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BOARD AGENDA

Wednesday, January 17, 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: Lynn Compton

Vice Chair: Barbara Nicolls

Board Members:

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

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

CALL TO ORDER AND ROLL CALL

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

BOARD ADMINISTRATIVE ITEMS

ELECTION OF OFFICERS: Elect Chairperson and Vice Chairperson

CLOSED SESSION ITEM – CONFERENCE WITH LEGAL COUNSEL (Govt. Code section 54957.6): It is the intention of the Board to meet in closed session concerning the following items:

Conference with Labor Negotiator Geoff Straw concerning the following labor organization:
Teamsters Local 986

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

A. INFORMATION AGENDA

- A-1 Administrator's Report (Receive)
- A-2 Presentation of Customer Perception Survey Results (Receive)
- A-3 SoCo Transit Strategic Business Plan Revision (Receive)

B. ACTION AGENDA

- B-1 Fiscal Year 2018-19 Budget Assumptions (Approve)
- B-2 Next Steps for Consolidation into the RTA (Action)

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 October 18, 2017 (Approve)
- C-2 Resolution Authorizing Executive Director to Submit Application for Low Carbon Transit Operations Grant Funds (Approve)
- C-3 State of California SB1 SGR Grant Program

D. DIRECTORS' COMMENTS

E. EXECUTIVE COMMITTEE MEMBERS' COMMENTS

ADJOURNMENT

Next South County Transit Board meeting: **April 25, 2018**

SOUTH COUNTY TRANSIT

January 17, 2018

STAFF REPORT

AGENDA ITEM: A-1

TOPIC: Administrator's Report

PRESENTED BY: Geoff Straw, Administrator

STAFF RECOMMENDATION: Information

BACKGROUND/DISCUSSION:

Operations:

SoCo Transit representatives began formal negotiations with Teamsters Local 986 representatives on October 11th to replace the current SoCo Transit Collective Bargaining Agreement (CBA), and we reached tentative agreement on December 18, 2017. However, the Bus Operators and Utility staff voted down the package on January 7, 2018. Staff will schedule follow-up meetings in late January to determine next steps. Even though the current CBA expires on January 31, 2017, the Meyers-Milias-Brown Act requires that most items in the CBA automatically carry forward. The RTA Bus Operators and maintenance staff – represented by the same union – ratified a new 4-year Collective Bargaining Agreement on September 19th, and the RTA Board of Directors approved it at its November 1st meeting.

We are currently recruiting for our next Bus Operator training class, which will begin on January 22nd. We currently have two part-time openings at SoCo Transit, as well as three full-time and six part-time openings at the RTA. The training class will be completed in the first week of March.

The RTA and SCT will conduct a combined Employee of the Quarter and Launch Party on January 21st, and all Board members are welcome to join us. Please contact me to RSVP.

Marketing & Service Planning:

Staff analyzed responses to Customer Perception Surveys conducted in October on all services SoCo Transit and RTA services (either directly operated or managed by the RTA). In total, 951 fixed route passenger surveys and 25 Runabout were collected, and 111 employee surveys were submitted. The results from the rider and employee surveys will be presented under Agenda Item A-3.

Staff conducted outreach to alert SoCo Transit riders of the new RTA and Runabout fares that went into effect on December 31, specifically those fare media changes that

impact SoCo Transit riders using the Regional Passes (31-Day, 7-Day and Day passes). Notices were posted in all buses, at all major bus stops, and on our website; letters were also mailed to all Runabout riders that have ridden within the past six months. So far, the disruptions seem to have been minimal, and we have not received many passenger complaints. We encountered one programming issue for the on-bus electronic fareboxes, but the correction was quickly implemented/resolved. Also included was the RTA/SCT 7-Day pass that can be used on the RTA and SoCo Transit fixed routes. It increased from \$14 to \$16. During the period December 2016 to November 2017 only 1,392 riders on the SoCo Transit system used the 7-Day pass (1.2% of all riders), while a total of 322 7-Day Passes were sold throughout the County. Staff will monitor the ridership trends on the SoCo Transit system in relation to these regional fare increases. Of note, the rate in which SoCo Transit is reimbursed for the use of Regional Passes will increase with these fare increases, which will (very) slightly improve SoCo Transit's farebox recovery ratio. I will provide an oral update at the Board meeting of any new challenges encountered since this report was written.

Finance and Administration:

Staff is working with SLOCOG officials to submit Federal funding plans for incorporation into the region's Transportation Improvement Program. As initially reported in November 2016, it is clear that insufficient funding will be available to meet our long-term capital needs without a significant increase in funding – despite the recent allocation of new Senate Bill 1 funds. If repeal of SB1 funding gains momentum and it is ultimately repealed, SoCo Transit, the RTA and other transit programs in the county will need to rely upon greater proportions of TDA funds as well as possible financing of critical bus replacement and facility construction needs. Staff will continue working on this issue with our partner transit agencies and SLOCOG, and provide updates to the Board at future meetings.

The California Air Resources Board (CARB) formally published the draft *Innovative Clean Transit* regulation in late December, a new proposal that would compel the purchase of zero-emission buses. Because we operate fewer than 100 buses, SoCo Transit would not be subject to the initial 2020 mandate that 25% of new bus procurements would be zero-emission, nor would the next phase in 2022 apply. However, the third phase in 2026 requires 75% of all new bus purchases be zero-emission and the final 2029 requirement at 100% would impact SoCo Transit. 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 CARB understands our grave concerns about this unfunded mandate, particularly for an agency as small as SoCo Transit. Three of SoCo Transit's model year 2013 buses are scheduled for replacement 2026 (the third phase of CARB's requirement).

Detailed financial and operating results through November 30th – the first five months of the fiscal year – are provided in the ensuing pages. Below are some summary takeaways:

- In terms of overall non-capital expenses, we are slightly below budget – 35% through 41.7% of the fiscal year. Notable large-tickets variances include fuel and total vehicle maintenance.
- Fixed-route ridership is holding steady in comparison to last year. Specifically, we boarded 97,399 passengers through the end of November 2017 and 97,329 last year.

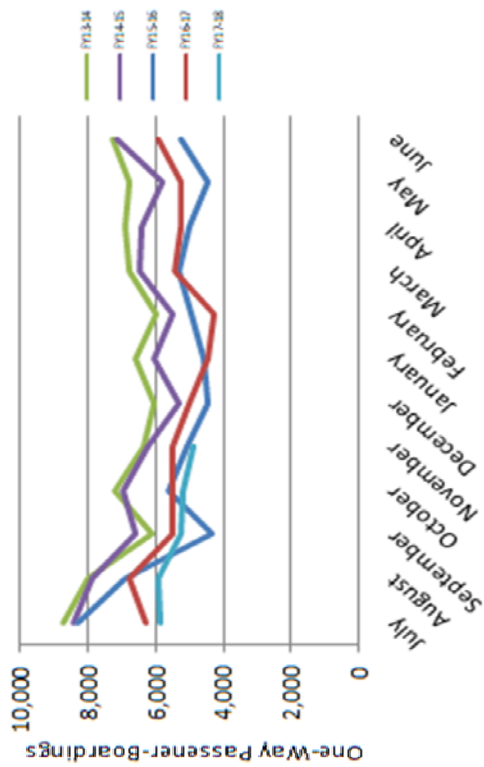
Although staff was unsuccessful in the grant application to Caltrans to update the 2011 Short Range Transit Plan, staff anticipates moving this project forward using FTA 5307 funding as well State Transit Assistance (STA) funds. It will be included in the draft FY18-19 budget presentation in April. The proposed scope of work will also include an update of the County-funded Nipomo Dial-A-Ride SRTP, so it would be a coordinated Plan for the entire South County area.

The transition of the Five Cities Senior Shuttle (FCSS) from Ride-On Transportation to Ventura Transit System (VTS) went smoothly. It should be noted that staff discovered that the previous contractor changed the jurisdictions based on zip code boundaries – which resulted in the City of Arroyo Grande paying for regional trips to/from the Nipomo Mesa area – and disabled riders were allowed to ride on the FCSS. Staff directed VTS to book Senior Shuttle rides based on city limits. Additionally, we have instructed VTS to continue to permit disabled riders to book trips on FCSS as long as the senior/disabled trips can be provided within the maximum annual obligation identified in the FCSS contract. Staff will continue to provide feedback on recommendations to the service as ridership trends are identified and analyzed, with a possible future recommendation to expand the service days from Tuesday-Thursday to Monday-Friday.

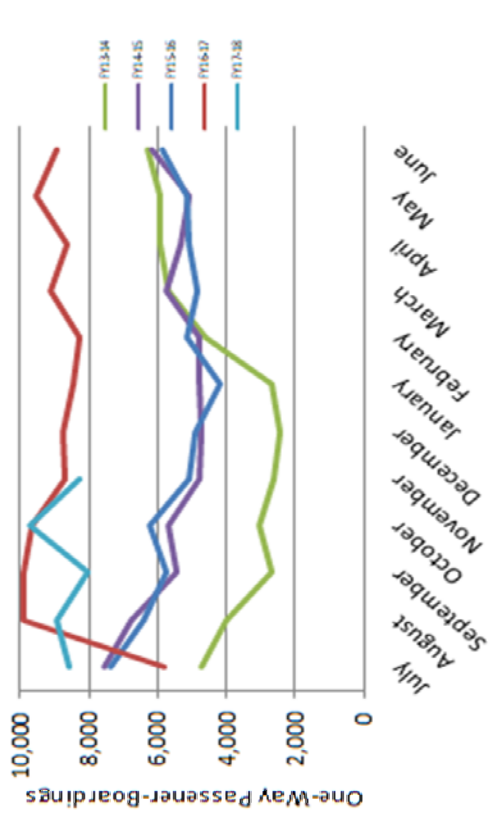
STAFF RECOMMENDATION:

Accept this as an information item.

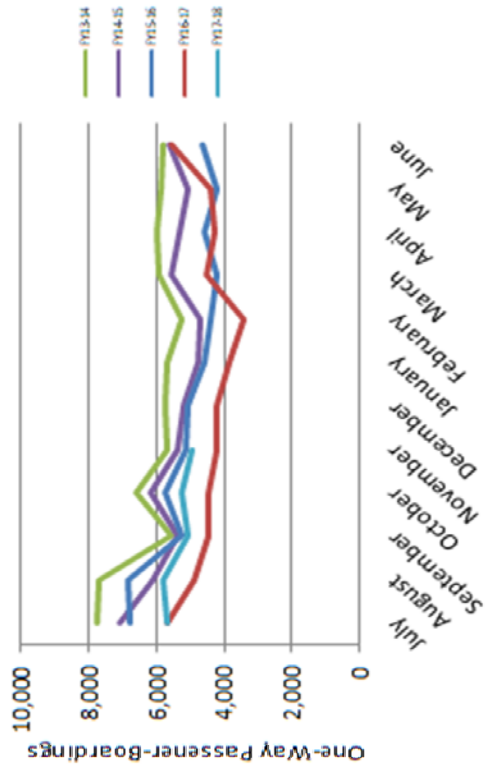
Route 21 Ridership By Month



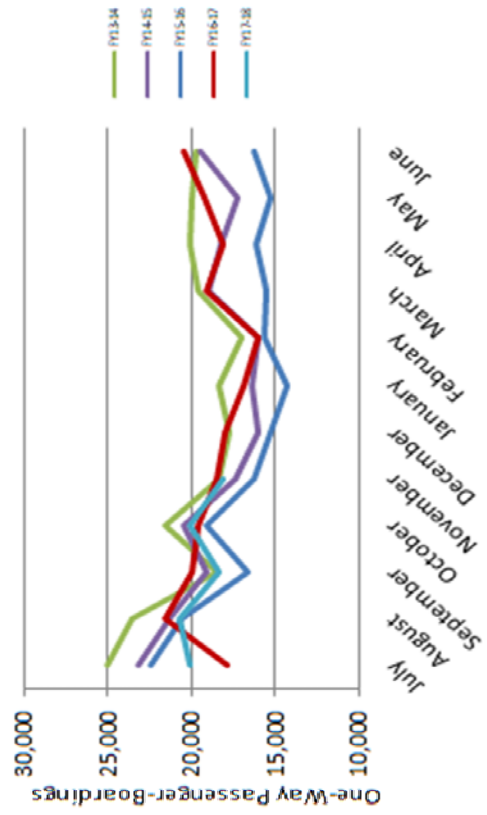
Route 23 & 27/28 Ridership By Month



Route 24 Ridership By Month



Overall Ridership By Month



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

Use of Resources	FY 17/18 Adopted	July 2017	August 2017	September 2017	October 2017	November 2017	Year to Date	Percent Year to Date
Administrative Expenditures								
Insurance								
Liability & Physical Damage	\$ 99,200	\$ 8,308	\$ 8,308	\$ 8,308	\$ 8,369	\$ 8,369	\$ 41,661	42.0%
Workers Compensation	71,180	4,762	4,762	4,762	4,762	4,762	23,810	33.5%
Property Insurance	740	53	53	53	53	53	266	35.9%
Rent	30,600	2,550	2,550	2,550	2,550	2,550	12,750	41.7%
Utilities	8,980	584	621	1,207	550	687	3,649	40.6%
Radio Expense	1,240	103	103	103	103	103	515	41.5%
Legal Services	3,000	-	-	-	-	-	-	0.0%
Payroll Processing	1,280	69	75	-	73	67	283	22.1%
Administration - Staff Time	77,600	6,467	6,467	6,467	6,467	6,467	32,333	41.7%
Finance - Staff Time	13,700	1,142	1,142	1,142	1,142	1,142	5,708	41.7%
Marketing - Staff Time	5,290	441	441	441	441	441	2,204	41.7%
Office Expense/Miscellaneous	12,790	185	1,645	568	618	48	3,065	24.0%
Audit	3,150	-	-	3,105	-	-	3,105	98.6%
Marketing/Community Relations/Printing	16,000	-	1,922	550	540	-	3,012	18.8%
Uniforms/Laundry/Physicals/Ads	9,740	-	80	41	319	1,935	2,375	24.4%
Operating Expenditures								
Salaries/Benefits	\$ 611,270	\$ 49,611	\$ 50,877	\$ 46,319	\$ 47,412	\$ 67,347	\$ 261,564	42.8%
Maintenance	197,550	13,156	14,375	13,712	20,739	11,632	73,615	37.3%
Dispatch	22,680	1,890	1,890	1,890	1,890	1,890	9,450	41.7%
SCT Bus Fuel	199,280	12,912	13,788	14,117	14,098	11,973	66,887	33.6%
Contingency	13,850	-	-	-	-	-	-	0.0%
Total Operating Expenditures	\$ 1,399,120	\$ 102,232	\$ 109,098	\$ 105,334	\$ 110,124	\$ 119,465	\$ 546,253	39.0%
Capital Service								
Facility Improvements/Bus Stop Amenities	\$ 41,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Computer Upgrade	1,500	-	-	-	-	-	-	0.0%
Transit Center Improvements	120,000	-	-	-	-	-	-	0.0%
Total Capital Service	\$ 162,850	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Total Use of Resources	\$ 1,561,970	\$ 102,232	\$ 109,098	\$ 105,334	\$ 110,124	\$ 119,465	\$ 546,253	35.0%

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**SOUTH COUNTY TRANSIT
OPERATING STATEMENT BY ROUTE - WEEKDAY AND TROLLEY
YEAR TO DATE THRU NOVEMBER 2017**

	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	\$ 12,857	\$ 12,492	\$ 14,145	\$ 15,639	\$ 55,134	\$ 1,355
TOTAL ROUTE REVENUES	\$ 12,857	\$ 12,492	\$ 14,145	\$ 15,639	\$ 55,134	\$ 1,355
EXPENDITURES:						
ADMINISTRATION	\$ 7,949	\$ 8,033	\$ 8,231	\$ 8,882	\$ 33,094	\$ 2,541
MARKETING	999	1,010	1,037	1,109	4,155	-
OPERATIONS/CONTINGENCY	65,446	66,091	67,833	73,166	272,536	18,747
FUEL	14,432	11,045	11,335	11,877	48,688	4,979
INSURANCE	14,180	10,853	11,137	11,675	47,845	4,899
TOTAL EXPENDITURES	\$ 103,005	\$ 97,032	\$ 99,573	\$ 106,709	\$ 406,318	\$ 31,167
FAREBOX RATIO	12.48%	12.87%	14.21%	14.66%	13.57%	4.35%
SERVICE MILES	21,075.8	16,127.7	16,529.6	17,315.6	71,048.7	7,660.3
SERVICE HOURS	1,092.9	1,103.4	1,129.7	1,215.8	4,541.8	344.5
RIDERSHIP (Automatic Counters)	21,219	21,194	14,251	22,344	79,008	4,810
RIDERS PER MILE	1.0	1.3	0.9	1.3	1.1	0.6
RIDERS PER HOUR	19.4	19.2	12.6	18.4	17.4	14.0
COST PER PASSENGER	\$ 4.85	\$ 4.58	\$ 6.99	\$ 4.78	\$ 5.14	\$ 6.48
SUBSIDY PER PASSENGER	\$ 4.25	\$ 3.99	\$ 5.99	\$ 4.08	\$ 4.44	\$ 6.20
RIDERSHIP (GFI Fareboxes)	18,517	17,042	13,111	18,976	67,646	4,677
RIDERS PER MILE	0.88	1.06	0.79	1.10	0.95	0.61
RIDERS PER HOUR	16.94	15.45	11.61	15.61	14.89	13.57
COST PER PASSENGER	\$ 5.56	\$ 5.69	\$ 7.59	\$ 5.62	\$ 6.01	\$ 6.66
SUBSIDY PER PASSENGER	\$ 4.87	\$ 4.96	\$ 6.52	\$ 4.80	\$ 5.19	\$ 6.37

