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South County Transit Committee Agenda

***** VIA ZOOM WEBINAR *****

Wednesday, May 5, 2021 8:30 a.m. to 9:30 a.m. (Ending time is approximate)

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 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 SCT Route 24.
Please call 541-2228 for more information.

Important Notice Regarding COVID-19

Due to the Coronavirus (COVID-19) and in accordance with the Governor's Executive Order N-29-20, the South County Transit Committee meeting on May 5, 2021 will be a virtual meeting held via Zoom webinar.

Members of the public are encouraged to participate & provide comments in the following ways:

To watch and participate in live public comment: To provide public comment during the meeting, use the Zoom webinar link below. Please use the following link to register in advance of the webinar. **After registering, you will receive a confirmation email with details about joining the webinar:**

https://us02web.zoom.us/webinar/register/WN_CgPYfgjwRMSHnF7QuCNhcg

HOW TO COMMENT:

- 1. Public Comments** – The Committee will still be accepting general public comments for items not on the agenda, as well as public comments on specific items in the agenda. Public members can submit comments by:
 - **Phone – Verbal Public Comments** – Call: (805) 781-4833 – State and spell your name, state the agenda item number you are calling about and leave your comment/s. **Verbal comments must be received no later than 5 p.m. on May 4, 2021** (the day before the meeting) and will be limited to **three (3) minutes**.
 - **Email – Written Public Comments** – info@slorta.org with the subject line “public comment.” Include the agenda item number you are referencing or type “general comment,” if it is about an

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

item not on the agenda. Emailed written comments must be submitted no later than **5:00 p.m. on Tuesday, May 4, 2021.**

- **Mail – Written Public Comments** – Public Comments by mail must be received no later than **5:00 p.m. on Tuesday, May 4, 2021.**

Mail to:

**Clerk, SoCo Transit Committee
179 Cross Street
San Luis Obispo, CA 93401**

*****Note:** Every effort will be made to include your comments into the record, but due to time limitations, some comments may not be included

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.

BOARD ADMINISTRATIVE ITEMS

A. ACTION AGENDA

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

B. INFORMATION AGENDA

B-1 Route Changes for Route 27 and 28

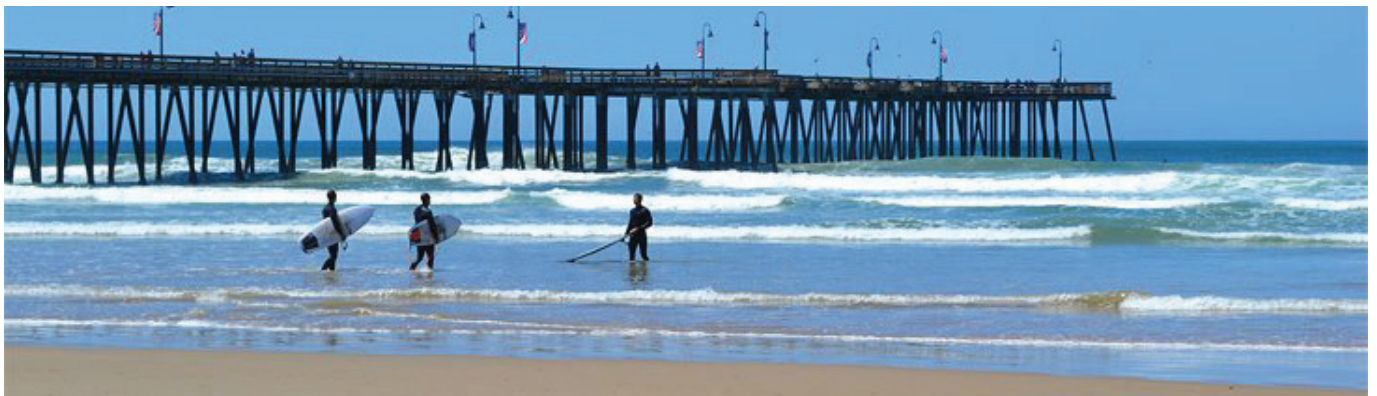
C. CONSENT AGENDA

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

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

D. MEMBER COMMENTS

ADJOURNMENT (before 9:30 a.m.)



SOUTH COUNTY TRANSIT

- Fiscal Year 2021/2022 Budget
 - Projected Five Year Capital Budget
- May 5, 2021



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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 5, 2021
STAFF REPORT**

AGENDA ITEM: A-1

TOPIC: Fiscal Year 2021-22 Operating and Capital Budget

ACTION: Adopt Fiscal Year 2021-22 Budget as Presented

PRESENTED BY: Tania Arnold, Deputy Director/CFO

BACKGROUND

We appreciate the Committee's support and leadership during these unprecedented times as we work to present a fiscally constrained Fiscal Year 2021-22 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 FY21-22 operating and capital budgets, and
- Fiscally unconstrained FY22-23 operating and capital budgets.

We are pleased to present the proposed South County Transit Fiscal Year 2021-22 Operating and Capital Budget. The operating budget is proposed at \$2,123,380 and the capital budget at \$649,990. The budget is balanced, based on proposed service levels and anticipated funding levels. The SoCo Transit FY21-22 budget assumes the same levels of fixed-route revenue service hours and miles for all routes, including the Beach Trolley service (which is funded entirely by the County and its funding partners).

Staff will also continue to evaluate service modifications during the year to address recovery from the COVID-19 pandemic, and any such change would be brought back to the Committee for consideration.

It should be noted that the Beach Trolley service is presented in a separate column from the core SoCo Transit fixed-route services in the monthly farebox reports to assist decision-makers in monitoring the performance of core SoCo Transit services. Any farebox or other shortfalls in the Beach Trolley are the responsibility of the County, and its funding partners.

