 90 or more consecutive calendar days, and has not been in the random testing pool during that time, the employee must take and pass a pre-employment test before he or she can return to a safety-sensitive function.

A covered employee or applicant who has previously failed or refused a DOT pre-employment drug and/or alcohol test must provide proof of having successfully completed a referral, evaluation, and treatment plan meeting DOT requirements. Under the RTA authority, failure of a pre-employment drug and/or alcohol test will disqualify an applicant for employment for a period of at least two years.

5.2 Reasonable Suspicion Testing

All covered employees shall be subject to a drug and/or alcohol test when the RTA has reasonable suspicion to believe that the covered employee has used a prohibited drug and/or engaged in alcohol misuse. A reasonable suspicion referral for testing will be made by a trained supervisor or other trained company official based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, or body odors of the covered employee.

Covered employees may be subject to reasonable suspicion drug testing any time while on duty. Covered employees may be subject to reasonable suspicion alcohol testing while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive

functions, or just after the employee has ceased performing such functions. Under the RTA's authority, an alcohol or drug test can be performed any time a covered employee is on duty. In addition to the definition of reasonable suspicion described in paragraph one of this section, an alcohol and/or drug test can be administered if the RTA receives a formal report from a reliable source of an employee's drug use or alcohol misuse, or the employee exhibits a pattern of poor judgement indicative of drug use or alcohol misuse. Anonymous reports alone shall not be considered a reliable source for the purposes of tests performed outside the definition of reasonable suspicion in paragraph one of this section. All tests performed outside of the definition of paragraph one of this section will be conducted using non-DOT drug and alcohol testing forms.

The RTA requires that a covered employee who is required to submit to a reasonable suspicion controlled substance and/or alcohol test of this policy not be assigned to operate any RTA vehicle and/or perform safety-sensitive functions pending the outcome of such test. The RTA's policy is that such employee will be placed on paid administrative leave pending the results of the drug and/or alcohol testing.

5.3 Post-Accident Testing

Covered employees shall be subject to post-accident drug and alcohol testing under the following circumstances:

Fatal Accidents

As soon as practicable following a collision that results in the loss of a human life, drug and alcohol tests will be conducted on each surviving covered employee operating the public transportation vehicle at the time of the collision. In addition, any other covered employee whose performance could have contributed to the collision, as determined by the RTA using the best information available at the time of the decision, will be tested.

Non-fatal Accidents

As soon as practicable following a collision or passenger injury not involving the loss of a human life, drug and alcohol tests will be conducted on each covered employee operating the public transportation vehicle at the time of the accident if at least one of the following conditions is met:

- a. The collision or passenger injury that results in injuries requiring immediate medical treatment away from the scene, unless the covered employee can be completely discounted as a contributing factor to the collision or passenger injury.
- b. One or more vehicles incurs disabling damage and must be towed away from the scene, unless the covered employee can be completely discounted as a contributing factor to the collision or passenger injury.
- c. The vehicle is a rail car, trolley car or bus, or vessel, and is removed from operation, unless the covered employee can be completely discounted as a contributing factor to the collision or passenger injury.

In addition, any other covered employee whose performance could have contributed to the collision or passenger injury, as determined by the RTA using the best information available at the time of the decision, will be tested.

A covered employee subject to post-accident testing must remain readily available, or it is considered a refusal to test. Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following a collision or to prohibit a covered employee from leaving the scene of a collision for the period necessary to obtain assistance in responding to the collision or to obtain necessary emergency medical care.

5.4 Random Testing

Random drug and alcohol tests are unannounced and unpredictable, and the dates for administering random tests are spread reasonably throughout the calendar year. Random testing will be conducted at all times of the day when safety-sensitive functions are performed.

Testing rates will meet or exceed the minimum annual percentage rate set each year by the FTA administrator. The current year testing rates can be viewed online at www.transportation.gov/odapc/random-testing-rates.

