



179 Cross Street, Suite A
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www.slorta.org

BOARD AGENDA

Wednesday, July 18, 2018

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: Tim Brown

Vice Chair: John Shoals

Board Members:

Lynn Compton (Fourth District – SLO County)
Tim Brown (Arroyo Grande)

John Shoals (Grover Beach)
Sheila Blake (Pismo Beach)

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

NOTE: Arroyo Grande City Offices are served hourly by SoCo Transit 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.

A. INFORMATION AGENDA

A-1 Administrator's Report (Receive)

B. ACTION AGENDA

B-1 Support Amended & Restated RTA JPA & Terminate SoCo Transit JPA (Approve)
B-2 Reschedule October 17, 2018 meeting to October 24, 2018 (Approve)

South County Transit, operated by the San Luis Obispo Regional Transit Authority, is a Joint Powers Agency serving residents and visitors of: Arroyo Grande, Grover Beach, Pismo Beach, Shell Beach and Oceano

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 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 Draft SCT Minutes of June 20, 2018, 2018 (Approve)

C-2 Amendment #2 of Pacific Surfliner Transit Transfer Program Agreement (Approve)

D. CLOSED SESSION: None

E. DIRECTORS' COMMENTS

F. EXECUTIVE COMMITTEE MEMBERS' COMMENTS

ADJOURNMENT

Next **Regularly-Scheduled** South County Transit Board Meeting: **TBD – October 2018**

SOUTH COUNTY TRANSIT

July 18, 2018

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Administrator's Report

PRESENTED BY: Geoff Straw, Administrator

STAFF RECOMMENDATION: Accept as Information

BACKGROUND/DISCUSSION:

Operations:

Unfortunately, we were unsuccessful in attracting any good Bus Operator candidates for our planned July 9th training class. We have seven part-time openings between SoCo Transit and the RTA, and this shortage is causing our overtime costs to increase. Feedback we received from interviewees is that our \$11.00 per hour Training Wage is too low – even though we reward trainees with the differential of the \$11.00 and the \$14.30 New Hire Wage when they complete training. We recently obtained agreement with the Teamsters to temporarily suspend the lower Bus Operator Training Wage for this fiscal year and instead hire directly at the \$14.30 per hour rate to determine if this will help us recruit in this current difficult hiring environment. We will also continue to run radio ads, and we have posted notices on the bus LCD screens and our website seeking the next slate of trainees. We are also prepared to conduct one on one training as qualified candidates are identified in lieu of waiting to assemble a class.

The next Employee of the Quarter BBQ is scheduled for July 20th at the RTA bus maintenance facility. All Board members and your senior staff are welcome to join us.

Statewide Initiative to Repeal SB-1 on November Ballot:

On June 29th, Secretary of State Alex Padilla assigned proposition numbers to the legislative and initiative measures set to appear on the November 6, 2018, General Election ballot. Among those initiatives is the effort to repeal Senate Bill 1 (SB-1), which is now officially referred to as Proposition 6. SB-1 includes more than \$1 billion a year available to public transit agencies, including local match funds assumed in the SoCo Transit 5-Year Capital Program. If SB-1 is ultimately repealed, the South County jurisdictions would need to make difficult decisions on service levels, possible capital project delays, and the financial impacts of using TDA funds in lieu of roadway repairs (by law, transit needs take precedence).

Finance and Administration:

On June 27th, Governor Brown signed the FY18-19 State Budget and a host of trailer bills implementing various aspects of the budget. This year's budget holds lots of good news for public transit. The highlights are as follows:

- *State Transit Assistance Program*: The cost of diesel fuel has increased funding for the STA program from approximately \$601.7 million at the end of FY17-18 to approximately \$768.5 million projected for FY18-19, an increase of approximately \$167 million in the coming fiscal year. Of this amount, \$405.4 million is the result of SB-1.
- *Cap and Trade*: The budget appropriates \$1.4 billion in previously unallocated Cap and Trade auction proceeds, providing support to transit agencies through the following programs:
 - \$125 million for the *Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program* (HVIP): HVIP provides point-of-sale vouchers to offset the incremental cost of zero- and near-zero emission buses and trucks as well as charging/refueling infrastructure.
 - \$165.4 million for the *Alternative and Renewable Fuel and Vehicle Technology Program* (ARFVTP): ARFVTP provides grants, loans, and loan guarantees to support the development and production of low-carbon fuels, expand charging/refueling infrastructure, and establishing workforce training programs.
 - \$245 million for *Community Air Protection*: this funding provides financial incentives to reduce mobile and stationary sources of criteria air pollutants or toxic air contaminants consistent with community emission reduction programs.

This funding is in addition to the \$114.1 million and \$473.2 million expected for the *Low Carbon Transit Operations Program* (LCTOP) and the *Transit and Intercity Rail Capital Program*, respectively. As you know, the LCTOP provides on-going operating funding for the Routes 27/28 service that was implemented in July 2016.

Staff continues to engage California Air Resources Board and SLO Air Pollution Control District officials in discussions on the proposed draft *Innovative Clean Transit* (ICT) regulation. This aggressive plan would have a profound impact, both in the terms of the capital infrastructure costs associated with electrifying our fleet and possible operating impacts due to limited range of current battery electric bus technologies. We will continue to work with our partners at the California Transit Association and CalACT to ensure the ARB understands our grave concerns about this unfunded mandate.

Three of the California Transit Association's sponsored bills address staff's concerns related to the ICT proposal, as summarized below (based on a June 28th review):

- AB-3201 (Daly), which would clarify the Legislature's support for a well-funded and stable transition to a zero-emission transit bus fleet by ensuring transit agencies retain access to vital incentive funding. As of May 25th, this bill was re-referred to the Assembly Appropriations Committee.
- SB-1119 (Newman), which would allow public transit agencies to more flexibly utilize their Low Carbon Transit Operations Program funding shares by waiving the disadvantaged community requirements for certain types of expenditures – transit passes and expanded or improved bus service. As of June 18th, this bill was referred to the Assembly Transportation Committee
- SB-1434 (Leyva), which would support and accelerate the deployment of battery-electric transit buses by requiring the California Public Utilities Commission to initiate a ratemaking proceeding that addresses the high cost of electricity as a fuel. As of July 2nd, this bill was referred to the Assembly Utilities and Energy Committee.

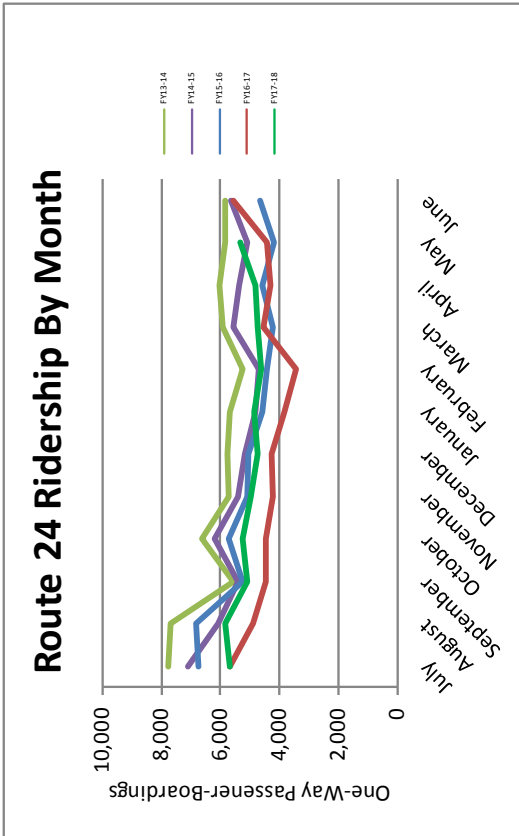
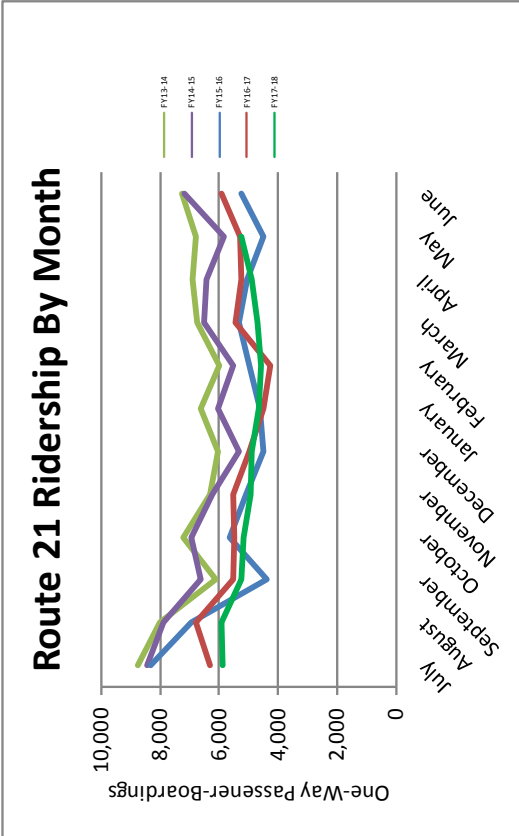
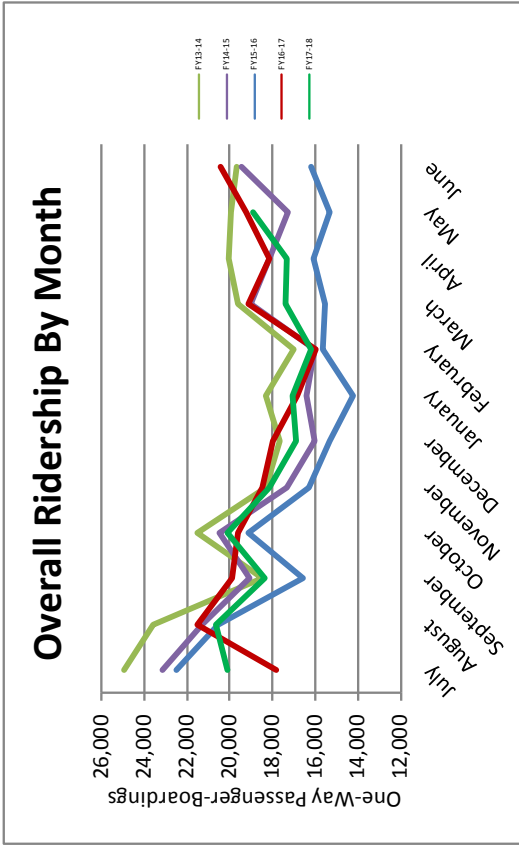
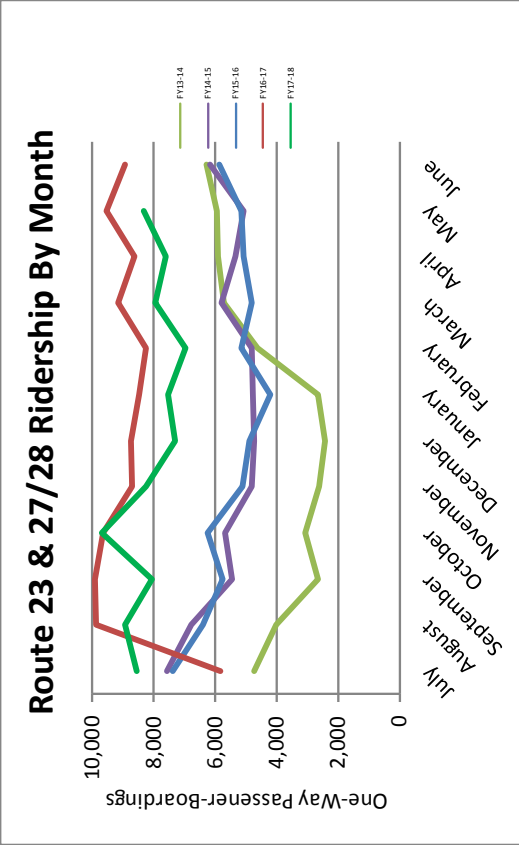
Detailed financial and operating results through May 31st – the first eleven months of the fiscal year – are provided in the tables at the end of this report and summarized below:

- In terms of overall non-capital expenses, we are slightly below budget – 85.6% of budget through 91.7% of the fiscal year. Notable large-tickets variances include labor (101.4% of YTD budget), fuel (82.3% of YTD budget), and vehicle maintenance (89.9% of YTD budget). Any savings realized at the end of FY17-18 will be carried over into the next budget year – which helps conserve limited TDA funds at the jurisdiction level.
- Ridership totaled 201,217 through the end of May 2018. In comparison, ridership for the same period last year was 204,623, which represents a year over year decline of just 1.7%. This rebound in ridership compared to the declines over the past three years is encouraging. Below is a breakdown by route:
 - Route 21: down 5.3%
 - Route 24: up 15.2%
 - Route 27: down 10.6%
 - Route 28: up 2.8%

Despite transit ridership declines across America over the past several years and the fact that we increased fares in July 2016, the graphs at the end of this report provide a good visual representation of how ridership is rebounding.

STAFF RECOMMENDATION:

Accept and file this Administrator's Report as an information item.



SOUTH COUNTY TRANSIT
2017-18 Budget vs. Actual (unaudited)

	FY 17/18 Adopted	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	Year to Date	Percent Year to Date
Use of Resources										
<u>Administrative Expenditures</u>										
Insurance	\$ 99,200	\$ 8,369	\$ 8,369	\$ 8,354	\$ 8,354	\$ 8,354	\$ 8,334	\$ 8,334	\$ 91,759	92.5%
Liability & Physical Damage	\$ 71,180	4,762	4,762	5,046	5,046	5,046	4,762	4,762	53,235	74.8%
Workers Compensation	740	53	53	53	53	53	53	53	585	79.1%
Property Insurance	30,600	2,550	2,550	2,550	2,550	2,550	2,550	2,550	28,050	91.7%
Rent	8,980	687	692	765	624	718	845	789	8,083	90.0%
Utilities	1,240	103	103	103	103	103	103	-	1,030	83.1%
Radio Expense	3,000	-	-	930	-	-	233	-	1,163	38.8%
Legal Services	1,280	67	100	62	60	200	69	67	840	65.7%
Payroll Processing	77,600	6,467	6,467	6,467	6,467	6,467	6,467	6,467	71,133	91.7%
Administration - Staff Time	13,700	1,142	1,142	1,142	1,142	1,142	1,142	1,142	12,558	91.7%
Finance - Staff Time	5,290	441	441	441	441	441	441	441	4,849	91.7%
Marketing - Staff Time	12,790	48	562	463	562	493	393	482	6,019	47.1%
Office Expense/Miscellaneous	3,150	-	-	-	-	-	-	-	3,105	98.6%
Audit	16,000	-	1,122	211	-	107	3,302	1,176	8,930	55.8%
Marketing/Community Relations/Printing	9,740	1,935	161	763	232	232	758	185	4,708	48.3%
Uniforms/Laundry/Physicals/Ads										
<u>Operating Expenditures</u>										
Salaries/Benefits	\$ 611,270	\$ 67,347	\$ 48,274	\$ 43,268	\$ 46,900	\$ 50,536	\$ 49,769	\$ 67,830	\$ 568,140	92.9%
Maintenance	197,550	11,632	18,718	21,225	8,539	14,549	7,688	18,396	162,729	82.4%
Dispatch	22,680	1,890	1,890	1,890	1,890	1,890	1,890	1,890	20,790	91.7%
SCT Bus Fuel	199,280	11,973	11,977	14,041	13,287	12,979	15,047	16,082	150,300	75.4%
Contingency	13,850	-	-	-	-	-	-	-	-	0.0%
Total Operating Expenditures	\$ 1,399,120	\$ 119,465	\$ 107,381	\$ 107,775	\$ 96,251	\$ 105,860	\$ 103,843	\$ 130,644	\$ 1,198,007	85.6%
<u>Capital Service</u>										
Facility Improvements/Bus Stop Amenities	\$ 41,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Computer Upgrade	1,500	-	-	-	1,405	-	-	-	1,405	93.6%
Transit Center Improvements	120,000	-	-	-	-	-	-	-	-	0.0%
Total Capital Service	\$ 162,850	\$ -	\$ -	\$ -	\$ 1,405	\$ -	\$ -	\$ -	\$ 1,405	0.9%
Total Use of Resources	\$ 1,561,970	\$ 119,465	\$ 107,381	\$ 107,775	\$ 97,656	\$ 105,860	\$ 103,843	\$ 130,644	\$ 1,199,411	76.8%

**SOUTH COUNTY TRANSIT
OPERATING STATEMENT BY ROUTE - WEEKDAY AND TROLLEY
YEAR TO DATE THRU MAY 2018**

	RT 21 PISMO & SHELL BEACH	RT 24 GROVER B. A.G. VILLAGE, PISMO & A.G.	RT 27 GROVER B, AG, OCEANO CLOCKWISE	RT 28 GROVER B, AG, OCEANO COUNTER CW	TOTAL WEEKDAY SERVICE	AVILA BEACH TROLLEY
REVENUES:						
FARES	\$ 25,737	\$ 23,134	\$ 27,698	\$ 30,461	\$ 107,029	\$ 5,754
TOTAL ROUTE REVENUES	\$ 25,737	\$ 23,134	\$ 27,698	\$ 30,461	\$ 107,029	\$ 5,754
EXPENDITURES:						
ADMINISTRATION	\$ 17,139	\$ 17,222	\$ 18,363	\$ 19,610	\$ 72,334	\$ 3,564
MARKETING	2,372	2,384	2,540	2,708	10,004	1,181
OPERATIONS/CONTINGENCY	143,734	144,461	154,247	164,597	607,039	28,615
FUEL	32,770	25,155	26,637	27,921	112,483	7,917
INSURANCE	31,832	24,429	25,848	27,109	109,217	7,189
TOTAL EXPENDITURES	\$ 227,847	\$ 213,651	\$ 227,634	\$ 241,945	\$ 911,077	\$ 48,466
FAREBOX RATIO	11.30%	10.83%	12.17%	12.59%	11.75%	11.87%
SERVICE MILES	46,107.6	35,381.9	37,411.4	39,207.9	158,108.8	11,227.3
SERVICE HOURS	2,397.9	2,408.6	2,568.6	2,738.9	10,114.0	501.9
RIDERSHIP (Automatic Counters)	43,599	43,749	29,105	45,512	161,965	5,918
RIDERS PER MILE	0.9	1.2	0.8	1.2	1.0	0.5
RIDERS PER HOUR	18.2	18.2	11.3	16.6	16.0	11.8
COST PER PASSENGER	\$ 5.23	\$ 4.88	\$ 7.82	\$ 5.32	\$ 5.63	\$ 8.19
SUBSIDY PER PASSENGER	\$ 4.64	\$ 4.35	\$ 6.87	\$ 4.65	\$ 4.96	\$ 7.22
RIDERSHIP (GFI Fareboxes)	37,284	34,112	26,930	38,289	136,615	5,785
RIDERS PER MILE	0.81	0.96	0.72	0.98	0.86	0.52
RIDERS PER HOUR	15.55	14.16	10.48	13.98	13.51	11.53
COST PER PASSENGER	\$ 6.11	\$ 6.26	\$ 8.45	\$ 6.32	\$ 6.67	\$ 8.38
SUBSIDY PER PASSENGER	\$ 5.42	\$ 5.59	\$ 7.42	\$ 5.52	\$ 5.89	\$ 7.38

