



BOARD OF DIRECTORS MEETING AGENDA

Meeting
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, March 13, 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 27, 2018.

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

The Board will be asked to review and approve the Cash Report from February 20, 2018 through March 5, 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.sbmtd.com and at MTD Administrative offices.

7. FIRST DRAFT OF FISCAL YEAR 2017-18 BUDGET - (ATTACHMENT - INFORMATIONAL - NO ACTION WILL BE TAKEN)

Staff will request that the Board review the attached first draft of the Fiscal Year 2018-19 budget and provide direction for preparation of a revised draft to be brought back for approval in late spring.

8. LOW CARBON TRANSIT OPERATIONS PROGRAM RESOLUTION - (ATTACHMENTS - ACTION MAY BE TAKEN)

Staff will recommend the Board adopt Resolution 2018-01 agreeing to comply with all conditions and requirements set forth in the Certification and Assurances, authorizing General Manager Jerry Estrada to execute all required documents for an application to the California Department of Transportation (Caltrans) for FY 2018 California cap-and-trade funds from the Low Carbon Transit Operations Program (LCTOP), and authorizing the submittal to Caltrans of the project "Purchase Four Replacement Zero-Emission Buses."

9. COMMERCIAL AUTO AND GENERAL LIABILITY INSURANCE RENEWAL - (ACTION – ACTION MAY BE TAKEN)

Staff will recommend renewal of the Commercial Auto and General Liability Insurance coverage with National Interstate Insurance Company (NIIC) effective April 1, 2018.

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

1. 2007 Hybrid Buses
2. Transit Center
3. Smartcard Project

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

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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

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

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 23, 2018 at MTD's Administrative office, mailed and emailed to those on the agenda list, and posted on MTD's website at 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 February 13, 2018.

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

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

Director Tabor moved to approve the consent calendar. Director Rodriguez seconded the motion. The motion passed unanimously.

THIS CONCLUDED THE CONSENT CALENDAR

6. PUBLIC COMMENT

No public comments were made.

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

Assistant Controller Thais Sayat stated that Measure A is a transportation measure that was approved by 79% of Santa Barbara County voters in November 2008. Measure A is administered by the Santa Barbara County Association of Governments (SBCAG) and is estimated to provide more than \$1 billion of local sales tax revenues for transportation projects in Santa Barbara County over a 30-year period.

Ms. Sayat presented the Board with the submittal form provided by SBCAG for the Measure A Program of Projects, and requested that the Board accept the estimated appropriation for MTD for FY 2018-19 and approve the Program of Projects.

Director McQuary moved to adopt the Program of Projects. Director Tabor seconded the motion. The motion passed unanimously.

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

Assistant General Manager/Controller Brad Davis presented a draft revision to the FY 2017-18 Operating and Capital Budget. Discussion ensued around the anticipated financial effects of the Thomas fire and Montecito debris flow as well as recent bus acquisitions. General Manager Jerry Estrada thanked both Brad Davis and Thais Sayat for their hard work on and around the MTD budget.

Director McQuary moved to approve the budget revision. Director Rodriguez seconded the motion. The motion passed unanimously.

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

Human Resources/Risk Manager Mary Gregg presented a draft of the updated Drug and Alcohol Policy based on FTA auditor recommendations that includes corrected terminology and references to the most recent legislation. Ms. Gregg recommended that the Board adopt the policy. General Manager Jerry Estrada commented that staff is optimistic the FTA's approval of this final revision will be forthcoming.

Director Rodriguez moved to approve the updated policy. Director Weinberg seconded the motion. The motion passed unanimously.

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

As MTD moves towards the goal of a zero-emission fleet, General Manager Estrada reported Southern California Edison (SCE) sent a representative to help define MTD's pathway toward fleet electrification as it relates to vehicle charging needs.

Mr. Estrada congratulated staff of the Human Resources Department on successful recruiting efforts agency-wide as well as continued focus on comprehensive orientation sessions.

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

Each year MTD uses approximately 600,000 gallons of diesel fuel and enters into an annual contract with a provider. Mr. Estrada reminded the Board that the current contract expires in November. Crude oil futures are trending higher than \$60 per gallon, which could result in MTD's fuel budget increasing up to 20%. With the next invitation for contract bids gaining momentum, Mr. Estrada reported that at a future meeting he will be requesting authorization to sign a contract on short notice to secure the lowest price per gallon.

11. OTHER BUSINESS AND COMMITTEE REPORTS - (INFORMATIONAL)

Chair Davis announced that upcoming travel would enable him to attend the next Board meeting from only 8:30am – 9:30am. Mr. Davis requested the draft budget appear on the agenda after Public Comment.

Director McQuary reported the Planning and Marketing Committee had a productive meeting on February 22, 2018.

12. ADJOURNMENT

Director Rodriguez moved to adjourn the meeting at 9:34am. Director Shelor seconded the motion. The motion passed unanimously.

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Santa Barbara Metropolitan Transit District
Cash Report
Board Meeting of March 13, 2018
For the Period February 20, 2018 through March 5, 2018

MONEY MARKET

Beginning Balance February 20, 2018 **\$7,890,821.22**

SB-325 (LTF)	727,450.51
Passenger Fares	123,021.15
Accounts Receivable	67,250.45
Prepays & Advertising	4,414.60
Miscellaneous Income	1,359.92
Measure A Transfer	.00
Total Deposits	923,496.63

Workers' Comp	789.17
Garn/Escrow Transfers	(10,597.76)
401(k)/Pension Transfer	(31,726.72)
Payroll Taxes	(157,679.65)
Accounts Payable	(315,613.87)
Payroll	(376,683.19)
Total Disbursements	(891,512.02)

Ending Balance **\$7,922,805.83**

CASH INVESTMENTS

LAIF Account	\$6,412,734.58
Money Market Account	7,922,805.83

Total Cash Balance **\$14,335,540.41**

SELF INSURED LIABILITY ACCOUNTS

WC / Liability Reserves	(\$4,077,172.51)
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Working Capital **\$10,258,367.90**

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Santa Barbara Metropolitan Transit District
Accounts Payable

Check #	Date	Company	Description	Amount	Voids
117417	2/22/2018	BILL ADAMS	DMV/VTT REIMBURSEMENT	276.00	
117418	2/22/2018	GABRIEL ANGELES	TOOL ALLOWANCE	1,100.00	
117419	2/22/2018	AMERICAN MOVING PARTS, LLC	BUS PARTS	493.75	
117420	2/22/2018	HENRY ANDREWS	RETIREE HEALTH REIMBURSEMENT	282.06	
117421	2/22/2018	APPLEONE EMPLOYMENT SERVIC	CONTRACT EMPLOYMENT	7,238.35	
117422	2/22/2018	ASBURY ENVIRONMENTAL	WASTE OIL RECYCLER	35.00	
117423	2/22/2018	AXLE TECH INTERNATIONAL D	BUS PARTS & REPAIRS	497.81	
117424	2/22/2018	B2B PRINTING SERVICES INC.	OFFICE SUPPLIES	381.70	
117425	2/22/2018	BIG BRAND TIRES, BRANDCO BILL	SERVICE VEHICLE MAINTENANCE	157.70	
117426	2/22/2018	HILLARY BLACKERBY	REIMBURSEMENT	296.00	
117427	2/22/2018	JAMES BRACKETT	RETIREE HEALTH REIMBURSEMENT	98.00	
117428	2/22/2018	BUENA TOOL, INC.	SHOP/B&G SUPPLIES	142.45	
117429	2/22/2018	ROBERT BURNHAM	RETIREE HEALTH REIMBURSEMENT	285.00	
117430	2/22/2018	BUYNAK, FAUVER, ARCHBALD&S	LEGAL COUNSEL	16,120.87	
117431	2/22/2018	MIKE CARDONA	TRAVEL & PER DIEM	138.00	
117432	2/22/2018	CARQUEST AUTO PARTS	BUS PARTS & SUPPLIES	100.61	
117433	2/22/2018	CENTRAL CITY ABS, INC.	BUS SUPPLIES	70.15	
117434	2/22/2018	CITY OF SANTA BARBARA	SUPERSTOPS - PERMIT FEES	80.00	
117435	2/22/2018	CELTIS VENTURES, INC.	MARKETING SERVICES	18,605.75	
117436	2/22/2018	CENTRAL COAST CIRCULATION, L	BUS BOOK DISTRIBUTION	575.00	
117437	2/22/2018	COASTAL HOUSING COALITION (C	ANNUAL S.B. CONFERENCE	500.00	
117438	2/22/2018	CLASSIC GRAPHICS DBA	BUS PAINTING	20,152.69	
117439	2/22/2018	CINTAS CORPORATION	FIRST AID SUPPLIES	304.39	
117440	2/22/2018	CIO SOLUTIONS, LP	IT SERVICES	600.00	
117441	2/22/2018	COX COMMUNICATIONS, CORP.	INTERNET & CABLE TV	250.67	
117442	2/22/2018	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	0.00	V
117443	2/22/2018	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	14,694.63	
117444	2/22/2018	COUNTY OF S.B.PUBLIC WORKS D	WASTE DISPOSAL	195.00	
117445	2/22/2018	DAVID DAVIS JR.	DIRECTOR FEES	180.00	
117446	2/22/2018	DIESEL FORWARD, INC.	BUS PARTS	1,409.58	
117447	2/22/2018	DIGITAL PRINTING SYSTEMS, INC.	BUS INSPECTION FORMS	2,609.25	
117448	2/22/2018	DOMINANCE SOFTWARE DEVELO	SOFTWARE SUPPORT SERVICES	525.00	
117449	2/22/2018	DOWNTOWN ORGANIZATION, INC.	TC MAINTENANCE	3,450.00	
117450	2/22/2018	DRUG TESTING NETWORK, INC	DRUG TESTING	34.95	
117451	2/22/2018	EASY LIFT TRANSPORTATION, INC	MONTHLY ADA SUBSIDY	72,421.50	
117452	2/22/2018	KEITH ELLIS	REIMBURSEMENT	164.05	
117453	2/22/2018	FEDEX dba	FREIGHT CHARGES	550.71	
117454	2/22/2018	FERGUSON ENTERPRISES, INC	SHOP SUPPLIES	56.65	

