

## BOARD AGENDA

Wednesday, April 29, 2015  
CITY OF ARROYO GRANDE, CITY COUNCIL CHAMBERS  
215 E. Branch Street, Arroyo Grande, California  
1:30 p.m. to 3:00 p.m.  
*(Ending time is approximate)*

Chairperson: Jim Guthrie  
Director: Shelly Higginbotham

Vice Chair: Lynn Compton  
Director: Barbara Nicolls

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 SCT offices at 781-1338. Please note that 48 hours advance notice will be necessary to honor a request.

**NOTE:** Arroyo Grande City Offices are served hourly by SCT Route 24.  
Please call 541-2228 for more information.

### CALL TO ORDER AND ROLL CALL

**PUBLIC COMMENTS:** This portion of the agenda is reserved for any members of the public to directly address the South County Transit Board on any items not on the agenda and within the jurisdiction of the Board. Comments are limited to three minutes per speaker. The Board will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.

**CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: one case

### A. INFORMATION AGENDA

A-1 Administrator's Report (Receive)

### B. ACTION AGENDA

B-1 SCT FY15-16 Budget (Adopt)

B-2 Summer Youth Ride Free 2015 (Adopt)

B-3 Employee Sick Leave Requirements (Adopt)

**C. CONSENT AGENDA: (Roll Call Vote)** the following items are considered routine and non-controversial by staff and will be approved by one motion if no member of the South County Transit Board or public wishes an item be removed. If discussion is desired by anyone, the item will be removed from the consent agenda and will be considered separately. Questions of clarification may be made by South County Area Transit Board members, without the removal of the item from the Consent Agenda. Staff recommendations for each item are noted following the item.

C-1 SCT Minutes of January 21, 2015 (Approve)

C-2 SCT Procedure for Public Comment – Fare and Service Changes (Approve)

C-3 Agreement for Bus Shelter Replacement at Wal-Mart Bus Stop (Approve)

C-4 Implement SCT Employer/Employee Relations Policy & Resolution (Adopt)

**D. DIRECTORS' COMMENTS**

**E. EXECUTIVE COMMITTEE MEMBERS' COMMENTS**

**ADJOURNMENT**

Next South County Transit Board meeting: **July 22, 2015**

## **SOUTH COUNTY TRANSIT**

**April 29, 2015**

### **STAFF REPORT**

**AGENDA ITEM:** A-1

**TOPIC:** Administrator's Report

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Information

#### **BACKGROUND/DISCUSSION:**

##### **Operations:**

SCT management was informed on April 7<sup>th</sup> that the SCT drivers and utility workers have submitted a sufficient number of authorization cards to elicit a vote to organize under Teamsters Local 986. Staff met with Teamsters and Public Employee Relations Board officials to plan a vote, set for Sunday May 17. An Employer-Employee Relations Policy will be considered under Item C-4 on today's agenda, which provides details on roles and responsibilities of SCT and any employee organization.

Staff has been working with the property manager of the shopping center anchored by Wal-Mart to replace the passenger shelter and to extend the concrete pad to better serve passengers. Staff has also worked closely with Arroyo Grande building officials to ensure the proposed changes meet the original development agreement. SCT has solicited bids from local contractors to remove the old shelter and replace it with a newer shelter already in RTA's possession, and SCT's legal counsel has developed a draft agreement – Item C-3 on today's agenda – between SCT and the property manager (Investec Management Corporation) for these improvements. Staff expects the work could begin soon after both parties execute the agreement.

In partnership with SCT, the City of Grover Beach Police Department installed security cameras at Ramona Gardens Park, with some views of the passenger transit center. SCT's financial contribution of \$11,992 was provided through an existing FTA Section 5307 grant, with local match (\$2,998) coming from the City's Supplemental Law Enforcement Services Account. The system went "live" in early February, and our dispatchers can watch the video feed and control the camera angles remotely. Staff appreciates the partnership we have established with the Grover Beach Police Department, and hope this will help make our passengers and employees feel more secure at this site.

**Marketing & Service Planning:**

Staff conducted a public outreach effort to solicit input on a possible fare program change. Specifically, staff presented the following changes:

<b>SCT FARE PROGRAM CHANGES</b>			
<b>Fare Type</b>	<b>Current</b>	<b>Potential Future</b>	<b>% Increase</b>
Cash Regular	\$1.25	\$1.50	20.0%
Cash Discounted	\$0.60	\$0.75	25.0%
SCT 31-Day Pass Regular	\$30.00	\$37.00	23.3%
SCT 31-Day Pass Discounted	\$15.00	\$18.50	23.3%
20-Ride Regular	\$20.00	\$24.00	20.0%
20-Ride Discounted	\$8.00	\$12.00	50.0%
SCT Day Pass	Not Applicable	\$3.00	N/A
Transfer	Free	No longer accepted	N/A

Staff developed a notice describing the potential new fare program and the opportunity to provide input both in writing and in person at a public workshop on April 15. Staff posted notice on each bus, at approximately 20 major bus stops, on the website, on the Facebook page, and placed a public notice in The Tribune. We received one post on the Facebook page and two riders attended the public workshop conducted from 4:00 PM to 6:00 PM at the Ramona Garden Community Center. Surprisingly, both attendees understood and supported the reasoning behind the potential new fare program. The gentleman who posted on Facebook stated it would be a mistake to raise fares. Given the economic uncertainties associated with the FY15-16 budget at this time, staff is recommending that the Board hold off on making a decision on any potential fare changes until after any labor negotiations are completed.

**Finance and Administration:**

Staff worked with operating staff and county officials to develop a draft new Employee Policy and Procedures Manual, which would replace the existing Manual last updated by the Board in January 2002. With the possibility of the operating staff organizing under the Teamsters, staff has ceased further work on this policy document until further notice.

Agenda Item B-1 asks the Board to consider the FY15-16 budget. In light of the possible organization by the operating employees, staff is presenting essentially a status quo budget in comparison to the current year budget. This also means that recent plans for implementing new Route 26 have been put on the back burner.

The operating results for the first nine months of FY14-15 were mixed, as shown in the ensuing two pages of tables. Specifically, SCT ridership totaled 168,878 from July 2, 2014 through March 31, 2015, compared to 179,450 in the previous year – a decline of 5.9%. Productivity (riders per hour) also declined in FY14-15 (17.4 vs. 18.2 in FY13-14). However, the year to date farebox recovery ratio in FY14-15 equated to 17.44%, in comparison to the

16.70% ratio achieved in the first nine months of FY13-14. Staff will continue to closely monitor these performance measures.

In terms of overall financial performance, SCT spent 62.6% of budgeted operating expenses through the end of March 2015. This is less than the budgeted allocation, since 75% of the year had been completed. See the last page of this report for more information for each line-item.

RTA provides administration and financial services on a fixed cost basis to SCT. These services include program administration, operations management, financial reporting and oversight, human resources, marketing, grant management, accounts payable, and Board administration. The administration charge for FY14-15 is \$64,530. This equates to approximately 1,000 hours of administrative staff time. The finance charge is \$14,230, which equates to roughly 250 hours. Please note that these hours do not include overhead charges. Based on payroll timesheet audits, staff members that support these services spend 5-15% of their time per pay period doing so just for SCT. This equates to 1,250 hours and a total cost of \$78,760 in the current fiscal year, based on the respective wage rates, prior to any overhead charges. Through April 24, RTA staff members have booked 935.75 total hours, which equates to approximately 75% of the annual budgeted total. It should be noted that the number of hours necessary to administer SCT has increased dramatically over the past two months, so it is expected that the budgeted 1,250 will be exceeded in FY14-15. Nonetheless, RTA will not recommend that SCT provide additional reimbursement funds beyond the budgeted amount unless the proportion of each RTA staff member's time continues to remain higher than anticipated in FY15-16.

### **Maintenance**

SCT took delivery of a fourth new 35-foot bus in late-March, and it was released to revenue service on April 10<sup>th</sup>. It is a Gillig low-floor bus, similar to the three buses SCT purchased in 2013. The remaining three 2003 Gillig high-floor Phantom buses (unit numbers 201, 202 and 204) continue to be used in primarily a back-up role.

A defective turbocharger component in SCT's three 2013 buses (and RTA's seven buses) has occasionally red-tagged buses over the past two months. This is a nationwide problem for trucks and buses that use the model year 2013 Cummins ISL diesel engine. RTA staff has asked the warranty provider to fix SCT buses first, since SCT has a relatively thin spare ratio. It is fortunate that RTA has two 2010 35-foot El Dorado low-floor buses that we could temporarily reassign to SCT during this period. RTA rarely uses those two vehicles due to their limited passenger capacity.

The SCT Executive Committee asked staff to test these two 2010 El Dorado low-floor buses in SCT service, to determine if those buses could be fully transferred from RTA to SCT. This would also allow SCT to avoid having to purchase a fifth new bus in 2016. These are 12-year/500,000-mile buses, and they have accumulated between 140,000 and 190,000 miles each. RTA will begin cycling the buses into regular SCT service to ensure there are no unknown or unique operating challenges. SCT will only pay for fuel during this testing period.

All other maintenance inspections and repairs are being completed according to manufacturer recommendations.

### **Summary of Three Bus Operator's Forums**

At its January 12<sup>th</sup> meeting, the Executive Committee accepted testimony from a recently dismissed SCT employee. Members of the committee met with SCT and RTA staff on February 10 to review the ex-employee's file. The members decided that no further action is required but that it might be appropriate to update the Employee Manual, which was last formally updated in January 2002.

Staff conducted three SCT Bus Operator's Forums since the January 21<sup>st</sup> Board Meeting. On March 10<sup>th</sup> members of the management team (Supervisor Coleen Kubel, Operations Manager Phil Moores, Maintenance Manager David Roessler, CFO Tania Arnold, and SCT Administrator Geoff Straw) as well as SCT Board Director Shelly Higginbotham met to discuss the role of RTA in administering the SCT services. Director Higginbotham explained to the drivers that neither the SCT nor the RTA Boards have directed RTA staff to consolidate SCT into RTA. Other items included the status of the Wal-Mart bus stop improvement project, status of 1300-series engine warranty problems, and status of salvaging bus 203.

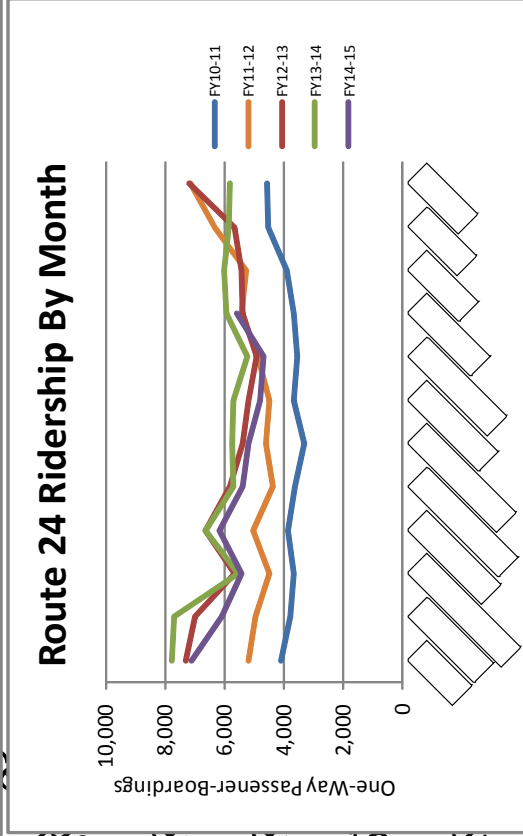
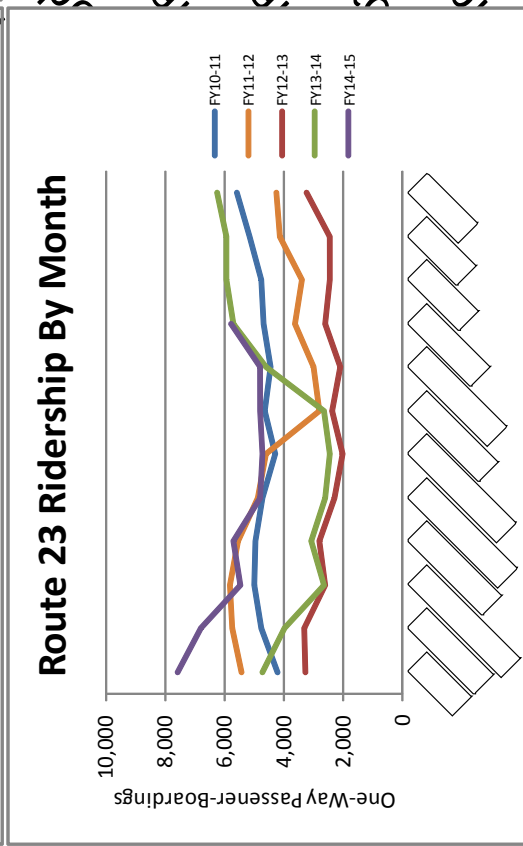
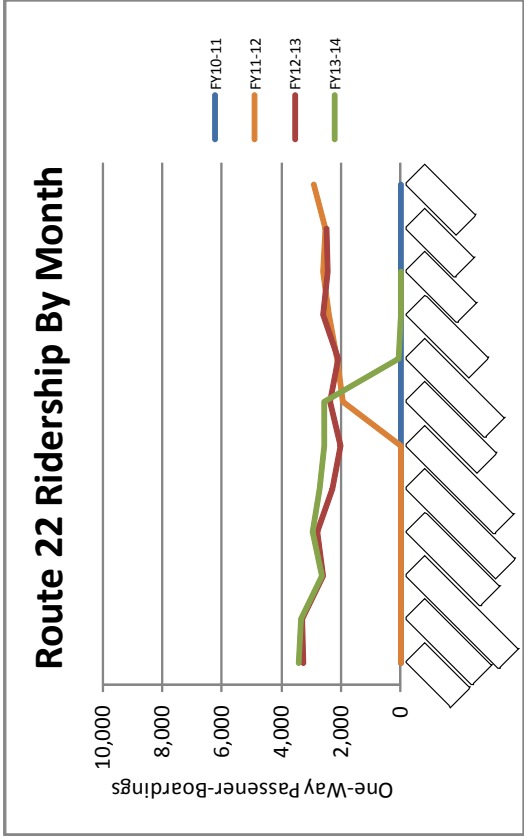
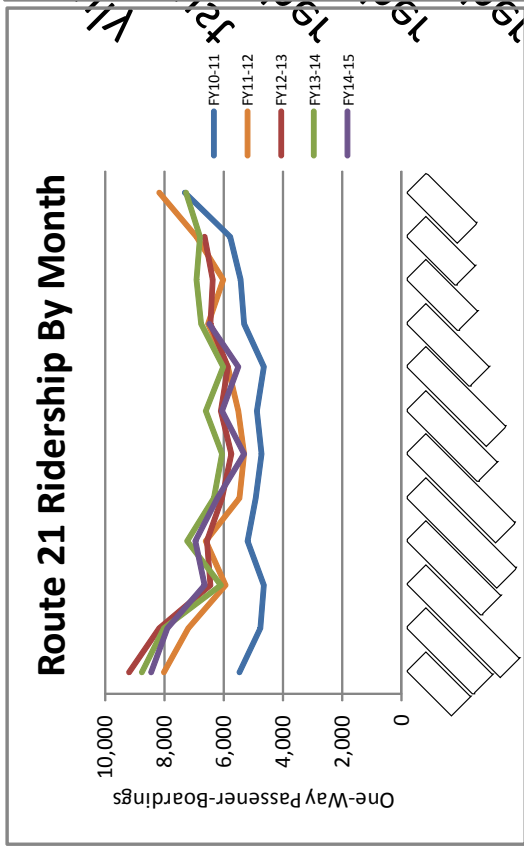
On April 14<sup>th</sup>, another Bus Operator Forum was conducted to review comments that drivers submitted to management on the draft updated Employee Policy and Procedures Manual. Members of the management team included Phil Moores, David Roessler, Tania Arnold and me. Special guests included Board Directors Higginbotham and Guthrie, as well as Teamsters Local 986 representative David Latimer. Staff explained that, in consideration of drivers' electing Drivers expressed concern for how SCT employees are being treated, and I assured them that we are treating all employees professionally and with respect.