**SOUTH COUNTY TRANSIT
OPERATING STATEMENT BY ROUTE - WEEKEND, AND TOTALS
YEAR TO DATE THRU MAY 2018**

	RT 21 - SAT PISMO & SHELL BEACH	RT 21 - SUN PISMO & SHELL BEACH	RT 24 - SAT GROVER B. A.G. VILLAGE, PISMO & A.G.	RT 24 - SUN GROVER B. A.G. VILLAGE, PISMO & A.G.	RT 28 - SAT GROVER B, AG, OCEANO COUNTER CW	RT 28 - SUN GROVER B, AG, OCEANO COUNTER CW	TOTAL WEEKEND SERVICE	TOTAL SCT ONLY SERVICE	TOTAL SCT AND AVILA SERVICE
REVENUES:									
FARES	\$ 4,328	\$ 3,005	\$ 4,300	\$ 3,454	\$ 4,258	\$ 4,476	\$ 23,821	\$ 130,850	\$ 136,604
TOTAL ROUTE REVENUES	\$ 4,328	\$ 3,005	\$ 4,300	\$ 3,454	\$ 4,258	\$ 4,476	\$ 23,821	\$ 130,850	\$ 136,604
EXPENDITURES:									
ADMINISTRATION	\$ 3,283	\$ 3,026	\$ 3,241	\$ 2,894	\$ 3,420	\$ 3,056	\$ 18,920	\$ 91,254	\$ 94,819
MARKETING	441	425	436	406	457	429	2,594	17,598	13,779
OPERATIONS/CONTINGENCY	27,291	25,307	26,943	24,245	28,469	25,621	157,876	764,915	793,530
FUEL	6,110	5,618	4,662	4,350	4,756	4,404	29,900	142,383	150,300
INSURANCE	5,973	5,474	4,553	4,236	4,649	4,289	29,173	138,391	145,579
TOTAL EXPENDITURES	\$ 43,098	\$ 39,850	\$ 39,834	\$ 36,130	\$ 41,752	\$ 37,799	\$ 238,464	\$ 1,149,541	\$ 1,198,007
FAREBOX RATIO	10.04%	7.54%	10.79%	9.56%	10.20%	11.84%	9.99%	11.38%	11.40%
SERVICE MILES	8,638.9	7,922.4	6,584.2	6,130.7	6,725.1	6,208.9	42,210.1	200,318.9	211,546.2
SERVICE HOURS	457.8	424.3	451.7	406.4	475.4	428.8	2,644.4	12,758.4	13,260.2
RIDERSHIP (Automatic Counters)	7,008	5,565	6,857	5,289	7,270	7,272	39,261	201,226	207,144
RIDERS PER MILE	0.8	0.7	1.0	0.9	1.1	1.2	0.9	1.0	1.0
RIDERS PER HOUR	15.3	13.1	15.2	13.0	15.3	17.0	14.8	15.8	15.6
COST PER PASSENGER	\$ 6.15	\$ 7.16	\$ 5.81	\$ 6.83	\$ 5.74	\$ 5.20	\$ 6.07	\$ 5.71	\$ 5.78
SUBSIDY PER PASSENGER	\$ 5.53	\$ 6.62	\$ 5.18	\$ 6.18	\$ 5.16	\$ 4.58	\$ 5.47	\$ 5.06	\$ 5.12
RIDERSHIP (GFI Fareboxes)	5,312	3,776	5,164	4,005	5,613	5,430	29,300	165,915	171,700
RIDERS PER MILE	0.61	0.48	0.78	0.65	0.83	0.87	0.69	0.83	0.81
RIDERS PER HOUR	11.60	8.90	11.43	9.85	11.81	12.66	11.08	13.00	12.95
COST PER PASSENGER	\$ 8.11	\$ 10.55	\$ 7.71	\$ 9.02	\$ 7.44	\$ 6.96	\$ 8.14	\$ 6.93	\$ 6.98
SUBSIDY PER PASSENGER	\$ 7.30	\$ 9.76	\$ 6.88	\$ 8.16	\$ 6.68	\$ 6.14	\$ 7.33	\$ 6.14	\$ 6.18

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SOUTH COUNTY TRANSIT

July 18, 2018

STAFF REPORT

AGENDA ITEM: B-1

TOPIC: SoCo Transit Consolidation into the RTA

PRESENTED BY: Geoff Straw, Administrator

STAFF RECOMMENDATION: Resolve to:
1) Support the Amended/Restated RTA JPA
2) Terminate the SoCo Transit JPA

BACKGROUND/DISCUSSION:

As discussed at previous Board meetings, there is a net benefit of consolidating SoCo Transit into the RTA. The attached Resolution summarizes the benefits and next steps to fully implement consolidation.

During recent staff presentations to each of the RTA jurisdictions, it was clear that there is conceptual support for the notion of consolidating SoCo Transit into the RTA through measures identified in an amended and restated Joint Powers Agreement (JPA) for the RTA. The new JPA includes policy statements that ensure local control of service levels and financial commitments for services by the four jurisdictions in the South County area. The RTA Board ratified the new JPA at its July 11th meeting, and staff is scheduling presentations on the new JPA at each jurisdiction in the ensuing months for adoption. The new JPA will be effective 12:00 AM on January 1, 2019.

In addition, during recent presentations to the SoCo Transit jurisdictions, universal support was voiced for the notion of terminating the existing South County Area Transit JPA as part of the consolidation effort. The termination would be effective 11:59 PM on December 31, 2018.

Staff has attached the final amended and restated JPA for the RTA on page B-1-7 to B-1-20. We have also included a copy of the SoCo Transit JPA¹ that would be terminated. See pages B-1-21 through B-1-30 for details. It should be noted that two sections of the SoCo Transit JPA are particularly germane to this discussion:

1. ARTICLE IV MISCELLANEOUS PROVISIONS, SECTION 4 ASSIGNABILITY – In the event it is deemed in the best public interest to have the public transportation system operated by another individual or entity, whether public or private, and provided that the assignment complies with state and federal law, the Agency on affirmative vote of all of its members, may sell, lease or assign all

¹ The signature pages not included in order to save paper.

of its real and personal property and may cease operations upon such terms and conditions as the Board determines to be reasonable.

2. ARTICLE IV MISCELLANEOUS PROVISIONS, SECTION 5 TERMINATION – This Agreement shall continue in full force and effect until cancelled by a majority of the member agencies.

The attached Resolution effectively assigns all of the SoCo Transit property and obligations to the RTA upon consolidation on January 1, 2019.

On a related note, the SoCo Transit Board will need to meet again one more time in October 2018 to consider two things:

1. A budget amendment that carries forward capital projects and operational cost-savings realized at the end of FY16-17. This new budget would be split into two periods – pre-January 1st and post-January 1st – to more easily portray SoCo Transit services separately in the RTA budget.
2. A resolution supporting an amendment to the RTA FY18-19 budget that incorporates the operating and capital expenses for the South County transit services for January 1, 2019 through June 30, 2019.

The RTA Board would then consider a budget amendment at its November 7th meeting that recognizes the operating and capital costs of SoCo Transit services for the second half of FY18-19 – similar to the way that SLOCAT and North County services are portrayed in separate columns.

Staff Recommendation

1. Approve the attached Resolution, which addresses the SoCo Transit Board's support for the amended and restated Joint Powers Agreement for the San Luis Obispo Regional Transit Authority, and support for terminating the current Joint Powers Agreement for South County Area Transit.
2. Direct staff to work with the Clerk at each jurisdiction to present a resolution seeking concurrence on termination of the South County Area Transit Joint Powers Agreement.
3. Following termination of the Joint Powers Agreement, file necessary paperwork with the California Secretary of State.
4. Direct staff to bring a budget amendment to the SoCo Transit Board at its last meeting in October 2018.