**SOUTH COUNTY TRANSIT
OPERATING STATEMENT BY ROUTE - WEEKEND, AND TOTALS
YEAR TO DATE THRU NOVEMBER 2017**

	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	\$ 2,181	\$ 1,432	\$ 2,368	\$ 1,735	\$ 2,083	\$ 2,246	\$ 12,045	\$ 67,179	\$ 68,533
TOTAL ROUTE REVENUES	\$ 2,181	\$ 1,432	\$ 2,368	\$ 1,735	\$ 2,083	\$ 2,246	\$ 12,045	\$ 67,179	\$ 68,533
EXPENDITURES:									
ADMINISTRATION	\$ 1,545	\$ 1,426	\$ 1,516	\$ 1,340	\$ 1,602	\$ 1,429	\$ 8,858	\$ 41,953	\$ 44,494
MARKETING	185	172	181	161	190	172	1,061	5,216	5,216
OPERATIONS/CONTINGENCY	12,536	11,792	12,307	11,116	13,037	11,848	72,635	345,171	363,919
FUEL	2,707	2,496	2,033	1,922	2,105	1,958	13,220	61,908	66,887
INSURANCE	2,660	2,453	1,997	1,889	2,069	1,925	12,993	60,838	65,737
TOTAL EXPENDITURES	\$ 19,633	\$ 18,338	\$ 18,034	\$ 16,429	\$ 19,003	\$ 17,332	\$ 108,768	\$ 515,086	\$ 546,253
FAREBOX RATIO	11.11%	7.81%	13.13%	10.56%	10.96%	12.96%	11.07%	13.04%	12.55%
SERVICE MILES	3,962.6	3,644.2	2,974.2	2,806.4	3,083.0	2,859.1	19,329.6	90,378.3	98,038.6
SERVICE HOURS	211.5	197.5	207.4	186.2	219.0	198.1	1,219.7	5,761.4	6,106.0
RIDERSHIP (Automatic Counters)	3,402	2,523	3,243	2,325	3,537	3,361	18,391	97,399	102,209
RIDERS PER MILE	0.9	0.7	1.1	0.8	1.1	1.2	1.0	1.1	1.0
RIDERS PER HOUR	16.1	12.8	15.6	12.5	16.2	17.0	15.1	16.9	16.7
COST PER PASSENGER	\$ 5.77	\$ 7.27	\$ 5.56	\$ 7.07	\$ 5.37	\$ 5.16	\$ 5.91	\$ 5.29	\$ 5.34
SUBSIDY PER PASSENGER	\$ 5.13	\$ 6.70	\$ 4.83	\$ 6.32	\$ 4.78	\$ 4.49	\$ 5.26	\$ 4.60	\$ 4.67
RIDERSHIP (GFI Fareboxes)	2,665	1,735	2,691	1,883	2,656	2,569	14,199	81,845	86,522
RIDERS PER MILE	0.67	0.48	0.90	0.67	0.86	0.90	0.73	0.91	0.88
RIDERS PER HOUR	12.60	8.79	12.97	10.11	12.13	12.97	11.64	14.21	14.17
COST PER PASSENGER	\$ 7.37	\$ 10.57	\$ 6.70	\$ 8.72	\$ 7.15	\$ 6.75	\$ 7.66	\$ 6.29	\$ 6.31
SUBSIDY PER PASSENGER	\$ 6.55	\$ 9.74	\$ 5.82	\$ 7.80	\$ 6.37	\$ 5.87	\$ 6.81	\$ 5.47	\$ 5.52

**SOUTH COUNTY TRANSIT
January 17, 2018
STAFF REPORT**

AGENDA ITEM: A-2

TOPIC: Customer Perception Survey Report

PRESENTED BY: Geoff Straw, Administrator

STAFF RECOMMENDATION: Accept as Information

BACKGROUND/DISCUSSION:

SoCo Transit and RTA have wrapped up the second internally-managed comprehensive Customer Perception Survey, which was conducted in the month of October 2017. This effort included:

1. A fixed-route Rider Survey for SoCo Transit, RTA and Paso Express customers, as well as for Runabout passengers. This report will only include responses for SoCo Transit riders; the Runabout, RTA and Paso Express results were reported to the RTA Board on January 3rd.
2. An employee survey, which includes responses from both the SoCo Transit and RTA workforces, since some employees work at both agencies. This report will include a summary of those employee survey findings, too.

Staff used the findings from this survey effort to assist us in updating the SoCo Transit 2015-17 Strategic Business Plan that will be considered under Agenda Item A-3.

This is the second in-house survey that staff has completed, although the number of fixed-route rider responses for this survey effort (157 for SoCo Transit; 951 including the RTA and Paso Express services) was far greater than that achieved in our first rider survey completed in 2013 (75 for SCT; 302 combined). The primary purposes of the 2017 Customer Perception survey effort are as follows:

1. To collect relevant information (such as travel patterns) that can then be compared to survey results from previous perception surveys,
2. To address the qualitative objectives in the SoCo Transit 2015-17 Strategic Business Plan, and
3. To address possible changes to benchmarks that are used for measurable performance standards in the SoCo Transit Strategic Business Plan update.

Following the narrative below is back-up information, which includes a summary of the answers in tabular format, a listing of all written comments received, and copies of the survey instrument (Spanish versions available upon request). A number of conclusions can be drawn from the results, and the following summary of key findings are provided below:

1. Consistency between the 2013 and 2017 Rider Results:

- a) Roughly three-fourths of riders use SoCo Transit fixed-route services for round-trips.
- b) Almost two-thirds of respondents have been riding for greater than one year.
- c) The split by gender has remained roughly the same – 55% female in 2013 vs. 57% in 2017. We hope that the camera systems implemented on the buses and at Ramona Park, as well as more lighting at bus stops, is improving riders' sense of personal security, which might be attracting slightly more female riders.

2. Major Differences between the 2013 and 2017 Rider Results:

- a) While the proportion of those respondents who stated that they would ask a friend or family member to drive them in the absence of our services remained consistent at roughly 21%, the proportion who stated they would not make the trip declined dramatically from 27.8% in 2013 to 13.6% in 2017. Conversely, the proportion who would walk increased dramatically from 16.7% in 2013 to 42.9% in 2017, and the proportion who would use a bicycle doubled from 4.2% to 8.8%. This suggests that current riders' trip lengths are shorter today and other "active" modes are feasible alternatives for some riders.
- b) The proportion of our youngest (age 17 and younger, at 27.4% in 2017 vs. 4.0% in 2013) customers has increased the fastest. Conversely, the proportion of those aged 18 to 64 is declining – especially those aged 18 to 25 (34.0% in 2013 vs. 16.3% in 2017).
- c) How respondents get to and from bus stops has changed over time: a greater proportion walk – roughly 80% in 2017 vs. roughly 67% in 2013. This suggests that it is important for us to continue to work with our public works department partners to ensure good pedestrian access is provided adjacent to bus stops throughout the region. Another interesting finding is that fewer respondents use bicycles (4% in 2013 vs. less than 1% in 2017) to get to and from bus stops.
- d) A greater proportion of riders now use the bus for school commuting purposes (29.1% in 2017 vs. 10.7% in 2013), followed by shopping

(17.7% vs. 14.7%). All other purposes declined over time. I will present below an interesting finding regarding how school-age riders rate our services in relation to other riders.

- e) The proportion of riders who use our buses daily increased dramatically (45.5% in 2017 vs. 20% in 2013) and those who ride 4 days per week increased from 15.4% to 21.1%. Conversely, those who use our buses 2 to 3 days per week dropped from 55.4% to 20.3%. This suggests that we should focus any improvements to our services on our more “regular” riders.
- f) In alignment with letters “b” and “d” above (to some degree, even letter “e”), the employment status of our riders has shifted toward “Student” – 10.7% in 2013 and 27.7% in 2017. The proportion of “Employed” has declined from 50.7% to 40.1%, while “Homemaker” has declined from 9.3% to 3.6%. This suggests an opportunity to market our commuter hour services to the untapped employment centers, and mid-day shopping trips to homemakers.

The average service rating scores between 2013 and 2017 have declined for every category in questions number 17, 18 and 19. When we cross-tabulated the average scores with age, trip purpose and frequency of riding, we noticed an interesting fact – young students who ride to/from school daily rated our services the lowest in comparison to the scores by all the other age cohorts. More specifically, the average scores for non-youth age cohorts were either the same or higher than those submitted in 2013. When we further scrutinized the written comments of under 18 riders, most were focused on poor on-time performance, overcrowding, and the perception that fares are too high. The latter is notable, since SoCo Transit is the only fixed-route operator in the county that does not offer discounted cash fares to youth. This issue might be explored further by the Board.

3. New Technology-Related Rider Questions

Because all SCT and RTA fixed-route buses were outfitted with GPS-based automatic vehicle location systems in 2016, we added three new technology-related questions in the 2017 survey. These three new questions replaced the tax/financing questions that were surveyed in 2013. This Transit Tracker technology includes a passenger-facing LCD screen mounted on the wall behind the driver, and it provides real-time information on each bus’s progress along its route, including a listing on the screen and corresponding “next bus stop” voice announcement. This latter voice annunciation system helps SoCo Transit remain in compliance with the Americans with Disabilities Act on 1990.

The first new question focused on the Transit Tracker system, and two-thirds have not used it. Surprisingly, when cross-tabbed to age, only 10.8% youth have used a cell/tablet, the SCT App or our website to use the Transit Tracker system, while 31.8%

of 18 to 25 year old riders have used Transit Tracker. Not to surprisingly, no riders over the age of 65 reported using the Transit Tracker system.

We followed up the question above with a question on the usefulness of the Transit Tracker system. Of those who have used it, almost two-thirds deem it “Very Useful,” while less than 7% deemed it “Not Useful.”

The final technology-related question was focused on the utility of the LCD information screens inside the buses. More than two-thirds reported it as “Very Helpful,” while only 12.8% stated that they have not been reading the notices. This screen is also used by staff to provide service information such as holiday service or special public meeting notices (i.e., fare increase public hearing).

4. Summary of Rider Comments

The final question on the rider survey asked for comments on how to improve services. Common themes include requests for more frequent service, later evening service, expanded service on weekends, and better on-time performance. Riders also provided mostly flattering comments about our Bus Operators, as well as (in rare cases) not-so-flattering comments about our employees or services.

Employee Survey Results – the employee survey results represent the combined SoCo Transit and RTA workforces. The proportion of survey respondents among the various position titles is representative of this combined workforce.

1. The fact that the rankings order of the Most Important Attributes are the exact same between our riders and our employees’ understanding of the needs of our riders attests to the close relationship we have fostered with our riders.
2. A total of 31% of employees use SoCo Transit and/or RTA services as a passenger, typically less than once a month and likely for commuting or recreational purposes. This does not include the requirement that each administrative employee ride the buses at least once a quarter so that we stay attuned to issues facing our employees and riders. It should be noted that the Union contracts for both agencies include the ability for family members to also use RTA and SoCo Transit fixed-route services, so some of the responses could take into account the experience of employees’ family members.
3. We are pleased that courtesy and safety continues to rank as the highest focal areas of the employees. However, appearance issues (bus cleanliness, bus stop appearance and bus exterior appearance) rank the lowest and is in stark contrast to riders’ overall perceptions. It should be noted that we experienced staff shortages in the Utility department in September and October, so that recent experience may have affected the relatively low scores submitted by employees.

4. The top two reasons employees use bus services (Low Cost and No Car Available) are also the top two for riders, albeit in reverse order. The remaining reasons are otherwise starkly different between the employees' and riders' responses.

When asked how to improve recruitment/retention, the most common theme was higher wages and better benefits (including paying for family members). Other suggestions included job fairs, higher referral bonuses, cleaner buses, access to more restrooms along the routes, and focusing some recruiting resources on small-van services.

Senior staff members will cull through all the rider and employee comments to address any issues that require additional attention and/or that can provide us with new ideas to explore. Staff will also cross-tabulate more of the data to best determine how particular issues can be best addressed for operations, marketing, maintenance or other purposes. For example, Phil Moores in Operations can cross-tab low on-time performance rating by route to see if riders using the buses for work-related purposes are more sensitive to delays than for school purposes.

Staff Recommendation

Accept the draft revised Customer Perception Survey Report as an information item.

Results of SoCo Transit Rider Surveys, October 2017			
Question 1	Will you be traveling roundtrip on SoCo Transit today?	# responses	%
	Yes	114	74.5%
	No	39	25.5%
Question 2	How would you make this trip if SoCo Transit was not available?	# responses	%
	Walk	63	42.9%
	Friend/Family	31	21.1%
	Would not make trip	20	13.6%
	Bicycle	13	8.8%
	Other	10	6.8%
	Drive self	6	4.1%
	Taxi/Uber	4	2.7%
Question 3	How did you get to the bus stop where you boarded the bus?	# responses	%
	Walk	120	78.9%
	Transferred from another bus	22	14.5%
	Dropped off	6	3.9%
	Bicycle	2	1.3%
	Park and Ride	2	1.3%
	Other	0	0.0%
	If transferred, which bus	# responses	%
	RTA 10	8	42.1%
	SCT 28	7	36.8%
	SCT 21	3	15.8%
	SCT 24	1	5.3%
	SCT 27	0	0.0%
Question 4	How will you get to your destination when you de-board the bus?	# responses	%
	Walk	102	81.6%
	Transfer to another bus	17	13.6%
	Picked up	4	3.2%
	Bicycle	1	0.8%
	Drive	1	0.8%
	If transfer, which one?	# responses	%
	RTA 10	4	28.6%
	SCT 27	4	28.6%
	SCT 24	2	14.3%
	SCT 28	2	14.3%
	RTA 12	1	7.1%
	SCT 21	1	7.1%
Question 5	In which city/community did you board the bus today?	# responses	%
	Grover Beach	39	26.5%
	Oceano	38	25.9%
	Pismo Beach	35	23.8%
	Arroyo Grande	29	19.7%
	Shell Beach	5	3.4%
	Nipomo	1	0.7%
	Avila Beach	0	0.0%
Question 6	In which city/community will you de-board the bus today?	# responses	%
	Grover Beach	49	33.8%
	Arroyo Grande	48	33.1%
	Pismo Beach	22	15.2%
	Oceano	20	13.8%
	Shell Beach	6	4.1%
	Avila Beach	0	0.0%

Results of SoCo Transit Rider Surveys, October 2017			
Question 7	What is the main purpose of your trip?	# responses	%
	School	41	29.1%
	Work	40	28.4%
	Shopping	25	17.7%
	Medical	11	7.8%
	Recreation/Social	10	7.1%
	Personal business	10	7.1%
	Other	4	2.8%
Question 8	How did you pay for your fare today?	# responses	%
	Cash	51	46.4%
	31-Day Pass	26	23.6%
	Day Pass	23	20.9%
	20-Ride Punch Pass	10	9.1%
	7-Day Pass	0	0.0%
Question 9	How long have you been riding SoCo Transit?	# responses	%
	First time	7	5.1%
	Less than 6 months	27	19.7%
	6 to 12 months	15	10.9%
	More than 1 year	88	64.2%
Question 10	How often do you ride SoCo Transit?	# responses	%
	0-1 days/wk	16	13.0%
	2-3 days/wk	25	20.3%
	4 days/wk	26	21.1%
	Daily	56	45.5%
Question 11	How did you first hear about SoCo Transit?	# responses	%
	Buses / Bus stops	56	43.1%
	Family/Friends	53	40.8%
	Google Maps/Transit	12	9.2%
	Schedules	7	5.4%
	RTA Website	2	1.5%
	Other	5	3.8%
Question 12	How do you get most of your info about SoCo Transit?	# responses	%
	On the bus	66	50.8%
	RTA Website	29	22.3%
	Family/Friends	19	14.6%
	Schedules	0	0.0%
	Other	4	3.1%
Question 13	What is the best way for SCT to tell people about their services?	See attached narrative for summary of qualitative responses	
Question 14	Which of the following best describes your employment status?	# responses	%
	Employed	55	40.1%
	Retired	17	12.4%
	Student	38	27.7%
	Homemaker	5	3.6%
	Other	22	16.1%