Check #	Date	Company	Description	Amount	Voids
117455	2/22/2018	SHERRIE FISHER	RETIREE HEALTH REIMBURSEMENT	278.10	
117456	2/22/2018	FLEET SERVICES, INC.	BUS PARTS	281.98	
117457	2/22/2018	MELVIN FOUNTAIN	RETIREE HEALTH REIMBURSEMENT	98.00	
117458	2/22/2018	FRONTIER CALIFORNIA INC.	TELEPHONES	2,043.99	
117459	2/22/2018	FTI SERVICES, INC.	IT SUPPORT SERVICES	256.50	
117460	2/22/2018	GENFARE, A DIVISION OF SPX COR	FAREBOX REPAIRS & PARTS	152.86	
117461	2/22/2018	GIBBS INTERNATIONAL INC	BUS PARTS	2,015.09	
117462	2/22/2018	GILLIG LLC	BUS PARTS	5,909.51	
117463	2/22/2018	GARY GLEASON	RETIREE HEALTH REIMBURSEMENT	247.95	
117464	2/22/2018	GOODYEAR TIRE & RUBBER CO	NUS TIRE LEASE	12,442.05	
117465	2/22/2018	GOTCHA MEDIA HOLDINGS, LLC	ADVERTISING AT UCSB KIOSKS	1,200.00	
117466	2/22/2018	GRAINGER, INC.	SHOP/B&G SUPPLIES	203.73	
117467	2/22/2018	NIKOLA GRUBISIC	VTT REIMBURSEMENT	1,048.68	
117468	2/22/2018	JIM HAGGERTY	RETIREE HEALTH REIMBURSEMENT	260.84	
117469	2/22/2018	ALI HABIBI	RETIREE HEALTH REIMBURSEMENT	264.77	
117470	2/22/2018	HAYNES SALES DBA	B&G REPAIRS & SUPPLIES	363.12	
117471	2/22/2018	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	227.37	
117472	2/22/2018	INTELLICORP RECORD INC.	PRE-EMPLOYMENT CHECK	57.60	
117473	2/22/2018	JAY DANIEL ROBERTSON	RETIREE HEALTH REIMBURSEMENT	272.84	
117474	2/22/2018	DONALD JACKSON	RETIREE HEALTH REIMBURSEMENT	95.00	
117475	2/22/2018	JANICARE DBA	JANITORIAL SERVICES	2,475.00	
117476	2/22/2018	MONTE KIMZEY	RETIREE HEALTH REIMBURSEMENT	294.00	
117477	2/22/2018	LARA'S AUTO REPAIR DBA	BUS REPAIRS	90.00	
117478	2/22/2018	LAWSON PRODUCTS INC	SHOP SUPPLIES	107.20	
117479	2/22/2018	ROBERT H. LURIE	REIMBURSEMENT	337.00	
117480	2/22/2018	LOUIS MANDEVILLE	RETIREE HEALTH REIMBURSEMENT	272.84	
117481	2/22/2018	DEVIRIN MANKER	TOOL ALLOWANCE	163.00	
117482	2/22/2018	JUAN MARTINEZ	TOOL ALLOWANCE	138.00	
117483	2/22/2018	MC CORMIX CORP. (OIL)	LUBRICANTS	2,186.53	
117484	2/22/2018	MC CORMIX CORP. (GAS)	FUEL-SERVICE VEHICLES	2,935.44	
117485	2/22/2018	CHUCK MCQUARY	DIRECTOR FEES	60.00	
117486	2/22/2018	MIKE CUEVAS GARDENING SERVI	LANDSCAPE MAINTENANCE SERVICE	1,145.00	
117487	2/22/2018	KENNETH B. MILLS	PROCUREMENT SERVICES	847.00	
117488	2/22/2018	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	141.26	
117489	2/22/2018	MCI SERVICE PARTS, INC.	BUS PARTS	308.68	
117490	2/22/2018	NATIONAL INTERSTATE INS INC.	LIABILITY INSURANCE	12,802.70	
117491	2/22/2018	SEAN NGUYEN	MECHANIC TOOL ALLOWANCE	1,100.00	
117492	2/22/2018	NU IMAGE AD GROUP DBA	PRINTING SERVICES	1,963.24	
117493	2/22/2018	PREVOST CAR INC.- CREDIT DEPT.	BUS PARTS	48.22	
117494	2/22/2018	N/S CORPORATION	BUS WASHER PARTS	59.02	
117495	2/22/2018	OLS SERVICE, INC.	SERVICE FOR SEFAC HOISTS	1,692.52	

Check #	Date	Company	Description	Amount	Voids
117496	2/22/2018	CARLOS ORNELAS	RETIREE HEALTH REIMBURSEMENT	235.00	
117497	2/22/2018	PAULA A. PEROTTE	DIRECTOR FEES	60.00	
117498	2/22/2018	PERRY LINCOLN MERCURY MAZD	SERVICE VEHICLE PARTS / REPAIRS	581.63	
117499	2/22/2018	PETTY CASH- HAHN, STEVE	MISC SHOP NEEDS	162.01	
117500	2/22/2018	PB-RESERVE ACCOUNT	PREPAID POSTAGE	1,500.00	
117501	2/22/2018	CAREY POINDEXTER	RETIREE HEALTH REIMBURSEMENT	282.34	
117502	2/22/2018	PREMIER AUTO FINISH DBA	BUS REPAIRS	256.78	
117503	2/22/2018	REPUBLIC ELEVATOR, INC	ELEVATOR MAINTENANCE	158.58	
117504	2/22/2018	OLIVIA RODRIGUEZ	DIRECTOR FEES	60.00	
117505	2/22/2018	SILVAS OIL CO., INC.	LUBRICANTS	853.84	
117506	2/22/2018	SERVPRO OF SANTA BARBARA D	BUS CLEANING	1,000.00	
117507	2/22/2018	SMITTY'S TOWING SERVICE D	TOWING SERVICES	338.00	
117508	2/22/2018	SANTA BARBARA TROPHY	DRIVER NAME PLATES	41.38	
117509	2/22/2018	WILLIAM JOHN SHELOR	DIRECTOR FEES	120.00	
117510	2/22/2018	SM TIRE, CORP.	BUS TIRE MOUNTING	280.00	
117511	2/22/2018	SO. CAL. EDISON CO.	UTILITIES	7,879.84	
117512	2/22/2018	SOAP MAN DISTRIBUTIN DBA	CLEANING SUPPLIES	147.08	
117513	2/22/2018	SPECIALTY TOOL & BOLT, LTD	SHOP SUPPLIES	21.55	
117514	2/22/2018	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	1,830.80	
117515	2/22/2018	SB CITY OF-REFUSE/WATER	UTILITIES	708.79	
117516	2/22/2018	TDS SERVICE CORP. DBA TRANSI	BUS PARTS REPAIRS	1,024.50	
117517	2/22/2018	DAVID W. TUCKER	DMV/VTT REIMBURSEMENT	138.00	
117518	2/22/2018	DAVID T. TABOR	DIRECTOR FEES	120.00	
117519	2/22/2018	TRUMAN ARNOLD COMPANIES (T	DIESEL FUEL	59,614.42	
117520	2/22/2018	J.C. M. AND ASSOCIATES INC.	UNIFORMS	2,462.78	
117521	2/22/2018	VALLEY POWER SYSTEMS, INC.	BUS PARTS	8,916.17	
117522	2/22/2018	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	312.20	
117523	2/22/2018	RICHARD WEINBERG	DIRECTOR FEES	60.00	
117524	2/22/2018	WURTH USA WEST INC.	SHOP SUPPLIES	371.57	
117525	2/22/2018	ALEXANDER YOUNG	RETIREE HEALTH REIMBURSEMENT	260.40	
117526	3/2/2018	COX COMMUNICATIONS, CORP.	INTERNET & CABLE TV	480.43	
117527	3/2/2018	STATE OF CALIFORNIA	PAYROLL RELATED	679.88	
117528	3/2/2018	ROBIN GONZALEZ	PR RELATED	250.00	
117529	3/2/2018	ANN BRADY OTTIERI	PAYROLL RELATED	277.00	
117530	3/2/2018	SB COUNTY FEDERAL CREDIT UNI	PAYROLL DEDUCTION	260.00	
117531	3/2/2018	SANTA BARBARA SHERIFF'S DEPT	PAYROLL RELATED	75.00	
117532	3/2/2018	SOCALGAS	UTILITIES	49.11	
117533	3/2/2018	SB CITY OF-REFUSE/WATER	UTILITIES	375.73	
117534	3/2/2018	TEAMSTERS UNION LOCAL NO. 18	UNION DUES	607.84	
117535	3/2/2018	VERIZON WIRELESS	WIRELESS PHONES & AIM CELLULAR	801.32	