On April 19<sup>th</sup>, Phil Moores, David Roessler and I attended a regularly-scheduled Safety Meeting. Special guest Director Guthrie attended, as well as David Latimer. Items of discussion included grievance procedures, short-turning routes during heavy traffic periods, the Summer Youth Ride Free program, and employee treatment.

No Bus Operators requested that any other unresolved issues from the forum be immediately brought before the SCT Board.

### **STAFF RECOMMENDATION:**

Accept this as an information item.



**SOUTH COUNTY TRANSIT  
2014-15 Budget vs. Actual (unaudited)**

	<b>FY 14/15 Adopted</b>	<b>November 2014</b>	<b>December 2014</b>	<b>January 2015</b>	<b>February 2015</b>	<b>March 2015</b>	<b>Year to Date</b>	<b>Percent Year to Date</b>
<b>Use of Resources</b>								
<u>Administrative Expenditures</u>								
Insurance								
Liability & Physical Damage	\$ 43,300	\$ 3,581	\$ 3,581	\$ 3,579	\$ 3,579	\$ 3,579	\$ 32,204	74.38%
Workers Compensation	50,000	3,335	3,335	3,335	3,335	3,335	33,628	67.26%
Property Insurance	640	53	53	53	-	106	479	74.79%
Rent	25,500	2,125	2,125	2,125	2,125	2,125	19,125	75.00%
Utilities	8,050	598	668	675	673	674	6,143	76.30%
Radio Expense	1,250	-	103	203	103	103	821	65.68%
Legal Services	500	-	-	-	-	-	-	0.00%
Payroll Processing	3,750	252	393	498	261	250	2,714	72.36%
Administration	64,530	5,378	5,378	5,378	5,378	5,378	69,908	108.33%
Finance	14,230	1,186	1,186	1,186	1,186	1,186	10,673	75.00%
Office Expense/Miscellaneous	8,280	226	543	576	570	464	3,460	41.79%
Audit	3,240	-	-	-	-	-	2,970	91.67%
Marketing/Community Relations/Printing	16,000	-	-	36	208	-	244	1.52%
Uniforms/Laundry/Physicals/Ads	7,600	189	423	650	253	1,260	4,139	54.46%
<u>Operating Expenditures</u>								
Salaries/Benefits	\$ 455,000	\$ 30,443	\$ 47,529	\$ 30,431	\$ 32,921	\$ 31,035	\$ 304,645	66.95%
Maintenance	123,700	8,409	5,838	4,923	8,077	9,840	54,956	44.43%
Dispatch	18,500	1,542	1,542	1,542	1,542	1,542	13,875	75.00%
Sign Maintenance	3,000	-	-	-	-	-	-	0.00%
SCT Bus Fuel	214,200	11,173	9,823	8,624	11,347	10,347	113,748	53.10%
Contingency	15,000	-	-	-	-	-	-	0.00%
<b>9</b> Total Operating Expenditures	<b>\$ 1,076,270</b>	<b>\$ 68,491</b>	<b>\$ 82,519</b>	<b>\$ 63,814</b>	<b>\$ 71,557</b>	<b>\$ 71,223</b>	<b>\$ 673,730</b>	<b>62.60%</b>
<u>Capital Service</u>								
Support Vehicle	\$ 102,000	\$ -	\$ -	\$ 45,142	\$ -	\$ -	\$ 90,285	88.51%
Computer Upgrade	700	-	-	-	-	-	-	0.00%
Vehicles/ITS	493,850	-	-	-	-	-	-	0.00%
Facility Improvements/Bus Stop Amenities	61,500	-	-	-	16,189	-	16,189	26.32%
Total Capital Service	\$ 658,050	\$ -	\$ -	\$ 45,142	\$ 16,189	\$ -	\$ 106,474	16.18%
<b>10</b> Total Use of Resources	<b>\$ 1,734,320</b>	<b>\$ 68,491</b>	<b>\$ 82,519</b>	<b>\$ 108,956</b>	<b>\$ 87,746</b>	<b>\$ 71,223</b>	<b>\$ 780,203</b>	<b>44.99%</b>



**SOUTH COUNTY TRANSIT  
OPERATING STATEMENT BY ROUTE - WEEKDAY AND TROLLEY  
YEAR TO DATE THRU MARCH 2015**

	RT 21 PISMO & SHELL BEACH	RT 23 A.G. VILLAGE, A.G. H.S. & GRANDE AVE	RT 24 GROVER B. A.G. VILLAGE, PISMO & A.G.	RT 25 HIGH SCHOOL TRIPPER	RT 26 OCEANO SHOPPING SHELL BEACH	TOTAL WEEKDAY SERVICE	AVILA BEACH TROLLEY
<b>REVENUES:</b>							
<b>FARES</b>	28,593	26,381	24,361	8,415	-	87,750	2,923
<b>TOTAL ROUTE REVENUES</b>	28,593	26,381	24,361	8,415	-	87,750	2,923
<b>EXPENDITURES:</b>							
<b>ADMINISTRATION</b>	15,927	15,664	16,211	1,034	42	48,878	2,525
<b>MARKETING</b>	59	58	60	5	-	181	-
<b>OPERATIONS/CONTINGENCY</b>	94,372	92,820	96,049	6,105	324	289,671	13,754
<b>FUEL</b>	24,175	28,940	24,572	1,737	9	79,432	7,308
<b>INSURANCE</b>	14,264	17,073	14,498	1,020	6	46,861	3,600
<b>TOTAL EXPENDITURES</b>	148,797	154,554	151,390	9,901	380	465,022	27,187
<b>FAREBOX RATIO</b>	19.22%	17.07%	16.09%	84.99%	0.00%	18.87%	10.75%
<b>RIDERSHIP</b>	47,605	41,431	39,929	8,543	30	137,538	6,277
<b>SERVICE MILES</b>	35,372.90	42,328.00	35,955.00	2,602.50	15.10	116,273.50	8,804.00
<b>SERVICE HOURS</b>	2,348.42	2,309.58	2,390.12	147.37	6.00	7,201.49	423.72
<b>RIDERS PER MILE</b>	1.35	0.98	1.11	3.28	1.99	1.18	0.71
<b>RIDERS PER HOUR</b>	20.27	17.94	16.71	57.97	5.00	19.10	14.81
<b>COST PER PASSENGER</b>	3.13	3.73	3.79	1.16	12.67	3.38	4.33
<b>SUBSIDY PER PASSENGER</b>	2.53	3.09	3.18	0.17	12.67	2.74	3.87

**SOUTH COUNTY TRANSIT  
OPERATING STATEMENT BY ROUTE - WEEKEND, TROLLEY, AND TOTAL  
YEAR TO DATE THRU MARCH 2015**

	RT 21 - SAT PISMO & SHELL BEACH	RT 21 - SUN PISMO & SHELL BEACH	RT 23 - SAT A.G. VILLAGE, A.G. H.S. & GRANDE AVE	RT 23 - SUN A.G. VILLAGE, A.G. H.S. & GRANDE AVE	RT 24 - SAT GROVER B. A.G. VILLAGE, PISMO & A.G.	RT 24 - SUN GROVER B. A.G. VILLAGE, PISMO & A.G.	TOTAL WEEKEND SERVICE	TOTAL SCT ONLY SERVICE	TOTAL SCT AND AVILA SERVICE
<b>REVENUES:</b>									
<b>FARES</b>	4,537	3,480	3,414	2,753	4,021	3,030	21,235	108,986	111,908
<b>TOTAL ROUTE REVENUES</b>	4,537	3,480	3,414	2,753	4,021	3,030	21,235	108,986	111,908
<b>EXPENDITURES:</b>									
<b>ADMINISTRATION</b>	2,893	2,650	2,927	2,697	2,946	2,697	16,811	65,689	68,214
<b>MARKETING</b>	11	10	11	10	11	10	63	244	244
<b>OPERATIONS/CONTINGENCY</b>	17,202	15,830	17,405	16,112	17,515	16,112	100,176	389,847	403,600
<b>FUEL</b>	4,437	4,083	5,118	4,710	4,510	4,151	27,008	106,440	113,748
<b>INSURANCE</b>	2,608	2,395	3,008	2,759	2,651	2,432	15,853	62,714	66,314
<b>TOTAL EXPENDITURES</b>	27,150	24,967	28,470	26,289	27,633	25,402	159,910	624,932	652,120
<b>FAREBOX RATIO</b>	16.71%	13.94%	11.99%	10.47%	14.55%	11.93%	13.28%	17.44%	17.16%
<b>RIDERSHIP</b>	6,901	4,986	5,088	3,881	6,134	4,350	31,340	168,878	175,155
<b>SERVICE MILES</b>	6,491.16	5,950.23	7,488.00	6,864.00	6,598.80	6,048.90	39,441.09	155,714.59	164,518.59
<b>SERVICE HOURS</b>	429.00	393.12	434.07	400.14	436.80	400.14	2,493.27	9,694.76	10,118.48
<b>RIDERS PER MILE</b>	1.06	0.84	0.68	0.57	0.93	0.72	0.79	1.08	1.06
<b>RIDERS PER HOUR</b>	16.09	12.68	11.72	9.70	14.04	10.87	12.57	17.42	17.31
<b>COST PER PASSENGER</b>	3.93	5.01	5.60	6.77	4.50	5.84	5.10	3.70	3.72
<b>SUBSIDY PER PASSENGER</b>	3.28	4.31	4.92	6.06	3.85	5.14	4.42	3.06	3.08

## **Vision Statement**

*The SCT of the future will help meet residents' and visitor's diverse transportation needs in the Five Cities Area.*

## **Mission Statement**

South County Transit is committed to providing safe, friendly, and reliable service to the citizens of and visitors to the Five Cities Area.

## **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.

## **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 private automobile Vehicle Miles Traveled (VMT).
- Improve SCT's farebox recovery ratio to avoid Transportation Development Act (TDA) penalties.

- Embrace technological improvements that will positively impact efficiency and quality of service.

## **Goals**

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

**SOUTH COUNTY AREA TRANSIT**  
**April 29, 2015**  
**STAFF REPORT**

**AGENDA ITEM:** B-1

**TOPIC:** Fiscal Year 2015-16 Operating and Capital Budget

**ACTION:** Adopt

**PRESENTED BY:** Geoff Straw

**EXECUTIVE COMMITTEE  
RECOMMENDATION:** Adopt

**BACKGROUND**

We are pleased to present the proposed South County Transit Fiscal Year 2014-15 Operating and Capital Budget. The operating budget is proposed at \$1,084,480 and the capital budget at \$205,170. The budget is balanced. Staff is presenting this budget plan based on several significant assumptions regarding the Local Transportation Fund (LTF) and the State Transit Assistance (STA) programs, which will be discussed in the Revenue section below.

The South County Transit (SCT) fiscal year 2015-16 budget assumes the same levels of fixed route revenue service hours and miles for Route 21, 23, 24, and 25 as well as the Beach Trolley. Staff is proposing minor modifications to the Sunday schedule as well as the layover location to ensure proper breaks and lunch during all shifts. Specifically, staff is recommending that layovers solely occur at the Premium Outlets, rather than at both transfer centers. This will improve connections for passengers – both between SCT routes and to/from RTA Route 10 services – as well as provide more predictable layovers for SCT Bus Operators. Another proposal is to cease interlining SCT routes, which will improve the passenger experience by eliminating forced transfers; this recommendation was originally made in the Short Range Transit Plan.

Staff has not included the addition of Route 26 in this budget due to uncertainties within the organization, including the effort by the Bus Operators and Utility Workers to organize. Once these impacts are negotiated, staff will bring back a budget adjustment to address these changes and recommend an implementation plan for Route 26. Staff will also continue to evaluate service modifications during the year to improve efficiencies, and any such change would be brought back to the SCT Board for your consideration.

In summary, staff has done a tremendous job of holding the line on expenses. The delivery of a fourth Gillig low-floor bus in March 2015, in addition to the three delivered in July and August 2013, helped reduce projected vehicle maintenance costs that had impacted the cost-effectiveness of the core SCT services in previous years. The major challenge during the next few years will be increasing the SCT farebox recovery ratio to

20 percent, which is now required due to the *Arroyo Grande – Grover Beach Urbanized Area* designation as a result of the 2010 Census. It should be noted that the County-contracted Beach Trolley service is presented in a separate column from the core SCT fixed-route services in the monthly farebox reports to assist decision-makers in monitoring the performance of core SCT services. Any farebox or other shortfalls in the Beach Trolley are the responsibility of the County.

Finally, due to the unrest in Eastern Europe, Northern Africa and the Middle East, fuel prices have continued to swing wildly over the past few years. Staff is budgeting fuel at a slightly lower cost per gallon in comparison to FY14-15, but we may need to adjust it if fuel prices rise significantly during the fiscal year. 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.

### **Revenue**

Similar to FY13-14, the *Arroyo Grande – Grover Beach Urbanized Area* designation has resulted in SCT's ability to access to Federal Transit Administration (FTA) Section 5307 Urbanized Area reimbursement funds. In total, the FY15-16 budget assumes that \$378,000 of FTA 5307 funds will be used for operating purposes, which will reduce the need for LTF from the SCT jurisdictions.

LTF funds are derived from the statewide ¼ percent sales tax, while STA is derived from the sales tax on diesel fuel. Countywide LTF is projected by SLOCOG to be roughly 23% lower in FY15-16 in comparison to final FY14-15 amounts. However, STA funding is estimated to be relatively flat for SCT, noting that the FY14-15 STA amount included in the budget includes a carryover from the prior year.

We are predicating the revenue stream for the FY15-16 budget on the latest information that we have available on LTF and STA funding for the region. The LTF program is projected to have a dramatic decrease and staff is unsure of what the projection for this revenue stream should be for the coming years. Staff concurs and applauds the principles laid out in the SLOCOG staff report that any future funding formulas include incentive funding for Vehicle Miles Traveled (VMT) and regional integration of the jurisdictional operations with the regional system as part of the regional funding formula.

To help SCT achieve the 20% farebox recovery ratio requirement by the FY17-18 determination year<sup>1</sup>, staff solicited feedback regarding a fare increase at an April 15 public meeting. Staff will present a revised fare program in the coming months that would be implemented over the next four years, with the goal of implementing the first fare increase phase during FY15-16, ideally at the same time Route 26 service begins.

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<sup>1</sup> TDA law requires transit providers in newly-designated urbanized areas to achieve a 20% farebox recovery ratio by the fifth full year of transit service. Failure to achieve it in the determination year (fiscal year 2017-18) would result in a financial penalty that would be assessed in the "penalty year" (fiscal year 2018-19).

## Expenditures

SCT currently employs three full-time hourly Bus Operators, 16 part-time/casual hourly Bus Operators, two part-time hourly Utility Workers, and one part-time hourly Supervisor; one full-time salaried Supervisor is also employed. The proposed operating budget assumes a reasonable increase in wage rates for hourly SCT employees to keep wage rates in line with other transit programs in the region (RTA, SLO Transit and Santa Maria Area Transit). No other changes to the mix of full-time and part-time employees are assumed in FY15-16. Once the status of the request to organize is determined, a budget amendment will be presented to the Board.

Below is the wage scale that will be used.

	FY13-14	FY14-15	FY15-16
Training Rate		\$10.19	\$10.19
New Hire (FY15-16)		-	\$13.32
New Hire (FY14-15)		\$13.09	\$13.66
\$12.50		\$13.29	\$13.49
\$12.88		\$13.49	\$14.08
\$13.27		\$13.90	\$14.51
\$13.53		\$14.17	\$14.79
\$13.96		\$14.62	\$15.26
\$14.38		\$15.06	\$15.72
\$14.85		\$15.56	\$16.24
\$14.94		\$16.11	\$16.82

With regard to County-contracted Beach Trolley service in the Pismo Beach and Avila Beach areas, staff is proposing to continue the four days per week service during the peak months. This service model seems to provide a good balance between providing high-quality services during peak tourism periods and in providing necessary linkages between the communities for residents. In the past, low-levels of service were provided year-round and the result was very low ridership during the non-peak months.