**SOUTH COUNTY TRANSIT
RESOLUTION NO. 18-___**

**A RESOLUTION OF THE SOUTH COUNTY TRANSIT BOARD OF DIRECTORS,
EXPRESSING SUPPORT FOR THE AMENDED AND RESTATED JOINT POWERS
AGREEMENT FOR THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY,**

AND

**TERMINATING THE SOUTH COUNTY AREA TRANSIT JOINT POWERS
AGREEMENT**

WHEREAS, South County Transit provides fixed route public transportation services in the cities of Arroyo Grande, Grover Beach and Pismo Beach, as well as the unincorporated area of Oceano, as authorized under a Joint Powers Agreement originally enacted in 1978 and subsequently amended in 2001 and 2016; and

WHEREAS, South County Transit has been provided professional administrative services, vehicle maintenance and operations oversight under contract to the San Luis Obispo Regional Transit Authority since 1997; and

WHEREAS, both South County Transit and the San Luis Obispo Regional Transit Authority have extensively discussed the possibility of consolidating South County Transit into the San Luis Obispo Regional Transit Authority to realize cost efficiencies and to avoid farebox recovery ratio penalties in the South County Transit service area; and

WHEREAS, the San Luis Obispo Regional Transit Authority Board of Directors has adopted an amended and restated Joint Powers Agreement that consolidates South County Transit services into the agency at its July 11, 2018 meeting; and

WHEREAS, the amended and restated Joint Powers Agreement for the San Luis Obispo Regional Transit Authority includes provisions that allow local control of service levels and budgetary control for fixed route services in the Arroyo Grande – Grover Beach Urbanized Area, which includes the cities of Arroyo Grande, Grover Beach and Pismo Beach, as well as the unincorporated community of Oceano; and

WHEREAS, the amended and restated Joint Powers Agreement for the San Luis Obispo Regional Transit Authority becomes effective at 12:00 AM on January 1, 2019 upon ratification by the County of San Luis Obispo Board of Supervisors and by each of the seven City Councils in the county; and

WHEREAS, the existing South County Area Transit Joint Powers Agreement states that the Agency may sell, lease or assign all of its real and personal property and may cease

operations upon such terms and conditions as the Board determines to be reasonable;
and

WHEREAS, the existing South County Area Transit Joint Powers Agreement also states that the Agreement shall continue in full force and effect until cancelled by a majority of the member agencies.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the South County Transit Board of Directors supports consolidation of South County Transit into the San Luis Obispo Regional Transit Authority.

BE IT FURTHER RESOLVED, that the South County Area Transit Joint Powers Agreement will be terminated effective 11:59 PM on December 31, 2018 upon full ratification of the amended and restated Joint Powers Agreement for the San Luis Obispo Regional Transit Authority.

BE IT FURTHER RESOLVED, that the South County Transit Board of Directors assigns all Agency property and obligations to the San Luis Obispo Regional Transit Authority upon termination of the South County Area Transit Joint Powers Agreement.

BE IT FURTHER RESOLVED, that the Chairman of the Board is directed to sign this resolution to terminate the South County Area Transit Joint Powers Agreement.

////////// NOTHING FURTHER EXCEPT SIGNATURES PAST THIS POINT //////////

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

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted this 18th day of July 2018.

Tim Brown, Chairperson
South County Transit

ATTEST:

Geoff Straw, Administrator
South County Transit

APPROVED AS TO FORM AND LEGAL EFFECT:

Rita L. Neal
County Counsel

By: _____
Timothy McNulty, Counsel
South County Transit

Date: _____

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
AMENDED AND RESTATED JOINT POWERS AGREEMENT

WITNESSETH:

This AMENDED AND RESTATED Agreement is made and entered into this _____ day of _____, 2018 by and among the incorporated cities of Arroyo Grande, Atascadero, El Paso de Robles, Grover Beach, Morro Bay, Pismo Beach and San Luis Obispo, all being municipal corporations in the County of San Luis Obispo, California (hereinafter called "Cities") and the County of San Luis Obispo, a body politic and corporate, and a subdivision of the State of California, (hereinafter called "County").

WHEREAS, the parties first entered into a Joint Powers Agreement to establish the San Luis Obispo Regional Transit Authority ("RTA") on March 9th, 1990, and subsequently amended the agreement on September 2, 1998, and April 16, 2013, and which is being amended and restated for clarity;

WHEREAS, Section 6500 et seq. of the California Government Code (Title 1, Div. 7, Chapter 5, Article 1) provides for agreements between two or more public agencies to jointly exercise any power common to the contracting parties, subject to certain mandatory provisions contained therein; and

WHEREAS, the Cities and County have previously entered into a joint powers agreement for the formation of the San Luis Obispo Council of Governments ("SLOCOG") for the purpose of providing, among other things, for a regional transportation agency and all of its members are members of this Agreement; and

WHEREAS, the San Luis Obispo Council of Governments, at a regularly held meeting on May 10, 1989, voted to consolidate the administration of several transportation systems through a regional transit joint powers agreement; and

WHEREAS, the cities of Arroyo Grande, Grover Beach, Pismo Beach, and the County of San Luis Obispo were formerly members of the South County Area Transit Joint Powers Agency which began operating a public transit system within those jurisdictions in January, 1978, and which ceased to exist and transferred its assets to RTA in return for amendments made to this Agreement effective ____2018.

NOW THEREFORE, it is agreed as follows:

ARTICLE I
General Provisions

Section 1. Recitals are True and Correct: All of the above recitals are true and correct and incorporated herein by reference.

Section 2. Purpose: The purpose of this Agreement is to exercise the common powers of the member agencies for the formation of a joint powers authority with full power and authority to own, operate and administer a county-wide public transportation system within the boundaries and over the territory over which the Joint Powers Agency has jurisdiction.

Section 3. Name: The official name of the entity shall be San Luis Obispo Regional Transit Authority and hereafter referred to as RTA.

ARTICLE II
Organization

Section 1. Board Members: The membership of the RTA Governing Board shall be the same as the membership of the SLOCOG governing board.

Section 2. Board Meetings - Voting - Quorum: Regular meetings shall be generally held in the first week of July, September, November, January, March and May or as specified in a biannually adopted meeting calendar. Special meetings may be called by the President or upon written request of at least three (3) members of the RTA Board.

Voting and quorum provisions shall be the same as those provided in the SLOCOG Joint Powers Agreement, however, any vote regarding South County Transit local fixed route services, or other public transportation services operated solely within the Arroyo Grande-Pismo Beach urbanized area, including the budgeting and funding of such services, shall require at least three affirmative votes from Board members who also sit on the South County Transit Committee, as defined in Section 7.C.iii., below.

Section 3. Officers: The officers of SLOCOG shall serve as officers of RTA.

Section 4. Executive Director: The RTA Board shall designate an Executive Director to operate RTA. The Executive Director shall serve at the pleasure of the RTA

Board, with delegated powers to certify documents of the RTA Board as required by the law and to assume such duties and responsibilities as the Board may direct.

Section 5. Members:

- A. The County of San Luis Obispo and all cities incorporated in the County of San Luis Obispo presently or in the future, are declared eligible for membership.
- B. Member city agencies may elect to have an alternate member(s) from their city council in addition to any official member, but said alternate(s) shall be able to vote only in the absence of the official representative.
- C. Membership shall be contingent upon the execution of this Joint Powers Agreement.

Section 6. Boundaries and Service Levels: The service area boundaries shall be all of the area within the boundaries of San Luis Obispo County as designated by the RTA Board. Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the unmet transit needs hearing required by Public Utilities Code Section 99401.5 may be instituted, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of formula developed by the RTA Board members representing the affected jurisdictions.

Section 7. Committees:

- A. Committees and subcommittees may be established as RTA may deem appropriate.
- B. Membership on “ad-Hoc” policy committees shall be at the discretion of the President. Nothing herein shall be construed to limit membership on these aforesaid committees to officials of the member agencies. The President may appoint any individual deemed qualified to serve on a committee.
- C. Standing committees shall include the:
 - i. Regional Transit Advisory Committee (RTAC) serving as a Regional Transit Productivity Committee to advise the Board on the efficiency and effectiveness of the transit system.

- ii. Executive Committee comprised of the President, Vice President and the past President and at least one representative from the County of San Luis Obispo (if none of the above are from the County of San Luis Obispo) shall advise the Executive Director and RTA on: draft agendas, personnel issues, budget and Overall Work Program; controversial, sensitive and major policy issues; and shall facilitate the annual performance evaluation of the Executive Director. Items for review shall be selected by the Executive Director in consultation with the President. All Committee members may include agenda items as they desire. For purposes of conducting business, two members shall constitute a quorum.

- iii. South County Transit Committee (SCTC) comprised of RTA Board members representing the four jurisdictions included in the Arroyo Grande - Pismo Beach Urbanized Area as defined in the 2010 Decennial Census. The SCTC member jurisdictions include the cities of Arroyo Grande, Grover Beach, Pismo Beach, and the County of San Luis Obispo, representing the Oceano Area and the Avila Beach Area. The SCTC's roles and responsibilities include:
 - a) The SCTC shall determine South County Transit local fixed-route services and any other public transportation services operated solely within the Arroyo Grande – Pismo Beach Urbanized Area by virtue of the voting requirements for all South County Transit matters provided above in Article II, Section 2 of this Agreement

 - b) At a minimum, the SCTC shall meet annually to consider annual service levels, fare levels, major marketing campaigns, and capital improvement plans, and to ratify financial commitments for each jurisdiction participating in South County Transit services. At the request of two or more SCTC members, properly noticed special SCTC meetings may also be conducted.

 - c) For purposes of conducting business, three of the four SCTC members shall constitute a quorum.

- d) The SCTC shall submit an annual South County Transit operating budget and multi-year capital improvement plan to the full RTA Board prior to May 1 each year for consideration as part of the RTA Overall Annual Budget.
- e) Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the annual unmet transit needs h required by California Public Utilities Code Section 99401.5 may be instituted in the SCTC service area, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of a formula developed by the SCTC members representing the affected jurisdictions.
- f) Each SCTC member agency shall make an annual State Transportation Development Act contribution based upon the percentage of total SCTC-served population related to the area served within that member agency. All population percentages utilized shall be those annually adopted by the San Luis Obispo Council of Governments for allocating Transportation Development Act funds based annually on estimates prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities.
- g) Any member of the SCTC may withdraw from the SCTC after providing written notice to the RTA Board President one (1) year in advance of the requested withdrawal date. A withdrawing member's financial obligation under this subsection is limited to the withdrawing member's pro-rata share of the currently adopted SCTC operating budget within the service area of the obligated commitments affecting the withdrawing member and any SLOCOG finding as to unmet transit needs that are reasonable to meet pursuant to Public Utilities Code Section 99401.5. However, the obligations of a withdrawing member under this subsection are limited to the special transportation funds to which the withdrawing

member would be entitled, such as Transportation Development Act funds, and this section shall not impose any obligation on the general funds of the withdrawing member.