Check #	Date	Company	Description	Amount	Voids
				315,613.87	
			Current Cash Report Voided Checks:	0.00	
			Prior Cash Report Voided Checks:	0.00	
			Grand Total:	\$315,613.87	

Santa Barbara Metropolitan Transit District
Cash Receipts of Accounts Receivable

Date	Company	Description	Amount
2/20/2018	True Media LLC/Cottage Health	Advertising on Buses	936.00
2/20/2018	UCSB Bookstore	Passes/Passport Sales	6,575.00
2/21/2018	SB School District	Passes/Token Sales	41,250.00
2/27/2018	Department of Rehabilitation	Passes/Passports Sales	776.00
2/27/2018	LOSSAN Rail Corridor Agency	LOSSAN Contract Revenue	1,331.00
3/2/2018	ASTI Holding Company, LLC	Overpass Property Lease	16,070.25
3/5/2018	City of SB Creeks Division	Advertising on Buses	300.00
3/5/2018	Jim Haggerty	Retiree - Vision	12.20
Total Accounts Receivable Paid During Period			\$67,250.45

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BOARD OF DIRECTORS REPORT

MEETING DATE: MARCH 13, 2018
DEPARTMENT: FINANCE
TYPE: INFORMATIONAL ITEM
PREPARED BY: BRAD DAVIS

AGENDA ITEM: #7

REVIEWED BY: GENERAL MANAGER

SUBJECT: FIRST DRAFT OF FISCAL YEAR 2018-19 BUDGET



Signature


Signature

RECOMMENDATION:

Staff is requesting that the Board review the attached first draft of the Fiscal Year 2018-19 budget and provide its direction and priorities for preparation of a revised draft to be brought back to the Board for approval in late spring.

DISCUSSION:

Staff will be presenting an overview of the draft FY 2018-19 budget to the Board. The draft is limited to updates to significant inputs such as fare revenue, subsidies, the service level, and wage and benefit costs. The purpose of the draft is to provide the Board an early estimate of the financial outlook for next year and is seen as a starting point for the budget process.

Staff will bring into the discussions the funding of operating deficits which will broach the topics of reserves, fare increases, and service reductions. The fate of the new funding provided by SB1 will be a key element in future decisions concerning the preservation of MTD's current healthy financial condition.

Operating Budget

As overall revenue exhibits only minor growth to \$25.6 million while operating expenses are projected to rise by 3% to \$26.6 million, this initial draft contains an imbalance of \$957,000. The key assumptions in this preliminary budget include the following:

- Reduction in cash fares and pass sales of 2%
- No growth in federal operating assistance
- LTF sales tax revenue increase of 2%
- Less than 1% increase in revenue hours to 225,000
- Wage and fringe benefit increases per the collective bargaining agreement
- Midyear 20% rise in the cost of diesel fuel
- A \$125,000 allocation for a Facilities Master Plan

BOARD REPORT – FIRST DRAFT OF FY 2018-19 BUDGET

Fare Revenue – With cash and pass sales revenue showing stabilization from the decreases of recent years, the budget assumption uses a 2% across the board reduction at this time. The projection will be refined for the next draft based on more data and shifting to individual line item predictions. UCSB and SBCC fares use recent growth changes as the basis of their changes and will be updated with available enrollment projections from the institutions.

Sales Tax Revenue – LTF sale tax revenue of \$7.9 million for next fiscal year, a 2% rise, is based on data from SBCAG. With anticipated reductions in current year sales tax receipts, the final budget will likely show larger growth due to comparison to the smaller prior year amount. Measure A operating revenue growth of 4% is also based on estimates provided by SBCAG.

Federal Operating Assistance – The \$5.1 million in federal operating assistance matches the current year estimate. While the Fast Act federal transit bill includes 2% annual increases, current year FTA operating assistance has yet to be appropriated by Congress. A conservative approach of no growth is therefore being assumed at this time.

Other Revenue – Due to the expected effect of the mudslides on the property value assessments, a 5% fall in MTD property tax revenue is included. If County Assessor Office estimates taking this into account are available in time, these will be incorporated. With the inception of the last mile service next month, the FY 2018-19 budget includes a full year of operating support of \$200,000.

Service Level – The budget makes use of a Planning's preliminary projection of 225,000 revenue hours. While the 540 hour increase approximates the addition of the last mile service, the draft service plan has a number of larger offsetting adjustments. The revenue hours in the budget will be revised once an approved service plan for next year has been approved by the Board.

Operating Costs – The majority of wage and benefit changes in the budget are based on the collective bargaining agreement—which expires at the end of FY 2018-19. Noteworthy changes to the employment level are limited to the addition of a mechanic and a service worker. A full year of the maintenance manager position, which remains unfilled, is also assumed. Upon expiration of the diesel fuel contract in November, the cost per gallon is expected to increase by 20%. However, as this change is effective only part of the year and MTD was paying significantly more than the current \$1.68 for the first five months of this fiscal year, the impact on the budget is limited to 4%. Human Resources & Risk expect workers compensation expenses to return to more typical levels in FY 2018-19 as the projected increase in current year costs is seen as an anomaly. The budget also includes a \$125,000 allocation for a Facilities Master Plan.

Capital Budget

The draft capital budget for FY 2018-19 includes new expenditures totaling \$2.6 million. For comparative purposes, the budget assumes completion of all FY 2017-18 projects this fiscal year. Some projects, including nearly \$10 million in bus acquisitions, will be carried over into the new fiscal year increasing the capital budget markedly. Projects of note for next year include continued replacement of the District's aging service vehicle fleet; adding back deferred bus stop shelter improvements; and a provision for the addition of a fare mobile payment system, which is an available option with the Genfare Fast Fare fareboxes acquired last year.

ATTACHMENT:

First Draft of FY2018-19 Operating & Capital Budget



FISCAL YEAR 2018-19

OPERATING & CAPITAL BUDGET

Draft

Santa Barbara Metropolitan Transit District
550 Olive Street * Santa Barbara, CA 93101
Telephone (805) 963-3364 * FAX (805) 963-3365

March 13, 2018

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SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
OPERATING & CAPITAL BUDGET
FISCAL YEAR 2018-19

Draft
March 13, 2018

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Operating Budget Summary

Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change	
			Amount	%
<u>Revenue</u>				
Fare Revenue	\$7,074,546	\$7,144,904	(\$70,358)	-1%
LTF Sale Tax Revenue	7,921,258	7,771,309	149,949	2%
FTA Operating Assistance	5,081,813	5,081,813	0	0%
Measure A Sale Tax Revenue	2,090,776	2,014,211	76,565	4%
State & Local Operating Assistance	1,448,296	1,259,851	188,445	15%
Property Tax Revenue	1,152,646	1,213,312	(60,666)	-5%
Non-Transportation Income	833,195	836,396	(3,201)	0%
Total Operating Revenue	\$25,602,530	\$25,321,795	\$280,734	1%
<u>Expense</u>				
Route Operations	\$16,102,410	\$16,183,824	(\$81,414)	-1%
Vehicle Maintenance	5,698,641	5,183,621	515,020	10%
Passenger Accommodations	1,625,628	1,464,072	161,556	11%
General Overhead	3,132,381	2,928,025	204,356	7%
Total Operating Expense	\$26,559,060	\$25,759,542	\$799,518	3%
Surplus/Deficit	<u>(\$956,530)</u>	<u>(\$437,746)</u>	<u>(\$518,784)</u>	
<u>Unrestricted Net Position</u>				
Beginning Balance	\$10,618,885	\$11,056,631		
Net Change from Operating Activities	(956,530)	(437,746)		
OPEB Unfunded Liability Increase	\$0	\$0		
Ending Balance	<u>\$9,662,355</u>	<u>\$10,618,885</u>		