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 SoCo Transit operates. Impacts include:

- a. Liability costs, which stabilized, but the market continues to be extremely volatile.

In January 2021, 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 FY15-16 levels. Most importantly, it is a drop from the preliminary estimates staff received in October 2020. The reduction in premiums continue to provide a welcome relief – especially with the realization that worker’s compensation for transit services is especially challenging statewide across all employment sectors as loss development trends for the state are not favorable. On the flip side, an emerging workers compensation conflict amongst the various factions (employers, labor unions, medical care providers, insurers, and attorneys) appears to be rising following recent rulings on presumptive qualification of COVID-related illnesses. Staff will continue to closely monitor this situation.

In late March 2021 we also received estimated premium for general liability and vehicle physical damage insurance policies. The annual premium cost for these two insurance policies is 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.

- 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 included in this agenda. There are a number of recommendations that staff will work to address as part of the continued efforts regarding staffing and retention.

2. Negotiate a new or extended Collective Bargaining Agreement with Teamsters Local 986, which represents Bus Operators. The current CBA expires December 31, 2021.

Acknowledging that this agreement is set to expire at the end of the calendar year 2021, staff will be working with the RTA Board to determine the appropriate approach to this agreement process in light of the financial and operating impacts of the pandemic.

The FY21-22 budget includes significant changes in wages and benefits, primarily due to the California Legislature’s recent minimum wage hike to \$15.00 per hour by January 2022 resulting in wage compression issues. The current average hourly wage for Bus Operators is \$22.13 per hour, with a current starting wage rate of \$18.20 per hour.

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 the revised amount adopted by the SLOCOG Board in October 2020, although the increase is likely less than original projections for FY20-21. As a reminder, starting in FY17-18 the funding to the region is significantly higher due to the Senate Bill 1 – Road Repair and Accountability Act (SB-1) funds, which include augmented STA funds and State of Good Repair funds.

With the additional State Transit Assistance (STA) funds made available through the SB-1, SoCo Transit 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% for FY18-19. 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 for operating purposes are projected to be flat in the region.

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 April 2020 budget presentation, the initial LTF projected for FY20-21 was \$457,580. This was revised down in June 2020 to zero. For FY21-22, the LTF is budgeted at \$166,610. This is a significant decrease from prior years, with the LTF in FY19-20 allocated of \$456,464. This decrease is 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.

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; this also impacts ridership and fares.

Due to the current global uncertainty, fuel prices have continued to swing wildly over the past few years, and noticeably in the last few weeks. Staff has tried to budget fuel somewhat conservatively, but we may need to adjust our projections if fuel prices change significantly during the fiscal year from the \$3.30 per gallon

budgeted amount. It should be noted that diesel-powered buses manufactured after 2009 also require the use of Diesel Exhaust Fluid (DEF) to meet emissions requirements. DEF costs more than diesel fuel, and it is used at a roughly 5% ratio DEF to diesel; its use is included in the fuel line item.

Revised Revenue Assumptions

In March 2021, the federal government approved the “America Recovery Plan Act” (ARPA) which is a \$1.9 trillion emergency funding package designed to address continued impacts of the COVID-19 pandemic, such as extending unemployment, grants to small businesses, education funding, and transportation provisions. At this time staff is uncertain on the timing of the funding that will come to the region via traditional formula funding allocations but anticipates that these funds will be used to offset the additional costs that the agency continues to incur to address the impacts of the pandemic such as labor for additional sanitation, additional supplies, and to offset lost fare revenue.

Staff will work with SLOCOG, the RTA, and the Cities of Atascadero, Paso Robles and San Luis Obispo to cooperatively program the urbanized area funds for FY21-22, and will focus on the significant impact of reduced fare revenue that the agencies are experiencing.

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 programmed for capital projects in FY21-22.

Conclusion

Fiscal Year 2021-22 will be a particularly challenging year, including much financial uncertainty. We look forward to working with our customers, the Committee 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 this Committee and the Board in previous years and, although we would like to do more, we believe that this budget provides the optimum levels of service within the confines of existing limited resources.

Staff Recommendation for the Board:

Recommend that the Board adopt the FY21-22 budget as presented.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
PROPOSED OPERATING REVENUE BUDGET FOR 2021/2022**

