



**BOARD MEETING AGENDA**

**Meeting**  
of the  
**BOARD OF DIRECTORS**  
of the  
**SANTA BARBARA METROPOLITAN TRANSIT DISTRICT**  
A Public Agency  
**Tuesday, February 27, 2018**  
**8:30 AM**  
**John G. Britton Auditorium**  
550 Olive Street, Santa Barbara, CA 93101

**1. CALL TO ORDER**

**2. ROLL CALL OF THE BOARD MEMBERS**

Dave Davis (Chair), David Tabor (Vice Chair), Bill Shelor (Secretary), Olivia Rodriguez (Director), Dick Weinberg (Director), Chuck McQuary (Director), Paula Perotte (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 February 13, 2018.

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

The Board will be asked to review the cash report from February 6, 2018 through February 19, 2018.

**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 that includes both a description of the subject you wish to address and, if applicable, the agenda item number for which you would like to comment. Additional public comment will be allowed during each agenda item, including closed session items. Forms are available at [www.sbmttd.com](http://www.sbmttd.com) and at MTD Administrative offices.

**7. ADOPTION OF FISCAL YEAR 2018-19 MEASURE A PROGRAM OF PROJECTS SUBMITTAL - (ATTACHMENT - ACTION MAY BE TAKEN)**

Staff will recommend that the Board approve the submittal of Santa Barbara Metropolitan Transit District Measure A Program of Projects for fiscal year 2018-19.

**8. DRAFT FY 2017-18 BUDGET REVISION - (ATTACHMENT - ACTION MAY BE TAKEN)**

Staff will recommend that the Board approve the draft fiscal year 2017-18 budget revision.

**9. DRAFT UPDATED DRUG AND ALCOHOL POLICY - (ATTACHMENT - ACTION MAY BE TAKEN)**

Staff will recommend that the Board review the draft updated Drug and Alcohol Policy and consider adoption of the policy revisions.

**10. GENERAL MANAGER'S REPORT UPDATE - (INFORMATIONAL - NO ACTION WILL BE TAKEN)**

1. SCE
2. Marketing Activities
3. Hiring
4. FEMA
5. Diesel Fuel Contract Renewal

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

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

**12. ADJOURNMENT**

**AMERICAN WITH DISABILITIES ACT:** If you need special assistance to participate in this meeting, please contact the MTD Administrative Office at 805.963.3364 at least 48 hours in advance of the meeting to allow time for MTD to attempt a reasonable accommodation.



**BOARD OF DIRECTORS MEETING MINUTES**

**Meeting**  
of the  
**BOARD OF DIRECTORS**  
of the  
**SANTA BARBARA METROPOLITAN TRANSIT DISTRICT**  
A Public Agency  
**Tuesday, February 13, 2018**  
**8:30 AM**  
**John G. Britton Auditorium**  
550 Olive Street, Santa Barbara, CA 93101

**1. CALL TO ORDER**

Chair Davis called the meeting to order at 8:32am.

**2. ROLL CALL OF THE BOARD OF DIRECTORS**

Chair Davis reported all members were present with the exception of Director Perotte.

**3. REPORT REGARDING POSTING OF AGENDA**

Rachel Brichan, Board Clerk, reported that the agenda was posted on Friday, February 9, 2018 at MTD's Administrative office, mailed and emailed to those on the agenda list, and posted on MTD's website [www.sbmtd.gov](http://www.sbmtd.gov)

**CONSENT CALENDAR**

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

The Board was asked to approve the draft minutes from the meeting of January 30, 2018.

**5. CASH REPORT- (ATTACHMENTS – ACTION MAY BE TAKEN)**

The Board was asked to review the cash report from January 23, 2018 through February 15, 2018.

Director Tabor moved to approve the consent calendar. The motion was seconded by Director Weinberg. The motion passed unanimously.

**THIS CONCLUDED THE CONSENT CALENDAR**

**6. PUBLIC COMMENT**

No public comments were made.

**7. STANDING BOARD COMMITTEE ASSIGNMENTS – (ATTACHMENTS - ACTION MAY BE TAKEN)**

General Manager Jerry Estrada recommended that current Committee Assignments be carried over into 2018 with no changes and that the regularly scheduled Board of Directors meetings be adjusted to the first and third Tuesday of each month beginning July 1, 2018. In addition, during the months of August and December, the Board would not meet unless the need for a meeting arose. Director Rodriguez moved to accept these recommendations. Director Tabor seconded the motion. The motion passed unanimously.

**CHAIR DAVIS INTRODUCED NEW SANTA BARBARA CITY COUNCIL LIAISON TO MTD, MS. KRISTEN SNEDDON.**

**8. TRANSIT ASSET MANAGEMENT & PUBLIC TRANSPORTATION AGENCY SAFETY- (INFORMATIONAL – NO ACTION WILL BE TAKEN)**

Manager of Government Relations and Compliance Steve Maas provided updates to the Board regarding two new Federal Transit Administration (FTA) requirements, for Transit Asset Management (TAM) and Public Transportation Agency Safety (PTAS), that center around maintaining assets in a state of good repair.

Discussion ensued around the importance of effective coordination of the Maintenance, Operations, Capitol Projects, Administrative and Finance departments as well as Easy Lift to meet these requirements. Overall compliance will require major effort and planning in all areas, including staffing and budgeting.

**9. PACIFIC SURFLINER CONNECTING SERVICE - (ATTACHMENT - ACTION MAY BE TAKEN)**

General manager Jerry Estrada briefed the Board on the draft Memorandum of Understanding (MOU) between MTD and the Santa Barbara County Association of Governments (SBCAG) for Pacific Surfliner Connecting Service. The goal for implementation is April of 2018 with updates to follow.

Secretary Shelor moved to approve the draft MOU. Vice Chair Tabor seconded the motion. The motion passed unanimously.

**10. FINANCIAL UPDATE FOR THE SIX MONTHS ENDING DECEMBER 31, 2017 - (ATTACHMENT - INFORMATIONAL – NO ACTION WILL BE TAKEN)**

Assistant Controller Thais Sayat presented detailed financial results for the first half of fiscal year 2017-2018.

**11. AUTHORIZATION TO PURCHASE 10 GILLIG 40' CLEAN DIESEL BUSES - (ATTACHMENT - ACTION MAY BE TAKEN)**

Assistant General Manager Brad Davis recommended that the Board authorize the General Manager to award a contract to Gillig to purchase 10 clean diesel, low-floor, forty-foot transit buses contingent upon satisfaction of all Federal Transit Administration (FTA) requirements. Mr. Davis reported that the MTD cost analysis showed fair and reasonable pricing. The last of the 1998 Nova buses will be replaced with this purchase.

Director McQuary moved to authorize the purchase. Director Rodriguez seconded the motion. The motion passed unanimously.

**12. SECOND QUARTER PERFORMANCE REPORTS - (ATTACHMENTS - INFORMATIONAL - NO ACTION WILL BE TAKEN)**

Planning Manager George Amoon presented the Quarterly Performance Report for the period beginning July 1, 2017 and ending December 31, 2017. Mr. Amoon reported an overall decline in ridership of 2.6%, noting that although this percentage included the impact of the Thomas Fire, it did not include the Montecito debris flow. UCSB and SBCC accounted for 29% of overall ridership during this period. UCSB numbers have increased due to both increased student/ faculty housing and easy access to the Camino Real Marketplace.

**13. GENERAL MANAGER'S REPORT UPDATE – (INFORMATIONAL – NO ACTION WILL BE TAKEN)**

General Manager Estrada reported on the service detours remaining due to the Montecito debris flow.

Regarding the Transit Center Renovation Project, Mr. Estrada reported that MTD is optimistic that the Santa Barbara Building Department will soon issue permits to begin construction. The team will continue to keep the Board informed of its progress towards breaking ground on the rehabilitation of the facility located on Chapala Street.

To date, MTD has taken delivery of six of the 17 SamTrans buses.

Additionally, Mr. Estrada reported that MTD's new website is now mobile-friendly and has the Bus Tracker real-time system fully integrated.

Staff will keep the Board updated on the process and eligible costs for possible disaster relief funding from FEMA due to the Montecito debris flow.

**14. OTHER BUSINESS AND COMMITTEE REPORTS - (INFORMATIONAL)**

The Finance & Human Resources and Risk Committee will meet on Tuesday, February 20, 2018 at 9:00am.

The Planning & Marketing Committee will meet on Thursday, February 22, 2018 at 10:00am.

**15. ADJOURNMENT**

Director Davis moved to adjourn the meeting at 9:52am. Director Rodriguez seconded the motion. The motion passed unanimously.