The three buses that were delivered in July and August 2013 resulted in somewhat of a “vacation” in maintenance repairs, although the full-bus warranty period expired in August 2014.<sup>2</sup> The replacement bus delivered in March 2015 will also result in this cost-savings for most of FY15-16. Overall, the net effect is that staff has projected FY15-16 maintenance costs to increase from the FY13-14 actual expenditure and FY14-15 projected expenditure. Nonetheless, staff is satisfied with the reliability and cost-effectiveness of these new buses in comparison to the 2003 buses that are being replaced.

After reviewing the California Transit Indemnity Pool (CalTIP) rates for bodily injury, property damage, personal liability, employment practices, and public officials errors and omissions policies, as well as California State Association of Counties Excess Insurance Authority (CSAC-EIA) rates for worker’s compensation coverage, with brokers of these services, staff has concluded that although there are significant

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<sup>2</sup> Although the full-bus warranty expired in August 2014, major components (engine, transmission, HVAC system, etc.) have longer warranties that RTA closely manages.

increases, the CalTIP and CSAC-EIA policies offer the best economic and risk management service value in today's market. The costs for liability and auto physical damage coverage will increase by over \$25,000 in FY15-16 in comparison to budgeted FY14-15 costs. Some key factors driving that include the increase in the actual cost of the vehicles (including support vehicles), SCT's experience modification factor, the increase in pool coverage limits from \$20 million to \$25 million, and the increase in the actuarial confidence factor used by CalTIP due to current adverse claim development trends.

There is a minimal increase in the RTA support line items under Administration, Finance, and Dispatch is to keep in line inflationary pressures (1.36%). Staff continues to monitor RTA's time and resources dedicated to SCT, and we will continue to monitor these resources to ensure SCT receives strong value from RTA.

### **Capital Budget**

The FY15-16 budget assumes the transfer of Bus 1011 and 1012 from RTA in lieu of purchasing a replacement bus that was originally scheduled for delivery in June 2016. They are 2010 vehicles are spare vehicles in the RTA fleet and are not regularly used due to their passenger capacity (they are 35' like the other SCT vehicles, not 40' like RTA vehicles). Staff is proposing they be transferred to SCT so they get used and SCT can spread the vehicle replacements, as these vehicles will need to be funded for replacement in FY2021 due to exceeding the FTA fleet age based on mileage.

The Intelligent Transportation System (ITS) project is being funded fully with FTA Section 5307 funds, with SCT's fund balance providing the 20% local match. It should be noted that the large amount of fund balance available (\$243,562) for capital projects is due to the drastic reduction in fleet age with the replacement of four buses over the last two fiscal years, with two 2010 vehicles from RTA being transferred in FY1516.

Staff will be presenting a budget amendment to the Board (likely in October) to carry over any ITS funds that were not fully expended during FY14-15 for use in FY15-16. At this point in time, it is impossible to know the amount that should be carried over due to the milestone payment approach to rolling out the ITS project, but it should be noted that the project is fully funded and no additional funds will be needed.

A capital project that has been carried over to FY15-16 is the bus stop improvement program. This project was funded using a combination of new FTA Section 5307 Urbanized Area and Section 5339 Capital Program funds. However, delays by Caltrans in implementing the new 5339 funding program required the project to be carried over.

Also included are facility improvements that are needed for SCT's leased operations yard. Staff included costs to address some of the significant safety-related repairs needed for the facility. It should be noted that FY15-16 is the final year of the current lease, although extensions are expressly permitted in the lease document. Staff will negotiate with the County to extend the lease, taking into consideration the improvements that SCT would fund.



## **Budget Notes**

Staff has segregated the budget document into sections, so that each section can be explained in relation to the total budget. The paragraph numbers below relate to the boxed numbers in the first column of the budget.

1. ESTIMATED FUND BALANCE – This amount includes carryover funds and general reserves. This amount represents the fund balance available according to the June 30, 2014 audited results, plus projected revenues for the fiscal year ending June 30, 2015, less projected expenses for the fiscal year ending June 30, 2015. The resulting amount is the projected fund balance, which will be available on July 1, 2015.
2. REQUIRED RESERVES – In April 2014, the SCT Board approved a new reserve policy, in accordance with TDA requirements, that maintains an operating reserve equivalent to one quarter of net annual operating expenses. Equipment replacement reserves have been calculated based on funding the local match on the average five-year capital replacement plan.
3. FUND BALANCE AVAILABLE – This is the fund balance or reserves used in the current year budget to fund operating and capital expenditures.
4. TOTAL NON-LTF FUNDS – This section details all the sources of operating revenue by type, except LTF. Included are fares, advertising revenues, and federal, state and local sources.
5. LOCAL TRANSPORTATION FUNDS – This is the total amount of LTF required to balance the budget. A population-based formula is used to distribute the amount among the four SCT JPA members. This formula applies to all SCT services. It is not tied to any one route or any one type of service.
6. TOTAL OPERATING REVENUES – This is the total of LTF and Non-LTF funds, excluding reserves.
7. TOTAL NON-OPERATING RESOURCES – This is the total of Capital Funds, Interest Revenue and other contributions.
8. TOTAL RESOURCES – This is the total of all funding sources, including reserves. It equals the Total Use of Resources proposed in the budget.
9. TOTAL OPERATING EXPENDITURES – This is the total of operating expenditures as detailed in the budget.
10. TOTAL USE OF RESOURCES – This is the total of all funding uses and equals the amount of funding sources.

## **Staff Recommendation**

Adopt the Fiscal Year 2015-16 Budget as presented by staff.

**SOUTH COUNTY TRANSIT**  
**April 29, 2015**  
**(Adopted January 21, 2015)**  
**STAFF REPORT**

**AGENDA ITEM:** B-1

**TOPIC:** Fiscal Year 2015-16 SCT Budget Assumptions

**ACTION:** Review and Approve

**PRESENTED BY:** Geoff Straw, SCT Administrator

**EXECUTIVE COMMITTEE  
RECOMMENDATION:**

**BACKGROUND:**

Each year in connection with the annual budget process, staff reviews SCT operations to determine what operational changes will be recommended for implementation in the following fiscal year. Based on those recommended changes, staff develops the operational data, revenue and cost projections for presentation in the proposed Operating Budget. For Fiscal Year 2015-16, staff is recommending – in conjunction with a slight fare structure change – implementation of a new weekday peak-period route that would improve connectivity between the Oceano area and major activity centers along the US-101 corridor on or about July 1, 2015.

The following are the staff recommended FY15-16 Budget Assumptions that will provide staff the necessary policy guidance to prepare the appropriate operating and capital program for presentation to the Board at its April meeting.

**Objectives**

- Maintain and improve service levels and hours of service that meet the demand of our customers and communities through the effective and efficient delivery of SCT Fixed Route core services, as well as contracted Senior Shuttle and Trolley services.
- Monitor the Strategic Business Plan adopted in October 2014 detailing goals and objectives, as well as performance measures.
- Continue to monitor reserves for the FY15-16 budget cycle using the adopted policy from April 2014.

- Continue to work with the SLOCOG Efficiencies Committee in evaluating region-wide service efficiencies, particularly those that will help SCT achieve the required minimum 20% farebox recovery ratio.
- Develop and implement an SCT-focused marketing plan.
- Work on addressing findings on current transportation options as identified in the Transit Needs Assessment, notably trying to address the long and circuitous route in Oceano. Review the possible addition of a Route 26, as tested on December 3, 2014, linking Oceano more directly to employment and shopping centers.

## **BUDGET ASSUMPTIONS**

### **Revenue**

- To assist SCT in achieving the TDA-mandated 20% minimum farebox recovery ratio, and as approved during the October 2014 Board Meeting, staff will be conducting workshops and will be bringing a recommendation back to the Board for a potential fare increase during the latter part of FY14-15. Staff anticipates that the overall financial impact will be moderate due to ridership losses that would occur with a fare increase. However, to be fiscally conservative, staff is assuming no overall growth in fare revenues for FY15-16.
- SCT received just over \$101,000 in STA funding in FY14-15. Staff will work with SLOCOG staff to determine a conservative figure for FY15-16.
- Federal Transit Administration (FTA) Section 5307 operating funding will be budgeted at 45% of allowable operating expenditures less farebox revenue.
- To partially fund the new Route 26 service, SCT will submit a Low-Carbon Transit Grant application for the maximum amount permitted (approximately \$100,000). The Oceano area's demographic profile suggests this new service will rank relatively high in San Luis Obispo County.
- TDA revenue will be budgeted at approximately \$380,000 for base Routes 21, 23, 24 and 25 operations. In comparison, the FY12-13 budget was \$677,788, prior to SCT receiving FTA Section 5307 funds.
- TDA revenue, net of new fares and Low-Carbon Transit Grant (of approximately \$100,000), for the new Route 26 service would be approximately \$20,000.
- 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 will recommend that the Board consider adjusting the TDA allocation from the three cities and the county.

## Expenses

- Service levels, number of revenue service hours, miles and span of service for core fixed route and the senior shuttle will be budgeted at current levels.
- Assuming SCT is successful in attaining a Low-Carbon Transit Grant of \$100,000, the new Route 26 service will be added, focusing on the following weekday periods: 7:00AM to 10:00AM, and 4:00PM to 7:00PM.
- The Beach Trolley will operate from late-April through mid-October Thursday through Sunday, similar to what was implemented in April 2012. The Avila Fish and Farmer's Market Trolley will operate on Friday evenings from April to September. These services are provided through a contract from RTA and funded through the County.
- Staff is reviewing the hourly wage scale and recommends that any annual increases funded by the SCT Board be split into two elements: an inflationary increase that is provided on July 1<sup>st</sup> of each year, and a merit increase that is provided on each employee's anniversary date. Only those employees in good standing (i.e., not on probation for cause) and who have worked a minimum number of annual hours would be eligible for either increase element.
- Fuel consumption and price will be budgeted conservatively; diesel fuel will be budgeted at \$4.00 per gallon (which is lower than the \$4.25 amount budgeted in the last two fiscal years) and miles per gallon figures for each vehicle type will be derived from RTA's computerized maintenance software program.
- SCT staff will continue to work with other transit agency staff to achieve feasible economies of scale in providing transit services.
- CalTIP liability insurance premiums may increase by up to 10%. The exact amount is not known at this time as CalTIP actuaries are still working on May 1, 2015 through April 30, 2016 rates. Estimates should be received from CalTIP in time to include in the SCT April 2015 draft budget. Although the number SCT losses based on mileage has been lower than the pool average, the pool has experienced some negative claims development.
- Health insurance premiums are projected to increase 8% in comparison to current rates. This will have a minimal impact on the budget due to the low number of employees under the plan. At this time, the Affordable Care Act has no impact on the budget, since SCT employs fewer than 50 employees. Nonetheless, staff will continue to monitor legislation should that provision change.

- Operations facility rental costs will not increase based on the lease agreement that was executed with SLO County on July 1, 2011. This will be the final year of a five year lease. Staff will explore exercising lease extension options as well as alternative locations.
- As part of the SCT and RTA budget making process, staff will continue to evaluate the pass-through charges for SCT Administration and Maintenance, with a minimum CPI increase projected.

## **CAPITAL**

- Carryover some capital projects that may not be completed, including the facility improvements/bus stop amenities line item. Depending on the implementation, a portion of the ITS funds may need to be carried over as well.
- Staff is reviewing improvements needed to the facility and will providing estimated budgets for a number of projects that have been identified for the facility to ensure a safe work environment.
- Include a capital budget that includes a projection for the four future fiscal years to help identify upcoming projects.

## **BUDGET CALENDAR**

January 21	Board review and approval of FY15-16 budget assumptions
April 22	Draft FY15-16 Budget presentation to Executive Committee
April 29	Final Board Budget presentation and Board adoption of FY15-16 Budget
May - June	SLOCOG notifies all JPA members of TDA allotment for member agency budget consideration
July 1	Start of new fiscal year

## **Staff Recommendation**

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

**SOUTH COUNTY TRANSIT  
2015-16 Proposed Budget**

	<b>FY 13/14 Actual</b>	<b>FY 14/15 Adopted Operating</b>	<b>FY 14/15 Adopted Capital</b>	<b>FY 14/15 Projected</b>	<b>FY 15/16 Proposed Operating</b>	<b>FY 15/16 Proposed Capital</b>	<b>Net Increase (Decrease) in Budgets</b>
<b>Funding Sources</b>							
	\$ 455,676	\$ 201,733	\$ 367,928	\$ 606,795	\$ <b>325,613</b>	\$ <b>308,998</b>	\$ 64,951
<b>1</b> Beginning Fund Balance							
Estimated Fund Balance	\$ 455,676	\$ 201,733	\$ 367,928	\$ 606,795	\$ <b>325,613</b>	\$ <b>308,998</b>	\$ 64,951
<b>2</b> Less Required Reserves:							
TDA Required Operating Reserve	\$ 161,523	\$ 201,733	\$ -	\$ 158,063	\$ <b>202,678</b>	\$ -	\$ 945
Equipment Replacement Reserve	253,465	-	308,998	308,998	-	<b>65,436</b>	(243,562)
Total Reserves	\$ 414,988	\$ 201,733	\$ 308,998	\$ 467,061	\$ <b>202,678</b>	\$ <b>65,436</b>	\$ (242,617)
<b>3</b> Fund Balance Available (Required)	\$ 40,688	\$ -	\$ 58,930	\$ 139,734	\$ <b>122,935</b>	\$ <b>243,562</b>	\$ 307,567
<u>Operating Revenues</u>							
Fares	\$ 146,060	\$ 135,000	\$ -	\$ 144,260	\$ <b>135,000</b>	\$ -	\$ -
STA	102,878	102,073	-	97,312	<b>104,750</b>	-	2,677
Federal Transit Adm (FTA) 5307 Operating	400,000	423,600	-	384,161	<b>378,000</b>	-	(45,600)
SLO County Avila Trolley	44,815	55,580	-	45,007	<b>58,940</b>	-	3,360
Advertising and other income	2,618	-	-	438	-	-	-
<b>4</b> Total Non-TDA Funds	\$ 696,371	\$ 716,253	\$ -	\$ 671,178	\$ <b>676,690</b>	\$ -	\$ (39,563)
<b>5</b> Local Transportation Funds	\$ 376,388	\$ 358,317	\$ 110,977	\$ 469,297	\$ <b>283,055</b>	\$ <b>(181,062)</b>	\$ (367,301)
Arroyo Grande	143,404	136,519	42,282	178,801	<b>107,561</b>	<b>(68,804)</b>	(140,044)
Grover Beach	109,153	103,912	32,183	136,095	<b>81,520</b>	<b>(52,146)</b>	(106,721)
Pismo Beach	63,610	60,556	18,755	79,311	<b>47,836</b>	<b>(30,599)</b>	(62,074)
SLO County	60,222	57,331	17,756	75,087	<b>46,138</b>	<b>(29,513)</b>	(58,462)
<b>6</b> Total Operating Revenues	\$ 1,072,759	\$ 1,074,570	\$ 110,977	\$ 1,140,475	\$ <b>959,745</b>	\$ <b>(181,062)</b>	\$ (406,864)
<u>Non-Operating Resources</u>							
Interest	\$ 1,861	\$ 1,700	\$ -	\$ 2,072	\$ <b>1,800</b>	\$ -	\$ 100
Prop 1B - Vehicle Replacement/ITS	1,256,549	-	22,144	24,712	-	-	(22,144)
Congestion Mitigation and Air Quality (CMAQ)	-	-	-	-	-	-	-
Federal Transit Adm (FTA) 5307 Capital	-	-	411,600	392,303	-	<b>130,000</b>	(281,600)
Federal Transit Adm (FTA) 5339 Capital	-	-	54,400	36,114	-	<b>12,670</b>	(41,730)
<b>7</b> Total Non-Operating Resources	\$ 1,258,410	\$ 1,700	\$ 488,144	\$ 455,201	\$ <b>1,800</b>	\$ <b>142,670</b>	\$ (345,374)
<b>8</b> Total Resources	\$ 2,371,858	\$ 1,076,270	\$ 658,050	\$ 1,735,410	\$ <b>1,084,480</b>	\$ <b>205,170</b>	\$ (444,670)