		2020/2021 Adopted SoCo Transit Budget	2021/2022 Proposed SoCo Transit Budget	2022/23 Projected SoCo Transit Budget
FUNDING SOURCES:				
	GENERAL RESERVES	948,250	1,165,170	360,640
1.	ESTIMATED FUND BALANCE	948,250	1,165,170	360,640
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CASH FLOW REQUIREMENTS PER TDA	138,940	360,640	386,680
	PERS BUYOUT	-	-	-
	DEBT SERVICE RESERVE FOR BUS MAINTENANCE FACILITY	-	-	-
	OFFSET RESERVE TO CARRYOVER TO FUTURE FISCAL YEARS	1,026,230	-	-
	TOTAL	1,165,170	360,640	386,680
3.	FUND BALANCE AVAILABLE	(216,920)	804,530	(26,040)
<u>NON TDA SOURCES</u>				
	FARES	47,500	38,560	76,000
	SCT MANAGEMENT CONTRACT	-	-	-
	COUNTY MANAGEMENT CONTRACT	-	-	-
	NORTH COUNTY MANAGEMENT CONTRACT	-	-	-
	INTEREST	7,075	8,590	4,300
	STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	-	183,700	87,370
	RURAL TRANSIT FUND (Administration)	-	-	-
	RURAL TRANSIT FUND (Operating Funds)	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	-	-	-
	FTA (Section 5307) - San Luis Obispo CARES	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	-	-	-
	FTA (Section 5311) - Operating CARES	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	-	-	-
	FTA (Section 5307-N. County) - Operating CARES	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307-SM) - Operating	-	-	-
	FTA (Section 5307-SM) - Operating CARES	-	-	-
	FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	154,315	616,000	634,000
	FTA (Section 5307) - S. County Operating CARES	714,110	-	-
	CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	-	-	-
	CUESTA CONTRIBUTION NORTH COUNTY	-	-	-
	SPECIAL EVENTS REVENUE/OTHER	164,390	305,390	305,390
4.	SUB TOTAL	1,087,390	1,152,240	1,107,060
5.	TOTAL FUND BALANCE & NON TDA FUNDING	870,470	1,956,770	1,081,020
<u>TDA REQUIRED</u>				
	CITY OF ARROYO GRANDE	-	63,336	439,816
	CITY OF ATASCADERO	-	-	-
	CITY OF GROVER BEACH	-	47,318	328,588
	CITY OF MORRO BAY	-	-	-
	CITY OF PASO ROBLES	-	-	-
	CITY OF PISMO BEACH	-	29,145	202,390
	CITY OF SAN LUIS OBISPO	-	-	-
	COUNTY OF SAN LUIS OBISPO	-	26,810	186,177
	TDA REQUIREMENTS BEFORE 5311 EXCHANGE	-	166,610	1,156,970
	LESS: RURAL TRANSIT FUND/5311 EXCHANGE	-	-	-
6.	NET TDA REQUIREMENTS	-	166,610	1,156,970
7.	TOTAL FUNDING SOURCES	870,470	2,123,380	2,237,990
8.	FUNDING USES:			
	ADMINISTRATION	43,340	195,470	169,100
	PERS BUYOUT	-	-	-
	MANAGEMENT CONTRACTS	51,290	114,160	112,530
	SERVICE DELIVERY	767,650	1,786,490	1,928,100
	CONTINGENCY	8,190	27,260	28,260
9.	TOTAL FUNDING USES	870,470	2,123,380	2,237,990

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY **PROPOSED CAPITAL REVENUE BUDGET FOR 2021/2022**

		2020/2021 Adopted SoCo Transit Capital Budget	2021/2022 Proposed SoCo Transit Capital Budget	2022/23 Projected SoCo Transit Capital Budget
FUNDING SOURCES:				
	BEGINNING CAPITAL PROJECTS RESERVE	536,830	355,380	182,220
1.	ESTIMATED FUND BALANCE	536,830	355,380	182,220
2.	LESS REQUIRED RESERVES FOR FISCAL YEAR			
	CAPITAL PROJECTS RESERVE	355,380	182,220	295,380
	TOTAL	355,380	182,220	295,380
3.	FUND BALANCE AVAILABLE	181,450	173,160	(113,160)
<u>NON TDA SOURCES</u>				
	STATE TRANSIT ASSISTANCE (STA) WITH SB1 AUGMENTATION	79,660	16,830	113,160
	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)	420,000	460,000	-
4.		499,660	476,830	113,160
5.	TOTAL FUND BALANCE & NON TDA FUNDING	681,110	649,990	-
6.	FINANCING FOR BUS MAINTENANCE FACILITY	-	-	-
7.	TOTAL FUNDING SOURCES	681,110	649,990	-
8.	FUNDING USES:			
	CAPITAL	681,110	649,990	-
	LOAN PAYDOWN		-	-
9.	TOTAL FUNDING USES	681,110	649,990	-

		Total Proposed Budget	Proposed Route 21 Budget	Proposed Route 24 Budget	Proposed Route 27 Budget	Proposed Route 28 Budget	Proposed Trolley Budget	Total Proposed Budget	Projected Budget
		FY 2020-21	FY 2021-22	FY 2021-22	FY 2021-22	FY 2021-22	FY 2021-22	FY 2021-22	FY 2022-23
South County Transit									
	<u>Measure:</u>								
	Annual Hours	7,320	3,580	3,530	2,820	3,960	750	14,640	14,640
	Annual Miles	117,700	68,200	52,520	41,400	57,060	16,220	235,400	235,400
Administration:									
Total Administration (Net of Contracts)		\$ 94,630	\$ 83,090	\$ 77,800	\$ 61,990	\$ 86,750	\$ -	\$ 309,630	\$ 281,630
Service Delivery:									
	<u>Basis:</u>								
Labor - Operations	hourly	\$ 449,550	\$ 270,990	\$ 267,210	\$ 213,460	\$ 299,760	\$ 43,940	\$ 1,095,360	\$ 1,181,110
Labor - Operations Workers Comp	hourly	\$ 35,370	\$ 13,710	\$ 13,520	\$ 10,800	\$ 15,160	\$ 2,220	\$ 55,410	\$ 59,750
Labor - Maintenance	hourly	\$ 51,580	\$ 64,920	\$ 64,010	\$ 51,140	\$ 71,810	\$ 10,530	\$ 262,410	\$ 284,070
Labor - Maintenance Workers Comp	hourly	\$ 4,210	\$ 3,740	\$ 3,690	\$ 2,950	\$ 4,140	\$ 610	\$ 15,130	\$ 16,360
Fuel	miles	\$ 95,600	\$ 41,700	\$ 32,110	\$ 25,310	\$ 34,890	\$ 7,010	\$ 141,020	\$ 143,550
Insurance	miles	\$ 61,660	\$ 34,020	\$ 26,200	\$ 20,650	\$ 28,470	\$ 5,720	\$ 115,060	\$ 131,060
Maintenance (parts, supplies, materials)	miles	\$ 55,060	\$ 25,230	\$ 19,430	\$ 15,320	\$ 21,110	\$ 4,240	\$ 85,330	\$ 93,770
Maintenance Contract Costs	miles	\$ 14,620	\$ 4,960	\$ 3,820	\$ 3,010	\$ 4,150	\$ 830	\$ 16,770	\$ 18,430
Total Operations		\$ 767,650	\$ 459,270	\$ 429,990	\$ 342,640	\$ 479,490	\$ 75,100	\$ 1,786,490	\$ 1,928,100
Capital/Studies:									
Total Capital Outlay		\$ 681,110	\$ 174,430	\$ 163,310	\$ 130,140	\$ 182,110	\$ -	\$ 649,990	\$ -
Contingency	hourly	\$ 8,190	\$ 6,670	\$ 6,570	\$ 5,250	\$ 7,370	\$ 1,400	\$ 27,260	\$ 28,260
Loan Repayment	operations cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FUNDING USES		\$ 1,551,580	\$ 723,460	\$ 677,670	\$ 540,020	\$ 755,720	\$ 76,500	\$ 2,773,370	\$ 2,237,990
TOTAL NON-CAPITAL EXPENDITURES		\$ 870,470	\$ 549,030	\$ 514,360	\$ 409,880	\$ 573,610	\$ 76,500	\$ 2,123,380	\$ 2,237,990