The selection of employees for random drug and alcohol testing will be made by a scientifically valid method, such as a random number table or a computer-based random number generator. Under the selection process used, each covered employee will have an equal chance of being tested each time selections are made.

A covered employee may only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions. A covered employee may be randomly tested for prohibited drug use anytime while on duty.

Each covered employee who is notified of selection for random drug or random alcohol testing must immediately proceed to the designated testing site.

Random Testing – End of Shift: Random testing may occur anytime an employee is on duty so long as the employee is notified prior to the end of the shift. Employees who provide advance, verifiable notice of scheduled medical or childcare commitments will be random drug tested no later than three hours before the end of their shift and random alcohol tested no later than 30 minutes before the end of their shift. Verifiable documentation of a previously scheduled medical or childcare commitment, for the period immediately following an employee's shift, must be provided four hours before the end of the shift.

6. Testing Procedures

All FTA drug and alcohol testing will be conducted in accordance with 49 CFR Part 40, as amended.

6.1 Dilute Urine Specimen

If there is a negative dilute test result, the RTA will conduct one additional retest. The result of the second test will be the test of record.

Dilute negative results with a creatinine level greater than or equal to 2 mg/dL but less than or equal to 5 mg/dL require an immediate recollection under direct observation (see 49 CFR Part 40, section 40.67).

6.2 Split Specimen Test

In the event of a verified positive test result, or a verified adulterated or substituted result, the employee, at his or her own expense, can request that the split specimen be tested at a second laboratory. The RTA guarantees that the split specimen test will be conducted in a timely fashion.

7. Test Refusals

As a covered employee, you have refused to test if you:

- a. Fail to appear for any test (except a pre-employment test) within a reasonable time, as determined by the RTA.
- b. Fail to remain at the testing site until the testing process is complete. An employee who leaves the testing site before the testing process commences for a pre-employment test has **not** refused to test.
- c. Fail to attempt to provide a breath or urine specimen. An employee who does not provide a urine or breath specimen because he or she has left the testing site before the testing process commenced for a pre-employment test has not refused to test.
- d. In the case of a directly-observed or monitored urine drug collection, fail to permit monitoring or observation of your provision of a specimen.
- e. Fail to provide a sufficient quantity of urine or breath without a valid medical explanation.
- f. Fail or decline to take a second test as directed by the collector or the RTA for drug testing.
- g. Fail to undergo a medical evaluation as required by the MRO or the RTA's DER.
- h. Fail to cooperate with any part of the testing process.
- i. Fail to follow an observer's instructions to raise and lower clothing and turn around during a directly-observed test.
- j. Possess or wear a prosthetic or other device used to tamper with the collection process.
- k. Admit to the adulteration or substitution of a specimen to the collector or MRO.
- l. Refuse to sign the certification at Step 2 of the Alcohol Testing Form (ATF).
- m. Fail to remain readily available following an accident.

As a covered employee, if the MRO reports that you have a verified adulterated or substituted test result, you have refused to take a drug test.

As a covered employee, if you refuse to take a drug and/or alcohol test, you incur the same consequences as testing positive: you will be immediately removed from performing safety-sensitive functions, referred to a SAP, and terminated. Under the RTA's authority, refusal to submit to a Federal drug or alcohol test or refusal to submit to a non-federal drug or alcohol test shall be considered a positive test result and a direct act of insubordination, and shall result in termination of employment and a referral to a substance abuse counselor.

8. Voluntary Self-Referral

Any covered employee who has a drug and/or alcohol abuse problem and has not been selected for reasonable suspicion, random or post-accident testing or has not refused a drug or alcohol test may voluntarily refer herself or himself to the DAPM or DER listed in Addendum B, who will refer the individual to a substance abuse counselor for evaluation and treatment.

The substance abuse counselor will evaluate the employee and make a specific recommendation regarding the appropriate treatment. Employees are encouraged to voluntarily seek professional substance abuse assistance before any substance use or dependence affects job performance.