Operating Revenue Summary Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change Amount	%
<i>FAREBOX REVENUE</i>				
Cash Fares & Tokens	\$2,094,158	\$2,136,896	(\$42,738)	-2%
Adult Passes	1,038,274	1,059,463	(21,189)	-2%
Youth Passes	503,103	513,370	(10,267)	-2%
Senior Passes	182,963	186,697	(3,734)	-2%
Mobility Passes	149,185	152,230	(3,045)	-2%
Day Passes	4,287	4,374	(87)	-2%
Downtown-Waterfront Shuttle	1,096,278	1,096,278	0	0%
UCSB Contract Fares	1,057,612	1,037,135	20,478	2%
SBCC Contract Fares	842,026	844,961	(2,935)	0%
Special Event Fares & Amtrak	76,660	78,500	(1,840)	-2%
City My Ride Program	30,000	35,000	(5,000)	-14%
<i>Subtotal</i>	<u>\$7,074,546</u>	<u>\$7,144,904</u>	<u>(\$70,358)</u>	-1%
<i>NON-TRANSPORTATION INCOME</i>				
Advertising on Buses	\$550,000	\$550,000	\$0	0%
Interest on Investments	97,492	67,910	29,582	44%
Lease & Other Income	185,703	218,486	(32,783)	-15%
<i>Subtotal</i>	<u>\$833,195</u>	<u>\$836,396</u>	<u>(\$3,201)</u>	0%
<i>GRANTS & SUBSIDIES</i>				
TDA Sales Tax Revenue	\$7,921,258	\$7,771,309	\$149,949	2%
FTA Formula Assistance	5,081,813	5,081,813	0	0%
Property Tax Revenue	1,152,646	1,213,312	(60,666)	-5%
Measure A	2,090,776	2,014,211	76,565	4%
State & Local Operating Assistance	1,448,296	1,259,851	188,445	15%
<i>Subtotal</i>	<u>\$17,694,789</u>	<u>\$17,340,496</u>	<u>\$354,294</u>	2%
<i>Total Operating Revenue</i>	<u>\$25,602,530</u>	<u>\$25,321,795</u>	<u>\$280,734</u>	1%

Operating Expense Summary Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change Amount	%
<i>ROUTE OPERATIONS</i>				
Drivers	\$12,260,207	\$11,927,208	\$333,000	3%
Dispatch & Supervision	726,478	787,219	(60,741)	-8%
Hiring & Training	376,049	361,737	14,313	4%
Risk & Safety	1,853,235	2,238,602	(385,367)	-17%
Transportation Subsidies	886,439	869,058	17,381	2%
<i>Subtotal</i>	<u>\$16,102,410</u>	<u>\$16,183,824</u>	<u>(\$81,414)</u>	-1%
<i>VEHICLE MAINTENANCE</i>				
Mechanics	\$1,382,096	\$1,244,509	\$137,588	11%
Cleaners & Fuelers	890,711	841,878	48,833	6%
Supervision	746,934	497,103	249,832	50%
Vehicle Consumables	1,744,328	1,668,132	76,196	5%
Bus Parts & Supplies	794,000	794,000	0	0%
Vendor Services	82,500	82,500	0	0%
Risk & Safety	58,071	55,500	2,571	5%
<i>Subtotal</i>	<u>\$5,698,641</u>	<u>\$5,183,621</u>	<u>\$515,020</u>	10%
<i>PASSENGER ACCOMMODATIONS</i>				
Passenger Facilities	\$565,799	\$449,464	\$116,335	26%
Transit Development	321,485	297,774	23,711	8%
Promotion & Information	445,148	436,275	8,873	2%
Fare Revenue Collection	293,197	280,559	12,638	5%
<i>Subtotal</i>	<u>\$1,625,628</u>	<u>\$1,464,072</u>	<u>\$161,556</u>	11%
<i>GENERAL OVERHEAD</i>				
Finance	\$580,525	\$578,495	\$2,030	0%
Personnel	173,593	168,635	4,958	3%
Utilities & Communication	251,781	246,501	5,280	2%
Operating Facilities	362,797	360,478	2,320	1%
District Administration	1,763,685	1,573,917	189,768	12%
<i>Subtotal</i>	<u>\$3,132,381</u>	<u>\$2,928,025</u>	<u>\$204,356</u>	7%
<i>Total Operating Cost</i>	<u><u>\$26,559,060</u></u>	<u><u>\$25,759,542</u></u>	<u><u>\$799,518</u></u>	3%

Route Operations Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change	
			Amount	%
<i>DRIVERS</i>				
Scheduled	\$6,924,110	\$6,802,661	\$121,449	2%
Scheduled Overtime	375,012	417,939	(42,927)	-10%
Unscheduled Pay	262,916	258,975	3,941	2%
Driver Lite Duty	7,965	7,853	111	1%
FICA	654,408	645,471	8,937	1%
Pension	964,440	941,216	23,224	2%
Health	2,009,952	1,826,839	183,113	10%
Sick Pay	197,247	199,355	(2,108)	-1%
Vacation Pay	500,112	464,099	36,013	8%
Holiday Pay	250,890	247,379	3,511	1%
Other Pay	36,096	39,267	(3,170)	-8%
Unemployment Insurance	34,808	33,904	905	3%
Uniforms	42,250	42,250	0	0%
<i>Drivers Subtotal</i>	<u>\$12,260,207</u>	<u>\$11,927,208</u>	<u>\$333,000</u>	3%
<i>DISPATCH & SUPERVISION</i>				
Supervisors	\$281,168	\$323,915	(\$42,747)	-13%
Staff	176,538	172,224	4,314	3%
FICA	40,958	43,495	(2,538)	-6%
Pension	33,702	38,053	(4,351)	-11%
Health	114,994	135,501	(20,507)	-15%
Sick Pay	6,882	7,370	(488)	-7%
Vacation Pay	34,809	34,000	809	2%
Holiday Pay	17,977	19,350	(1,374)	-7%
Other Pay	18,022	11,708	6,314	54%
Unemployment Insurance	1,430	1,603	(174)	-11%
	<u>\$726,478</u>	<u>\$787,219</u>	<u>(\$60,741)</u>	-8%
<i>HIRING & TRAINING</i>				
Staff	\$36,135	\$35,252	\$883	3%
Student Drivers	92,750	93,186	(436)	0%
Existing Drivers/Supers	138,471	128,894	9,577	7%
FICA	21,335	20,551	784	4%
Pension	10,909	10,731	178	2%
Health	20,137	24,100	(3,963)	-16%
Sick Pay	1,972	1,961	11	1%
Vacation Pay	5,415	5,290	125	2%
Holiday Pay	3,422	3,345	77	2%
Other Paid Leave	729	713	17	2%
Unemployment Insurance	113	113	0	0%
Medical Exams & License Fees	29,700	25,600	4,100	16%
Employment Advertising	8,000	6,000	2,000	33%
Training, Travel & Meetings	6,960	6,000	960	16%
<i>Hiring & Training Subtotal</i>	<u>\$376,049</u>	<u>\$361,737</u>	<u>\$14,313</u>	4%

Route Operations Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change	
			Amount	%
<i>RISK & SAFETY</i>				
Wages & Benefits				
Staff	\$151,021	\$147,331	\$3,691	3%
Supervisors	246,519	304,753	(58,234)	-19%
Driver Accident Pay	1,858	1,832	26	1%
FICA	35,020	40,871	(5,851)	-14%
Pension	41,569	49,398	(7,829)	-16%
Health	81,058	95,975	(14,917)	-16%
Sick Pay	5,697	5,623	74	1%
Vacation Pay	34,813	34,018	795	2%
Holiday Pay	13,996	16,428	(2,432)	-15%
Other Paid Leave	3,874	24,273	(20,399)	-84%
Unemployment Insurance	1,233	1,459	(226)	-16%
Wages & Benefits Subtotal	\$616,658	\$721,961	(\$105,303)	-15%
Public Liability				
Professional Services	\$113,585	\$142,585	(\$29,000)	-20%
Insurance	270,138	270,138	0	0%
Current Year Incident Payouts	50,000	50,000	0	0%
Current Year Incident Reserves	100,000	100,000	0	0%
Prior Years Incident Payouts	100,000	125,000	(25,000)	-20%
Change in Prior Years Reserves	(100,000)	(125,000)	25,000	-20%
Public Liability Subtotal	\$533,723	\$562,723	(\$29,000)	-5%
Workers' Compensation				
Professional Services	\$300,599	\$251,745	\$48,854	19%
Insurance	104,500	104,500	0	0%
Current Year Incident Payouts	50,000	125,000	(75,000)	-60%
Current Year Incident Reserves	225,000	400,000	(175,000)	-44%
Prior Years Incident Payouts	350,000	350,000	0	0%
Change in Prior Years Reserves	(350,000)	(300,000)	(50,000)	17%
Miscellaneous Risk & Safety	22,756	22,673	83	0%
Workers' Compensation Subtotal	\$702,855	\$953,918	(\$251,064)	-26%
<i>Risk & Safety Subtotal</i>	<u>\$1,853,235</u>	<u>\$2,238,602</u>	<u>(\$385,367)</u>	-17%
<i>TRANSPORTATION SUBSIDIES</i>				
ADA Paratransit Service	\$886,439	\$869,058	\$17,381	2%
<i>Transportation Subsidies Subtotal</i>	<u>\$886,439</u>	<u>\$869,058</u>	<u>\$17,381</u>	2%
<i>TOTAL ROUTE OPERATIONS</i>	<u>\$16,102,410</u>	<u>\$16,183,824</u>	<u>(\$81,414)</u>	-1%

