



AGENDA

Meeting
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, April 19, 2016
8:30 AM
Santa Barbara MTD Auditorium
550 Olive Street, Santa Barbara, CA 93101

1. CALL TO ORDER

2. ROLL CALL OF THE BOARD OF DIRECTORS

Dave Davis, Chair; Chuck McQuary, Vice Chair; Olivia Rodriguez, Director; Dick Weinberg, Director; Bill Shelor, Secretary; David Tabor, Director; Roger Aceves, Director

3. REPORT REGARDING POSTING OF AGENDA

CONSENT CALENDAR

4. APPROVAL OF PRIOR MINUTES - (ATTACHMENT-ACTION MAY BE TAKEN)

The Board will be asked to waive the reading of and approve the draft minutes for the meeting of April 5, 2016.

5. APPROVAL OF CASH REPORT - (ATTACHMENTS-ACTION MAY BE TAKEN)

The Board will be asked to review and approve the cash reports of March 29, 2016 through April 11, 2016.

THIS CONCLUDES THE CONSENT CALENDAR

6. PUBLIC COMMENT

Members of the public may address the Board on items within jurisdiction of the Board that are not scheduled for public hearing. The time allotted per speaker will be at the discretion of the Board Chair. If you wish to address the Board under this item number, please complete and deliver to the MTD Board Clerk, a "Request to Speak" form including a description of the subject you wish to address. Additional public comment will be allowed during each agenda item, including closed session items. Please fill out the Request to Speak form and indicate the agenda item number that you wish to comment on.

7. MTD / EASY LIFT TRANSPORTATION AGREEMENT - (ATTACHMENTS-ACTION MAY BE TAKEN)

Staff recommends that the Board authorize General Manager Estrada to sign an Agreement with Easy Lift Transportation for the continued provision of complementary Para transit service as required by the Americans with Disabilities Act.

8. MTD STAFF EMPLOYEE HANDBOOK REVISIONS - (ATTACHMENTS-ACTION MAY BE TAKEN)

Staff recommends the Board of Directors approve for distribution the revised Staff Employee Handbook. This handbook is specific to District Staff and does not apply to employees represented under a collective bargaining agreement.

9. GRANT OF EASEMENT FROM THE HOUSING AUTHORITY, CITY OF SANTA BARBARA - (ATTACHMENTS-ACTION MAY BE TAKEN)

Staff recommends that the Board authorize General Manager Estrada to sign a Grant of Easement and Agreement with the Housing Authority, City of Santa Barbara (HASB) to construct a bus stop pad that extends into HASB property.

10. GENERAL MANAGER'S REPORT UPDATE - (INFORMATIONAL)

- a) Summer Bid
- b) Canopy Project
- c) Service Plan Outreach
- d) Student Bus Pass Programs - Voting

11. OTHER BUSINESS AND COMMITTEE REPORTS - (ACTION MAY BE TAKEN)

The Board will report on other related public transit issues and committee meetings

RELATED TO EACH CLOSED SESSION; PUBLIC COMMENT WILL BE ALLOWED RELATED TO THE CLOSED SESSION ITEM(S) BEFORE THE RECESS

12. RECESS TO CLOSED SESSION—CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE §54957.6)— (ACTION MAY BE TAKEN)

Agency designated representative: Mr. Jerry Estrada, General Manager.

Employee organization: International Brotherhood of Teamsters Union, Local 186.

13. ADJOURNMENT

AMERICAN WITH DISABILITIES ACT: If you need special assistance to participate in this meeting, please contact the MTD Administrative Office at 963-3364 at least **48 hours in advance** of the meeting to allow time for MTD to attempt a reasonable accommodation.



MINUTES

Meeting
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, April 5, 2016
8:30 AM
Santa Barbara MTD Auditorium
550 Olive Street, Santa Barbara, CA 93101

1. CALL TO ORDER

Chair Davis called the meeting to order at 8:30am

2. ROLL CALL OF THE BOARD OF DIRECTORS

Chair Davis reported that all members were present with exception of director McQuary and Director Shelor.

3. REPORT REGARDING POSTING OF AGENDA

Lilly Gomez, Administrative Assistant, reported that the agenda was posted on Friday, April 1st, 2016 at MTD's Administrative Office, mailed and emailed to those on the agenda list, and posted on MTD's website.

CONSENT CALENDAR

4. & 5. APPROVAL OF PRIOR MINUTES & CASH REPORT-(ATTACHMENT-ACTION MAY BE TAKEN)

Director Aceves moved to waive the reading of and approve the draft minutes for the meeting of March 22, 2016 and the cash report for the period of March 15, 2016 through March 28, 2016. Director Tabor seconded the motion. The motion passed unanimously with one abstention from Director Rodriguez on item #4 as she did not attend the meeting held March 22, 2016.

THIS CONCLUDES THE CONSENT CALENDAR

6. PUBLIC COMMENT

None was made.

DIRECTOR SHELOR JOINED THE MEETING AT 8:32 A.M.

7. MTD / EASY LIFT TRANSPORTATION AGREEMENT-(ATTACHMENTS-ACTION MAY BE TAKEN)

Staff recommends that the Board authorize General Manager Estrada to sign an Agreement with Easy Lift Transportation for the continued provision of complementary Para transit service as required by the Americans with Disabilities Act. After a brief discussion, Director Aceves moved to table the adoption of agreement for next month, in order to change language in last paragraph and have Easy Lift's Board of Directors review and approve. Director Rodriguez seconded the motion. The motion passed unanimously with 6 ayes, 0 nays and 1 absent.

8. SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION (LAFCO) SPECIAL DISTRICT APPOINTMENT RESOLUTION -(ATTACHMENTS-ACTION MAY BE TAKEN)

Staff requested that the Board adopt the attached resolution authorizing the Chairman of the SBMTD Board of Directors to appoint an alternate board member to represent MTD at the LAFCO Selection Committee meetings as needed. Director Aceves briefly expressed the importance of participation in

the LAFCO meetings and moved to adopt resolution #16-04. Director Tabor seconded the motion. The motion passed unanimously with 6 ayes, 0 nays and 1 absent.

9. REVISED DRAFT CASH RESERVES POLICY -(ATTACHMENTS-ACTION MAY BE TAKEN)

Assistant General Manager presented an updated draft of the proposed Cash Reserves Policy to the Board for its review and consideration of adoption. Each Director individually thanks Mr. Davis and the Finance Committee for all their hard work and time spent. Director Rodriguez asked how often the Cash Reserves Policy will be revisited. Mr. Davis stated the Policy states revisiting every 6 months. However, the policy will be reviewed with the quarterly reports and will be brought to the finance committee if needed. Director Aceves moved to adopt resolution #16-05. Director Weinberg seconded the motion. The motion passed unanimously with 6 ayes, 0 nays and 1 absent.

10. GENERAL MANAGER'S REPORT UPDATE-(INFORMATIONAL)

Mr. Estrada expressed his excitement and pleasure of introducing our new Fleet and Facilities Manager, David Harbour. Mr. Harbour stated he is new the Santa Barbara area and came from Sacramento Regional Transit as the Director of Maintenance. The Board gave a warm welcome to Mr. Harbour to the MTD team.

Mr. Estrada stated that MTD is continuing to work diligently on our workforce development. Recently our training officer Manny Castanon attended a quarterly conference in safety with his Southern California Peers. The information shared has proven to be beneficial and Mr. Castanon often comes back with great information and updated safety issues. Mary Gregg attended the Federal Transit Administration 11th Annual FTA Drug and Alcohol Program National Conference in Sacramento. Mike Cardona and at least three mechanics will continue to attend further Cummins training. We recently became members of CAL Start. CAL Start works closely with transit agencies and others on green technologies and other projects. CAL Start has provided MTD with Funding opportunities and webinars for staff. Recently Mr. Estrada, Brad Davis and Steve Mass participated in an online webinar about generating credits as it pertains to emissions reductions.

Customer service and Community Outreach Administrator, Nancy Alexander stated she recently visited the Casa De La Raza to give a presentation in Spanish about the upcoming changes and to answer any other questions or concerns. Ms. Alexander is also working with our Social Media accounts very closely to reach more of our ridership and community.

Mr. Estrada also reviewed the updates on the construction projects. The Canopy project is due to start in the next two weeks and is due to continue for roughly 4 months, being handled by Schipper Construction. Additionally the People Self Help Housing construction is due to kick off in the summer across the street on Salsipuedes. Mr. Estrada expressed how critical Salsipuedes is for the MTD buses to pull out of lot. Mr. Estrada will be meeting with Carlos Jimenez to coordinate how and where staging of project will take place and ensure they do not conflict.

The Transit Center project is going back to the HLC (Historic Landmarks Commission) for second review and MTD is hopeful it will pass.

Mr. Estrada also mentioned extending the height of the Olive street fence project.

The need for an HR meeting and R&D Technology committee meeting next week was expressed and the date is to be determined.

Director Aceves also reminded staff to advertise the meeting on April 19th with the Goleta City Council.

11. OTHER BUSINESS AND COMMITTEE REPORTS-(ACTION MAY BE TAKEN)

No other items were discussed.

RELATED TO EACH CLOSED SESSION; PUBLIC COMMENT WILL BE ALLOWED RELATED TO THE CLOSED SESSION ITEM(S) BEFORE THE RECESS

12. RECESS TO CLOSED SESSION–CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE §54957.6)– (ACTION MAY BE TAKEN)

Agency designated representative: Mr. Jerry Estrada, General Manager.

Employee organization: International Brotherhood of Teamsters Union, Local 186.

Chair Davis reported out of closed session that no action was taken.

13. ADJOURNMENT

Director Shelor moved to adjourn the meeting at 9:55 a.m. Director Tabor seconded the motion. The motion passed unanimously.



BOARD OF DIRECTORS REPORT

MEETING DATE: APRIL 19, 2016 **AGENDA ITEM #:** 7

TYPE: ACTION ITEM

PREPARED BY: STEVE MAAS

Signature

REVIEWED BY: GENERAL MANAGER

GM Signature

SUBJECT: **MTD / Easy Lift Transportation Agreement**

RECOMMENDATION:

Staff recommends that the Board authorize General Manager Estrada to sign an Agreement with Easy Lift Transportation for the continued provision of complementary paratransit service as required by the Americans with Disabilities Act.

DISCUSSION:

Staff brought this item to the Board at the meeting of April 5, and the Board directed staff to consider adding language to the Agreement related to Consumer Price Index (CPI) adjustments for extension years. Staff consulted with Executive Director Paredes of Easy Lift and added a sentence to Clause 10 of the Master Agreement stating that, if the CPI for any extension year is less than a 2.0 percent positive change, MTD and Easy Lift shall meet and determine if an adjustment in excess of the CPI change is appropriate.

Federal law, the Americans with Disabilities Act of 1990 (ADA), requires operators of public transit service to provide "complementary paratransit service" for persons who cannot utilize fixed-route bus service. MTD must ensure that paratransit service is available for such persons whenever and wherever MTD provides fixed-route bus service. From the signing of the ADA into law to the present day, MTD has complied with this unfunded mandate by providing an operating subsidy to Easy Lift for their paratransit service. This arrangement has worked well for the community as well as for both agencies, and MTD and Easy Lift staffs have a very good working relationship.

The final option year of the current Agreement between MTD and Easy Lift ends on June 30, 2016. The draft Agreement proposes to provide Easy Lift with an MTD operating subsidy of \$851,100 for FY 2017, representing approximately a

3.1 percent increase over the subsidy provided for FY 2016 (an increase of \$25,589). This increase reflects the increase in the CPI from January 2015 to January 2016.

The draft Agreement includes two option years that, if executed, will extend the agreement through June 30, 2019, with a CPI adjustment to the operating subsidy each year, as discussed above. The draft Agreement also includes a clause that would allow for possible future MTD capital assistance to Easy Lift.

ATTACHMENTS:

- Draft MTD - Easy Lift Agreement (with revision as directed by the Board)

Santa Barbara Metropolitan Transit District

ADA Paratransit Services

MASTER AGREEMENT with EASY LIFT TRANSPORTATION, INC.

THIS AGREEMENT is entered into by and between Santa Barbara Metropolitan Transit District, an incorporated transit district under Sections 95000, et seq. of the California Public Utilities Code ("MTD"), and Easy Lift Transportation, Inc., a California non-profit corporation ("Contractor"), at Santa Barbara, California, with an effective date of July 1, 2016.

WHEREAS, the Americans with Disabilities Act (ADA) requires that public fixed-route transit operators provide both an accessible fixed-route system and an accessible curb-to-curb complementary paratransit system that operates during the same days and hours and with the same geographic coverage as the fixed-route service; and

WHEREAS, Contractor is a California 501(c)3 nonprofit corporation that desires to provide the ADA complementary paratransit service on behalf of MTD and has been standing in the shoes of the fixed-route operator for this purpose for many years; and

WHEREAS, the parties agree to collaborate on all available funding opportunities for paratransit service; and

WHEREAS, the parties have historically agreed to collaborate to provide ADA complementary paratransit service.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. Effect of Recitals. The foregoing recitals are hereby made express provisions of this Agreement.
2. Public Works Provisions. Not applicable to this agreement.
3. FTA Provisions. The Project is funded in part by the Federal Transit Administration of the U.S. Department of Transportation and, as such, this Agreement is subject to the terms and conditions contained in *Federal Transit Administration: Contract Provisions* which is attached hereto as Exhibit "A" and incorporated herein by this reference.
4. Scope of Services. MTD has heretofore issued on March 30, 2016, the Scope of Services, a true copy of which is attached hereto as Exhibit "B" and incorporated herein by this reference.
5. Proposal. Not applicable to this agreement.
6. Order of Control. All work and services shall be performed according to and controlled by the terms and provisions of this Agreement and the exhibits attached hereto. In the event of any conflict between the contract documents, the following order of control shall prevail: MTD Master Agreement, Exhibit "A", Exhibit "B".
7. Compensation. Contractor shall carry out the Project for a fixed price of \$851,100 for the base one-year period defined in Article 10 herein. The compensation shall be adjusted by mutual consent if MTD requests an adjustment in the amount of ADA paratransit service. In addition to the fixed price compensation, MTD may elect to provide Contractor capital assistance related to the provision of the services provided under this Agreement.
8. Payment. Contractor shall submit monthly invoices to MTD equal to one-twelfth of the contract price following the end of the month for which payment is requested. Payment from MTD shall be made to Contractor no later than thirty (30) days following receipt of a valid invoice, which shall be sent to: Santa Barbara MTD, Attn: Accounts Payable, 550 Olive Street, Santa Barbara, CA 93101.
9. Farebox Revenue. All ADA Dial-A-Ride farebox revenue collected by Contractor shall be utilized for the provision of ADA paratransit service within MTD's jurisdiction for individuals eligible for ADA paratransit service.
10. Term. This Agreement shall commence on July 1, 2016, and shall continue until June 30, 2017, with such extensions as are provided herein. Upon the approval of both the General Manager of MTD and the Executive Director of Contractor, the Agreement may be extended for a period of one additional year upon each, July 1, 2017, and July 1, 2018, for a total possible term of three (3) years through June 30, 2019. Upon approval of any extension year, the annual compensation shall be adjusted by a percentage equal to any positive change in the annual Consumer Price Index reported in the January immediately preceding the start of the extension year. The Consumer

Price Index to be used shall be the U.S. Department of Labor Consumer Price Index for All Urban Consumers, All Items, for Los Angeles – Riverside – Orange County, CA (1982-84 = 100). If the Consumer Price Index for any extension year is less than a 2.0 percent positive change, MTD and Contractor shall meet and determine if an adjustment in excess of the Consumer Price Index change is appropriate.

