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South County Transit Committee Agenda

Wednesday, May 4, 2022 8:15 a.m. to 9:00 a.m. (Ending time is approximate)

BOARD OF SUPERVISORS' CHAMBERS

COUNTY GOVERNMENT CENTER

1055 Monterey Street, San Luis Obispo, California 93401

The AGENDA is available/posted at: <http://www.slorta.org>

Members:

Dawn Ortiz-Legg (Third District – SLO County)
Jimmy Paulding (Arroyo Grande)

Karen Bright (Grover Beach)
Ed Waage (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 805-541-2228. Please note that 48 hours advance notice will be necessary to honor a request.

FLAG SALUTE

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.

ADMINISTRATIVE ITEMS

ELECTION OF OFFICERS: Elect Chairperson and Vice Chairperson

A. ACTION AGENDA

A-1 Fiscal Year 2022-23 Operating and Capital Budget (Approve)

B. INFORMATION AGENDA

None

C. CONSENT AGENDA

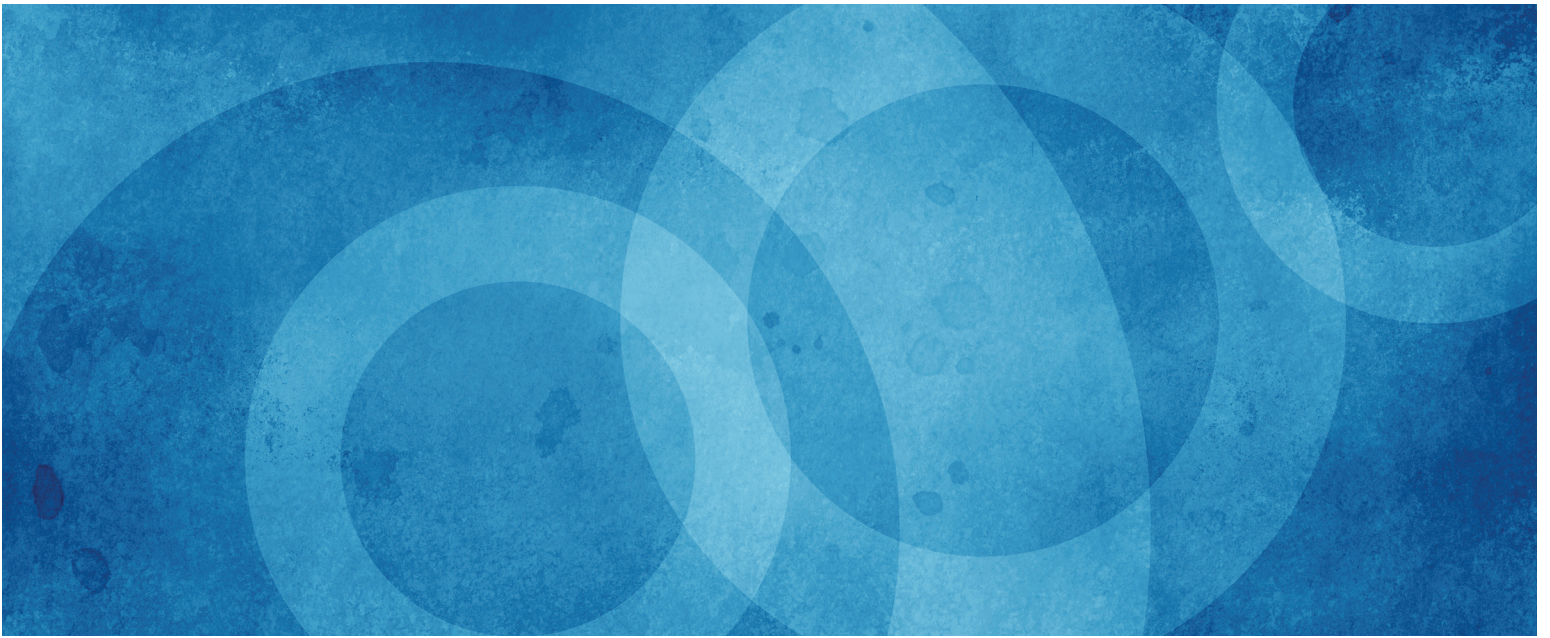
C-1 SoCo Transit Minutes of May 5, 2021 (Approve)

D. MEMBER COMMENTS

ADJOURNMENT (before 9:00 a.m.)