**SOUTH COUNTY TRANSIT  
2015-16 Proposed Budget**

	<b>FY 13/14 Actual</b>	<b>FY 14/15 Adopted Operating</b>	<b>FY 14/15 Adopted Capital</b>	<b>FY 14/15 Projected</b>	<b>FY 15/16 Proposed Operating</b>	<b>FY 15/16 Proposed Capital</b>	<b>Net Increase (Decrease) in Budgets</b>
<b>Use of Resources</b>							
<u>Administrative Expenditures</u>							
Insurance							
Liability & Physical Damage	\$ 33,428	\$ 43,300	\$ -	\$ 42,934	\$ <b>68,400</b>	\$ -	\$ 25,100
Workers Compensation	33,676	50,000	-	47,246	<b>51,000</b>	-	1,000
Property Insurance	409	640	-	638	<b>700</b>	-	60
Rent	22,000	25,500	-	25,500	<b>25,500</b>	-	-
Utilities	7,577	8,050	-	8,242	<b>8,450</b>	-	400
Radio Expense	975	1,250	-	824	<b>1,240</b>	-	(10)
Legal Services	525	500	-	-	<b>500</b>	-	-
Payroll Processing	3,613	3,750	-	3,408	<b>3,490</b>	-	(260)
Administration	63,500	64,530	-	64,530	<b>65,410</b>	-	880
Finance	14,000	14,230	-	14,230	<b>14,420</b>	-	190
Office Expense/Miscellaneous	6,403	8,280	-	5,700	<b>5,990</b>	-	(2,290)
Audit	2,780	3,240	-	2,970	<b>3,070</b>	-	(170)
Marketing/Community Relations/Printing	10,058	16,000	-	10,000	<b>16,000</b>	-	-
Uniforms/Laundry/Physicals/Ads	7,079	7,600	-	3,952	<b>7,550</b>	-	(50)
<u>Operating Expenditures</u>							
Salaries/Benefits	\$ 424,269	\$ 455,000	\$ -	\$ 420,516	\$ <b>459,410</b>	\$ -	\$ 4,410
Maintenance	76,255	123,700	-	64,232	<b>110,000</b>	-	(13,700)
Dispatch	18,500	18,500	-	18,500	<b>18,750</b>	-	250
Sign Maintenance	-	3,000	-	-	<b>3,000</b>	-	-
SCAT Bus Fuel	189,417	214,200	-	166,862	<b>206,600</b>	-	(7,600)
Contingency	-	15,000	-	-	<b>15,000</b>	-	-
<b>9</b> Total Operating Expenditures	\$ 914,465	\$ 1,076,270	\$ -	\$ 900,280	\$ <b>1,084,480</b>	\$ -	\$ 8,210
<u>Capital Service</u>							
Support Vehicle	\$ -	\$ -	\$ 102,000	\$ 90,284	\$ -	\$ -	\$ (102,000)
Computer Upgrade	735	-	700	-	-	-	(700)
Vehicles/ITS	1,256,549	-	493,850	493,850	-	<b>125,000</b>	(368,850)
Facility Improvements/Bus Stop Amenities	8,301	-	61,500	-	-	<b>80,170</b>	18,670
Transit Centers Improvements	-	-	-	-	-	-	-
Total Capital Service	\$ 1,265,585	\$ -	\$ 658,050	\$ 584,134	\$ -	\$ <b>205,170</b>	\$ (452,880)
Increase Capital Reserves	\$ 151,119	\$ -	\$ -	\$ 111,262	\$ -	\$ -	\$ -
<b>10</b> Total Use of Resources	\$ 2,331,169	\$ 1,076,270	\$ 658,050	\$ 1,595,680	\$ <b>1,084,480</b>	\$ <b>205,170</b>	\$ (444,670)

**SOUTH COUNTY TRANSIT  
Five Year Capital Projection**

	<b>FY 14/15 Adopted Capital</b>	<b>FY 15/16 Projected Capital</b>	<b>FY 16/17 Projected Capital</b>	<b>FY 17/18 Projected Capital</b>	<b>FY 18/19 Projected Capital</b>	<b>FY 19/20 Projected Capital</b>
<u>Capital Service</u>						
Support Vehicle	\$ 102,000	\$ -	\$ -	\$ -	\$ -	\$ -
Computer Upgrade	700	-	-	1,500	-	-
Vehicles/ITS	493,850	<b>125,000</b>	-	-	-	-
Bus Stop Amenities	61,500	<b>50,170</b>	39,380	40,360	41,370	42,400
Facility Improvements						
Gutters	-	<b>15,000</b>	-	-	-	-
Roof Repairs	-	<b>10,000</b>	-	-	-	-
Roll Up Door	-	<b>2,500</b>	-	-	-	-
Window Flashing	-	<b>2,500</b>	-	-	-	-
Transit Centers Improvements	-	-	62,500	-	50,000	-
Large Vehicle Repairs	-	-	-	-	-	-
Total Capital Service	\$ 658,050	<b>\$ 205,170</b>	\$ 101,880	\$ 41,860	\$ 91,370	\$ 42,400
Increase Capital Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Use of Resources</b>	\$ 658,050	<b>\$ 205,170</b>	\$ 101,880	\$ 41,860	\$ 91,370	\$ 42,400



**SOUTH COUNTY TRANSIT  
2014-2015 Proposed Budget  
By Route**

	<b>Route 21</b>	<b>Route 23</b>	<b>Route 24</b>	<b>Route 25</b>	<b>Route 26</b>	<b>Avila Trolley</b>
<u>Administrative Expenditures</u>						
Insurance						
Liability & Physical Damage	\$ 19,640	\$ 23,300	\$ 19,970	\$ 1,080	\$ -	\$ 4,410
Workers Compensation	14,650	17,370	14,890	800	-	3,290
Property Insurance	200	240	200	10	-	50
Rent	7,770	8,070	7,900	380	-	1,380
Utilities	2,570	2,670	2,620	130	-	460
Radio Expense	380	390	380	20	-	70
Legal Services	150	160	150	10	-	30
Payroll Processing	1,060	1,100	1,080	50	-	190
Administration	19,920	20,710	20,270	970	-	3,540
Finance	4,390	4,560	4,470	210	-	780
Office Expense/Miscellaneous	1,820	1,900	1,860	90	-	320
Audit	930	970	950	50	-	170
Marketing/Community Relations/Printing	4,870	5,060	4,960	240	-	870
Uniforms/Laundry/Physicals/Ads	2,300	2,390	2,340	110	-	410
<u>Operating Expenditures</u>						
Salaries/Benefits	\$ 146,750	\$ 145,530	\$ 149,370	\$ 6,860	\$ -	\$ 23,860
Maintenance	24,170	23,970	24,600	1,130	-	3,930
Dispatch	5,820	5,780	5,930	270	-	950
Sign Maintenance	930	920	950	40	-	150
SCAT Bus Fuel	59,340	70,370	60,320	3,250	-	13,320
Contingency	4,660	4,620	4,740	220	-	760
<b>9</b> Total Operating Expenditures	\$ 322,320	\$ 340,080	\$ 327,950	\$ 15,920	\$ -	\$ 58,940
<u>Capital Service</u>						
Support Vehicle	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer Upgrade	-	-	-	-	-	-
Vehicles/ITS	40,900	40,560	41,630	1,910	-	-
Facility Improvements/Bus Stop Amenities	26,230	26,010	26,700	1,230	-	-
Ramona Garden Park Improvements	-	-	-	-	-	-
Total Capital Service	\$ 67,130	\$ 66,570	\$ 68,330	\$ 3,140	\$ -	\$ -
Increase Capital Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>10</b> Total Use of Resources	<b>\$ 389,450</b>	<b>\$ 406,650</b>	<b>\$ 396,280</b>	<b>\$ 19,060</b>	<b>\$ -</b>	<b>\$ 58,940</b>

**SOUTH COUNTY AREA TRANSIT  
April 29, 2015  
STAFF REPORT**

**AGENDA ITEM:** B-2

**TOPIC:** 2015 Summer Youth Ride Free Program –  
Reduced Period (June 15 to August 16)

**PRESENTED BY:** Geoff Straw, SCT Administrator

**STAFF RECOMMENDATION:** Review and Adopt Staff Recommendation

**BACKGROUND/DISCUSSION:** Direction is needed from the Board on whether or not to continue SCT’s participation in the countywide Summer Youth Ride Free (YRF) program for another year. Regional Rideshare, the agency that is promoting this program, has asked that transit agencies in the county implement the YRF program from June 15 through August 16, 2015.

At its last meeting, the Board asked staff to evaluate the impacts of the YRF program to the SLO Transit and Paso Express systems, and to compare those impacts to those presented in that meeting for SCT and RTA. The attached updated summary table includes pertinent discounted and fare-free rides provided by each agency over the past three full fiscal years. As noted in previous Board meetings, the YRF program has been curtailed over time to address overcrowding issues during the summer months. Specifically, beginning in Summer 2014 the overall span was reduced from a beginning-of-June through the end-of-August period to a more moderate middle-of-June through middle-of-August period in order to avoid an overlap with the local school system academic year. In addition, the group size was limited so that a bus would not be overloaded and drive away fare-paying passengers; if the group was greater than the agency-identified fare-free maximum (ten at SCT), the remaining group members were required to pay. Staff worked closely with the YMCA and other youth camp officials to train their on-bus chaperones to minimize service disruptions and to handle any fare responsibilities.

As shown in the two tables below, all five fixed route operators experienced a large increase in YRF ridership in Summer 2013 in comparison to Summer 2012, although all five operators also experienced a decline in Summer 2014. It should be noted that the tables below reflect YRF ridership for the YRF Summer period and not by fiscal year, as shown in the attached summary table. The average monthly YRF ridership on SCT, RTA and Paso Express declined in 2014, while it increased on SLO Transit and Morro Bay Transit. RTA’s YRF ridership numbers far surpass the ridership experience of the other four fixed route operators, and neither RTA, nor SLO Transit, nor Paso Express has experienced the operating challenges occasionally reported by SCT drivers.

Overall YRF Ridership				Average Monthly YRF Ridership			
Provider	2012	2013	2014	Provider	2012	2013	2014
SLO Transit	14,021	14,898	13,555	SLO Transit	4,673	4,966	6,778
RTA	30,820	39,058	25,835	RTA	10,273	13,019	12,918
Paso Express	N/A	10,517	6,725	Paso Express	N/A	3,506	3,363
SCT	19,657	20,051	10,285	SCT	6,552	6,683	5,142
Morro Bay Transit	819	1,147	842	Morro Bay Transit	273	382	421

When looking more globally at the fiscal year results in the attached table, all free rides provided on SCT combined (ADA, VIP Aged 80+, and YRF) equated to a declining proportion over time, yet it is still the highest of the four fixed route providers in the county. All discounted rides combined has remained essentially unchanged at SCT over time, yet it has increased at RTA and SLO Transit<sup>1</sup>. It should be noted three of the four largest year-round fixed route operators in the county (RTA, SLO Transit and Paso Express) offer discounts to student-age riders, although SCT does not. As such, it is difficult to track the longer-term impact at SCT of participating in the YRF program, since it is not possible to determine the number of students boarding SCT buses throughout the year in the absence of periodic surveys.

Benefits of extending the summer free ride program to K-12 youth have proven to be the following:

1. Easy to communicate.
2. Increased youth ridership: 57,242 Summer Youth Free Rides in the County in Summer 2014. SCT carried 10,285 youth riders, while RTA carried 25,825 riders.
3. Gets youth to try using transit and it instills an ethic of using transit in the future.
4. Increases access for kids to travel independently (and reduce parent taxiing).

Disadvantages include:

1. Small loss of cash fare revenue for non-group riders. Although a formal survey has not been completed, estimates of the proportion of YMCA and other youth group riders ranges from 50% to 90%. Assuming a mid-range proportion of 70%, this represents a loss of approximately \$7,200 to SCT in fare revenues if the groups all purchased 20-ride passes for the existing price of \$20 each (equating to a discounted per-ride fare of \$1.00 each). However, simple economic theory would suggest that increasing the fare from \$0 to \$1.00 would result in fewer rides, so the \$7,200 mentioned above represents a high estimate.

<sup>1</sup> During the evaluation period, Paso Express tracked discounted rides in a way that makes it difficult to compare with the experience at other transit agencies. As of June 2014, Paso Express began using the same methodology as RTA.

2. Increased passenger loads on some bus trips can degrade the riding experience for non-youth riders (unlike most RTA and SLO Transit routes, SCT experienced highest ridership during the peak summer tourist season).
3. There remains the possibility that two or more unrelated groups attempt to board the bus on the same run, which would result in an overcrowding situation. However, the number of instances where that was a problem was greatly reduced last summer due to focused training for YMCA staff, and we expect the same cooperation from youth groups this summer.

Staff can continue to require YMCA and other youth groups to pay when more than ten youth traveling together (plus two adult chaperones). For ease of boarding, and for budget and cash control issues, organizers for groups such as YMCA camps could continue to pre-purchase 20-Ride passes to use on SCT. Currently these passes cost \$20 for 20 rides (\$1.00 per ride, a \$0.25 discount over the cash fare of \$1.25).

### **Staff Recommendation**

SCT should continue to participate in this popular program with proven ridership results and educational benefits for a fourth summer, providing a similar reduced travel period that was provided last summer, and a group policy requiring payment for more than ten youth traveling together.

Staff will continue to track the response to the program by measuring:

1. Ridership is already tracked using a specific farebox key. Staff will work to differentiate between group rider counts and individual youth riders. Staff is working with the farebox manufacturer to more easily manage multiple-rides for groups larger than ten.
2. Free press generated by the program.
3. Customer feedback from youth and families taking advantage of the program (face-to-face interviews, Facebook and social media programs, texts, etc.).

Year-by-Year Comparison of Free/Discounted Fares for SCT, RTA, SLO Transit & Paso Express												
Measure	FY11-12				FY12-13				FY13-14			
	SCT	RTA	SLO Transit <sup>1</sup>	Paso Express <sup>1</sup>	SCT	RTA	SLO Transit <sup>1</sup>	Paso Express <sup>1</sup>	SCT	RTA	SLO Transit <sup>1</sup>	Paso Express <sup>1</sup>
Total Boardings	213,620	687,936	1,118,563	159,581	234,690	734,743	1,109,569	164,100	239,101	763,614	1,142,749	151,217
Cal Poly-Paid Fare-Free Access	N/A	N/A	61.4%	N/A	N/A	N/A	59.6%	N/A	N/A	N/A	57.0%	N/A
Runabout ADA (free)	0.8%	0.6%	N/A	N/A	1.0%	0.8%	N/A	N/A	1.0%	0.8%	N/A	N/A
VIP Age 80+ (free) <sup>2</sup>	3.3%	0.6%	0.8%	3.3%	2.8%	0.5%	0.8%	2.5%	2.9%	0.6%	0.9%	2.4%
Summer Youth Ride Free	9.2%	4.5%	0.6%	N/A	8.5%	5.3%	1.3%	6.4%	4.3%	3.4%	1.3%	4.4%
Combined Free	13.3%	5.7%	5.4%	3.3%	12.4%	6.7%	6.1%	8.9%	8.2%	4.8%	6.6%	6.9%
Combined Discount Fares	20.0%	23.9%	8.9%	0.0%	19.4%	25.9%	12.5%	0.0%	20.3%	27.1%	13.6%	0.0%
<b>Combined Free &amp; Discounted</b>	<b>33.3%</b>	<b>29.6%</b>	<b>14.3%</b>	<b>3.3%</b>	<b>31.8%</b>	<b>32.6%</b>	<b>18.6%</b>	<b>8.9%</b>	<b>28.5%</b>	<b>31.9%</b>	<b>20.2%</b>	<b>6.9%</b>

Note 1: Neither SLO Transit nor Paso Express recorded Discounted 31-Day Regional Passes vs. Regular 31-Day Regional Passes separately. Paso Express also added very young children (that ride free with paying adult) in the VIP total.