Results of SoCo Transit Rider Surveys, October 2017			
Question 15	What is your age?	# responses	%
	17 years or younger	37	27.4%
	18 to 25 years	22	16.3%
	26 to 64 years	60	44.4%
	65 years and older	16	11.9%
Question 16	What is your gender?	# responses	%
	Female	76	57.1%
	Male	57	42.9%
Question 17	Please rate the following aspects of SoCo Transit by circling the number that best describes your experience (1 = Poor, 4 = Excellent)	avg. score	rank
	a. Time service begins in the morning	3.3	7
	b. Time service ends in the evening	3.0	18
	c. Frequency of service	3.3	7
	d. On-time performance/reliability	3.2	11
	e. Trip duration	3.2	11
	f. Closeness of bus stops to home	3.4	6
	g. Closeness of bus stops to destination	3.5	3
	h. Cost to ride SCT	3.2	11
	i. Crowding on buses	3.1	17
	j. Cleanliness of buses	3.5	3
	k. Courtesy and competency of Bus Operators	3.6	1
	l. Safety on the vehicles and at stops	3.6	1
	m. Convenience of transfers	3.2	11
	n. Bus stop appearance	3.3	7
	o. Bus exterior appearance	3.5	3
	p. Convenience of pass purchase locations	3.2	11
	q. Service when you call SCT	3.2	11
	r. Value of new buses	3.3	7
Question 18	Please rate the reasons you use SoCo Transit services (1 = Irrelevant, 4 = Most Important)	avg. score	rank
	a. No car available	3.2	2
	b. Do not have valid driver's license	2.8	7
	c. Convenience	3.3	1
	d. Low cost	3.1	5
	e. Good for environment	3.2	2
	f. Independence	3.2	2
	g. Relaxing/less stress	3.1	5
	h. Can sleep, read, catch up on work	2.8	7
Question 19	Please rate the service attributes that are most important to you (1 = Irrelevant, 4 = Most important)	avg. score	rank
	a. Time service begins/ends	3.3	4
	b. Frequency of service	3.5	1
	c. On-time performance/reliability	3.5	1
	d. Cost to ride	3.3	4
	e. Trip duration	3.1	6
	f. Closeness of bus stop to home/destination	3.4	3
Question 20	Have you used the Transit Tracker bus locating system?	# responses	%
	Using a cell phone/tablet	26	25.0%
	Via the website	1	1.0%
	Using the App	7	6.7%
	No, I have not used it	70	67.3%

Results of SoCo Transit Rider Surveys, October 2017			
Question 21	If you have used Transit Tracker, how useful is the service to you?	# responses	%
	Very useful	19	65.5%
	Not useful	2	6.9%
	Somewhat useful	8	27.6%
	Other	0	0.0%
Question 22	Do you find the notices posted on the LCD screen at the front of the bus useful for keeping you informed about system changes and information?	# responses	%
	Yes, it is very helpful	64	68.1%
	It is somewhat helpful	18	19.1%
	No, I have not been reading the notices	12	12.8%

Results of RTA & SCT Employee Surveys, October 2017			
Question 1	What is your current position with RTA/SoCo Transit?	# responses	%
	Operator	68	61%
	Maintenance	13	12%
	Supervisor	17	15%
	Administration	9	8%
	Other	4	4%
	If Operator, which service(s)		
	Fixed-Route	48	72%
	Runabout	16	24%
	Trolley	0	0%
	Dial-A-Ride	3	4%
Question 2	Which yard to your report to?	# responses	%
	SLO	62	60%
	SoCo Transit	20	19%
	Paso Robles	17	17%
	Nipomo or Cambria	4	4%
Question 3	Do you currently use any RTA/SoCo Transit services as a passenger?	# responses	%
	Yes	34	31%
	No	74	69%
	If yes, which services	# responses	%
	Fixed-Route	33	94%
	Runabout	1	3%
	Trolley	0	0%
	Dial-A-Ride	1	3%
	How often do your ride?	# responses	%
	Less than once a month	17	49%
	1-3 times per month	11	31%
	1-3 times per week	3	9%
	4 or more times per week	4	11%
	What is the general purpose of your trips taken on RTA/SoCo Transit	# responses	%
	Work	13	37%
	School	2	6%
	Shopping	4	11%
	Recreational	9	26%
	Medical	1	3%
	Other	6	17%

Results of RTA & SCT Employee Surveys, October 2017			
Question 4	Please rate all of the following with 1 = Poor through 4 = Excellent	Avg. Score	Rank
	a. Time service begins in the morning	3.49	3
	b. Time service ends in the evening	3.20	11
	c. Frequency of service	3.23	10
	d. On-time performance/reliability	3.41	5
	e. Trip duration	3.28	7
	f. Closeness of bus stops to home	3.14	12
	g. Closeness of bus stops to destination	3.25	9
	h. Cost to ride RTA/SCT	3.45	4
	i. Crowding on buses	3.37	6
	j. Cleanliness of buses	2.98	14
	k. Courtesy and competency of Bus Operators	3.54	1
	l. Safety on the vehicles and at stops	3.50	2
	m. Convenience of transfers	3.27	8
	n. Bus stop appearance	2.92	15
	o. Bus exterior appearance	3.12	13
Question 5	Please rate the reason you use the bus: 1 = Irrelevant through 4 = Very Important	Avg. Score	Rank
	a. No car available	3.37	1
	b. Do not have valid driver's license	3.22	3
	c. Convenience	2.89	6
	d. Low cost	3.33	2
	e. Good for environment	2.89	7
	f. Independence	2.95	5
	g. Relaxing/less stress	2.97	4
	h. Can sleep, read, catch up on work	2.79	8
Question 6	Please rate the service attributes that are most important to customers: 1 = Irrelevant through 4 = Most Important	Avg. Score	Rank
	a. Time service begins/ends	3.44	3
	b. Frequency of service	3.51	2
	c. On-time performance/reliability	3.62	1
	d. Cost to ride	3.31	4
	e. Trip duration	3.20	6
	f. Closeness of bus stop to home/destination	3.25	5
Question 7	What are some ways that we can improve our recruitment and hiring process	See attached narrative for summary of qualitative responses	
Question 8	What would be the advantages and disadvantages of SoCo Transit consolidating into RTA?	See attached narrative for summary of qualitative responses	

Results of RTA & SCT Employee Surveys, October 2017			
Question 9	What are some ways that we can further improve the length of employment for employees?	See attached narrative for summary of qualitative responses	
Question 10	If you have participated in the following training/development programs, please rate your experience. (1 = poor 4 = excellent)	Avg. Score	Rank
	Verification of Transit Training	3.5	4
	Verbal Judo	3.5	3
	Leadership Training	3.5	2
	Driver safety training	3.6	1
	Supervisor training	3.4	5
	Generation Diversity	3.2	7
	Other	3.3	6
Question 11	Please rate the state of repair of RTA/SoCo operational facilities. (1 = poor 4 = excellent)	Avg. Score	Rank
	RTA main facility and yard	3.5	1
	Paso Robles Yard	2.7	3
	Cambria Yard	2.4	4
	SoCo Transit Yard	3.0	2

Results of RTA & SCT Employee Surveys, October 2017			
Question 12	Please rate the state of repair of RTA/SoCo Transit passenger facilities. (1 = poor 4 = excellent)	Avg. Score	Rank
	SLO Government Center	3.1	3
	Pismo Outlets	3.1	2
	Ramona Garden stop	3.0	5
	Atascadero Transit Center	3.0	6
	Paso Transit Center	3.0	4
	Morro Bay Transit	2.9	7
	Santa Maria Transit Center	3.3	1
Question 13	How can we improve the safety and appeal of the facilities and bus stops	See attached narrative for summary of qualitative responses	
Question 14	Any comments on how we can improve our services	See attached narrative for summary of qualitative responses	

Please use the text box below to comment in any way that you think will help to improve SoCo Transit services.
More frequent service.
Thank you.
Less expensive, less crowded, more on-time and more seats.
Please have service Saturdays and Sundays later than 6:40
Excellent.
Stricter enforcement of certain rules - free rides and hygiene.
More frequency of service.
The drivers I've seen are so polite, and do their best to ensure a safe and on time lift to all who board.
The bus system is great for the areas that it covers. Other areas must be reached on foot. Would like RTA and Route 10 to have more contact other than Pismo.
Fix library stop for #21 and Courtland Street #21.
I think this is a great service.
Make bus service 24/7 please.
Make the bus more homey feeling and roomy.
I love the bus because it's fun.
Stop at Courtland and Grand in AG.
We need a bus stop bench in Pismo Beach at Chamber.
Driver Pam is excellent.
I like how riding the bus is affordable, and it's easy to get to work if you don't have a license.
Good job.
All good.
The drivers are very safe and smooth driving.
Better bike racks - more and bigger.
Cleanliness and good drivers are the main thing. Keep up the good work broskies.
Fix some of the onboard screens - they seem glitchy.
Sometimes screens are not on.
Great service.
5th and Grand <<no further comment provided>>.
It's Ok - does what it needs to do.
When drivers pick me up for school, maybe they should go a little faster so I get to school on time.
Lower cost, better looking, not ghetto looking.
I have used the transit tracker service and sometimes it does not give accurate info.
I like Sylvia the bus driver.
<<name redacted>> got fired for a good reason.
Very nice service and friendly operators
Clean transportation. Operators very friendly, especially nice that there are operators who speak Spanish. Thank you for your service.
Please run Route #27 on weekends. I either have to walk 2 miles to get to the first bus to the outlets, or be 30 minutes late.
Couldn't be much better.
Keep up the good work.
App update, bus should run a little later. Try to institute a TAP (transit access pass) card like L.A.
Richard should be employee of the quarter - very good driver - on time and great customer service).
Nicer bus drivers - no screaming. Need help with school bus passes (20 rides).
Sometimes the transit tracker messes up when you are trying to see how late the buses are.
Many times the LCD screen don't work.
Everything is fine as it is.
More frequent service.
Time connection for RTA at park and ride to time for SoCo Route 27 and 28 buses.
Great bus services.
Better connections to SLO buses and vice versa.

Recopen the Courtland Bus stop. I have to walk 9 blocks carrying heavy groceries since it has closed.
Great service and treatment from the drivers, who are helpful. I am very happy.
SoCo Transit has done an adequate job and no need for any changes.
Bring back some of the Route 23.
One hour later ending of service.
Later evening service.
Lower the price somewhat.
I wish we could get to school on time. Bus passes need to be cheaper.

Dear Rider:



South County Transit requests your assistance in gathering information about our services. Please help by taking 5 to 10 minutes to share some information about your commute habits and your perception of SoCo Transit services.

Your responses to this survey are voluntary and are confidential. Please return the completed survey to the surveyor or the Bus Operator before you leave the bus today.

Please fill-in the circle next to the appropriate answer. **Thank you!**

1. Will you be traveling roundtrip on SoCo Transit today?				2. How would you make this trip if SoCo Transit was not available?			
<input type="radio"/> Yes		<input type="radio"/> No		<input type="radio"/> Drive self	<input type="radio"/> Bicycle	<input type="radio"/> Friend/Family	<input type="radio"/> Walk
				<input type="radio"/> Taxi/Uber	<input type="radio"/> Would not make trip		<input type="radio"/> Other
3. How did you get to the bus stop where you boarded the bus?				4. How will you get to your destination when you de-board the bus?			
<input type="radio"/> Walked	<input type="radio"/> Dropped off	<input type="radio"/> Transferred from another bus		<input type="radio"/> Walk	<input type="radio"/> Picked up	<input type="radio"/> Transfer to another bus	
<input type="radio"/> Bicycle	<input type="radio"/> Park and Ride	<input type="radio"/> Other		<input type="radio"/> Bicycle	<input type="radio"/> Drive	<input type="radio"/> Other	
a. If transferred, which bus? _____				a. If transfer, which one? _____			
5. In which city/community did you board the bus?							
<input type="radio"/> Pismo Beach	<input type="radio"/> Avila Beach	<input type="radio"/> Shell Beach	<input type="radio"/> Arroyo Grande	<input type="radio"/> Grover Beach	<input type="radio"/> Oceano		
6. In which city/community will you de-board the bus?							
<input type="radio"/> Pismo Beach	<input type="radio"/> Avila Beach	<input type="radio"/> Shell Beach	<input type="radio"/> Arroyo Grande	<input type="radio"/> Grover Beach	<input type="radio"/> Oceano		
7. What is the main purpose of your trip today?				8. How did you pay for your fare today?			
<input type="radio"/> Work	<input type="radio"/> School	<input type="radio"/> Shopping	<input type="radio"/> Medical	<input type="radio"/> Cash	<input type="radio"/> Regional Day Pass	<input type="radio"/> 31-Day Pass	
<input type="radio"/> Recreation/Social		<input type="radio"/> Personal business	<input type="radio"/> Other	<input type="radio"/> 7-Day Pass	<input type="radio"/> 20-Ride Pass		
9. How long have you been riding SoCo Transit?				10. How often do you ride SoCo Transit?			
<input type="radio"/> First time		<input type="radio"/> Less than 6 months		<input type="radio"/> 0 to 1 Days per week		<input type="radio"/> 2 to 3 Days per week	
<input type="radio"/> 6 months to 1 year		<input type="radio"/> More than 1 year		<input type="radio"/> 4 Days per week		<input type="radio"/> Daily	
11. How did you first hear about SoCo Transit?				12. How do you get most of your information about SCT?			
<input type="radio"/> Buses/Bus stops	<input type="radio"/> Schedules	<input type="radio"/> SCT Website		<input type="radio"/> On the bus		<input type="radio"/> RTA Website	
<input type="radio"/> Family/Friends	<input type="radio"/> Google Maps/Transit	<input type="radio"/> Other: _____		<input type="radio"/> Family/Friends		<input type="radio"/> Other: _____	
13. What is the best way for SoCo Transit to tell people about their services? Use the space below to answer.							
14. Which of the following best describes your employment status?							
<input type="radio"/> Employed		<input type="radio"/> Retired		<input type="radio"/> Student		<input type="radio"/> Homemaker	
						<input type="radio"/> Other	
15. What is your age?							
<input type="radio"/> 17 years or younger		<input type="radio"/> 18 to 25 years		<input type="radio"/> 26 to 64 years		<input type="radio"/> 65 years and older	
16. What is your gender?							
<input type="radio"/> Male		<input type="radio"/> Female					

Please turn over to complete survey

17. Please rate the following aspects of SoCo Transit by circling the number that best describes your experience.				
	1 = Poor		4 = Excellent	
a. Time service begins in the morning	1	2	3	4
b. Time service ends in the evening	1	2	3	4
c. Frequency of service	1	2	3	4
d. On-time performance/reliability	1	2	3	4
e. Trip duration	1	2	3	4
f. Closeness of bus stops to home	1	2	3	4
g. Closeness of bus stops to destination	1	2	3	4
h. Cost to ride SCT	1	2	3	4
i. Crowding on buses	1	2	3	4
j. Cleanliness of buses	1	2	3	4
k. Courtesy and competency of Bus Operators	1	2	3	4
l. Safety on the vehicles and at stops	1	2	3	4
m. Convenience of transfers	1	2	3	4
n. Bus stop appearance	1	2	3	4
o. Bus exterior appearance	1	2	3	4
p. Convenience of pass purchase locations	1	2	3	4
q. Service when you call SCT	1	2	3	4
r. Value of new buses	1	2	3	4
18. Please rate the reasons you use SoCo Transit services.				
	1 = Irrelevant		4 = Most important	
a. No car available	1	2	3	4
b. Do not have valid driver's license	1	2	3	4
c. Convenience	1	2	3	4
d. Low cost	1	2	3	4
e. Good for environment	1	2	3	4
f. Independence	1	2	3	4
g. Relaxing/less stress	1	2	3	4
h. Can sleep, read, catch up on work	1	2	3	4
19. Please rate the service attributes that are most important to you.				
	1 = Irrelevant		4 = Most important	
a. Time service begins/ends	1	2	3	4
b. Frequency of service	1	2	3	4
c. On-time performance/reliability	1	2	3	4
d. Cost to ride	1	2	3	4
e. Trip duration	1	2	3	4
f. Closeness of bus stop to home/destination	1	2	3	4
20. Have you used the Transit Tracker bus locating system?				
<input type="radio"/> Using a cell phone/tablet <input type="radio"/> Via the website <input type="radio"/> Using the App <input type="radio"/> No I have not used it				
21. If you have used Transit Tracker , how useful is the service to you?				
<input type="radio"/> Very Useful <input type="radio"/> Not useful <input type="radio"/> Somewhat useful <input type="radio"/> Other (Please specify)				
22. Do you find the notices posted on the LCD screen at the front of the bus useful for keeping you informed about system changes and information?				
a. <input type="radio"/> Yes it is very helpful b. <input type="radio"/> It is somewhat helpful c. <input type="radio"/> No I have not been reading the notices				
23. Please use the space below for comments to improve our services.				