South County Transit, operated by the San Luis Obispo Regional Transit Authority JPA, serves the residents and visitors of: Arroyo Grande, Grover Beach, Pismo Beach, Shell Beach and Oceano

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South County Transit

Fiscal Year 2022/2023 Budget - Projected Five Year Capital Budget - May 4 2022



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Vision Statement

The SoCo Transit 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 SoCo Transit'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 SoCo Transit serves.
4. Promote the value of SoCo Transit 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 TRANSIT COMMITTEE
MAY 4, 2022
STAFF REPORT**

AGENDA ITEM: A-1

TOPIC: Fiscal Year 2022-23 Operating and Capital Budget

ACTION: Adopt Fiscal Year 2022-23 Budget as Presented

PRESENTED BY: Tania Arnold, Deputy Director/CFO

STAFF RECOMMENDATION: Adopt the SoCo Transit FY22-23 Budget as Presented

BACKGROUND

We appreciate the South County Transit Committee's (SCTC's) support and leadership during these unprecedented times as we work to present a financially constrained Fiscal Year 2022-23 operating budget. In addition, we are presenting a five-year capital program.

The budget packet contains the following items:

- Our Vision and Mission statements,
- Fiscally constrained FY22-23 operating and capital budgets, and
- Fiscally unconstrained FY23-24 operating and capital budgets.

We are pleased to present the proposed South County Transit (SoCo Transit) Fiscal Year 2022-23 Operating and Capital Budget, which is also included as a separate column in the overall RTA budget. This is the second full-year budget that the SCTC will consider following consolidation into the RTA in October 2020. The SoCo Transit operating budget is proposed at \$2,192,060 and the capital budget at \$81,830. The SoCo Transit budget is balanced, based on proposed service levels and anticipated funding levels. The SoCo Transit FY22-23 budget assumes the same levels of fixed-route revenue service hours and miles for all routes.

Below are the key issues staff is working to address:

KEY ISSUES

1. Address the operational and financial impacts of the COVID-19 pandemic, both internally and in support of the communities in which the RTA operates. Impacts include:
 - a. Liability costs, which stabilized due to the RTA's good safety record, but the market continues to be extremely volatile.

In March 2022, staff was pleasantly surprised to learn that workers compensation insurance provided by PRISM (Public Risk Innovation

Solutions Management, previously known as CSAC Excess Insurance Authority) is projected to be in line with prior years, not incurring increases which is of note, especially in times of increasing wages. The premiums continue to be static and provide a welcome relief – especially with the realization that worker’s compensation across all employment sectors, including for transit services, is especially challenging statewide as loss development trends for the state are not favorable.

In late March 2022 we also received estimated premium for our general liability and vehicle physical damage insurance policies. The annual premium cost for these two insurance policies will be relatively flat as a result of staff’s continual work with our employee committee that has evaluated workplace safety and has initiated a proactive program to reduce the number and severity of claims.

Property insurance has increased due to fully insuring the new Bus Maintenance Facility.

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

The RTA completed a Diversity, Equity and Inclusion review in December 2020 with the final report presented to the RTA Board in May 2021. In person training will be conducted in May 2022 regarding a new program called *Diversity, Equity, Inclusion and Belonging: Why it Matters*. Additional staff will be completing an eLearning training on *Implicit Bias*.

A new and relatively low-cost paid family leave program is also proposed for implementation in July 2022. It brings the RTA leave program more in line with the leave provided by many private employers who participate in the state disability insurance (CA SDI) program.

2. Negotiate a new or extended Collective Bargaining Agreement with Teamsters Local 986, which represents RTA’s Bus Operators, Mechanics, and Utility employees. The current CBA one-year extension expires December 31, 2022.