11. Delivery & Freight. Not applicable to this agreement.
12. Title & Risk of Loss. Not applicable to this agreement.
13. Damages. All losses or damages arising from any unforeseen circumstances, either natural or artificial, which may be encountered by the Contractor during the performance of the Project under this Agreement shall be sustained solely by the Contractor. This provision shall also apply to losses or damages resulting from any act or omission not authorized by this Agreement on the part of the Contractor or any agent or person employed by the Contractor.
14. Defective, Damaged or Noncompliant Work. Not applicable to this agreement.
15. Acceptance. Not applicable to this agreement.
16. Warranty. Not applicable to this agreement.
17. Changes. Any changes or modifications to this Agreement must be in writing, and agreed to by both parties.
18. Insurance.
 - a. Contractor's Insurance Representations to MTD.
 - i. It is expressly understood and agreed that the insurance coverages required herein:
 - A. represent MTD's minimum requirements and are not to be construed to void or limit Contractor's indemnity obligations as contained in this Agreement nor represent in any manner a determination of the insurance coverages Contractor should or should not maintain for its own protection; and
 - B. are being, or have been, obtained by Contractor in support of Contractor's liability and indemnity obligations under this Agreement. Irrespective of the requirements as to insurance to be carried as provided for herein, the insolvency, bankruptcy, or failure of any insurance company carrying insurance of Contractor, or the failure of any insurance company to pay claims accruing, shall not be held to affect, negate, or waive any of the provisions of this Agreement.
 - ii. Failure to obtain and maintain the required insurance shall constitute a material breach of, and default under this Contract. If Contractor shall fail to remedy such breach within five (5) business days after written notice by MTD, Contractor will be liable for any and all costs, liabilities, damages and penalties resulting to MTD from such breach, unless a written waiver of the specific insurance requirement(s) is provided to Contractor by MTD. In the event of any failure to Contractor to comply with the provisions of this portion of the Agreement, MTD may, without in any way compromising or waiving any right or remedy at law or in equity, on notice to Contractor, purchase such insurance, at Contractor's expense, provided that MTD shall have no obligation to do so and if MTD shall do so, Contractor shall not be relieved of or excused from the obligation to obtain and maintain such insurance amounts and coverages.
 - b. Conditions Affecting All Insurance Required Herein.
 - i. Cost of Insurance. All insurance coverage shall be provided at Contractor's sole expense.
 - ii. Maintenance of Insurance. All insurance coverage shall be maintained in effect with limits not less than those set forth below at all times during the term of this Agreement.
 - iii. Status and Rating of Insurance Company. All insurance coverage shall be written through insurance companies admitted to do business in California and with a Best's Financial Strength Rating of A- or better, as shown in the on-line version of Best's Rating & Criteria Center.
 - iv. Restrictive, Limiting, or Exclusionary Endorsements. All insurance coverage shall be provided to Contractor Parties in compliance with the requirements herein and shall contain no endorsements that restrict, limit, or exclude coverage in any manner without the prior express written approval of MTD.
 - v. Limits of Liability. The limits of liability may be provided by a single policy of insurance or by a combination of primary and umbrella policies, but in no event shall the total limits of liability available for any one occurrence or accident be less than the amount required herein.

vi. Notice of Cancellation, Nonrenewal, or Material Reduction in Coverage. In the event of cancellation, nonrenewal, or material reduction in coverage affecting the certificate holder, thirty (30) days prior written notice shall be given to the certificate holder by certified mail, return receipt requested, except in the event of cancellation for nonpayment, in which event fifteen (15) days prior written notice shall be given. If insurer will not include in its coverage such written notifications, it shall be incumbent upon Contractor to comply with such written notification requirements.

vii. Additional Insured Status. Additional insured status shall be provided in favor of MTD and its officers, employees and agents, including consultants, on all liability insurance required herein except workers' compensation/employer's liability and the certificate of insurance shall reflect same. Such additional insured coverage shall be primary to and shall seek no contribution from all insurance available to MTD, with MTD's insurance being excess, secondary, and noncontributing.

viii. Waiver of Subrogation. All insurance coverage carried by Contractor required herein shall provide a waiver of subrogation in favor of MTD for all loss covered by such insurance, and Contractor waives all rights of action against MTD for such loss.

ix. Primary Liability. All insurance coverage required herein shall be primary to and shall seek no contribution from all insurance available to MTD, with MTD's insurance being excess, secondary, and noncontributing. Where necessary, coverage shall be endorsed to provide such primary liability, and the certificate of insurance shall reflect same.

x. Deductible/Retention. All insurance required for this project shall have a maximum deductible or self-insured retention of \$10,000 per policy.

xi. Claims Against Aggregate. MTD must be notified in writing by Contractor at MTD's address set forth herein immediately upon knowledge of possible claims against Contractor that might cause a reduction below seventy-five (75%) of any aggregate limit of any primary policy.

c. Commercial General Liability Insurance.

i. Coverage. Such insurance shall cover liability arising out of all locations and operations of Contractor, including but not limited to liability assumed under this Agreement (including the tort liability of another assumed in a business contract). Defense shall be provided as an additional benefit and not included within the limit of liability.

ii. Form. Commercial General Liability Occurrence form, at least as broad as an unmodified ISO CG 00 01 10 93 or its equivalent.

iii. Amount of Insurance. Coverage shall be provided with limits of not less than:

A. Each Occurrence Limit	\$1,000,000
B. General Aggregate Limit	\$2,000,000
C. Product-Completed Operations Aggregate Limit	\$2,000,000
D. Personal and Advertising Injury Limits	\$1,000,000
E. Fire Damage (any one fire)	\$50,000
F. Medical Expense (any one person)	\$5,000

iv. Required Endorsements.

- A. Additional Insured status as required in 18(b)(vii), above.
- B. Notice of Cancellation, Nonrenewal, or Material Reduction in Coverage, as required in 18(b)(vi), above.
- C. Personal Injury Liability: The personal injury contractual liability exclusion shall be deleted.
- D. Primary Liability, as required in 18(b)(ix), above.
- E. Waiver of Subrogation, as required in 18(b)(viii), above.
- F. Continuing Commercial General Liability Insurance: Contractor shall maintain such insurance in identical coverage, form, and amount, including required endorsements, for at least three (3) years following the date of acceptance by MTD of the last bus built pursuant to this Agreement.

- d. Auto Liability Insurance.
- i. Coverage. Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned).
 - ii. Form. Business Auto Form (at least as broad as an unmodified ISO CA 0001 or its equivalent).
 - iii. Amount of Insurance. Coverage shall be provided with a limit of not less than \$1,000,000, combined single limit.
 - iv. Required Endorsements.
 - A. Additional Insured status as required in 18(b)(vii), above.
 - B. Notice of Cancellation, Nonrenewal, or Material Reduction in Coverage, as required in 18(b)(vi), above.
 - C. Waiver of Subrogation, as required in 18(b)(viii), above.
- e. Workers' Compensation/Employer's Liability Insurance.
- i. Coverage. Such insurance shall cover liability arising out of Contractor's employment of workers and anyone for whom Contractor may be liable for workers' compensation claims. Workers' compensation insurance is required, and no "alternative" forms of insurance shall be permitted.
 - ii. Amount of Insurance. Coverage shall be provided with a limit of not less than:
 - A. Workers' Compensation: Statutory limits
 - B. Employer's Liability: \$1,000,000 each accident and disease.
 - iii. Required Endorsements.
 - A. Notice of Cancellation, Nonrenewal, or Material Reduction in Coverage, as required in 18(b)(vi), above.
 - B. Waiver of Subrogation, as required in 18(b)(viii), above.
- f. Excess Liability Insurance.
- i. Coverage. Such insurance shall be excess over and be no less broad than all coverages described above and shall include a drop-down provision.
 - ii. Form. This policy shall have the same inception and expiration dates and the commercial general liability insurance required above.
 - iii. Amount of Insurance. Coverage shall be provided with a limit of not less than \$4,000,000.

19. Bonding. Not applicable to this agreement.

20. Termination. For applicable terms, refer to Paragraph 21 (Termination) in *Federal Transit Administration: Contract Provisions*.

21. Liquidated Damages. Not applicable to this agreement.

22. Infringement of Patents. Not applicable to this agreement.

23. Rights in Data. Not applicable to this agreement.

24. Indemnification. The Contractor shall, to the extent permitted by law protect, indemnify, defend, and hold MTD and its officers, employees and agents, including consultants, harmless from and against any and all liabilities, damages, claims, demands, liens, encumbrances, judgments, awards, losses, costs, expenses, and suits or actions or proceedings, including reasonable expenses, costs and attorneys' fees incurred by MTD and its officers, employees and agents, including consultants, in the defense, settlement or satisfaction thereof, for any injury, death, loss or damage to persons or property of any kind whatsoever, arising out of, or resulting from, the acts, errors or omissions of the Contractor, including acts, errors or omissions of its officers, employees, servants, agents, subcontractors and suppliers; and upon receipt of notice and if given authority, shall settle at its own expense or undertake at its own expense the defense of any such suit, action or proceeding, including appeals, against the MTD and its officers, employees and agents, including consultants, relating to such injury, death, loss or damage. Each party shall promptly notify the other in writing of the notice or assertion of any claim, demand, lien, encumbrance, judgment, award, suit, action or other proceeding hereunder. The Contractor shall have sole charge and direction of the defense

of such suit, action or proceeding. The MTD shall not make any admission which might be materially prejudicial to the Contractor unless the Contractor has failed to take over the conduct of any negotiations or defense within a reasonable time after receipt of the notice and authority above provided. The MTD shall at the request of the Contractor furnish to the Contractor all reasonable assistance that may be necessary for the purpose of defending such suit, action or proceeding, and shall be repaid all reasonable costs incurred in doing so. The MTD shall have the right to be represented therein by advisory counsel of its own selection at its own expense. The obligations of the Contractor under this clause shall not extend to circumstances where the injury, or death, or damages is caused solely by the negligent acts, errors or omissions of the MTD, its officers, employees, agents or consultants, including negligence in the preparation of the Contract documents, or the giving of directions or instructions with respect to the requirements of the Contract by written order.

25. Notice. Notices in connection with this Agreement shall be made in writing and may be delivered either personally, by governmental postal service (regular, certified or registered), by private delivery service, or by email. Receipt shall be deemed to have occurred when actually made to the party or its designated agent. Such notices shall be properly addressed to the intended party as follows:

<p><u>MTD:</u> General Manager Santa Barbara Metropolitan Transit District 550 Olive Street Santa Barbara, CA 93101 Email: jestrada@sbmtd.gov</p>	<p><u>CONTRACTOR:</u> Executive Director Easy Lift Transportation, Inc. 53 Cass Place, Suite D Goleta, CA 93117 Email: ernesto@easylift.org</p>
--	--

26. Attorney Fees and Costs. In the event of a controversy (including, but not limited to arbitration or any criminal or civil filing in a Federal Court or a court of any of the United States) between the parties with respect to the enforcement or interpretation of this Agreement, the prevailing party in such controversy shall be entitled to receive, in addition to such other award as the court may deem appropriate, full reimbursement for its court costs and reasonable attorney fees incurred therein.

27. Negation of Partnership. This Agreement creates a relationship between two independent contractors and does not, nor may it be interpreted to, create the relationship of joint venturers, partners, employee/employer, or any other business relationship.

28. No Assignment. This Agreement is not assignable by either party, and any attempt by either party to assign its obligations hereunder shall be void ab initio at the election of the other party, which election may be made by written notice within ten (10) days of the non-assigning party's receipt of actual knowledge of such attempted assignment. Notwithstanding the foregoing, however, at the election of the other party, the obligations and burdens of a party shall bind and apply to any permitted successor in interest or assignee of the business and/or operations of a party.

29. Partial Invalidity. In the event that any portion of this Agreement or any provision hereof shall be deemed as invalid as contrary to applicable law, the balance of this Agreement shall be enforced according to its term, and that portion found unenforceable shall be interpreted and enforced to the extent that it may be within said applicable laws.

30. Disputes. This Agreement shall be construed and all disputes arising therefrom shall be settled in accordance with the laws of the State of California. Venue for any dispute arising under this Agreement shall be in Santa Barbara, California. Any controversy or claim arising out of or relating to this Agreement shall be resolved by binding arbitration before a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association (“AAA”) then pertaining (available at www.adr.org), except where those rules conflict with this provision, in which case this provision controls. Any court with jurisdiction shall enforce this clause and enter judgment on any award. The arbitrator shall be selected within twenty business days from commencement of the arbitration from the AAA’s National Roster of Arbitrators pursuant to agreement or through selection procedures administered by the AAA. Within 45 days of initiation of arbitration, the Parties shall reach agreement upon and thereafter follow procedures, including reasonable limits on discovery, assuring that the arbitration will be concluded and the award rendered within no more than eight months from selection of the arbitrator or, failing agreement, procedures meeting such time limits will be designed by the AAA and adhered to by the Parties. The

arbitration shall be held in Santa Barbara, California and the arbitrator shall apply the substantive law of California, except that the interpretation and enforcement of this arbitration provision shall be governed by the Federal Arbitration Act. Prior to commencement of arbitration, emergency relief is available from any court to avoid irreparable harm. THE ARBITRATOR SHALL NOT AWARD EITHER PARTY PUNITIVE, EXEMPLARY, MULTIPLIED OR CONSEQUENTIAL DAMAGES. Prior to commencement of arbitration, however, the Parties must attempt to mediate their dispute using a professional mediator from AAA, the CPR Institute for Dispute Resolution, or like organization selected by agreement or, absent agreement, through selection procedures administered by the AAA. Within a period of 45 days after the request for mediation, the Parties agree to convene with the mediator, with business representatives present, for at least one session to attempt to resolve the matter. In no event will mediation delay commencement of the arbitration for more than 45 days absent agreement of the Parties or interfere with the availability of emergency relief.

31. Prohibited Interest. The parties hereto covenant and agree that to their knowledge no board member, officer, or employee of MTD, during his/her tenure or for one year thereafter, has any interest, whether contractual, non contractual, financial or otherwise, in this transaction, or in the business of a contracting party other than MTD. If any such interest comes to the knowledge of either party at any time, a full and complete disclosure of all such information will be made in writing to the other parties, even if such interest would not be considered a conflict of interest under Article 4, Chapter 1, Divisions 4 and 4.5, Title I of the Government Code of the State of California.

32. Compliance with Laws and Regulations. Contractor shall warrant that in the performance of work under contract to MTD that they shall comply with all applicable federal, state and local laws and ordinances, and all lawful orders, rules, and regulations thereunder.

33. Audit and Inspection of Records. The Contractor shall agree that all materials supplied and services performed under the Project, facilities used in connection therewith, and records and documentation thereunto appertaining shall be subject to inspection, test, or audit by duly authorized representatives of MTD and the State of California. The Contractor agrees to maintain all required records relating to the Project for at least three years after MTD makes final payment and all other pending matters are closed.

34. Equal Employment Opportunity. For applicable terms, refer to Paragraph 24 (Civil Rights Requirements) in *Federal Transit Administration: Contract Provisions*.

35. Entire Agreement. This Agreement and its attached exhibits constitute the entire agreement between the parties and shall be deemed to supersede and cancel any and all previous representations, understandings, or agreements between MTD and Contractor as to the subject matter hereof. This Agreement may only be amended by an instrument in writing signed by the parties.

36. No Waiver. The failure of either party at any time to require performance by the other party of any provision of this Agreement shall in no way affect that party's right to enforce such provisions, nor shall the waiver by either party of any breach of any provision of this Agreement be taken or held to be a waiver of any further breach of the same provision.

37. Counterparts & Email. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The parties agree that a scanned and emailed signature may substitute for and have the same legal effect as the original signature.

38. Qualifications. Contractor or Contractor's representative (Contractor) certifies that Contractor is qualified to do business and is in good standing in the State of California, and that Contractor has authority to enter into and perform its obligations under this Agreement, which constitutes a valid and binding obligation of Contractor.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed.

SANTA BARBARA MTD

EASY LIFT

Jerry Estrada, General Manager

Ernesto Paredes, Executive Director

Date

Date

FEDERAL TRANSIT ADMINISTRATION

CONTRACT PROVISIONS *ADA Paratransit Services – Easy Lift*

TABLE OF CONTENTS

1.	Fly America Requirements (not applicable to this Agreement).....	1
2.	Buy America Requirements (not applicable to this Agreement).....	1
3.	Charter Bus & School Bus Requirements.....	1
4.	Cargo Preference Requirements (not applicable to this Agreement).....	1
5.	Seismic Safety Requirements (not applicable to this Agreement).....	1
6.	Energy Conservation Requirements.....	1
7.	Clean Water Requirements.....	1
8.	Bus Testing (not applicable to this Agreement).....	1
9.	Pre-Award & Post-Delivery Audit Requirements (not applicable to this Agreement).....	1
10.	Lobbying.....	1
11.	Access to Records & Reports.....	2
12.	Federal Changes.....	2
13.	Bonding Requirements (not applicable to this Agreement).....	3
14.	Clean Air.....	3
15.	Recycled Products (not applicable to this Agreement).....	3
16.	Davis-Bacon & Copeland Anti-Kickback Acts (not applicable to this Agreement).....	3
17.	Contract Work Hours & Safety Standards Act (not applicable to this Agreement).....	3
18.	[Reserved].....	3
19.	No Government Obligations to Third Parties.....	3
20.	Program Fraud & False or Fraudulent Statements & Related Acts.....	3
21.	Termination.....	4
22.	Government-Wide Debarment & Suspension.....	4
23.	Privacy Act.....	4
24.	Civil Rights Requirements.....	4
25.	Breaches & Dispute Resolution.....	6
26.	Patent & Rights in Data (not applicable to this Agreement).....	6
27.	Transit Employee Protective Agreements.....	6
28.	Disadvantaged Business Enterprise (DBE).....	7
29.	[Reserved].....	7
30.	Incorporation of Federal Transit Administration (FTA) Terms.....	7
31.	Drug & Alcohol Testing.....	8
32.	Intelligent Transportation System (ITS) (not applicable to this Agreement).....	8

This Page Intentionally Left Blank

1. **FLY AMERICA REQUIREMENTS** (not applicable to this Agreement)
2. **BUY AMERICA REQUIREMENTS** (not applicable to this Agreement)
3. **CHARTER BUS & SCHOOL BUS REQUIREMENTS**

(a) Charter Service Operations: The Contractor agrees to comply with 49 U.S.C. 5323(d) and 49 CFR Part 604, which provides that recipients and subrecipients of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except under one of the exceptions at 49 CFR 604.9. Any charter service provided under one of the exceptions must be "incidental" (it must not interfere with or detract from the provision of mass transportation).

(b) School Bus Operations: Pursuant to 49 U.S.C. 5323(f) and 49 CFR Part 605, recipients and subrecipients of FTA assistance may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators unless qualified under specified exemptions. When operating exclusive school bus service under an allowable exemption, recipients and subrecipients may not use federally funded equipment, vehicles, or facilities.

4. **CARGO PREFERENCE REQUIREMENTS** (not applicable to this Agreement)
5. **SEISMIC SAFETY REQUIREMENTS** (not applicable to this Agreement)
6. **ENERGY CONSERVATION REQUIREMENTS**

The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act. The Contractor agrees to include the requirements of this section in all subcontracts.

7. **CLEAN WATER REQUIREMENTS**

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The Contractor agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office. The Contractor also agrees to include these requirements in each subcontract exceeding \$100,000.

8. **BUS TESTING** (not applicable to this Agreement)
9. **PRE-AWARD & POST-DELIVERY AUDIT REQUIREMENTS** (not applicable to this Agreement)

10. **LOBBYING**

The Contractor certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract,

grant, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (b) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, et seq.)]

(c) The Contractor shall require that the language of this certification be included in the award documents for all sub-awards exceeding \$100,000 at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. [Note: Pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.] Contractor certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, Contractor understands and agrees that the provisions of 31 U.S.C. A 3801, et seq., apply to this certification and disclosure.

[Note: The Contractor shall have previously submitted to MTD a separately signed Lobbying Certification containing the above language for itself and any subcontracts exceeding \$100,000 as a condition of contract award.]

11. ACCESS TO RECORDS & REPORTS

(a) The Contractor agrees to provide MTD, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. Contractor also agrees, pursuant to 49 CFR 633.17 to provide the FTA Administrator or his authorized representatives including any PMO Contractor access to Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311.