- D. No committee shall commit RTA on any matter or questions of policy. Such matters or questions can only be decided by RTA.
- E. All committees shall receive clerical assistance from RTA staff and, by agreement, SLOCOG staff for the purpose of maintaining minutes of meetings and other such duties as the Executive Director may direct. The chair of each committee shall sign the original copy of the minutes indicating verification of contents upon committee adoption. Copies of minutes of all meetings shall be sent to members of RTA and the Executive Director.

ARTICLE III Financial Provisions

Section 1. Budget: The Executive Director shall prepare an Overall Annual Budget for RTA adoption prior to commencement of each fiscal year. The fiscal year shall be July 1 to June 30. The Overall Annual Budget will include financial details on core RTA services, as well as financial details for those various public transportation services provided under agreement to other agencies. Core RTA services include intercity fixed-routes along the US-101 and SR-1 corridors, and regional Americans with Disabilities Act complementary paratransit services. The approval of the Overall Annual Budget shall be in accordance with the following procedures:

- A. The RTA Executive Director will present a report outlining a set of Budget Assumptions budget assumptions to the RTA Executive Committee no later than its February meeting and to the full RTA Board no later than its March meeting.
- B. The RTA Executive Director will present a full draft Overall Annual Budget to the RTA Executive Committee and to the Regional Transit Advisory Committee no later than each committee's April meeting. Each committee will provide feedback to the RTA Executive Director, along with a formal recommendation that the full RTA Board consider the Overall Annual Budget for adoption (as amended).

- C. The RTA Executive Director will present the full final draft Overall Annual Budget to the RTA Board no later than its May meeting; in no case shall the Overall Annual Budget be adopted later than June 30th of each year.

The annual operating and capital budgets for non-core services provided under agreement to another agency requires ratification by its governing body prior to consideration of the Overall Annual Budget by the RTA Board.

Accounting practices to be applied will conform to those used by San Luis Obispo County, consistent with Transportation Development Act rules and regulations.

A Consolidated Fund balance and cash balance for RTA core services will carry forward from one year to the next. Separate Consolidated Fund balances and cash balances will be maintained for public transportation services provided by RTA under agreement to other agencies.

The Overall Annual Budget may additionally carry funds for future fiscal years where necessary to develop a multi-year Capital Improvement Program and to reflect obligations under state or federal funding agreements, to the extent allowable by California law.

No member Agency shall be required to expend any of its general fund monies to support the operations of RTA. The operation of the transit system shall be funded from revenues derived from operations, member Transportation Development Act fund contributions, grants, and any other appropriate revenue sources. Each member agency shall make an annual contribution to RTA in accordance with the adopted budget.

Any formula may be amended upon approval of all jurisdictions affected by that formula and ratified by RTA.

All population percentages utilized shall be those annually adopted by SLOCOG for allocating Transportation Development Act Funds based annually on estimates prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities.

Section 2. Expenditures: RTA may establish procedures and policies to insure competitive prices for the purchases of goods and services. Formal bidding shall not be required unless directed specifically by RTA or unless required by state or federal law. Particularly in the purchase of equipment, including buses, RTA may consider the

design, maintenance and operating costs, and other similar factors in determining the most suitable equipment and need not purchase equipment having the lowest initial cost.

Section 3. Treasurer and Auditor: Pursuant to Government Code Section 6505.5, the Treasurer of the County of San Luis Obispo is hereby designated as Treasurer of RTA. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Auditor/Controller of the County of San Luis Obispo is designated as the Auditor of RTA pursuant to Government Code Section 6505.5.

Section 4. Annual Audit: RTA shall cause an annual audit to be prepared and filed in accordance with Government Code Section 6505 and Public Utilities Code Section 99245. This audit shall include RTA core services, as well as those service provided under agreement for other agencies.

Section 5. Annual Report: The Executive Director shall prepare and submit an annual report of the operations to the RTA Board, SLOCOG and State Controller within 90 days of the end of the fiscal year pursuant to Public Utilities Code, Section 99243.

Section 6. Periodic Reporting: The RTA Board may require periodic reporting of ridership, finances, or other information. This periodic reporting shall include RTA core services, as well as those service provided under agreement to other agencies. It shall be the responsibility of the Executive Director to provide such reports in a form acceptable to the RTA Board.

ARTICLE IV Authority

Section 1. Powers: RTA shall have all powers necessary to carry out the purpose of this Agreement, except the power to tax. Its power to expend funds shall be limited only by the availability of funds as set forth in ARTICLE III: Financial Provisions, Section 1. The powers of RTA specifically include, but are not limited to, the following:

- A. To solicit bids and negotiate contracts from private enterprise for services and/or operation.
- B. To sue or be sued.
- C. To employ agents, employees and contract for professional services.

- D. To make and enter contracts, including labor, purchase agreement and employment contracts.
- E. To acquire, convey, construct, manage, maintain and operate necessary equipment, building and improvements.
- F. To acquire and convey real and personal property.
- G. To incur debts, liabilities and obligations, as well as obligations of financial assistance from State and Federal agencies, and to obligate RTA to operate the improvements, equipment or transportation system in accordance with the terms and conditions of said financial assistance.
- H. To purchase insurance as required by law or deemed necessary by the Board.
- I. To develop policies and procedures necessary to remain in compliance with Federal Transit Administration Section 5307 Urbanized Area Formula Program and other federal grant program funding requirements.

Section 2. RTA is a Public Legal Entity: RTA is a public entity duly formed and existing under the laws of the State of California. It is a separate and distinct legal entity from its member agencies. The debts, duties and obligations created pursuant to this Agreement, shall be solely the obligations of RTA and not those of its officers, employees, members of the Board of Directors or the member agencies.

ARTICLE V Miscellaneous Provisions

Section 1. Withdrawal of Member: A withdrawing member's financial obligation under this Section is limited to the withdrawing member's pro-rata share of the currently adopted operating budget based upon ARTICLE III, Section 1 within the service area of the obligated commitments affecting the withdrawing member and any SLOCOG finding as to unmet transit needs that are reasonable to meet pursuant to Public Utilities Code Section 99401.5.

Section 2. Amendment of Agreement: No amendment to this Agreement shall be made without the written consent of all member agencies at the time of the amendment.

Section 3. Ratification - Effective Date: This Agreement shall be deemed effective as to those parties executing this Agreement upon their execution of the Agreement.

Section 4. Assignability: In the event it is deemed in the best public interest to have RTA services performed by another individual or entity, whether public or private, and provided that the assignment complies with State and Federal laws, the agency on affirmative vote of the majority in accordance with Section 2 of ARTICLE II, may sell, lease or assign all of its real and personal property and cease operations upon such terms and conditions as RTA determines to be reasonable.

Section 5. Termination: This Agreement shall continue in full force and effect until rescinded by a majority of the member agencies.

Section 6. Notification to Secretary of State: Pursuant to Government Code Section 6503.5, RTA shall cause a notice of the execution of this Agreement to be prepared and filed with the Office of the Secretary of the State of California, within thirty (30) days after the effective date of any amendment to this Agreement. Until such filings are completed, RTA shall not incur indebtedness of any kind.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

IN WITNESS THEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

[Signatures on following pages]

City of Arroyo Grande

By: _____
Mayor

Clerk

Date: _____

Resolution No. _____

Approved as to form and legal effect:

Arroyo Grande City Attorney

Date: _____

City of Atascadero

By: _____
Mayor

Clerk

Date: _____

Resolution No. _____

Approved as to form and legal effect:

Atascadero City Attorney

Date: _____

City of Grover Beach

By: _____
Mayor

Clerk

Date: _____

Resolution No. _____

Approved as to form and legal effect:

Grover Beach City Attorney

Date: _____

City of Morro Bay

By: _____
Mayor

Clerk

Date: _____

Resolution No. _____

Approved as to form and legal effect:

Morro Bay City Attorney

Date: _____

City of Paso Robles

By: _____
Mayor

Clerk

Date: _____

Resolution No. _____

Approved as to form and legal effect:

Paso Robles City Attorney

Date: _____

City of Pismo Beach

By: _____
Mayor

Clerk

Date: _____

Resolution No. _____

Approved as to form and legal effect:

Pismo Beach City Attorney

Date: _____

City of San Luis Obispo

By: _____

Mayor

Clerk

Date: _____

Resolution No. _____

Approved as to form and legal effect:

San Luis Obispo City Attorney

Date: _____

County of San Luis Obispo

By: _____

Board of Supervisors Chairperson

Clerk

Date: _____

Resolution No. _____

Approved as to form and legal effect:

By: _____

County Counsel

Date: _____

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JOINT POWERS AGREEMENT
SOUTH COUNTY AREA TRANSIT

This agreement, by and between the cities of Arroyo Grande, Grover City, Pismo Beach, and the County of San Luis Obispo, representing the Oceano Area and the Avila Beach Area, is hereby entered into pursuant to Section 6500 et seq. of the Government Code of the State of California.

ARTICLE I
GENERAL PROVISIONS

SECTION 1: PURPOSES.

The purpose of this Agreement is to exercise the common powers of the member agencies by the formation of Joint Powers Agency with full power and authority to own, operate, plan for, and administer a public transportation system within the territory over which the Joint Powers Agency has jurisdiction (see map attached hereto as Exhibit A). This territory is consistent with the Arroyo Grande – Grover Beach Urbanized Area, which was designated as a result of the 2010 Decennial Census.