As included in the budget assumptions that the RTA Board accepted in March 2022, the 4-year CBA was ratified in November 2017, with wage scales that began January 1, 2018. Acknowledging that this agreement was set to expire at the end of the calendar year 2021, staff worked with the RTA Board to determine an appropriate approach to this agreement in light of the financial and operating impacts of the pandemic and a one year extension through December 2022 was adopted by the RTA Board at the September 2021 meeting. Staff will again work with the RTA Board to determine an appropriate approach ahead of negotiations expected to occur in the summer of 2022.

An annual inflationary adjustment for non-union employees (excluding Operations Supervisors) of 6.6% is proposed for implementation in July 2022.

The Operations Supervisor classification CPI increase adjustment would be implemented in January 2023, to coincide with Bus Operator wage scale adjustments. Employees within the salary range for their position are eligible for a step merit increase subject to performance assessments beginning in July 2022. The wage scales for non-union employees (excluding Operations Supervisors) is presented in tabular format at the end of this budget document.

3. Continue efforts to implement Zero Emission Bus technologies, including procurement of battery-electric vehicles and start-up of recharging infrastructure.
4. State Transit Assistance (STA) funds are projected to be higher than in the past few years. As a reminder, starting in FY17-18 the funding to the region was significantly increased due to the Senate Bill 1 – Road Repair and Accountability Act (SB-1) funds, which include augmented STA funds and State of Good Repair funds.

With the additional STA funds made available through the SB-1 augmentation, the RTA has been able to leverage STA as the local match on more capital projects, keeping other local funding available for operations.

As noted in the April 4, 2018 SLOCOG staff report, the SoCo Transit STA allocation for regional integration (due to impending consolidation into the RTA) has been increased to 100%. Staff also appreciates SLOCOG lowering the farebox recovery ratio (FRR) requirement in the Arroyo Grande-Grover Beach Urbanized Area from 20% to 15% under consolidation; this will help the consolidated services achieve a more feasible FRR requirement.

5. Local Transportation Funds (LTF) used primarily for operating purposes are projected to be higher in the region, but staff will continue to maximize all other funding sources before determining the need for LTF.

LTF funds are derived from the statewide ¼ percent sales tax, and has traditionally been used to fund operations, but can be used for capital projects as well, although the FY21-22 capital budget does not include LTF funds.

During the May 2021 budget presentation, the initial LTF projected for FY22-23 was \$1,156,970. For FY21-22, the LTF was budgeted at \$166,610 which was a significant decrease from prior years, with the LTF in FY19-20 allocated of \$456,464. This decrease was in large part due to the increase in funding provided by the “Coronavirus Aid, Relief, and Economic Security Act” (CARES Act), which was a \$2 trillion emergency funding package designed to blunt the worst and most immediate impacts of the COVID-19 pandemic, allowing for a reduced LTF amount in FY20-21 and a carryover to FY21-22. Unfortunately the funds have now been fully used and the LTF request has returned to previously projected levels.

No LTF is required for local match for any of the proposed capital projects in the current fiscal year.

6. Fuel costs continue to be volatile; the recent spike has resulted in an increase in ridership and resulting fares.

Due to the current global uncertainty, fuel prices have continued to swing wildly especially in the last few months. Staff has tried to budget fuel somewhat conservatively, but has increased the budgeted amount from \$4.30 included in the March 2022 budget assumptions to \$4.80 in order to be more in line with current market conditions. 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.

Revised Revenue Assumptions

The overall Administration Expense is down by approximately 4% compared to FY21-22. Professional technical services has increased with the likely renewal for the Intelligent Transportation Systems (ITS) in May 2023. The ITS includes GPS-based automatic vehicle location, next-bus information, automated boarding/alighting data, and related high-technology solutions. Marketing and Reproduction included a revamp of the RTA website to make services more mobile friendly.

As discussed during the April 6th SLOCOG Board meeting, staff is closely monitoring the status of all three small urbanized areas (UZAs) following the decennial census. Obviously, if either the Arroyo Grande - Grover Beach UZA and/or the El Paso de Robles – Atascadero UZA is “downgraded” to rural, this would have a profound impact on transit funding in our county. We expect the Census Bureau to announce its findings in summer 2022.

The proposed Service Delivery cost is up by roughly 5% from what was identified in the FY21-22 budget. The primary reason for this increase as noted previously is the increase in wages as programed in the CBA, and rising fuel prices.