Any safety-sensitive employee who admits to a drug and/or alcohol problem will immediately be removed from his/her safety-sensitive function and will not be allowed to perform such function until successful completion of a prescribed rehabilitation program. To qualify for this confidential program, the employee must agree to the following, which shall be placed in writing and signed by all parties involved:

- a. Agreement to enter into and successfully complete a drug treatment program prescribed by an Employee Assistance Program (EAP) Counselor or employer approved counseling professional.
- b. Comply with all directions given by the EAP Counselor, or employer approved counseling professional, including, but not limited to, attendance at all required meetings.
- c. Sign a limited authorization for release of information that enables the EAP Counselor, or employer approved counseling professional, to report the employee's progress and any violations of this agreement to a designated RTA representative.
- d. Successfully pass a non-DOT drug and alcohol screen prior to returning to work.
- e. Comply with follow-up testing requirements including unannounced drug and/or alcohol testing following their return-to-duty test. The follow-up testing must be done for one to five years including a minimum of six test the first year.

9. Prescription Drug Use

The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. Medical advice should be sought, as appropriate, while taking such medication and before performing safety-sensitive duties. All covered employees are required to inform their physician or medical professional that their job includes the operation and/or supervision of commercial vehicles and that they are subject to random drug testing under the FTA Drug and Alcohol Program. Using expired medications or Illegal use of prescription medication will result in termination.

10. Contact Person

For questions about the RTA's anti-drug and alcohol misuse program, see Addendum B.

ADDENDUM A

Safety-Sensitive Covered Positions

The job descriptions of all RTA employees have been reviewed to identify those who perform safety-sensitive functions as a requirement of their positions. The job titles of each RTA position meeting the FTA criteria of a covered employee, and a numeric code identifying the primary type of safety-sensitive function required to be performed by the employee, are listed below:

- Operates a revenue service vehicle whether in or out of service: 001
- Maintains a revenue service vehicle or maintains equipment used in revenue service: 002
- Controls dispatch or movement of a revenue service vehicle: 003

Title	SS Code
Bus Operator	001
Bus Operator Trainee	001
Maintenance Supervisors	002
Mechanic	001
Safety and Training Manager	001
Transit Training Instructor	001
Mobility Specialist/Transit Training instructor	001
Utility Worker	001
Operations Supervisor	003
Lead Operations Supervisor	003

Addendum B

Program Contacts

Drug and Alcohol Program Manager (DAPM):

Phil Moores, Operations Manager

pmoores@slorta.org

805-781-4467

Designated Employer Representatives (DER):

Tanya Ramirez, Operations Supervisor

tramirez@slorta.org

805-781-1274

Leslie Sanchez, Human Resources Officer

lsanchez@slorta.org

805-781-1292

Addendum C

Service Vendors

A. Collection Sites

Family & Industrial Medical Center
47 Santa Rosa St.
San Luis Obispo, CA 93405
P: 805-542-9891 F: 805-542-9952

MedPost Urgent Care
500 1st Street
Paso Robles, CA 93446
Phone: (805) 226-4222

Star Drug Testing
1223 Higuera, Ste. 102
San Luis Obispo, CA 93401
805-782-0903

After Hours:
Star Drug Testing
Pete Dominguez
3850 Ramada Dr. Suite C-4
Paso Robles, CA 93446
Regular hours: 805-434-1477
After hours: 805-423-4311

B. Laboratories

Alere Toxicology Services, Inc.

Phone:(504) 934-8295 FAX:(504) 361-8298

MEDTOX Scientific, Inc. (Headquarters)
402 West County Road D
St. Paul, MN 55112

Phone: (800) 832-3244, FAX (651) 636-7466

C. Medical Review Officers

Brian Heinen, Sr., M.D.
151 Leon St.
Eunice, LA 70535

Phone: (337) 457-0493

D. Substance Abuse Professionals

Beverly J. Ford, Ph.D. Michael Roth, SAP
805-542-0100 559-907-3346

Addendum D

Drug Free Workplace Policy

The RTA complies with the Drug Free Workplace Act of 1988 that requires recipients of Federal funds to certify that they provide drug-free workplaces for their employees.