SECTION 2: NAME.

The official name of the Joint Powers Agency shall be South County Area Transit, and hereinafter referred to as “South County Transit” or alternately as “Agency.”

SECTION 3: POWERS.

The Agency shall have all the powers necessary to carry out the purposes of this Agreement, except the power to tax. The power to expend funds shall be limited only by the availability of funds as set forth in Section 1 of Article III, Financial Provisions of this Agreement. The powers of the Agency specifically include, but are not limited to, the following:

a. To operate a public transit system to serve all three incorporated cities in South San Luis Obispo County and the Oceano and Avila Beach areas of San Luis Obispo County, as is shown on the map attached hereto as Exhibit A.

b. To sue and be sued.

- c. To employ agents, employees and to contract for professional or other services.
- d. To make and enter into contracts including labor, purchase agreement and employment contracts.
- e. To acquire, convey, construct, manage, maintain and operate buildings and improvements.
- f. To acquire and convey real and personal property.
- g. To incur debts, liabilities and obligations from private, state and federal agencies.
- h. To apply for and execute contracts of financial assistance from state and federal agencies and to obligate the Agency to operate the improvements, equipment, or transportation system in accordance with the terms and conditions of said financial assistance.
- i. To purchase necessary insurance.
- j. To develop policies and procedures necessary to remain in compliance with Federal Transit Administration Section 5307 Urbanized Area Formula Program and other federal grant program funding requirements.

SECTION 4: AGENCY IS A PUBLIC LEGAL ENTITY.

The Joint Powers Agency, South County Transit, is a public entity duly formed and existing under the laws of the State of California. It is a separate and distinct legal entity from its member agencies. The debts, duties and obligations created pursuant to this Agreement, or those created pursuant to the previous Agreement, shall be solely the obligation of South County Transit and not those of its member agencies or of officers, employees, members of the Board of Directors or members of the member agencies.

ARTICLE II
ORGANIZATION

SECTION 1: BOARD OF DIRECTORS.

The powers of the Agency are vested in its Board of Directors. The Board of Directors shall be composed of one representative from each member agency. Each member of the Board of Directors shall have one vote. Each member agency shall appoint one regular member and one alternate member to the Board of Directors, and shall notify the Agency in writing of their

appointments or of any change of representative. The representative shall serve solely at the pleasure of the appointing member agency. Representatives shall be either elected officials or officers or employees of the member agency.

SECTION 2: MEETINGS – VOTING QUORUM.

The Board shall establish a time, place and date for a regular quarterly meeting. Regular meetings may be adjourned from time to time. Special meetings may be called by the Chairman or upon written request by any two members of the Board. Members shall be given at least 48 hours written notice of special meetings, provided however, the representative of any member may waive said notice.

A majority of the members shall constitute a quorum for the transaction of business.

Unless specifically limited by this Agreement, the vote of the majority of the members present at any regular, adjourned or special meeting shall be sufficient to act upon any matter.

SECTION 3: OFFICERS.

The Board shall elect a Chairman and Vice-Chairman, and the Vice-Chairman shall act in the absence of the Chairman. The Board shall also elect such other officers as deemed necessary.

All officers shall serve for a term of one year from the date of their election or until their successors are elected. The Chairman or Vice-Chairman is authorized to execute all documents in the name of the Agency.

SECTION 4: ADMINISTRATION.

The Board may in its discretion, appoint an Administrator of the transit system, to serve at the pleasure of the Board, and to have the power to certify Agency documents as required by law and to assume such duties and responsibilities as the Board may direct.

SECTION 5: NEW MEMBERS.

The Board may accept new members to the Agency on such terms and conditions as the Board may prescribe.

SECTION 6: CHANGE OF BOUNDARIES.

The boundaries of this Agency are subject to change, as set forth hereinafter. If any portion of the unincorporated area of the County is annexed to a member city, that annexed portion shall automatically be included within the boundaries of this Agency, and the said member city shall assume any obligations of the County as to that area. If a new city should be formed in any portion of the unincorporated area of the County presently included within the territory of this Agency, and if such a new city should become a party to this Agreement, then the affected area shall be the responsibility of the new city and the County shall not be responsible for any obligations on account of the area so included within the new city as of the effective date of the incorporation of the new city. The boundaries of this Agency shall be adjusted to reflect annexations or new incorporations as set forth hereinabove.

SECTION 7: SERVICE LEVELS.

Any additional services beyond the level recommended by the Regional Transportation Plan or mandated in the annual Unmet Transit Needs Hearing (PUC Section 99401.5) may be instituted, but shall require unanimous approval of affected jurisdictions, with costs for the extra service to be distributed on the basis of formula developed by the Board members representing the affected jurisdictions.

SECTION 8: COMMITTEES.

a. Committees and subcommittees may be established as the Board may deem appropriate. Committees and subcommittees must abide by open meetings requirements of the Brown Act (Government Code Section 54950).

b. Membership on “ad-Hoc” policy committees shall be at the discretion of the Board Chairman. Nothing herein shall be construed to limit membership on these aforesaid committees to officials of the member agencies. The Chairman may appoint any individual deemed qualified to serve on a committee.

c. An Executive Committee comprised of the City Managers from the three cities and a County of San Luis Obispo-designated employee shall advise the Administrator and the Board on draft agendas, personnel issues, budget, and controversial, sensitive and major policy issues. Items for review shall be selected by the Administrator in consultation with the Chairman. All

Committee members may include agenda items as they desire. For purposes of conducting business, three members shall constitute a quorum.

d. No committee shall commit the Agency on any matter or questions of policy. Such matters or questions can only be decided by the Board.

e. All committees shall receive clerical assistance from Agency staff for the purpose of maintaining minutes of meetings, complying with Brown Act open meeting requirements, and other such duties as the Administrator may direct. The chair of each committee shall sign the original copy of the minutes indicating verification of contents upon committee adoption. Copies of minutes of all meetings shall be sent to Board members.

ARTICLE III FINANCIAL PROVISIONS

SECTION 1: BUDGET – LIMITATION OF FINANCIAL COMMITMENT.

The Board shall establish the fiscal year for the Agency and shall, prior to the commencement of each fiscal year, adopt an annual budget prepared by the Administrator.

A Consolidated Fund balance and cash balance will carry forward from one year to the next. The budget may additionally carry funds for future fiscal years where necessary to develop a multi-year Capital Improvement Program and to reflect obligations under state or federal funding agreements, to the extent allowable by California law.

Accounting practices to be applied will conform with those used by San Luis Obispo County, consistent with Transportation Development Act rules and regulations.

No member Agency shall be required to expend any of its general fund monies to support the operations of the Agency, unless said expenditure is first approved by the legislative body of the member agency. The operation of the transit system shall be locally funded from Transportation Development Act monies or from grant monies, and from revenues derived from operations. Each member agency shall make an annual contribution to the Agency based upon the percentage of population related to the area served within that member agency. All population percentages utilized shall be those annually adopted by the San Luis Obispo Council of Governments for allocating Transportation Development Act Funds based annually on estimates

prepared by the State Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code for cities and by the County Planning Department for unincorporated communities.

SECTION 2: EXPENDITURES.

The Board will establish procedures and policies to insure competitive prices for the purchases of goods and services that meet federal and state procurement requirements.

SECTION 3: TREASURER AND AUDITOR.

Pursuant to Government Code Section 6505.5, the Treasurer of the County of San Luis Obispo is hereby designated as Treasurer of the Agency. The Treasurer shall have the powers and duties set forth in Government Code Section 6505.5. The Auditor/Controller of the County of San Luis Obispo is designated as the Auditor of the Agency pursuant to Government Code Section 6505.5.

SECTION 4: ANNUAL AUDIT.

The Board of Directors shall cause an annual audit to be prepared and filed in accordance with Government Code Section 6505 and Public Utilities Code Section 99245.

SECTION 5: OFFICIAL BONDS.

The Administrator and such other employees or agents as the Board may direct shall file an official bond in an amount to be determined by the Board. The cost of said bond(s) shall be borne by the Agency.

SECTION 6: ANNUAL REPORT.

The Administrator shall prepare and submit an annual report of the operations to the the San Luis Obispo Council of Governments and the Office of the State Controller within 90 days of the end of the fiscal year pursuant to Public Utilities Code, Section 99243.

SECTION 7: PERIODIC REPORTING.

The Board may require periodic reporting of ridership, finances, or other information. It shall be the responsibility of the Administrator to provide such reports in a form acceptable to the Board.

ARTICLE IV
MISCELLANEOUS PROVISIONS

SECTION 1: WITHDRAWAL OF MEMBERS.

Any member of this Agency may withdraw at any time after written notice to the Agency Board.

A withdrawing member's financial obligation under this Section is limited to the withdrawing member's pro-rata share of the currently adopted operating budget based upon ARTICLE III, SECTION 1 within the service area of the obligated commitments affecting the withdrawing member and any San Luis Obispo Council of Governments finding as to Unmet Transit Needs that are Reasonable to Meet pursuant to Public Utilities Code Section 99401.5. However, the obligations of a withdrawing member under this section is limited to the special transportation funds to which the withdrawing member would be entitled, such as Transportation Development Act funds, and this section shall not impose any obligation on the general funds of the withdrawing member.

SECTION 2: AMENDMENT OF AGREEMENT.