Capital Program

The focus of the SoCo Transit capital program will be the purchase of three low floor cutaway vehicles for the operation of Route 27 and 28. No LTF funds are programed for capital projects in FY21-22.

It should be noted that a portion of the FY21-22 capital funds for fully funded projects, such as the vehicles that have been delayed and on-going bus stop improvements, is not carried over to the proposed FY22-23 budget. This will happen with a budget amendment after the FY22-23 has started, and the carryover will have no new financial impact to local jurisdictions because the funding has been previously secured.

Conclusion

Fiscal Year 2022-23 will be a particularly challenging year, including continued financial uncertainty. We look forward to working with our customers, the SCTC and other stakeholders in providing stability and the highest quality of transportation services to residents of and visitors to our community. We believe that this budget reflects the path

set by your Committee in previous years and, although we would like to do more, we believe that this budget provides the optimum levels of service within the confines of existing limited resources.

Staff Recommendation:

Recommend that the SCTC adopt the SoCo Transit FY22-23 budget as presented.

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SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED OPERATING REVENUE BUDGET FOR 2022/2023

	2021/2022 Adopted SoCo Transit Budget	2022/2023 Proposed SoCo Transit Budget	2023/24 Projected SoCo Transit Budget
FUNDING SOURCES:			
GENERAL RESERVES	1,165,170	360,640	354,080
1. ESTIMATED FUND BALANCE	1,165,170	360,640	354,080
2. LESS REQUIRED RESERVES FOR FISCAL YEAR			
CASH FLOW REQUIREMENTS PER TDA	360,640	354,080	399,000
PERS BUYOUT	-	-	
DEBT SERVICE RESERVE FOR BUS MAINTENANCE FACILITY	-	-	
OFFSET RESERVE TO CARRYOVER TO FUTURE FISCAL YEARS	-	-	
TOTAL	360,640	354,080	399,000
3. FUND BALANCE AVAILABLE	804,530	6,560	(44,920)
NON TDA SOURCES			
FARES	38,560	90,000	90,000
SoCo TRANSIT MANAGEMENT CONTRACT	-	-	-
COUNTY MANAGEMENT CONTRACT	-	-	-
NORTH COUNTY MANAGEMENT CONTRACT	-	-	-
INTEREST	8,590	-	-
STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	183,700	272,950	3,870
RURAL TRANSIT FUND (Administration)	-	-	-
RURAL TRANSIT FUND (Operating Funds)	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	-	-	-
FTA (Section 5307) - San Luis Obispo CARES/ARP	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	-	-	-
FTA (Section 5311) - Operating CARES/CRRSAA	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	-	-	-
FTA (Section 5307-N. County) - Operating CARES/	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating	-	-	-
FTA (Section 5307-SM) - Operating CARES	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	616,000	609,850	627,860
FTA (Section 5307) - S. County Operating CARES/	-	-	-
CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	-	-	-
CUESTA CONTRIBUTION NORTH COUNTY	-	-	-
SPECIAL EVENTS REVENUE/OTHER	305,390	363,570	285,000
4. SUB TOTAL	1,152,240	1,336,370	1,006,730
5. TOTAL FUND BALANCE & NON TDA FUNDING	1,956,770	1,342,930	961,810
TDA REQUIRED			
CITY OF ARROYO GRANDE	63,336	320,383	502,223
CITY OF ATASCADERO	-	-	-
CITY OF GROVER BEACH	47,318	239,589	375,573
CITY OF MORRO BAY	-	-	-
CITY OF PASO ROBLES	-	-	-
CITY OF PISMO BEACH	29,145	147,973	231,958
CITY OF SAN LUIS OBISPO	-	-	-
COUNTY OF SAN LUIS OBISPO	26,810	138,720	217,454
TDA REQUIREMENTS BEFORE 5311 EXCHANGE	166,610	846,666	1,327,208
LESS: RURAL TRANSIT FUND/5311 EXCHANGE	-	-	-
6. NET TDA REQUIREMENTS	166,610	846,666	1,327,208
7. TOTAL FUNDING SOURCES	2,123,380	2,189,596	2,289,018
8. FUNDING USES:			
ADMINISTRATION	195,470	165,740	155,560
PERS BUYOUT	-	-	
BUILDING DECOMMISSIONING	-	-	
MANAGEMENT CONTRACTS	114,160	128,540	137,110
SERVICE DELIVERY	1,786,490	1,869,890	1,971,010
CONTINGENCY	27,260	27,890	29,200
9. TOTAL FUNDING USES	2,123,380	2,192,060	2,292,880