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**Santa Barbara Metropolitan Transit District**  
**Cash Report**  
**Board Meeting of February 27, 2018**  
**For the Period February 6, 2018 through February 19, 2018**

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**MONEY MARKET**

**Beginning Balance February 6, 2018** **\$8,337,508.06**

Accounts Receivable	732,484.91
Passenger Fares	133,290.31
Miscellaneous Income	1,573.64
Interest Income	80.58
<b>Total Deposits</b>	<b>867,429.44</b>

Garn/Escrow Transfers	(1,040.96)
Bank & CC Fees	(1,232.21)
401(k)/Pension Transfer	(31,249.90)
Workers' Comp	(54,617.61)
Payroll Taxes	(151,540.08)
Payroll	(356,704.91)
Accounts Payable	(717,730.61)
<b>Total Disbursements</b>	<b>(1,314,116.28)</b>

**Ending Balance** **\$7,890,821.22**

**CASH INVESTMENTS**

LAIF Account	\$6,412,734.58
Money Market Account	7,890,821.22

**Total Cash Balance** **\$14,303,555.80**

**SELF INSURED LIABILITY ACCOUNTS**

WC / Liability Reserves	(\$3,968,112.05)
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**Working Capital** **\$10,335,443.75**

**Santa Barbara Metropolitan Transit District  
Accounts Payable**

Check #	Date	Company	Description	Amount	Voids
117313	2/8/2018	ABC BUS COMPANIES INC	BUS PARTS	276.39	
117314	2/8/2018	AMERICAN MOVING PARTS, LLC	BUS PARTS	1,050.63	
117315	2/8/2018	APPLEONE EMPLOYMENT SERVIC	CONTRACT EMPLOYMENT	9,792.48	
117316	2/8/2018	ASBURY ENVIRONMENTAL	WASTE OIL RECYCLER	35.00	
117317	2/8/2018	AXLE TECH INTERNATIONAL D	BUS PARTS & REPAIRS	501.68	
117318	2/8/2018	B2B PRINTING SERVICES INC.	OFFICE SUPPLIES	80.81	
117319	2/8/2018	JOSE BAUTISTA	AD MOUNTING/DISMOUNTING	624.00	
117320	2/8/2018	BIG BRAND TIRES, BRANDCO BILL	SERVICE VEHICLE MAINTENANCE	176.85	
117321	2/8/2018	BNS ELECTRONICS, INC.	SANTA YNEZ SITE RENTAL	285.28	
117322	2/8/2018	CALIFORNIA ELECTRIC SUPPLY, I	SHOP/B&G SUPPLIES	317.41	
117323	2/8/2018	MIKE CARDONA	TRAVEL & PER DIEM	599.08	
117324	2/8/2018	CARQUEST AUTO PARTS	BUS PARTS & SUPPLIES	536.38	
117325	2/8/2018	CLASSIC GRAPHICS DBA	BUS PAINTING	20,277.24	
117326	2/8/2018	COMMUNITY RADIO, INC.	GIB. SITE RENTAL	256.29	
117327	2/8/2018	CINTAS CORPORATION	FIRST AID SUPPLIES	78.63	
117328	2/8/2018	JESUS CONTRERAS	VTT/DMV RENEWAL	45.00	
117329	2/8/2018	COX COMMUNICATIONS, CORP.	INTERNET & CABLE TV	214.01	
117330	2/8/2018	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	416.00	
117331	2/8/2018	CUSTOM CANVAS & VINYL, INC	MISCELLANEOUS SERVICES	215.50	
117332	2/8/2018	CRAIGLIST CORP.	EMPLOYMENT ADS - ONLINE	300.00	
117333	2/8/2018	DAVE BANG ASSOCIATES, INC.	BUS BENCHES, TRASH RECEPTACLES	3,741.80	
117334	2/8/2018	DAVID SILVA FLOORING INSTALL	BUS FLOOR REPAIRS	1,650.00	
117335	2/8/2018	DOCUPRODUCTS CORPORATION	COPIER MAINTENANCE/SUPPLIES	232.58	
117336	2/8/2018	DOWNTOWN ORGANIZATION, INC.	TC MAINTENANCE	650.00	
117337	2/8/2018	DRUG TESTING NETWORK, INC	DRUG TESTING	34.95	
117338	2/8/2018	ELECTRONIC DATA MAGNETICS, I	BUS PASS STOCK	7,527.42	
117339	2/8/2018	ERGOMETRICS, INC.	DRIVER TEST SCORING	55.00	
117340	2/8/2018	FEDEX dba	FREIGHT CHARGES	501.87	
117341	2/8/2018	FLEET SERVICES, INC.	BUS PARTS	1,648.94	
117342	2/8/2018	FRANK SCHIPPER CONSTRUCTION	T1 CANOPY REPAIR	42,125.00	
117343	2/8/2018	FRONTIER CALIFORNIA INC.	TELEPHONES	96.98	
117344	2/8/2018	GENFARE, A DIVISION OF SPX COR	FAREBOX REPAIRS & PARTS	300.00	
117345	2/8/2018	GIBBS INTERNATIONAL INC	BUS PARTS	3,961.53	
117346	2/8/2018	GILLIG LLC	BUS PARTS	6,230.33	
117347	2/8/2018	GRAPHICINK	PROMO ITEM	31.25	
117348	2/8/2018	JILL GRISHAM	REIMBURSEMENT	35.34	
117349	2/8/2018	GUARDIAN-APPLETON (DENTAL I	DENTAL INSURANCE	3,912.56	
117350	2/8/2018	GUARDIAN-APPLETON (LIFE INS)	LIFE INSURANCE	622.13	



Check #	Date	Company	Description	Amount	Voids
117351	2/8/2018	HI-LINE ELECTRIC COMPANY, INC	BUS PARTS	43.70	
117352	2/8/2018	HIGH IMPACT INC.	FORKLIFT SAFETY TRAINING	125.00	
117353	2/8/2018	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	266.92	
117354	2/8/2018	JANICARE DBA	JANITORIAL SERVICES	5,052.96	
117355	2/8/2018	KIMBALL MIDWEST	SHOP SUPPLIES	422.64	
117356	2/8/2018	LMA ARCHITECTS, CORP.	ARCHITECTURAL SERVICES	842.10	
117357	2/8/2018	LENZ PEST CONTROL DBA	FUMIGATION SERVICES	40.00	
117358	2/8/2018	LORI'S MOBILE NOTARY&FINGERP	BUS REGISTRATIONS	1,623.00	
117359	2/8/2018	JUAN MARTINEZ	TOOL ALLOWANCE	1,100.00	
117360	2/8/2018	MC CORMIX CORP. (OIL)	LUBRICANTS	3,823.25	
117361	2/8/2018	MEDICAL EYE SERVICES, INC.	VISION INSURANCE	512.40	
117362	2/8/2018	MISSION LINEN SUPPLY, INC	UNIFORM & LINEN SERVICE	5,860.93	
117363	2/8/2018	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	1,786.28	
117364	2/8/2018	MOUNTAIN SPRING WATER	SHOP & OFFICE SUPPLIES	976.95	
117365	2/8/2018	NEW PIG CORP.	B/G SUPPLIES (OF)	1,414.69	
117366	2/8/2018	NU-COOL REDI GREEN, INC	COOLANTS & SHOP SUPPLIES	1,209.49	
117367	2/8/2018	PREVOST CAR INC.- CREDIT DEPT.	BUS PARTS	212.48	
117368	2/8/2018	N/S CORPORATION	BUS WASHER PARTS	79.65	
117369	2/8/2018	O'CONNOR PEST CONTROL DBA	FUMIGATION	77.00	
117370	2/8/2018	PITNEY BOWES INC	POSTAGE METER QTRLY CHARGES	145.46	
117371	2/8/2018	POWERSTRIDE BATTERY CO.	BATTERIES	4,659.31	
117372	2/8/2018	PRAXAIR DISTRIBUTION, INC.	SHOP SUPPLIES	129.73	
117373	2/8/2018	SAFETY-KLEEN CORPORATION	SHOP SUPPLIES	258.76	
117374	2/8/2018	SAFETY MATTERS CERTIFIED TRA	TRAINING	60.00	
117375	2/8/2018	SANSUM CLINIC	MEDICAL EXAMS	405.00	
117376	2/8/2018	SB LOCKSMITHS, INC.	B&G REPAIR & SUPPLIES	2,636.08	
117377	2/8/2018	SANTA BARBARA NEWSPRESS D	BUS SCHEDULE BOOKLETS	8,665.02	
117378	2/8/2018	SANTA BARBARA NEWS PRESS	PUBLIC NOTICES/EMPLOYMENT ADS	40.48	
117379	2/8/2018	SPECIAL DISTRICT RISK MGMT	MEDICAL HEALTH INSURANCE	51,078.54	
117380	2/8/2018	SMITTY'S TOWING SERVICE D	TOWING SERVICES	687.50	
117381	2/8/2018	SANTA BARBARA TROPHY	DRIVER NAME PLATES	93.10	
117382	2/8/2018	SM TIRE, CORP.	BUS TIRE MOUNTING	1,113.05	
117383	2/8/2018	SO. CAL. EDISON CO.	UTILITIES	3,204.80	
117384	2/8/2018	SOAP MAN DISTRIBUTIN DBA	CLEANING SUPPLIES	217.12	
117385	2/8/2018	SOUTHWEST LIFT & EQUIPMENT, I	LIFT REPAIRS & SUPPLIES	964.86	
117386	2/8/2018	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	1,431.70	
117387	2/8/2018	STEWART'S DE-ROOTING & PLUM	PLUMBING REPAIRS	200.33	
117388	2/8/2018	SB CITY OF-REFUSE/WATER	UTILITIES	5,711.85	
117389	2/8/2018	SB COUNTY AIR POLLUTION	PERMIT FEE	430.44	
117390	2/8/2018	THE MEDCENTER	MEDICAL EXAMS	958.00	
117391	2/8/2018	TANK TEAM INC.	TANK TESTS	123.00	