- Each employee is required to notify the RTA management of any criminal drug statute conviction for a violation occurring in the workplace within five days after such conviction. Failure of an employee to report within five days a criminal drug statute conviction for a violation occurring in the workplace shall result in termination.
- The RTA must notify the federal government of each violation within 10 days of notification of a conviction.
- The RTA must impose sanctions on the employee within 30 days following notification of a conviction.

The RTA intends to have a workplace that is 100% free from drug or alcohol abuse. Employees are prohibited from engaging in unlawfully manufacturing, distributing, dispensing, possessing, or using controlled substances in the workplace. Employees are subject to termination of employment for any of the acts described in this section.

The passage of Proposition 64 legalized the recreational use of marijuana in the state of California. Proposition 64 also expressly recognizes the right of employers to maintain drug-free workplaces and to prohibit the use of illegal drugs by their employees. Under Federal law, marijuana remains classified as a Schedule I drug, a controlled substance with the high potential for abuse, and is therefore illegal to possess or use. The RTA is a recipient of funding from the FTA, an agency of the U.S. Department of Transportation, and as such the RTA is required to follow rule 49 CFR Part 655 (Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations) and rule 49 CFR Part 40 (Procedures for Transportation Workplace Drug and Alcohol Testing Programs). The RTA complies with the Federal Drug Free Workplace Act of 1988 and Omnibus Transportation Employees Testing Act of 1991. The RTA will continue to enforce this Drug and Alcohol Policy and will remain a Drug Free Workplace. All policies concerning marijuana remain in force, and any employee who has a positive drug test for marijuana, regardless of proposition 64, will constitute violation of the RTA policies and will be subject to termination of employment.

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Addendum E

Employee Acknowledgement

By signing this acknowledgement, you accept the receipt of the RTA Drug and Alcohol Policy for safety-sensitive positions, which also includes the Drug Free Workplace Policy. Further, you agree to read and follow the policy as a condition of employment. Any questions that you have about this policy can be answered by persons on the contact list in Addendum B.

Print Name

Signature

Date

*** RTA Supervisor, detach signed Addendum E and place in employees' personnel file.**

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY

AUGUST 23, 2018

STAFF REPORT

AGENDA ITEM: B-2

TOPIC: Memorandum of Understanding with Special District Risk Management Authority to Participate in the CSAC Small Group Health Benefits Program

ACTION: Approve Memorandum of Understanding

PRESENTED BY: Tania Arnold, Deputy Director

STAFF RECOMMENDATION: Adopt

BACKGROUND/DISCUSSION:

As noted at the August 1, 2018 San Luis Obispo Regional Transit Authority (RTA) Board special meeting, staff completed a review of our current healthcare insurance offerings as established by the Public Employees Medical and Hospital Care Act (PEMHCA) between California Public Employee' Retirement System (CalPERS) and the RTA, and insurance offerings provided directly to RTA by Anthem. Staff conducted this review to ensure we are effectively managing the medical benefits program and providing affordable healthcare options to agency stakeholders, including retirees. At the August 1, 2018 RTA Board meeting, the Resolution *Electing to no Longer be Subject to the PEMHCA* was approved. This advance notice was required, since CalPERS allows agencies a maximum of 60 days from the date final premium rates documentation is released to terminate their participation from PEMHCA, which was on August 20, 2018.

Staff is recommending the RTA join the California State Association of Counties Excess Insurance Authority (CSAC EIA) small group health benefits program. To do so, a Memorandum of Understanding (MOU) must be approved.

In transitioning to CSAC EIA Health for the 2019 plan year, the RTA will be able to provide equal, if not enhanced, benefit plans to all participating employees and retirees, and equity between all employee groups within the organization, along with added plan stability at within budgeted levels. The RTA would benefit in the future from the unique arrangement of the CSAC EIA Health insurance pool by being able to take advantage of the shared risk model offered by an insurance pool of small agencies as well as large agencies. The goal of the shared risk model is to stabilize premium rates across a large number of pool members. As a member of CalPERS, the RTA benefited from the pool size, but we had no control or influence on decisions that directly impacted premium rates paid by employees. With the proposed CSAC EIA Health program, the RTA is provided the opportunity to actively engage and evaluate new benefit offerings.