Vehicle Maintenance Detail Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change Amount	%
<i>MECHANICS</i>				
Mechanics	\$804,770	\$725,095	\$79,675	11%
Less Mechanic Labor Capitalization	(31,191)	(30,607)	(585)	2%
Mechanics-OT	38,032	37,526	506	1%
FICA	76,855	69,789	7,066	10%
Pension	99,588	91,833	7,756	8%
Health	197,634	170,095	27,538	16%
Sick Pay	6,645	23,811	(17,166)	-72%
Vacation Pay	119,925	93,551	26,374	28%
Holiday Pay	33,590	30,754	2,837	9%
Other Paid Leave	1,680	1,538	142	9%
Unemployment Insurance	3,167	2,955	212	7%
Uniforms	16,000	16,000	0	0%
Tool Allowance	15,400	12,169	3,231	27%
<i>Mechanics Subtotal</i>	<u>\$1,382,096</u>	<u>\$1,244,509</u>	<u>\$137,588</u>	11%
<i>CLEANERS & FUELERS</i>				
Service Workers	\$486,298	\$480,689	\$5,609	1%
FICA	42,815	41,752	1,063	3%
Pension	80,164	73,364	6,800	9%
Health	194,033	168,480	25,553	15%
Sick Pay	11,193	10,707	487	5%
Vacation Pay	37,004	32,072	4,932	15%
Holiday Pay	23,048	20,292	2,756	14%
Other Paid Leave	2,125	2,012	113	6%
Unemployment Insurance	2,969	2,743	226	8%
Uniforms	7,098	6,552	546	8%
Medical Exams & License Fees	3,964	3,216	748	23%
<i>Cleaners & Fuelers Subtotal</i>	<u>\$890,711</u>	<u>\$841,878</u>	<u>\$48,833</u>	6%
<i>SUPERVISION</i>				
Staff	\$485,277	\$313,302	\$171,975	55%
FICA	40,755	26,713	14,042	53%
Pension	53,275	31,670	21,605	68%
Health	104,620	73,870	30,750	42%
Sick Pay	4,043	4,464	(421)	-9%
Vacation Pay	24,021	18,846	5,174	27%
Holiday Pay	16,172	10,750	5,421	50%
Other Paid Leave	3,234	2,457	777	32%
Unemployment Insurance	1,414	905	509	56%
Training, Travel & Meetings	14,125	14,125	0	0%
<i>Supervision Subtotal</i>	<u>\$746,934</u>	<u>\$497,103</u>	<u>\$249,832</u>	50%

Vehicle Maintenance Detail Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change	
			Amount	%
<i>VEHICLE CONSUMABLES</i>				
Bus Fuel	\$1,357,628	\$1,309,432	\$48,196	4%
Oil & Lubricants	115,000	115,000	0	0
Electric Vehicle Power	100,000	72,000	28,000	39%
Tire Lease	161,700	161,700	0	0%
Tire Mounting	10,000	10,000	0	0%
<i>Vehicle Consumables Subtotal</i>	<u>\$1,744,328</u>	<u>\$1,668,132</u>	<u>\$76,196</u>	5%
<i>VEHICLE PARTS & SUPPLIES</i>				
Bus Parts Issued	\$700,000	\$700,000	\$0	0%
Shop Supplies	70,000	70,000	0	0%
Bus Servicing Supplies	10,000	10,000	0	0%
Hazmat Disposal & Compliance	14,000	14,000	0	0%
<i>Vehicle Part & Supplies Subtotal</i>	<u>\$794,000</u>	<u>\$794,000</u>	<u>\$0</u>	0%
<i>VENDOR BUS REPAIRS</i>				
Vandalism Repairs	\$5,000	\$5,000	\$0	0%
Accident Damage Repairs	5,000	5,000	0	0%
Accident Claim Collections	(2,500)	(2,500)	0	0%
Other Vendor Repairs	75,000	75,000	0	0%
<i>Vendor Bus Repairs Subtotal</i>	<u>\$82,500</u>	<u>\$82,500</u>	<u>\$0</u>	0%
<i>RISK & SAFETY</i>				
Workers' Comp Services	\$22,571	\$20,000	\$2,571	13%
Workers' Comp Insurance	5,500	5,500	0	0%
Current Year Incident Payouts	10,000	10,000	0	0%
Current Year Incident Reserves	20,000	20,000	0	0%
Prior Years Incident Payouts	150,000	150,000	0	0%
Change in Prior Years Reserves	(150,000)	(150,000)	0	0%
<i>Risk & Safety Subtotal</i>	<u>\$58,071</u>	<u>\$55,500</u>	<u>\$2,571</u>	5%
<i>TOTAL VEHICLE MAINTENANCE</i>	<u><u>\$5,698,641</u></u>	<u><u>\$5,183,621</u></u>	<u><u>\$515,020</u></u>	10%

Passenger Accommodations Detail Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change	
			Amount	%
<i>PASSENGER FACILITIES</i>				
Wages & Benefits				
Supervisors	\$162,093	\$126,542	\$35,551	28%
TC Advisors	110,206	73,731	36,475	49%
Staff	40,512	39,808	704	2%
FICA	26,567	20,700	5,867	28%
Pension	26,770	26,491	279	1%
Health	118,875	86,054	32,820	38%
Sick Pay	4,093	3,987	105	3%
Vacation Pay	15,349	14,188	1,161	8%
Holiday Pay	12,929	10,576	2,353	22%
Other Paid Leave	2,102	1,762	340	19%
Unemployment Insurance	1,694	1,015	679	67%
Wages & Benefits Subtotal	\$521,190	\$404,856	\$116,335	29%
Buildings & Grounds				
TC Contract Maintenance	\$31,717	\$31,717	\$0	0%
TC Repairs/Supplies	5,000	5,000	0	0%
Bus Stop Repairs/Supplies	5,000	5,000	0	0%
TC Property Insurance	2,891	2,891	0	0%
Buildings & Grounds Subtotal	\$44,608	\$44,608	\$0	0%
<i>Passenger Facilities Subtotal</i>	<u>\$565,799</u>	<u>\$449,464</u>	<u>\$116,335</u>	26%
<i>TRANSIT DEVELOPMENT</i>				
Staff	\$193,061	\$174,221	\$18,840	11%
FICA	17,052	15,436	1,616	10%
Pension	22,290	20,178	2,113	10%
Health	48,563	46,666	1,897	4%
Sick Pay	3,338	6,065	(2,727)	-45%
Vacation Pay	15,424	14,315	1,108	8%
Holiday Pay	8,522	7,826	696	9%
Other Paid Leave	2,557	2,348	209	9%
Unemployment Insurance	679	679	0	0%
Training, Travel & Meetings	5,000	5,000	0	0%
Planning Services & Supplies	5,000	5,040	(40)	-1%
<i>Transit Development Subtotal</i>	<u>\$321,485</u>	<u>\$297,774</u>	<u>\$23,711</u>	8%

Passenger Accommodations Detail Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change Amount	%
<i>PROMOTION & INFORMATION</i>				
Wages & Benefits				
Staff	\$118,581	\$113,358	\$5,223	5%
FICA	10,177	9,625	552	6%
Pension	13,304	12,582	721	6%
Health	20,728	20,117	611	3%
Sick Pay	2,942	2,106	837	40%
Vacation Pay	5,117	3,493	1,624	47%
Holiday Pay	5,117	5,493	(376)	-7%
Other Paid Leave	1,279	1,373	(94)	-7%
Unemployment Insurance	452	679	(226)	-33%
Wages & Benefits Subtotal	\$177,698	\$168,825	\$8,873	5%
Outside Services				
Media Ad Placement	15,000	15,000	0	0%
Brochures & Publications	19,200	19,200	0	0%
Market Research	8,500	8,500	0	0%
Promotional Giveaways	15,000	15,000	0	0%
Bus/Shuttle Decorations	1,500	1,500	0	0%
Other Promotions	94,300	94,300	0	0%
Route Schedules & Information	109,950	109,950	0	0%
Training, Travel & Meetings	4,000	4,000	0	0%
Outside Services Subtotal	\$267,450	\$267,450	\$0	0%
<i>Promotion & Information Subtotal</i>	<u>\$445,148</u>	<u>\$436,275</u>	<u>\$8,873</u>	2%
<i>FARE REVENUE COLLECTION</i>				
Wages & Benefits				
Staff	\$135,949	\$132,468	\$3,481	3%
FICA	11,947	11,595	351	3%
Pension	15,616	12,794	2,822	22%
Health	58,792	53,690	5,101	10%
Sick Pay	2,755	2,786	(31)	-1%
Vacation Pay	10,290	9,326	964	10%
Holiday Pay	4,780	4,663	117	3%
Other Paid Leave	2,390	2,331	58	3%
Unemployment Insurance	679	905	(226)	-25%
Wages & Benefits Subtotal	\$243,197	\$230,559	\$12,638	5%
Outside Services				
Fare Processing	\$15,000	\$15,000	\$0	0%
Farebox Parts & Repairs	15,000	15,000	0	0%
Tickets, Tokens & Transfers	20,000	20,000	0	0%
Outside Services Subtotal	\$50,000	\$50,000	\$0	0%
<i>Fare Revenue Collection Subtotal</i>	<u>\$293,197</u>	<u>\$280,559</u>	<u>\$12,638</u>	5%
<i>TOTAL PSNGR ACCOMMODATIONS</i>	<u>\$1,625,628</u>	<u>\$1,464,072</u>	<u>\$161,556</u>	11%