Check #	Date	Company	Description	Amount	Voids
117392	2/8/2018	TOOL DISCOUNTER.COM	DBA CLEANING SUPPLIES	1,359.84	
117393	2/8/2018	TRUMAN ARNOLD COMPANIES (T	DIESEL FUEL	46,181.91	
117394	2/8/2018	UCSB ECONOMIC FORECAST PROJ	CORPORATE LEVEL SPONSORSHIP	1,400.00	
117395	2/8/2018	UNITED PARCEL SERVICE, INC.	FREIGHT CHARGES	330.25	
117396	2/8/2018	J.C. M. AND ASSOCIATES INC.	UNIFORMS	734.89	
117397	2/8/2018	U.S. BANK CORP. PAYMENT SYSTE	CREDIT CARD PURCHASES	49,543.54	
117398	2/8/2018	VALLEY POWER SYSTEMS, INC.	BUS PARTS	1,351.70	
117399	2/8/2018	VALLEY POWER SYSTEMS, INC.	BUS PARTS	1,771.21	
117400	2/8/2018	WAXIE SANITARY SUPPLY	DBA JANITORIAL SUPPLIES	2,003.84	
117401	2/8/2018	WINNER CHEVROLET, INC.	SERVICE VEHICLES	62,993.55	
117402	2/16/2018	CITY OF CARPINTERIA	ELECTRIC CHARGING STATION	652.85	
117403	2/16/2018	STATE OF CALIFORNIA	PAYROLL RELATED	652.27	
117404	2/16/2018	ROBIN GONZALEZ	PR RELATED	250.00	
117405	2/16/2018	LABOR ALLIANCE MANAGED TRU	DENTAL INSURANCE	10,898.00	
117406	2/16/2018	NATIONAL DRIVE	PAYROLL DEDUCTION	58.00	
117407	2/16/2018	ANN BRADY OTTIERI	PAYROLL RELATED	277.00	
117408	2/16/2018	SB COUNTY FEDERAL CREDIT UNI	PAYROLL DEDUCTION	360.00	
117409	2/16/2018	SANTA BARBARA SHERIFF'S DEPT	PAYROLL RELATED	75.00	
117410	2/16/2018	SOCALGAS	UTILITIES	624.15	
117411	2/16/2018	TEAMSTERS MISC SECURITY TRUS	UNION MEDICAL INSURANCE	205,122.00	
117412	2/16/2018	TEAMSTERS PENSION TRUST	UNION PENSION	99,675.36	
117413	2/16/2018	TEAMSTERS UNION LOCAL NO. 18	UNION DUES	10,849.84	
117414	2/16/2018	UNITED WAY OF SB	PAYROLL DEDUCTION	68.00	
117415	2/16/2018	VERIZON WIRELESS	WIRELESS PHONES & AIM CELLULAR	2,329.50	
117416	2/16/2018	YACO SCHOLARSHIP FUND	PAYROLL DEDUCTION	48.00	
				<b>717,730.61</b>	
			<b>Current Cash Report Voided Checks:</b>	0.00	
			<b>Prior Cash Report Voided Checks:</b>	0.00	
			<b>Grand Total:</b>	<b>\$717,730.61</b>	

**Santa Barbara Metropolitan Transit District  
Cash Receipts of Accounts Receivable**

<b>Date</b>	<b>Company</b>	<b>Description</b>	<b>Amount</b>
2/6/2018	Goodwin & Thyne Properties	Advertising on Buses	2,080.00
2/7/2018	ASTI Holding Company, LLC	Overpass Property Lease	16,070.25
2/7/2018	Jim Haggerty	Retiree - Vision	12.20
2/7/2018	SB School District	Passes/Token Sales	2,300.00
2/8/2018	Moonlight Graphics/Mktg	Advertising on Buses	7,236.00
2/8/2018	SB County Public Health (BA)	Advertising on Buses	660.00
2/12/2018	Montecito Bank & Trust	Advertising on Buses	2,840.00
2/12/2018	UCSB - Contract Fares	Contract Fares	-0.03
2/12/2018	UCSB - Contract Fares	Contract Fares	0.03
2/12/2018	UCSB - Contract Fares	Contract Fares	211,322.95
2/12/2018	UCSB - Contract Fares	Contract Fares	105,661.51
2/15/2018	County of Santa Barbara	Passes/Token Sales	3,502.00
2/15/2018	SBCC - Contract Fares	Contract Fares	380,800.00
<b>Total Accounts Receivable Paid During Period</b>			<b>\$732,484.91</b>

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**BOARD OF DIRECTORS REPORT**

**MEETING DATE:** FEBRUARY 27, 2018 **AGENDA ITEM: #7**

**DEPARTMENT:** FINANCE

**TYPE:** ACTION ITEM

**PREPARED BY:** THAIS SAYAT \_\_\_\_\_  
*Signature*

**REVIEWED BY:** GENERAL MANAGER \_\_\_\_\_  
*GM Signature*

**SUBJECT:** ADOPTION OF FISCAL YEAR 2018-19 MEASURE A PROGRAM OF PROJECTS SUBMITTAL

**RECOMMENDATION:**

Staff recommends that the Board approve the submittal of Santa Barbara Metropolitan Transit District (MTD) Measure A Program of Projects for fiscal year 2018-19.

**DISCUSSION:**

Consistent with the Measure A ordinance, MTD prepared its Program of Projects for fiscal year 2018-19. Attached is the submittal form provided by SBCAG including MTD's estimated appropriation for the next five years.

**ATTACHMENT:**

- Five Year Measure A Program of Projects

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Santa Barbara Metropolitan Transit District  
Measure A Program of Projects  
(Figures in \$000)

Capital Projects Detail	Five Year Total
Revenue Vehicle Purchases	\$19,385
Revenue Vehicle Improvements	3,567
Operating Facilities	1,438
Passenger Facilities	887
Intelligent Transportation Systems	2,010
Information Systems	2,732
Other Equipment	1,625
	\$31,644

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<b>BOARD OF DIRECTORS REPORT</b>
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**MEETING DATE:** FEBRUARY 27, 2018 **AGENDA ITEM: #8**  
**DEPARTMENT:** FINANCE  
**TYPE:** ACTION ITEM  
**PREPARED BY:** BRAD DAVIS \_\_\_\_\_  
*Signature*  
**REVIEWED BY:** GENERAL MANAGER \_\_\_\_\_  
*Signature*  
**SUBJECT:** DRAFT FY 2017-18 BUDGET REVISION

**RECOMMENDATION:**

Staff is recommending that the Board approve the draft fiscal year 2017-18 budget revision.

**DISCUSSION:**

Staff presented the attached draft fiscal year 2017-18 budget revision to the Finance & Human Resources Committee on February 20, 2018. The Committee approved the forwarding of the draft fiscal year 2017-18 budget revision for consideration by the Board.

The budget revision has been prepared without taking into account the anticipated financial effects of the Thomas fire and Montecito mudslides. The basis of this approach is that the revision serves as a key element in preparation of the initial draft budget for next fiscal year. As such, it is important that it remain free of significant extraordinary financial events. The effects of the disasters will be reported upon separately and take into account the use of emergency reserves and estimated reimbursement of costs through federal aid.

The revision covers both the operating and capital budgets. Some key points and assumptions about the proposed changes include:

- Both operating revenues and expenses have been increased by about 1% resulting in a modest \$17,143 reduction in the projected deficit for the year to \$437,746.
- Adjustments to operating income include taking into account a fare revenue reduction of less than the budgeted 4%; improved property tax growth; and a sharp drop in fares associated with the reduction in cruise ship visits.
- Changes to operating expenditures include increases to driver overtime, health benefits, and training outlays; adjustments due to differences between the budgeted and actual employment levels; and bumping up projected reserves for risk-related expenditures.
- The capital budget has grown by \$2.6 million mainly due to the escalation of costs for the recently approved bus acquisitions.

These and other budget drivers will be further discussed at the meeting.

Attachment: Draft FY2017-18 Operating & Capital Budget Revision

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## Operating Budget Summary Fiscal Year 2017-18

	FY 17-18 Budget		Budget Change		FY 16-17	Var
	Revised	Original	Amount	%	Actual	%
<b>REVENUES</b>						
Fare Revenue	\$7,144,904	\$7,078,236	\$66,668	1%	\$7,205,297	-1%
LTF Sales Tax Revenue	7,771,309	7,771,309	0	0%	7,555,989	3%
FTA Operating Assistance	5,081,813	5,081,813	0	0%	5,065,847	0%
Measure A Sale Tax Revenue	2,014,211	2,014,211	0	0%	2,040,988	-1%
State & Local Operating Assistance	1,259,851	1,210,376	49,474	4%	1,376,654	-8%
Property Tax Revenue	1,213,312	1,155,536	57,777	5%	1,163,728	4%
Non-Transportation Income	836,396	836,396	0	0%	727,323	15%
<i>Total Operating Revenue</i>	<u>\$25,321,795</u>	<u>\$25,147,876</u>	<u>\$173,919</u>	<u>1%</u>	<u>\$25,135,826</u>	<u>1%</u>
<b>EXPENSES</b>						
Route Operations	\$16,183,824	\$15,785,453	\$398,370	3%	\$15,325,342	6%
Vehicle Maintenance	5,183,621	5,253,304	(69,683)	-1%	5,135,125	1%
Passenger Accommodations	1,464,072	1,620,975	(156,904)	-10%	1,434,536	2%
General Overhead	2,928,025	2,943,033	(15,008)	-1%	3,007,706	-3%
<i>Total Operating Expense</i>	<u>\$25,759,542</u>	<u>\$25,602,765</u>	<u>\$156,776</u>	<u>1%</u>	<u>\$24,902,709</u>	<u>3%</u>
<b>SURPLUS / (DEFICIT)</b>	<u>(\$437,746)</u>	<u>(\$454,889)</u>	<u>\$17,143</u>		<u>\$233,117</u>	