Note 2: Paso Express added very young children (that ride free with paying adult) in the VIP total.

**OVERVIEW** //

The goal of annual Youth Ride Free program is to give a positive exposure to transit services for youth 18 years old and under. Last year, there were over 57,000 youth rides during the summer months. The Group Policy creates communication between operators and youth programs to allow buses to successfully accommodate all riders' needs. The Group Policy provides solutions to:

- Slow boarding times (causing delayed trips and difficulty to meet important transfer points)
- Overcrowding and standees on the buses
- Lack of seating for all riders and occasional inability to accommodate all riders
- Additional noise and crowding, leading to some customer complaints

The Group Policy addresses these issues by specifying group sizes and educating participants in behavior etiquette.

**GROUP SIZE** //

A "group" is defined as **ten or more** passengers traveling together from one origin to one destination. Please note that attempts to get around group sizes by boarding at 2 different stops will not be accepted. RTA routes (RTA) will accept up to **15 free passengers** (including 2 chaperones). SLO Transit, Morro Bay Transit, and South County Transit (SCT) will accept up to **10 free passengers** (including 2 chaperones). If numbers exceed size limits please inform the transit provider using the below contact information.

PROVIDER:	SCT	PASO	RTA	SLO	MB
<b>Dates</b>	June 15th - August 16th			June 1st - August 31st	
<b>Size Limit</b>	25	10	Numbers larger than 20 are discouraged due to capacity restraints.	10	
<b>Free group (first riders free)</b>	10	10	15	10	10
<b>Fare</b>	Please Call 781-4472			\$20 for 16-ride card	\$15 for 11-ride pass
<b>Chaperones (up to 2)</b>	Pay when the group exceeds the free size.				

**ADVANCE NOTICE** //

To ease communication and manage passenger loads, we ask that groups give advance notice in these possible ways:

- Summer Camps provide transportation plans to Rideshare by **4/22/15** in writing. Plans must include origin, destination, travel times, transit operator(s) to be used and estimate of number of individuals traveling in the group. Group leaders should also notify the transit agency if they plan to make changes to their calendar after such date.
- Contact the transit operator(s) and let them know if they wish to use the transit service at least **5 business days** in advance.
- If there has been any trip changes that deviate from the transportation plan related to origin, destination, travel times, transit operator(s) to be used and group size, please call the transit operator you will be using at least **1 hour** prior to boarding the bus.

**CONTACT INFORMATION FOR ALL OPERATORS:**

- **RTA/Paso Express/South County Transit:** 541-2228
- **SLO Transit:** 541-2877
- **Morro Bay Transit:** 772-2744 *between 8-10 AM*

**TRAINING** //

Rideshare and all transit providers ask groups planning to use the Youth Ride Free program to attend two (2) travel/trip planning trainings – one for their staff and another for youth participants to ensure successful participation in the program. Training will cover key actions: *Bus etiquette* such as letting seniors/persons with disabilities have a space off the passageway and at the front of the bus, how to signal a bus when waiting at a stop, how/when to notify the driver of the plan to get off the bus, how to use fare media, boarding and exiting and how/when to ask the driver destination questions, etc.

Contact Sara Sanders, Rideshare Program Coordinator, with questions and travel plans at 781-1385 or [ssanders@rideshare.org](mailto:ssanders@rideshare.org).



Summer

# YOUTH RIDE

free

ANY TIME. ANY PLACE. ANY BUS.

[RIDESHARE.ORG](http://RIDESHARE.ORG)

#EXPLORESUMMER



PARTICIPATING PROVIDERS\*:

REGIONAL TRANSIT AUTHORITY, SAN LUIS OBISPO TRANSIT, SOUTH COUNTY TRANSIT, PASO EXPRESS AND MORRO BAY TRANSIT

\* DOES NOT INCLUDE TROLLEY OR DIAL-A-RIDE SERVICE

A PROGRAM OF:

[rideshare.org](http://rideshare.org)



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*El Verano*

# JÓVENES VIAJAN

*gratis*

EN CUALQUIER MOMENTO.  
CUALQUIER LUGAR. CUALQUIER AUTOBÚS.

RIDESHARE.ORG  
#EXPLORESUMMER



South County  
Transit

LOS PROVEEDORES PARTICIPANTES\*:

REGIONAL TRANSIT AUTHORITY, SAN LUIS OBISPO TRANSIT, SOUTH COUNTY TRANSIT,  
PASO EXPRESS AND MORRO BAY TRANSIT

\* NO INCLUYE SERVICIO DE TROLLEY O DIAL-A-RIDE

UN PROGRAMA DE:

rideshare.org



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**SOUTH COUNTY TRANSIT**  
**April 29, 2015**  
**STAFF REPORT**

**AGENDA ITEM:** B-3

**TOPIC:** Implementation of California *Healthy Workplaces, Healthy Families Act of 2014 (AB 1522)*

**ACTION:** Adopt

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Review and Adopt Staff Recommendation

**BACKGROUND**

As required under the California *Healthy Workplaces, Healthy Families Act of 2014*, an employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the beginning of employment, is entitled to paid sick leave. Employees, including part-time, temporary and casual employees, will earn at least one hour of paid leave for every 30 hours worked. Accrual begins on the first day of employment or July 1, 2015, whichever is later.

An employer may limit the amount of paid sick leave an employee can use in one year to 24 hours or three days. Accrued paid sick leave may be carried over to the next year, but it may be capped at 48 hours or six days.

In order to implement the program, the following language is proposed for addition into the employee handbook effective July 1, 2015:

**Sick Leave**

Section 1. Beginning July 1, 2015, at the completion of training for all new employees and effective immediately for all current eligible employees (part time health benefited, part time and casual), will become eligible for sick leave accumulated at the rate of one (1) hour for each thirty (30) worked hours up to a maximum of twenty-four (24) hours in a year.

Section 2. Sick leave may be carried over to the following year but may not exceed a maximum of forty-eight (48) hours.

Section 3. To receive sick leave pay the employee shall notify the RTA as early as possible, but no later than one (1) hour prior to the employees scheduled start time. Employees must use and shall use paid earned sick leave for personal sick time off or FMLA leave to care for eligible dependents. Sick leave may be used in four (4) hour blocks.

Section 4. Employee may be required by SCT to provide a physician's medical certification for sick time off. Unused paid sick time will not be paid at termination of employment.

**Staff Recommendation**

Adopt the Sick Leave Policy as presented by staff.

**SOUTH COUNTY TRANSIT  
MINUTES OF JANUARY 21, 2015 BOARD MEETING  
City of Arroyo Grande City Council Chambers  
C-1**

Directors Present:	Jim Guthrie, Chairperson	City Council Member, Arroyo Grande
	Shelly Higginbotham	Mayor, Pismo Beach
	Barbara Nicolls	City Council Member, Grover Beach
	Lynn Compton	County Supervisor, District 4

Directors Absent: None

Staff Present:	Geoff Straw	Administrator
	Coleen Kubel	SCT Lead Operations Supervisor
	Phil Moores	Manager, Operations
	Tania Arnold	RTA CFO and Director of Administration

**CALL TO ORDER AND ROLL CALL:** Chairperson **Jim Guthrie** called the meeting to order at 1:34 p.m. Roll call was taken; a quorum was present.

**PUBLIC COMMENT:** Chairperson **Guthrie** asked for public comment on non-agenda items.

Former SCT bus operator **Mr. Leonardo Pucci** handed out a packet to board members. He said he received an email from the Executive Director stating providing human resource-related hearings are not the role of the SCT Board. He said this statement is inaccurate and contradicts the statutes of California State Law under which RTA and SCT must operate. The Joint Powers Agreement was created by government agencies elected by voters to partner with outside agencies to provide services the government felt could provide agreed-upon services in a more efficient manner. This works well until it comes to the Human Resource aspects of the agreement. The employees are civil servants who serve under existing county laws protects them from various acts and include all civil servants—most notably those not under Union protection, such as SCT employees. I have filed civil rights violations complaints with the State Personnel Board and the Department of Industrial Relations. The State Personnel Board stated they have no jurisdiction over San Luis Obispo County because of a merit system. All problems are adjudicated locally to some sort of judge panel or governing body. The South County Transit Board is a governing body. He said he continued to research the subject and cited 5952-A of the Brown Act, which covers the position of governing bodies. He quoted an excerpt, “There are no prohibitions restricting a one-on-one contact with the voters who elected you, no matter the subject.” He also quoted California State Law 1102, “No employee can be restricted from attending any public meeting, even if he or she attends naked.” **Mr. Pucci** next voiced his appreciation to **Mayor Higginbotham** for suggesting he speak privately with the SCT Executive Committee in the last session. He presented his case to the committee, but was subsequently notified by the Executive Director that his issue was not going to be added to the SCT Board agenda. He reminded the Board that citizens have a right, if petitioned under the guidelines of state laws and the Brown Act cannot be denied constitutional rights on the word of a defendant. He discussed another email he received from the Executive

Director on Tuesday, which is part of the packet. He cited the statutes that he said gives the Board the authority to conduct a Skelly hearing.

**Chairperson Guthrie** closed public comment.

#### **BOARD ADMINISTRATIVE ITEMS:**

##### **ELECTION OF OFFICERS:**

**Director Shelly Higginbotham** made a motion to nominate **Chairperson Guthrie** for another term as Chairperson. **Director Barbara Nicolls** seconded and the motion carried on a roll call vote.

**Chairperson Guthrie** made a motion to nominate **Director Lynn Compton** as Vice Chairperson. **Director Higginbotham** seconded and the motion carried on a roll call vote.

##### **A. INFORMATION AGENDA:**

**A-1 Administrator's Report:** **Mr. Geoff Straw** began by announcing South County Transit (SCT) tested the new Route 26 on Wednesday, December 3. It coincided with the San Luis Obispo Council of Government (SLOCOG) Board meetings at Grover Beach City Hall. Timing went well and operated on the schedule provided to the Board members. It did three runs in the morning and three in the afternoon during peak commute times. SCT took delivery of a second wheelchair accessible minivan that will be used for staff shuttling.

Marketing staff worked with 12 employers along Shell Beach Road corridor prior to December 3 to survey their employees. A total of 68 employee surveys were collected and a majority of the respondents already ride SCT. Most believe the \$1.25 cash fare is appropriate. Forty-one said their work days vary, but with the most frequent end time of 5 p.m. On December 3, staff rode Route 26 throughout the day and gathered feedback. Twenty-two riders responded to the on-board survey with 21 of them taking round trips. Of the 15 non-regular riders, only one boarded at a location other than the Grandma's Trailer Park in Oceano. Seven used the bus to commute to work. All but one rider wanted to travel to and from Wal-Mart.

One of the issues SCT faces is the mandated 20% fare box recovery ratio. Putting a new service in place restarts the clock for three years. This will help push out financial penalties of approximately \$80,000 to \$90,000 per year for not meeting the 20% fare box ratio.

The operating results are mixed for the first six months of the fiscal year. Ridership is down 5.4%. The number of riders per hour also declined. However the fare box recovery ratio is at 17.21% for the first six months of the year. This is slight increase of 1.3% over the previous year. We are staying under budget, largely due to a significant drop in vehicle maintenance costs, thanks to the addition of new buses. Fuel costs are also down.

The SCT Board directed staff at the October 2014 Board meeting to conduct a public outreach effort regarding a possible fare increase. Staff set up a public workshop at the Ramona Garden Community Center on Wednesday, April 15 from 4:30 p.m. to 6:30 p.m. We are proposing a 5% increase in fares. We will bring back to the Board public feedback at the April 22 Board meeting.

SCT bus 204 was severely damaged and was not going to be repaired. However, RTA had salvaged a bus and staff was able to graft body panels from that bus onto bus 204 and place it back in revenue service in December 2014. The engine in bus 203 failed. The cost to fix is greater than the \$3,000 threshold. Therefore, it has been removed from service. Bus 203 will be auctioned off using eBay in the next few weeks.

Staff conducts quarterly SCT Bus Operator's Forum. The most recent one occurred on December 9. Several topics were raised, including the failed vote to unionize, improving communications between maintenance and Bus Operators, headsign reprogramming, deficiencies at the Wal-Mart bus stop, and a possible change in employee anniversary dates.

In the past, SCT raises occurred at anniversary dates. Bus Operators requested merit and inflationary wage increases be split, with the inflationary increase occurring July 1 and the merit raise going into effect on their anniversary. Staff is still monetizing that data and will present it for consideration at the April Board meeting. It will have a one year impact (not an on-going one).

**Mr. Straw** reiterated that RTA has no design on consolidating SCT into RTA. No other unresolved issues were brought up at the forum. Members of the Executive Committee accepted testimony from a recently dismissed SCT employee. Members of the committee will meet with SCT and RTA staff during the first week of February to review the file and to discuss the process that occurred.

The Wal-Mart bus stop is too short. We cannot get the bus all the way into the stop, forcing people to step onto the road and then onto the curb. This can be a safety hazard. The shelter is falling apart and must be repaired as soon as possible. We are also working with the developer to see about extending the stop and making it safer.

The Intelligent Transportation System (ITS) procurement is underway across the region. We anticipate rolling it out around August. We were able to fund the SCT portion through a Prop 1B Safety and Security grant and via some federal funds.

He pointed to page A-1-7, and addressed the columns for fare box recovery ratio, riders per hour (productivity), and the subsidy per passenger.

**Mr. Straw** concluded his report.

**Director Higginbotham** asked how the trolley impacts the fare box recovery ratio. **Mr. Straw** said it does not affect SCT as it is funded by the county. **Director Higginbotham** inquired about the new route 26 and when it will be introduced. Will it occur in conjunction with outreach for potential fare increase? **Mr. Straw** said we are still awaiting notice of funding for a Low Carbon and Disadvantaged Communities grant, with a potential roll out of July 1, 2015. **Director Higginbotham** inquired if there are specific behaviors or statements that make SCT bus operators believe RTA wants to consolidate services? **Mr. Straw** said he personally attends these meetings and the question keeps coming up. There is no intention to consolidate to two agencies. **Ms. Coleen Kubel** said some of the perceptions come from changes RTA implemented on SCT when it began administering services. People began to feel uneasy that RTA's goal was to streamline policies and operations between the two agencies so that it could take over. We are working with RTA staff and SCT bus operators to allay these fears. **Mr. Straw**

talked about the need for some consistencies across all transit systems in the county as riders become frustrated with differing policies and procedures.

**Director Lynn Compton** asked if the grant is a one-time funding source or will be ongoing. **Mr. Straw** said it can continue. We would have to compete with other applicants, but there are not many eligible projects.

**Director Barbara Nicolls** asked for clarification on how SCT and RTA interact regarding personnel issues. **Mr. Straw** said all new SCT Bus Operators sign for and receive an employee handbook, which addresses human resources policies and procedures. We also consult with the County HR department, which has strong personnel program. We make sure issues are legally defensible and provide Skelly hearings when requested.

**Chairperson Guthrie** asked that legal counsel clarify and respond to the issue of whether or not the Board will serve as a review body. **Mr. Straw** said he will get something in writing from the attorney. **Chairperson Guthrie** observed the SCT bus operator strife has been happening since SCT contracted with RTA. It is something the Board may have to address. Perhaps one or two members can meet with staff to help clarify the intention of the Board to remain a separate agency. **Mr. Straw** and **Ms. Kubel** suggested they attend the next drivers' forum in February. **Chairperson Guthrie** said the downtown Pismo Beach hotels are not aware of the bus service around them. It could be beneficial to spend time educating them of the services as an opportunity to increase ridership.