SOUTH COUNTY TRANSIT

January 17, 2018

STAFF REPORT

AGENDA ITEM: A-3

TOPIC: Draft - Revised Strategic Business Plan

PRESENTED BY: Geoff Straw

STAFF RECOMMENDATION: Receive

BACKGROUND/DISCUSSION:

The Board adopted the inaugural SCT 2015-2017 Strategic Business Plan (SBP) in October 2014, and the attached “clean” and “red-line” versions provide staff recommended amendments that could be considered as part of the updated 2018-2020 SBP. The SBP is amended every three years.

The top five issues in the revised SBP include:

1. TDA penalties for failing to achieve the mandated 20% farebox recovery ratio is the primary challenge facing SoCo Transit.
2. Uncertainty in discretionary State and Federal capital funds may result in higher future operating costs to finance critical bus replacement projects.
3. Declining ridership both locally and nationally has eroded farebox recovery ratios.
4. Revised performance standards will allow decision-makers to better align anticipated resources with the sub-region’s public transportation needs.
5. Consolidation into the RTA would help address these challenges.

The attached draft SoCo Transit 2018-20 SBP is being presented for comment, with the hope that it can be considered for adoption at the April 2018 Board meeting. I encourage each Board member to share the draft with your respective staff and provide comments to me so that we can assure SoCo Transit is in alignment with adopted goals throughout the South County area. If approved by the Board in April 2018, staff will use the goals and objectives to move the organization forward, and results will be provided at SoCo Transit Board Meetings.

Staff recommendation: Receive the Draft SoCo Transit 2018-2020 Strategic Business Plan and provide feedback for Board consideration for adoption in April 2018.

SOUTH COUNTY TRANSIT

2018-2020 STRATEGIC BUSINESS PLAN

Approved (*date forthcoming*)

Executive Summary

This 2018-2020 Strategic Business Plan (SBP) is an update to the inaugural Plan adopted by the SoCo Transit Board of Directors in October 2014. This updated three-year SBP incorporates both new and revised standards. It is anticipated that this SBP will be reviewed and revised again (as necessary) in mid-2020 to reflect changing conditions.

Background

The enduring major components of the SBP are the Vision Statement, Mission Statement, Vision Elements, and Strategic Direction. Staff uses the measurable Standard of Excellence in the SBP to help guide the organization toward meeting long-term goals and objectives. The goals and objectives are premised on the following components:

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

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

Vision Elements

1. Continue successful partnerships with jurisdictions, county, other public agencies, businesses and schools.
2. Provide excellent, reliable, sustainable seamless service that is effective in getting residents and visitors where they want to travel.
3. Secure reliable funding.
4. Sustain and continue to improve the Intelligent Transportation Systems (ITS) program to improve service quality and provide efficiencies.
5. Develop a well-executed image-building campaign with a single face for public transportation.

Strategic Direction

1. Stabilize and grow funding.
2. Continue to improve service quality: On-time performance, scheduling and routing, customer amenities on our vehicles and at our bus stops, operating procedures.
3. Consolidate and streamline operations to improve efficiency and effectiveness of public transportation throughout the county.
4. Include public transportation as part of the lifestyle evolution needed to confront climate change.
5. Reduce private automobile Vehicle Miles Traveled in private automobiles.
6. Improve SoCo Transit's farebox recovery ratio to avoid Transportation Development Act (TDA) penalties.
7. Embrace technological improvements that will positively impact efficiency and quality of service.

Long-Term 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.

Objectives to Meet Long-Term Goals

- 1.1 Link population centers and major traffic generators within the region.
- 1.2 Coordinate service with all public transportation operators and services.

- 2.1 Provide safe public transportation.
- 2.2 Provide reliable public transportation.
- 2.3 Provide cost-effective public transportation.
- 2.4 Provide efficient public transportation.
- 2.5 Provide comfortable public transportation.

- 3.1 Achieve a highly rated level of customer satisfaction.
- 3.3 Provide service that is supported by market demand.
- 3.3 Manage service in a cost-effective manner.
- 3.4 Deploy technology effectively and efficiently.

- 4.1 Provide accountability and transparency.
- 4.2 Increase use and support of public transportation in South County.
- 4.3 Implement an annual marketing plan.
- 4.4 Use public funding efficiently in meeting public transit needs of communities that SoCo Transit serves.
- 4.5 Educate community and business leaders and the public on the value of SoCo Transit services.

Business Conditions and Opportunities

The primary challenge facing SoCo Transit in the coming years is its inability to achieve the new State 20% farebox recovery ratio (FRR) that was triggered by the Federal designation as an urbanized area in the 2010 US Census. Prior to this Federal designation, the State only required a 10% FRR. On the positive side, the urbanized designation annually provides new formula Federal Transit Administration funds that have ranged from \$750,000 to over \$1,000,000 to the Arroyo Grande – Grover Beach Urbanized Area. An emerging solution is to abolish the agency, and transfer all assets and other obligations to the RTA. The RTA's FRR is high enough that it can "absorb" SoCo Transit through consolidation without facing financial penalties, while also providing other cost-savings.

Similar to the experience of most other public transit agencies across the nation, SoCo Transit and its partner agencies have experienced ridership declines since our peak in FY14-15. Some of this decline can be attributed to an improving economy that allows some riders to occasionally or even entirely replace transit usage with private automobile travel. Other factors include relatively low fuel prices over the past few years, as well as "disruptive" and high-technology alternatives such as Uber and Lyft that offer travelers real-time – albeit more costly – personalized transportation. Current fixed-route ridership now equals that of FY11-12.

California Transportation Develop Act (TDA) revenues have largely recovered after the steep declines encountered during the Great Recession, which has resulted in increased net revenues

for jurisdictions for transit and non-transit uses. Once the newly enacted Senate Bill 1 (SB1) funds begin to flow, it will essentially replace the capital funds formerly provided under Proposition 1B. However, the SB1 funds could conceivably be eliminated through an initiative that could go before California voters in November 2018. If SB1 funds are eliminated, and other transit programs in the county would need to rely more heavily on TDA funds, which would reduce the funds left over for use by jurisdictions to pay for roadway repairs. SB1 also provided an uptick in Cap and Trade funds, so that funding increase is also in jeopardy.

Discretionary Federal Transit Administration (FTA) capital funds that have previously been used to replace buses and construct needed facilities have dried up, and there is not a replacement funding source being seriously discussed at the national level. In short, SoCo Transit's ability to rely upon large infusions of discretionary capital funds in the future is uncertain at best. This might result in needing to finance the replacement of buses.

Business Direction for 2018 and Beyond

1. Focus on cost effectiveness and living with our resources, and by undertaking efforts to secure sustainable operating and capital revenues.
2. Seek and implement innovative opportunities to improve service for our customers within current resources.
3. Be a leader among transit systems in developing and implementing environmentally friendly transit service and sustainable business practices.
4. Plan and prepare for the future growth of the system, while being mindful of farebox recovery ratio realities. This could include consolidation into the RTA in order to avoid future TDA farebox recovery ratio penalties.
5. Work with the RTA and the County to develop a Joint Short Range Transit Plan that covers both local fixed-route services in the Five Cities Area and demand response services in Nipomo.

Focused 2018-20 Strategic Business Plan Goals and Objectives

Goal 1: Increase Ridership – Increase ridership through improved system design by attracting discretionary customers and improving sub-regional transit alternatives.

Objectives

1. Continue to analyze data from the SoCo Transit Route Performance Standards to evaluate service efficiencies and effectiveness.

2. Complete biannual Community Perception Survey to address current and potential customer needs.
3. Improve customer communications and information about SoCo Transit services.
4. Continue to explore alternative transit modes using emerging technologies to address underperforming and rural needs.
5. Achieve SoCo Transit Key Performance Indicators (KPIs) to improve existing service (On Time Performance, Customer Comments, Service Delivery, Accident Rate, etc.).
6. Evaluate route scheduling to maximize the convenience of transfers between the various transit systems in the region. In addition, consider consistent region-wide designation of routes and equivalent fares by service type.

Goal 2: Key Performance Indicators – Expand the development and use of our KPIs to enhance system performance, employee performance, and improve service quality to our customers.

Objectives

1. Meet or exceed KPIs that include the following Standards Categories: Service Quality and Efficiency, Resources and Revenue, Safety, Human Resources, Fleet and Facilities, Leadership.
2. With policy guidance from the SoCo Transit Board, the Administrator with input from throughout the organization shall set the standards as detailed in this document. These will be provided to everyone in the organization who will have a lead role in achieving each standard, and these efforts will be reported as part of the bi-monthly updates to the SoCo Transit Board of Directors.

Goal 3: Innovation – Explore innovative opportunities to improve our service for our customers and potential customers.

Objectives

1. Continue to look for ways to enhance decision-making processes using our Intelligent Transportation System (ITS) Program in conjunction with other jurisdictions.
2. Identify and secure funding to sustain and expand the ITS Program.
3. Ensure that persons with disabilities have adequate mobility.

Focused 2018-20 Strategic Business Plan Standards of Excellence

Standards of Excellence Section 1: Service Quality and Efficiency – We will deliver dependable, customer focused and efficient transit services to the communities that we serve. Further, we will look for opportunities to deploy innovative new service within budgetary constraints.

Standard 1: Passengers per vehicle service hour will be 17 or greater.

Measurement: Objective.

- Administrator will review monthly and report at each Board meeting.

Standard 2: The Service Delivery rate for all regularly scheduled / year-round services shall be 99% or greater.

Measurement: Objective.

- Reviewed quarterly by Operations, and reported by Administrator bi-annually to the Board.

Standard 3: The On-time Performance for all regularly-scheduled / year-round services shall be 90% or greater. “On-time” is defined as no later than six minutes from any timepoint in the published schedule. We recognize that making scheduled transfers between buses is vitally important to riders, and staff will explore methods of regularly measuring missed transfers.

Measurement: Objective.

- Administrator will report bi-annually to the Board.

Standard 4: SoCo Transit will make consistent efforts to explore new service and service delivery options as well as work with regional efficiencies in the delivery of transportation to the jurisdictions

Measurement: Subjective.

- Reviewed quarterly by Operations, and reported by Administrator annually to the Board.

Standard 5: SoCo Transit will measure Overcrowding as the frequency of instances that the number of passengers on a bus exceeds the number of seats (i.e., 34 passengers on a 34-seat bus equates to a Load Factor of 1.00), as well as the duration of exceedances. The Overcrowding standard for regular fixed-route services is no more than 10% of the monthly total number of bus trips that exceed a Load Factor of 1.25 for greater than 20 minutes. If the Load Factor standard is exceeded, staff will assign a larger vehicle (if possible); otherwise, the Board will direct staff to evaluate adding scheduled bus trips to spread out the passenger loads.

Measurement: Objective.

- Reviewed quarterly by Operations, and reported by the Administrator biannually to the Board.

Standards of Excellence Section 2: Revenue and Resources – While providing excellent service to our customers and communities, we will do so within the financial resources available to us. The financial health of the organization will not be compromised, and we will work to deliver good value for the taxpayers’ investment in SoCo Transit

Standard 1: The annual operating budget will be based upon projected revenue balanced with other eligible TDA uses and the total operating cost will not exceed the budget adopted by the Board.

Measurement: Objective.

- Administrator will review monthly and report at each regularly scheduled Board meeting.

Standard 2: Farebox Recovery Ratio shall be greater than the minimum standard required by SLOCOG to meet TDA requirements. In FY17-18, that minimum was 20%.

Measurement: Objective.

- Administrator will review monthly and report at each regularly scheduled Board meeting.

Standard 3: No significant annual fiscal and compliance audit findings.

Measurement: Objective.

- Finance and Administration will report any negative audit findings to the Board.

Standard 4: Ensure that all capital procurements provide good value to our customers and our employees.

Measurement: Subjective.

- Evaluated through the Marketing Department’s biannual Community Perception Survey, feedback from communities and review of the annual 5-year capital program by the Board.

Standards of Excellence Section 3: Safety – We recognize the tremendous importance of safety in the operation of SoCo Transit service to our customers and communities. Therefore, the safety of our customers and employees will be an organizational priority and we will be proactive in promoting system safety.

Standard 1: Rate of preventable vehicle collisions will not exceed 1.0 per 100,000 miles.

Measurement: Objective.

- Rate shall be tracked by the Safety and Training Manager, and reported annually to the Board.

Standard 2: Address all safety hazards identified and reported to the joint RTA / SoCo Transit Safety Resource Committee.

Measurement: Objective.

- List shall be compiled with action items and timelines by the Safety and Training Manager.

Standard 3: Preventable workers compensation lost-time claims will not exceed 4 annually, and preventable medical-only claims will not exceed 5 annually.

Measurement: Objective.

- All work comp claims shall be duly investigated and immediately reported by Finance and Administration to our work comp carrier.

Standard 4: Customer and Community perception of system safety will be at least 90%.

Measurement: Objective.

- As measured by biannual Community Perception Survey.

Standard 5: Total risk management costs shall not exceed industry norms. Staff will undertake alternating market surveys every four years for vehicle liability / physical damage coverage and for workers compensation coverage.

Measurement: Objective.

- Reported by Finance and Administration in financials and reported at each regularly scheduled Board meeting.

Standards of Excellence Section 4: Human Resources – Our employees are the foundation of the organization. We will support our employees in achieving excellence through training and development, teamwork, and continuous efforts at effective communication while treating each with integrity and dignity.

Standard 1: Recruit, promote and retain highly qualified employees to achieve our service standards.

Measurement: Subjective.

- Annual assessment by Administrator and Department Heads.

Standard 2: Provide continuous development of organizational skills through ongoing training and development programs that result in personal and professional growth.

Measurement: Objective.

- Training needs will be reviewed annually as part of the budget process.

Standard 3: Enable our employees to achieve excellence in serving our customers by building teamwork and understanding effective communication within the organization.

Measurement: Subjective.

Standard 4: Employees will be evaluated annually in a fair and equitable way to judge performance and be provided a developmental plan for the next fiscal year.

Measurement: Objective.

- Employee merit evaluations will be provided to each employee annually with the evaluation grading measurement of attainment of department objectives developed during the budget process and achievement of our Standards and KPIs.

Standards of Excellence Section 5: Fleet and Facility – We will operate and maintain a modern and clean fleet and facilities that will be pleasing to our customers and a source of pride for our employees and our communities.

Standard 1: If funding permits, SoCo Transit will match SLO Transit’s and the RTA’s standard of replacing revenue vehicles when they reach the FTA-defined useful life minimums in terms of service years or miles. If funding remains constrained, negotiate with SLO Transit and the RTA to ensure no agency’s buses surpass 40% beyond the FTA standards.

Measurement: Objective.

- As tracked by Finance and Administration as part of grant-making efforts.

Standard 2: Road calls will not exceed 5 per 100,000 vehicle service miles. A road call is defined as all mechanical or other vehicle-related failures that affect the completion of a scheduled revenue trip or the start of the next scheduled revenue trip, including failures during deadheading and layover.

Measurement: Objective.

- As tracked and reported by the Maintenance Department, and reported biannually to the Board.

Standard 3: Maintain a clean, attractive fleet. Maintain our facilities so that they are safe and appealing to customers and employees.

Measurement: Subjective.

- As measured by employee and customer feedback.

Standard 4: Achieve an 80% favorable rating of bus stop appearance by customers and the communities that we serve.

Measurement: Objective.

- As measured in the biannual Community Perception Survey.

Standard 5: Achieve all federal- and state-mandated maintenance minimums, as well as vendor recommended maintenance schedules, for our fleet and facilities. The following standards apply:

- A. No negative CHP Annual Terminal Inspection, FTA Triennial Review or TDA Triennial Performance Audit findings.
- B. Preventative maintenance schedules for all equipment shall be done on a timely basis (3,000 mile intervals or as mandated by equipment OEM vendor).

Measurement: Objective.

- As tracked by the Maintenance Department, and reported annually to the Board.

Standards of Excellence Section 6: Leadership – We will strive to be one of the nation’s leading small transit operators. We will work to maintain collaborative relationships within the industry, within our community, and with our stakeholders. We will develop future leaders from within our organization.

Standard 1: Maintain cooperative relationships with federal, state and local funding agencies.

Measurement: Subjective.

- Will be reviewed by staff and the Board.

Standard 2: Develop partnerships with stakeholders, community leaders and decision makers keeping them well informed of the integral role of SoCo Transit and contributions to the communities that we serve.

Measurement: Subjective.

- To be evaluated and monitored by the Board.

Standard 3: Promote effective internal communications and promote the values of the organization.

Measure: Subjective.

- To be evaluated by the Administrator.

Standard 4: Provide effective leadership for public transportation within the Five Cities Area.

Measurement: Subjective.

- To be evaluated by the Administrator and Board.