This Agreement may be amended at any time with the unanimous approval of the legislative bodies of the member agencies. No amendment to this Agreement shall be effective without such unanimous approval.

SECTION 3: RATIFICATION – EFFECTIVE DATE.

This Agreement shall be become effective upon ratification by all member agencies. This Agreement shall be dated and shall be effective upon the last date ratified by a member agency.

SECTION 4: ASSIGNABILITY.

In the event it is deemed in the best public interest to have the public transportation system operated by another individual or entity, whether public or private, and provided that the assignment complies with state and federal law, the Agency on affirmative vote of all of its members, may sell, lease or assign all of its real and personal property and may cease operations upon such terms and conditions as the Board determines to be reasonable.

SECTION 5: TERMINATION.

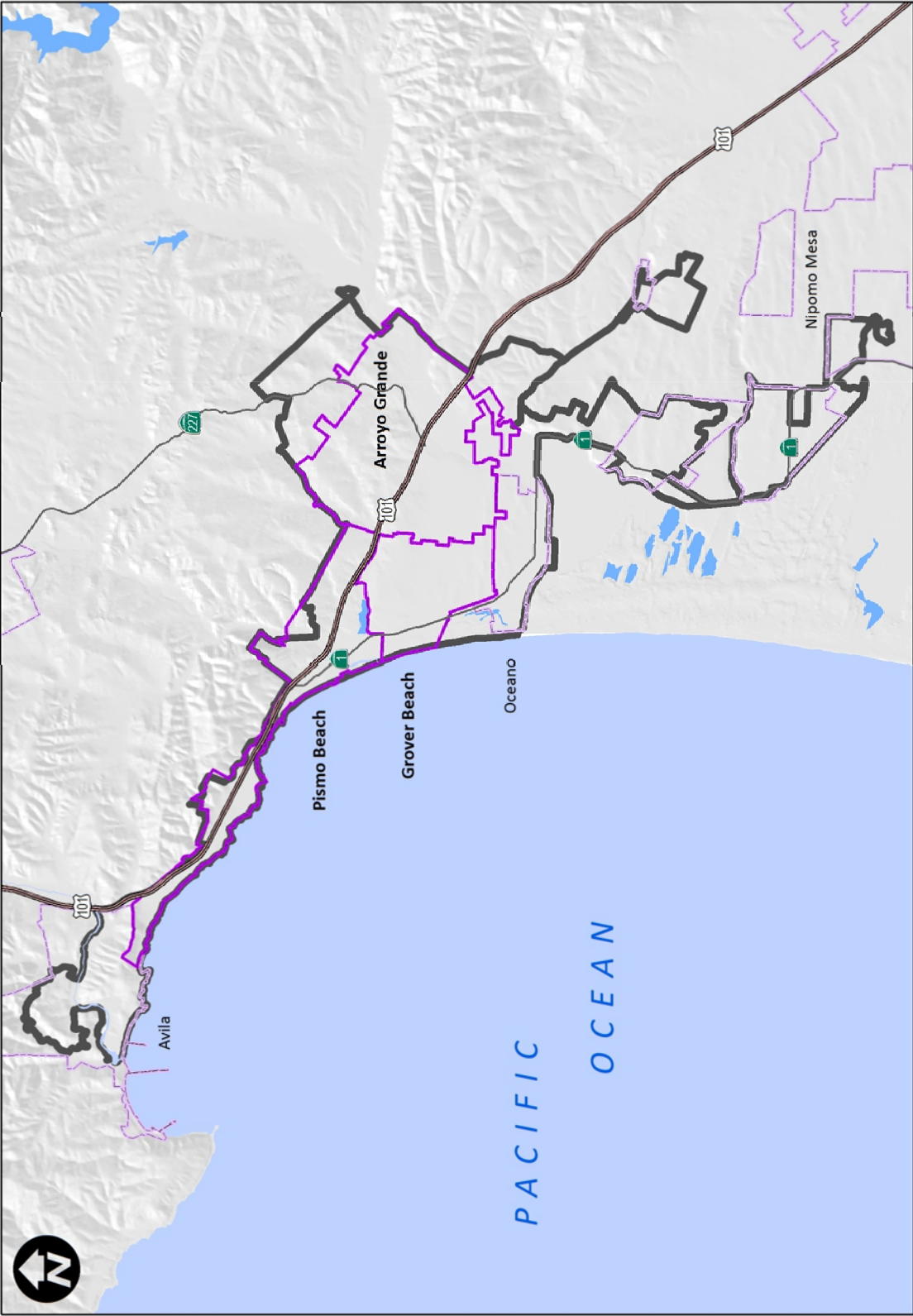
This Agreement shall continue in full force and effect until cancelled by a majority of the member agencies.

SECTION 6: NOTIFICATION TO SECRETARY OF STATE.

Pursuant to Government Code Section 6503.5, the Agency shall cause a notice of the execution of this Agreement to be prepared and filed with the Office of the Secretary of the State of California, within thirty (30) days after the effective date of this Agreement. The Agency shall likewise cause such a notice to be prepared and filed with the Office of the Secretary of State within thirty (30) days after the effective date of any amendment to this Agreement. Until such filings are completed, the Agency shall not incur indebtedness of any kind.

IN WITNESS WHEREOF, the parties have executed this Agreement as to be effective on the ____ day of _____, 2016, which is the last date of signing by a member.

Exhibit A – SCT Planning Area Map



Map 1. Arroyo Grande-Grover Beach UA

Arroyo Grande-Grover Beach UA Incorporated cities Unincorporated communities

Date created: January 12, 2016

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SOUTH COUNTY TRANSIT

July 18, 2018

STAFF REPORT

AGENDA ITEM: B-2

TOPIC: Reschedule October 2018 Meeting

PRESENTED BY: Geoff Straw, Administrator

STAFF RECOMMENDATION: Reschedule October 17, 2018 meeting to October 24, 2018

BACKGROUND/DISCUSSION:

SoCo Transit purchases liability and physical damage coverages from the California Transit Indemnity Pool (CalTIP). I was recently selected by my peers to serve on the CalTIP Board of Directors Oversight Committee, which has scheduled a meeting in Sacramento on the same date as the SoCo Transit Board's regularly-scheduled October 17th meeting. As such, staff is requesting that the regularly-scheduled SoCo Transit Board meeting be rescheduled one week later to October 24th.

It is important to note that – barring any unforeseen issues that might arise – this will be the last meeting of the SoCo Transit Board of Directors prior to planned consolidation with the RTA. It will be important to recognize this important milestone, and we will make a special invitation to all SoCo Transit employees to voluntarily attend so that they can thank the Board for all its hard work over the past 40 years.

If the Board concurs with the new meeting date, staff will update the 2018 Board Meeting Dates section on our website, and notify riders using the LCD screens on our buses.

Staff Recommendation

Reschedule the next SoCo Transit Board meeting to October 24, 2018.

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DRAFT
SOUTH COUNTY TRANSIT
MINUTES OF JUNE 20, 2018 BOARD MEETING
City Council Chamber, Arroyo Grande
C-1

Directors Present:	Tim Brown, Chairperson	Mayor Pro Tem, Arroyo Grande
	Lynn Compton	County Supervisor, District 4
	Sheila Blake	City Council Member, Pismo Beach
	John Shoals, Vice Chair	City Council Member, Grover Beach

Directors Absent:

Staff Present:	Geoff Straw	Administrator
	Phil Moores	Operations Manager
	Mary Gardner	Marketing Manager
	Shelby Walker	Administrative Assistant
	Will James	Bus Operator

CALL TO ORDER AND ROLL CALL: Chairperson **Tim Brown** called the meeting to order at 1:34 p.m., and a quorum was present.

PUBLIC COMMENT: None

A. INFORMATION AGENDA:

A-1 Administrator's Report (Receive): **Mr. Geoff Straw** SoCo Transit Bus Operator **Mr. Will James** was selected by his peers to be the Employee of the Quarter. **Mr. Phil Moores** stated that **Mr. James** is reliable, hardworking, and fully committed to the success of SoCo Transit. He goes above and beyond expectations for his position by conducting extra safety checks on the bus and performing closing duties at the yard for staff. He has maintained a perfect safety record and we fully expect him to earn his 14th annual safety pin next month. He currently has the longest standing safety record of any employee at either RTA or SoCo Transit. **Mr. James** stated he is doing five more years and then will retire. He has enjoyed his time with SoCo Transit. **Director John Shoals** stated that **Mr. James** is employee of the decade in his mind and thanked him for all the years of service to SoCo Transit.

Mr. Straw continued the report. Staff continues to make presentations at each RTA and SoCo Transit jurisdiction with the intent of soliciting comments on the revised/restated RTA Joint Powers Agreement for SoCo Transit/RTA consolidation.

Supervisor **Mr. Mark Diamond** graciously gave a month notice that he would be leaving our company. **Mr. Diamond** has long planned to move out of state to be closer to his grandchildren, and his last day was April 28th. We are currently recruiting for a new Bus Operator training class of that would begin on July 9th. We are seeking to fill one part-time opening at SoCo Transit and six at the RTA. Staff published a quarterly newsletter, which have been distributed. We try and get those out at least three times a year.

At its June 6th meeting, the SLOCOG Board of Directors formally agreed to reduce the required farebox recovery ratio in the Arroyo Grande – Grover Beach Urbanized Area from 20% to 15% pending SoCo Transit’s planned consolidation into the RTA. All of these changes have a five-year limit so that SLOCOG staff can evaluate the impacts and possibly recommend revisions after 2023.