(b) If contract is for a capital project or improvement (defined at 49 U.S.C. 5302(a)1) through other than competitive bidding, the Contractor shall make available records related to the contract to MTD, the Secretary of Transportation and the Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.

(c) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(d) The Contractor agrees to maintain all books, records, accounts and reports required under this contract for a period of not less than three years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case Contractor agrees to maintain same until MTD, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11).

12. FEDERAL CHANGES

The Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between MTD and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

13. BONDING REQUIREMENTS (not applicable to this Agreement)**14. CLEAN AIR**

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. The Contractor agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office. The Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

15. RECYCLED PRODUCTS (not applicable to this Agreement)**16. DAVIS-BACON & COPELAND ANTI-KICKBACK ACTS** (not applicable to this Agreement)**17. CONTRACT WORK HOURS & SAFETY STANDARDS ACT** (not applicable to this Agreement)**18. [RESERVED]****19. NO GOVERNMENT OBLIGATIONS TO THIRD PARTIES**

(a) MTD and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to MTD, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

(b) The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

20. PROGRAM FRAUD & FALSE OR FRAUDULENT STATEMENTS & RELATED ACTS

a) The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.

(b) The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Contractor, to the extent the Federal Government deems appropriate.

(c) The Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

21. TERMINATION

(a) Termination for Convenience: MTD, by written notice, may terminate this contract, in whole or in part, when it is in the Government's interest. If this contract is terminated, MTD shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.

(b) Termination for Default

(1) If the Contractor fails to perform the services, within the time specified in this contract or any extension or if the Contractor fails to comply with any other provisions of this contract, MTD may terminate this contract for default. MTD shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of default. The Contractor will only be paid the contract price for services performed in accordance with the manner of performance set forth in this contract.

(2) If this contract is terminated while the Contractor has possession of MTD goods, the Contractor shall, upon direction of MTD, protect and preserve the goods until surrendered to MTD or its agent. The Contractor and MTD shall agree on payment for the preservation and protection of goods. Failure to agree on an amount will be resolved under the Dispute clause.

(3) If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of parties shall be the same as if the termination had been issued for the convenience of MTD.

22. GOVERNMENT-WIDE DEBARMENT & SUSPENSION

This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the Contractor is required to verify that none of the Contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945. The Contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into. By signing and submitting its bid or proposal, the bidder or proposer certifies as follows: The certification in this clause is a material representation of fact relied upon by MTD. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to MTD, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

23. PRIVACY ACT

The Contractor agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the Contractor agrees to obtain the express consent of the Federal Government before the Contractor or its employees operate a system of records on behalf of the Federal Government. The Contractor understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract. The Contractor also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.

24. CIVIL RIGHTS REQUIREMENTS

(a) Nondiscrimination: In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to

comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(b) Equal Employment Opportunity: The following equal employment opportunity requirements apply to the underlying contract:

(1) Race, Color, Creed, National Origin, Sex: In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 CFR Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(2) Age: In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(3) Disabilities: In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(c) Non-discrimination on the Basis of Disability: The Recipient agrees to comply with the following federal prohibitions against discrimination on the basis of disability:

(1) Federal laws, including:

(A) section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of disability in the administration of federally assisted Programs, Projects, or activities,

(B) The Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. § 12101 et seq., which requires that accessible facilities and services be made available to individuals with disabilities: 1 For FTA Recipients generally, Titles I, II, and III of the ADA apply, but 2 For Indian Tribes, Titles II and III of the ADA apply, but Title I of the ADA does not apply because it exempts Indian Tribes from the definition of "employer,"

(C) The Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., which requires that buildings and public accommodations be accessible to individuals with disabilities,

(D) Federal transit law, specifically 49 U.S.C. § 5332, which now includes disability as a prohibited basis for discrimination, and

(E) Other applicable federal laws, regulations and requirements pertaining to access for seniors or individuals with disabilities.

(2) Federal regulations, including:

(A) U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 C.F.R. part 37,

- (B) U.S. DOT regulations, "Nondiscrimination on the Basis of Disability in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 C.F.R. part 27,
- (C) Joint U.S. Architectural and Transportation Barriers Compliance Board (U.S. ATBCB) and U.S. DOT regulations, "Americans with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 36 C.F.R. part 1192 and 49 C.F.R. part 38,
- (D) U.S. DOT regulations, "Transportation for Individuals with Disabilities: Passenger Vessels," 49 C.F.R. part 39,
- (E) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 C.F.R. part 35,
- (F) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 C.F.R. part 36,
- (G) U.S. EEOC, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. part 1630,
- (H) U.S. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for Persons with Disabilities," 47 C.F.R. part 64, Subpart F,
- (I) U.S. ATBCB regulations, "Electronic and Information Technology Accessibility Standards," 36 C.F.R. part 1194, and
- (J) FTA regulations, "Transportation for Elderly and Handicapped Persons," 49 C.F.R. part 609, and (k) Other applicable federal civil rights and nondiscrimination guidance.

The Contractor agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

25. BREACHES & DISPUTE RESOLUTION

Paragraph 30 of the *MTD Master Agreement* regarding disputes shall be deemed satisfactory to meet the federal requirements for dispute resolution. The Contractor agrees to include the requirements of said Paragraph 30 in all subcontracts.

26. PATENT & RIGHTS IN DATA (not applicable to this Agreement)

27. TRANSIT EMPLOYEE PROTECTIVE AGREEMENTS

(a) General Transit Employee Protective Requirements: To the extent that FTA determines that transit operations are involved, the Contractor agrees to carry out the transit operations work on the underlying contract in compliance with terms and conditions determined by the U.S. Secretary of Labor to be fair and equitable to protect the interests of employees employed under this contract and to meet the employee protective requirements of 49 U.S.C. A 5333(b), and U.S. DOL guidelines at 29 CFR Part 215, and any amendments thereto. These terms and conditions are identified in the letter of certification from the U.S. DOL to FTA applicable to the FTA Recipient's project from which Federal assistance is provided to support work on the underlying contract. The Contractor agrees to carry out that work in compliance with the conditions stated in that U.S. DOL letter. The requirements of this subsection (1), however, do not apply to any contract financed with Federal assistance provided by FTA either for projects for elderly individuals and individuals with disabilities authorized by 49 U.S.C. § 5310(a)(2), or for projects for non-urbanized areas authorized by 49 U.S.C. § 5311. Alternate provisions for those projects are set forth in subsections (b) and (c) of this clause.

(b) Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. § 5310(a)(2) for Elderly Individuals and Individuals with Disabilities: If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. § 5310(a)(2), and if the U.S. Secretary of Transportation has determined or determines in the future that the employee protective requirements of 49 U.S.C. § 5333(b) are necessary or appropriate for the state and the public body sub-recipient for which work is performed on the underlying contract, the Contractor agrees to carry out the Project in

compliance with the terms and conditions determined by the U.S. Secretary of Labor to meet the requirements of 49 U.S.C. § 5333(b), U.S. DOL guidelines at 29 CFR Part 215, and any amendments thereto. These terms and conditions are identified in the U.S. DOL's letter of certification to FTA, the date of which is set forth Grant Agreement or Cooperative Agreement with the state. The Contractor agrees to perform transit operations in connection with the underlying contract in compliance with the conditions stated in that U.S. DOL letter.

(c) Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. § 5311 in Non-urbanized Areas: If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. § 5311, the Contractor agrees to comply with the terms and conditions of the Special Warranty for the Non-urbanized Area Program agreed to by the U.S. Secretaries of Transportation and Labor, dated May 31, 1979, and the procedures implemented by U.S. DOL or any revision thereto.

The Contractor also agrees to include the any applicable requirements in each subcontract involving transit operations financed in whole or in part with Federal assistance provided by FTA.

28. DISADVANTAGED BUSINESS ENTERPRISE (DBE)

(a) This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. MTD's overall goal for DBE participation is 1.2%. A separate contract goal has not been established for this procurement.

(b) The Contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as MTD deems appropriate. Each subcontract the Contractor signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).

(c) (not applicable to this Agreement)

(d) The Contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the Contractor's receipt of payment for that work from the MTD. In addition, the Contractor may not hold retainage from its subcontractors.

(e) Contractor must promptly notify MTD whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The Contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of MTD.

29. [RESERVED]

30. INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS

The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1E, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any MTD requests which would cause MTD to be in violation of the FTA terms and conditions. The Contractor agrees to include the requirements of this section in all subcontracts.

31. DRUG & ALCOHOL TESTING

The Contractor agrees to participate in (grantee's or recipient's) drug and alcohol program established in compliance with 49 CFR Part 655.

32. INTELLIGENT TRANSPORTATION SYSTEM (ITS) (not applicable to this Agreement)

Santa Barbara Metropolitan Transit District
ADA Paratransit Services

Scope of Services

March 30, 2016

This Scope of Services is Exhibit B to the *Master Agreement with Easy Lift Transportation, Inc. for Paratransit Services* (hereinafter the "Agreement").

The following definitions shall apply to the Agreement:

- "Accessible" means complying with the accessibility requirements of 49 Code of Federal Regulations (CFR) Parts 37 and 38;
- "ADA" means the Americans with Disabilities Act of 1990, and any amendments thereto;
- "ADA paratransit service" means complementary curb-to-curb transportation service required by the Americans with Disabilities Act (ADA) for individuals with disabilities who are unable to use fixed-route transportation systems.

- A. In consideration of the compensation provided under the Agreement, and subject to the terms of the Agreement, Contractor agrees to operate accessible curb-to-curb complementary paratransit service to ADA paratransit eligible persons as set forth in the ADA.
- B. MTD shall coordinate with Contractor when planning route or schedule changes that may impact the number of hours of ADA complementary paratransit service required. Should MTD's hours of operation or route coverage change, MTD shall provide Contractor thirty (30) days' notice of any such change so that Contractor may comply with any such change. Contractor shall provide sufficient hours of ADA paratransit service to meet MTD's ADA requirements.
- C. Contractor shall notify MTD in writing one hundred twenty (120) days prior to implementing any change in Contractor's use of funds not provided under the Agreement if said change will affect the fulfillment of MTD's ADA paratransit service requirements.
- D. No portion of compensation provided to Contractor by MTD under the Agreement shall be utilized directly or indirectly to cover any costs other than costs for the provision of ADA paratransit service within MTD's jurisdiction for ADA paratransit eligible individuals.
- E. Contractor shall, at Contractor's cost:
1. Provide during the term of the Agreement not less than the level of ADA paratransit service hours, dispatch service, and enrollment/ mobility training/verification services that Contractor provided in June 2016.
 2. Provide information to the public about the ADA eligibility process and about ADA paratransit services. Such information shall be made available in accessible formats upon request.
 3. Provide ADA paratransit service to ADA paratransit eligible riders for any trip purpose. ADA paratransit service shall comply with 49 CFR Part 37 Sections 37.123 through 37.133.

4. Provide ADA paratransit service within the portions of MTD's statutory boundaries as required by the ADA and approved by MTD.
5. Employ a sufficient number of qualified, regularly-employed personnel to perform functions necessary to carry out the Agreement, including overall management and administration, operations management, accounting and bookkeeping services, and service delivery.
6. Provide driver training for Contractor vehicle operators as appropriate to ensure that the operators are proficient in all skills involved in transporting ADA paratransit eligible persons.
7. Maintain all vehicles utilized in the performance of the Agreement in a safe and usable operating condition. Maintenance schedules shall be established and maintained on said vehicles.
8. Establish ADA paratransit eligibility standards, subject to MTD approval, in conformance with 49 CFR Part 37 Section 37.123. Collect a per-trip fare from ADA paratransit eligible riders that shall comply with 49 CFR Part 37 Section 37.131(c) and shall not exceed twice MTD's full fare.
9. Identify ADA paratransit eligible persons who require a personal care attendant and allow required personal care attendants to accompany ADA paratransit eligible riders at no fare pursuant to 49 CFR Part 37 Section 37.131(c)(3).
10. Allow individuals to accompany ADA paratransit eligible persons pursuant to 49 CFR Part 37 Section 37.123(f). Collect a per-trip fare from such individuals that shall comply with 49 CFR Part 37 Section 37.131(c) and shall not exceed twice MTD's full fare.
11. Allow ADA paratransit eligible visitors from outside MTD's statutory boundaries to ride for up to a twenty-one (21) day period at the regular fare and in compliance with 49 CFR Part 37 Section 37.127.
12. Distinguish between those persons who are ADA paratransit eligible and those who are provided service on other grounds. Contractor shall keep records indicating the number of trips made by ADA paratransit eligible persons and other persons.
13. Maintain the minimum and maximum ride reservation time for all paratransit service pursuant to 49 CFR Part 37 Section 37.131.
14. Maintain a Drug and Alcohol Program for all safety-sensitive employees of Contractor and any subcontractors, pursuant to Article 39 herein, that fully satisfies FTA drug and alcohol policy and testing requirements and submit documentation of the Program to MTD as requested.
15. Pursuant to the California Transportation Development Act (TDA), annually undergo a fiscal audit of financial transactions and records performed by an independent certified public accountant. Said fiscal audit is to include the collection and expenditure of fares. Submit to MTD a copy of the aforementioned fiscal audit.
16. Pursuant to the California Transportation Development Act (TDA), annually submit to the State Controller a Financial Transactions Report. Submit to MTD a copy of the aforementioned report.
17. Submit to MTD a copy of Contractor's annual budget and any significant changes to the budget.

18. Submit to MTD annually complete National Transit Database information as required by the FTA.
 19. Submit to MTD complete quarterly financial reports that include, but are not limited to: the rate per hour for ADA paratransit service, which includes the cost of support services such as dispatch and enrollment/mobility training/verification; total ADA paratransit service operating expense; total ADA paratransit service capital expense, and ADA paratransit service revenue by source (excluding the names of individual donors).
 20. Submit to MTD complete monthly operating reports that include, but are not limited to: hours of ADA paratransit service, miles of ADA paratransit service, number of ADA paratransit one-way trips provided, number of ADA paratransit trips not provided in a one-hour window, number of ADA paratransit trips denied, hours of ADA paratransit dispatch service, and hours of ADA paratransit service enrollment/mobility training/verification. Submit to MTD complete monthly safety and security reports. Such monthly reports shall be submitted not later than the tenth day of the following month.
 21. As required in documents prepared pursuant to Articles E(15-20) herein, and in any other such documents prepared by or for Contractor, funds received by Contractor from MTD shall be separately listed as a subsidy from MTD, and shall not be included as farebox revenue. The exception to this shall be for farebox ratio reporting under provision of the California Transportation Development Act (TDA).
 22. Submit to MTD monthly summaries of complaints regarding Contractor's provision of ADA complementary paratransit service.
 23. Submit to MTD monthly updates of the number of registered Contractor ADA paratransit service riders.
 24. Permit, and require its subcontractors to permit, MTD or its contractor to inspect all work materials, payrolls, and other data and records with respect to the duties and obligations under the Agreement and to audit the books, records, and accounts of Contractor and its subcontractors regarding financial, operational, and maintenance functions.
- F. If Contractor ceases business during the term of the Agreement, MTD shall have first opportunity to acquire all assets of Contractor.
- G. Monitoring Program. MTD shall implement the following mechanism to ensure adequate monitoring of the ADA complementary paratransit service provided by Contractor. Contractor shall facilitate the ability of MTD to conduct all elements of the monitoring mechanism.
1. Monthly. MTD shall review Contractor monthly operating reports submitted to MTD pursuant to Article E(20) herein. Contractor shall submit further information as requested by MTD following such review.
 2. Quarterly. MTD shall review Contractor quarterly financial reports submitted to MTD pursuant to Article E(19) herein. At MTD staff meeting following September 30, December 31, March 31, and June 30, Contractor Executive Director or designee shall appear in person, if requested, to present to MTD staff a summary of the ADA paratransit service provided during the previous three months, including a summary of the quarterly financial reports and monthly operating reports submitted to MTD pursuant to Articles E(19-20) herein.
 3. Semiannually. Every six months. MTD Operations and Maintenance Departments may conduct site visits of Contractor. The site visits may include inspections of Contractor

vehicles, Drug and Alcohol Program policies and testing results, operating records, and financial records. MTD staff shall interview Contractor staff and management as desired.

4. Annually. Contractor shall submit annual information to MTD pursuant to Articles E(15-18) herein. Contractor shall submit backup information as needed by MTD to ensure that all FTA requirements are met.
5. As needed. MTD staff may conduct surprise visits as needed to monitor the ADA paratransit service provided by Contractor, without notice to Contractor. MTD may utilize MTD personnel to ride Contractor buses to monitor the ADA paratransit service without alerting to Contractor that MTD personnel are riding Contractor buses.

H. Health and Safety. Contractor shall assure that its employees and subcontractors comply with standards of safety contained in all applicable laws and regulations, including but not limited to:

1. California Code of Regulations Title 8 (CAL/OSHA).
2. Code of Federal Regulations Title 29, Part 1901 and 1926, as appropriate (FED/OSHA).
3. Appropriate trade association safety standards.
4. Appropriate equipment manufacturer instructions.
5. In cases where published standards conflict, the standard providing the highest degree of protection shall prevail.

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

(To be submitted with each bid or offer exceeding \$100,000)

The undersigned [Contractor] certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq.*)]

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

[Note: Pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.]

The Contractor, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq.*, apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official

Name and Title of Contractor's Authorized Official

Date



BOARD OF DIRECTORS REPORT

AGENDA DATE: April 19, 2016
DEPARTMENT: Human Resources
PREPARED BY: Mary Gregg

AGENDA ITEM #: 8
TYPE: Action

REVIEWED BY: Jerry Estrada

Signature

GM Signature

SUBJECT: MTD Staff Employee Handbook Revisions

RECOMMENDATION:

Staff recommends the Board of Directors approve for distribution the revised Staff Employee Handbook. This handbook is specific to District Staff and does not apply to employees represented under a collective bargaining agreement.

ANALYSIS:

Staff has revised the Staff Employee Handbook with comprehensive review completed by the District's HR Committee, as well as review by MTD's labor attorney, Trevor Large of Buynak, Fauver, Archbald & Spray LLP. The revised Handbook reflects updates to California State and Federal regulations, where they pertain, as well as inclusion of new labor laws that have been passed since the last revision to the handbook was made February 24, 2011. The revision also presented the opportunity to incorporate into the handbook MTD policies provided during the new hire process, as an example, MTD's Reflective Safety Vest Policy.