General Overhead Detail Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change Amount	%
<i>FINANCE</i>				
Staff	\$328,055	\$319,940	\$8,115	3%
FICA	28,931	28,224	707	3%
Pension	37,818	36,894	924	3%
Health	81,579	78,422	3,157	4%
Sick Pay	6,591	6,528	63	1%
Vacation Pay	22,903	22,344	560	3%
Holiday Pay	14,352	14,001	351	3%
Other Paid Leave	6,279	6,125	153	3%
Unemployment Insurance	1,018	1,018	0	0%
Financial Audit Services	53,000	65,000	(12,000)	-18%
<i>Finance Subtotal</i>	<u>\$580,525</u>	<u>\$578,495</u>	<u>\$2,030</u>	0%
<i>PERSONNEL</i>				
Staff	\$104,462	\$101,909	\$2,553	3%
FICA	8,954	8,735	219	3%
Pension	11,705	11,419	286	3%
Health	34,797	33,454	1,343	4%
Sick Pay	1,485	1,217	268	22%
Vacation Pay	4,502	4,392	110	3%
Holiday Pay	4,899	4,780	120	3%
Other Paid Leave	2,450	2,390	60	3%
Unemployment Insurance	339	339	0	0%
<i>Personnel Subtotal</i>	<u>\$173,593</u>	<u>\$168,635</u>	<u>\$4,958</u>	3%
<i>UTILITIES</i>				
Telephone & Data Communications	\$77,420	\$72,140	\$5,280	7%
Power, Water & Refuse	162,000	162,000	0	0%
Two-Way Radios	12,360	12,360	0	0%
<i>Utilities Subtotal</i>	<u>\$251,781</u>	<u>\$246,501</u>	<u>\$5,280</u>	2%
<i>OPERATING FACILITIES</i>				
Wages & Benefits				
Staff	\$58,458	\$57,022	\$1,436	3%
FICA	5,044	4,921	123	3%
Pension	6,594	6,433	161	3%
Health	10,364	9,940	424	4%
Sick Pay	886	872	14	2%
Vacation Pay	3,804	3,711	93	3%
Holiday Pay	2,536	2,474	62	3%
Other Paid Leave	254	247	6	3%
Unemployment Insurance	226	226	0	0%
<i>Wages & Benefits Subtotal</i>	<u>\$88,166</u>	<u>\$85,846</u>	<u>\$2,320</u>	3%

General Overhead Detail Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change Amount	%
<i>OPERATING FACILITIES (cont'd)</i>				
Service Vehicles				
Parts & Repairs	\$30,000	\$30,000	\$0	0%
Fuel	60,000	60,000	0	0%
Service Vehicles Subtotal	\$90,000	\$90,000	\$0	0%
Buildings & Grounds				
Contract Maintenance	\$83,360	\$83,360	\$0	0%
Overpass Site Maintenance	5,500	5,500	0	0%
B&G Repairs/Supplies	40,000	40,000	0	0%
Property Insurance	55,771	55,771	0	0%
Buildings & Grounds Subtotal	\$184,631	\$184,631	\$0	0%
<i>Operating Facilities Subtotal</i>	<i>\$362,797</i>	<i>\$360,478</i>	<i>\$2,320</i>	1%
<i>DISTRICT ADMINISTRATION</i>				
Wages & Benefits				
Staff	\$582,281	\$510,744	\$71,537	14%
Bus Ad Revenue Placement	2,314	2,264	50	2%
FICA	52,182	45,370	6,812	15%
Pension	68,212	59,307	8,905	15%
Health	161,688	123,978	37,709	30%
Sick Pay	10,586	8,165	2,421	30%
Vacation Pay	57,797	54,058	3,739	7%
Holiday Pay	24,198	15,464	8,734	56%
Other Paid Leave	7,259	4,639	2,620	56%
Unemployment Insurance	1,697	1,093	603	55%
Wages & Benefits Subtotal	\$968,215	\$825,083	\$143,132	17%
Administrative Services				
Directors Fees	\$12,600	\$12,600	\$0	0%
Public Officials Insurance	67,040	67,040	0	0%
Legal Counsel	85,000	85,000	0	0%
Pension Administration	2,500	2,500	0	0%
Office Equipment Maintenance	165,000	165,000	0	0%
Miscellaneous Services	170,694	138,694	32,000	23%
Office & Computer Supplies	45,000	45,000	0	0%
Dues & Subscriptions	55,000	55,000	0	0%
Conferences, Meetings & Training	19,000	19,000	0	0%
Employee Relations	20,000	20,000	0	0%
Retiree Health Insurance	60,000	60,000	0	0%
Mandated Fees & Permits	40,000	40,000	0	0%
Bus Ad Revenue Program	15,000	9,000	6,000	67%
Misc. Expenses & Losses	38,636	30,000	8,636	29%
Administrative Services Subtotal	\$795,470	\$748,834	\$46,636	6%
<i>District Administration Subtotal</i>	<i>\$1,763,685</i>	<i>\$1,573,917</i>	<i>\$189,768</i>	12%
<i>TOTAL GENERAL OVERHEAD</i>	<i>\$3,132,381</i>	<i>\$2,928,025</i>	<i>\$204,356</i>	7%

Capital Project Detail

Fiscal Year 2018-19

	Draft FY 2018-19 Budget	Approved FY 2017-18 Budget	Budget Change
<i>REVENUE VEHICLE PURCHASES</i>			
40' Diesel Buses (10)	\$0	\$5,300,000	(\$5,300,000)
40' Electric Buses (4)	0	3,750,000	(3,750,000)
30' Electric Buses (8)	0	3,200,000	(3,200,000)
30' Electric Buses-Capital Lease (6)	0	2,329,000	(2,329,000)
40' SAMTRANS 2003 Gillig Buses (17)	0	300,000	(300,000)
Subtotal	\$0	\$14,879,000	(\$14,879,000)
<i>REVENUE VEHICLE IMPROVEMENTS</i>			
Bus Refurbishing Allowance	\$100,000	\$100,000	\$0
Diesel Fleet Drivetrains	250,000	250,000	0
Hybrid Bus Battery Replacements	150,000	375,000	(225,000)
Subtotal	\$500,000	\$725,000	(\$225,000)
<i>OPERATING FACILITIES</i>			
Canopy Improvements	\$0	\$115,000	(\$115,000)
Shop Structural & Roof Upgrades	0	225,000	(225,000)
Charging Infrastructure	0	350,000	(350,000)
Security Upgrades	25,000	83,000	(58,000)
Operating Facilities Allowance	100,000	75,000	25,000
Calle Real Property Development	200,000	200,000	0
Subtotal	\$325,000	\$1,048,000	(\$723,000)
<i>PASSENGER FACILITIES</i>			
Transit Center Allowance/Renovation	\$50,000	\$2,400,000	(\$2,350,000)
Bus Stop Upgrades	800,000	200,000	600,000
Subtotal	\$850,000	\$2,600,000	(\$1,750,000)
<i>INTELLIGENT TRANSPORTATION SYSTEMS</i>			
AVL Systems Allowance/AIM	\$50,000	\$475,000	(\$425,000)
Advanced Fare Collection System	400,000	75,000	325,000
Smartcard Project	0	50,000	(50,000)
Subtotal	\$450,000	\$600,000	(\$150,000)
<i>INFORMATION SYSTEMS</i>			
Fuel & Mileage Monitoring System	\$0	\$100,000	(\$100,000)
Software Systems Allowance	75,000	175,000	(100,000)
IT Infrastructure Allowance	75,000	50,000	25,000
Subtotal	\$150,000	\$325,000	(\$175,000)
<i>OTHER EQUIPMENT</i>			
Shop Equipment Allowance	\$50,000	\$75,000	(\$25,000)
Service Vehicles	250,000	200,000	50,000
Fare Collection & Radio Allowance	25,000	25,000	0
Office Furniture Allowance	25,000	25,000	0
Subtotal	\$350,000	\$325,000	\$25,000
Total Capital Projects	\$2,625,000	\$20,502,000	(\$17,877,000)



BOARD OF DIRECTORS REPORT

MEETING DATE: MARCH 13, 2018

AGENDA ITEM: #8

DEPARTMENT: GOVERNMENT RELATIONS/COMPLIANCE

TYPE: ACTION ITEM

PREPARED BY: STEVE MAAS

REVIEWED BY: GENERAL MANAGER

SUBJECT: LOW CARBON TRANSIT OPERATIONS PROGRAM RESOLUTION

Signature

Signature

RECOMMENDATION:

Staff recommends that the Board adopt Resolution 2018-01 agreeing to comply with all conditions and requirements set forth in the Certification and Assurances, authorizing General Manager Jerry Estrada to execute all required documents for an application to the California Department of Transportation (Caltrans) for FY 2018 California cap-and-trade funds from the Low Carbon Transit Operations Program (LCTOP), and authorizing the submittal to Caltrans of the project "Purchase Four Replacement Zero-Emission Buses."