## Operating Revenue Summary

### Fiscal Year 2017-18

	FY 17-18 Budget		Budget Change		FY 16-17	Var
	Revised	Original	Amount	%	Actual	%
<b><u>FARE REVENUE</u></b>						
Cash Fares & Tokens	\$2,136,896	\$2,075,016	\$61,880	3%	2,145,809	0%
Adult Passes	1,059,463	1,067,143	(7,680)	-1%	1,100,793	-4%
Youth Passes	513,370	502,314	11,056	2%	503,342	2%
Senior Passes	186,697	162,387	24,310	15%	173,436	8%
Mobility Passes	152,230	143,670	8,560	6%	148,451	3%
Day Passes	4,374	4,332	42	1%	4,610	-5%
Downtown-Waterfront Shuttle	1,096,278	1,096,278	0	0%	1,104,340	-1%
UCSB Contract Fares	1,037,135	1,037,135	0	0%	1,023,825	1%
SBCC Contract Fares	844,961	844,961	0	0%	880,169	-4%
Special Event Fares & Amtrak	78,500	110,000	(31,500)	-29%	89,882	-13%
City My Ride Program	35,000	35,000	0	0%	30,640	14%
<i>Subtotal</i>	<u>\$7,144,904</u>	<u>\$7,078,236</u>	<u>\$66,668</u>	1%	<u>\$7,205,297</u>	-1%
<b><u>NON-TRANSPORTATION INCOME</u></b>						
Advertising on Buses	\$550,000	\$550,000	\$0	0%	562,676	-2%
Interest on Investments	67,910	67,910	0	0%	26,256	###
Lease & Other Income	218,486	218,486	0	0%	138,391	58%
<i>Subtotal</i>	<u>\$836,396</u>	<u>\$836,396</u>	<u>\$0</u>	0%	<u>727,323</u>	15%
<b><u>GRANTS &amp; SUBSIDIES</u></b>						
TDA Sales Tax Revenue	\$7,771,309	\$7,771,309	\$0	0%	7,555,989	3%
FTA Formula Assistance	5,081,813	5,081,813	0	0%	5,065,847	0%
Measure A	2,014,211	2,014,211	0	0%	2,040,988	-1%
Property Tax Revenue	1,213,312	1,155,536	57,777	5%	1,163,728	4%
State & Local Operating Assistance	1,259,851	1,210,376	49,474	4%	1,376,654	-8%
<i>Subtotal</i>	<u>\$17,340,496</u>	<u>\$17,233,245</u>	<u>\$107,251</u>	1%	<u>17,203,206</u>	1%
<b>TOTAL OPERATING REVENUE</b>	<u>\$25,321,795</u>	<u>\$25,147,876</u>	<u>\$173,919</u>	1%	<u>25,135,826</u>	1%

## Operating Expense Summary

### Fiscal Year 2017-18

	FY 17-18 Budget		Budget Change		FY 16-17	Var
	Revised	Original	Amount	%	Actual	%
<b><u>ROUTE OPERATIONS</u></b>						
Drivers	\$11,927,208	\$11,729,256	\$197,951	2%	\$11,186,156	7%
Dispatch & Supervision	787,219	789,377	(2,157)	0%	607,010	30%
Hiring & Training	361,737	305,457	56,279	18%	411,157	-12%
Risk & Safety	2,238,602	2,092,305	146,297	7%	2,169,919	3%
Transportation Subsidies	869,058	869,058	0	0%	951,100	-9%
<i>Subtotal</i>	<u>\$16,183,824</u>	<u>\$15,785,453</u>	<u>\$398,370</u>	3%	<u>\$15,325,342</u>	6%
<b><u>VEHICLE MAINTENANCE</u></b>						
Mechanics	\$1,244,509	\$1,269,331	(\$24,823)	-2%	\$1,100,806	13%
Cleaners & Fuelers	841,878	817,215	24,663	3%	829,817	1%
Supervision	497,103	576,516	(79,413)	-14%	557,162	-11%
Vehicle Consumables	1,668,132	1,665,892	2,240	0%	1,718,118	-3%
Bus Parts & Supplies	794,000	819,000	(25,000)	-3%	843,950	-6%
Vendor Services	82,500	57,500	25,000	43%	20,482	303%
Risk & Safety	55,500	47,850	7,650	16%	64,790	-14%
<i>Subtotal</i>	<u>\$5,183,621</u>	<u>\$5,253,304</u>	<u>(\$69,683)</u>	-1%	<u>\$5,135,125</u>	1%
<b><u>PASSENGER ACCOMMODATIONS</u></b>						
Passenger Facilities	\$449,464	\$532,848	(\$83,384)	-16%	\$541,883	-17%
Transit Development	297,774	388,762	(90,988)	-23%	320,323	-7%
Promotion & Information	436,275	443,520	(7,245)	-2%	315,990	38%
Fare Revenue Collection	280,559	255,846	24,713	10%	256,340	9%
<i>Subtotal</i>	<u>\$1,464,072</u>	<u>\$1,620,975</u>	<u>(\$156,904)</u>	-10%	<u>\$1,434,536</u>	2%
<b><u>GENERAL OVERHEAD</u></b>						
Finance	\$578,495	\$605,017	(\$26,522)	-4%	\$556,748	4%
Personnel	168,635	169,454	(819)	0%	166,030	2%
Utilities & Communication	246,501	219,501	27,000	12%	211,382	17%
Operating Facilities	360,478	340,709	19,769	6%	331,758	9%
District Administration	1,573,917	1,608,353	(34,436)	-2%	1,741,788	-10%
<i>Subtotal</i>	<u>\$2,928,025</u>	<u>\$2,943,033</u>	<u>(\$15,008)</u>	-1%	<u>\$3,007,706</u>	-3%
<b>TOTAL OPERATING EXPENSES</b>	<u>\$25,759,542</u>	<u>\$25,602,765</u>	<u>\$156,776</u>	1%	<u>\$24,902,709</u>	3%

## Route Operations Fiscal Year 2017-18

	FY 17-18 Budget		Budget Change		FY 16-17	Var
	Revised	Original	Amount	%	Actual	%
<b><u>DRIVERS</u></b>						
Scheduled	\$6,802,661	\$6,791,024	\$11,637	0%	\$6,447,949	6%
Scheduled Overtime	417,939	316,079	101,860	32%	403,873	3%
Unscheduled Pay	258,975	258,532	443	0%	306,740	-16%
Driver Lite Duty	7,853	7,853	0	0%	8,790	-11%
FICA	645,471	640,412	5,059	1%	608,387	6%
Pension	941,216	941,216	0	0%	879,261	7%
Health	1,826,839	1,707,326	119,513	7%	1,656,155	10%
Sick Pay	199,355	199,355	0	0%	128,672	55%
Vacation Pay	464,099	524,999	(60,900)	-12%	430,413	8%
Holiday Pay	247,379	247,379	0	0%	226,561	9%
Other Pay	39,267	26,178	13,089	50%	28,661	37%
Unemployment Insurance	33,904	33,904	0	0%	31,173	9%
Uniforms	42,250	35,000	7,250	21%	29,521	43%
<i>Drivers Subtotal</i>	<u>\$11,927,208</u>	<u>\$11,729,256</u>	<u>\$197,951</u>	2%	<u>\$11,186,156</u>	7%
<b><u>DISPATCH &amp; SUPERVISION</u></b>						
Supervisors	\$323,915	\$323,915	\$0	0%	\$208,938	55%
Staff	172,224	172,224	0	0%	173,586	-1%
FICA	43,495	43,495	0	0%	32,523	34%
Pension	38,053	38,053	0	0%	39,156	-3%
Health	135,501	137,658	(2,157)	-2%	86,695	56%
Sick Pay	7,370	7,370	0	0%	7,642	-4%
Vacation Pay	34,000	34,000	0	0%	33,438	2%
Holiday Pay	19,350	19,350	0	0%	14,221	36%
Other Paid Leave	11,708	11,708	0	0%	9,738	20%
Unemployment Insurance	1,603	1,603	0	0%	1,073	49%
<i>Dispatch &amp; Supervision Subtotal</i>	<u>\$787,219</u>	<u>\$789,377</u>	<u>(\$2,157)</u>	0%	<u>\$607,010</u>	30%
<b><u>HIRING &amp; TRAINING</u></b>						
Staff	\$35,252	\$35,252	\$0	0%	\$35,913	-2%
Student Drivers	93,186	36,905	56,281	153%	111,585	-16%
Existing Drivers/Supers	128,894	128,894	0	0%	135,485	-5%
FICA	20,551	16,246	4,305	27%	14,417	43%
Pension	10,731	10,731	0	0%	13,251	-19%
Health	24,100	24,348	(247)	-1%	30,867	-22%
Sick Pay	1,961	1,961	0	0%	2,164	-9%
Vacation Pay	5,290	5,290	0	0%	13,925	-62%
Holiday Pay	3,345	3,345	0	0%	4,080	-18%
Other Paid Leave	713	713	0	0%	1,297	-45%
Unemployment Insurance	113	113	0	0%	585	-81%
Medical Exams & License Fees	25,600	25,600	0	0%	35,124	-27%
Employment Advertising	6,000	6,000	0	0%	6,958	-14%
Training, Travel & Meetings	6,000	10,060	(4,060)	-40%	5,506	9%
<i>Hiring &amp; Training Subtotal</i>	<u>\$361,737</u>	<u>\$305,457</u>	<u>\$56,279</u>	18%	<u>\$411,157</u>	-12%