**Santa Barbara
Metropolitan Transit District
Staff Employee Handbook**

April 19, 2016

Table of Contents

INTRODUCTION	
Welcome Message.....	4
Mission Statement.....	5
Introductory Statement.....	5
EEO Statement.....	5
EMPLOYMENT	
At-Will Employment.....	6
Non-Disclosure/Confidentiality.....	6
Business Conduct and Ethics.....	7
Outside Employment.....	7
Employment of Relatives.....	7
Employee References.....	8
Open-door.....	8
EMPLOYMENT POLICIES	
Employment Categories.....	9
Introductory Period.....	9
Job Duties.....	10
Work Schedules.....	10
Flexible Schedules.....	10
Meal and Rest Periods.....	13
Timekeeping Requirements.....	14
Payment of Wages.....	14
Automatic Deposit.....	14
Overtime for Non-Exempt Employees.....	14
Advances.....	15
Personnel Records.....	15
Performance Evaluations.....	16
Involuntary Termination.....	16
Voluntary Termination.....	17
EMPLOYEE BENEFITS	
Health Insurance.....	17
Holidays.....	17
Vacation.....	18
Sick.....	18
Personal Days Off (PDO).....	19
Life Insurance.....	20
401(k).....	20
Retirement Medical Insurance.....	20
State Disability Insurance.....	20
Employee Assistance Program (EAP).....	20
Bus Pass.....	21
Unemployment Compensation.....	22
Social Security.....	22
Workers' Compensation.....	22
LEAVES OF ABSENCE	
Leaves Approval.....	23
Family and Medical Leave.....	23
Military Family Leave.....	24

Employee Responsibilities	24
Employer Responsibilities	25
Pregnancy Disability Leave (PDL).....	25
Bereavement Leave.....	26
Jury Duty and Witness Leave	26
Time Off for Voting	26
School Activities	27
External Employee Education.....	27
STANDARDS OF CONDUCT	
Prohibited Conduct.....	28
Off-Duty Conduct	29
Conflicts of Interest	29
Drug Free Workplace Policy Statement	30
Sexual and Other Unlawful Harassment.....	31
Punctuality and Attendance	33
Dress Code and Other Personal Standards.....	34
Identification Badges	34
PPE/Reflective Safety Vest Policy	34
OPERATIONAL POLICIES	
Employer Property	36
Use of Electronic Media	36
Prohibited Use of Cell Phone While Driving.....	38
Personal Use of Company Cell Phone or Land Line Phones.....	38
Conducting Personal Business	38
Employee Property	38
Security/Workplace Violence	39
MTD Facility Visitors	39
Health and Safety	39
Ergonomics	40
Smoking.....	40
Lactation Accommodation	40
Housekeeping	41
Solicitation and Distribution of Literature.....	41
Telecommuting	41
Expense Reimbursements.....	42
Bulletin Boards	42
Recreational Activities and Programs	42
Safety on the Job.....	42
Inclement Weather/Natural Disasters.....	43
Alternate Dispute Resolution	43
Employee Handbook Acknowledgement	44

Welcome,

On behalf of the Board of Directors, and your colleagues, I would like to welcome you to the Santa Barbara Metropolitan Transit District ("MTD").

As an employee of MTD you are an important member of a team effort, and the performance of every employee is vital to the success and reputation of the district. We hope that you will find your position with MTD rewarding, challenging, and productive.

It is my hope that you find this Staff Employee Handbook helpful in acquainting yourself with MTD and its policies. The aim of this handbook is to help outline the importance of MTD's values and mission, as well as to communicate important policies, procedures and working conditions of the district.

We take great pride in the service we provide to our community and I am confident you will feel the same pride as you meet the challenges of your new job. Again, a warm welcome to MTD.

Sincerely,

Jerry Estrada
General Manager

MISSION STATEMENT

The mission of the Santa Barbara Metropolitan Transit District is to enhance the personal mobility of South Coast Residents and visitors by offering safe, clean, reliable, courteous, accessible, environmentally responsible, and cost effective transit service throughout the district.

Introductory Statement

This handbook is designed to acquaint you with MTD and provide you with information about working conditions, employee benefits, and policies affecting your employment as a Staff employee. It reflects the policies and practices in effect at the time of its publication and supersedes any prior policies and practices, whether formal or informal. It does not reflect the policies and practices associated with employees subject to a Collective Bargaining Agreement (CBA). You should read, understand, and comply with all provisions of the handbook.

MTD reserves the right to revise, modify, supplement, delete, or add to any and all policies, procedures, work rules, or benefits stated in this handbook or in any other document, except for the policy of at-will employment. However, any such changes must be in writing and must be signed by the General Manager of MTD. Employees will be notified of such changes to the handbook as they occur. No oral statements or representations can in any way alter the provisions of this handbook. To ensure that a policy is current, please inquire with the Human Resources Manager.

EEO Statement

Santa Barbara Metropolitan Transit District ("MTD") is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available person in every job. MTD's policy is to ensure equal employment opportunities for all, without regard to race, color, creed, gender, religion, marital status, age, national origin or ancestry, physical or mental disability, and medical condition including genetic characteristics, sexual orientation, or any other consideration made unlawful by federal, state, or local laws. It also prohibits unlawful discrimination based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

MTD is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in MTD operations and prohibits unlawful discrimination by any employee of MTD, including supervisors and coworkers.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, MTD will make reasonable accommodations for the known physical or mental limitations of a qualified individual with a disability who is an applicant or an employee unless it would result in undue hardship for MTD.

Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact an MTD representative with day-to-day personnel responsibilities and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. MTD then will conduct an investigation to identify the barriers that interfere with the equal opportunity of the applicant or employee to perform his or her job. MTD will identify possible accommodations, if any, that will help eliminate the limitation. If MTD determines that the accommodation is reasonable and will not impose an undue hardship for MTD, MTD will make the accommodation.

If you believe you have been subjected to any form of unlawful discrimination, submit a written complaint to your supervisor or the individual with day-to-day personnel responsibilities. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses. If you need assistance with your complaint, or if you prefer to make a complaint in person, contact your Manager or the Human Resources Manager. MTD will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation.

If MTD determines that unlawful discrimination has occurred, per federal, state and local laws, effective remedial action will be taken commensurate with the severity of the offense up to, and including, termination. Appropriate action will also be taken to deter any future discrimination. MTD will not retaliate against you for filing a complaint and will not knowingly permit retaliation by management, employees or your co-workers.

EMPLOYMENT

AT-Will Employment

MTD personnel are employed on an at-will basis. Employment at-will may be terminated with or without cause, and with or without notice, at any time by the employee or MTD. Nothing in this handbook shall limit the right to terminate at-will employment. No manager, supervisor, or employee of MTD has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment on other than at-will terms. Only the General Manager of MTD has the authority to make any such agreement, which is binding only if it is in writing. Policies set forth in this handbook are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between MTD and any of its employees. Additionally, nothing in this handbook, or in any other personnel document, creates or is intended to create a promise or representation of continued employment for any employee.

Non-Disclosure/Confidentiality

Each employee is responsible for safeguarding the confidential information obtained during employment. In the course of your work, you may have access to confidential information regarding MTD, its suppliers, its customers, or perhaps even fellow employees. Each employee is required to maintain the

confidentiality of this information; any disclosure to unauthorized third parties is strictly prohibited and such information may not be used for the personal benefit of the employee or any other person or entity. These obligations to protect and never disclose this information to any person or entity other than MTD continues beyond any period of employment with MTD (whether termination is voluntary or involuntary) and extends forever into the future. Violation of this policy will result in immediate disciplinary action, up to and including termination and any other appropriate legal action by MTD.

Nothing in this policy prohibits employees from discussing wages, hours or other terms or conditions of employment with one another or with parties who are not competitors or those who could not use such information in a way that interferes with MTD's legitimate business interests.

Business Conduct and Ethics

No employee may accept a gift or gratuity from any customer, vendor, supplier, or other person doing business with MTD because doing so may give the appearance of influencing business decisions, transactions or service. Please discuss expenses paid by such persons for business meals or trips with your department manager in advance.

Outside Employment

Employees who wish to engage in additional employment that may create a real or perceived conflict of interest must submit a written request to MTD explaining the details of the additional employment. Even if the additional employment is authorized by MTD, the employee bears all responsibilities. MTD assumes no responsibility for it. MTD shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of additional employment. Authorization to engage in additional employment can be revoked at any time. The same rules apply to volunteer activities that may interfere with your employment at MTD.

The following types of employment elsewhere are strictly prohibited:

- Additional employment that conflicts with an employee's work schedule, duties, and responsibilities at MTD;
- Additional employment that creates a conflict of interest or is incompatible with the employee's position with MTD;
- Additional employment that impairs or has a detrimental effect on the employee's work performance with MTD;
- Additional employment that requires the employee to conduct work or related activities on MTD property during the employer's working hours or using MTD facilities and/or equipment; and
- Additional employment that directly or indirectly competes with the business or the interests of MTD.

Employment of Relatives

MTD reserves the right to refuse to hire relatives of present employees if doing so could result in actual or potential problems in supervision, security, safety, or

morale, or if doing so could create potential conflicts of interest. For purposes of this policy, a relative is any person who is related by blood, marriage, or registered domestic partner, or whose relationship with the employee is similar to that of persons who are related by blood or marriage, including "step" family members as follows: spouses, children, siblings, parents, in-laws, grandparents, grandchildren, legal guardian.

If MTD employees marry, or become registered domestic partners, or become related, MTD will make reasonable efforts to assign job duties to minimize or eliminate potential problems of supervision, security, safety, or morale. However, if MTD is unable to make an acceptable accommodation to minimize these problems, the aforementioned employees will have 30 days to decide which relative will resign from MTD. If this decision is not made within the time allowed, the General Manager of MTD will make the decision, using any legal criteria deemed necessary to make the decision.

Employee References

The Human Resources Department is the only department that is authorized to respond to reference inquiries from other employers and/or creditors. Responses to such inquiries will confirm only dates of employment and position(s) held. A written authorization from the current or former employee is required to release any other information.

Open-door

Suggestions for improving MTD are always welcome. At some time you may have a complaint, suggestion, or question about your job, your working conditions, or the treatment you are receiving. Your good-faith complaints, questions, and suggestions also are of concern to MTD. We ask you to discuss your concerns by following these steps:

- As soon as possible, but at least within a week of the occurrence, bring the situation to the attention of your immediate supervisor, who will then investigate and attempt a solution or explanation;
- If the problem persists, you may describe it in writing and present it to the Human Resources Manager, who will investigate and attempt a solution or explanation. We encourage you to bring the matter to the Human Resources Manager as soon as possible after you believe that your immediate supervisor has failed to resolve it; and
- If the problem is not resolved, you may present the problem in writing to the General Manager of MTD, who will attempt to reach a final resolution. If you need assistance with the written complaint, contact the Human Resource Manager for help.

This procedure, which we believe is important for both you and MTD, cannot guarantee that every problem will be resolved to your satisfaction. However, MTD values your observations and you should feel free to raise issues of concern, in good faith, without the fear of retaliation.

EMPLOYMENT POLICIES

Employment Categories

Regular Full-time

Regular Full-time employees are those who are not in a temporary or introductory status and who are generally scheduled to work a regular schedule of 40 or more hours per work week. Generally, they are eligible for MTD's benefit package, subject to the terms, conditions, and limitation of each benefit program as outlined in this handbook.

Regular Part-time

Regular part-time employees are those who are generally scheduled to work less than 40 hours per week. Generally, they receive all legally mandated benefits (workers' compensation insurance, California state mandated sick leave), pro rata vacation, and if eligible may participate in MTD's medical insurance plan, subject to the terms, conditions, and limitation of each benefit program as outlined in this handbook.

Temporary

Temporary employees are those hired as interim replacements for short-term assignments to temporarily supplement the work forces, or to assist in the completion of a specific project. Employment assignments in this category are of limited duration. Temporary employees are not eligible for employee benefits except those mandated by applicable law. This definition does not apply to a regular employee assigned to a temporary position with the organization.

Inactive Status

Employees who are on any type of non-work related leave of absence that exceeds six (6) months will be placed on inactive status. During the time the employee is on inactive status, no benefits will be earned or accrued. (Refer to Leaves of Absence section in this handbook).

Temporary Transfers

Employees who request a temporary transfer for medical and/or family medical leave reasons will be considered for that transfer if a position exists at the time the transfer is requested and the employee is qualified to perform the job. The transfer must be approved by both department managers. The employee will be paid in accordance with the responsibilities and duties of the new temporary job.

Introductory Period

The introductory period is intended to give newly hired, and rehired, employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance during their first six (6) months of continuous employment with MTD, and to determine whether the new position meets their expectations. MTD uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or MTD may end the employment relationship at-will at any time during the introductory period, with or without cause or advance notice.

Employees who are promoted or transferred within MTD, must complete a secondary introductory of period of six (6) months with each reassignment to a new position. Any significant absence will automatically extend an introductory period by the length of the absence. If MTD determines that the introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified period.

If your job performance has not been satisfactory at any time during your introductory period your employment may be terminated. Completion of the introductory period does not entitle you to remain employed by MTD for any definite period of time, but rather allows both you and MTD to evaluate whether or not you are right for the position. MTD personnel are employed on an at-will basis. Employment at-will may be terminated with or without cause, and with or without notice, at any time by the employee or MTD. Nothing in this handbook shall limit the right to terminate at-will employment.

During the introductory period, new employees are eligible for those benefits that are required by law, and will receive the benefits described in this handbook subject to the terms and conditions of each benefit program.

Job Duties

During the introductory period, your supervisor will explain your job responsibilities and the performance standards expected of you. Be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects, or to assist with other work necessary or important to the operation of your department or MTD. Your cooperation and assistance in performing such additional work is expected. MTD reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

Work Schedules

MTD administration's regular business hours are Monday through Friday, 8:00 am to 5:00 pm. The workweek begins at 12:01 a.m. Monday and ends on Sunday at midnight. Your manager will assign your individual work schedule. All employees are expected to be at their desks or workstations at the start of their scheduled shifts, ready to work.

Exchanging work schedules with other employees is discouraged, but may be permitted only with prior approval from your department manager. If you need to exchange schedules, notify your supervisor, and an exchange may be approved if deemed appropriate. Work schedule exchanges will not be approved if the exchange interferes with normal operations or results in excessive overtime.

Flexible Schedules

In order to balance work and personal life, MTD provides a flexible, alternative workweek. A flexible schedule must be compatible with the office workflow and

the department's ongoing needs and must be pre-approved by the employee's supervisor. Once a work schedule, including beginning and ending time, is agreed upon between the employee and supervisor, it will be forwarded to the Human Resources Manager and placed in the personnel file.

MTD Flextime Policy Statement

SBMTD Equal Employment Opportunity Policy confirms the commitment to develop, maintain and support a comprehensive policy of equal employment opportunity in the organization. To assist in this, MTD will actively support flextime (1) where it is reasonable and practical to do so and (2) where operational needs will not be adversely affected. This policy does not apply to employees whose work rules are governed by the CBA. Both management and staff must recognize that the use of flextime cannot prevent or interfere with the accomplishment of the mission, goals and tasks of MTD, nor can flextime cause a reduction in Departmental coverage or levels of service presently being provided. It is also recognized that the success of flextime depends entirely upon the cooperation and good faith efforts of all parties involved, and on a mutual understanding and acceptance of the benefits and limitations of flextime. In order for flextime to succeed, staff must continue to fulfill their commitments in a trustworthy and productive manner. This policy can be cancelled or modified at anytime with or without notice. MTD retains sole discretion to approve or deny flextime

MTD's normal business hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday. It is required that all departments are open and have sufficient coverage during regular business hours.

Definition of Flextime

Flextime is a work schedule that allows staff to work hours outside of the standard 8:00 a.m. to 5:00 p.m. range, while maintaining required service during the District's peak operating hours. This may vary by department. With a flextime schedule, non-exempt employees are still subject to all requirements of the Fair Labor Standards Act (FLSA). Employees who are exempt from FLSA are expected to work whatever number of hours are required in order to accomplish their duties and may, with prior authorization from the department manager, be permitted to set their own schedules.

Aims and Objectives

MTD is committed to equality of opportunity for its staff. In order to facilitate this, department managers may create working arrangements, in accordance with managerial interests, whereby it can widen its recruitment pool, retain the valuable skills of existing staff who no longer want to work full-time or who may want to work full time but with an alternative schedule. This will benefit the MTD by retaining valuable staff as it encourages staff to retain career development opportunities.

Eligibility

Because services within each department vary, not every staff member will be able to work similar flextime schedules. Therefore, managers will have to carefully examine any staff request for flextime to ensure required coverage and coordinate work schedules.

Managing Flextime

It is the responsibility of each department manager to verify and ensure the performance of staff members (with or without flextime schedules). Flextime schedules will be posted in a central location so that all staff members know who is covering department services. A good relationship among everyone involved is important for a successful flextime policy. Trust is a big factor; managers and supervisors must feel confident that staff will not abuse the benefits that are inherent in a flextime schedule. Flextime is a privilege, not a right, and, if abused, can be taken away at the discretion of the department manager with approval from the General Manager.

Flextime Schedules

Once a staff member signs up for a particular flextime, the individual is expected to consistently work that schedule. However, schedules can be changed with prior authorization from the department manager and the Human Resources Manager. Agreement by a manager may be revoked at any time to better serve the needs of MTD. There are three types of flex schedules from which to choose:

1. Peak-Hour Flextime

This flextime schedule shifts daily work hours while still working an 8-hour day. For instance, instead of the normal 8:00 a.m. - 5:00 p.m. day, staff could work from 7:00 a.m. - 4:00 p.m., 7:30 a.m. - 4:30 p.m., or 9:00 a.m. - 6:00 p.m., etc. Working any arrangement of hours within an 8-hour day constitutes a valid workday. It is important to remember that departmental coverage must be maintained during regular business hours to serve passenger and community needs (i.e., 8:00 a.m. - 5:00 p.m., Monday through Friday). Therefore, managers will need to coordinate the schedules of flextime participants to ensure required coverage.