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SOUTH COUNTY TRANSIT OPERATING REVENUE BUDGET FOR 2020/2021

FUNDING SOURCES:

- GENERAL RESERVES
1. ESTIMATED FUND BALANCE
2. LESS REQUIRED RESERVES FOR FISCAL YEAR
- CASH FLOW REQUIREMENTS PER TDA
- OFFSET RESERVE TO CARRYOVER TO FY21-22

TOTAL

3. FUND BALANCE AVAILABLE

NON TDA SOURCES

- FARES
- INTEREST
- FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating
- FTA (Section 5307) - S. County Operating CARES**
- SPECIAL EVENTS REVENUE/OTHER

- 4.
5. TOTAL FUND BALANCE & NON TDA FUNDING

SUB TOTAL

TDA REQUIRED

- CITY OF ARROYO GRANDE
- CITY OF GROVER BEACH
- CITY OF PISMO BEACH
- COUNTY OF SAN LUIS OBISPO

6. NET TDA REQUIREMENTS
7. **TOTAL FUNDING SOURCES**

8. FUNDING USES:

- ADMINISTRATION
- MANAGEMENT CONTRACTS
- SERVICE DELIVERY
- CONTINGENCY

9. **TOTAL FUNDING USES**

2020/2021 Full Year SoCo Transit Budget	2020/2021 Adopted SoCo Transit Budget
948,250	948,250
948,250	948,250
138,940	138,940
1,026,230	1,026,230
1,165,170	1,165,170
(216,920)	(216,920)
95,000	47,500
14,150	7,075
308,630	154,315
1,428,220	714,110
328,780	164,390
2,174,780	1,087,390
1,957,860	870,470
-	-
-	-
-	-
-	-
-	-
-	-
1,957,860	870,470
86,680	43,340
102,580	51,290
1,752,220	767,650
16,380	8,190
1,957,860	870,470

SOUTH COUNTY TRANSIT CAPITAL REVENUE BUDGET FOR 2020/2021

FUNDING SOURCES:

BEGINNING CAPITAL PROJECTS RESERVE

1. ESTIMATED FUND BALANCE

2. LESS REQUIRED RESERVES FOR FISCAL YEAR

CAPITAL PROJECTS RESERVE

3. FUND BALANCE AVAILABLE

NON TDA SOURCES

STATE TRANSIT ASSISTANCE (STA) WITH SB1 AUGMENTATION
FEDERAL TRANSIT ADM (FTA) (Section 5307-South County)

4.

5. TOTAL FUND BALANCE & NON TDA FUNDING

6. FINANCING FOR BUS MAINTENANCE FACILITY

7. **TOTAL FUNDING SOURCES**

8. FUNDING USES:

CAPITAL

9. **TOTAL FUNDING USES**

	2020/2021 Full Year SoCo Transit Budget	2020/2021 Adopted SoCo Transit Budget
	536,830	536,830
	536,830	536,830
	355,380	355,380
TOTAL	355,380	355,380
	181,450	181,450
	89,660	79,660
	460,000	420,000
SUB TOTAL	549,660	499,660
	731,110	681,110
	-	-
	731,110	681,110
	731,110	681,110
	731,110	681,110

4/1/2021
9:52 AM

South County Transit

Hours
Miles

Administration:

Total Administration (Net of Contracts)

Service Delivery:

Labor - Operations hourly
Labor - Operations Workers Comp hourly
Labor - Maintenance hourly
Labor - Maintenance Workers Comp hourly
Fuel miles
Insurance miles
Maintenance (parts, supplies, materials) miles
Maintenance Contract Costs miles

Total Operations

Capital/Studies:

Total Capital Outlay

Contingency

hourly

Interest Expense

operations cost

TOTAL FUNDING USES

TOTAL NON-CAPITAL EXPENDITURES

Full Year Budget FY 2020-21	Total Adopted Budget FY 2020-21
14,640	7,320
235,400	117,700
189,260	94,630
1,116,020	449,550
70,740	35,370
103,160	51,580
8,420	4,210
191,200	95,600
123,320	61,660
110,120	55,060
29,240	14,620
1,752,220	767,650
731,110	681,110
16,380	8,190
-	-
2,688,970	1,551,580
1,957,860	870,470