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
CAPITAL AND PLANNING REVENUE BUDGET FOR 2022/2023

		2021/2022 Adopted SoCo Transit Capital Budget	2022/2023 Proposed SoCo Transit Capital Budget	2023/24 Projected SoCo Transit Capital Budget
FUNDING SOURCES:				
BEGINNING CAPITAL PROJECTS RESERVE		355,380	182,220	158,730
1.	ESTIMATED FUND BALANCE	355,380	182,220	158,730
2.				
LESS REQUIRED RESERVES FOR FISCAL YEAR				
CAPITAL PROJECTS RESERVE		182,220	158,730	97,090
TOTAL		182,220	158,730	97,090
3.				
FUND BALANCE AVAILABLE		173,160	23,490	61,640
NON TDA SOURCES				
STATE TRANSIT ASSISTANCE (STA) WITH SB1 AUGMENTATION		16,830	58,340	327,420
LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)		-	-	-
PROPOSITION 1B FUNDING - SAFETY & SECURITY		-	-	-
STA SB1 STATE OF GOOD REPAIR		-	-	-
PROPOSITION 1B FUNDING - BUS REPLACEMENT & BUS MAINTENANCE FACILITY		-	-	-
APCD AB 617 FOR GARAGE PROJECT, CAP AND HVP FOR ELECTRIC BUSES		-	-	-
RURAL TRANSIT FUND (Capital)		-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo		-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5309) - State of Good Repair		-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5339) - Bus and Bus Facilities		-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-North County)		-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-Santa Maria) - CARES		-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307-South County)		460,000	-	137,660
4.				
SUB TOTAL		476,830	58,340	465,080
5.				
TOTAL FUND BALANCE & NON TDA FUNDING		649,990	81,830	526,720
TDA REQUIRED				
CITY OF ARROYO GRANDE		-	-	-
CITY OF ATASCADERO		-	-	-
CITY OF GROVER BEACH		-	-	-
CITY OF MORRO BAY		-	-	-
CITY OF PASO ROBLES		-	-	-
CITY OF PISMO BEACH		-	-	-
CITY OF SAN LUIS OBISPO		-	-	-
COUNTY OF SAN LUIS OBISPO		-	-	-
TDA REQUIREMENTS FOR TIFIA LOAN REPAYMENT		-	-	-
6.				
FINANCING FOR BUS MAINTANCE FACILITY		-	-	-
7.				
TOTAL FUNDING SOURCES		649,990	81,830	526,720
8.				
FUNDING USES:				
CAPITAL		649,990	81,830	526,720
LOAN PAYDOWN		-	-	-
9.				
TOTAL FUNDING USES		649,990	81,830	526,720