In addition, CSAC EIA provides pooling opportunities for dental, vision, life and disability insurance, which were not available to the agency previously through CalPERS.

In order to minimize the impact of the transition on current CalPERS retirees, the current monthly health contribution of \$256 will continue. That contribution will **not** be extended to any current employees when they retire from the agency. The RTA has two retirees who elect PERS medical, resulting in an annual fiscal impact of \$6,144.

Staff Recommendation

Approve the attached Memorandum of Understanding between the Special District Risk Management Authority and the RTA in order to participate in the CSAC EIA small group health benefits program effective January 1, 2019.

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (HEREAFTER "MEMORANDUM") IS ENTERED INTO BY AND BETWEEN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (HEREAFTER "SDRMA") AND THE PARTICIPATING PUBLIC ENTITY (HEREAFTER "ENTITY") WHO IS SIGNATORY TO THIS MEMORANDUM.

WHEREAS, on August 1, 2006, SDRMA was appointed administrator for the purpose of enrolling small public entities typically having 250 or less employees into the CSAC - Excess Insurance Authority Health's ("CSAC-EIA Health") Small Group Health Benefits Program (hereinafter "PROGRAM"); and

WHEREAS, the terms and conditions of the PROGRAM as well as benefit coverage, rates, assessments, and premiums are governed by CSAC-EIA Health Committee for the PROGRAM (the "COMMITTEE") and not SDRMA; and.

WHEREAS, ENTITY desires to enroll and participate in the PROGRAM.

NOW THEREFORE, SDRMA and ENTITY agree as follows:

1. **PURPOSE.** ENTITY is signatory to this MEMORANDUM for the express purpose of enrolling in the PROGRAM.
2. **ENTRY INTO PROGRAM.** ENTITY shall enroll in the PROGRAM by making application through SDRMA which shall be subject to approval by the PROGRAM's Underwriter and governing documents and in accordance with applicable eligibility guidelines.
3. **MAINTENANCE OF EFFORT.** PROGRAM is designed to provide an alternative health benefit solution to all participants of the ENTITY including active employees, retired employees (optional), dependents (optional) and public officials (optional). ENTITY public officials may participate in the PROGRAM only if they are currently being covered and their own ENTITY's enabling act, plans and policies allow it. ENTITY must contribute at least the minimum percentage required by the eligibility requirements
4. **PREMIUMS.** ENTITY understands that premiums and rates for the PROGRAM are set by the COMMITTEE. ENTITY will remit monthly premiums based upon rates established for each category of participants and the census of covered employees, public officials, dependents and retirees.

Rates for the ENTITY and each category of participant will be determined by the COMMITTEE designated for the PROGRAM based upon advice from its consultants and/or a consulting Benefits Actuary and insurance carriers. In addition, SDRMA adds an administrative fee to premiums and rates set by the COMMITTEE for costs associated with administering the PROGRAM. Rates may vary depending upon factors including, but not limited to, demographic characteristics, loss experience of all public entities participating in the PROGRAM and differences in benefits provided (plan design), if any.

- a. SDRMA will administrate a billing to ENTITY each month, with payments due by the date specified by SDRMA. Payments received after the specified date will accrue penalties. Premiums are based on a full month and there are no partial months or prorated premiums.
- b. ENTITY must send notification of termination of benefits for a covered employee or dependent to SDRMA within 31 days of the date of termination. Benefits will be terminated the last day of the month in which the termination occurred. If the termination notice is received after 31 days of the date of termination, the request must be approved by the PROGRAM to terminate coverage. All requests may not be approved; therefore participants may need to wait for open enrollment to elect the change (termination). If the termination is due to an employee terminating employment, if not approved to retroactively terminate coverage, coverage will be terminated prospectively at the end of the month.