## Route Operations Fiscal Year 2017-18

	FY 17-18 Budget		Budget Change		FY 16-17	Var
	Revised	Original	Amount	%	Actual	%
<b><u>RISK &amp; SAFETY</u></b>						
<b>Wages &amp; Benefits</b>						
Staff	\$147,331	\$147,331	\$0	0%	\$145,161	1%
Supervisors	304,753	304,753	0	0%	283,996	7%
Driver Accident Pay	1,832	1,832	0	0%	1,962	-7%
FICA	40,871	40,871	0	0%	39,750	3%
Pension	49,398	49,398	0	0%	47,951	3%
Health	95,975	96,778	(803)	-1%	89,107	8%
Sick Pay	5,623	5,623	0	0%	11,733	-52%
Vacation Pay	34,018	34,018	0	0%	44,260	-23%
Holiday Pay	16,428	16,428	0	0%	16,069	2%
Other Paid Leave	24,273	24,273	0	0%	26,052	-7%
Unemployment Insurance	1,459	1,459	0	0%	1,356	8%
	<u>\$721,961</u>	<u>\$722,764</u>	<u>(\$803)</u>	0%	<u>\$707,397</u>	2%
<b>Public Liability</b>						
Professional Services	\$142,585	\$112,585	\$30,000	27%	\$326,978	-56%
Insurance	270,138	270,138	0	0%	261,424	3%
Current Year Incident Payouts	50,000	50,000	0	0%	13,442	272%
Current Year Incident Reserves	100,000	100,000	0	0%	18,002	455%
Prior Years Incident Payouts	125,000	125,000	0	0%	144,766	-14%
Change in Prior Years Reserves	(125,000)	(125,000)	0	0%	(115,000)	9%
	<u>\$562,723</u>	<u>\$532,723</u>	<u>\$30,000</u>	6%	<u>\$649,612</u>	-13%
<b>Workers' Compensation</b>						
Professional Services	\$251,745	\$251,745	\$0	0%	\$325,498	-23%
Insurance	104,500	87,400	17,100	20%	76,727	36%
Current Year Incident Payouts	125,000	125,000	0	0%	28,545	338%
Current Year Incident Reserves	400,000	300,000	100,000	33%	517,823	-23%
Prior Years Incident Payouts	350,000	350,000	0	0%	544,941	-36%
Change in Prior Years Reserves	(300,000)	(300,000)	0	0%	(700,072)	-57%
Miscellaneous Risk & Safety	22,673	22,673	0	0%	19,448	17%
	<u>\$953,918</u>	<u>\$836,818</u>	<u>\$117,100</u>	14%	<u>\$812,910</u>	17%
<i>Risk &amp; Safety Subtotal</i>	<u>\$2,238,602</u>	<u>\$2,092,305</u>	<u>\$146,297</u>	7%	<u>\$2,169,919</u>	3%
<b><u>TRANSPORTATION SUBSIDIES</u></b>						
ADA Paratransit Service	\$869,058	\$869,058	\$0	0%	\$851,100	2%
ADA Paratransit Service - Capital	\$0	\$0	0	n/a	100,000	
<i>Transportation Subsidies Subtotal</i>	<u>\$869,058</u>	<u>\$869,058</u>	<u>\$0</u>	0%	<u>\$951,100</u>	-9%
<b>TOTAL ROUTE OPERATIONS</b>	<u><u>\$16,183,824</u></u>	<u><u>\$15,785,453</u></u>	<u><u>\$398,370</u></u>	3%	<u><u>\$15,325,342</u></u>	6%

## Vehicle Maintenance Detail Fiscal Year 2017-18

	FY 17-18 Budget		Budget Change		FY 16-17	Var
	Revised	Original	Amount	%	Actual	%
<b><u>MECHANICS</u></b>						
Mechanics	\$725,095	\$729,534	(\$4,439)	-1%	\$636,772	14%
Less Mechanic Labor Capitalization	(30,607)	(29,955)	(652)	2%	(17,699)	73%
Mechanics-OT	37,526	36,962	564	2%	45,078	-17%
FICA	69,789	71,803	(2,014)	-3%	58,962	18%
Pension	91,833	91,393	439	0%	79,096	16%
Health	170,095	164,251	5,845	4%	145,324	17%
Sick Pay	23,811	23,711	99	0%	27,893	-15%
Vacation Pay	93,551	116,938	(23,388)	-20%	61,861	51%
Holiday Pay	30,754	29,955	799	3%	26,679	15%
Other Paid Leave	1,538	1,498	40	3%	3,342	-54%
Unemployment Insurance	2,955	2,941	14	0%	2,992	-1%
Uniforms	16,000	16,000	0	0%	16,206	-1%
Tool Allowance	12,169	14,300	(2,131)	-15%	14,300	-15%
<i>Mechanics Subtotal</i>	<u>\$1,244,509</u>	<u>\$1,269,331</u>	<u>(\$24,823)</u>	-2%	<u>\$1,100,806</u>	13%
<b><u>CLEANERS &amp; FUELERS</u></b>						
Service Workers	\$480,689	\$457,799	\$22,890	5%	\$463,354	4%
FICA	41,752	40,000	1,751	4%	39,244	6%
Pension	73,364	73,364	0	0%	70,825	4%
Health	168,480	168,458	22	0%	176,213	-4%
Sick Pay	10,707	10,707	0	0%	11,144	-4%
Vacation Pay	32,072	32,072	0	0%	33,600	-5%
Holiday Pay	20,292	20,292	0	0%	17,547	16%
Other Paid Leave	2,012	2,012	0	0%	362	456%
Unemployment Insurance	2,743	2,743	0	0%	2,543	8%
Uniforms	6,552	6,552	0	0%	8,745	-25%
Medical Exams & License Fees	3,216	3,216	0	0%	6,240	-48%
<i>Cleaners &amp; Fuelers Subtotal</i>	<u>\$841,878</u>	<u>\$817,215</u>	<u>\$24,663</u>	3%	<u>\$829,817</u>	1%
<b><u>SUPERVISION</u></b>						
Staff	\$313,302	\$351,793	(\$38,490)	-11%	\$336,477	-7%
FICA	26,713	29,691	(2,978)	-10%	29,382	-9%
Pension	31,670	38,812	(7,143)	-18%	33,650	-6%
Health	73,870	102,862	(28,993)	-28%	92,121	-20%
Sick Pay	4,464	3,678	786	21%	8,695	-49%
Vacation Pay	18,846	19,546	(700)	-4%	26,620	-29%
Holiday Pay	10,750	12,586	(1,836)	-15%	13,248	-19%
Other Paid Leave	2,457	2,517	(60)	-2%	7,640	-68%
Unemployment Insurance	905	905	0	0%	1,425	-36%
Training, Travel & Meetings	14,125	14,125	0	0%	7,904	79%
<i>Supervision Subtotal</i>	<u>\$497,103</u>	<u>\$576,516</u>	<u>(\$79,413)</u>	-14%	<u>\$557,162</u>	-11%

## Vehicle Maintenance Detail Fiscal Year 2017-18

	FY 17-18 Budget		Budget Change		FY 16-17	Var
	Revised	Original	Amount	%	Actual	%
<b><u>VEHICLE CONSUMABLES</u></b>						
Bus Fuel	\$1,309,432	\$1,307,192	\$2,240	0%	\$1,366,450	-4%
Oil & Lubricants	115,000	115,000	0	0	\$115,054	
Electric Vehicle Power	72,000	72,000	0	0%	64,656	11%
Tire Lease	161,700	161,700	0	0%	162,044	0%
Tire Mounting	10,000	10,000	0	0%	9,914	1%
<i>Vehicle Consumables Subtotal</i>	<u>\$1,668,132</u>	<u>\$1,665,892</u>	<u>\$2,240</u>	0%	<u>\$1,718,118</u>	-3%
<b><u>VEHICLE PARTS &amp; SUPPLIES</u></b>						
Bus Parts Issued	\$700,000	\$725,000	(\$25,000)	-3%	\$759,334	-8%
Shop Supplies	70,000	70,000	0	0%	64,077	9%
Bus Servicing Supplies	10,000	10,000	0	0%	7,884	27%
Hazmat Disposal & Compliance	14,000	14,000	0	0%	12,655	11%
<i>Vehicle Part &amp; Supplies Subtotal</i>	<u>\$794,000</u>	<u>\$819,000</u>	<u>(\$25,000)</u>	-3%	<u>\$843,950</u>	-6%
<b><u>VENDOR BUS REPAIRS</u></b>						
Vandalism Repairs	\$5,000	\$5,000	\$0	0%	\$5,236	-5%
Accident Damage Repairs	5,000	5,000	0	0%	642	679%
Accident Claim Collections	(2,500)	(2,500)	0	0%	(23,583)	-89%
Other Vendor Repairs	75,000	50,000	25,000	50%	38,187	96%
<i>Vendor Bus Repairs Subtotal</i>	<u>\$82,500</u>	<u>\$57,500</u>	<u>\$25,000</u>	43%	<u>\$20,482</u>	303%
<b><u>RISK &amp; SAFETY</u></b>						
Workers' Comp Services	\$20,000	\$13,250	\$6,750	51%	\$20,708	-3%
Workers' Comp Insurance	5,500	4,600	900	20%	7,600	-28%
Current Year Incident Payouts	10,000	10,000	0	0%	0	n/a
Current Year Incident Reserves	20,000	20,000	0	0%	0	n/a
Prior Years Incident Payouts	150,000	150,000	0	0%	14,079	965%
Change in Prior Years Reserves	(150,000)	(150,000)	0	0%	22,403	-770%
<i>Risk &amp; Safety Subtotal</i>	<u>\$55,500</u>	<u>\$47,850</u>	<u>\$7,650</u>	16%	<u>\$64,790</u>	-14%
<b>TOTAL VEHICLE MAINTENANCE</b>	<u><u>\$5,183,621</u></u>	<u><u>\$5,253,304</u></u>	<u><u>(\$69,683)</u></u>	-1%	<u><u>\$5,135,125</u></u>	1%