DISCUSSION:

California cap-and-trade auction proceeds are appropriated to several programs, including the LCTOP, which is administered by Caltrans and the California Air Resources Board. All projects funded with auction proceeds must demonstrate greenhouse gas reduction. LCTOP provides formula funds to transit agencies such as MTD based on the agency's percentage of statewide fare revenue, and to regional transportation planning agencies such as the Santa Barbara County Association of Governments (SBCAG) based on the area's percentage of statewide population.

Staff proposes to submit an application to apply the available LCTOP funds towards the upcoming purchase of four 40-ft. battery-electric BYD buses to replace diesel buses. Applications are due to Caltrans by March 31.

The SBCAG share of FY 2018 LCTOP funds totals \$552,891, and MTD requested \$276,446 (50 percent of the total). However, SBCAG staff recommended that the SBCAG Board allocate \$138,222 of those funds to MTD (25 percent of the total), and North County transit operators agreed. The remaining funds are recommended for allocation in equal shares to Santa Maria and Lompoc for electric bus projects and to SBCAG to subsidize fares for Amtrak passengers. The SBCAG Board will be asked to approve these recommendations at its Thursday, March 15, meeting. Staff also proposes to apply the \$114,368 in MTD farebox revenue share of LCTOP funds to this project. Thus, staff proposes to apply, in total, \$252,590 in LCTOP funds to this project (\$138,222 from SBCAG and \$114,368 from MTD direct funds).

BOARD OF DIRECTORS REPORT

ATTACHMENTS:

- MTD Board Resolution 2018-01
- LCTOP Certifications and Assurances
- LCTOP Authorized Agent Form

RESOLUTION #2018-01

**AUTHORIZATION FOR THE EXECUTION OF THE
CERTIFICATIONS AND ASSURANCES AND AUTHORIZED AGENT FORMS
FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)
FOR THE FOLLOWING PROJECT:
PURCHASE FOUR REPLACEMENT ZERO-EMISSION BUSES: \$252,590**

WHEREAS, the Santa Barbara Metropolitan Transit District (District) is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

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

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

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

WHEREAS, the District wishes to delegate authorization to execute these documents and any amendments thereto to General Manager Jerry Estrada; and

WHEREAS, the District wishes to implement the LCTOP project listed above.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District that the fund recipient agrees to comply with all conditions and requirements set forth in the Certifications and Assurances and the Authorized Agent documents and applicable statutes, regulations, and guidelines for all LCTOP funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED by the Board of Directors of the District that General Manager Jerry Estrada be authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Board of Directors of the District that it hereby authorizes the submittal of the following project nomination and allocation request to the Department in FY 2017-18 LCTOP funds:

Project Name: Purchase Four Replacement Zero-Emission Buses

Amount of LCTOP funds requested: \$252,590

Short description of project: Replace four 40-ft. 1998 diesel buses with new 40-ft. electric buses

Contributing Sponsor: Santa Barbara County Association of Governments



FY 2017 - 2018 LCTOP

PASSED AND ADOPTED by the Board of Directors of the Santa Barbara Metropolitan Transit District this 13th day of March, 2018, by the following vote:

AYES: _____

NAYS: _____

ABSENT: _____

Chair, Board of Directors

ATTEST:

Secretary, Board of Directors

Certifications and Assurances

Lead Agency: Santa Barbara Metropolitan Transit District

Project Title: Purchase Four Replacement Zero-Emission Buses

Prepared by: Steve Maas

The California Department of Transportation (Caltrans) has adopted the following Certifications and Assurances for the Low Carbon Transit Operations Program (LCTOP). As a condition of the receipt of LCTOP funds, Lead Agency must comply with these terms and conditions.

A. General

1. The Lead Agency agrees to abide by the current LCTOP Guidelines and applicable legal requirements.
2. The Lead Agency must submit to Caltrans a signed Authorized Agent form designating the representative who can submit documents on behalf of the project sponsor and a copy of the board resolution appointing the Authorized Agent.

B. Project Administration

1. The Lead Agency certifies that required environmental documentation is complete before requesting an allocation of LCTOP funds. The Lead Agency assures that projects approved for LCTOP funding comply with Public Resources Code § 21100 and § 21150.
2. The Lead Agency certifies that a dedicated bank account for LCTOP funds only will be established within 30 days of receipt of LCTOP funds.
3. The Lead Agency certifies that when LCTOP funds are used for a transit capital project, that the project will be completed and remain in operation for its useful life.
4. The Lead Agency certifies that it has the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of that project.
5. The Lead Agency certifies that they will notify Caltrans of pending litigation, dispute, or negative audit findings related to the project, before receiving an allocation of funds.
6. The Lead Agency must maintain satisfactory continuing control over the use of project equipment and facilities and will adequately maintain project equipment and facilities for the useful life of the project.
7. Any interest the Lead Agency earns on LCTOP funds must be used only on approved LCTOP projects.
8. The Lead Agency must notify Caltrans of any changes to the approved project with a Corrective Action Plan (CAP).
9. Under extraordinary circumstances, a Lead Agency may terminate a project prior to completion. In the event the Lead Agency terminates a project prior to completion, the Lead Agency must (1) contact Caltrans in writing and follow-up with a phone call verifying receipt of such notice; (2) pursuant to verification, submit a final report indicating the reason for the termination and demonstrating the expended funds were used on the intended purpose; (3) submit a request to reassign the funds to a new project within 180 days of termination.

Certifications and Assurances**C. Reporting**

1. The Lead Agency must submit the following LCTOP reports:
 - a. Semi-Annual Progress Reports by May 15th and November 15th each year.
 - b. A Final Report within six months of project completion.
 - c. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of LCTOP funds. A copy of the audit report must be submitted to Caltrans within six months of the close of the year (December 31) each year in which LCTOP funds have been received or expended.
2. Other Reporting Requirements: ARB is developing funding guidelines that will include reporting requirements for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund. Caltrans and project sponsors will need to submit reporting information in accordance with ARB's funding guidelines, including reporting on greenhouse gas reductions and benefits to disadvantaged communities.

D. Cost Principles

1. The Lead Agency agrees to comply with Title 2 of the Code of Federal Regulations 225 (2 CFR 225), Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
2. The Lead Agency agrees, and will assure that its contractors and subcontractors will be obligated to agree, that:
 - a. Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allow ability of individual project cost items and
 - b. Those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving LCTOP funds as a contractor or sub-contractor shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
3. Any project cost for which the Lead Agency has received funds that are determined by subsequent audit to be unallowable under 2 CFR 225, 48 CFR, Chapter 1, Part 31 or 2 CFR, Part 200, are subject to repayment by the Lead Agency to the State of California (State). All projects must reduce greenhouse gas emissions, as required under Public Resources Code section 75230, and any project that fails to reduce greenhouse gases shall also have its project costs submit to repayment by the Lead Agency to the State. Should the Lead Agency fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the Lead Agency from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.



Certifications and Assurances

A. Record Retention

1. The Lead Agency agrees, and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the Lead Agency, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), and enable the determination of incurred costs at interim points of completion. All accounting records and other supporting papers of the Lead Agency, its contractors and subcontractors connected with LCTOP funding shall be maintained for a minimum of three (3) years after the "Project Closeout" report or final Phase 2 report is submitted (per ARB Funding Guidelines, Vol. 3, page 3.A-16), and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the Lead Agency, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the Lead Agency pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the Lead Agency's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.
2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of the Lead Agency's contracts with third parties pursuant to Government Code § 8546.7, the project sponsor, its contractors and subcontractors and the State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the Lead Agency shall furnish copies thereof if requested.
3. The Lead Agency, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

F. Special Situations

Caltrans may perform an audit and/or request detailed project information of the project sponsor's LCTOP funded projects at Caltrans' discretion at any time prior to the completion of the LCTOP.

I certify all of these conditions will be met.

Jerry Estrada

(Print Authorized Agent)

General Manager

(Title)

(Signature)

(Date)



FY 2017-2018 LCTOP

Authorized Agent

AS THE

Chief Executive Officer

(Chief Executive Officer/Director/President/Secretary)

OF THE

Santa Barbara Metropolitan Transit District

(Name of County/City/Transit Organization)

I hereby authorize the following individual(s) to execute for and on behalf of the named Regional Entity/Transit Operator, any actions necessary for the purpose of obtaining Low Carbon Transit Operations Program (LCTOP) funds provided by the California Department of Transportation, Division of Rail and Mass Transportation. I understand that if there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself. I understand the Board must provide a resolution approving the Authorized Agent. The Board Resolution appointing the Authorized Agent is attached.

Assistant General Manager Brad Davis

(Name and Title of Authorized Agent)

OR

Manager of Government Relations & Compliance Steve Maas

(Name and Title of Authorized Agent)

OR

Assistant Controller Thais Sayat

(Name and Title of Authorized Agent)

OR

Click here to enter text.