2. Adjusted Lunch Period

This flextime schedule allows staff to adjust the length of their lunch period, while still working an 8-hour day. An employee can take a minimum of 30 minutes and a maximum of two hours for lunch. For instance, an employee might want to go to the gym everyday from 11:00 a.m. to 1:00 p.m. and consequently leave work at 6:00 p.m. rather than 5:00 p.m.

3. Compressed Work Week

Staff works a full 40-hour workweek in less than five days. For instance, staff may work (4) 10-hour days, or on a two-week rotating basis, one-week staff works a regular 8:00 a.m. to 5:00 p.m., five-day week and the next week they work a compressed schedule, which is four (4) 9-hour days and one (1) 4-hour day. A 9/80 workweek is when staff works five days in one workweek and four days in the following week, for a total of 80 hours over the two-week period. Examples are shown here:

A. Employee works four ten-hour days per workweek

Weekly Schedule	Mon	Tues	Wed	Thurs	Fri	Total Hrs
Regular	8 hrs	8 hrs	8 hrs	8 hrs	8 hrs	40 hrs
Compressed	10 hrs	10 hrs	10 hrs	10 hrs	0 hrs	40 hrs

B. Employee works a two-week rotating workweek

Weekly Schedule	Mon	Tues	Wed	Thurs	Fri	Total Hrs
Week One	8 hrs	40 hrs				
Week Two	9 hrs	9 hrs	9 hrs	9 hrs	4 hrs	40 hrs

C. Employee works a 9/80 formula workweek

Weekly Schedule	Mon	Tues	Wed	Thurs	Fri	Total Hrs
Week One	9 hrs	9 hrs	9 hrs	9 hrs	8 hrs	44 hrs
Week Two	9 hrs	9 hrs	9 hrs	9 hrs	0 hrs	36 hrs

Holidays and Flextime

If, due to flextime scheduling, a holiday falls on a staff members scheduled day off, the staff member will receive holiday hours off with pay at a later date (equivalent to the number of holiday hours for which the employee is eligible). The Department Manager must authorize such rescheduled holiday hours. For example, a employee works a four ten-hour workweek, Tuesday - Friday. Labor Day falls on Monday, when staff is normally scheduled off. The employee may request accrued holiday hours (8 hours) at a later date.

Meal and Rest Periods

Each workday, full-time non-exempt and exempt employees are provided with an opportunity to take a 60 minute unpaid meal period. With approval by the department manager, the unpaid meal period may be reduced to 30 minutes. State law requires that non-exempt employees take a meal period of no less than thirty (30) uninterrupted minutes whenever they exceed five (5) hours in a work day. The meal period must begin after no more than five hours worked. Absent a specific request from your immediate supervisor, you are not expected to, nor should you, work through your meal period. If, for some reason, you are unable to take your meal period, you must notify your supervisor.

Non-exempt employees are entitled to a ten (10) minute rest period for every four (4) hours of work or major fraction thereof. The rest period should be taken as close to the middle of each four (4) hour period as possible. All ten (10) minutes of the rest break must be taken at one time -- i.e., employees may not accumulate a number of shorter rest periods or use them to compensate for late arrivals or early departures. Since rest periods are paid time, employees must not be absent from their workstations beyond the allotted rest period time. No supervisor may ask or require the employee to give up their rest period.

If an employee is denied a meal or rest period, to which they are entitled to by law, it is his/her responsibility to report it immediately to Human Resources.

Timekeeping Requirements

Accurately recording time worked is the responsibility of every employee. Federal and state laws require the employer to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties plus paid breaks. Tampering with, altering, or falsifying your own or anyone else's time records, or recording time on another employee's time record, may result in disciplinary action up to, and including, termination. It is your responsibility to sign your timecard to certify the accuracy of all time recorded. The supervisor is responsible for reviewing and signing the approval of the timecard before submitting it to the Payroll Department for processing. Any errors on your payroll should be reported no later than 7 days from payday to your supervisor.

Payment of Wages

All employees are paid bi-weekly according to the published payroll schedule. Each paycheck will include earnings for all work performed through the end of the previous payroll period. MTD's workweek begins on Monday at 12:01 am and ends on Sunday at 12:00 midnight.

Paydays are normally every other Friday except when bank holidays interfere. If you observe an error on your check, please report it immediately to your supervisor.

Automatic Deposit

MTD offers automatic payroll deposit for employees. You may begin and stop automatic payroll deposit at any time. To begin automatic payroll deposit, you must complete a form (available from the Payroll Department) and return it to Payroll at least 10 days before the pay period for which you would like the service to begin. You should carefully monitor your payroll deposit statements.

To stop automatic payroll deposit, complete the form available from the Payroll Department and return it to Payroll at least 10 working weekdays before the pay period for which you would like the service to end. You will receive a regular payroll check on the first pay period after the receipt of the form, provided it is received no later than 10 days before the end of the pay period.

Overtime for Non-Exempt Employees

Employees may be required to work overtime hours as necessary, in order to meet special or unusual business operations needs. All employees who are not exempt under state and federal law are eligible to earn overtime compensation. If you have questions regarding your status contact Human Resources.

All overtime work must be authorized by a supervisor. All overtime will be requested in advance by supervisory personnel, who shall attempt to provide affected employees as much notice time as possible, and who will attempt to schedule or assign overtime as evenly and consistently as possible, given the nature of work performed, operational needs, and employee capacities.

Overtime payments will be based on the actual number of hours a non-exempt employee works rather than payroll hours. Therefore, time off for any reason, even if the time off is paid, such, as vacation, holiday, and sick leave will not be counted in determining the overtime compensation, as these are not hours actually worked. All hours worked in excess of eight (8) hours in one workday or forty (40) hours in one workweek will be treated as overtime. A workday begins at 12:01 am and ends at midnight twenty-four (24) hours later. Workweeks begin each Monday at 12:01 am. Overtime compensation will be paid as follows (flex-time schedules excluded):

- Time-and-one-half the employee's regular hourly rate for all hours worked in excess of 8 in a day, or 40 in a workweek.
- Double time for any work in excess of 12 hours in any workday.
- Time-and-one-half for the first 8 hours on the seventh consecutive day of the day of workweek.
- Double-time for all work in excess of 8 hours on the seventh consecutive day of the day of workweek.

Note: Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to exempt employees.

Advances

MTD does not permit advances against paychecks or against unaccrued vacation or vacation not yet available for use

Personnel Records

You have a right to inspect your personnel file by filing a request 48 hours prior to review date. That date is to be a working weekday during normal business hours, as provided by law, in the presence of a representative of MTD as authorized by the Human Resources department at a mutually convenient time. The Division of Labor Standards Enforcement (DLSE) Labor Code Section 1198.5 states MTD has 30 days from request to supply documents of any performance related issue or any grievance. The district will make every attempt to comply with your request as quickly as possible. Current and former employees (or a representative) have the right to inspect and receive a copy of the personnel files and records that relate to the employee's performance or to any grievance concerning the employee. You may add your comments to any disputed item in the file on a separate paper to be turned into Human Resources.

MTD will restrict disclosure of your personnel file to authorized individuals within MTD. Any request for information contained in personnel files must be directed to the Human Resources Manager. Only the General Manager, Assistant General Manager or Human Resources Manager are authorized to release information about current or former employees. Disclosure of personnel information to outside sources will be limited. However, MTD will cooperate with requests from

authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

Performance Evaluations

Your supervisor will review your job performance with you at least once a year. The purposes of these evaluations are:

- (1) To evaluate the strengths and weaknesses of your work;
- (2) To communicate these to you; and
- (3) To set future performance goals.

Your supervisor may prepare a written assessment of your job performance which may be reviewed by the next higher level of management. After that, you will meet with your supervisor to discuss the evaluation. When you meet with your supervisor, you are encouraged to ask specific questions and to comment about your evaluation form, and to sign it to show that you have read it and discussed it. You may request a copy of the completed form for your own records. A positive performance evaluation does not guarantee a wage or salary increase, because increases may not occur every year, nor is it a guarantee of continued employment.

You are encouraged to seek regular advice, counsel, and feedback on your performance. This feedback can come from a number of sources, but most frequently is provided by your supervisor. Your supervisor can provide both positive and corrective feedback to help you achieve excellence in your job and meet the professional goals you and MTD have set. These discussions provide an excellent opportunity for you to confirm how you are doing and to set new goals and objectives for the future.

MTD expects the quality of a staff member's performance to at least meet all performance standards. Additionally, staff members are expected to display behaviors consistent with MTD and departmental policies and procedures. Key ingredients to successful performance include systematic and definitive orientation to job responsibilities and departmental procedures, appropriate on-the-job training, ongoing communication of performance expectations and standards, periodic performance and career development feedback, and corrective, progressive approaches to work performance.

Involuntary Termination of Employment

Violation of MTD policies and rules may warrant disciplinary action. Disciplinary action is not based on a formal system and MTD may, in its sole discretion, utilize whatever form of discipline is deemed appropriate under the circumstances, up to, and including, termination of employment. MTD's discipline policy in no way limits or alters the at-will employment relationship.

Voluntary Termination of Employment

Voluntary termination results when an employee voluntarily resigns his or her employment at MTD, or fails to report to work for three consecutively scheduled workdays without notice to, and/or approval by, his or her supervisor. All MTD-owned property, including vehicles, keys, uniforms, identification badges, and credit cards, must be returned immediately upon termination of employment.

EMPLOYEE BENEFITS

The benefit package for MTD regular full-time employees was approved by the Board of Directors on March 17, 1998 and amended on August 10, 2010. Newly hired regular full-time staff members are eligible for benefits on the first of the month following their hire date. Accruals begin with active service. Benefits for regular full-time employees are based on 2000 paid hours per year. All benefits for regular, active employees will be pro-rated if the employee has less than the amount of paid hours required. Benefits begin accruing the first day of the month following employment.

Health Insurance

Family medical and dental insurance is available to regular full-time employees, as well as part-time employees consistently scheduled to work 20 or more hours per week, starting the first day of the month following employment. MTD determines the benefit plan and the employee/employer premium contribution levels on an annual basis. Employees are responsible for deductibles and co-payments at the time of medical or dental service.

Holidays

MTD will grant holiday time off to eligible regular full-time employees on the following holidays:

- New Year's Day
- Martin Luther King Jr. Day
- Presidents' Day
- Memorial Day
- July 4th
- Labor Day
- Thanksgiving
- Day after Thanksgiving
- Christmas Eve
- Christmas Day

Some holidays require full or minimum staffing. A list of staffing requirements for holidays will be made available annually. If an exempt regular full-time employee works a holiday due to staffing requirements, he or she may take a compensatory day off with pay at a future date, not more than 3 months from the date of the holiday. The compensatory day must be pre-approved by the department manager.

Non-exempt regular full-time employees may have an extra day of pay coming during that pay period. For example if, July 4th falls on your day off you will get 88 hours of pay. If you prefer to have a day off, you may request the day off with approval from the department manager. Approval to work on a holiday, if not previously scheduled due to staffing requirements, must be pre-approved by the department manager.

There may be other days on which MTD may reduce bus service and may not require staff to be present at the administration building. You will be informed in advance of any such changes.

Vacation

Regular full-time employees are entitled to accrue and take vacation as follows:

after	up to
1 year of employment	2 weeks of vacation
5 years of employment	3 weeks of vacation
12 years of employment	4 weeks of vacation
20 years of employment	5 weeks of vacation

Accrual of vacation hours is based on 2000 paid hours in the previous year and will not exceed the amount set out above.

Employees are required to take at least two weeks of available vacation each calendar year. The department manager may schedule vacation for you if you do not. If an employee does not take all of the vacation hours earned by the last pay period of the current vacation year, the surplus hours will be paid out at the end of the vacation year (usually in the month of January).

Department managers must schedule their vacations through the General Manager. Also, on each of the scheduled work days, the General Manager or the Assistant General Manager or alternate manager of General Manager's choice must be on duty.

Vacations of other staff members must be scheduled through their department managers. For every absent member, there must be an alternate member of the department available who is able to carry out the required duties. Staff should be notified who will be handling such duties.

Sick

Regular Full-time Employees:

Regular full-time employees are entitled to accrue paid sick time up to a maximum of 80 hours per year. There is no cap on the number of sick hours that may be accrued and they will accumulate from year to year. There is no cash value or conversion except as noted here:

Regular Full-time staff members who:

- were employed on or before March 1, 1998
- retire after 20 full-time years of service to MTD
- are at least 60 years of age
- have 400 hours of accumulated sick leave
- may convert their accumulated sick leave to cash at retirement at a rate of 2:1 for each hour, up to a cap payout of 1,100 hours.

Benefits are subject to change by the Board of Directors at their discretion.

Non Full-time Employees:

Per California's Paid Sick Leave law, as of July 1, 2015 non full-time employees may accrue paid sick leave under the conditions stated below. Such paid sick leave may be used upon the oral or written request of an employee, for themselves or a family member, for the diagnosis, care or treatment of an existing health condition or preventive care, or specified purposes for an employee who is a victim of domestic violence, sexual assault, or stalking.

After completing an initial 90-days of employment, during the first two years of employment non-full time employees will accrue sick leave at a rate of one (1) hour for every thirty (30) hours worked. Non-full time employees are limited to a maximum use of three (3) sick leave days (24 hours) per year. The maximum paid time off that any employee may accrue at any one time is six (6) days (48 hours). Sick leave must be used in at least two (2) hour increments. Any unused, but accrued sick leave will be carried over into the next year. This sick leave accrual policy will remain in place for all non full-time employees throughout their employment (unless they become full-time).

Non full-time employees will not be able to cash-out their sick leave at any time, including upon termination of their employment.

Personal Days Off

Regular full-time employees may use up to five paid personal days off each calendar year, if needed. Personal Days Off (PDO) must be pre-approved on or before the day of the PDO by your department manager. In case of the department manager's absence, time off must be authorized by the General Manager. The following applies to personal days:

- For personal business related to self, family and home
- No accumulation from year to year
- Not to be used in place of vacation
- Not to be used in conjunction with vacation with the exception of an unanticipated emergency
- Personal leave days expire at the end of each vacation year
- No cash value/no conversion/no trade
- Not to be used to work a second job
- Use is optional based on personal need

Life Insurance

Regular full-time employees who meet plan eligibility may receive a term life insurance policy with a death benefit of two times annual salary based on an annual cap as set by the plan program. This benefit will not be adjusted at each salary increase; rather, the adjustment will be made one time per year for the entire staff group.

401(k)

Regular full-time employees who meet plan eligibility may, and are encouraged, to join the District's 401(k) and profit sharing plan based on IRS and plan rules. For more information refer to the plan summary.

Retirement Medical Insurance

If they meet the following, regular full-time employees are entitled to reimbursement for medical insurance for them and their spouse until death of the retired MTD employee.

Qualifications:

- Employed for 20 full-time years at MTD
- At least 65 years old at retirement
- Employee voluntarily retires from MTD employment

Deductibles and co-payments are the responsibility of the retired employee. MTD reimburses each qualified retiree an amount not to exceed \$285 per month in total. Retirees are responsible for their own Medicare Part B premium.

State Disability Insurance

Each employee contributes to the State of California to provide disability insurance mandated by the California Unemployment Insurance Code. Contributions are made through a payroll deduction. Disability insurance is payable when you cannot work because of accident, illness, or injury not caused by employment at MTD. This includes pregnancy or when you are entitled to temporary workers' compensation at a rate less than the SDI daily disability benefit amount. Specific rules and regulations governing disability are available from the Human Resources Department or on the state Employment Development Department's website at <http://www.edd.ca.gov>. Rules are subject to change based on state law.

Employee Assistance Program (EAP)

The Employee Assistance Program (EAP) is a free, confidential, and voluntary counseling and information program for MTD employees, their family members and their significant others. The EAP staff are licensed professionals who provide assessment, brief therapy, referrals, and follow-up for individuals, couples, families, and groups regarding personal or work-related issues. Please see Human Resources for more information on the program.

Bus Pass

MTD currently provides a bus pass to all active full-time and part-time employees and eligible dependents. The bus pass allows unlimited rides on the MTD operated services. The bus pass is valid for you and your dependents only for the term of your employment with MTD, and must be returned at separation. The exception to this is if you qualify for retirement pass privileges. MTD extends the benefit of a free bus pass to qualified retired employees and their qualified dependents, as well as to long-term MTD contractors working at District sites. In order to obtain passes, you must complete an authorized bus pass application form annually.

Dependent Information

Dependent eligibility status for bus passes:

- (1) The employee's legal spouse or registered domestic partner.
- (2) Dependent children. A dependent child is defined as an unmarried child (including a stepchild, a legally adopted child or a child placed in the employee's home for the purpose of adoption or any legal dependent) of either the employee or the employee's spouse. Grandchildren are considered "dependent" when legal guardianship has been awarded to the employee or the employee's spouse. In all cases, dependents must have principal place of residence with the employee, unless the employee is separated or divorced from their spouse.

Special Rule: The age limit for dependent children to receive a bus pass, if all eligibility conditions are met, is 26 years of age. Effective January 1, 2017, the eligibility age limit will change from 26 to 21 years of age. There is no upper age limit in any case where the dependent child/young adult/adult is incapable of self-support because of mental or physical handicap. With the same proof that allows extension for purposes of health insurance, they may also receive a bus pass.

Retired Employees:

Retiree eligibility for bus passes:

- retire after 25 full-time years of service to MTD, no age requirement;
- or, have 10 years of full-time service and are at least 55 years of age

Procedures: You must arrange for their picture to be taken at the Transit Center. It is your responsibility as an employee to be sure that your dependents understand this privilege. Passes may be used only by the person named on them. The pass must be shown each time you are boarding a bus. This is important even if the driver recognizes you. Other passengers may wonder why you have boarded without paying a fare.

Passes may be revoked at any time for improper use: All active employee and dependent passes must be returned to the District upon termination of employment with MTD.