## Passenger Accommodations Detail Fiscal Year 2017-18

	FY 17-18 Budget		Budget Change		FY 16-17	Var
	Revised	Original	Amount	%	Actual	%
<b><u>PASSENGER FACILITIES</u></b>						
<b>Wages &amp; Benefits</b>						
Supervisors	\$126,542	\$126,542	\$0	0%	\$173,707	-27%
TC Advisors	73,731	122,571	(48,840)	-40%	89,294	-17%
Staff	39,808	39,808	0	0%	42,139	-6%
FICA	20,700	24,591	(3,890)	-16%	25,713	-19%
Pension	26,491	26,491	0	0%	19,818	34%
Health	86,054	114,695	(28,641)	-25%	86,921	-1%
Sick Pay	3,987	3,824	163	4%	10,119	-61%
Vacation Pay	14,188	15,527	(1,339)	-9%	25,155	-44%
Holiday Pay	10,576	11,246	(670)	-6%	8,832	20%
Other Paid Leave	1,762	1,929	(167)	-9%	3,310	-47%
Unemployment Insurance	1,015	1,015	0	0%	2,244	-55%
	<u>\$404,856</u>	<u>\$488,240</u>	<u>(\$83,384)</u>	<u>-17%</u>	<u>\$487,252</u>	<u>-17%</u>
<b>Buildings &amp; Grounds</b>						
TC Contract Maintenance	\$31,717	\$31,717	\$0	0%	\$36,310	-13%
TC Repairs/Supplies	5,000	5,000	0	0%	13,521	-63%
Bus Stop Repairs/Supplies	5,000	5,000	0	0%	2,480	102%
TC Property Insurance	2,891	2,891	0	0%	2,320	25%
	<u>\$44,608</u>	<u>\$44,608</u>	<u>\$0</u>	<u>0%</u>	<u>\$54,631</u>	<u>-18%</u>
<i>Passenger Facilities Subtotal</i>	<u><i>\$449,464</i></u>	<u><i>\$532,848</i></u>	<u><i>(\$83,384)</i></u>	<u><i>-16%</i></u>	<u><i>\$541,883</i></u>	<u><i>-17%</i></u>
<b><u>TRANSIT DEVELOPMENT</u></b>						
Staff	\$174,221	\$185,343	(\$11,122)	-6%	\$194,500	-10%
FICA	15,436	16,406	(970)	-6%	17,599	-12%
Pension	20,178	21,445	(1,268)	-6%	23,246	-13%
Health	46,666	47,778	(1,112)	-2%	50,261	-7%
Sick Pay	6,065	6,256	(191)	-3%	7,840	-23%
Vacation Pay	14,315	15,047	(731)	-5%	9,568	50%
Holiday Pay	7,826	8,314	(488)	-6%	8,370	-6%
Other Paid Leave	2,348	2,494	(146)	-6%	7,548	-69%
Unemployment Insurance	679	679	0	0%	630	8%
Training, Travel & Meetings	5,000	5,000	0	0%	761	557%
Planning Services & Supplies	5,040	80,000	(74,960)	-94%	0	n/a
<i>Transit Development Subtotal</i>	<u><i>\$297,774</i></u>	<u><i>\$388,762</i></u>	<u><i>(\$90,988)</i></u>	<u><i>-23%</i></u>	<u><i>\$320,323</i></u>	<u><i>-7%</i></u>



**BOARD OF DIRECTORS REPORT**

**MEETING DATE:** FEBRUARY 27, 2018

**AGENDA ITEM: #9**

**DEPARTMENT:** RISK

**TYPE:** ACTION ITEM

**PREPARED BY:** MARY GREGG

\_\_\_\_\_  
*Signature*

STEVE MAAS

\_\_\_\_\_  
*Signature*

**REVIEWED BY:** GENERAL MANAGER

\_\_\_\_\_  
*GM Signature*

**SUBJECT:** DRAFT UPDATED DRUG AND ALCOHOL POLICY

**RECOMMENDATION:**

Staff recommends that the board review the draft updated Drug and Alcohol Policy and consider adoption of the policy.

**DISCUSSION:**

Staff has prepared the attached draft updated Drug and Alcohol Policy for two purposes:

- 1) To comply with recent amendments to the Federal Transit Administration (FTA) drug-testing program which recently added semi-synthetic opioids to the drug testing panel.
- 2) To incorporate comments received from the FTA auditors during the recent drug and alcohol compliance audit of MTD's program, such as the regulation to add mandated use of the category "opioids" (rather than the previous "opiates") in the list of prohibited substances.

The FTA auditors strongly recommended that MTD utilize FTA's "policy builder" software to update our policy, and the draft Policy was developed using that software. One advantage to using the "policy builder" is that the resulting policy incorporates all updated terminology and reflects all current requirements. The auditors further recommended that the policy should refer readers to the appropriate legislation, rather than incorporating the legislation into the policy. This recommendation is also reflected in the draft Policy.

## BOARD OF DIRECTORS REPORT

All MTD requirements that exceed FTA requirements are underlined. All of these MTD requirements were retained from the current policy adopted by the Board last year.

### **ATTACHMENT:**

- Draft Updated Drug and Alcohol Policy

# Santa Barbara Metropolitan Transit District

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## Drug and Alcohol Policy

Adopted [mm/dd/yyyy]

Effective [mm/dd/yyyy]

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DRAFT



# I. Purpose of Policy

The Santa Barbara Metropolitan Transit District (MTD) provides public transit service for the residents of the South Coast of Santa Barbara County. Part of MTD's mission is to ensure that this service is delivered safely, efficiently, and effectively by establishing a drug and alcohol-free work environment, and to ensure that the workplace remains free from the effects of drugs and alcohol in order to promote the health and safety of employees and the general public.

This policy complies with 49 CFR Part 655, as amended and 49 CFR Part 40, as amended. Copies of Parts 655 and 40 are available in the Drug and Alcohol Program Manager's office and can be found on the internet at the Federal Transit Administration (FTA) Drug and Alcohol Program website <http://transit-safety.fta.dot.gov/DrugAndAlcohol/>.

All covered employees are required to submit to drug and alcohol tests as a condition of employment in accordance with 49 CFR Part 655.

Any provisions set forth in this policy that are implemented under the sole authority of MTD are identified by underlining.

In addition, DOT has published 49 CFR Part 32, implementing the Drug-Free Workplace Act of 1988, which requires the establishment of drug-free workplace policies and the reporting of certain drug-related offenses to the FTA.

All MTD employees are subject to the provisions of the Drug-Free Workplace Act of 1988. MTD's Drug Free Workplace policy is included as Attachment A.

The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the covered workplace. An employee who is convicted of any criminal drug statute for a violation occurring in the workplace shall notify MTD management no later than five days after such conviction.

# 2. Covered Employees

This policy applies to every person, including an applicant or transferee, who performs or will perform a "safety-sensitive function" as defined in Part 655, section 655.4.

You are a covered employee if you perform any of the following:

- Operating a revenue service vehicle, in or out of revenue service
- Operating a non-revenue vehicle requiring a commercial driver's license
- Controlling movement or dispatch of a revenue service vehicle
- Maintaining (including repairs, overhaul and rebuilding) of a revenue service vehicle or equipment used in revenue service
- Carrying a firearm for security purposes

A volunteer is a covered employee if:

- (1) the volunteer is required to have a commercial driver's license to operate the vehicle;  
or
- (2) the volunteer performs a safety-sensitive function and receives remuneration in excess of his or her actual expenses incurred

See Attachment B for a list of covered positions by job title.

Under MTD authority, all non-safety-sensitive employees are also subject to all provisions of this policy with the exception of random testing requirements. Testing of non-safety-sensitive employees will be conducted using non-Federal drug and alcohol testing forms.

### 3. Prohibited Behavior

Use of illegal drugs is prohibited at all times. All covered employees are prohibited from reporting for duty or remaining on duty any time there is a quantifiable presence of a prohibited drug in the body at or above the minimum thresholds defined in Part 40. Prohibited drugs include:

- marijuana
- cocaine
- phencyclidine (PCP)
- opioids
- amphetamines

See Attachment A for further information regarding prohibited drug use and California Proposition 64.

All covered employees are prohibited from performing or continuing to perform safety-sensitive functions while having an alcohol concentration of 0.04 or greater. Under MTD authority, all covered employees are prohibited from performing or continuing to perform safety-sensitive functions while having an alcohol concentration of 0.02 or greater. Under MTD authority, all employees (including non-safety-sensitive employees) will be removed from duty for at least eight hours or for the duration of the workday, whichever is longer.

All covered employees are prohibited from consuming alcohol while performing safety-sensitive job functions or while on-call to perform safety-sensitive job functions. If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time that they are called to report for duty. If the on-call employee claims the ability to perform his or her safety-sensitive function, he or she must take an alcohol test with a result of less than 0.02 prior to performance.

All covered employees are prohibited from consuming alcohol within four (4) hours prior to the performance of safety-sensitive job functions.