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SOUTH COUNTY TRANSIT COMMITTEE

MAY 5, 2021

STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Update on Routes 27/28 and Other Changes

PRESENTED BY: Geoff Straw, Administrator

STAFF RECOMMENDATION: Accept as Information

BACKGROUND/DISCUSSION:

As presented in the SoCo Transit Short-Range Transit Plan that was approved by the SoCo Transit Board of Directors at its January 2020 meeting, Routes 27 and 28 will be revised to serve an additional neighborhood along 9th Street and Atlantic City Avenue north of Ramona Garden, as well as slight re-routing in Oceano. Funds to implement these changes are included in a Low-Carbon Transit Operating Program grant that is included in the proposed FY20-22 budget that will be considered under Agenda Item B-1. This Staff Report provides an update on these implementation efforts, as well as potential future changes in Grover Beach to better provide intermodal connections at the train station.

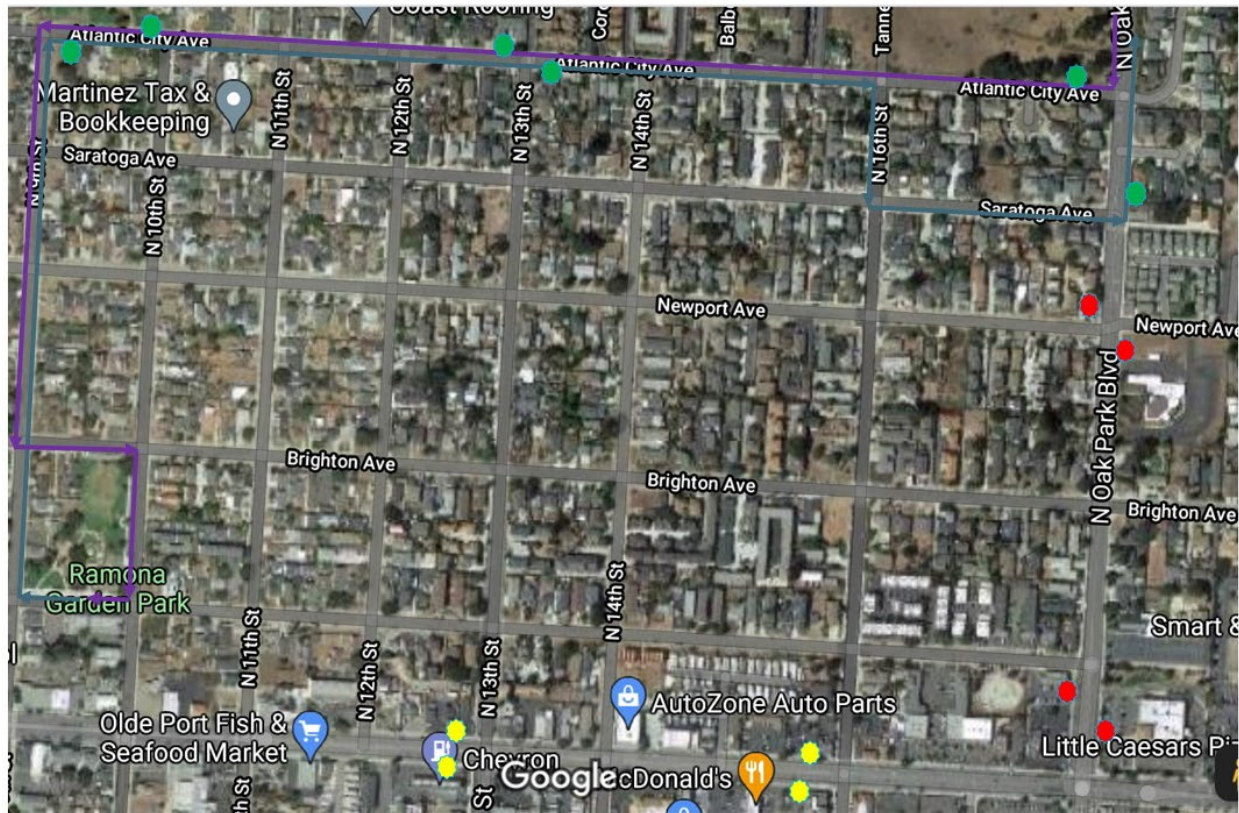
Service Changes in Grover Beach (Early 2022)

The route changes along the 9th Street and Atlantic City Avenue corridors will provide new service within a convenient walking distance of an additional 1,300 residents, including many residents with a high potential of using transit services, such as residents of the Vista Pacific Apartments. Riders who currently board at the four bus stops along Oak Park would still be within a short walk of the new Route 27 and 28 bus stops and/or by Routes 21 and 24 along Grand Avenue. This service change will result in a modest (\$1,200 per year) savings in operating costs, as the routes would be slightly shorter than at present, and an increase overall ridership by an estimated 4,600 boardings per year.

While this will require the operation of one bus per hour in each direction on streets currently not carrying buses, the shift from large diesel-powered heavy-duty buses to smaller gasoline-powered vans will tend to offset the impacts. To the right is a picture of the low-floor Arboc Mobility van that is due for delivery in early 2022 and will be used on Routes 27 and 28.



Below is a graphic depicting the new routing of Routes 27 and 28 in Grover Beach, followed by a list of the bus stop changes stated identified in the SRTP. Note that new bus stops are indicated with green circles, while eliminated bus stops with red circles; the yellow circles indicate cessation of service on Routes 27 and 28, but continued service on Routes 21 and 24. Route 27 is depicted in teal, and Route 28 in purple.