SOUTH COUNTY TRANSIT
~~2015-2017~~2018-2020 STRATEGIC BUSINESS PLAN
Approved ~~October 22, 2014~~(date forthcoming)

Executive Summary

This 2018-2020 Strategic Business Plan (SBP) is an update to the inaugural Plan adopted by the SoCo Transit Board of Directors in October 2014. This updated three-year SBP incorporates both new and revised standards. It is anticipated that this SBP will be reviewed and revised again (as necessary) in mid-2020 to reflect changing conditions.

Background

The enduring major components of the SBP are the *Vision Statement, Mission Statement, Vision Elements, and Strategic Direction*. Staff uses the measurable *Standard of Excellence* in the SBP to help guide the organization toward meeting long-term goals and objectives. The goals and objectives are premised on the following components:

The major components of the South County Transit 2015-2017 Strategic Business Plan are the Vision, Vision Elements, Mission of the Organization, and Strategies in achieving the Mission. The following pages provide the framework for a detailed SCT Strategic Business Plan.

Vision Statement

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

Mission Statement

SoCo Transit ~~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

1. Continue successful partnerships with jurisdictions, county, other public agencies, businesses and schools.
2. Provide excellent, reliable, sustainable seamless service that is effective in getting residents and visitors where they want to travel.
3. Secure reliable funding.
4. Sustain and continue to improve the Intelligent Transportation Systems (ITS) program to improve service quality and provide efficiencies.

5. Develop a well-executed image-building campaign with a single face for public transportation.

Strategic Direction

1. Stabilize and grow funding.
2. Continue to improve service quality: On-time performance, scheduling and routing, customer amenities on our vehicles and at our bus stops, operating procedures.
3. Consolidate and streamline operations to improve efficiency and effectiveness of public transportation throughout the county.
4. Include public transportation as part of the lifestyle evolution needed to confront climate change.
5. Reduce private automobile Vehicle Miles Traveled in private automobiles~~(VMT)~~.
6. Improve ~~SCT~~SoCo Transit's farebox recovery ratio to avoid Transportation Development Act (TDA) penalties.
7. Embrace technological improvements that will positively impact efficiency and quality of service.

Long-Term Goals

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

Objectives to Meet Long-Term Goals

- 1.1 Link population centers and major traffic generators within the region.
- 1.2 Coordinate service with all public transportation operators and services.
- 2.1 Provide safe public transportation.
- 2.2 Provide reliable public transportation.
- 2.3 Provide cost-effective public transportation.
- ~~2.4~~ Provide efficient public transportation.
- 2.5 Provide comfortable ~~intercity-public~~ transportation.
- 3.1 Achieve a highly rated level of customer satisfaction.
- 3.3 Provide service that is supported by market demand.
- 3.3 Manage service in a cost-effective manner.
- 3.4 Deploy technology effectively and efficiently.
- 4.1 Provide accountability and transparency.
- 4.2 Increase use and support of public transportation in South County.
- 4.3 Implement an annual marketing plan.
- 4.4 Use public funding efficiently in meeting public transit needs of ~~SCT~~-communities that SoCo Transit serves.
- 4.5 Educate community and business leaders and the public on the value of ~~SCT~~ SoCo Transit services.

Business Conditions and Opportunities

~~Current and Projected Business Conditions and Opportunities~~

The primary challenge facing SoCo Transit in the coming years is its inability to achieve the new State 20% farebox recovery ratio (FRR) that was triggered by the Federal designation as an urbanized area in the 2010 US Census. Prior to this Federal designation, the State only required a 10% FRR. On the positive side, the urbanized designation annually provides new formula Federal Transit Administration funds that have ranged from \$750,000 to over \$1,000,000 to the Arroyo Grande – Grover Beach Urbanized Area. An emerging solution is to abolish the agency, and transfer all assets and other obligations to the RTA. The RTA's FRR is high enough that it can "absorb" SoCo Transit through consolidation without facing financial penalties, while also providing other cost-savings.

Similar to the experience of most other public transit agencies across the nation, SoCo Transit and its partner agencies have experienced ridership declines since our peak in FY14-15. Some of this decline can be attributed to an improving economy that allows some riders to occasionally or even entirely replace transit usage with private automobile travel. Other factors include relatively low fuel prices over the past few years, as well as "disruptive" and high-technology

alternatives such as Uber and Lyft that offer travelers real-time – albeit more costly – personalized transportation. Current fixed-route ridership now equals that of FY11-12.

California Transportation Development Act (TDA) revenues have largely recovered after the steep declines encountered during the Great Recession, which has resulted in increased net revenues for jurisdictions for transit and non-transit uses. Once the newly enacted Senate Bill 1 (SB1) funds begin to flow, it will essentially replace the capital funds formerly provided under Proposition 1B. However, the SB1 funds could conceivably be eliminated through an initiative that could go before California voters in November 2018. If SB1 funds are eliminated, and other transit programs in the county would need to rely more heavily on TDA funds, which would reduce the funds left over for use by jurisdictions to pay for roadway repairs. SB1 also provided an uptick in Cap and Trade funds, so that funding increase is also in jeopardy.

Discretionary Federal Transit Administration (FTA) capital funds that have previously been used to replace buses and construct needed facilities have dried up, and there is not a replacement funding source being seriously discussed at the national level. In short, SoCo Transit's ability to rely upon large infusions of discretionary capital funds in the future is uncertain at best. This might result in needing to finance the replacement of buses.

~~Current and projected economic conditions have and will continue to impact SCT. We are still recovering from what most economists define as the worst economic recession since the Great Depression. The state and local unemployment rate surpassed 10% for a number of quarters and we are just now experiencing an improved job market. The housing market took a significant hit as did overall consumer spending, although both have recovered to almost pre-recession levels in 2014. TDA revenues are also recovering, which has resulted in increased net revenues for jurisdictions for transit and non-transit uses. Prop 1B bond sales are also recently recovering so that long-planned capital projects can again be implemented. The State budget calls for Cap and Trade funds to be available for transit needs beginning in the next year, although the method for distribution has not yet been finalized.~~

~~However, on the Federal side, the two-year MAP-21 transportation authorization bill expired in September 2014 and transportation expenditures are currently being guided through Congressional Continuing Resolutions. Furthermore, discretionary funds that have previously been used to replace buses and to fund operations in San Luis Obispo County have dried up and there is not a replacement funding source being seriously discussed. In short, SCT's ability to rely upon large infusions of capital and discretionary operating funds in the future is uncertain at best.~~

~~The 2010 US Census resulted in the area being designated as an urbanized area. The Arroyo Grande – Grover Beach Urbanized Area brings new Federal Transit Administration formula funding to the region, along with additional operating and administrative requirements – including the need to achieve a 20% farebox recovery ratio. This will be a struggle for SCT, since the agency has never achieved the level of fares necessary to ensure compliance in the future.~~

Business Direction for 2018 and Beyond

Overall Business Direction for FY15

1. ~~We will work to achieve this by continuing to focus~~Focus on cost effectiveness and living with our resources, and by undertaking efforts to ~~grow secure sustainable~~ operating and capital revenues.
2. Seek and implement innovative opportunities to improve service for our customers within current resources.
3. Be a leader among transit systems in developing and implementing environmentally friendly transit service and sustainable business practices.
4. Plan and prepare for the future growth of the system, while being mindful of farebox recovery ratio realities. This could include consolidation into the RTA in order to avoid future TDA farebox recovery ratio penalties.
- 4.5. Work with the RTA and the County to develop a Joint Short Range Transit Plan that covers both local fixed-route services in the Five Cities Area and demand response services in Nipomo.

Focused 2018-20 Strategic Business Plan Goals and Objectives

2015—2017 Strategic Business Plan Objectives

Goal 1: Increase Ridership – Increase ridership through improved system design by attracting discretionary customers and improving sub-regional transit alternatives.

Goal

~~Increase ridership through improved system design and maintenance.~~

Objectives

1. Continue to analyze data from the ~~SCT~~ SoCo Transit Route Performance Standards to evaluate service efficiencies and effectiveness.
2. Complete biannual Community Perception Survey ~~community survey~~ to address current and potential customer needs.
3. Improve customer communications and information about ~~SCT~~ SoCo Transit services.

4. Continue to explore alternative transit modes using emerging technologies to address underperforming and rural needs~~Continue to explore alternative transit modes for underperforming and rural needs.~~

5. Achieve ~~SCT~~ SoCo Transit Key Performance Indicators (KPIs) to improve existing service (On Time Performance, Customer Comments, Service Delivery, Accident Rate, etc.).

- ~~5-6.~~ Evaluate route scheduling to maximize the convenience of transfers between the various transit systems in the region. In addition, consider consistent region-wide designation of routes and equivalent fares by service type.

Goal 2: Key Performance Indicators – Expand the development and use of our KPIs to enhance system performance, employee performance, and improve service quality to our customers.

Goal

~~Expand the development and use of our KPIs to enhance system performance, employee performance, and improve service quality to our customers.~~

Objectives

1. Meet or exceed KPIs that ~~New KPIs will~~ include the following Standards Categories: Service Quality and Efficiency, Resources and Revenue, Safety, Human Resources, Fleet and Facilities, Leadership.
2. With policy guidance from the~~SCT~~ SoCo Transit Board, the Administrator with input from throughout the organization shall set the standards as detailed in this document. These will be provided to everyone in the organization who will have a lead role in achieving each standard, and these efforts will be reported as part of the bi-monthly updates to the SoCo Transit Board of Directors. ~~and reported on quarterly~~

Goal 3: Innovation – Explore innovative opportunities to improve our service for our customers and potential customers.

Objectives

1. Continue to look for ways to enhance decision-making processes using our Intelligent Transportation System (ITS) Program in conjunction with other jurisdictions.
2. Identify and secure funding to sustain and expand the ITS Program.
- ~~1-3.~~ Ensure that persons with disabilities have adequate mobility.

Focused 2018-20 Strategic Business Plan Standards of Excellence

Standards of Excellence Section 1: Service Quality and Efficiency – We will deliver dependable, customer focused and efficient transit services to the communities that we serve. Further, we will look for opportunities to deploy innovative new service within budgetary constraints.

South County Transit Standards of Excellence: Service Quality and Efficiency

Summary: ~~We will deliver dependable, customer focused and efficient transit services to the communities that we serve. Further, we will look for opportunities to deploy innovative new service within the resources available.~~

Standard 1: Passengers per vehicle service hour will be ~~15-17~~ or greater.

Measurement: Objective.

- Administrator will review monthly and report ~~quarterly~~ at each Board meeting.

Standard 2: The Service Delivery rate for all regularly scheduled / year-round services shall be 99% or greater. ~~Service delivery rate shall be 99% or greater.~~

Measurement: Objective.

- Reviewed quarterly by Operations, and reported by Administrator bi-annually to the Board ~~Administrator will report biannually.~~

Standard 3: ~~System wide~~ The On-time Performance for all regularly-scheduled / year-round services shall be ~~95~~90% or greater. “On-time” is defined as no later than six minutes from any timepoint in the published schedule. We recognize that making scheduled transfers between buses is vitally important to riders, and staff will explore methods of regularly measuring missed transfers.-

Measurement: Objective.

- Administrator will report ~~quarterly~~ bi-annually to the Board.

Standard 4: ~~SCT~~ SoCo Transit will make consistent efforts to explore new service and service delivery options as well as work with regional efficiencies in the delivery of transportation to the jurisdictions

Measurement: Subjective.

- Reviewed quarterly by Operations, and reported by Administrator annually to the Board ~~Administrator will report annually.~~

Standard 5: SoCo Transit will measure Overcrowding as the frequency of instances that the number of passengers on a bus exceeds the number of seats (i.e., 34 passengers on a 34-seat bus equates to a Load Factor of 1.00), as well as the duration of exceedances. The Overcrowding standard for regular fixed-route services is no more than 10% of the monthly total number of bus trips that exceed a Load Factor of 1.25 for greater than 20 minutes. If the Load Factor standard is exceeded, staff will assign a larger vehicle (if possible); otherwise, the Board will direct staff to evaluate adding scheduled bus trips to spread out the passenger loads.
Measurement: Objective.

- Reviewed quarterly by Operations, and reported by the Administrator biannually to the Board.

Standards of Excellence Section 2: Revenue and Resources – While providing excellent service to our customers and communities, we will do so within the financial resources available to us. The financial health of the organization will not be compromised, and we will work to deliver good value for the taxpayers’ investment in SoCo Transit

~~South County Transit Standards of Excellence: Revenue and Resources~~

~~We will live within our means. While providing excellent service to our customers and communities, we will do so within the financial resources available to us. The financial health of the organization will not be compromised and we will work to deliver good value for the taxpayers’ investment in SCT.~~

Standard 1: The annual operating budget will be based upon projected revenue balanced with other eligible TDA uses and the total operating cost will not exceed the budget adopted by the Board.

Measurement: Objective.

- Administrator will review monthly and report ~~quarterly~~ at each regularly scheduled Board meeting.

Standard 2: Farebox Recovery Ratio shall be greater than ~~20%~~ the minimum standard required by SLOCOG to meet TDA requirements. In FY17-18, that minimum was 20%.

Measurement: Objective.

- Administrator will review monthly and report ~~quarterly~~ at each regularly scheduled Board meeting.

Standard 3: No significant ~~annual fiscal and compliance audit~~ financial audit findings.

Measurement: Objective.

- Finance and Administration will report any negative audit findings to the Board ~~Administrator will report any negative audit findings.~~

Standard 4: Ensure that all capital procurements provide good value to our customers and our employees.

Measurement: Subjective.

- Evaluated through the Marketing Department's biannual Community Perception Survey, feedback from communities and review of the annual 5-year capital program by the Board~~Evaluated through community evaluation survey, feedback from communities and review of the annual capital program by staff and the Board.~~

Standards of Excellence Section 3: Safety – We recognize the tremendous importance of safety in the operation of SoCo Transit service to our customers and communities. Therefore, the safety of our customers and employees will be an organizational priority and we will be proactive in promoting system safety.

~~South County Transit Standards of Excellence: Safety~~

~~We recognize the tremendous importance of safety in the operation of SCT service to our customers and communities. Therefore the safety of our customers and employees will be an organizational priority and we will be proactive in promoting system safety.~~

Standard 1: Rate of preventable vehicle collisions will not exceed 1.0 per 100,000 miles.

Measurement: Objective.

- Rate shall be tracked by the Safety and Training Manager, and reported annually to the Board~~Administrator will review monthly and report annually.~~

Standard 2: Address all safety hazards ~~identified~~identified by the SCT Supervisor and reported to the joint RTA / SCT-SoCo Transit Safety Resource Committee.

Measurement: Objective.

- List shall be compiled with action items and timelines by the Safety and Training Manager~~Administrator~~.

Standard 3: Preventable workers compensation lost-time claims will not exceed 4 annually, and preventable medical-only claims will not exceed 5 annually.

Measurement: Objective.

- All work comp claims shall be duly investigated and immediately reported by Finance and Administration to our work comp carrier.

Standard 4: Customer and Community perception of system safety will be at least 90%.

Measurement: Objective.

- As measured by biannual Community Perception Survey~~community survey~~.

Standard 5: Total risk management costs shall not exceed industry norms. Staff will undertake alternating market surveys every four years for vehicle liability / physical damage coverage and

~~for workers compensation coverage~~Total risk management costs shall not exceed 8.5% of total operating costs.

Measurement: Objective.

- Reported by Finance and Administration in financials and ~~YTD budget reports~~monthly reported at each regularly scheduled Board meeting.

~~**Standard 6:** The number of bus trips with passenger standees will not exceed 10% of the daily bus trips on that route.~~

~~*Measurement:* Objective.~~

- ~~Reviewed quarterly by the SCT Supervisor, and reported by Administrator biannually.~~

Standards of Excellence Section 4: Human Resources – Our employees are the foundation of the organization. We will support our employees in achieving excellence through training and development, teamwork, and continuous efforts at effective communication while treating each with integrity and dignity.

~~**South County Transit Standards of Excellence: Human Resources**~~

~~Our employees are the foundation of the organization. We will support our employees in achieving excellence through training and development, teamwork, and continuous efforts at effective communication while treating each with integrity and dignity~~

Standard 1: Recruit, promote and retain highly qualified employees to achieve our service standards.

Measurement: Subjective.

- Annual assessment by Administrator and Department Heads.

Standard 2: Provide continuous development of organizational skills through ongoing training and development programs that result in personal and professional growth.

Measurement: Objective.

- Training needs will be reviewed annually as part of the budget process.

Standard 3: Enable our employees to achieve excellence in serving our customers by building teamwork and understanding effective communication within the organization.

Measurement: Subjective.

Standard 4: Employees will be evaluated annually in a fair and equitable way to judge performance and be provided a developmental plan for the next fiscal year.

Measurement: Objective.

- Employee merit evaluations will be provided to each employee annually with the evaluation grading measurement of attainment of department objectives developed during the budget process and achievement of ~~SCT-our's~~ Standards and ~~SCT's~~ KPIs.