Lost or stolen passes: If you or your dependent have lost your pass, report it immediately to your supervisor.

Unemployment Compensation

MTD contributes to the California Unemployment Insurance Fund on behalf of employees. Unemployment Insurance is also available for forced reductions of hours. Further information is available in Human Resources.

Social Security

Social Security is an important part of every employee's retirement benefit. MTD contributes to Social Security on behalf of all employees. Your Social Security contributions are based on a percentage of your salary. The amount/percentage of your contribution is regulated by the federal government.

Workers' Compensation

All MTD employees are covered by the workers' compensation laws. If you are injured at work or your injury arises out of course of employment, you must report the injury to your immediate supervisor as soon as possible, and no later than the end of your scheduled work shift. Prompt reporting assures that you will receive adequate medical attention for your injury and other applicable benefits on a timely basis. Your immediate supervisor must be notified of any industrial incident and will be responsible for following through on further reporting requirements. MTD will provide you with an Employee's Claim for Workers' Compensation Benefits. It is important that you complete the form and return it immediately, and no later than 24 hours, to your supervisor or Human Resources.

MTD is self-insured for Workers' Compensation benefits. MTD's Third Party Administrators (TPA) as posted has the responsibility for the administration of benefits for employees injured in the course of employment. Details about Workers' Compensation benefits are available in a separate publication distributed by the Human Resources Department.

Medical Treatment for Work-Related Injuries

If you need medical care for a work-related injury during regular work hours, advise your supervisor. He or she will advise you to see physicians at the MTD Designated Medical Facility as posted.

If the work-related injury occurs after hours, your supervisor will refer you to the nearest emergency room. If you are unable to reach a supervisor and you are unable to safely travel (or in case of severe traumatic injury requiring immediate medical assistance), call 9-1-1.

Workers' Compensation and FMLA/CFRA

Employees who are ill or injured as a result of a work-related incident, and who are eligible for family and medical leave under state and federal law (Family Medical Leave Act (FMLA) and the California Family Rights Act (CFRA)), will be placed on FMLA/CFRA during the time they are disabled until they are released to return to work by their treating physician. The leave under these laws runs concurrently. Eligible employees will be on FMLA/CFRA for a maximum of 12 weeks in a 12-month period.

LEAVES OF ABSENCE

Leave Approval

Absence of more than five (5) days requires authorization for leave of absence. MTD may grant personal or medical leaves of absence of more than 5 days to employees in certain circumstances. Your department manager must approve the leave in writing. Request any leave in writing as far in advance as possible, keep in touch with your supervisor or the Human Resources Department during your leave, and give prompt notice of any change in your anticipated return date. If your leave expires and you fail to return to work without contacting your supervisor or the Human Resources Department, MTD will assume that you do not plan to return and that you have terminated your employment. Upon return from a leave of absence, you will resume all aspects of your employment status that existed prior to the start of your leave.

Family and Medical Leave Act (FMLA)

A. Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

Benefits and Protections

During FMLA leave, the employer must maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

Eligibility Requirements

Employees are eligible if they have worked for MTD for at least one year, for 1,250 hours over the previous 12 months.

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or

prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar dates combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying needs may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Employees may choose or MTD may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with normal paid leave policies.

Military Family Leave Entitlements

Eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying needs may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the service member medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedure.

Employees must provide sufficient information for MTD to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the

leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the MTD if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Responsibilities

MTD will inform employees requesting leave whether they are eligible under FMLA. The notice will specify any additional information of the employees' rights and responsibilities. If they are not eligible, MTD will provide a reason for the ineligibility.

MTD will inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If MTD determines that the leave is not FMLA-protected, MTD will notify the employee.

Unlawful Acts by Employers

MTD will not interfere with, restrain, or deny the exercise of any right provided under FMLA; discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

Pregnancy Disability Leave (PDL)

If you qualify for PDL, you may take an unpaid leave due to disabilities associated with pregnancy, childbirth or related medical conditions, depending on the actual duration of the certified disability. All pregnancy disability absences associated with a particular pregnancy (e.g., time off for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, recovery from childbirth, etc.) will be considered part of the same PDL. If you qualify, you may take PDL for the period of disability, as stated by your doctor, up to a maximum of 4 months (or 88 workdays for a full-time standard 40-hour workweek schedule).

Under the California Fair Employment and Housing Act (FEHA), employees who are disabled due to pregnancy, childbirth or related medical conditions are also eligible to transfer to a less strenuous or hazardous position, or to less strenuous or hazardous duties, if such a position is available and transfer is medically advisable. PDL may be applicable to you as an MTD employee.

Concurrent Personal and Family/Medical Leave

Any leave taken that qualifies as leave under the state and/or federal Family and Medical Leave Acts will be counted as family/medical leave and charged to your entitlement of 12 workweeks of family/medical leave in a 12-month period. Where applicable, state and federal leave entitlements will run concurrently. You will be notified of the use of family/medical leave by MTD.

Bereavement Leave

MTD grants leave of absence to employees in the event of the death of the employee's current spouse, child, parent, legal guardian, brother, sister, grandparent, or grandchild; or mother-, father-, sister-, brother-, son-, or daughter-in-law. An employee with such a death in the family may take up to five consecutive scheduled work days off with pay, per death, with the approval of the department manager. The employee's manager may approve additional unpaid time off.

Jury Duty and Witness Leave

MTD encourages employees to serve on jury duty when called. Regular full-time employees who have completed their introductory period qualify for paid jury duty leave of up to seven (7) days. Jury duty pay will be calculated on the employee's regular schedule, at a base pay rate times the number of hours the employee would otherwise have worked on the day of the absence. Employees will only be paid jury duty pay provided they are scheduled to work on the day they are required to attend court for the purposes of jury duty.

Exempt employees who work any portion of the week in which they also take leave for jury duty will be paid their full week's salary under the Fair Labor Standards Act (FLSA). If employees are required to serve jury duty beyond the period of paid jury duty leave, they may use accrued vacation, or may request an unpaid jury duty leave of absence.

Employees granted leave with pay under this policy will make themselves available for work during normal business hours when their presence is not required in court. Employees should notify their supervisor of the need for time off for jury duty as soon as a notice or summons from the court is received. Employees may be requested to provide written verification from the court clerk of performance of jury service.

Time Off for Voting

If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time, and the time taken off shall be combined with the voting time available outside of working hours to a maximum of two hours combined. Under these circumstances, an employee will be allowed a maximum of two hours of time off during an election day without loss of pay. When possible, an employee requesting time off to vote shall give his or her manager at least two days notice.

School Activities

Employees are encouraged to participate in the school activities of their child(ren). The absence is subject to all of the following conditions:

- *Parents, guardians, or grandparents having custody of one or more children in kindergarten or grades one to 12 may take time off for a school activity;*
- *The time off for school activity participation cannot exceed eight hours in any calendar month, or a total of 40 hours each school year;*
- *Employees planning to take time off for school visitations must provide as much advance notice as possible to their manager;*
- *If both parents are employed by MTD, the first employee to request such leave will receive the time off. The other parent will receive the time off only if the leave is approved by his or her manager;*
- *Employees may be asked to provide their manager with documentation from the school verifying that the employee participated in a school activity on the day of the absence for that purpose.*

If an employee who is the parent or guardian of a child facing suspension from school is summoned to the school to discuss the matter, the employee should alert his or her supervisor as soon as possible before leaving work. In agreement with California Labor Code Section 230.7, no discriminatory action will be taken against an employee who takes time off for this purpose.

External Employee Education

Some employees may need to attend training programs, seminars, conferences, lectures, meetings, or other outside activities for the benefit of MTD or the individual employee. Attendance at such activities, whether required by MTD or requested by individual employees, requires the written approval of the General Manager. To obtain approval, any employee wishing to attend an activity must submit a written request detailing all relevant information, including date, hours, location, cost, expenses, and the nature, purpose, and justification for attendance. Attendance at any such event is subject to the following policies on reimbursement and compensation.

For attendance at events required or authorized by MTD, customary and reasonable expenses will be reimbursed upon submission of proper receipts. Acceptable expenses generally include registration fees, materials, per-diem, transportation, and parking. Reimbursement policies regarding these expenses should be discussed with the General Manager in advance.

Employee attendance at authorized outside activities will be considered hours worked for non-exempt employees and will be compensated in accordance with normal payroll practices. However, this does not apply to travel time to and from the event nor-time waiting before or after. See Human Resources with questions.

This policy does not apply to an employee's voluntary attendance, outside of normal working hours, at formal or informal educational sessions, even if such sessions generally may lead to improved job performance. While MTD generally

encourages all employees to improve their knowledge, job skills, and promotional qualifications, such activities do not qualify for reimbursement or compensation under this policy unless prior written approval is obtained as described previously.

STANDARDS OF CONDUCT

Prohibited Conduct

To assure orderly operations and provide the best possible work environment, MTD expects you to follow rules of conduct, which will protect the interest and safety of all employees and MTD. It is not possible to list all the forms of behavior which are considered unacceptable in the work place, but the following are examples of infractions of rules of conduct which may result in disciplinary action, including suspension or termination of employment.

This list of prohibited conduct is illustrative only; other types of conduct that threaten security, personal safety, employee welfare and MTD operations also may be prohibited.

1. *Falsifying employment records, employment information, or other MTD records;*
2. *Recording the work time of another employee or allowing any other employee to record your work time, or falsifying any time card, either your own or another employee's;*
3. *Theft, removal and deliberate or careless damage or destruction of any MTD property, or the property of any employee or customer;*
4. *Removing MTD property without prior authorization;*
5. *Unauthorized use of MTD equipment, time, materials, or facilities;*
6. *Threatening, provoking a fight, or fighting during working hours or on MTD property;*
7. *Participating in horseplay or practical jokes, boisterous or disruptive activity on MTD time or on MTD premises;*
8. *Causing, creating, or participating in a disruption of any kind during working hours on MTD property;*
9. *Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management, or other disrespectful conduct toward a supervisor or member of management;*
10. *Using abusive language at any time on MTD premises;*
11. *Failing to notify a supervisor when unable to report to work;*
12. *Failing to obtain permission to leave work for any reason during normal working hours;*
13. *Failing to observe working schedules;*
14. *Failing to provide a physician's certificate when requested or required to do so;*
15. *Sleeping or malingering on the job;*
16. *Non exempt hourly staff working overtime without authorization, unless it is an emergency need, or refusing to work assigned overtime;*
17. *Violating any safety, health, security or MTD policy, rule, or procedure;*

18. *Committing a fraudulent act or a breach of trust under any circumstances;*
19. *Committing of or involvement in any act of unlawful harassment of another individual, including sexual harassment;*
20. *Working under the influence of alcohol or illegal drugs or any violation of MTD's policy regarding drugs and alcohol;*
21. *Manufacture, sale, purchase, offer to sell or purchase, distribution, dispensation, possession, or use of alcohol or illegal drugs in the work place, while on duty, on MTD premises or while operating employer-owned vehicles or equipment;*
22. *Smoking in any area except designated area;*
23. *Possession of dangerous or unauthorized materials, such as explosives or firearms, in the work place;*
24. *Excessive absenteeism, tardiness or any absence without notice;*
25. *Unauthorized absence from work during the work day;*
26. *Unauthorized disclosure of trade secrets or confidential information;*
27. *Unsatisfactory performance or conduct.*

This statement of prohibited conduct does not alter MTD's policy of at-will employment. Either you or MTD remain free to terminate the employment relationship at any time, with or without reason or advance notice.

Off-Duty Conduct

While MTD does not seek to interfere with the off-duty and personal conduct of its employees, certain types of off-duty conduct may interfere with MTD's legitimate business interests. For this reason, employees are expected to conduct their personal affairs in a manner that does not adversely affect MTD's or their own integrity, reputation or credibility. Illegal or immoral off-duty conduct by an employee that adversely affects MTD's legitimate business interests or the employee's ability to perform his or her job will not be tolerated.

Conflicts of Interest

All employees are expected to devote their best efforts to the performance of their jobs, use good judgment, adhere to high ethical standards, and avoid situations that create an actual or potential conflict between their personal interests and the interests of MTD.

A conflict of interest exists when the employee's loyalties or actions are divided between MTD's interests and those of another, such as a competitor, supplier, customer or the self-interest of the employee. Both the fact, and the appearance, of a conflict of interest through unauthorized conduct must be avoided. An employee involved in any relationship or situation described in this policy must immediately and fully disclose the relevant circumstances to the Human Resources Manager.

MTD wishes to prevent any actual or potential conflict of interest that may affect MTD's business or employee morale. Personal or romantic involvement with a competitor, customer or supplier of MTD, which impairs an employee's work or ability to exercise good judgment on behalf of MTD, creates an actual or

potential conflict of interest. In the event that an employee begins dating or develops a romantic relationship with a competitor, customer or supplier, the employee will not be permitted to work directly with that individual. Furthermore, if, in the sole and exclusive judgment of management, the relationship gives rise to an actual conflict which management determines cannot be otherwise resolved, the employee will not be permitted to remain with MTD.

Santa Barbara Metropolitan Transit District Drug Free Workplace Policy Statement

Requirement

It is a District requirement that all employees receive and abide by the terms of the following policy statement, below. Employees must abide by the terms of the policy statement as a condition of employment.

Policy

Any unlawful manufacture, distribution, dispensing, possessing, or using a controlled substance in the SBMTD's workplace is prohibited. Employees who are guilty of the above will be subject to termination of their employment. Further details of the District's policy found in the Santa Barbara Metropolitan Transit District Policy against Drug and Alcohol Abuse shall be considered incorporated into this Drug-Free Workplace policy.

Any time that any employee of the District is arrested for any offense, (including, but not limited to offenses related to drugs and alcohol) that employee must notify the Manager of Operations, Human Resources & Risk or the Manager of their department, not later than the first weekday following such arrest. Failure to do may result in termination of employment.

Reason for policy

Drug or alcohol abuse in the workplace can cause serious accidents resulting in injury or even death. This is particularly true in the transit industry where the primary duty of each employee is safe transportation of the District's passengers and workplace safety for themselves and other employees.

One of the requirements under the grant of cooperative agreement between the Federal Transit Administration (FTA) and the Santa Barbara Metropolitan Transit District is that the District must notify FTA, within ten (10) days after receiving notice of any employee who has been convicted of any criminal drug statute violation occurring in the workplace. Further, this agreement states that MTD must take appropriate personnel action regarding such a situation.

Free Help is Available

If you (or anyone in your family) is in need of help in controlling a problem concerning the use of drugs and/or alcohol, the MTD's Employee Assistance Program is available free of charge. Human Resources has information on who to contact and your use of EAP is entirely confidential.

Sexual and Other Unlawful Harassment

MTD is committed to providing a work environment free of sexual and other unlawful harassment. MTD policy prohibits sexual harassment and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, gender, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation, or any other basis protected by federal, state, or local law or ordinance or regulation. All such harassment is unlawful. MTD's anti-harassment policy applies to all persons employed by MTD and prohibits unlawful harassment by any employee of MTD, including all persons in supervisory roles, co-workers and any other persons. It also prohibits unlawful harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. It is prohibited by MTD and is against the law. Employees are prohibited from harassing or treating other employees, contractors or outside agents unprofessionally, whether or not the incidents of harassment occur on MTD premises and whether or not the incidents occur during working hours.

Sexual harassment can be physical and/or psychological in nature. An aggregation or combination of a series of incidents can constitute sexual harassment even if one of the incidents considered on its own would not be harassing. The following is a partial list of sexual harassment examples:

- Unwanted sexual advances.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
- Verbal sexual advance or propositions.
- Verbal abuse of sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- Physical conduct that includes touching, assaulting, or impeding or blocking movements.

Other prohibited unlawful harassment includes, but is not limited to, the following behavior:

- Verbal conduct that includes making or using derogatory comments, epithets, derogatory jokes, slurs or unwanted sexual advances, invitations, or comments.
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, and drawings, or gestures.

- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race, or any other protected basis.
- Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors.
- Retaliation for reporting or threatening to report harassment.

If you experience or witness sexual or other unlawful harassment, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the Human Resources Manager, the General Manager, or any other member of management. You will be asked to provide details of the incident or incidents, names of individuals involved, and names of any witnesses. Managers will refer all harassment complaints to the Human Resources Manager, investigative officer, or the General Manager of MTD. MTD will immediately undertake an effective, thorough, and objective investigation of the harassment allegations. You can raise concerns and make reports without fear of reprisal or retaliation.

If MTD determines that an employee is responsible for sexual or other unlawful harassment, said employee will be subject to appropriate disciplinary action, up to, and including, termination. A representative of MTD will advise all parties concerned of the results of the investigation, but not protected confidential information regarding disciplinary actions. MTD will not retaliate against you for filing a complaint and will not tolerate or permit retaliation by management, persons in supervisory roles, employees or coworkers.

MTD encourages all employees to report any incidents of harassment *immediately* so that complaints can be quickly and fairly resolved. You also should be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate agency. More information may be found at <http://www.dfeh.ca.gov>.

Complaint Procedures:

MTD does not tolerate workplace discrimination or harassment and considers discrimination and harassment in all forms to be a serious offense. If you believe you or another coworker has been a victim of discrimination, harassment, or inappropriate treatment by a coworker, supervisor, agent or contractor of MTD, or a witness to such conduct, immediately report the facts of the incident and the names of the individuals involved to your supervisor or the Human Resources Department. All such claims will be investigated and appropriate action will be taken. Failure to report such claims may adversely affect your claim and will delay our ability to resolve your complaint. It is recommended that you proceed as follows:

- If you feel it is safe to so do, confront the individual and tell him/her that his/her behavior(s) are unwelcome and must stop.
- Report the incident(s) immediately to your supervisor or the Human Resources

Department, even if the individual is not an MTD employee.

All inquiries and complaints will be investigated. Information is revealed only on a need-to-know basis. The identity of the employee lodging the complaint is usually revealed to the individual accused of the policy violation and any witnesses. However, all parties will be asked to assist immediately and agree not to discuss the matter with other employees.