New Bus Stops:

Routes 27 & 28:

1. Atlantic @ 9th Street,
2. Atlantic @ 13th Street

Route 27 only: Saratoga @ Oak Park

Route 28 only: Atlantic @ Oak Park

Eliminated Bus Stops:

Routes 27 & 28:

1. Oak Park @ Grand
2. Grand @ 16th
3. Grand @ 13th
4. Oak Park @ Newport

Route 28 only:

1. Oak Park @ Long Branch
2. Oak Park @ Ramona

Planning for final placement of the bus stop poles and elimination of street parking (where required) will be coordinated closely with Grover Beach officials and neighbors along the 9th Street and Atlantic City Avenue corridors. These changes would be implemented toward the end of the first quarter of 2022 following delivery, acceptance and training on these new vehicles.

Service Changes in Oceano (Summer 2021)

The SRTTP also includes recommendations to alter Routes 27 and 28 in the Oceano area to better serve medium density housing developments and other activity centers along Paso Robles Street and 17th Street. It should be noted that the new routing will also provide direct access for persons living in the People's Self-Help Housing development known as La Brisa Marina Apartments on 17th and Paso Robles Streets. Serving the new Paso Robles and 17th Street corridors will also avoid the left turn from southbound Highway 1 onto 13th Street, which is difficult to maneuver due to the acute angle, narrow intersection and frequent blockage by cars that park poorly near that intersection. A new bus stop would be added on 17th Street at Paso Robles, adjacent to the Oceano Elementary School play area. These changes would be implemented in summer 2021 following coordination with County officials.

Move Ramona Garden Transit Center to Train Station (TBD)

Once the smaller Arboc Mobility vehicles are fully incorporated into the fleet, the Ramona Garden Transit Center can be abandoned to coincide with City plans to redevelop the area. Passenger transfers that currently occur during SoCo Transit bus layovers at Ramona Garden Park would occur at the recently developed bus bays at the Grover Beach Train Station that is accessed from Highway 1 just south of Grand Avenue. One passenger shelter was installed as part of the recent Train Station redevelopment project; at least one more shelter and other street furniture would need to be installed. Staff will continue to work with Grover Beach officials to plan for decommissioning of the current facility and enhancements necessary at the Train Station.

RECOMMENDATION

Accept this Staff Report as information.

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SOUTH COUNTY TRANSIT

MINUTES OF October 21, 2020 BOARD MEETING

Virtual Meeting via Zoom Conference Call

C-1

Board Members Present:	Lynn Compton	County Supervisor, District 4
	Sheila Blake	City Council Member, Pismo Beach
	Jimmy Paulding (Chair)	City Council Member, Arroyo Grande
	Desi Lance (Vice Chair)	City Council Member, Grover Beach

Board Members Absent: None

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

Chairperson Jimmy Paulding called the meeting to order at 1:30 PM. Roll call was taken and 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.

A. INFORMATION AGENDA

A-1 Administrator's Report (Receive)

Mr. Geoff Straw stated that this report lists prior steps taken to respond to and plan for recovery from COVID-19. New steps taken since the last Board meeting include the fall service "shake up" and service revisions. Six part-time bids remain open for SCT and RTA staff covers these openings. Utility staff has implemented sanitizing foggers in the cleaning service. The uptick in state sales tax revenues may improve transit funding. Full-time bus operator Pam Garcia has retired and employee shortages have stabilized. If shortages worsen due to COVID-19 infections, SoCo could need to cut service; if this becomes necessary, there will be immediate communications with city managers and SoCo Board members. Marketing has focused on COVID-19 communication by releasing a face covering campaign and an improved website which features an enhanced interface for disabled users, including vision-impaired or non-mouse users. Possible changes to routes 27 and 28 will be made to better serve low income areas in Oceano. Staff is currently surveying residents of La Brisa Marina Apartments regarding possible LCTOP-funded realigned service.

Questions:

Ms. Lynn Compton asked if new hires need six weeks of training regardless of experience?

Mr. Straw stated the training is shortened if they have relevant experience, but it would shorten to about 4 weeks.

Ms. Compton asked if marketing expenditures are different for all the areas in the county.

Mrs. Tania Arnold said marketing does vary according to the area, for example Spanish marketing costs additional.

Chairperson Paulding asked will the website function the same after consolidation with RTA?

Mr. Straw stated the locally branded services will stay for now, but eventually will be absorbed.

Chair Paulding asked about realignment reports, how do we make sure using the LCTOP funds remain a priority during consolidation?

Mr. Straw said they will be looking at eligibility and need.

Ms. Sheila Blake made a motion receive and file agenda item A-1, and **Chairperson Paulding** seconded the motion. The motion passed unanimously via voice vote.

B. ACTION AGENDA

B-1 Fiscal Year 2020-21 Operating Budget Amendment #2 (Approve)

Mrs. Arnold stated this amendment does NOT have an impact on LTF required from the jurisdictions. Allocation of STA funds had been revised down at the October 7th SLOCOG Board meeting. The following changes have been made to operating revenue and expenses: use reserves generated by CARES Act from FY19-20 to offset the decrease in STA, a decrease FTA 5307 due to the decrease in local match available, and an increase in audit expenses. Changes to capital revenue and expenses are a decrease in equipment replacement reserves due to the decrease in STA and a decrease in SRTP match mistakenly included in the budget.