All covered employees are prohibited from consuming alcohol for eight (8) hours following involvement in an accident or until he or she submits to the post-accident drug and alcohol test, whichever occurs first.

## 4. Consequences for Violations

Following a positive drug or alcohol (BAC at or above 0.04) test result or test refusal, the employee will be immediately removed from safety-sensitive duty and referred to a Substance Abuse Professional.

Following a BAC of 0.02 or greater, but less than 0.04, the employee will be immediately removed from safety-sensitive duties for at least eight hours or for the duration of the workday whichever is longer unless a retest results in the employee's alcohol concentration being less than 0.02. The employee will not be allowed to return to safety-sensitive duty for his/her next shift until he/she submits to an alcohol test with a result of less than 0.02 BAC. If the employee has an alcohol test result of 0.02 to 0.039 a second time, the employee will be terminated from employment with MTD and referred to a substance abuse counselor.

### Zero Tolerance

Per MTD policy, any employee who tests positive for drugs or alcohol (BAC at or above 0.04) or refuses to test will be referred to a Substance Abuse Professional (SAP) and terminated from employment.

## 5. Circumstances for Testing

### Pre-Employment Testing

Pre-employment alcohol tests are conducted after making a contingent offer of employment or transfer. All pre-employment alcohol tests will be conducted using the procedures set forth in 49 CFR Part 40. Under MTD authority, failure of a pre-employment alcohol test shall result in the contingent offer of employment or transfer being rescinded.

A negative pre-employment drug test result is required before an employee can first perform safety-sensitive functions. If a pre-employment test is cancelled, the individual will be required to undergo another test and successfully pass with a verified negative result before performing safety-sensitive functions.

If a covered employee has not performed a safety-sensitive function for 90 or more consecutive calendar days, and has not been in the random testing pool during that time, the employee must take and pass a pre-employment test before he or she can return to a safety-sensitive function.

A covered employee or applicant who has previously failed or refused a DOT pre-employment drug and/or alcohol test must provide proof of having successfully completed a referral, evaluation, and treatment plan meeting DOT requirements. Under MTD authority, failure of a pre-employment drug and/or alcohol test will disqualify an applicant for employment for a period of at least two years.

## Reasonable Suspicion Testing

All covered employees shall be subject to a drug and/or alcohol test when MTD has reasonable suspicion to believe that the covered employee has used a prohibited drug and/or engaged in alcohol misuse. A reasonable suspicion referral for testing will be made by a trained supervisor or other trained company official on the basis of specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, or body odors of the covered employee.

Covered employees may be subject to reasonable suspicion drug testing any time while on duty. Covered employees may be subject to reasonable suspicion alcohol testing while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions. Under MTD authority, an alcohol test can be performed any time a covered employee or any employee subject to this policy is on duty or is in MTD uniform. Alcohol tests conducted under MTD authority shall be conducted using non-Federal drug and alcohol testing forms.

MTD shall be responsible for transporting the employee to the reasonable suspicion testing site. The employee shall be placed on administrative leave pending test results.

## Post-Accident Testing

Covered employees shall be subject to post-accident drug and alcohol testing under the following circumstances:

### Fatal Accidents

As soon as practicable following an accident involving the loss of a human life, drug and alcohol tests will be conducted on each surviving covered employee operating the public transportation vehicle at the time of the accident. In addition, any other covered employee whose performance could have contributed to the accident, as determined by MTD using the best information available at the time of the decision, will be tested.

### Non-fatal Accidents

As soon as practicable following an accident not involving the loss of a human life, drug and alcohol tests will be conducted on each covered employee operating the public transportation vehicle at the time of the accident if at least one of the following conditions is met:

- (1) The accident results in injuries requiring immediate medical treatment away from the scene, unless the covered employee can be completely discounted as a contributing factor to the accident

- (2) One or more vehicles incurs disabling damage and must be towed away from the scene, unless the covered employee can be completely discounted as a contributing factor to the accident

In addition, any other covered employee whose performance could have contributed to the accident, as determined by MTD using the best information available at the time of the decision, will be tested.

A covered employee subject to post-accident testing must remain readily available, or it is considered a refusal to test. Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident or to prohibit a covered employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

## Random Testing

Random drug and alcohol tests are unannounced and unpredictable, and the dates for administering random tests are spread reasonably throughout the calendar year. Random testing will be conducted at all times of the day when safety-sensitive functions are performed.

Testing rates will meet or exceed the minimum annual percentage rate set each year by the FTA administrator. The current year testing rates can be viewed online at [www.transportation.gov/odapc/random-testing-rates](http://www.transportation.gov/odapc/random-testing-rates).

The selection of employees for random drug and alcohol testing will be made by a scientifically valid method, such as a random number table or a computer-based random number generator. Under the selection process used, each covered employee will have an equal chance of being tested each time selections are made.

A covered employee may only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions. Under MTD authority, an alcohol test can be performed any time a covered employee or any employee subject to this policy is on duty or is in MTD uniform. Alcohol tests conducted under MTD authority shall be conducted using non-Federal drug and alcohol testing forms. A covered employee may be randomly tested for prohibited drug use anytime while on duty.

Each covered employee who is notified of selection for random drug or random alcohol testing must immediately proceed to the designated testing site.

## Random Testing – End of Shift

Random testing may occur anytime an employee is on duty so long as the employee is notified prior to the end of the shift. Employees who provide advance, verifiable notice of scheduled medical or child care commitments will be random drug tested no later than three hours before the end of their shift and random alcohol tested no later than 30 minutes before the end of their shift. Verifiable documentation of a previously scheduled medical or child care commitment, for the period immediately following an employee's shift, must be provided at least five hours before the end of the shift.

## 6. Testing Procedures

All FTA drug and alcohol testing will be conducted in accordance with 49 CFR Part 40, as amended.

### Dilute Urine Specimen

If there is a negative dilute test result, MTD will conduct one additional retest. The result of the second test will be the test of record.

Dilute negative results with a creatinine level greater than or equal to 2 mg/dL but less than or equal to 5 mg/dL require an immediate recollection under direct observation (see 49 CFR Part 40, section 40.67).

### Split Specimen Test

In the event of a verified positive test result, or a verified adulterated or substituted result, the employee can request that the split specimen be tested at a second laboratory. MTD guarantees that the split specimen test will be conducted in a timely fashion. The cost of the split specimen test will be paid by MTD; however, MTD may seek reimbursement from the employee for such costs if the test result is positive.

## 7. Test Refusals

As a covered employee, you have refused to test if you:

- (1) Fail to appear for any test (except a pre-employment test) within a reasonable time, as determined by MTD.
- (2) Fail to remain at the testing site until the testing process is complete. An employee who leaves the testing site before the testing process commences for a pre-employment test has not refused to test.

- (3) Fail to attempt to provide a breath or urine specimen. An employee who does not provide a urine or breath specimen because he or she has left the testing site before the testing process commenced for a pre-employment test has not refused to test.
- (4) In the case of a directly-observed or monitored urine drug collection, fail to permit monitoring or observation of your provision of a specimen.
- (5) Fail to provide a sufficient quantity of urine or breath without a valid medical explanation.
- (6) Fail or decline to take a second test as directed by the collector or MTD for drug testing.
- (7) Fail to undergo a medical evaluation as required by the MRO or MTD's Designated Employer Representative (DER).
- (8) Fail to cooperate with any part of the testing process.
- (9) Fail to follow an observer's instructions to raise and lower clothing and turn around during a directly-observed test.
- (10) Possess or wear a prosthetic or other device used to tamper with the collection process.
- (11) Admit to the adulteration or substitution of a specimen to the collector or MRO.
- (12) Refuse to sign the certification at Step 2 of the Alcohol Testing Form (ATF).
- (13) Fail to remain readily available following an accident.

As a covered employee, if the MRO reports that you have a verified adulterated or substituted test result, you have refused to take a drug test.

As a covered employee, if you refuse to take a drug and/or alcohol test, you incur the same consequences as testing positive and will be immediately removed from performing safety-sensitive functions, and referred to a SAP. Under MTD authority, refusal to submit to a Federal drug or alcohol test or refusal to submit to a non-Federal drug or alcohol test shall be considered a positive test result and a direct act of insubordination and shall result in termination of employment and referral to a substance abuse counselor.

## 8. Voluntary Self-Referral

Any employee who has a drug and/or alcohol abuse problem and has not been selected for reasonable suspicion, random or post-accident testing or has not refused a drug or alcohol test may voluntarily refer her or himself to either the Designated Employee Representative or the Drug and Alcohol Program Manager, who will refer the individual to a substance abuse counselor for evaluation and treatment.

The substance abuse counselor will evaluate the employee and make a specific recommendation regarding the appropriate treatment. Employees are encouraged to voluntarily seek professional substance abuse assistance before any substance use or dependence affects job performance.

Any safety-sensitive employee who admits to a drug and/or alcohol problem will immediately be removed from his/her safety-sensitive function and will not be allowed to perform such function until successful completion of a prescribed rehabilitation program. Under MTD authority, such employee shall be placed on administrative leave. Testing performed under the authority of MTD shall be conducted using non-Federal drug and alcohol testing forms.

## 9. Prescription Drug Use

The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, the use of any substance which carries a warning label that indicates that mental functioning, motor skills, or judgment may be adversely affected must be reported to the Designated Employee Representative or the Drug and Alcohol Program Manager. Medical advice should be sought, as appropriate, while taking such medication and before performing safety-sensitive duties. Under MTD authority, failure to inform the Designated Employee Representative or the Drug and Alcohol Program Manager of the use of legally prescribed drugs and non-prescription medications as defined above will result in disciplinary action.