**Chairperson Guthrie** closed Board and public comment.

**A-2 Free & Discounted Fare Programs Analysis:** **Mr. Straw** provided a summary of all the discounted bus passes available to SCT riders. These include half-fare for seniors and disabled riders, SCT and Regional 31-day passes, and free rides for Runabout riders. He reviewed SCT's participation in Rideshare's Summer Youth Ride Free program, as well as the Fare-Free Transit Tuesdays during Rideshare month in October. Rideshare month in particular hit both SCT and RTA hard with loss of revenue and overcrowding. It also created an equity issue among regular riders. Because of this, both agencies chose not to participate this year. Another popular program is the VIP pass, which allows riders 80 and older to ride free.

Next he presented and reviewed tables comparing SCT and RTA rides over the last three fiscal years. He addressed the ridership on the Summer Youth Ride Free and discussed why it dropped in FY13-14 due to a shorter span of promotion. He also talked about issues with youth groups, such as YMCA. SCT does not offer discounts to students, whereas RTA does. SCT numbers remain fairly steady, whereas RTA K-12 discounts are steadily rising. He suggested continuing with the Youth Ride Free program as it was in FY13-14.

**Mr. Straw** concluded his report.

**Director Higginbotham** pointed out SCT Youth Ride Free ridership dropped by 10,000 riders. **Ms. Kubel** noted the YMCA sharply curtailed their field trips. That accounted for the majority of this decline. **Director Higginbotham** questioned how a discount for youth on SCT would affect Route 25. **Mr. Straw** said demand would dramatically increase. **Ms. Kubel** said those students use the SCT 20-Ride pass, which offers a discount

over the cash fare. Also, the school district implemented late-start Mondays. On those days, students can ride either Route 25 or 23.

**Chairperson Guthrie** asked if the Board could see numbers for Paso Express and SLO Transit. This would provide an “apples to apples” comparison with SCT. **Mr. Straw** said Paso Express hasn’t implemented an electronic fare box, which makes reporting numbers more difficult. However, this upgrade will be part of the ITS project. He said he would check with SLO Transit. **Chairperson Guthrie** inquired if we have any sense of how many of the summer youth riders are from the YMCA and other youth groups. **Ms. Kubel** said the majority of them are in groups. Very few minors ride independently.

**Chairperson Guthrie** closed Board and public comment.

## **B. ACTION AGENDA**

**B-1 SCT FY15-16 Budget Assumptions:** **Ms. Tania Arnold** presented the annual budget assumptions for fiscal year 2015-16. The significant change is related to new Route 26. Once we get more details about grant funding, we will have a better idea of what the impact might be. Staff is recommending a slight fare structure change in conjunction with the new route.

**Ms. Arnold** reviewed the objectives, which includes maintaining core services, monitoring goals of the Strategic Business Plan, monitor operating and capital reserves, and to address the need to achieve the required minimum 20% farebox recovery ratio. Staff will also develop and implement an SCT marketing plan and work on addressing findings of current transportation options as identified in the Transit Needs Assessment.

Staff will hold a public workshop on April 15 to address potential fare increase. To be fiscally conservative, staff is assuming no overall growth in fare revenues for FY15-16. State Transit Assistance (STA) funding is projected to be flat, but staff is awaiting details from SLOCOG regarding STA and Local Transit Fund (LTF). TDA revenue is budgeted at \$380,000 for Routes 21, 23 and 24. Should SCT secure the Low-Carbon Transit Grant, approximately \$20,000 of local funding would be needed to operate the new Route 26. If we are unable to secure this grant, staff will recommend the Board consider adjusting the Transit Development Act (TDA) allocation from the three cities and county.

Core service levels, revenue service hours, miles and span of service will be budgeted at current levels. The County-funded Beach Trolley will operate from late April through mid October, Thursday through Sunday. This is a similar schedule to what was implemented in April 2012. As previously discussed, the drivers are requesting the hourly wage scale be split into two elements: an inflationary increase effective July 1 of each year, and a merit increase that is provided on each employee’s anniversary date. Diesel fuel is budgeted at \$4 per gallon. We are seeing some efficiency gains due to the new buses and recent lower fuel costs.

CalTIP liability insurance premiums may increase by about 10%. More concrete numbers will be available in the beginning of April. Health insurance premiums are projected to increase 8%. This will have minimal impact on the budget due to the low number of employees under the plan.

The operations facility rent will stay the same for the coming fiscal year. However this will be the final year a five year lease. Staff will continue to evaluate the pass-through charges for SCT Administration and Maintenance with a minimal CPI increase projected.

There are some capital projects that will be carried over into the next fiscal year. This includes the facility improvements and bus stop amenities line item. A portion of the ITS funds may also need to be carried over. Staff is reviewing the improvements needed to the facility and will provide estimated budgets and will present a list of these needed improvements, when they need to be done, and who is responsible for the cost.

**Ms. Arnold** reviewed the budget calendar before concluding her report.

**Mr. Straw** pointed out that any budgetary savings roll over into the next fiscal year. He also noted the TDA funds are derived from a ¼% sales tax collected statewide and distributed to regions based upon population. It is a mainstay of funding for public transit as well as roads, and bike paths. It must be used for public transportation unmet needs that are reasonable to meet. TDA funding experienced a big increase over the last few years, but now the numbers are flattening. The solar projects boosted TDA funding in our area and that project has concluded. Therefore we are looking at an austere year. We will maximize federal dollars and leverage them to the extent possible.

**Chairperson Guthrie** opened Board and public comment.

**Director Higginbotham** asked if the trolley is impacting ridership and fare box from other routes. **Ms. Arnold** said it actually feeds into other routes and visa versa.

**Chairperson Guthrie** suggested discussing wage increases in closed session prior to presenting the budget. **Mr. Straw** said this has not historically happened. **Ms. Arnold** said this occurred once as part of a progression wage scale closed session item.

**Director Compton** inquired if the new ITS system will allow customers to start using a smart phone to pay the bus fare online. **Mr. Straw** said that isn't part of the ITS project. However we will likely offer a reloadable smart card in the future, similar to a Fast Trak pass used in the Bay Area. Staff is working on getting a ticket vending machine in San Luis Obispo. The Pismo Beach Premium Outlets is another location that could benefit from this machine. **Director Compton** asked why we would want to have a smart card if riders can just pay using their phone. **Mr. Straw** answered that it raises concerns about cyber security. The less financial information we hold, the lower the liability.

**Chairperson Guthrie** closed Board and public comment.

**Director Higginbotham** moved to approve the Budget Assumptions for Fiscal Year 2015-16. **Director Nicolls** seconded and the motion carried on a roll call vote with no members absent or abstaining.



### **C. CONSENT AGENDA:**

**Chairperson Guthrie** pulled Consent Agenda Item C-1, October 2014 Meeting Minutes, and opened Board and public comment on any items listed on Consent.

**Director Guthrie** moved to approve item C-1. **Director Higginbotham** seconded and the motion carried on a voice vote with new **Directors Compton** and **Nicolls** abstaining.

**Director Higginbotham** moved to approve items C-2 and C-3. **Director Guthrie** seconded and the motion carried unanimously on a voice vote.

### **D. DIRECTORS' COMMENTS:**

**Director Higginbotham** asked if staff will improve lighting at the Shell Beach stop near the Shell Station. **Mr. Straw** said staff is working with a solar company. We are awaiting word from CalTrans on 5339 grant funding. We will get started on the project once we receive the funds. **Mr. Jim Lewis** recommended staff present the technology to City staff and begin the permit process. **Director Higginbotham** next addressed deficiencies with the Butterfly trees stop on Highway 1. **Mr. Straw** said staff received a complaint about the one across the street. We temporarily removed the one on the northbound side, primarily because there was no safe place for people to cross the street. The other side has a bench sitting in sand. This is another high priority bus stop improvement. Staff will complete an SCT bus stop improvement assessment before the end of the fiscal year.

**Director Higginbotham** said she is interested in participating in a subcommittee to work with SCT staff and help eliminate angst about merging. She suggested adding this to the April agenda.

**E. EXECUTIVE COMMITTEE MEMBERS' COMMENTS:** **Mr. Lewis** said the Executive Committee met with **Mr. Pucci** and addressed his issues on January 12 at 8:30 a.m. We listened to him for about 30 minutes. We will meet with Mr. Straw and staff with some follow up questions in early February. Based on those conversations, the next step would be to share with the Board the opinions of the Committee. This would likely occur in closed session at the April meeting.

**Mr. Bob Perrault** said the Executive Committee is supportive of Route 26. Many South County residents living in Grover Beach and Oceano travel to businesses in Pismo Beach and Santa Maria. The closer connection from Ramona to the Outlets will really benefit those residents. He thanked the Board for their action related to the camera security system, which will be installed at Ramona Park. He also thanked the Board, Mr. Straw and Ms. Kubel for providing the Trolley for two events: The Christmas parade and the Holiday lights competition.

**F. ADJOURNMENT:** The meeting was adjourned at 3:05 p.m.

Respectfully submitted, Anna Mafort-Lacy, Administrative Assistant

**SOUTH COUNTY TRANSIT**

**April 29, 2015**

**STAFF REPORT**

**AGENDA ITEM:** C-2

**TOPIC:** SCT Procedure for Soliciting Public Comments on Fare or Service Changes

**ACTION:** Review and Approve

**PRESENTED BY:** Geoff Straw, SCT Administrator

**STAFF RECOMMENDATION:** Approve Procedures for Public Comments Regarding Fare or Service Changes

**BACKGROUND/DISCUSSION:**

As a result of the 2010 US Census, the Arroyo Grande – Grover Beach Urbanized Area was established. This designation made SCT eligible for Federal Transit Administration Section 5307 Urbanized Area Formula Program funds. To ensure eligibility for FTA Section 5307 reimbursement funds, SCT must adopt a procedure to solicit public comments on proposed fare or service changes that meets federal requirements. The attached procedure is based on the policy used by RTA, which has been reviewed and accepted by FTA.

**Staff recommendation:** Approve the SCT Procedures for Public Comments Regarding Fare or Service Changes as presented.

## **SOUTH COUNTY AREA TRANSIT PROCEDURES FOR PUBLIC COMMENTS REGARDING FARE OR SERVICE CHANGES**

Effective April 29, 2015, South County Area Transit (SCT) hereby establishes procedures through which public input shall be obtained regarding transit fare or service changes. These procedures comply with Federal Transit Administration (FTA) regulations for federally supported transit projects. The SCT transit system is supported in part through funds available through the FTA.

SCT requires solicitation of public comment for the following service changes:

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

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

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

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

- Schedule a meeting to solicit public comment at a convenient public location in the SCT service area.
- Publish an advertisement in a newspaper or print addition with general local distribution (i.e., The Tribune) announcing the public meeting no less than five (5) days prior to the date of the meeting.
- Post announcements of the meeting in all SCT fixed route vehicles and SCT major bus stops at least five (5) days prior to the date of the meeting.
- Post announcements in both English and Spanish.
- Mail service change announcements and public meeting notices to specific groups including but not limited to: Department of Social Services, Lucia Mar School District, senior centers, and Chambers of Commerce in the SCT service area.

- Schedule a public hearing by the SCT Board of Directors.
- Receive and document comments via telephone, email and other electronic means, US mail, fax, or delivered in person.
- Report in summary format all information received in the public comment process to the SCT Board of Directors as part of the public hearing process.

**SOUTH COUNTY TRANSIT**

**April 29, 2015**

**STAFF REPORT**

**AGENDA ITEM:** C-3

**TOPIC:** SCT Agreement with Investec (Wal-Mart facility) to Replace Passenger Shelter

**ACTION:** Review and Approve

**PRESENTED BY:** Geoff Straw, SCT Administrator

**STAFF RECOMMENDATION:** Authorize SCT Administrator to Execute Agreement

**BACKGROUND/DISCUSSION:**

As noted at the January 2015 SCT Board meeting, the passenger shelter located in the Five Cities Center parking lot (in which Wal-Mart is located) in Arroyo Grande is need of replacement. Staff has worked with owners and managers of the shopping center to share the responsibility for improving the bus stop area, and the attached Agreement details our respective roles. In general, SCT will be responsible to hiring a third-party contractor to remove and dispose of the existing shelter, cap an unused utility conduit, and install a replacement shelter already in our possession. The property owner will expand the concrete passenger waiting area on which the shelter will be installed. The Agreement also delineates liability responsibilities.

**Staff recommendation:** Authorize the SCT Administrator to execute the Agreement for Replacement and Modified Location of Bus Passenger Shelter.

## **AGREEMENT FOR REPLACEMENT AND MODIFIED LOCATION OF BUS PASSENGER SHELTER**

**THIS AGREEMENT** is made and entered this \_\_\_\_\_ day of April, 2015 by and between South County Transit, a joint powers agency created pursuant to the provisions of California Government Code section 6500 et seq. (hereafter "SCT") and Levon Investments, LLC, d.b.a. Five Cities Center (hereafter "Levon") and Investec Management Corporation (hereafter "Investec").

**WHEREAS**, Levon is the owner and Investec is the manager of the shopping center known as the Five Cities Center in the city of Arroyo Grande, California, and identified by a number of different street addresses including 1168 West Branch Street, Arroyo Grande; and

**WHEREAS**, there currently exists an SCT bus passenger shelter at the Five Cities Center near 1168 West Branch Street which shelter is in need of replacement and a slightly modified location to accommodate bus and sidewalk changes helpful to improved accessibility; and

**WHEREAS**, Levon has agreed to, and the Arroyo Grande City Council has imposed by resolution an obligation to, allow the continued existence of a transit turnout on Five Cities Center property; and

**WHEREAS**, SCT proposes to work with Levon and Investec pursuant to this Agreement to replace and slightly relocate the existing bus passenger shelter and transit turnout to satisfy the condition of the City of Arroyo Grande and improve access and overall transit service at the Five Cities Center.

**NOW, THEREFORE**, SCT, Levon and Investec agree as follows:

**1. Work Responsibilities of SCT.** SCT will remove and properly dispose of the existing passenger shelter and install a replacement passenger shelter. The work will be completed by a licensed contractor at SCT's expense, and will include removal of the existing electrical conduit and capping the concrete where that conduit currently protrudes. The replacement passenger shelter will be placed within one to three feet of the existing shelter location. It will be 5' by 13' in size and use a prefabricated powder-coated steel structure.

**2. Work responsibilities of Levon and Investec.** Levon and Investec will extend the existing concrete passenger waiting area so as to allow ADA-accessible passenger boardings and alightings adjacent to the new passenger shelter.

**3. Schedule.** Work may begin upon the delivery of an insurance certificate from SCT to Levon and Investec naming each of them as additional insureds-covered parties as required by paragraph 5 below. The parties shall coordinate their work efforts

to make the work efforts as economical as is possible. Each party shall obtain all necessary permits and approvals to complete its portion of the work. In no event shall either party take more than 90 days from the effective date of this Agreement to complete its part of the work.

**4. Defense and Indemnity.** SCT agrees to indemnify, protect, defend and hold harmless Levon and Investec and their employees and officers for all claims, demands, costs or liability that arise out of, pertain to, or relate to occupancy or use of the new passenger shelter to the extent those claims, demands and costs are due to the negligent acts, errors or omissions of SCT.

**5. Insurance.** SCT agrees to carry and maintain, at its expense, comprehensive general liability insurance coverage through the California Transit Indemnity Pool, including coverage for the new passenger shelter, providing protection with limits for each occurrence of not less than Two Million Dollars (\$2,000,000). Levon and Investec shall be named additional insureds covered parties under the policy.