Standards of Excellence Section 5: Fleet and Facility – We will operate and maintain a modern and clean fleet and facilities that will be pleasing to our customers and a source of pride for our employees and our communities.

South County Transit Standard of Excellence: Fleet and Facility

~~We will operate and maintain a modern and clean fleet and facilities that will be pleasing to our customers and a source of pride for our employees and our communities.~~

Standard 1: If funding permits, SoCo Transit will match SLO Transit's and the RTA's standard of replacing revenue vehicles when they reach the FTA-defined useful life minimums in terms of service years or miles. If funding remains constrained, negotiate with SLO Transit and the RTA to ensure no agency's buses surpass 40% beyond the FTA standards~~Replace all revenue vehicles no more than 40% beyond the FTA-defined useful life standard in terms of years or miles.~~

Measurement: Objective.

- As tracked by Finance and Administration as part of grant-making efforts~~Will be reported by the Administrator.~~

Standard 2: Road calls will not exceed 5 per 100,000 vehicle service miles. A road call is defined as all mechanical or other vehicle-related failures that affect the completion of a scheduled revenue trip or the start of the next scheduled revenue trip, including failures during deadheading and layover~~Road calls will not exceed 5 per 100,000 miles of vehicle service miles.~~

Measurement: Objective.

- As tracked and reported by the Maintenance Department, and reported biannually to the Board~~Administrator will report biannually.~~

Standard 3: Maintain a clean, attractive fleet. Maintain our facilities so that they are safe and appealing to customers and employees.

Measurement: Subjective.

- As measured by employee and customer feedback.

Standard 4: Achieve an 80% favorable rating of bus stop appearance by customers and the communities that we serve.

Measurement: Objective.

- As measured in the biannual Community Perception Survey~~annual Community Evaluation conducted by Marketing.~~

Standard 5: Achieve all federal- and state-mandated maintenance minimums, as well as vendor recommended maintenance schedules, for our fleet and facilities. The following standards apply:

- A. No negative CHP Annual Terminal Inspection, FTA Triennial Review or TDA Triennial Performance Audit findings.
- B. Preventative maintenance schedules for all equipment shall be done on a timely basis (3,000 mile intervals or as mandated by equipment OEM vendor).

Measurement: Objective.

- ~~• As tracked by the Maintenance Department, and reported annually to the Board.~~ **Standard 5:** ~~Achieve all federal, state-mandated maintenance practices, as well as vendor recommended maintenance schedules for our fleet and facilities.~~
- ~~Measurement: Objective.~~
- ~~• No negative FTA or TDA audit findings.~~
- ~~• Preventative maintenance schedules for all equipment shall be done on a timely basis (3,000-mile intervals or as mandated by equipment OEM vendor).~~

Standards of Excellence Section 6: Leadership – We will strive to be one of the nation’s leading small transit operators. We will work to maintain collaborative relationships within the industry, within our community, and with our stakeholders. We will develop future leaders from within our organization.

South County Transit Standards of Excellence: Leadership

~~We will strive to be one of the nation’s leading small transit operators. We will work to maintain collaborative relationships within the industry, our community, with our stakeholders and develop future leaders from within our organization.~~

Standard 1: Maintain cooperative relationships with federal, state and local funding agencies.

Measurement: Subjective.

- Will be reviewed by staff and ~~SCT~~ the Board.

Standard 2: Develop partnerships with stakeholders, community leaders and decision makers keeping them well informed of the integral role of ~~SCT~~ SoCo Transit and contributions to the communities that we serve.

Measurement: Subjective.

- To be evaluated and monitored by the ~~SCT~~ Board.

Standard 3: Promote effective internal communications and promote the values of the organization.

Measure: Subjective.

- To be evaluated by the Administrator.

Standard 4: Provide effective leadership for public transportation within the ~~County~~Five Cities
Area.

Measurement: Subjective.

- To be evaluated by the Administrator and ~~SCT~~ Board.

SOUTH COUNTY TRANSIT
January 17, 2018
STAFF REPORT

AGENDA ITEM: B-1

TOPIC: Fiscal Year 2018-19 Budget Assumptions

ACTION: Approve Budget Assumptions

PRESENTED BY: Tania Arnold, RTA Deputy Director/CFO

STAFF RECOMMENDATION: Approve Budget Assumptions to Enable Staff to Begin Development of FY18-19 Operating and Capital Budgets

BACKGROUND/DISCUSSION:

Each year in connection with the annual budget process, staff reviews SoCo Transit operations to determine what, if any, operational changes will be recommended for implementation in the following fiscal year. Based on those recommended changes, staff develops the operational data, revenue and cost projections for presentation in the proposed Operating Budget. For Fiscal Year 2018-19, staff is recommending maintaining service levels and the current fare structure implemented in July 2016.

The following are the staff recommended FY18-19 Budget Assumptions that will provide staff the necessary policy guidance to prepare the appropriate operating and capital program for presentation to the Board at its April meeting.

KEY ISSUES

1. *SoCo Transit faces a Transportation Development Act (TDA) financial penalty in FY18-19, estimated to be on the order of \$70,000. Staff is working with SLOCOG officials to determine a more concrete figure that the jurisdictions should consider holding back in General Fund or other non-TDA sources.*
2. STA funds used for capital projects are projected to be up slightly.
3. LTF used for operating purposes is projected to be flat.
4. Liability costs continue to escalate, despite SoCo Transit's good safety record.
5. Fleet replacement and related funding requirements including SB1 funds.
6. Fuel costs continue to remain low; this also results in declining ridership & fares.

Note that the first issue above is the greatest one facing the agency in the immediate future, and is something that has been on the forefront of decision-makers' minds ever since the State-mandated higher 20% farebox recovery ratio was triggered by the 2010 US Census.

Three options exist to address this issue:

1. **Option 1 – Do Nothing:** if the Board decides to maintain the status quo in terms of service levels, SLOCOG will reduce each jurisdiction's Local Transportation Fund (LTF) annual allocation by their proportion of the overall fare receipt shortcoming. In that scenario, General Fund or other non-TDA or non-Federal funds would have to make up the shortfall.
2. **Option 2 – Reduce Service Levels:** the Board could choose to reduce services equal to the TDA penalty amount. This Option would require an extensive public outreach process. However, as indicated during discussions on fare and service changes in 2016, there are no obviously low-performing segments of the system that could be easily eliminated. In short, eliminating portions of the service would likely have far-reaching impacts that could result in an even lower farebox recover ratio.
3. **Option 3 – Consolidate into the RTA:** this would eliminate any financial penalty levied against the SoCo Transit jurisdictions, and is the preferred alternative by the three City Managers.

Mission Statement

The Mission of South County Transit is to provide safe, friendly, and reliable service to the citizens of and visitors to the Five Cities Area.

Objectives and Revenue Impacts

1. Maintain service levels and hours of service that meet the standards of productivity and demands of our customers and communities through the effective and efficient delivery of SoCo Transit Fixed Route core services, as well as contracted Senior Shuttle and Trolley services.
 - a. SoCo Transit received just over \$78,500 in State Transit Assistance (STA) capital project funding in FY17-18. Staff will work with SLOCOG staff to determine a realistic estimate for FY18-19.
 - b. Continue to monitor the results and impacts of the July 2016 fare increase. In addition, slightly higher fare revenues are expected because of the RTA's December 31, 2017 increase to Regional fare media that is shared with SoCo Transit.
 - c. Federal Transit Administration (FTA) Section 5307 Urbanized Area Formula Program grant funding will be budgeted at 45% of allowable operating expenditures less farebox revenue.

- d. To partially fund the new Route 27 (clockwise, weekdays-only) and Route 28 (counterclockwise, 7 days a week) services, SoCo Transit will apply in January 2018 for Low-Carbon Transit Operations Program (LCTOP) grant to fund the service in FY18-19. The Oceano area's demographic profile suggests this service will continue to rank relatively high in San Luis Obispo County for these LCTOP grant funds.
 - e. As noted above, a financial penalty will likely be assessed by SLOCOG for failing to achieve the mandated 20% farebox recovery ratio in FY18-19. After this amount is determined and local non-TDA sources are identified at each jurisdiction's level, the now-reduced LTF will be budgeted to balance the SoCo Transit budget based on maintaining service levels for SoCo Transit Routes 21, 24, 27 and 28 operations. Note that tripper service on Routes 27 and 28 only operates when Arroyo Grande High School is in full session. The FY18-19 will likely be in line with FY17-18 LTF amount, which is greater than in recent fiscal years, but SoCo Transit has used annual savings that had been carried forward as fund balance available to offset prior year requested LTF. Staff believes SoCo Transit will have a small amount that it will be able to carry forward savings in FY17-18 due to budgetary restraint and lower than budgeted fuel costs.
 - i. Under Option 3, no financial penalty would be assessed.
 - f. Detailed miles/hours and span of service for each SoCo core fixed route will be provided with the draft budget. For context, detailed budgets based on miles/hours and span of service will be provided separately for Beach Trolley service.
 - g. Staff will continue to research and evaluate new revenue resources should any potential shortfall in operating revenues arise. If we are unable to secure funding, staff would recommend that the Board consider adjusting the TDA allocation from the SoCo Transit jurisdictions and/or adjust service levels.
 - h. Due to changes in self-insured retention requirements, staff will review and provide recommendations regarding the SoCo Transit reserve policy, which was originally adopted in April 2014.
2. Work with the SLOCOG in evaluating region-wide service efficiencies.
- a. Continue to evaluate the TDA Triennial Audit recommendation for SoCo Transit to consolidate with RTA. Consolidation would have the effect of eliminating the TDA financial penalty.
 - b. Transit agencies across the country have experienced ridership declines due to the relatively low price of fuel, affecting SoCo Transit's farebox recovery ratio. Other factors also include changes to the California minimum wage.

Staff will work with SLOCOG to determine the appropriate farebox ratio requirements for SoCo Transit.

- i. Under Option 3, RTA would require that the farebox recovery ratio be modified.
 - c. Review the tasks and financial impacts included in the SoCo Transit contract for administrative, financial, marketing, maintenance and dispatch services, and evaluate efficiencies with the RTA.
 - i. Under Option 3, some services such as payroll and finance would be reduced, resulting in cost savings.
 - d. Staff will use the results of the October 2017 Customer Perception and Employee Survey to make recommendations for a 2018-20 SoCo Transit Strategic Business Plan as well as the move forward with a Short Range Transit Plan during FY18-19 to evaluate potential efficiencies, and with Board concurrence, implement efficiencies.
3. Evaluate options and provide analysis on the 5-year capital improvement program and methods to fund these needs.
- a. Staff will work with SLOCOG on appropriate projects for the Augmented STA portion of SB1 funds for SoCo Transit projects. Staff is anticipating the funding will be used to match federal funds for vehicle procurements.

Expenses Impacts

1. The Beach Trolley will operate from early-April through early-June on Friday through Sunday (Friday evening, and from 10 am to 6 pm on Saturday and Sunday). From mid-June to early-October, the Beach Trolley will operate on Friday through Sunday (Friday and Saturday from 10 am to 9 pm and Sunday from 10 a, to 6 pm). These services are provided through a contract with RTA and entirely funded through the County. Staff will continue to evaluate service levels based on ITS data to determine if service levels should be adjusted.
2. Fuel consumption and price will be budgeted conservatively; diesel fuel will be budgeted at \$3.25 per gallon. Included in the fuel line item will be diesel exhaust fluid (DEF), used to lower diesel exhaust emissions on the newer Fixed Route vehicles.
3. Operations facility rental costs will not increase in FY18-19, as we will be entering the third year of a three-year lease extension.
4. Insurance Expenses:

- a. CalTIP liability insurance premiums are projected to increase. The exact amount is not known at this time as CalTIP actuaries are still working on May 1, 2018 through April 30, 2019 rates. Estimates should be received from CalTIP in time to include in the SoCo Transit April 2017 budget. Although the number of SoCo Transit losses based on mileage has been lower than the pool average, the pool has experienced significant negative claims development and is working to ensure the stability of the pool and ensure equity between all members.
 - i. Under Option 3, there will be savings annually in reduced administrative costs and the per-mile cost for SoCo Transit miles operated will initially decline.
- b. CalTIP vehicle physical damage will increase minimally due to the added asset value of new vehicles in the fleet.
- c. As of July 1, 2017 CalTIP no longer provides employment practices liability insurance coverage as part of the premiums paid for general liability coverage. SoCo Transit was able to join the Employment Risk Management Authority (ERMA) to obtain coverage. The annual premium is estimated at \$2,500 with a \$50,000 self-insured retention.
- d. Workers compensation premiums through the CSAC Excess Insurance Authority are projected to increase, with the realization that workers compensation for transit services is especially challenging statewide as loss development trends for the state are not favorable. Staff will obtain a more refined estimate in early March. We continue to work with our employee committee that has evaluated workplace safety and has initiated a proactive program to address the number of claims and severity of the claims.
 - i. Under Option 3, there would be a relatively similar cost due to RTA having a higher loss ratio than SoCo Transit but cost increases would be offset by eliminating the duplicative carrier's administrative costs.
- e. Property insurance will increase minimally.
- f. For budget-making purposes, staff is assuming health insurance premiums will increase 5% in comparison to current rates. This will have a minimal impact on the budget due to the low number of employees under the plan. At this time, the Affordable Care Act has no impact on the budget, since SoCo Transit employs fewer than 50 employees. Nonetheless, staff will continue to monitor legislation should that provision change.

- i. Under Option 3, health insurance costs would increase due to the Affordable Care Act provisions for employees who work greater than 30 hours per week.

5. Staffing Expenses:

- a. The RTA Board ratified the CBA with the Teamsters at its November 2017 meeting, and this analysis presumes that the same financial impacts would ultimately be accepted by SoCo Transit employees.

Proposed Budget Calendar

January 9	Detailed budget assumptions and revenue forecast to Executive Committee
January 17	Obtain Board concurrence on proposed draft budget assumptions
March 31	FY18-19 Budget Draft complete
April 10	Draft FY18-19 Budget presentation to Executive Committee
April 25	Final Board Budget presentation; Board adoption of FY18-19 Budget
May – June	SLOCOG notifies all JPA members of TDA allotment for member agency budget consideration
July 1	Start of new fiscal year

Staff Recommendation

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

SOUTH COUNTY TRANSIT

January 17, 2017

STAFF REPORT

AGENDA ITEM: B-2

TOPIC: Consolidation into the RTA

PRESENTED BY: Geoff Straw, Executive Director

STAFF RECOMMENDATION: Actively Pursue Consolidation into the RTA

BACKGROUND/DISCUSSION:

Summary

Staff presented the findings/recommendations of the most recent TDA-required Triennial Performance Audit to the Board at its October 18th meeting. The presentation included staff's recommended next steps, focusing on possible consolidation of SoCo Transit into the RTA. Staff estimates that consolidation would result in an annual net savings to the South County jurisdictions of approximately \$18,000, as well as avoid an additional \$70,000 annual TDA penalty. Together, these result in a preliminary annual net benefit of roughly \$88,000 to the South County jurisdictions.

Based on subsequent discussions with City and County senior staff, we are now recommending that SoCo Transit be abolished as a separate entity, and that all operations and assets be incorporated into the RTA.

Discussion

One new item that emerged during discussions with County Counsel staff regards the possibility of two separate joint powers agencies. Briefly, the possibility of SoCo Transit remaining as a separate entity would not result in the cost-savings that would be realized with one single operations-related workforce (Bus Operators, Utility Workers and Mechanics). As such, staff worked with Deputy Counsel Tim McNulty to develop a revised RTA Joint Powers Agreement (JPA) that would still foster local decision-making for transit services in the Five Cities Area, but would abolish the South County Transit JPA. This draft document (attached at the back of this report) has been shared with the three City Managers and County public works staff for review and comment.

In our October 18th presentation, staff highlighted five challenges and opportunities that would require additional research. Recent findings on those five issues are provided below:

1. Impacts to the RTA's blended FRR – consolidation would increase RTA's blended farebox requirement from the current 17.34% level, and SoCo Transit's

relatively poor FRR would lower the combined farebox revenues. Staff has formally requested a SLOCOG review of the blended farebox recovery ratio policies and procedures, which it intends to present at its April 2018 meeting.