		Actual Combined	Amendment #2 Operating Budget	Proposed Operating Budget	Projected Operating Budget
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Administration and Service Delivery Totals					
	Hours	59,369	84,010	83,260	83,260
	Miles	1,298,785	1,792,340	1,776,120	1,776,120
Administration:					
Labor	operations cost	1,009,239	1,079,020	1,214,900	1,295,940
Labor - Administration Workers Comp	operations cost	39,077	44,970	42,990	47,290
Office Space Rental	operations cost	496,463	407,450	54,370	56,000
Property Insurance	operations cost	30,154	38,870	156,660	172,330
Professional Technical Services	operations cost	256,453	167,100	224,350	163,190
Professional Development	operations cost	31,866	66,470	89,800	93,830
Operating Expense	operations cost	308,451	366,380	340,350	350,560
Marketing and Reproduction	hourly	91,211	181,800	181,860	144,860
North County Management Contract	operations cost	(44,440)	(47,740)	(53,750)	(57,340)
County Management Contract	operations cost	(91,580)	(98,390)	(110,780)	(118,170)
SCT Management Contract	operations cost	(126,660)	(114,160)	(128,540)	(137,110)
Total Administration		2,000,234	2,091,770	2,012,210	2,011,380
Service Delivery:					
Labor - Operations	hourly	4,904,973	6,622,980	7,128,600	7,483,300
Labor - Operations Workers Comp	hourly	311,499	339,940	325,010	339,110
Labor - Maintenance	hourly	1,372,675	1,581,620	1,706,410	1,785,740
Labor - Maintenance Workers Comp	hourly	80,889	93,090	89,000	97,920
Fuel	miles	922,419	1,113,670	1,519,610	1,519,610
Insurance (Liability, Physical Damage, Employment Prac	miles	688,980	909,680	775,230	930,280
Special Transportation (for SLOCAT)	n/a	15,253	44,480	44,480	46,690
Avila Trolley	n/a	-	76,490	82,530	86,640
Maintenance (parts, supplies, materials)	miles	581,675	695,930	808,540	883,880
Maintenance Contract Costs	miles	76,948	136,900	160,720	164,890
Total Operations		8,955,311	11,614,780	12,640,130	13,338,060
Contingency	hourly	146,780	164,480	175,830	184,190
PERS Buyout	operations cost	4,028,759	178,310	178,310	178,310
Building Decommissioning		-	1,950,000	-	-
Management Contracts		262,680	260,290	293,070	312,620
TOTAL FUNDING USES		15,393,764	16,259,630	15,299,550	16,024,560

			Actual Capital Expenditures FY 2020-21	Amendment #1 Capital Budget FY 2021-22	Proposed Capital Budget FY 2022-23	Projected Capital Budget FY 2023-24	Projected Capital Budget FY 2024-25	Projected Capital Budget FY 2025-26	Projected Capital Budget FY 2026-27
Capital and Planning Expenditures									
Capital/Studies:									
Computer System Maintenance/Upgrades	hourly		37,786	40,370	42,390	44,510	46,740	49,080	51,530
Miscellaneous Capital	hourly								
Maintenance Equipment			38,398	42,500	43,750	46,500	48,830	48,750	48,750
Specialized Maintenance Tools	hourly		-	-	-	-	-	-	-
Desks and Office Equipment	hourly		-	-	-	-	-	-	-
Radios	hourly		-	6,600	-	-	-	-	-
Vehicle ITS/Camera System	hourly		-	-	-	-	-	-	-
Bus Stop Improvements	hourly		28,682	377,430	96,500	101,880	106,970	112,320	117,940
COVID 19 Related Capital Items	hourly		256,031	-	-	-	-	-	-
Large Capital Repairs	hourly		-	575,000	375,000	468,750	225,000	-	-
Vehicles									
Support Vehicles	hourly		34,538	-	57,880	238,200	63,750	33,500	44,000
Fixed Route Vehicles	hourly		-	1,986,680	2,134,840	1,116,330	-	2,843,760	4,739,520
Trolley replacement vehicles	hourly		-	-	293,200	-	-	-	445,500
Cutaway and Dial A Ride Vehicles	hourly		123,878	-	112,500	-	289,880	-	-
Runabout Vehicles	hourly		469,732	302,000	-	855,700	-	188,300	806,750
Total Capital Outlay			989,045	3,330,580	3,156,060	2,871,870	781,170	3,275,710	6,253,990
Loan Repayments			7,519	108,240	503,170	493,190	482,800	498,340	498,340
Short Range Transit Plan			-	-	250,000	-	-	-	-
Elks Lane Project			12,431,119	10,213,970	-	-	-	-	-
TOTAL FUNDING USES			13,629,084	13,652,790	3,909,230	3,365,060	1,263,970	3,774,050	6,752,330