## NOTIFICATION

All notices hereunder and communications regarding interpretation of the terms of this Agreement and changes thereto, shall be effected by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

**MANAGER:** Investec Management Corporation  
200 East Carrillo Street, Suite 200  
Santa Barbara, CA 93101  
ATTN: Ana LaTorre

**SCT:** South County Transit  
179 Cross Street, Suite A  
San Luis Obispo, CA 93401  
ATTN: Geoff Straw

**OWNER:** Levon Investments, LLC, d.b.a. Five Cities Center  
200 East Carrillo Street, Suite 200  
Santa Barbara, CA 93101  
ATTN: Kenneth P. Slaughter

## AGREEMENT

The three parties to this Agreement, who are the before named Levon and Investec and the before named SCT, hereby agree that this Agreement constitutes the entire Agreement which is made and concluded in duplicate between the three parties. All of these parties for and in consideration of the conditions mentioned, and work to be performed, each agree to diligently perform in accordance with the terms and conditions

of this Agreement as evidenced by the signatures below.

**SIGNATURES**

\_\_\_\_\_  
Ana LaTorre, Commercial Property  
Supervisor  
Investec Management Corporation

\_\_\_\_\_  
Kenneth P. Slaughter  
Levon Investments, LLC  
d.b.a. Five Cities Center

\_\_\_\_\_  
Jim Guthrie, President  
South County Transit

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Geoff Straw, Administrator  
South County Transit

\_\_\_\_\_  
Dated \_\_\_\_\_  
Timothy McNulty, SCT Counsel



**SOUTH COUNTY TRANSIT**

**April 29, 2015**

**STAFF REPORT**

**AGENDA ITEM:** C-4

**TOPIC:** EMPLOYER- EMPLOYEE RELATIONS POLICY

**ACTION:** APPROVE RESOLUTION ADOPTING EMPLOYER-EMPLOYEE RELATIONS POLICY

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** APPROVE THE EMPLOYER-EMPLOYEE RELATIONS POLICY PURSUANT TO THE REQUIREMENTS OF THE MEYERS MILIAS BROWN ACT

**BACKGROUND/DISCUSSION:**

Due to the nature of its operations, it is necessary for South County Transit to adopt an Employer-Employee Relations Policy in order to comply with the Meyers Milias Brown Act ("MMBA"). The purpose of the MMBA is to promote full communication between public employers and their employees by providing a reasonable method of resolving disputes regarding wages, hours and other terms and conditions of employment. The MMBA allows a public agency to adopt rules and regulations in order to carry out its purpose.

The attached Resolution and policy sets out, consistent with the law, employee rights, SCT rights, scope of representation, requirements to establish representation of units, negotiation procedures, impasse procedures, grievance procedures and other issues related to employee relations.

Adoption of this policy will allow the SCT, its administrator and employees greater clarity in moving forward with employer/employee relations.

# **SOUTH COUNTY TRANSIT EMPLOYER-EMPLOYEE RELATIONS POLICY**

## **SECTION I. TITLE OF RESOLUTION**

This resolution shall be known as the Employer-Employee Relations Policy of South County Transit ("SCT").

## **SECTION II. STATEMENT OF PURPOSE**

The purpose of this resolution is to promote full communication between SCT and its employees by providing a reasonable method of resolving disputes regarding wages, hours and other terms and conditions of employment between SCT and its employees and their employee organizations. It is also the purpose of this resolution to promote the improvement of personnel management and employer-employee relations within SCT by providing a uniform basis for recognizing the right of SCT employees to join employee organizations of their own choice and to be represented by such organizations in their employment relationships with SCT. Nothing contained herein shall be deemed to supersede the provisions of the Board approved personnel policies. This Employer-Employee Relations Policy implements Chapter 10, Division 4, Title 1 of the Government Code of the State of California (sections 3500 et seq.) captioned "Local Public Employee Organizations."

## **SECTION III. DEFINITIONS**

The following shall have the meaning indicated when used in connection with this resolution:

- A. **CONFIDENTIAL EMPLOYEE** – An employee who assists and/or acts in a confidential capacity to persons who formulate, determine and/or effectuate management policies in the field of labor relations.
- B. **CONSULT** – verbal or written communications for the purpose of presenting and obtaining views advising of intended actions on matters within the scope of representation.
- C. **DAYS** – calendar days.
- D. **EMPLOYEE** – any person employed by SCT in an authorized position as listed in the current organization chart.
- E. **EMPLOYEE ORGANIZATION** – any lawful organization which includes as members employees of SCT and which has as one of its purposes representation of such employees in their relations with SCT.

- F. EMPLOYEE RELATIONS – the relationship between SCT and its employees and their employee organizations, or when used in a general sense, the relationship between management and employees or employee organizations.
- G. FACT FINDING – the investigation by one or more impartial fact-finders to identify the major issues in a particular dispute, review the positions of the parties, make findings of fact on the issue in dispute, and, when requested by both parties. To make advisory recommendations for settlement by the parties involved in the dispute.
- H. GRIEVANCE – for represented employees covered by memorandum of understanding (MOU) with a grievance procedure, any dispute involving the application or interpretation of the provisions of that MOU between the employee organization and SCT. For all other employees, any dispute which involves the interpretation or application of those rules, regulations and resolutions which have been, or may hereafter be, adopted by the SCT Board to govern human resources practices and working conditions, including such rules, regulations and resolutions as may be adopted by the SCT Board.
- I. IMPASSE – a deadlock in negotiations between a recognized employee organization and SCT concerning matters about which they are required to meet and confer in good faith.
- J. MANAGEMENT EMPLOYEE – any employee having significant responsibility for formulating, administering or managing the implementation of SCT policies or programs or having responsibility for directing the work of subordinates through lower level supervision.
- K. MANAGEMENT REPRESENTATIVE – the SCT Administrator, or any person or organization duly authorized by the SCT Administrator to represent SCT in employer-employee relations.
- L. MEDIATION – the efforts of an impartial third person or persons, functioning as an intermediary, to assist the parties in reaching a voluntary resolution of an impasse through interpretation, suggestion and advice.
- M. NEGOTIATE – meet and confer in good faith.
- N. PROFESSIONAL EMPLOYEES – employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including, but not limited to, attorneys, physicians, registered nurses, engineers, architects, teachers, and the various types of physical, chemical and biological scientists.
- O. PROOF OF EMPLOYEE APPROVAL – when used herein means that the employee organization submitting a petition to the SCT Administrator has

demonstrated proof of approval by the employees whom it purports to represent by means of any one or any combination of the following:

1. Signed and dated signatures on a petition.
2. Signed and dated employee authorization forms.
3. Documented evidence of current dues-paying employee organization membership, or payroll dues deductions using the payroll period immediately prior to the date the petition is filed.

For purposes of (1) and (2) above, only signatures of employees currently employed in permanent positions within the proposed representation unit on the date the petition is filed and whose signatures have been executed within one hundred eighty (180) calendar days prior to the date the petition is filed, shall be accepted as proof of employee approval.

The total number of employees in a proposed representation unit shall be determined by using the SCT organization chart, adjusted to reflect the positions occupied as of the date of the petition.

- P. RECOGNIZED EMPLOYEE ORGANIZATION – shall mean a recognized employee organization which has been certified in accordance with Section IX of this resolution.
- Q. REPRESENTATION UNIT – a unit composed of SCT employees for the purpose of employee representation, and which has been established.
- R. SCT – South County Transit, a joint powers organization duly formed on February 1, 1978.
- S. SCOPE OF REPRESENTATION – all matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment, except however, that the scope of representation shall not include consideration of merits, necessity, or organization of any service or activity provided by law or executive order.
- T. SOLE RECOGNIZED EMPLOYEE ORGANIZATION – means the organization that has been recognized by SCT as the only organization of an appropriate representation unit that SCT will meet and confer with over the terms and conditions of employment within the scope of representation.
- U. SUPERVISORY EMPLOYEE – any employee having authority, in the interest of SCT to hire, transfer, suspend, lay-off, recall, promote, discharge, assign, reward, or discipline other employees, or having the responsibility to direct them

or to adjust their grievances, or effectively to recommend such action, if, in connection with the foregoing, the exercise of such authority is not merely of a routine or clerical nature, but requires the use of independent judgment.

#### SECTION IV.EMPLOYEE RIGHTS AND RESPONSIBILITIES

- A. An employee shall have the right to form, join and participate in the lawful activities of employee organizations of the employee's own choosing.
- B. An employee has the right to be free from interference, intimidation, restraint, coercion, discrimination or reprisal on the part of his/her department hearing, his/her supervisor, other employees or an employee organization ,with respect to his/her membership or non-membership in any employee organization or with respect to any lawful activity associated with the meet and confer process.
- C. An employee has the right to refuse to join or participate in the activities of an employee organization or employee organizations.
  - 1. An employee has the right to represent him/her self individually in his/her employment relations with SCT, without intervention of an authorized employee organization.
  - 2. However, individual employees, other than executive employees, may not negotiate any matters such as, but not limited to, compensation, terms and conditions of employment and work rules.
- D. An employee may choose to belong to one or more employee organizations.
  - 1. However, an employee may only be represented by the employee organization that has been formally recognized for the purpose of representing employees within the unit to which his/her classification has been assigned.
  - 2. An employee may only vote for representation, and be included in a showing of interest, in the unit to which his/her classification has been assigned.

#### SECTION V. SCT RIGHTS

All SCT rights, corresponding or related to any SCT obligations and responsibilities, not specifically and expressly waived in this Policy, remain with and are unmistakably reserved to SCT.

SCT has and will continue to retain, whether exercised or not, the clear, unmistakable and exclusive right to operate, administer and manage its services and the work force performing these services. Except as limited under law to meet and confer or bargain on impact, the

exclusive rights of SCT shall include, but are not limited to the following rights and responsibilities:

- A. Determine the organization of SCT;
- B. Determine the mission and structure of its constituent agencies;
- C. Determine the necessity, nature, quantity and quality of services to be offered to the public;
- D. Determine the means of operations, the materials and personnel to be used;
- E. Determine appropriate use of public funds and establish funding priorities;
- F. Introduce new improved methods or facilities and to change or alter personnel, level of work force, methods, means, materials and facilities;
- G. Exercise control and discretion over its organization and operation through its executive, managerial and supervisory employees;
- H. Establish and effect rules and regulations consistent with applicable law;
- I. Establish and implement standards of selecting SCT personnel and standards for continuing employment with SCT;
- J. Direct the work force by determining the work to be performed and the personnel who shall perform the work;
- K. Assign overtime and/or the scheduling of work;
- L. Take disciplinary action;
- M. Relieve its employees because of lack of work, funds or for other lawful reasons;
- N. Determine whether material or services shall be made, purchased or contracted for; and
- O. Otherwise act in the best interest of efficient service to the citizens of SCT service area.

SCT retains its rights to take whatever actions it deems appropriate to manage an emergency.

- A. "Emergency" is defined as a declared state of emergency by the County, State or Federal governing agency, and/or a situation where the health, welfare and/or safety of the public is at risk.
- B. The determination of whether an emergency exists is solely within the discretion of SCT.
- C. If a recognized sole employee organization requests within a reasonable time, but no later than thirty (30) days, after the emergency conditions cease to exist, to meet and confer on SCT actions taken during an emergency, SCT will meet and confer on these actions or the impact of the actions, to the extent such matters are within the scope of representation.

SCT shall maintain records indicating whether a classification is represented by an employee organization or not, and if represented, the identity of that employee organization. SCT shall maintain a copy of the current MOU for each sole recognized employee organization and a record of the current wages and benefits contained in the MOU for each authorized sole recognized employee organization.

#### SECTION VI. SCOPE OF CONSULTATION AND NEGOTIATION

- A. All matters affecting employee relations, including those that are not subject to negotiations, are subject to consultation between management representatives and representatives of recognized employee organizations.
- B. The scope of negotiation between management representatives and the representatives of recognized employee organizations includes wages, hours, and other terms and conditions of employment affecting the employee representation unit, or units represented by the employee organization with which SCT is meeting and conferring at the time.

#### SECTION VII. REQUIREMENTS FOR RECOGNITION OF EMPLOYEE ORGANIZATIONS

An organization which wishes to be recognized as a recognized employee organization shall submit to the SCT Administrator a request signed by a duly authorized officer of the organization and containing the following information:

- A. Name and address of the employee organization.
- B. Names and titles of its officers, as well as designation of the officials authorized to act as representatives of the organization in employer-employee relations with SCT.

- C. A statement of whether or not the organization is a chapter or local of, or affiliated with a regional, state, national or international organization, and, if so, the name and address of each such regional, state, national or international organization.
- D. A statement that the organization includes employees of SCT along with proof that at least one of these employees is a member and has designated the organization to represent him/her. Proof of employee approval which must be supplied is defined in Section III of this resolution.
- E. A certified copy of the organization's constitution and/or by-laws and, if not contained in the constitution or by-laws, a statement that the organization has, as one of its purposes, representation of SCT employees in their employer-employee relations.
- F. A designation of the names and addresses of no more than three persons to whom notices sent by regular United States mail will be deemed sufficient notice to the organization for all purposes.
- G. A statement that the organization recognizes Government Code section 3509.
- H. A statement that the organization has no restriction on membership based on race, color, religion, national origin, sex or handicap.
- I. A statement that the organization agrees to abide by all of the provisions of this resolution except that this shall not preclude the right of the organization to challenge by court action any provisions it deems to be invalid.

#### SECTION VIII. CRITERIA FOR ESTABLISHING AND MODIFYING REPRESENTATION UNITS

In determining the appropriate employee representation units the following factors, among others, shall be considered:

- A. Minimizing fragmentation of units by achieving the largest feasible group of employees having a community of interest.
- B. The effect of the proposed unit on the efficient operation of SCT services and employee relations.
- C. The history of employee relations in the unit, among other employees in SCT and in similar public employment and private industry.
- D. Similarity of duties, skills, wages and working conditions of employees.



- E. Whether management officials at the level of the unit have the power to agree or to make effective recommendations to the SCT Board of Directors with respect to wages, hours, and other terms and conditions of employment subject to negotiation.
- F. The effect of the existing classification structure of dividing a single classification among two or more units.
- G. Professional employees shall not be denied the right to be represented separately from non-professional employees by a professional employee organization consisting of such employees.
- H. Management and confidential employees shall not be included in the same unit with non-management or non-confidential employees. Supervisory employees and non-supervisory employees may be included in the same unit. Supervisory employees shall not represent a recognized employee organization in negotiating with management representatives where conflict of interest may occur as determined by the SCT Administrator subject to appeal to the SCT Board.

#### SECTION IX. CERTIFICATION AND DECERTIFICATION OF A RECOGNIZED EMPLOYEE ORGANIZATION

- A. Certification as the Recognized Employee Organization for a Bargaining Unit.
  - 1. A recognized employee organization that has complied with Section VII and which seeks certification as the sole recognized employee organization for a representation unit shall file a petition with the SCT Administrator ("Administrator"). The petition shall be accompanied by proof, as defined in Section III, subsection O, that the organization represents at least 30% of the employees in the representation unit and to any recognized employee organization that has filed a written request for such notice. The Administrator shall give such notice within ten (10) working days following receipt of the request.
  - 2. Upon determining that the petitioning employee organization represents at least 30% of the employees in the representation unit, the Administrator shall notify any recognized employee organization which has requested such notice and shall arrange for a secret ballot election to ascertain the free choice of a majority of the employees in the representation unit in accordance with Section IX, subsection C.
- B. Decertification of a Recognized Organization.
  - 1. A request for decertification of a recognized organization may not be filed within the first 12 months after said organization has been certified as the

recognized employee organization within a particular bargaining unit. Thereafter, a petition to decertify a recognized employee organization may be initiated by a petition from employees within the unit or by a recognized employee organization representing employees within the unit in accordance with the provisions of this Section IX.