## 10. Contact Person

For questions about MTD's anti-drug and alcohol misuse program, contact the Drug and Alcohol Program Manager. See Attachment C for a listing of contacts for MTD's Drug and Alcohol Policy.



## Attachment A: Drug Free Workplace

- 1) MTD complies with the Drug Free Workplace Act of 1988 that requires recipients of Federal funds to certify that they provide drug-free workplaces for their employees.
  - a) Each employee is required to notify MTD management of any criminal drug statute conviction for a violation occurring in the workplace within five days after such conviction. Failure of an employee to report within five days a criminal drug statute conviction for a violation occurring in the workplace shall result in termination.
  - b) MTD must notify the Federal government of each violation within 10 days of notification of a conviction.
  - c) MTD must impose sanctions on the employee within 30 days following notification of a conviction.
- 2) MTD intends to have a workplace that is 100% free from drug or alcohol abuse. Employees are prohibited from engaging in unlawfully manufacturing, distributing, dispensing, possessing, or using controlled substances in the workplace. Employees are subject to termination of employment for any of the acts described in this section.
- 3) The passage of Proposition 64 legalized the recreational use of marijuana in the state of California. Proposition 64 also expressly recognizes the right of employers to maintain drug-free workplaces and to prohibit the use of illegal drugs by their employees. Under federal law, marijuana remains classified as a Schedule I drug, a controlled substance with the high potential for abuse, and is therefore illegal to possess or use. MTD is a recipient of funding from the Federal Transit Administration, an agency of the U.S. Department of Transportation, and as such MTD is required to follow rule 49 CFR Part 655 (Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations) and rule 49 CFR Part 40 (Procedures for Transportation Workplace Drug and Alcohol Testing Programs). MTD complies with the Federal Drug Free Workplace Act of 1988 and the Omnibus Transportation Employee Testing Act of 1991. MTD will continue to enforce this Drug and Alcohol Policy and will remain a Drug Free Workplace. All policies concerning marijuana remain in force, and any employee who has a positive drug test for marijuana, regardless of Proposition 64, will constitute violation of MTD policies and will be subject to termination of employment.

## Attachment B: Covered Positions

### **Federal Transit Administration Covered Classifications**

Safety-sensitive function means any of the following duties, when performed by employees of recipients, subrecipients, operators, or contractors:

- Operating a revenue service vehicle, including when not in revenue service;
- Operating a nonrevenue service vehicle, when required to be operated by a holder of a Commercial Driver's License;
- Controlling dispatch or movement of a revenue service vehicle;
- Maintaining (including repairs, overhaul and rebuilding) a revenue service vehicle or equipment used in revenue service. This section does not apply to the following: an employer who receives funding under 49 U.S.C. 5307 or 5309, is in an area less than 200,000 in population, and contracts out such services; or an employer who receives funding under 49 U.S.C. 5311 and contracts out such services;
- Carrying a firearm for security purposes.

### **MTD Safety-Sensitive Job Classifications**

- Driver
- Mechanic
- Dispatcher
- Utility Worker
- Service Worker
- Safety Officer
- Training Officer
- Operations Supervisor
- Manager of Operations
- Superintendent of Operations
- Manager of Maintenance
- Superintendent of Maintenance
- Any other employee who maintains a CDL

## Attachment C: System Contacts

Any questions regarding this policy or any other aspect of the substance abuse policy should be directed to the following individual(s).

### **MTD Drug & Alcohol Program Manager**

Name: Mary Gregg  
Title: MTD Manager of Human Resources & Risk  
Address: 550 Olive St., Santa Barbara, CA 93101  
Telephone Number: 805-963-3364

### **MTD Designated Employee Representative**

Name: Bill Morris  
Title: MTD Manager of Operations  
Address: 550 Olive St., Santa Barbara, CA 93101  
Telephone Number: 805-963-3364

### **Medical Review Officer**

Name: Dr. Mark H. Musicant  
Business name: Sansum Clinic Occupational Medicine  
Address: 101 S. Patterson Ave, Santa Barbara, CA 93111  
Telephone Number: 805-898-3311

### **Substance Abuse Professional**

Name: John Berberet, MFT  
Title: Employee Assistance Program Director  
Address: Mental Health Services, Cottage Health  
400 W. Pueblo St., Santa Barbara, CA 93105  
Telephone Number: 805-569-7808, Toll Free 1-800-253-0397  
E-Mail: jberbere@sbch.org

### **HHS Certified Laboratory Primary Specimen**

Name: Quest Diagnostics West Hills Laboratory  
Address: 8401 Fallbrook Ave., West Hills, CA 91304  
Telephone Number: 818-737-6144

### **HHS Certified Laboratory Split Specimen**

Name: Lab One  
Address: 10101 Renner Blvd., Lenexa, KS 66219  
Telephone Number: 913-888-1770

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To: MTD Board of Directors  
From: Jerry Estrada, General Manager  
Date: February 27, 2018  
Subject: General Manager's Report

### **Operations, Fleet & Facilities**

Our quarterly training (Verification of Transit Training) is coming up the week of February 26th. Employees that hold commercial driver's licenses are required by the State of California to undergo 8 hour of training per year. We generally hold these classes just prior to a schedule/bid change. Topics vary, but are all transit related. Classes are held four different times and days of the scheduled week, to try to meet all the different Operator's schedules.

A representative from Southern California Edison came to MTD to perform a site assessment at Terminal 1, Terminal 2, and the City of Carpinteria. The purpose of the visit was to evaluate MTD's existing electrical infrastructure and determine what, if any, utility upgrades need to take place at each facility to support additional electric vehicle charging. The SCE representative also offered resources for evaluating rate plans to determine the most cost-effective plan for MTD's needs.

The onsite assessments that SCE is performing at various organizations utilizing electric vehicles is linked to SCE's larger goal of ensuring that their infrastructure can meet future electricity demands resulting from current and proposed legislation requiring fleet electrification. SCE has secured funding to implement a handful of pilot programs at various agencies to perform a more in-depth study of the fleet electrification pathway.

BYD aftersales technicians are continuing to repair issues identified by MTD's maintenance staff during their vehicle inspections. BYD buses were recently pulled from service due to a design defect identified in one of the vehicles. BYD engineers and technicians were onsite to develop a redesign to correct the issue. MTD has resumed testing of the vehicles and is working with BYD's aftersales technicians as it pertains to the remaining repairs.

The drawings and specifications for upgrading existing 208V charging infrastructure to 480V to support BYD chargers at the City of Carpinteria have been approved and the construction permit is available. Staff is currently working on the IFB to select a qualified contactor.

MTD has taken delivery of eight of the 17 buses that have been rebranded with MTD's paint scheme and decals. Three additional buses are anticipated to arrive to MTD the week of February 26<sup>th</sup>. MTD has decided to retire two 40' diesel Nova buses and replace them with two of the 40' Gilligs from SamTrans. MTD technicians have transferred the radios and fareboxes from the Novas to the Gilligs, but cannot transfer the Clever Devices ITS equipment until custom wiring harnesses have been fabricated and delivered. Although the two Gilligs will not have ITS equipment, they can still be used for school booster service.

## **Planning & Administration**

Planning staff will be attending the City of Goleta utility coordination meeting on February 22. These meetings are held periodically in order for local agencies and utility companies to all coordinate together on their respective projects within the City.

Our Community Relations team has begun to schedule our elementary school and Safety Town outreach presentations. Annually, we present to hundreds of sixth graders and preschoolers about how to ride the bus.

Staff submitted reports to Caltrans for grants received from the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), as required. These comprised final reports on the automatic vehicle location and smart card projects, and a semiannual report on the ongoing Transit Center rehabilitation project.

Staff is preparing an application for FY 2017-18 funds from the California cap-and-trade Low Carbon Transit Operations Program (LCTOP) program. The application will initially be forwarded to SBCAG on February 22. MTD and the other county transit operators will meet with SBCAG staff on Wednesday, February 28, to discuss the allocation of the \$552,891 in FY 2017-18 countywide LCTOP funds that flow through SBCAG. MTD is requesting \$276,446 of these countywide funds (50 percent of the total). The final LCTOP application will be submitted to Caltrans by the due date of March 30.

Human Resources hit the ground running in February with recruiting for open positions. For 2018, HR has made refinements to the bus operator recruitment process, a position with the most openings. Previously, a qualified applicant attended a required three-hour orientation and transit customer service video presentation, which included a written test. The orientations were held up to two times per month with a group of candidates. Follow-up interviews were then scheduled for a later date. HR found that the specific orientation times did not always match up with candidate availability. In order to give every qualified candidate an opportunity for timely consideration, the group orientation has been replaced with weekly individual orientations and testing. MTD now conducts the interview on the same day allowing for more efficiency in the hiring process.

An “exploratory” conference call has been scheduled with FEMA to review MTD’s claimed expenses associated with the mudslides and to coordinate an in-person recovery scope meeting.

MTD is currently in a one-year contract for diesel fuel with Truman Arnold Companies, which expires at the end of November 2018. The futures market for the ensuing year is presently pricing diesel fuel approximately 20% higher than MTD currently pays. This is due to the steady upward trend in crude oil prices since last July. The process for prequalifying diesel fuel suppliers for the next invitation for bids is underway. Following the prequalification process, staff will request advance board authority to award the fuel contract provided that certain criteria are met. This will allow for quickly going out to bid and locking in a price for budgetary purposes, ideally when the pricing appears more advantageous.