		Total Proposed Budget	Proposed Route 21 Budget	Proposed Route 24 Budget	Proposed Route 27 Budget	Proposed Route 28 Budget	Total Proposed Budget	Projected Budget
		FY 2021-22	FY 2022-23	FY 2022-23	FY 2022-23	FY 2022-23	FY 2022-23	FY 2023-24
South County Transit								
	<u>Measure:</u>							
	Annual Hours	14,640	3,580	3,530	2,820	3,960	13,890	13,890
	Annual Miles	235,400	68,200	52,520	41,400	57,060	219,180	219,180
Administration:								
Total Administration (Net of Contracts)		\$ 309,630	\$ 79,140	\$ 73,890	\$ 58,880	\$ 82,370	\$ 294,280	\$ 292,670
Service Delivery:								
	<u>Basis:</u>							
Labor - Operations	hourly	\$1,095,360	\$ 293,710	\$ 289,610	\$ 231,360	\$ 324,890	\$ 1,139,570	\$ 1,196,270
Labor - Operations Workers Comp	hourly	\$ 55,410	\$ 13,200	\$ 13,010	\$ 10,400	\$ 14,600	\$ 51,210	\$ 53,430
Labor - Maintenance	hourly	\$ 262,410	\$ 70,530	\$ 69,550	\$ 55,560	\$ 78,020	\$ 273,660	\$ 286,380
Labor - Maintenance Workers Comp	hourly	\$ 15,130	\$ 3,600	\$ 3,550	\$ 2,840	\$ 3,980	\$ 13,970	\$ 15,370
Fuel	miles	\$ 141,020	\$ 57,270	\$ 44,100	\$ 34,760	\$ 47,910	\$ 184,040	\$ 184,040
Insurance	miles	\$ 115,060	\$ 29,180	\$ 22,470	\$ 17,710	\$ 24,420	\$ 93,780	\$ 112,540
Maintenance (parts, supplies, materials)	miles	\$ 85,330	\$ 29,510	\$ 22,720	\$ 17,910	\$ 24,690	\$ 94,830	\$ 103,660
Maintenance Contract Costs	miles	\$ 16,770	\$ 5,860	\$ 4,510	\$ 3,560	\$ 4,900	\$ 18,830	\$ 19,320
Total Operations		\$1,786,490	\$ 502,860	\$ 469,520	\$ 374,100	\$ 523,410	\$ 1,869,890	\$ 1,971,010
Capital/Studies:								
Total Capital Outlay		\$ 649,990	\$ 21,090	\$ 20,800	\$ 16,610	\$ 23,330	\$ 81,830	\$ 526,720
Contingency	hourly	\$ 27,260	\$ 7,190	\$ 7,090	\$ 5,660	\$ 7,950	\$ 27,890	\$ 29,200
Loan Repayment	operations cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FUNDING USES		\$2,773,370	\$ 610,280	\$ 571,300	\$ 455,250	\$ 637,060	\$ 2,273,890	\$ 2,819,600
TOTAL NON-CAPITAL EXPENDITURES		\$2,123,380	\$ 589,190	\$ 550,500	\$ 438,640	\$ 613,730	\$ 2,192,060	\$ 2,292,880

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SOUTH COUNTY TRANSIT COMMITTEE

MINUTES OF May 5, 2021

Virtual Meeting via Zoom Conference Call

C-1

Members Present:	Ed Waage	City of Pismo Beach
	Jimmy Paulding	City of Arroyo Grande
	Karen Bright	City of Grover Beach
Members Absent:	Dawn Ortiz-Legg	County Supervisor, District 3
Staff Present:	Geoff Straw	Administrator
	Tania Arnold	RTA Deputy Director and CFO
	Chelsea Sperakos	RTA Administrative Assistant
	Nina Negranti	SLO County Counsel

CALL TO ORDER AND ROLL CALL: The meeting was called to order at 8:30 AM and roll call was taken. A quorum was present.

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.

There was no public comment.

Mr. Geoff Straw stated he had asked **Mr. Jimmy Paulding** to conduct the meeting due to his prior position as Chairperson of the South County Transit Board.

Ms. Nina Negranti stated that the election of officers for the South County Transit Committee (SCTC) should be an agenda item and included for the next meeting.

Mr. Paulding made a motion for the election of officers to be on the agenda of the next SCTC meeting and **Mr. Ed Waage** seconded the motion. The motion passed unanimously via voice vote.