5. **BENEFITS.** Benefits provided to ENTITY participants shall be as set forth in ENTITY's Plan Summary for the PROGRAM and as agreed upon between the ENTITY and its recognized employee organizations as applicable. Not all plan offerings will be available to ENTITY, and plans requested by ENTITY must be submitted to PROGRAM underwriter for approval.
6. **COVERAGE DOCUMENTS.** Except as otherwise provided herein, CSAC-EIA Health documents outlining the coverage provided, including terms and conditions of coverage, are controlling with respect to the coverage of the PROGRAM.
7. **PROGRAM FUNDING.** It is the intent of this MEMORANDUM to provide for a fully funded PROGRAM by any or all of the following: pooling risk; purchasing individual stop loss coverage to protect the pool from large claims; and purchasing aggregate stop loss coverage.
8. **ASSESSMENTS.** Should the PROGRAM not be adequately funded for any reason, pro-rata assessments to the ENTITY may be utilized to ensure the approved funding level for applicable policy periods. Any assessments which are deemed necessary to ensure approved funding levels shall be made upon the determination and approval of the COMMITTEE in accordance with the following:
 - a. Assessments/dividends will be used sparingly. Generally, any over/under funding will be factored into renewal rates.
 - b. If a dividend/assessment is declared, allocation will be based upon each ENTITY's proportional share of total premiums paid for the preceding 3 years. An ENTITY must be a current participant to receive a dividend, except upon termination of the PROGRAM and distribution of assets.
 - c. ENTITY will be liable for assessments for 12 months following withdrawal from the PROGRAM.
 - d. Fund equity will be evaluated on a total PROGRAM-wide basis as opposed to each year standing on its own.
9. **WITHDRAWAL.** ENTITY may withdraw subject to the following condition: ENTITY shall notify SDRMA and the PROGRAM in writing of its intent to withdraw at least 90 days prior to their requested withdrawal date. ENTITY may rescind its notice of intent to withdraw. Once ENTITY withdraws from the PROGRAM, there is a 3-year waiting period to come back into the PROGRAM, and the ENTITY will be subject to underwriting approval again.
10. **LIAISON WITH SDRMA.** Each ENTITY shall maintain staff to act as liaison with the SDRMA and between the ENTITY and the SDRMA's designated PROGRAM representative.
11. **GOVERNING LAW.** This MEMORANDUM shall be governed in accordance with the laws of the State of California.
12. **VENUE.** Venue for any dispute or enforcement shall be in Sacramento, California.
13. **ATTORNEY FEES.** The prevailing party in any dispute shall be entitled to an award of reasonable attorney fees.
14. **COMPLETE AGREEMENT.** This MEMORANDUM together with the related PROGRAM documents constitutes the full and complete agreement of the ENTITY.
15. **SEVERABILITY.** Should any provision of this MEMORANDUM be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.
16. **AMENDMENT OF MEMORANDUM.** This MEMORANDUM may be amended by the SDRMA Board of Directors and such amendments are subject to approval of ENTITY's signatory to this MEMORANDUM.

Any ENTITY who fails or refuses to execute an amendment to this MEMORANDUM shall be deemed to have withdrawn from the PROGRAM on the next annual renewal date.

17. EFFECTIVE DATE. This MEMORANDUM shall become effective upon the signing of this MEMORANDUM by the ENTITY and Chief Executive Officer or Board President of SDRMA.
18. EXECUTION IN COUNTERPARTS. This MEMORANDUM may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

In Witness Whereof, the undersigned have executed the MEMORANDUM as of the date set forth below.

Dated: _____

By: _____

Special District Risk
Management Authority

Dated: _____

By: _____

Entity Name



San Luis Obispo Regional Transit Authority

Executive Committee Meeting

Draft Minutes 6/6/2018

C-1

Members Present: Tom O'Malley, President
Dan Rivoire, Vice President

Members Absent: Lynn Compton, Past President

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

Also Present: Eric Greening
Steve Martin, Mayor of Paso Robles

1. Call to Order and Roll Call:

President Tom O'Malley called the meeting to order at 12:08 p.m. A silent roll call was taken and a quorum was present.