Sexual harassment can be costly. If you, as an employee, are found guilty of sexual harassment, you may be personally liable for monetary damages. MTD will not pay damages assessed against you personally related to sexual harassment.

Protection Against Retaliation

If you believe you are a victim of discrimination or harassment, including sexual harassment, you have the right to complain without fear of retaliation and are required to come forward so that corrective action can be taken.

Federal and state law forbid retaliation against any employee who reports discrimination or sexual harassment, complains about discrimination or sexual harassment to MTD, files a complaint, testifies, or assists or participates in any manner in an investigation, proceeding or hearing conducted by governing agencies.

Training

In accordance with AB 1825 (Government Code Section 12950.1) and clarified by the Fair Employment and Housing Commission (FEHC) Regulations (CCR, Title 2, section 7288.0), MTD will meet and attempt to exceed requirements of training employees:

As quoted from the FEHC guidelines:

"Employers with 50 or more employees must provide at least two hours of classroom or other effective interactive training and education regarding sexual harassment to all supervisory employees who are employed as of July 1, 2005, and to all new supervisory employees within six months of assuming a supervisory position. Thereafter, covered employers must provide sexual harassment training and education to each supervisory employee once every two years."

MTD may elect to train all Staff, hourly and supervisory employees every year with a satisfactory program that meets the requirements as stated above.

Punctuality and Attendance

For MTD to accomplish its goals of public service, it needs the combined efforts of all employees. The best way to achieve these goals is to have every person report to work as scheduled. Every employee has an obligation to maintain regular and reasonable attendance as a condition of employment. Your supervisor will explain your work hours. You may not choose to change your hours without authorization from your supervisor or manager. You may be required to maintain rigorous and specified hours, or you may have a flexible work schedule based on the work needs of your department. You may also be allowed to work

an alternative work schedule such as a ten-hour shift or a 9/80 situation. Whatever schedule you are assigned, you can be sure it is designed to meet the needs of your department and MTD.

Whatever your schedule, MTD depends on you to be at work when you are scheduled. MTD recognizes that there may be certain infrequent circumstances that might prevent you from being at work. In those cases, it is imperative that you notify your supervisor as soon as possible. You should tell your supervisor the reason for your absence and when you expect to return.

If you fail to report for work without any notification to and/or authorization from your supervisor and your absence continues for a period of three (3) days, MTD may consider that you have abandoned your employment.

MTD reserves the right to require a note from an attending doctor as proof of absence for medical reasons. Refusal to provide such document will be considered absent without leave.

Dress Code and Other Personal Standards

Dress, grooming and personal cleanliness standards contribute to the morale of all employees and affect the business image MTD presents to the public. During business hours, employees are expected to present a clean and neat appearance and to dress in a manner consistent with the nature of the work performed and their positions. Employees who appear at work inappropriately dressed will be sent home and directed to return to work in appropriate attire, and may be subject to further discipline, up to and including, termination. Under such circumstances, employees may not be compensated for the time away from work. Consult your supervisor or Human Resources Manager if you have questions as to what constitutes appropriate attire.

Identification Badges

In order to protect the safety and maintain the security of all employees, every employee is required to wear a picture identification badge at all times while on duty or on company premises. Failure to do so will subject the employee to corrective action.

Human Resources will issue ID Badges to all new employees during orientation. Loss or damage to ID Badges should be reported to Human Resources immediately. Your ID Badge must not be loaned to anyone, including co-workers.

Personal Protective Equipment (PPE) /Reflective Safety Vest Policy

Purpose

The main purpose of a reflective safety vest is to make individuals more visible when they are in the bus yard or on the road outside the bus. A reflective vest is an item that can enhance safety in the bus yard/maintenance areas or when bus drivers/operators need to work in the roadway during a transit vehicle emergency setting up triangles, directing traffic, or evacuating the vehicle. The

purpose of this policy is to identify the responsibilities relating to the use of the Reflective Safety Vest.

Policy

Wearing Personal Protective Equipment (PPE) – a Reflective Safety Vest is required in the bus yard/maintenance areas of Santa Barbara MTD's facilities, when Bus Operators step into the roadway for any reason including emergencies while in service and other locations for the safety of MTD's employees, vendors and guests. Employees that violate this policy will be subject to progressive disciplinary action, beginning with written warning and for subsequent violations up to and including termination of employment.

Employee Responsibility

- All employees, vendors and guests will be required to wear a reflective safety vest whenever they are in the bus yard/maintenance areas of Santa Barbara MTD's facilities. Outside of MTD's facility, MTD employees will be required to wear a reflective safety vest during a road service call. While on duty, bus operators are encouraged but not required to wear a safety vest whenever they step out of the bus at the transit center. A safety vest must be worn when bus operators step into the roadway for any reason including emergencies while in service.
- This requirement will be in effect during all of MTD's operating hours, day or night.
- MTD-issued Reflective Safety Vests are considered part of the MTD-approved uniform and remain the property of MTD.
- Employees are responsible for their MTD-issued Reflective Safety Vests. Employees are responsible for notifying the supervisor or department manager if the vest is damaged, does not fit or requires repairs. Employees are responsible for the cost of replacing Reflective Safety Vests which are intentionally or repeatedly damaged or lost. For your convenience additional vest may be purchased through MTD.
- As with all uniforms all employees will be responsible for keeping their vests washed and clean.

Supervisor Responsibility

- Ensure that all employees properly use and maintain their approved PPE, and follow MTD's PPE procedures and rules.
- Ensure that PPE is not damaged or worn out.

Guests

All guests are required to check-in at MTD's administrative office, and will be directed by an MTD employee to their destination. All guests shall be provided a reflective safety vest to wear when in specified areas. It will be the responsibility of the host employee to ensure that the guest is wearing the reflective safety vest and that the vest is returned to MTD. The yard area from the bus wash to the maintenance building will be considered a delivery zone for vendors only. This will exempt vendors from wearing a reflective vest in that area.

OPERATIONAL POLICIES

Employer Property

Prior authorization must be obtained before any MTD property may be removed from the premises. If authorized, the items are still MTD's property and are required to be returned upon request.

Terminated employees (voluntary or involuntary) should remove any personal items at the time they leave MTD. Personal items left in the work place shall be considered employer property and are subject to disposal if not claimed at the time of an employee's termination.

Use of Electronic Media

MTD uses various forms of electronic communication including, but not limited to computers, e-mail, telephones, and Internet. All electronic communications, including all software, databases, hardware, and digital files, remain the sole property of MTD and are to be used only for MTD business and not for any personal use.

Employees are responsible for exercising good judgment regarding the reasonableness of personal use.

Electronic communication and media may not be used in any manner that would be discriminatory, harassing, or obscene, or for any other purpose that is illegal, against MTD policy, or not in the best interest of MTD.

Employees who misuse electronic communications and engage in defamation, copyright or trademark infringement, misappropriation of trade secrets, discrimination, harassment, or related actions will be subject to discipline and/or immediate termination.

Employees may not install personal software on MTD computer systems.

All electronic information created by any employee using any means of electronic communication is the property of MTD and remains the property of MTD. Personal passwords may be used for purposes of security, but the use of a personal password does not affect MTD's ownership of the electronic information.

MTD cannot guarantee the confidentiality of information stored on any network device belonging to MTD. Network administrators may need to monitor network traffic and view stored data in the course of normal maintenance or to protect systems from various abuse or attacks.

Employees must keep passwords secure and should not share account information and passwords with anyone. MTD will override all personal passwords, if necessary, for any reason. All systems must be secured with password-protected screensavers that automatically activate after 10 minutes of non-activity.

Employees are responsible for keeping private and sensitive information in secure locations, and should coordinate with the network administrator to store information in locations that are only accessible by people who are authorized to access that information.

Employees may not override any software system such as anti-virus, firewalls, or computer settings that have been put in place to protect MTD's network and data systems.

Employees are strictly prohibited from any activity that would introduce malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, etc.).

MTD reserves the right to access and review electronic files, messages, mail, and other digital archives, and to monitor the use of electronic communications as necessary to ensure that no misuse or violation of MTD policy or any law occurs. Employees have no expectation of privacy as to any electronic media or other MTD property.

Employees are not permitted to access the electronic communications of other employees or third parties unless directed to do so by MTD management.

Employees are strictly prohibited from disseminating MTD network information to anyone unless specifically authorized to do so. This information includes but is not limited to MTD e-mail contact lists, account names, system names, and information about the types of computers and configuration of computers within MTD.

Employees are strictly prohibited from copying of unauthorized copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and installation of any copyrighted software for which MTD or the end user does not have an active license is strictly prohibited.

No employee may install or use anonymous e-mail transmission programs or encryption of e-mail communications, except as specifically authorized by the General Manager.

Employees who use devices on which information may be received and/or stored, including but not limited to, cell phones, cordless phones, portable computers, fax machines, and voice mail communications are required to use these methods in strict compliance with the trade secrets and confidential communication policy established by MTD. These communications tools should not be used for communicating confidential or sensitive information or any trade secrets.

Employees may not duplicate software programs, or keep any backup copies of work done for MTD when they leave the organization. If you wish to keep samples of your work, you must obtain written permission from MTD's General Manager to download specific examples. Under no circumstances are

employees allowed to keep copies of proprietary information, data, or programs.

Access to the Internet, websites, and other types of MTD-paid computer access are to be used for MTD-related business only. Any information about MTD, its products or services, or other types of information that will appear in the electronic media about MTD must be approved by your department manager or MTD General Manager before the information is placed on an electronic information resource that is accessible to others.

Questions about access to electronic communications or issues relating to security should be addressed to the IT Manager.

Prohibited Use of Cell Phone While Driving

Per California Vehicle Code 23123, and in the interest of the safety of our employees and other drivers, MTD employees are prohibited from using cell phones except with a hands-free device while driving on MTD business and/or MTD time. If your job requires that you keep your cell phone turned on while you are driving, you must use a hands-free device. Employees are prohibited from text messaging-mailing or using the internet while they are driving. Staff members who drive a transit bus are prohibited from using a cell phone while on safety sensitive duty.

A wireless telephone may be used for emergency purposes, including, but not limited to, an emergency call to a law enforcement agency, health care provider, fire department, or other emergency services agency or entity.

Personal Use of Company Cell Phone or Company Land Line Phones

Employees are prohibited from using MTD issued cell phones, land line phones and any other MTD property to conduct other business/moonlight business.

Conducting Personal Business

Employees are to conduct only MTD business while at work. Employees may not conduct business for self or another employer during their scheduled working hours. Personal phone calls and contact should be limited.

Employee Property

MTD wishes to maintain a work environment, which is free of illegal drugs, alcohol, firearms, explosives, or other improper materials. To this end, MTD prohibits the control, manufacture, possession, transfer, sale, purchase, and offer to sell or purchase, or use of such materials on its premises. MTD requires the cooperation of all employees in administering this policy.

Desks, lockers, and other storage devices may be provided for the convenience of employees, but remain the sole property of MTD and are also covered under this policy. Accordingly, there is no expectation of privacy and they, as well as any article found within them, can be inspected by any agent or representative

of MTD at any time, either with or without prior notice.

Further, MTD reserves the right to inspect an employee's personal property, including but not limited to, packages, purses, and backpacks, upon reasonable suspicion of unauthorized possession of MTD property or violation of MTD policy or law.

Security/Workplace Violence

MTD has developed guidelines to help maintain a secure workplace. Be aware of persons loitering for no apparent reason in buildings, parking areas, walkways, entrances and exits, and service areas. Report any suspicious persons or activities to security personnel, your supervisor, or a manager. Secure your desk or office at the end of the day. When called away from your work area for an extended length of time, do not leave valuable and/or personal articles in or around your workstation that may be accessible. The security of facilities as well as the welfare of our employees depends upon the alertness and sensitivity of every individual to potential security risks. You should immediately notify your supervisor when unknown persons are acting in a suspicious manner in or around the facilities, or when keys, security passes, or identification badges are missing.

MTD's workplace security, as well as preventing workplace violence program, is described in detail in MTD's Illness and Injury Prevention Program (IIPP).

MTD Facility Visitors

MTD is committed to making a visit a safe and healthy one for visitors and others in the work place. It is for that reason that we require all visitors to MTD facilities to abide by the following safety rules while they are here.

- All visitors must sign in and out at the front desk and wear visitor ID badge unless accompanied by an MTD staff member.
- All visitors must obey the following rules of conduct at all times:
- Follow all verbal instructions and signs
- Report all injuries or problems immediately, no matter how minor

As an employee of MTD, it is your responsibility to uphold this policy by instructing any visitor to check in at the front desk. In some instances it may be impractical to ask certain vendors to adhere to this policy. Good examples of certain vendors in this situation are fuel delivery drivers, armored car personnel and tool truck deliveries. This is not an all-inclusive example list.

Health and Safety

All employees are responsible for their own safety, as well as that of others in the work place. To help us maintain a safe work place, everyone must be safety conscious at all times. Report all work-related injuries or illnesses immediately to your supervisor, or to the Human Resources Department. In compliance with California law, and to promote the concept of a safe work place, MTD maintains an Injury and Illness Prevention Program (IIPP). The IIPP is available for review by employees and/or employee representatives in the General Manager's office.

In compliance with Proposition 65, MTD will inform employees of any known exposure to a chemical known to cause cancer or reproductive toxicity.

Ergonomics

MTD is subject to Cal/OSHA ergonomics standards for minimizing work place repetitive motion injuries. MTD will make necessary adjustments to reduce exposure to ergonomic hazards through modifications to equipment and processes and employee training. MTD encourages safe and proper work procedures and requires all employees to follow safety instructions and guidelines.

MTD believes that reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and well-being, and is essential to our business. We provide reasonable and appropriate resources to create a risk-free environment. If you have any questions about ergonomics, please contact MTD's Human Resources Manager or your department manager or supervisor.

Smoking

MTD is dedicated to providing a healthy, comfortable and productive work environment for its employees. This goal can be achieved only through ongoing efforts of MTD employees. In support of this goal, smoking is prohibited in all interior spaces at all district locations including bus stops and the transit center. Smoking is not permitted in MTD-owned vehicles. Smoking shall be permitted outdoors, but is not allowed within 20 feet of bus stops, entrances to all buildings, offices or other covered/enclosed areas per city and county regulations.

MTD provides designated smoking areas. At the 550 Olive Street location, the only designated area approved for smoking is under the tree on the Operations side of the bus wash. Seating and a cigarette receptacle are located there. All employees must use appropriate containers for cigarette disposal.

The success of this policy depends on the thoughtfulness, consideration, and cooperation of smokers and nonsmokers. All MTD employees share in the responsibility for adhering to and enforcing the policy. Any conflicts should be brought to the attention of the Human Resources Manager, department manager and, if necessary, referred to the General Manager for a final decision.

This policy is inclusive of all MTD employees, visitors, the public and employees of vendors who do business with SBMTD.

Lactation Accommodation

MTD shall provide a reasonable break time to accommodate an employee desiring to express breast milk for the employee's child. The employee may use her regular paid break periods for this purpose, or may use her paid leave time, or request additional unpaid time to complete lactation. MTD will make reasonable efforts to provide the employee with the use of a location, other than a bathroom, in close proximity to the employee's work area for the purpose

of expressing breast milk in private. The room or location may include a place where the employee normally works. Should you require lactation accommodations following a return from pregnancy leave, please advise the Human Resources Manager so that accommodations may be made.

Housekeeping

All employees are expected to keep their work areas clean and organized. People using common areas such as lunch rooms, locker rooms, and restrooms are expected to keep them sanitary. Please clean up after meals and dispose of trash properly. Please use recycle stations when possible.

Solicitation and Distribution of Literature

The non-solicitation, non-distribution policy is intended to protect the interests of both MTD and its employees. It is the policy of MTD that solicitation of or by employees during working time is prohibited. Distribution of literature by employees during working time is also prohibited, as is distribution of literature in working areas. "Working time," as used in this policy, excludes meals and break periods. Further, distribution of material for a campaign activity or of political in nature, for personal or other purposes which are not authorized by law, is prohibited.

Telecommuting

MTD may permit staff members to telecommute upon approval from their department manager.

All costs for equipment associated with telecommuting are the responsibility of the employee. Costs include purchase price, maintenance, and insurance coverage for all necessary equipment. Employees who telecommute still may be required to attend meetings at the office or other designated location.

Telecommuting does not change the employee's work location and employees are still responsible for all costs associated with travel to and from the office, when they are required to report to their work location.

Employees who telecommute will not conduct meetings with customers or clients in their home nor will they perform any manufacturing work at home. Employees are responsible for contacting local governmental agencies for required licenses (if any) needed to maintain a home office.

Employees are responsible for any costs of obtaining tax advice about a tax deduction for a home office. Employees are responsible for any tax liability should they claim such an expense and it is later disallowed by the Internal Revenue Service.

Employees who telecommute must maintain the security of all confidential and/or sensitive information and other proprietary information, as if they were working in the office. All security procedures apply, regardless of whether the employee is in the work place or telecommuting.

Employees who telecommute are responsible for following all safety rules. The ability to telecommute does not change the performance level expected from an employee.

Employees, who are subject to overtime laws are always required to adhere to their beginning and ending work times, break times, and meal breaks. Telecommuting employees must continue to maintain required time records.

Violation of any telecommuting policies may result in the loss of an employee's telecommuting privileges and any other discipline, up to, and including, termination. MTD may at any time end the authorization for telecommuting with or without prior notice. MTD retains the right to require telecommuters to report to the office to work.

Expense Reimbursements

All employees who incur approved business expenses are reimbursed. MTD will pay actual expenses for lodging and transportation for employees who travel out of town on company business. Employees will receive a per diem to cover expenses for their meals, and certain incidentals (M&IE). On the first and last travel day, employees are only eligible for a portion of the per diem. The General Services Administration (GSA) establishes per diem rates for destinations within the Continental United States (CONUS). Per Diem rates are set by fiscal year, effective October 1 each year. Further information may be found on GSA's website www.gsa.gov/perdiem. If you are uncertain about a particular expense or policy, contact your supervisor, accounting department, or Human Resources Manager prior to the expenditure.