BOARD ADMINISTRATIVE ITEMS

A. ACTION AGENDA

A-1 Fiscal Year 2021-22 Operating and Capital Budget (Approve)

Ms. Tania Arnold stated that the budget is balanced and is based on the pre-pandemic service levels. Projected liability cost have gone down due to smaller increase workers comp than expected. Staffing and retention has been challenging due to the pandemic, an issue that will be kept in mind in the coming fiscal year. The collective Bargaining Agreement with Teamsters Local 986 expires December 31,

2021. Staff is working to implement zero emission bus (ZEB) technology to support the region. The STA funding is higher than revised numbers provided in October 2020. The need for LTF has dropped because of the CARES Act funding, however it is projected to rise again when those funds are no longer available. The projected fuel cost volatility will impact to ridership and fare revenue and staff may need to bring to the board again if cost continues to rise.

Ms. Arnold reviewed the overall operating revenue and noted the use of the various funding sources. The capital revenue sources was also discussed, noting the leverage of the federal dollars. Administrative and service delivery expense was reviewed, including the large portion of the budget that is dedicated to labor.

Mr. Straw noted that there are funds coming to the region and as those are determined a budget amendment will be presented to the SCTC for consideration.

Ms. Karen Bright asked for clarification regarding what is included in the operations labor line item. **Ms. Arnold** noted that the cost is higher due to consolidation and needing to offer health insurance to employees who work 30 hours or more per week, which had increased the number of employees who are covered. The prior hours requirement was 35 hours per week.

There was no public comments.

Ms. Karen Bright appreciated the efforts that staff has taken to minimize the LTF request and made a motion approve agenda item A-1, and **Mr. Waage** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>
KAREN BRIGHT	X		
DAWN ORTIZ-LEGG			X
JIMMY PAULDING	X		
ED WAAGE	X		

B. INFORMATION AGENDA

B-1 Route Changes for Route 27 and 28

Mr. Straw discussed the recommendations included in the Short Range Transit Plan (S RTP) adopted by the South County Transit Board in January 2020 related to Route 27 and 28 in Grover Beach and Oceano. The RTA obtained an LCTOP grant to fund route changes, and an FTA capital grant for smaller low floor cutaway vehicles which were recommended by the S RTP. The plan is to implement the change when the vehicles arrive in early 2022. The longer term solution is to move the passenger facility from Ramona Garden Park to the train station, which is feasible with the smaller vehicle size.

Mr. Straw then reviewed the proposed new route and discussed the reasoning for the smaller low floor cutaway vehicles.

Ms. Bright inquired about the Oak Park stops and if they would no longer be served completely. **Mr. Straw** noted they will be eliminated, which solves a safety concern because of the potentially hazardous crossing situation along Oak Park.

Mr. Paulding discussed the education and outreach that will be conducted and asked for clarification on what that will entail. **Mr. Straw** stated that notices will be in the buses and bus stops (including transit centers) to get feedback from current riders. Will also sending notices, likely postcards, to those along the corridor around Oak Park because we are removing a service in that area, as well area along Atlantic City. **Mr. Straw** noted the challenges we have with providing those notices is they go to the property owner that may live somewhere else. Pop up meetings will likely be held as well, and information will be posted on the website.

There was no public comments.

Ms. Bright noted that the City of Grover Beach does feel the changes on Atlantic City will better serve the riders on that street and they will help communicate that change through their information outreach means as well. With regard to the move of the transit center from Ramona Garden Park to the train station will improve the multi modal transportation and will support the City's plan for the Park.

Mr. Waage made a motion to receive and file, and **Ms. Bright** seconded the motion. The motion to receive and file passed unanimously.

C. CONSENT AGENDA

C-1 SoCo Transit Minutes of October 21, 2020 (Accept)

C-2 SoCo Transit Financials through December 31, 2020 (Accept)

There was no public comments.

Ms. Karen Bright made a motion approve consent agenda items C-1 and C-2, and **Mr. Waage** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>
KAREN BRIGHT	X		
DAWN ORTIZ-LEGG			X
JIMMY PAULDING	X		
ED WAAGE	X		

D. MEMBER COMMENTS

E. ADJOURNMENT

The meeting was adjourned at 9:17 AM

Respectfully Submitted,

Acknowledged by,

Tania Arnold
Deputy Director/CFO

Jimmy Paulding