2. Planned increases in costs will affect future FRR results – the RTA Board ratified its CBA with the Teamsters at its November 2017 meeting. As the California minimum wage increases over time, it will erode the RTA's FRR.
3. Increased health insurance costs – as long as the Affordable Care Act provisions remain for employees who work greater than 30 hours per week, these additional costs will be borne by the combined agencies under consolidation. However, the per person costs are lower at the RTA due to economies of scale. The net increase in costs to the South County jurisdictions would be approximately \$40,000 per year.
4. Reduced vehicle-related insurance costs – we have confirmed with our liability and physical damage carrier that under consolidation the region will save \$17,000 annually in reduced administrative fees, and the per-mile cost for SoCo Transit miles operated will initially decline (currently \$0.48/mile for SoCo Transit vs. \$0.36/mile for RTA using FY17-18 figures). Together, this equates to an initial cost-savings on the order of \$41,000 for the South County jurisdictions.
5. Increased workers compensation costs – we originally reported this as a cost-savings at the October 2017 Board meeting, but we have since learned that it is likely RTA's recent work comp experience will result in high overall costs to the South County jurisdictions under consolidation. We are still working with our carrier to determine the net impact

The other cost-saving elements presented in the October 2017 staff report remain, and are summarized below:

1. Fewer public meetings redirects resources – would allow between 60 and 90 annual hours of senior staff time to be used for other issues. No cost savings is assumed in this analysis.
2. Savings in payroll preparation and associated ADP fees – consolidation would not require separately coding SoCo Transit and RTA wages/benefits. No cost savings is assumed in this analysis.
3. Savings in audit and planning costs – one consolidated annual fiscal and compliance audit saves \$3,000 annually (not counting the additional staff time currently expended). One consolidated TDA Triennial Performance Audit saves \$20,000 every three years. One consolidated Short-Range Transit Plan saves approximately \$50,000 every five to seven years. Annualized, this equates to a cost-savings of approximately \$18,000 annually.

4. FRR penalty avoided – based on the adopted SoCo Transit FY17-18 budget, the South County jurisdictions would avoid approximately \$70,000 in FY18-19 (the year that a SLOCOG penalty would be assessed).

A “legacy” item that must be addressed is how risk management cases will be resolved. Our vehicle liability and workers compensation carriers (CalTIP and CSAC EIA, respectively) will require that the successor agency – the RTA – become responsible for any open or pending vehicle collision/incident or workers compensation incidents. In California, persons have up to one year from a purported incident to file a claim and this results in some uncertainty for future experience modification levels. On the flip side, SoCo Transit has investments in the CalTIP and CSAC liability pools that would be transferred to the RTA. For the purposes of this discussion, it is fortunate that both of our risk management policies provide first-dollar coverage (aka, “no deductible”), so no specific reserves need be established.

Recommended Steps to Pursue Consolidation

Staff recommends the following initial steps to actively pursue SoCo Transit consolidation into the RTA:

1. Schedule monthly SoCo Transit Board meetings so that important decisions can be made in a timely manner. If no pressing issues arise for that month, the meeting would be cancelled.
2. Conduct monthly meetings with Teamsters Local 986 officials and non-represented employees at both SoCo Transit and RTA to address concerns and develop proposals that could impact the workforce.
3. Develop a resolution for our two risk management providers explaining that all liabilities and assets of SoCo Transit – including those related to existing risk management policies – will be assumed by the RTA.
4. Schedule staff presentations on the proposed consolidation, as well as the draft amended RTA JPA document, to all seven City Councils and the Board of Supervisors in March and April 2018.
5. Once the revised RTA JPA is finalized and a resolution abolishing the SoCo Transit JPA is developed, they would be presented for adoption at each entity later in the year.
6. Finalize plans with our risk management partners to establish milestones and key decision-points for consolidation. The fiscal year for CalTIP begins on May 1 and for CSAC on July 1.

7. Finalize plans with our health insurance carriers to transition existing full-time SoCo Transit employees onto the RTA's plans, and add future part-time/health-benefited employees.
8. Work with the DMV, CHP, FTA, the SLO County Air District and other regulatory agencies to transition assets and related reporting requirements to the RTA.
9. Work with vendors and other organizations with whom SoCo Transit has contracted for goods and services.

Staff Recommendation

Actively pursue consolidation into the RTA.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
JOINT POWERS AGREEMENT

WITNESSETH:

This Agreement is made and entered into this 9th day of March, 1990, and amended ~~on 2nd day of September, 1998, and further amended on~~ [REDACTED], 2012, 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").

Commented [GS1]: April 16, 2013 is the date on the document submitted to Secretary of State, which was submitted on May 17, 2013, and officially filed by Secretary's office on June 24, 2013.

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 for the purpose of providing, among other things, for a regional transportation agency; 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.

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 the San Luis Obispo Regional Transit Authority in return for amendments made to this Agreement effective 2018.

NOW THEREFORE, it is agreed as follows:

ARTICLE I
General Provisions

Section 1. Purpose: The purpose of this Agreement is to exercise the common powers of the member agencies for the formation of a Joint Powers Agreement 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 2. 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 San Luis Obispo Council of Governments (hereinafter referred to as SLOCOG).

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.-

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:

1. 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.
2. 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.
3. 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 (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 RTA Board members representing the affected jurisdictions.

Section 7. Committees:

1. Committees and subcommittees may be established as RTA may deem appropriate.
2. 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.
3. Standing committees shall include the:
 - a. 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.
 - b. ~~AN~~ Executive Committee comprised of the President, Vice President and the past President and at least one representatives from the county of San Luis Obispo (if none of the above) 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.
 - c. 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:
 - i. The SCTC shall ~~govern-effectively control~~ 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 Section 2 of this Agreement.

- ii. At a minimum, the SCTC shall meet annually to consider annual service levels, fare levels, major marketing campaigns, capital improvement plans, and to ratify budgetary 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 might also be conducted.
- iii. For purposes of conducting business, three of the four SCTC members shall constitute a quorum.
- iv. The SCTC shall submit an annual South County Transit operating budget and multi-year capital improvement plan to the full RTA Board prior to <<<DATE>>> for consideration as part of the RTA Overall Annual Budget.
- v. 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 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.
- vi. Each SCTC member agency shall make an annual 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.
- i.vii. Any member of the SCTC may withdraw from the SCTC after providing written notice to the RTA Board President one 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

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 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.

4. No committee shall commit RTA on any matter or questions of policy. Such matters or questions can only be decided by RTA.
5. 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 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 those procedures prescribed by the Joint Powers Agreement of SLOCOG.

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. ~~Adoption of the Overall Annual Budget requires a minimum three-fourths RTA Board majority, including affirmative votes from at least three of the four SCTC members.~~

Accounting practices to be applied will conform ~~with~~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 budget-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: Finances, Section 1. The Powers of RTA specifically include, but are not limited to, the following:

1. To solicit bids and negotiate contracts from private enterprise for services and/or operation.
2. To sue or be sued.
3. To employ agents, employees and contract for professional services.
4. To make and enter contracts, including labor, purchase agreement and employment contracts.
5. To acquire, convey, construct, manage, maintain and operate necessary equipment, building and improvements.
6. To acquire and convey real and personal property.
7. 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.
8. To purchase necessary insurance.
- ~~7.9.~~ 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.

Commented [GS2]: These two were copied over from the SCT JPA

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's 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 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 operated 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.

City of Arroyo Grande

By: _____

Date: _____

Resolution No. _____

Commented [GS3]:

From Article IV Miscellaneous Provisions, Section 4 Assignability of the SCT JPA:

*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.*

Note the yellow-highlighted section; RTA's only requires a majority...

Clerk

City of Atascadero

By: _____

Date: _____

Clerk

Resolution No. _____

City of Grover Beach

By: _____

Date: _____

Clerk

Resolution No. _____

City of Morro Bay

By: _____

Date: _____

Clerk

Resolution No. _____

City of Paso Robles

By: _____

Date: _____

Clerk

Resolution No. _____

City of Pismo Beach

By: _____

Date: _____

Clerk

Resolution No. _____

City of San Luis Obispo

By: _____

Date: _____

Clerk

Resolution No. _____

County of San Luis Obispo

By: _____

Date: _____

Clerk

Resolution No. _____

Approved as to form and legal effect:
TIM MCNULTY
County Counsel

By: _____
Deputy County Counsel

Date: _____

DRAFT
SOUTH COUNTY TRANSIT
MINUTES OF October 18, 2017 BOARD MEETING
City Council Chamber, Arroyo Grande
C-1

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

Directors Absent: None

Staff Present:	Geoff Straw	Administrator
	Tim McNulty	San Luis Obispo County Counsel
	Tania Arnold	RTA Deputy Director and CFO
	Phil Moores	Manager, Operations
	Mark Diamond	SCT Operations Supervisor
	Shelby Walker	RTA Administrative Assistant
	Mary Gardner	Marketing Manager

CALL TO ORDER AND ROLL CALL: Chairperson Lynn Compton called the meeting to order at 1:38 p.m. Roll call was taken; a quorum was present with **Director Barbara Nicolls** arriving at 1:41 p.m.

PUBLIC COMMENT: None

A. INFORMATION AGENDA:

A-1 Administrator's Report (Receive): Mr. Geoff Straw stated that SoCo Transit representatives began formal negotiations with Teamsters Local 986 representatives on October 11th to replace the current SoCo Transit CBA, which ends on January 31, 2018. The RTA Bus Operators and maintenance staff – represented by the same union – ratified a new 4-year Collective Bargaining Agreement on September 19th. The Bus Roadeo was held on October 15th and **Mr. Rod Pappas** took second for SoCo Transit. We conducted a SoCo Transit Driver Forum on September 12th. The few issues that were discussed were difficulty with the bus stop on Grand @ 16th, the need more Road Supervisor coverage on some nights, and future pay in reflection to the future increases in minimum wage.

He continued by stating that the Santa Barbara County Association of Governments is leading the Santa Maria-San Luis Obispo Transit Connections Study. The recommendations were that the RTA Route 10 service be re-routed to the Broadway corridor in Santa Maria, and longer daily spans of service and more frequent service during peak travel periods. Those recommendations were accepted by the SLOCOG Board at its October 4th meeting.

Staff has begun our biennial Customer Perception Survey and on-bus surveyors will distribute and collect paper surveys in the second and third week of October to ensure all of the runs are surveyed over a typical day. In addition, an online general public survey is currently being promoted using the on-bus LCD screens, and staff posted notices at major bus stops and on our website. Finally, an employee survey is being conducted. The resulting information can be used to inform the update of the SoCo Transit Strategic Business Plan in early 2018.

Mr. Straw continued by mentioning that SLOCOG has allocated \$441,293 in new Senate Bill 1 capital funds to RTA. It will be used for partial funding of the planned long-termed bus maintenance facility where SoCo Transit vehicles will be maintained.

Mr. Straw then went on to review FY16-17 year-end information. SoCo Transit's core fixed-route ridership is down 9.5% from FY15-16. Remember that fares were increased on July 30, 2016, so the fact that the decline was relatively small is encouraging. The overall farebox recovery ratio for SoCo Transit fixed routes was 11.6%, it is hard to get the 20% standard with the sparse amount of people in the area. The subsidy per passenger-trip on core fixed route services was \$5.57 in FY16-17, which equates to a 45.8% annual increase over in FY15-16

He stated that in terms of financial results, total operating costs equated to 95.2% of budget. The greatest variance was experienced in fuel costs but vehicle maintenance cost were above budget. As a reminder, the FY16-17 budget reflects a relatively large service extension – including the incorporation of the Low Carbon Transit Operations Program, which funded Route 27/28 service beginning on July 30, 2016. While ridership on the new bidirectional Route 27/28 pair is higher than the previous Route 23 service, productivity (passenger boardings per hour of service) is slightly lower. Staff will closely track these metrics and provide recommendations to the Board as the 3-year LCTOP funding expiration date nears. Overall combined ridership in July and August 2017 is up 3.6% in comparison to the same period in 2016 and there is no substantial variances.

Mr. Straw concluded his report.

Chairperson Compton opened Board and public comment.

Director Tim Brown asked what the SB-1 tax is exactly, what the impact will be, and when does it go into affect. **Mr. Straw** stated that it is a tax on gas and diesel fuel that starts on November 1st. He stated he is hopes it will increase ridership.

Chairperson Compton closed Board and public comment.

A-2 Triennial Performance Audit Recommendations (Receive): **Mr. Straw** stated that the triennial performance audit is required every 3 years under CA TDA law. At its August 2, 2017 meeting, the San Luis Obispo Council of Governments accepted the TPA report for SoCo Transit. SoCo Transit staff provided a more detailed set of responses to each draft finding and recommendation to SLOCOG staff in

several correspondence in May 2017, and we will work with SLOCOG staff to address any actionable deficiencies. The two recommendations were to consider consolidation with RTA and enhance the SCT brand, develop a sustained marketing program, and improve the availability of public information.

In terms of the first one, the primary reasons to consider consolidation include elimination of redundancy, reduction in rider confusion, and addressing SoCo Transit's inability to achieve the 20% farebox recovery ratio requirement. As a reminder, the Federal designation of the Arroyo Grande-Grover Beach Urbanized Area as a result of the 2010 Census triggered a State requirement that the FRR be increased from 10% to 20%.

To determine the net financial impact of consolidation to the region, further analysis is required by SoCo Transit, RTA and SLOCOG staff and it will take time to evaluate everything. A possible model is the one used in Paso Robles: the local fixed-route and dial-a-ride services are operated by the RTA as part of a consolidation agreement that happened in 2014. **Chairperson Compton** asked if that area went from rural to urbanized at the same time as the consolidation. **Mr. Straw** stated that they had in 2000. **Director Sheila Blake** asked if there was duplicate routes running with RTA and SoCo Transit. **Mr. Straw** stated that we travel in the same corridor but we do not elephant train down the same streets. **Director Blake** asked if staff has figured out why there is such a disparity in the two routes and their ability to produce revenue. **Mr. Straw** stated that RTA is an intercity system and has the ability to charge more than the local services and we have more commuters riding.

He continued by stating that there is a relatively small amount of staff redundancy across both agencies. The recent agreement between SoCo Transit and RTA for administrative services spells out the amount of paid time and costs that the various RTA staff persons allot for SoCo Transit needs, and that would not change drastically under consolidation. There would be savings in the amount of time our payroll staff persons spend on separately coding SoCo Transit and RTA wages/benefits. Liability cost are separate currently and if consolidated we would get a better rate, the same goes for workers compensation. Health insurance cost would go up to cover seven extra employees, but currently SoCo Transit health insurance cost are higher because they are in a smaller pool. RTA Board would have to accept SoCo Transit and RTA's farebox recovery ratio could go down. **Chairperson Compton** asked in terms of seniority, would the SoCo Transit operators go to the top. **Mr. Straw** stated that because they are in the same union they would dovetail in and keep their seniority status.

He stated that the net savings would be about \$60,000 per year if consolidation were to happen. **Director Blake** asked what will happen to the management teams. **Mr. Straw** stated that there is no management team for SoCo Transit and they contract with RTA to provide services. He continued by stating TDA law expressly permits the regional transportation planning agency in counties with a population below 500,000 to set the FRR requirement as low as 15% in small urbanized areas. Staff has already submitted a request to SLOCOG to consider lowering the FRR requirement to 15% in both the El Paso – Atascadero Urbanized Area and the Arroyo Grande – Grover Beach Urbanized Area. This lower level was provided to the City of Atascadero for its local Dial-A-Ride program following the consolidation of the El Camino Shuttle into RTA in 2014 – so it is not unprecedented.

Mr. Straw stated that the second recommendation of making changes to the the marketing and public information for SoCo Transit. SoCo Transit does not have an adopted public participation policy, although it has adhered to the RTA's adopted policy in order to remain in compliance with FTA rules. In any case, staff agrees with the TPA consultant that the RTA Public Participation Policy focuses solely on fare and/or service changes, and that SoCo Transit should adopt a more extensive policy in FY17-18 to

also cover other types of outreach efforts. Staff bring a draft Public Participation Policy to the Executive Committee for review. With regard to a formal Marketing Plan, staff is still researching the best course of action for both SoCo Transit and the RTA. We will continue to evaluate this recommendation in the coming months and provide an update to the SoCo Transit Board as part of the development of the FY18-19 budget.

He stated that staff will continue to research the impacts of the consolidation and will be meeting with local elected officials of each area. We will also be developing a draft agreement document and present it to RTA and SoCo Transit Boards in 2018.

Mr. Straw concluded his report.

Director Brown moved for approval of acceptance of TDA recommendations, **Director Nicolls** seconded and the motion carried on a voice vote with all in favor.

Chairperson Compton opened Board and public comment.

Mr. Pete Rodgers, SLOCOG, stated that we have been working closely with **Mr. Straw** in regards to the TDA audit. The question is coming to SLOCOG is if they are going to cut SoCo Transit funding. SLOCOG staff will be taking steps addressing the issue at their December 2017 meeting. Yes, SLOCOG does have the authority to reduce the farebox recovery from 20% to 15%. We have been strongly advocating consolidation to save money throughout the county so reducing the farebox recovery ratio helps encourage that and reduce the duplication. We want to make sure we are methodical and fair to other services in the county when considering the farebox reduction. We will support staff on the next steps of this process.

Chairperson Compton closed Board and public comment.