Ms. Compton made a motion approve agenda item B-1, and **Chairperson Paulding** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>
SHEILA BLAKE	X	
LYNN COMPTON	X	
DESI LANCE	X	
JIMMY PAULDING	X	

B-2 SoCo Transit Consolidation into the RTA (Approve)

Mr. Straw stated the benefits of consolidation, as originally presented in January 2018, are an increase in costs for employee health care and work comp but lower administration oversight/audit/planning costs, and lower vehicle-related insurance costs. Most importantly SCT will avoid future farebox recovery ratio penalties through consolidation. Implementation will be effective at 12:00 AM on January 1, 2021. Local control will be in the form of the South County Transit Committee (SCTC), which will be comprised of RTA Board members from Arroyo Grande, Grover Beach, Pismo Beach and one member from Board of Supervisors. The staff recommendation is 1) to approve the attached resolution, which addresses the SoCo Transit Board's support for the San Luis Obispo Regional Transit Authority amended and restated Joint Powers Agreement and terminates the current South County Area Transit Joint Powers Agreement, 2) direct staff to work with the City Manager and Clerk at each jurisdiction to present a resolution seeking concurrence on termination of the South County Area Transit Joint Powers Agreement by SoCo Transit member jurisdictions, as well as execution of the San Luis Obispo Regional

Transit Authority amended and restated Joint Powers Agreement, and 3) following termination of the South County Area Transit Joint Powers Agreement, direct staff to file necessary paperwork with the California Secretary of State.

Questions:

Chairperson Paulding asked what is the total cost savings due to consolidation?

Mr. Straw stated the cost savings is \$82,000 avoiding penalties, and \$12,000 without penalty.

Chairperson Paulding asked if the SCT Committee should have a seat on the RTA Executive Committee?

Ms. Nina Negranti stated it is sufficient in the language in the JPA. The executive committee cannot block the actions of SCTC.

Mr. Jim Lewis expressed concerns of SCT maintaining jurisdiction.

Chairperson Paulding stated given the benefits of avoiding penalties combined with lower costs, he supports moving forward.

Ms. Blake made a motion approve agenda item B-2, and **Vice Chairperson Desi Lance** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>
SHEILA BLAKE	X	
LYNN COMPTON	X	
DESI LANCE	X	
JIMMY PAULDING	X	

B-3 Fiscal Year 2020-21 SoCo Transit Budget Consolidated into the RTA (Approve)

Ms. Arnold stated this amendment does NOT have an impact on LTF required from the jurisdictions. Changes to the operating revenue for FY 2020-21 include an adjustment to reserves, the exception is funding needed for additional health insurance expenses. For FY 2021-22, the agency will use of offset reserve to carryover to FY21-22. The LTF advisory amount is \$64,520 in FY21-22. In FY19-20, LTF was budgeted at \$456,464. For capital revenue, the budget is in line with FY2020-21. For FY 2021-22, there is reduced charges for administration services and a reduction in insurance due to duplicative administrative charges. The staff recommendation is to approve the SoCo Transit budget as identified as a component of the RTA budget effective January 1, 2021 should the consolidation of SoCo Transit into the RTA move forward with an effective date of January 1, 2021. Should consolidation not move forward, the budget would remain as presented in agenda item B-1.

Chairperson Paulding made a motion approve agenda item B-3, and **Vice Chairperson Lance** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>
SHEILA BLAKE	X	
LYNN COMPTON	X	
DESI LANCE	X	
JIMMY PAULDING	X	

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 SoCo Transit Minutes of July 22, 2020 (Approve)
- C-2 Declare Bus 201 Surplus and Procure Three New Vehicles (Approve)
- C-3 Strategic Business Plan Results (Receive)
- C-4 Authorize LCTOP Grant Application (Approve)
- C-5 FY19-20 Fiscal & Compliance Audit and Annual Single Audit (Accept)

Questions:

Mr. Straw stated there are two grant projects listed in C-4 for LCTOP funds. This will include replacing street furniture at Ramona Garden park and purchasing replacement buses.

Chairperson Paulding asked why the agency is purchasing three new gas buses now rather than battery electric buses?

Mr. Straw stated there is not a zero emissions vehicle that is federally eligible at this time. When the technology is ready, the agency will purchase battery electric.

Chairperson Paulding made a motion approve consent agenda items C-1 through C-5, and **Ms. Blake** seconded the motion. The motion passed unanimously via roll call vote as follows:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>
SHEILA BLAKE	X	
LYNN COMPTON	X	
DESI LANCE	X	
JIMMY PAULDING	X	