2. Public Comments:

Mr. Eric Greening, thanked RTA staff for all the work that was done to get the bathroom available for the bus operators. He understands that it is not open to them yet but knows it will be good for them when they do have access. **Mr. Geoff Straw** stated that staff is working with the County to finish up the details and will hopefully have it available in two weeks. He mentioned that staff also solved the bathroom issue in Santa Maria.

3. Information Items:

A-1 Executive Director's Report

Mr. Straw stated the new Paso Robles Bus Parking Yard project is officially completed, and all North County transit operations have been transitioned to the new facility. Staff wishes to thank the public officials who attended the opening celebration on April 27th.

We have two new bus operators who have completed the comprehensive six-week training program on May 25th, and they are currently completing the cadetting program. The next bus operator training class begins on July 9th. We are currently running radio ads, and we have posted notices on the bus LCD screens and our website seeking the next slate of trainees.

Staff advertised the RTA Bus Garage Design and Engineering procurement documents on May 7th. Six firms participated in the non-mandatory pre-bid meeting on May 23rd, and statements of qualifications are due on June 20th. This design/engineering project is being funded with FTA Section 5307 funds, with local match provided by the new SB-1 funds. If bids are higher than anticipated and staff will seek direction from the Board to see what our next steps should be.

Vice President Dan Rivoire asked what are the options. **Mr. Straw** stated we may have to lease property or finance a higher amount of the project.

The RTA has selected the Wallace Group to complete the final design/engineering for the Improvements to RTA Transit Center project. Based on preliminary schedules, construction should be bid in late summer and final construction completed by the end of the calendar year.

Mr. Straw noted that he and **Mr. Pete Rodgers**, SLOCOG, met with FTA Region 9 officials on May 16th to discuss possible repurposing of \$4 million in FTA Section 5339(b) funds to the planned new Bus Maintenance Facility. RTA staff will work with SLOCOG staff to present a white paper seeking to justify this change in direction to the RTA and SLOCOG Boards in the coming months.

Staff initially sought to partner with two other transit agencies and Caltrans to submit a joint application for a new discretionary BUILD grant program. The BUILD program essentially replaces the former TIGER program, and \$1.5 billion is available for roadway, rail and transit projects. Caltrans subsequently decided to submit road-related proposals, so RTA staff is now evaluating the possibility of submitting a separate grant proposal for the Bus Maintenance Facility. If our grant proposal appears to be a strong contender, we will seek authority at the next Board meeting so that we can submit the proposal in time for the July 18th deadline.

After the May 2, 2018 Board Meeting, staff realized an error in the salary scheduled included as an information item as part of the FY18-19 budget. Staff has revised the schedule and is including it in this agenda. Of note, the budget included the correct information so no budget revision is required for this correction.

Staff continues to engage CARB and SLOAPCD officials in discussions on the proposed draft Innovative Clean Transit regulation. We are also exploring the possibility of submitting a grant application in conjunction with the SLOAPCD to partially pay for two SoCo Transit battery electric buses and a recharging system.

Detailed financial and operating results through April 2018 were reviewed. More specifically, Route 9 ridership is slightly higher this fiscal year in comparison to the same period last year, while ridership on Routes 10, 12 and especially Route 14 have declined. Runabout ridership is approximately 6% lower than last year. There is a possibility of becoming a CenCal operator, we will be trying to get the highest reimbursement rate and will go to the Board for more direction. **President O'Malley** asked what the legal consequences in denying a ride are. **Mr. Straw** stated that the rides are set up through the broker and then sent to us.

Mr. Straw concluded his report.

President O'Malley asked if it could be spilt and only use half of the property that is proposed for the Bus Maintenance Facility. **Mr. Tim McNulty** stated that no, due to some of the property constraints.