Staff has been working with SLO Air Pollution Control District officials to investigate the possibility of replacing two diesel-powered 2003 Gillig buses with battery-electric buses. Even with *Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program* and *VW Settlement* funds – this new technology would require additional capital funding to both buy the buses and install a back-end recharging infrastructure. This is primarily because the air quality benefits are relatively low due to the relatively few miles the SoCo Transit buses operate annually. As such, staff will pursue other opportunities in the region.

Staff will present detailed year-to-date FY17-18 operating and financial results at the regularly-scheduled July 18th meeting. However, SoCo Transit’s core fixed-route ridership total is slightly down 1.7%. This relatively small decline is a welcome relief from recent quarters, where SoCo Transit experienced almost double-digit percentage declines.

Mr. Straw concluded his report.

Chairperson Brown opened Board and public comment.

Chairperson Brown asked about the five-year time frame in regards to the 15% farebox recovery ratio. **Mr. Straw** stated that once you are designated a Federally recognized urbanized area, it triggers the State’s higher farebox recovery ratio. SLOCOG could possibly extend the lower FRR for a longer period once the initial five-year period expires.

Director Shoals stated that there are some details of bus loading and unloading for the Grover Beach Train Station that helps with safety and accessibility for passengers. Thanks to SLOCOG and LOSSAN, the use of LCTOP funds will close the funding gap for the rail station project. It is a service that will help the region. **Mr. Straw** stated that there is a tie into transit and we worked together as a group to make the project work.

Chairperson Brown closed Board and public comment.

A-2 Consolidation Update (Receive): Mr. Straw provided an update to the consolidation. All of the financial and other assumptions from the April 25th Board meeting remain current. Staff presented updates on the planned consolidation to City Council for Arroyo Grande, Grover Beach and Pismo Beach in the months of April and May. In short, the City representatives agree with the consolidation plan as long as control over SoCo Transit services remains with the three cities and the county's District 4 representative. Fares should remain local and the transition should occur as assets term-out over time.

The RTA Board of Directors will consider the revised and restated RTA JPA at its July 11th meeting. If ratified, staff will subsequently ask all RTA jurisdictions to ratify the new agreement and then the new JPA will be filed with the California Secretary of State. The new JPA would be effective on January 1, 2019. A budget amendment would need be considered by the RTA Board to incorporate SoCo Transit services into a new and consolidated RTA FY18-19 Budget.

Staff will also ask the SoCo Transit Board to consider abolishing the existing South County Area Transit JPA at its regularly-scheduled July 18th meeting. If the termination is accepted, staff will then ask all SoCo Transit jurisdictions to ratify the termination of the JPA. The new "South County Transit Committee" would need to convene prior to the November 2018 RTA Board meeting to ratify the SoCo Transit portion of the partial-year budget amendment mentioned above.

Mr. Straw concluded his report.

Chairperson Brown opened Board and public comment.

Director Sheila Blake asked how the integration of the workforce is going. **Mr. Straw** stated that we continually communicated with both work forces and it seems to be going well.

Chairperson Brown closed Board and public comment.

B. ACTION AGENDA:

B-1 State of California Low-Carbon Transit Grant Program (Action): Mr. Straw stated the Low-Carbon Transit Operations Program is one of several programs funded by the State of California that has a goal of reducing greenhouse gas emissions and achievement of other environmental goals. These grant programs are funded by auction proceeds from the California Air Resource Board's Cap-and-Trade Program, with proceeds deposited into the Greenhouse Gas Reduction Fund. The LCTOP received \$101 million in FY17-18 statewide, and 5% will be continuously appropriated annually.

Eligible recipients of the LCTOP funds include South County Transit, RTA, SLO Transit, Paso Express, Atascadero Dial-A-Ride, Morro Bay Transit and SLOCAT. Eligible projects must support new or expanded bus services or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance and other costs to operate those services or facilities.

He stated staff is requesting authorization to submit a LCTOP grant application for \$366,982 for continuation of Routes 27 and 28 in FY18-19. Staff recommends approval of the attached resolution.

Mr. Straw concluded her report.

Chairperson Brown opened Board and public comment.

Chairperson Brown asked if including the Grover Beach Train station into this would leave us short.

Mr. Pete Rodgers, SLOCOG, stated **Ms. Eliane Wilson** recently retired. SLOCOG Board is a regulator and wants to make sure we are following the appropriate actions. SLOCOG is in favor of the LCTOP plan.

Mr. James stated that the Route 27 was been requested to by more passengers for the weekend service. He is trying to educate passengers on which routes to take.

Chairperson Brown closed Board and public comment.

Director Shoals moved to approve Agenda Item B-1. **Chairperson Brown** seconded and the motion carried unanimously on a roll call vote.

C. CONSENT AGENDA:

C-1 SoCo Transit Minutes of April 25, 2018 (Approve)

Director Compton moved to approve Consent Agenda. **Chairperson Brown** seconded and the motion carried on a roll call vote with **Director Shoals** abstaining.

D. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Govt. Code Sec. 54956.9, subdivision (a))

Arbitration re: Employee Termination

Went into closed session at 1:59 p.m. and returned to open session at 2:04 p.m.

Mr. Tim McNulty stated that the Board met in closed session and confidentially resolved an employee issue.

E. DIRECTORS' COMMENTS: None

F. EXECUTIVE COMMITTEE MEMBERS' COMMENTS: None

ADJOURNMENT: The meeting was adjourned at 2:05 p.m.

Respectfully submitted, Shelby Walker, Administrative Assistant

**SOUTH COUNTY TRANSIT
July 11, 2018
STAFF REPORT**

AGENDA ITEM: C-2

TOPIC: Amendment #2 to Transfer Agreement with LOSSAN

PRESENTED BY: Geoff Straw, Administrator

STAFF RECOMMENDATION: Execute Agreement Amendment between SoCo Transit and LOSSAN

BACKGROUND/DISCUSSION:

On May 5, 2016, the SoCo Transit Board of Directors joined other transit agencies along the Amtrak-operated Surfliner passenger train corridor to provide fare-free transfers between train and local fixed-route bus services. This arrangement essentially provides “first-mile” and “last-mile” options for train riders, which reduces automobile traffic on area roadways and frees up car parking spaces at the three train stations in the county (Paso Robles, San Luis Obispo and Grover Beach).

The original one-year agreement allows train passengers to board local fixed-route buses fare-free (by merely showing the Bus Operator a valid train ticket), and the fare is then reimbursed by LOSSAN. An amendment was approved on April 26, 2017 extending the program to June 2018, and LOSSAN is requesting that we extend the program for another full fiscal year.

The established reimbursement rate of \$0.70 per boarding was calculated by dividing the number of FY14-15 passenger boardings by the actual fare revenues collected. Invoices are processed quarterly, and the program will be effective from July 1, 2018 through June 30, 2019 or until the \$18,000 cap is met.

Staff Recommendation

Authorize the Administrator and Counsel to execute an amendment to the agreement with LOSSAN.

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**AMENDMENT NO. 2 TO
COOPERATIVE AGREEMENT NO. L-6-0007**

BETWEEN

LOS ANGELES–SAN DIEGO–SAN LUIS OBISPO RAIL CORRIDOR AGENCY

AND

SOUTH COUNTY TRANSIT

FOR

**FACILITATING TRANSFERS BETWEEN PACIFIC SURFLINER INTERCITY RAIL SERVICE
AND LOCAL TRANSIT SERVICES**

THIS AMENDMENT NO. 2 is effective as of this _____ day of _____, 2018, by and between the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, 600 S. Main St., Orange, California, 92863, a joint powers authority (hereinafter referred to as "LOSSAN AGENCY"), and the South County Transit, 179 Cross Street, San Luis Obispo, California, 93401, a public corporation of the State of California (hereinafter referred to as "SCT"), each individually known as "Party" and collectively known as "Parties".

WITNESSETH:

WHEREAS, Parties entered into Cooperative Agreement No. L-6-0007 on June 1, 2016, as last changed by Amendment No. 1 dated July 1, 2017, to define the specific terms and conditions, and roles and responsibilities as they relate to a Pacific Surfliner Transit Transfer Program; and

WHEREAS, Parties agree to extend the term of the Agreement for an additional thirty six (36) months through June 30, 2021 with no increase to the maximum cumulative payment obligation.

NOW, THEREFORE, it is mutually understood and agreed by Parties that Cooperative Agreement No. L-6-0007 is hereby amended in the following particulars only:

1. Amend **ARTICLE 10. ADDITIONAL PROVISIONS**, page C-3-8 of C-3-12, paragraph A, line 8, as last changed by Amendment No. 1 dated July 1, 2017, to delete "June 30, 2018" as the expiration date of the agreement and in lieu thereof, insert "June 30, 2021".

AMENDMENT NO. 2 TO
AGREEMENT NO. L-6-0007

The balance of Cooperative Agreement No. L-6-0007 remains unchanged.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to Cooperative Agreement No. L-6-0007 to be executed on the date first above written.

SCT

LOSSAN RAIL CORRIDOR AGENCY

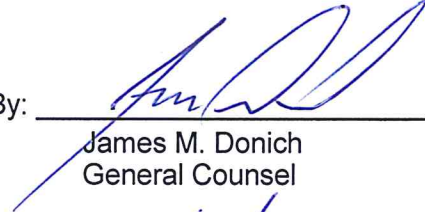
By: _____
Geoff Straw
Administrator

By: _____
Jennifer Bergener
Managing Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Timothy McNulty
SCT Counsel

By: _____

James M. Donich
General Counsel

Dated: _____

Dated: 4/27/18