Bulletin Boards

MTD maintains bulletin boards located at the Administrative Office as well as the Transit Center. Bulletin boards are used to provide information to employees concerning MTD. Employees may not post items on MTD bulletin boards unless the following conditions are met:

- Postings may be made by MTD employees only;
- The information to be posted must first be approved by General Manager or designate, or Human Resources Manager

Recreational Activities and Programs

MTD or its insurer will not be liable for payment of workers' compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or other activity that is not part of the employee's work-related duties.

Safety on the Job

The safety and well-being of our employees is very important and, to guard it, MTD tries to identify and eliminate employee exposures to avoidable hazards

and conditions that can lead to injury, illness, or accidents. MTD has an Injury & Illness Prevention Program (IIPP) to help maintain a safe and healthful work environment. This program complies with federal and state regulations, laws, and statutes. Safety is everybody's job. All employees are encouraged to remain alert and report hazardous conditions and unsafe acts to their supervisors.

Inclement Weather/Natural Disasters

In the event of severe weather or a natural disaster that prevents employees from safely traveling to and from work, the following leave policies will apply:

- ***Inclement weather:*** *If weather conditions prevent you from safely traveling to work, you must notify your manager by phone, if telephone service is functional, or by any other available means.*
- ***Natural disasters:*** *In the event of a natural disaster such as earthquake, fire, or explosion, the office will be closed if the building is damaged or highways leading to the office are damaged. For instructions on reporting to another location, contact the office immediately, if possible.*

Alternative Dispute Resolution

Any controversy, dispute or claim arising out of or relating to your employment at MTD, the end of your employment with MTD, or any other claim or dispute you may have against or with MTD, whether related to your employment with MTD or not, shall first be attempted to be settled through good faith negotiation. If the dispute cannot be settled through negotiation, the parties agree to attempt in good faith to resolve the dispute by mediation pursuant to the parties' separate, mutual agreement for alternative dispute resolution. If the parties are unsuccessful at resolving the dispute through mediation, the parties agree to binding arbitration pursuant to the parties' separate, mutual agreement for alternative dispute resolution.

Employee Handbook Acknowledgement Form

ALL EMPLOYEES MUST READ THE ATTACHED EMPLOYEE HANDBOOK, SIGN AND RETURN THE ACKNOWLEDGEMENT FORM TO THE HUMAN RESOURCES MANAGER WITHIN ONE WEEK OF RECEIVING IT. A COPY OF THE ACKNOWLEDGMENT FORM SIGNED BY YOU WILL BE KEPT IN YOUR PERSONNEL FILE.

I have received my copy of Santa Barbara Metropolitan District's Employee Handbook ("the Handbook"). I understand that the Handbook outlines MTD's benefits, policies and employee responsibilities. I agree to read and familiarize myself with the policies and procedures contained in the Handbook, and will ask questions that I have by contacting the Human Resources Manager. I will work in accordance with the policies and procedures, as summarized in the Handbook.

To ensure workplace safety, I understand that MTD may inspect all company systems and facilities (including desks, workstations, lockers, files, computers, voicemail and e-mail) and any other company property at any time with or without notice to me.

I understand that no employee or manager has the authority to require me to engage in any conduct or behavior that is unlawful or inconsistent with this Handbook.

I understand that except for employment at-will status, any and all policies or practices can be changed at any time by MTD. MTD reserves the right to change my hours, wages, and working conditions at any time. I understand and agree that other than the General Manager of MTD, no manager, supervisor, or representative of MTD has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the General Manager has the authority to make any such agreement and then only in writing, signed by the General Manager.

I understand and agree that nothing in the Handbook creates or is intended to create a promise or representation of continued employment and that employment at MTD is employment at-will; employment may be terminated at the will of either MTD or myself. My signature certifies that I understand my obligation to read and familiarize myself with the policies and procedures herein and that I understand that the foregoing agreement on at-will status is the sole and entire agreement between MTD and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations concerning my employment with MTD.

Employee Signature _____

Date _____

Employee Name _____

Witness Signature _____

Date _____

Witness Name _____



BOARD OF DIRECTORS REPORT

MEETING DATE: APRIL 19, 2016

AGENDA ITEM #: 9

TYPE: ACTION ITEM

PREPARED BY: STEVE MAAS

Signature

REVIEWED BY: GENERAL MANAGER

GM Signature

SUBJECT: Grant of Easement from the Housing Authority, City of Santa Barbara

RECOMMENDATION:

Staff recommends that the Board authorize General Manager Estrada to sign a Grant of Easement and Agreement with the Housing Authority, City of Santa Barbara (HASB) to construct a bus stop pad that extends into HASB property.

DISCUSSION:

MTD is preparing to install a shelter at a bus stop on De La Guerra Street near the intersection with Laguna Street. The bus stop is most commonly utilized by residents of the adjoining HASB property. The concrete pad for the shelter will encroach on both public right-of-way and HASB property, and staff is working with the City and HASB to get all necessary approvals. The attached Grant of Easement and Agreement between MTD and HASB will allow MTD to encroach onto the HASB property. The Agreement has already been approved and signed by HASB.

ATTACHMENTS:

- Grant of Easement and Agreement between MTD and HASB

Recording Requested By
and When Recorded Mail to:

Santa Barbara Metropolitan Transit District
550 Olive Street
Santa Barbara, CA 93101

Attn: Brad Davis

APN 031-092-023
No recording fee pursuant to Government Code §6103

GRANT OF EASEMENT AND AGREEMENT
(De la Guerra Bus Shelter)

THIS AGREEMENT, made this _____ day of _____, 20___, by and between SANTA BARBARA AFFORDABLE HOUSING GROUP, a California Nonprofit Public Benefit Corporation, hereinafter referred to as “Grantor”, and THE SANTA BARBARA METROPOLITAN TRANSIT DISTRICT, a public agency located in the County of Santa Barbara, hereinafter referred to as “Grantee”.

WHEREAS, Grantee desires to acquire a certain easement and right-of-way (“Easement”) in a portion of Grantor’s property commonly known as 416 E DE LA GUERRA ST, SANTA BARBARA, CA, APN 031-092-023 (the “Land”), which easement is described in Exhibit “A” and depicted on Exhibit “B” for a Bus Shelter (“Easement Area”).

NOW, THEREFORE,

1. Grantor hereby grants to Grantee a nonexclusive easement and right-of-way over, under, on, and across the Land located as described in Exhibits A and B for so long as the Easement Area is used exclusively for the purpose(s) of installation, operation, and maintenance of bus shelter facilities consisting of one or more of the following elements: concrete pad; bench(es), shade shelter structure(s); weather shelter structure(s); trash receptacle(s); signage related to transit services; bicycle parking structure(s), and necessary fixtures and appurtenances, for use by members of the public to wait, board, and disembark from transit vehicles at the shelter.

2. Grantee shall maintain, in good condition, the Easement Area together with any improvements constructed or installed thereon by Grantee or associated with Grantee's use of the Easement Area. The operation and maintenance of such improvements and of the Easement Area shall be at Grantee's sole cost and expense.

3. This Easement is subject to all liens, encumbrances, covenants, conditions, restrictions, reservations, contracts, leases and licenses, easements, and rights of way pertaining to the Land, whether or not of record.

4. Grantor shall not erect, place, or maintain, nor permit the erection, placement, or maintenance, of any building, planter boxes, deep rooting trees, earth fill, or other structures including walls or fences with continuous footings, in a manner that restricts Grantee's use of the Easement Area. Grantee shall have the right to trim or cut any vegetation, trees, or their roots as may endanger or interfere with Grantee's use.

5. This Grant of Easement is made on the express condition that Grantor is to be free from all liability by reason of injury or death to persons or injury to property from whatever cause arising out of Grantee's, its contractors', agents', officers', members', employees', invitees', or licensees' exercise of rights granted pursuant to this Easement or use of the Easement Area or of the improvements or personal property of Grantee thereto or thereon. Grantee hereby covenants and agrees to defend and indemnify Grantor and save Grantor harmless from any and all liability, loss, costs, or obligations on account of, or arising out of, any such injury or losses caused or claimed to be caused by the exercise of the Easement or use of the Easement Area by Grantee, however occurring, other than those caused solely by the willful or negligent acts or omissions of Grantor.

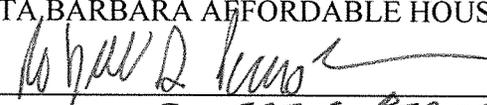
6. Grantor may terminate this Easement and all of the rights granted herein any time after six (6) months of continuous non-use of the Easement or the Easement Area by Grantee. In the event of such termination, the Easement shall be quitclaimed from Grantee to Grantor, and any and all interest in Grantor's Land conveyed in this Easement shall automatically revert to Grantor or its assigns and successors, without the necessity of any further action to effect said reversion.

7. Grantee shall not cause liens of any kind to be placed against the Easement Area or any of Grantor's real property.

8. This instrument contains the entire agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect except in a subsequent modification in writing, signed by the party to be charged.

9. This instrument shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above written.

GRANTOR: SANTA BARBARA AFFORDABLE HOUSING GROUP
By 
Its CEO ROBERT G. PEARSON

GRANTEE: SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
By _____
Its _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF SANTA BARBARA

On 4-7-16, before me, Jennifer Margaret Schipa, a Notary Public, personally appeared Robert G. Pearson, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

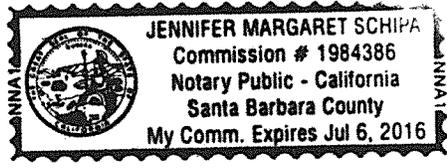
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Public Signature

Notary Public Seal



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF SANTA BARBARA

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public Signature

Notary Public Seal

Exhibit "A"
(De la Guerra Bus Shelter Easement)

A portion of Parcel 1 of Final Map No. 20,094 in the City of Santa Barbara, County of Santa Barbara, State of California as shown on map filed in Book 16, Pages 64 and 65 of Parcel Maps in the office of the County Recorder of said County. Said portion of land is described as follows:

Commencing at the most westerly corner of said Parcel 1, thence along the northwesterly line of said Parcel 1, N 41°30'35" E, 44.09 feet to the true point of beginning of the easement described herein; thence,

- 1st Continuing along said northwesterly line, N 41°30'35" E 20.00 feet; thence,
- 2nd S 48°29'25" E, 2.00 feet; thence,
- 3rd S 41°30'35" W, 20.00 feet; thence,
- 4th N 48°29'25" W, 2.00 feet to the point of beginning.

Containing an area of 40.00 square feet.

This real property description was prepared by me, or under my direction, in conformance with the Professional Land Surveyor's Act.

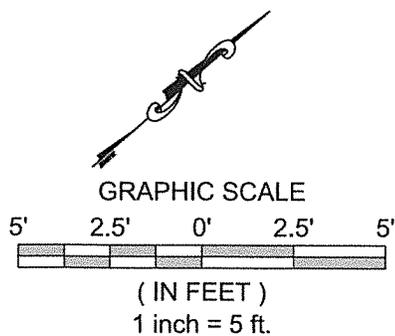
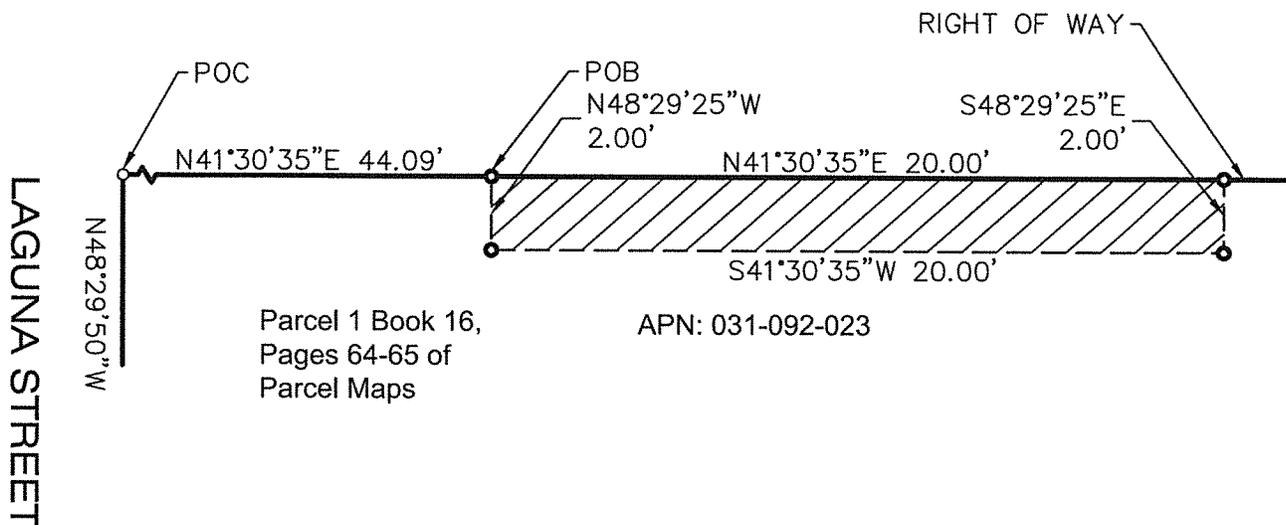
Signature:  Date: 3-20-16
Mark E. Reinhardt, PLS



EXHIBIT "B"

(Bus Shelter Easement)

DE LA GUERRA STREET



Prepared at the request of Santa
Barbara Metropolitan Transit District

Easement Area 40.00 Sq. Ft.



201 N. Calle Cesar Chavez, Ste 300
Santa Barbara, CA 93103
805.692.6921 Phone

ENGINEERING
PLANNING
SURVEYING
CONSTRUCTION MANAGEMENT

SBMTD.150302 * SBMTD.150302_TOPO EXH.dwg * 03/18/2016 * RCS * E-FILE

To: MTD Board of Directors
From: Jerry Estrada, General Manager
Date: April 19, 2016
Subject: General Manager's Report

Operations & Maintenance

Operations will be conducting a "round table" session with planning staff this coming week, in anticipation of the next bid, scheduled to start in June. Both departments meet at least four times per year, specifically to review the upcoming bid and service changes, if applicable. At these times, Operators have the opportunity to change their work schedules.

Bus 631 is anticipated to return from Cummins today. The cylinder, piston, and head replacement was completed under the 2013 Cummins campaign for clogged EGR coolers leading to an active 3382 code. This is the second bus from this fleet of thirteen to have this failure. The replacement work is covered under warranty.

Valley power onsite yesterday to assess hard shifting issues with the new 40' Gillig buses. Could only duplicate with one bus, re-programmed and put back into service. Bus 902 is in the shop with failed valve seats on cylinder #2, which damaged the piston. Cylinder #2 has been rebored, and the engine is awaiting installation. A similar repair was done on bus 904 in 2013.

Maintenance staff is working with the procurement staff on the yard fencing, canopy and gate projects. Construction on the canopy project begins April 18, 2016. Maintenance has begun moving equipment/items from south half of canopy to clear area for phase-1 of the project. Spoke with a representative of Marborg to coordinate the storage of (6) EV's at the Goleta facility.

Facilities assisting with bus shelter lighting issues. Discussed issues found, and possible future approach to preventive maintenance of bus shelters.

Reviewed initial assessment of needs for 480v charging on the Haley-wing of the covered parking areas. Researching existing issues with generator and present electrical infrastructure.

Planning & Administration

UCSB will be conducting its annual campus wide transportation survey in mid-April, which includes questions regarding MTD service. The results will be available in the summer. UCSB was awarded a 2016 Best Practices Award in the annual Energy Efficiency and Sustainability Award contest for the partnership with MTD involving the Lines 24x/12x enhancement and upcoming new Line 28 funded by UCSB. The contest is sponsored by the California Higher Education Sustainability Conference.

Planning staff provided tabling hours at the main Storke/Hollister bus stops, westbound Hollister/Pine bus stop in Goleta Old Town and at the Transit Center to distribute information about the draft August changes and the community meetings particularly the second meeting at the Goleta Valley Community Center on April 14.

A consultant working for the Ventura County Transportation Commission (VCTC) met with planning staff to discuss their new uniform bus signs to replace the varied signage VCTC currently uses. The signs are 18" x 12" and will be mounted on approximately 30 MTD poles where Coastal Express service shares bus stops.

Mark Clyde of the Planning Department will be taking the place of Paul Tumbleson as the MTD voting representative of the County Traffic Engineering Committee. Bill Morris, Manager of Operations, will be the alternate.

Planning Staff attended a Santa Barbara Car Free meeting on March 29 and briefly presented the draft August changes.

Staff attended meetings of SBCAG's Joint Technical Advisory Committee (JTAC) and Technical Transportation Advisory Committee (TTAC) on Thursday, April 7. MTD is a voting member of both committees. JTAC reviewed land-use scenarios and project lists for the ongoing update of SBCAG's Regional Transportation Plan - Sustainable Communities Strategy (RTP-SCS). TTAC reviewed SBCAG staff's draft 2015 Measure A Annual Report and voted to recommend approval of the Draft Final U.S. 101 Central Coast California Freight Strategies Report. This report was prepared through collaboration between the California Central Coast Metropolitan Planning Agencies and Caltrans.

On Thursday, April 14, at the request of the City of Lompoc, staff will participate in the City's interviews of potential operators of the City of Lompoc Transit (COLT) service.

Both SBCC and UCSB are voting the week of April 18 on continuation of their student bus pass programs. SBCC is voting on a two-year contract that includes an increase in the fee from \$30 per semester in the current Agreement to \$32 per semester (phased over the two years) in the proposed Agreement. The summer session fee would increase from \$13 to \$14. Staff has worked closely with SBCC administration and the Student Senate, and is conducting table hours this week. UCSB votes on their Agreement every four years, and no changes to the Agreement are proposed.

Customer Service has been busy with community outreach, having presented 6th grade ESOPS at 4 elementary schools in the past two weeks and having a booth at the Earth Day weekend festival, including children's environmental activities. Additionally, they provided translation services at community meetings, worked at bus stops, informing riders of the proposed August service changes, and tabling at City College regarding the vote on the proposed student fee increase. The employee spring newsletter is completed.