- a. If there is no collective bargaining agreement in effect at the time, a request for decertification may be filed at anytime after the aforementioned 12 months.
  - b. If a collective bargaining agreement is in effect for the bargaining unit in question, a decertification petition shall be processed only if it is filed no sooner than 90 days and no later than 30 days before the expiration of the collective bargaining agreement. In the event a collective bargaining agreement exceeds duration of three (3) years, a decertification petition may be filed at anytime after the 36<sup>th</sup> month of the bargaining agreement.
  - c. Once a request for decertification of a recognized organization within a particular bargaining unit has been filed, and an election held, no subsequent decertification request for that particular bargaining unit may be filed until at least 12 months have elapsed from the date of the prior request for decertification and election within that particular bargaining unit. Provided, however, that in the event a collective bargaining agreement is in effect, the time for filing subsequent decertification petitions shall be governed by the provisions of paragraph (b) immediately above.
2. A petition for decertification shall be submitted to the Administrator and must be accompanied by proof of employee approval as defined in Section III, subsection O, of at least 30% of the employees within the representation unit. The Administrator shall give notice and arrange for a secret ballot election in the manner set forth in Section IX, subsection C.
  3. Notwithstanding any other provisions of this resolution, SCT may seek decertification of a recognized employee organization at any time that it appears to the SCT Administrator that such action is warranted because of substantial changes in SCT functions, organizational structure or classifications. In such a case, the Administrator shall arrange for a secret ballot election in the manner provided for in Section IX, subsection C; provided, however, that no such election shall be held until the employee organization then recognized as the representative of the unit or units involved has been given at least 60 days notice of the date which the election will be held. Any organization may be listed on said ballot if said organization petitions for a place thereon and submits proof, as defined in Section III, subsection O, that the employee organization

represents at least 30% of the total number of employees in the representation unit or units affected by the election. The ballot shall contain a “no representation” choice.

C. Elections.

1. Once the procedures described in Subsections A and/or B above have been followed, the Administrator shall order an election be held. The recognized employee organization filing the petition for certification or decertification shall be listed as one choice on the ballot and any other recognized employee organization shall be shown as one choice on the ballot upon filing of a petition and presentation of proof, as defined in Section III, subsection O, that the organization represents at least 30% of the employees in the representation unit. Such petition for a place on the ballot must be filed within seven (7) calendar days after notice of the petition for election has been mailed by the Administrator to the employees. In all recognition elections, the choices on the ballot shall also include a “no representative” choice. In an election where there are more than two choices on the ballot representation unit, a run-off election shall be conducted between the two choices receiving the largest and second largest number of votes.
2. Employees entitled to vote in a recognition election shall be those permanent, provisional, probationary, or unclassified employees in permanent positions as defined in Section III, subsection E, within the representation unit who have worked within the previous fifteen (15) days prior to the date of the election. Employees who did not work during the above described time period because of illness, vacation or authorized leave of absence, and who are otherwise eligible, shall be permitted to vote.
3. Subsequent to notification of certification as the recognized employee organization, said organization shall be the exclusive representative of all the employees in such unit for purposes of meeting and conferring in good faith on matters within the scope of representation. This shall not preclude other individual employees, from consulting with management representatives on employer-employee relations matters of concern to them.

D. Notification – Certification and Decertification.

1. In the case of both certification and decertification elections of recognized employee organizations, the Administrator shall certify the choice of representation (if any) as indicated on the ballot, which receives a majority of the valid ballots cast by the employees in the representation unit. Notification of certification or decertification shall be

made to the SCT Board of Directors, the departments concerned, employees in the unit or units being represented, challenging employee organizations, and such other persons or organizations as the Administrator deems appropriate.

2. The Administrator may refuse to certify the winner of an election as the recognized employee organization for that unit or units or may refuse to decertify a recognized employee organization he/she concludes that the outcome of said election was affected by coercion, intimidation or gross misrepresentation in attempts to secure employees' votes. Such refusal by the Administrator to certify or decertify an employee organization on these grounds shall be referred to the SCT Board for review at an open meeting at which all interested parties shall be afforded an opportunity to be heard. The SCT Board shall either require the Administrator to certify the results regarding certification or decertification or uphold the determination of the Administrator and require him/her to arrange for another election.

#### SECTION X. MODIFICATION OF REPRESENTATION UNITS

- A. A recognized employee organization may request the modification of an established representation unit by submitting to the SCT Administrator a petition accompanied by proof of employee approval of the proposed modification signed by not less than 30% of those employees who, if the proposed modification should be granted, would be moved from one representation unit to another. A unit modification request may not be submitted until at least 12 months have elapsed from the most recent date of certification of the unit from which positions would be removed. Such requests shall be processed only if filed no sooner than ninety (90) days and no later than thirty (30) calendar days before the expiration of the then current memorandum of understanding or agreement covering one or more positions which would be removed. All petitions for modified units shall be accompanied by a list of all classifications to be included in the modified unit, the number of employees in each classification, and the divisions and departments to which they belong.
- B. Notwithstanding any other provisions of this resolution, SCT may petition for modification of a representation unit at any time that it appears to the SCT Administrator that such an action is warranted because of substantial changes in SCT functions, organizational structure or classifications.
- C. The SCT Administrator shall give notice of the request for modification of an established representation unit to the employees who would be affected by the proposed modification, to the employee organization which is then certified as the representative of the unit from which one or more positions would be transferred, and to any recognized employee organization that has filed a

written request for such notice. The SCT Administrator shall give such notice within five working days following receipt of the request.

- D. All petitions for modification of units shall be set for hearing before the SCT Board of Directors which shall make the final determination on the appropriateness of all units. In making such determination, the SCT Board shall not be limited to consideration of the unit or units requested, provided, however, that if the SCT Board is considering the establishment of a representation unit other than one described in a petition, the following procedure shall be followed:
1. The SCT Board shall set a date when it will act on establishing the representation unit or units, and shall direct the SCT Administrator to cause timely notice of the date and purposes of said hearing to be given to all employees whose removal is being considered, and to all recognized employee organizations.
  2. At the time set for the hearing, the SCT Board shall afford all persons present an opportunity to be heard on the question of establishing the representation unit or units which were not described in a petition or petitions.
  3. After all persons who wish to be heard on the matter have been afforded an opportunity to be heard, the SCT Board shall render its decision on establishing the representation unit or units.
- E. If, in the opinion the SCT Administrator, a decision of the SCT Board has the result of moving from one representation unit to another a sufficient number of employees to possibly affect the representative status of the recognized employee organization representing the unit from which or to which such employees were transferred, a secret ballot election shall be held to determine the wishes of the employees remaining in the unit from which or to which other employees were transferred as to the employee organization to represent the units from which or to which these employees were transferred. Any recognized employee organization may be listed on said secret ballot if that organization has petitioned for a place on said ballot and submitted proof to the SCT Administrator (as defined in Section III, subsection O) signed by at least 30% of the employees in the unit. The ballot submitted to said employees shall include a no representative organization choice.
- F. Notwithstanding any other provisions of this resolution, should the decision of the SCT Board have the result of moving some employees from one representation unit to another, and should the SCT Administrator believe that such a decision raises a question concerning the continuing representative status of any recognized employee organization; the SCT Administrator shall so advise the Board Chairperson. The Board Chairperson shall designate a representative, other than the SCT Administrator, to meet with the recognized

employee organization for the purpose of investigating whether or not a substantial question of representation exists. If, on the basis of such investigation, the Board Chairperson concludes that a substantial question of representation exists, he/she may direct that an election be held in either the unit from which employees were moved or in the unit to which employees were moved; or both units for the purpose of determining employees' wishes concerning the employee organization to represent them. The choice shall be by secret ballot and any recognized employee organization may be listed thereon if it has petitioned for a place on said ballot and submitted proof, as described in subsection E above. The ballots submitted to the employees shall include a no representative organization choice.

- G. Should the decision of the SCT Board have the result of moving some employees from one representation unit to another, such employees will continue to work at the rate of pay, and under the same terms and conditions of employment which they had in the unit from which they were transferred until the memorandum of understanding for the unit from which they were transferred shall expire.

#### SECTION XI. EXECUTIVE SESSIONS

Nothing in this resolution shall be interpreted as preventing or limiting the right of the SCT Board of Directors to hold executive sessions with the SCT Administrator, or other duly designated management representatives, prior to and during consultations and discussions with representatives of employee organizations regarding the salaries, salary schedules, or compensation paid in the form of employee benefits in order to review its position and instruct its designated representatives.

#### SECTION XII. NEGOTIATIONS

- A. Only recognized employee organizations in established representation units shall be entitled to negotiate with duly designated management representatives on wages, hours, and other terms and conditions of employment for the employees in such units.
- B. Negotiations shall not be required on any subject pre-empted by Federal or State law or by County Charter, nor shall negotiations be required on Employee or SCT Rights defined in Sections IV and V. Proposed amendments to this resolution are excluded from the scope of negotiation, but shall be subject to consultation in good faith after reasonable notice.
- C. Agreements reached as a result of negotiations shall be included in a memorandum of understanding signed by the SCT Administrator and the SCT Board Chairperson, as well as the duly designated representatives of the recognized employee organizations. Those matters over which the SCT Board has exclusive cognizance will be presented to the SCT Board of Directors for

approval. Such memoranda of understanding shall not be binding unless approved by the appropriate governing bodies of the SCT and the recognized employee organizations.

### SECTION XIII. IMPASSE PROCEDURES

Impasse procedures may be invoked only after all other attempts made by both parties to reach agreement through good faith negotiation have been unsuccessful.

- A. Impasse Meeting: Any party involved in the negotiation of specific issues may invoke the impasse procedure by filing with the other party or parties affected a written request for an impasse meeting together with a statement of its position on the disputed issues. An impasse meeting shall then be promptly scheduled by the parties involved. The purpose of such impasse meeting is to permit review of the position of all parties in a final good faith effort to reach agreement on the disputed issues.
- B. If agreement is not concluded at the impasse meeting, the parties together may mutually agree upon a method of resolving the dispute including, but no limited to, mediation or fact-finding as defined in Section III. Unless the parties in writing mutually request them to do so, mediators or fact-finders shall make no public recommendation nor take any public position regarding the issues. All mediation and fact-finding sessions shall be conducted in private.
- C. The cost for the services of a mediator and/or fact-finder or the chair of a fact-finding panel used by the parties and other mutually incurred costs of medication and fact-finding shall be borne equally by SCT and the recognized employee organization. The cost for a fact-finding panel member selected by each party, and other separately incurred costs shall be borne by such party.

### SECTION XIV. UNFAIR EMPLOYEE RELATIONS PRACTICES

- A. It shall be unfair employee relations practice for SCT to:
  - 1. Interfere with, restrain or coerce employees in the exercise of the rights recognized or granted in this resolution;
  - 2. Dominate or interfere with the formation of any employee organization or contribute financial support to it, provided that SCT may permit the use of SCT facilities, make dues deductions and permit employees who are officers or representatives of employee organizations to confer with SCT officials during working hours without loss of time or pay, subject to applicable regulations;

3. Refuse to negotiate with representatives of recognized employee organizations on negotiable matters during the periods prescribed by this resolution;
  4. Refuse or fail to cooperate with any duly designated mediator.
- B. It shall be unfair employee relations practices for employees or employee organizations or their agents to:
1. Interfere with, restrain or coerce employees in the exercise of the rights recognized or granted in this resolution;
  2. Refuse to negotiate with SCT officials on negotiable matters when the employee organization involved has been recognized as the majority representative;
  3. Refuse or fail to cooperate with any duly designated mediator.

#### SECTION XV. GRIEVANCES

- A. All employees of SCT are free to present grievances. They are guaranteed freedom from discrimination, coercion, restraints or reprisals.
- B. The grievances of any employees in representation units covered by a memorandum of understanding which includes a grievance procedure shall be processed according to that procedure.
- C. Supervisory employees shall not represent non-supervisory employees in a grievance procedure where such activity might result in a conflict of interest.

#### SECTION XVI. ADVANCE NOTICE TO RECOGNIZED EMPLOYEE ORGANIZATIONS

- A. Except in cases of emergency as provided in Subsection B of this section, each recognized employee organization affected shall be given reasonable written notice of any resolution, rule or regulation directly relating to matters within the scope of representation proposed to be adopted by SCT and shall be given the opportunity to meet with the appropriate management representatives prior to adoption.
- B. In cases of emergency when the foregoing procedure is not practical or in the best public interest, SCT may adopt or put into practice immediately such measures as are required. At the earliest practicable date thereafter, the recognized employee organizations shall be provided with the notice described in Subsection A above and be given an opportunity to meet with the appropriate management representatives.



## SECTION XVII. ATTENDANCE AT MEETINGS BY EMPLOYEES

SCT employees who are official representatives or stewards of a recognized employee organization shall be given reasonable time off with pay to meet and confer or consult with management representatives, or to be present at hearings where matters within the scope of representation are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of SCT services as determined by SCT. Such representatives or stewards shall submit a written request for excused absence to the SCT Administrator at least two working days prior to the scheduled meeting whenever possible. Except as provided by a memorandum of understanding, the number of employees excused for such purposes shall not exceed two (2) for any one employee organization. If any employee's request for excused absence is not approved, such disapproval shall be subject to appeal to the SCT Board Chairperson, whose decision shall be final.

### A. Dues Deductions.

A recognized employee organization may have the regular dues of its members within a representation unit deducted from the employees' paychecks under procedures prescribed by the SCT Administrator for such deductions. Dues deduction shall be made only upon signed authorization from the employee on a form approved by SCT, and shall continue (1) until such authorization is revoked, in writing, by the employee; or (2) until the transfer of the employee to a unit represented by another employee organization. Employees may authorize dues deductions only for the organization certified as the recognized employee organization of the unit to which such employees are assigned.

## SECTION XVIII. ADMINISTRATION

- A. The SCT Administrator is authorized to establish rules and procedures to carry out the intent of this resolution and has authority for the administrative interpretation of this resolution. All elections authorized by this resolution shall be conducted by the State Conciliation Service or some other party agreed on by the County and concerned employee organizations.

## SECTION XIX. CONSTRUCTION

- A. Nothing in this resolution shall be construed to deny any person, employee, or employee organization the rights granted by Federal or State laws or Joint Powers Agreement.
- B. The rights, powers and authority of the SCT Board of Directors and the rights of employee organizations in all matters, including the right to maintain any legal action, is not modified or restricted by this resolution.
- C. The provisions of this resolution are not intended to conflict with, nor shall they be construed in a manner inconsistent with the provisions of Chapter 10,

Division 4, Title 1 of the Government Code of the State of California (sections 3500 et seq.) as amended.

SECTION XX. SEPARABILITY

If any provision of this resolution, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this resolution or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

**SOUTH COUNTY TRANSIT**

**RESOLUTION NO. 15-\_\_\_**

**RESOLUTION APPROVING THE EMPLOYER-EMPLOYEE RELATIONS POLICY**

WHEREAS this resolution creates the South County Transit (“SCT”) Employer-Employee Relations Policy which implements Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Sections 3500 et.seq.) captioned “Local Public Employee Organizations”; and

WHEREAS, the purpose of this resolution is to promote full communication between SCT and its employees by providing a reasonable method of resolving disputes regarding wages, hours, and other terms and conditions of employment between SCT and its employees; and

WHEREAS, nothing contained in this resolution shall be deemed to supersede the provisions of existing federal, state or local law, rules or regulations, which provide other methods for the administration of employee relations. Nothing in this resolution shall be construed to deny to SCT or to any person, employee, sole recognized employee organization, or any authorized officer, body or other representative of SCT, the rights, powers, duties or authority granted by federal, state or local law.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED:

1. That the recitals stated above in the preamble are incorporated herein as though fully set forth in this resolution
2. The entirety of this resolution includes the attached Employee-Employee Relations Policy incorporated herein as though fully set for in this resolution
3. The Board hereby approved this resolution and attached Employer-Employee Relations Policy

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

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINING:**

The foregoing resolution is hereby passed and adopted by the South County Transit Board of Directors of San Luis Obispo County, State of California, at a regular meeting of said Board of Directors held on the 29th day of April, 2015.

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Jim Guthrie  
Chairperson

**ATTEST:**

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Geoff Straw  
SCT Administrator

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

By: \_\_\_\_\_  
Tim McNulty  
SCT Counsel

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