B. ACTION AGENDA:

B-1 Bus Stop Improvement Plan (Approve): **Mr. Straw** stated the bus stop improvement plan identifies needs based on assessment of deficiencies, and prioritize improvements. Staff used the ITS to determine usage by location. Our first focus will be on ADA deficiencies based on field surveys. The standards are based on average daily boardings. A bench is needed when boardings are more than 10 and a shelter is needed when boardings are more than 20. The findings of study found most bus stops meet standards 7/30/16 service change impacts, but 27 stops needed ADA improvements. Staff will continue to work with jurisdictions on red-curbings, tree trimming, etc. **Director Blake** asked if there were standardized shelter units that can be placed when a something for a stop becomes necessary. **Mr. Straw** stated that sometimes the cities want something a little different, but a standardized unit would be easier. **Director Blake** asked who is responsible for putting in the shelter. **Mr. Straw** stated that it is our responsibility if we see an increase in ridership at stops.

He stated the ADA improvements will be first on the list and then the order of the list on pages B-1-2 and B-1-3. The total for all proposed improvements is estimate at \$96,200. Currently, SoCo Transit has secured adequate funds for all of the bus stop improvements that are recommended in the Plan. Eighty percent of the funds will come from the Federal Transit Administration Section 5307 grant program and the remaining 20% would be comprised of local sources. No additional funding is necessary.

Mr. Straw concluded his report.

Chairperson Compton opened and closed Board and public comment.

Director Brown moved to approve Agenda Item B-1. **Director Nicolls** seconded and the motion carried on a roll call vote with all in favor.

C. CONSENT AGENDA:

- C-1 Draft SCT Minutes of July 19, 2017 (Approve)
- C-2 SCT Strategic Business Plan Results through July 2017 (Receive)
- C-3 Annual Fiscal & Compliance Audit for Fiscal Year 2016-17 (Accept)

Director Brown moved to approve Consent Agenda items. **Director Blake** seconded and the motion carried on a voice vote.

D. CLOSED SESSION CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL: It is the intention of the Board to meet in closed session concerning the following items:

D-1 Conference with Labor Negotiator Geoff Straw concerning the following labor organization: Teamsters Local 986

Went into closed session at 2:28 p.m.

Returned to open session at 2:42 p.m. with nothing to report out.

E. DIRECTORS' COMMENTS: None

F. EXECUTIVE COMMITTEE MEMBERS' COMMENTS: None

ADJOURNMENT: The meeting was adjourned at 2:42 p.m.

Respectfully submitted, Shelby Walker, Administrative Assistant

**SOUTH COUNTY TRANSIT
JANUARY 17, 2018
STAFF REPORT**

AGENDA ITEM:	C-2
TOPIC:	State of California Low-Carbon Transit Grant Program
ACTION:	Approve
PRESENTED BY:	Geoff Straw, Administrator
STAFF RECOMMENDATION:	Resolution Authorizing the Administrator to Submit an Application for LCTOP Funds

Background:

The Low-Carbon Transit Operations Program (LCTOP) is one of several programs funded as part of the State of California FY14-15 budget, which has a goal of reducing greenhouse gas emissions and achievement of other benefits. 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, and five (5) percent will be continuously appropriated annually.

There is an estimated \$357,000 in LCTOP funds available in San Luis Obispo County in FY17/18 regional apportionment to SLOCOG. 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 will support new or expanded bus services (up to five years) or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions.

Staff Recommendation: Staff is requesting authorization to submit a grant application for \$200,000 for the continuation of operating services for SCT Routes 27 and 28 in FY18-19. Staff recommends approval of the attached resolution.

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

**A RESOLUTION OF THE SOUTH COUNTY TRANSIT BOARD OF
DIRECTORS, AUTHORIZING SUBMITTAL OF A GRANT APPLICATION
TO THE STATE OF CALIFORNIA
LOW-CARBON TRANSIT OPERATIONS PROGRAM
FY2018-19**

WHEREAS, South County Transit is an eligible applicant for Low-Carbon Transit Operations Program funds; and,

WHEREAS, South County Transit is in need of various materials, supplies, and equipment, all of which are eligible for purchase under the Low-Carbon Transit Operations Program; and

WHEREAS, South County Transit will continue to provide fixed route services in the southern portion of San Luis Obispo County; and

WHEREAS, South County Transit is seeking grant funding to optimize the use of local TDA funds provided by the various agencies included in the Joint Powers Agency Agreement; and

WHEREAS, South County Transit is requesting up to **\$200,000** from the Low Carbon Transit Operations Program to support new or expanded bus services with the goal of reducing greenhouse gas emissions.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the South County Transit Board of Directors authorizes the Administrator to submit a proposal to the State of California Low Carbon Transit Operations Program of up to **\$200,000** for the purchase of various materials, supplies and equipment.

BE IT FURTHER RESOLVED, that the President of the Board is directed to sign this resolution to authorize the submittal of said funding requests.

BE IT FURTHER RESOLVED, that the Administrator is hereby authorized to submit said funding requests.

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 17th day of January 2018.

Lynn Compton, 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: _____

**SOUTH COUNTY TRANSIT
JANUARY 17, 2018
STAFF REPORT**

AGENDA ITEM: C-3

TOPIC: State of California SB1 SGR Grant Program

ACTION: Approve

PRESENTED BY: Geoff Straw, Administrator

STAFF RECOMMENDATION:

- a) Approve SCT FY 2017/18 State of Good Repair (SGR) Project List and Adopt Governing Body Resolution (Attachment A)
- b) Approve Geoff Straw as SCT Administrator SGR Authorized Agents (Attachment B)
- c) Adopt SLOCOG Resolution Authorizing for the Execution of the Certifications and Assurances for the SGR Program (Attachment C)

Background:

State of Good Repair Program (SGR) – SB 1 is a historic transportation measure that will provide over \$50 billion in the next decade to maintain and improve California's transportation system. The SGR Program will provide approximately \$105 million annually to transit operators in California for eligible transit maintenance, rehabilitation and capital projects. The SGR Program will benefit the public by providing public transportation agencies with a consistent and dependable revenue source to invest in the upgrade, repair and improvement of their agency's transportation infrastructure, and in turn improve transportation services.

The SGR is funded from a portion of a new Transportation Improvement Fee (TIF) on vehicles registrations due on or after January 1, 2018. A portion of this fee will be transferred to the SCO for the SGR Program. In collaboration with the SCO, the California Department of Transportation (Department) is tasked with the management and administration of the SGR Program. These funds will be allocated under the State Transit Assistance (STA) Program formula to eligible agencies pursuant to Public Utilities Code (PUC) section 99312.1. Half is allocated according to population and half according to transit operator revenues.

San Luis Obispo Council of Government program the total amount **(\$397,338)** SB 1 SGR funding (includes operators portions) to the regions toward the New RTA Bus Maintenance Facility and in turn will give SCT it operator (PUC 99314) of \$1,537 in clean STA.

The contributing agency must list the project on their own SGR project list indicating the sub-recipient. Funds can only be allocated from the SCO to the contributing agency's designated transportation planning agency. The local agency must make their own arrangements for sub-allocation of funds to the alternate agency. The Department is not responsible for tracking funding agreements (borrowing, loaning, delegating, relinquishing funds, etc.) between the contributing and sub-recipient agencies. A pass-through arrangement to a sub-recipient does not relieve the contributing agency of its responsibilities to carry out the terms and conditions of the SGR Program. The contributing agency is responsible for ensuring the project is completed

as described on the project list and in compliance with all items in the Certifications and Assurances document.

Pursuant to Public Utilities Code 99312.1(d)(1) prior to receiving an apportionment of the SGR monies from the SCO in a given fiscal year, a potential recipient must submit a project list proposed to be funded with SGR funds. The initial SGR Program project list must be submitted to the Department by January 31, 2018 for an agency to be eligible to receive FY 17/18 SGR funding. The Department will provide the SCO a list of all agencies that have submitted the required information and are eligible to receive an apportionment of funds. If a potential recipient misses the January 31, 2018 submittal, or submits incomplete information, it may submit a compliant list by April 19, 2018 to be eligible for allocation in the following quarter. The SCO will allocate all the revenue in the first quarter only to those potential recipients that have submitted timely and complete information. Each recipient agency is required to annually report on all activities completed with those funds to the Department. Each agency also must include the SGR revenues and expenditures in their annual Transportation Development Act (TDA) Audit. In subsequent years, a project list will be due to the Department on September 1st each year. The content and format of the SGR project list is as follows:

- A signed cover letter on agency letterhead, with original signature authorizing and approving the list of projects for funding.
- A signed and dated board resolution authorizing the list of projects for SGR funding commitment, or a copy of a publicly adopted document listing the applicable projects such as the Short Range Transit Plan (S RTP).
- A proposed list of projects to utilize at a minimum the estimated amount of funding available to the agency for the upcoming fiscal year. The potential recipient may include project information for future fiscal years but are expected to update the project list as needed each fiscal year and submit each year to the Department. This list must include the following information:
 1. Project Title
 2. Proposed Project Description (Scope of Work)
 3. Proposed Project Schedule (Start to Completion)
 4. Project Location
 5. Estimated Project Cost by Fiscal Year
 6. Estimated Useful Life of the Improvement
 7. Description of Projected Benefit Outcome
 8. Additional Project information required on the Project List template.
- Reporting on projects or service funded by the SB 1 Allocation pursuant to Public Utilities Code Section 99312.1(a).

Each potential recipient must also submit the following two documents to the Department prior to receiving their first allocation. This is a one-time requirement. However, a re-submittal of an amended Authorized Agent form is required once a local agency has a personnel change.

- 1) **Authorized Agent Form** – The executive authority of the potential recipient must submit a signed and dated Authorized Agent Form identifying the agent who has the authority to act on behalf of the Agency.
- 2) **Certifications and Assurances** – Each potential recipient must submit a signed, dated, and Board Approved Certifications and Assurances document.

ATTACHMENT A
Resolution No. 18-_____

**AUTHORIZATION FOR THE SOUTH COUNTY AREA TRANSIT (SCT) PROJECT
LIST FOR THE FY 2017/18 CALIFORNIA STATE OF GOOD REPAIR (SGR)
PROGRAM**

WHEREAS, the South County Area Transit, hereinafter referred to as SCT, is a recipient of SB1 SGR funds in the San Luis Obispo region; and

WHEREAS, SCT is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair (SGR) Account now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administrative agency for the SGR; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing SGR funds to eligible project sponsors; and

WHEREAS, the Department requires eligible SGR recipient agencies to submit an annual list of proposed SGR projects.

NOW, THEREFORE, BE IT RESOLVED that SCT acting as the recipient, does hereby authorize the FY 2017/18 SLOCOG SGR Project List to include the New San Luis Obispo Regional Transit Authority (RTA) Bus Maintenance Facility.

On a motion by Delegate_____, seconded by Delegate _____, and on the following roll call vote, to wit: the foregoing resolution is hereby adopted this 17th day of January 2018.

AYES:

NOES:

ABSENT:

ABSTAINING:

Lynn Compton, SCT Board President

ATTEST:

Geoff Straw, SCT Administrator

APPROVED AS TO FORM AND LEGAL EFFECT:

Timothy McNulty, SCT Legal Counsel

Date: _____

Attachment B
Authorized Agent

The following individual(s) are hereby authorized to execute for and on behalf of the named Regional Entity/Transit Operator, and to take any actions necessary for the purpose of obtaining State Transit Assistance State of Good Repair funds provided by the California Department of Transportation, Division of Rail and Mass Transportation. This form is valid at the beginning of Fiscal Year 2017-2018 until the end of the State of Good Repair Program. If there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself.

Geoff Straw SCT Administrator

OR

(Name and Title of Authorized Agent)

OR

(Name and Title of Authorized Agent)

(Name and Title of Authorized Agent)

(Name and Title of Authorized Agent)

AS THE Board Chair

(Chief Executive Officer / Director / President / Secretary)

OF THE South County Area Transit (SCT)

(Name of County/City Organization)

Lynn Compton

(Print Name)

SCT Board Chair

(Title)

(Signature)

(Signature)

Approved this 17th day of January, 2018

FY 17-18 SB 1 STA State of Good Repair

State Transit Assistance State of Good Repair Program

Recipient Certifications and Assurances

Recipient: South County Area Transit (SCT) .

Effective Date: January 17, 2018 .

In order to receive State of Good Repair Program (SGR) funds from the California Department of Transportation (Department), recipients must agree to following terms and conditions:

A. General

- (1) The recipient agrees to abide by the State of Good Repair Guidelines as may be updated from time to time.
- (2) The potential recipient must submit to the Department a State of Good Repair Program Project List annually, listing all projects proposed to be funded by the SGR program. The project list should include the estimated SGR share assigned to each project along with the total estimated cost of each project..
- (3) The recipient must submit a signed Authorized Agent form designating the representative who can submit documents on behalf of the recipient and a copy of the board resolution authorizing the agent.

B. Project Administration

- (1) The recipient certifies that required environmental documentation will be completed prior to expending SGR funds. The recipient assures that each project approved for SGR funding comply with Public Resources Code § 21100 and § 21150.
- (2) The recipient certifies that SGR funds will be used for transit purposes and SGR funded projects will be completed and remain in operation for the estimated useful lives of the assets or improvements.
- (3) The recipient certifies that it has the legal, financial, and technical capacity to deliver the projects, including the safety and security aspects of each project.
- (4) The recipient certifies that there is no pending litigation, dispute, or negative audit findings related to any SGR project at the time an SGR project is submitted in the annual list.

- (5) Recipient agrees to notify the Department immediately if litigation is filed or disputes arise after submission of the annual project list and to notify the Department of any negative audit findings related to any project using SGR funds.
- (6) The recipient must maintain satisfactory continuing control over the use of project equipment and/or facilities and will adequately maintain project equipment and/or facilities for the estimated useful life of each project.
- (7) Any and all interest the recipient earns on SGR funds must be reported to the Department and may only be used on approved SGR projects or returned to the Department.
- (8) The recipient must notify the Department of any proposed changes to an approved project list by submitting an amended project list.
- (9) Funds will be expended in a timely manner.

C. Reporting

- (1) Per Public Utilities Code § 99312.1 (e) and (f), the recipient must submit the following SGR reports:
 - a. Annual Expenditure Reports within six months of the close of the fiscal year (by December 31st) of each year.
 - b. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of SGR funds. A copy of the audit report must be submitted to the Department within six months of the close of each fiscal year in which SGR funds have been received or expended.

D. Cost Principles

- (1) The recipient agrees to comply with Title 2 of the Code of Federal Regulations Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
- (2) The recipient agrees, and will assure that its contractors and subcontractors will be obligated to agree, that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual project cost items and (b) those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

- (3) Any project cost for which the recipient has received payment that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, are subject to repayment by the recipient to the State of California (State). Should the recipient fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the recipient from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.

E. Record Retention

- (1) The recipient agrees, and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the recipient, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All accounting records and other supporting papers of the recipient, its contractors and subcontractors connected with SGR funding shall be maintained for a minimum of three (3) years from the date of final payment and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the recipient, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the recipient pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the recipient's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.
- (2) For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of the recipient's contracts with third parties pursuant to Government Code § 8546.7, the recipient, its contractors and subcontractors and the Department shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the recipient shall furnish copies thereof if requested.
- (3) The recipient, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other

pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

F. Special Situations

- (1) Recipient acknowledges that if a project list is not submitted timely, the recipient forfeits its apportionment for that fiscal year.
- (2) Recipients with delinquent expenditure reports may risk future eligibility for future SGR funding.
- (3) Recipient acknowledges that the Department shall have the right to perform an audit and/or request detailed project information of the recipient's SGR funded projects at the Department's discretion from SGR award through 3 years after the completion and final billing of any SGR funded project.. Recipient agrees to provide any requested project information.

I certify all of these conditions will be met.

SOUTH COUNTY AREA TRANSIT

BY:

Lynn Compton, SCT Chair

ATTEST:

Geoff Straw, SCT Administrator

APPROVED AS TO FORM AND LEGAL EFFECT:

Timothy McNulty, SCT Legal Counsel

Date: _____

ATTACHMENT C

RESOLUTION 18-

**AUTHORIZATION FOR THE EXECUTION OF THE CERTIFICATIONS AND
ASSURANCES FOR THE CALIFORNIA STATE OF GOOD REPAIR PROGRAM**

WHEREAS, the South County Area Transit (SCT) is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair Account (SGR) now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administrative agency for the SGR; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing SGR funds to eligible project sponsors (local agencies); and

WHEREAS, the South County Area Transit (SCT) wishes to delegate authorization to execute these documents and any amendments thereto to the SCT Administrator, Geoff Straw

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South County Area Transit (SCT) that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all SGR funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED that the SCT Administrator, Geoff Straw be authorized to execute all required documents of the SGR program and any Amendments thereto with the California Department of Transportation.

SOUTH COUNTY AREA TRANSIT(SCT)

BY: _____
Lynn Compton, SCT Chair

ATTEST:

Geoff Straw, SCT Administrator

APPROVED AS TO FORM AND LEGAL EFFECT:

Timothy McNulty, SCT Legal Counsel

Date: _____