Mr. Greening asked if there is a delay or if we have to pull out if we impact CAPSLO. **Mr. McNulty** stated that we already divided the property so we are not tied to CAPSLO.

4. Action Items

B-1 Amended and Restated RTA Joint Powers Agreement

Mr. Straw stated that four actions need to take place. First, Adoption of the attached amended and restated RTA JPA by the RTA Board of Directors. Then adoption of the amended/restated RTA JPA by all eight jurisdictions identified in the new JPA. Abolishment of the existing South County Area Transit JPA by the SoCo Transit Board of Directors. Lastly, abolishment of the South County Area Transit JPA by all four jurisdictions identified in that JPA.

In addition, upon full execution of the amended and restated RTA JPA, staff will need to file the necessary paperwork with the California Secretary of State. Staff will also ask the SoCo Transit Board of Directors at its July 20th meeting to consider abolishing its JPA and direct staff to ask each jurisdiction to agree to abolish the South County Area Transit JPA. Finally, staff will bring a budget amendment to the RTA Board that includes the consolidated South County services in November 2018.

At the January 18th SoCo Transit Board meeting, staff reported that consolidation into the RTA would result in an annual net savings to the SoCo Transit jurisdictions of approximately \$6,000, as well as avoiding an estimated annual \$70,000 TDA penalty. The SoCo Transit Board unanimously approved staff's recommendation to pursue consolidation into the RTA. However, staff

subsequently learned in February 2018 from SLOCOG staff members that consolidation would increase SoCo Transit's share of the annual regional portion of the STA allocation by approximately \$6,000. Together, these three elements result in an estimated annual net benefit of roughly \$82,000 to the South County jurisdictions.

In previous public presentations, staff highlighted ten challenges and opportunities under consolidation. These challenges and opportunities have been further refined based on conversations with City and County staff. He went over the steps that staff have implemented in order to refine the potential impacts of consolidation. He also stated that staff has attached two versions of the RTA joint powers agreement so that readers can plainly see the existing JPA language and the proposed new language.

Mr. Straw stated the staff recommendations and concluded his report.

Mr. Greening asked about the funding listed on B-1-26. **Mr. Straw** stated SoCo Transit would be separated out on the budget.

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

B-2 RTA Employee Handbook, and Non-DOT Drug and Alcohol Policy and Testing Provisions Policy

Ms. Arnold stated that the previous RTA Employee Handbook was published in 1994, although written policies and procedures have been issued in the intervening years. RTA worked with our cohorts at other transit agencies and at RTA jurisdictions to update our documents into a consolidated new draft Employee Handbook. Staff has provided the draft to each of the City Managers along with County Human Resources. Staff made the draft version available online as part of the May 2, 2018 RTA Board presentation.

Staff continued to request feedback and has incorporated appropriate feedback into the handbook being presented today. In addition, staff developed a Non-DOT Drug and Alcohol Policy and Testing Provisions Policy. **Vice President Rivoire** asked if it was part of an article of the employee handbook. **Ms. Arnold** stated it is a separate policy from the handbook.

She went over some of the recommended changes that were turned in to the staff and summarized what the changes were made.

Mr. Straw stated that we received great feedback from the cities.

Mr. Greening asked about an article and if someone is on duty only or out in public. **Mr. Straw** stated that it is when they are in uniform and on-duty. **Mr. Greening** asked if staff knows what their responsibility.

President O'Malley moved approval of action item B-2 and seconded by **Vice President Rivoire**.
The motion carried on a voice vote.

5. Consent Agenda Items

C-1 Executive Committee Meeting Minutes of February 14, 2018

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

6. Agenda Review:

Mr. Straw reviewed RTA Board Agenda items for the July 11, 2018 meeting.

7. Adjournment: President O'Malley adjourned RTA Executive Committee meeting at 12:48 p.m.

Respectfully Submitted,

Acknowledged by,

Shelby Walker
Administrative Assistant

Tom O'Malley
RTA President 2018