E. ADJOURNMENT

The meeting was adjourned at 2:44 PM

Respectfully Submitted,

Acknowledged by,

Chelsea Sperakos
Administrative Assistant

Jimmy Paulding
SCT Board Chairperson 2020

**SOUTH COUNTY TRANSIT
2020-21 Budget vs. Actual (unaudited)**

	FY 20/21 Adopted	Year to Date	Percent Year to Date
Use of Resources			
<u>Administrative Expenditures</u>			
Insurance			
Liability & Physical Damage	\$ 123,310	56,108	45.5%
Workers Compensation	70,710	31,614	44.7%
Property Insurance	880	947	107.6%
Rent	31,060	15,300	49.3%
Utilities	11,590	7,284	62.8%
Radio Expense	1,360	680	50.0%
Legal Services	1,590	-	0.0%
Payroll Processing	690	334	48.4%
Administration - Staff Time	82,390	41,195	50.0%
Finance - Staff Time	14,560	7,280	50.0%
Marketing - Staff Time	5,620	2,810	50.0%
Office Expense/Miscellaneous	4,580	931	20.3%
Audit	11,420	8,320	72.9%
Marketing/Community Relations/Printing	17,180	2,646	15.4%
Uniforms/Laundry/Physicals/Ads	10,040	3,423	34.1%
<u>Operating Expenditures</u>			
Salaries/Benefits	\$ 787,380	\$ 326,834	41.5%
Maintenance	250,940	84,512	33.7%
Dispatch	24,090	12,045	50.0%
SCT Bus Fuel	191,190	61,471	32.2%
Contingency	16,370	-	0.0%
9 Total Operating Expenditures	\$ 1,656,950	\$ 663,732	40.1%
<u>Capital Service</u>			
Support Vehicle	\$ 50,000	\$ -	0.0%
Short Range Transit Plan	-	7,222	#DIV/0!
Computer Upgrade	1,500	-	0.0%
Vehicles/ITS	631,750	68,860	10.9%
Facility Improvements/Bus Stop Amenities	47,860	-	0.0%
Total Capital Service	\$ 731,110	\$ 76,082	10.4%
10 Total Use of Resources	\$ 2,388,060	\$ 739,814	31.0%

**SOUTH COUNTY TRANSIT
OPERATING STATEMENT BY ROUTE - WEEKDAY AND TROLLEY
YEAR TO DATE THRU DECEMBER 31, 2020**

	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	\$ 5,124	\$ 5,091	\$ 4,709	\$ 5,883	\$ 20,807	\$ -
TOTAL ROUTE REVENUES	\$ 5,124	\$ 5,091	\$ 4,709	\$ 5,883	\$ 20,807	\$ -
EXPENDITURES:						
ADMINISTRATION	\$ 11,788	\$ 11,121	\$ 10,720	\$ 11,885	\$ 45,513	\$ -
MARKETING	1,105	1,040	997	1,114	4,255	-
OPERATIONS/CONTINGENCY	91,406	86,161	83,396	91,885	352,848	-
FUEL	14,394	11,042	10,726	11,364	47,527	-
INSURANCE	21,042	16,127	15,291	16,428	68,889	-
TOTAL EXPENDITURES	\$ 139,734	\$ 125,491	\$ 121,130	\$ 132,677	\$ 519,032	\$ -
FAREBOX RATIO	3.67%	4.06%	3.89%	4.43%	4.01%	#DIV/0!
SERVICE MILES	25,124.2	19,264.5	18,174.2	19,281.3	81,844.2	-
SERVICE HOURS	1,343.1	1,267.2	1,219.9	1,355.3	5,185.6	-
RIDERSHIP (Automatic Counters)	15,543	14,957	8,113	12,053	50,666	-
RIDERS PER MILE	0.6	0.8	0.4	0.6	0.6	#DIV/0!
RIDERS PER HOUR	11.6	11.8	6.7	8.9	9.8	#DIV/0!
COST PER PASSENGER	\$ 8.99	\$ 8.39	\$ 14.93	\$ 11.01	\$ 10.24	#DIV/0!
SUBSIDY PER PASSENGER	\$ 8.66	\$ 8.05	\$ 14.35	\$ 10.52	\$ 9.83	#DIV/0!

**SOUTH COUNTY TRANSIT
OPERATING STATEMENT BY ROUTE - WEEKEND, AND TOTALS
YEAR TO DATE THRU DECEMBER 31, 2020**

	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	\$ 760	\$ 694	\$ 664	\$ 626	\$ 547	\$ 648	\$ 3,940	\$ 24,746	\$ 24,746
TOTAL ROUTE REVENUES	\$ 760	\$ 694	\$ 664	\$ 626	\$ 547	\$ 648	\$ 3,940	\$ 24,746	\$ 24,746
EXPENDITURES:									
ADMINISTRATION	\$ 2,237	\$ 2,097	\$ 2,110	\$ 1,927	\$ 2,088	\$ 2,027	\$ 12,485	\$ 57,998	\$ 57,998
MARKETING	217	200	204	183	202	194	1,201	5,456	5,456
OPERATIONS/CONTINGENCY	17,398	16,343	16,440	15,037	16,209	15,802	97,230	450,077	450,077
FUEL	2,594	2,473	1,990	1,911	2,005	1,949	12,922	60,449	60,449
INSURANCE	3,779	3,591	2,896	2,774	2,916	2,830	18,786	87,674	87,674
TOTAL EXPENDITURES	\$ 26,224	\$ 24,703	\$ 23,640	\$ 21,833	\$ 23,420	\$ 22,802	\$ 142,623	\$ 661,655	\$ 661,655
FAREBOX RATIO	2.90%	2.81%	2.81%	2.87%	2.33%	2.84%	2.76%	3.74%	3.74%
SERVICE MILES	4,511.2	4,279.8	3,457.1	3,305.8	3,483.0	3,373.4	22,410.3	104,254.5	104,254.5
SERVICE HOURS	252.4	239.5	238.8	220.3	236.2	232.3	1,419.4	6,605.0	6,605.0
RIDERSHIP (Automatic Counters)	2,333	1,857	2,216	2,047	2,120	1,825	12,398	63,064	63,064
RIDERS PER MILE	0.5	0.4	0.6	0.6	0.6	0.5	0.6	0.6	0.6
RIDERS PER HOUR	9.2	7.8	9.3	9.3	9.0	7.9	8.7	9.5	9.5
COST PER PASSENGER	\$ 11.24	\$ 13.30	\$ 10.67	\$ 10.67	\$ 11.05	\$ 12.49	\$ 11.50	\$ 10.49	\$ 10.49
SUBSIDY PER PASSENGER	\$ 10.91	\$ 12.93	\$ 10.37	\$ 10.36	\$ 10.79	\$ 12.14	\$ 11.19	\$ 10.10	\$ 10.10

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