(Name and Title of Authorized Agent)

OR

Jerry Estrada

(Print Name)

General Manager

(Title)

(Signature)

Approved this 13 day of March, 2018

Allocation

Lead Agency:	Santa Barbara Metropolitan Transit District
Project Title:	Purchase Four Replacement Zero-Emission Buses
Regional Entity:	Santa Barbara County Association of Governments
County:	Santa Barbara

Lead Agency: I certify the scope, cost, schedule, and benefits as identified in the attached Allocation Request (Request) and attachments are true and accurate and demonstrate a fully funded operable project. I understand the Request is subject to any additional restrictions, limitations or conditions that may be enacted by the State Legislature, including the State's budgetary process and/or auction receipts. In the event the project cannot be completed as originally scoped, scheduled and estimated, or the project is terminated prior to completion, Lead Agency shall, at its own expense, ensure that the project is in a safe and operable condition for the public. I understand this project will be monitored by the California Department of Transportation - Division of Rail and Mass Transportation.

Authorized Agent:	Jerry Estrada
Title:	General Manager
Lead Agency:	Santa Barbara Metropolitan Transit District

Signature:	
PUC Funds Type:	99313 \$ 0
PUC Funds Type:	99314 \$ 114,368

Contributing Sponsor(s): The contributing sponsor is an entity that passes funds to the Lead Agency to support a project. The contributing sponsor could be the regional entity (PUC 99313) passing their funds to a recipient agency within their region or a recipient agency (PUC 99314) passing their funds through to either a regional entity or a recipient agency within their region. The contributing sponsor(s) must also sign and state the amount and type of LCTOP funds (PUC Sections 99313 and 99314) they are contributing the project. Sign below or attach a separate officially signed letter providing that information. If there is more than one contributing sponsor, please submit additional page, or a letter from the additional Contributing Sponsors.

Authorized Agent:	Marjie Kirn
Title:	Executive Director
Lead Agency:	Santa Barbara County Association of Governments

Signature:	
PUC Funds Type:	99313 \$ 138,222
PUC Funds Type:	99314 \$ 0

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BOARD OF DIRECTORS REPORT

MEETING DATE: MARCH 13, 2018

AGENDA ITEM: #9

DEPARTMENT: RISK

TYPE: ACTION ITEM

PREPARED BY: MARY GREGG

REVIEWED BY: GENERAL MANAGER

SUBJECT: COMMERCIAL AUTO AND GENERAL LIABILITY INSURANCE
RENEWAL


Signature

Signature

RECOMMENDATION:

Staff recommends renewal of Commercial Auto and General Liability Insurance coverage with National Interstate Insurance Company (NIIC) effective 04/01/2018 – 04/01/2019 at the current \$4,750,000 Excess Indemnity over a \$250,000 Self Insured Retention (SIR) and \$5,000,000 Excess/Umbrella, for an annual premium of \$314,153.

DISCUSSION:

The quote for the first layer SIR Excess Indemnity is based on the type and number of vehicles in MTD's current fleet: 109 Buses, 3 Articulated Buses, 27 Service/Private Passenger cars, and 25 Buses comprised of Electric Vehicles and Nova buses that will be retired out of the fleet at a future date during the policy year. The second layer Excess coverage is a flat fee, and for the entirety of claims history with NIIC, MTD has never pierced the Excess threshold.

The rate calculation is based on an assumption of pricing for the fleet size upon renewal on 4/1/18. For the 2018-19 renewal, the total price increase for the first layer coverage compared to the expiring policy for each vehicle type is approximately 3%. The 25 transitional buses were quoted at 75% off the renewal rate as NIIC recognizes that these buses will be retired. A pro-rated credit will be issued when these vehicles are retired and removed from the policy. The final cost for the policy at the end of the policy period is subject to endorsement as vehicles are added/deleted. The second layer pricing is a flat annual rate and not subject to increase by changes in fleet size. The Claims Service Agreement increased in pricing by \$2 per vehicle over the current policy.

BOARD OF DIRECTORS REPORT

FINANCIAL INFORMATION:

Line of Coverage	Renewal 18-19	Expiring 17-18	Previous 15-17 Premium Per Year
SIR Excess Indemnity	\$214,669	\$205,467	\$175,757
Excess/Umbrella	\$79,732	\$70,231	\$79,170
Claims Services Agreement	\$19,752	\$17,368	\$19,040
Totals	\$314,153	\$293,336	\$274,230

To: MTD Board of Directors
From: Jerry Estrada, General Manager
Date: March 13, 2018
Subject: General Manager's Report

Operations, Fleet & Facilities

Enerdel has completed the battery pack replacement of seven of the 2007 hybrids. Bus 903 previously had its battery pack retrofitted in May 2014 with replacement Panasonic Nickel Metal Hydride (NiMH) modules. The Enerdel replacement packs are LiOn and an Allison approved retrofit. Enerdel staff completed all seven retrofits over a three-day period two weeks ago and the buses have been performing flawlessly since the change out. It is almost too early to see the fuel economy improvement, but drivers have noticed the improved acceleration and the fact that the buses stay in EV mode for longer stretches in urban stop start situations. Bus 904's change out was completed before it was towed to Valley.

The 2013 Gillig fleet is now exiting its Cummins extended five-year warranties and the 2016 Gilligs are exiting the Cummins two year base warranty period. Several turbo actuator repairs were pushed through the Cummins shop in the final days of the warranties. Additionally, Nova's 416 and 420 have been retired from the MTD fleet.

Eleven 2004 Gillig buses purchased from Samtrans are now on site. Eight have had their farebox areas retrofitted to MTD farebox specifications and their Emco Wheeton fuel fillers replaced. The parking brake valves have also been retrofitted to match the operation of the remainder of the rest of the MTD Gillig fleet. We have received electronic copies of the parts, service and driver's manuals from Gillig but we still need the Lift-U ramp and Twin Vision destination sign manuals.

The new Chargepoint EV charging station will be installed in the MTD staff parking lot on Wednesday March 7 by Chargepoint contractor Voltaic. The charging station cost is covered by an APCD grant and the installation expense by a Chargepoint credit. The existing wiring to the charging station from the administrative building will be retained as well as the concrete mounts.

Staff has received feedback from the three jurisdictions involved in the Bus Stop Improvements Project and has finalized the scope of work (SOW). The SOW has been passed along to MTD's consultants so they can provide an updated price proposal for completing the design portion of the project.

The City of Santa Barbara Building Department completed their latest review of MTD's submittal for the Transit Center Renovation Project. The reviewer from Public Works is seeking clarification from MTD's civil engineers on several aspects of the construction drawings. A meeting between Staff, MTD consultants, and a representative from Public Works is scheduled for March 12th.

In anticipation of project approval from the Building and Safety Department, Staff is meeting with City of Santa Barbara personnel on March 8th to discuss the Interim Facilities and Operations Plan for the project. The purpose of the meeting is to discuss logistics of taking the existing Transit Center offline and activating the temporary facility. Discussion topics include project phasing; hardscape modifications along Chapala and Figueroa streets; temporary power and electrical vault work; public notices; and post-construction restoration.

Planning & Administration

Our Marketing team is working closely with Traffic Solutions to ensure the smooth roll out of our first/last mile connecting bus service when the Pacific Surfliner is retimed for early morning commuters as of April 2nd, so that commuters know what to expect once they step off the train in Santa Barbara or Goleta.

UCSB will be conducting their annual Transportation Survey of all students, faculty and staff. UCSB staff coordinated with Planning staff on transit related questions.

2018 SBCC Spring semester enrollment has decreased by 671 students or 4.4% compared to last Spring. As a result, a decrease in SBCC ridership throughout the semester is anticipated as was experienced the prior school year when there was a decrease of 1,218 students or 7.4% compared to Spring 2016.

Staff attended a meeting of the Santa Barbara County Association of Governments' (SBCAG's) Technical Transportation Advisory Committee (TTAC) on Thursday, March 1. MTD is a voting member of the committee. TTAC recommended that the SBCAG Board approve the Local Transportation Fund (LTF) apportionments for FY 2019. TTAC received an update on SBCAG's applications for various SB 1 funding programs for the Highway 101 widening project and a presentation regarding a South Coast bicycle "wayfinding" sign inventory.

Staff submitted the February monthly ridership and safety and security reports to the Federal Transit Administration's National Transit Database, as required.

Staff submitted all required documents regarding the Drug and Alcohol Compliance Audit of MTD that was conducted by the Federal Transit Administration (FTA) last December.

Efforts continue with the SBCC and UCSB smart card programs. The project has been delayed a number of months as Genfare, the colleges, and MTD collaborate to resolve the technological challenges. Substantial headway has been achieved and SBCC and UCSB student ID cards are now being read, accepted, and recorded properly by MTD's electronic fareboxes. There is one remaining matter at this time that was [just](#) reported to have been resolved, which MTD is currently verifying. Once MTD is satisfied that the system it is working properly, beta testing will begin with small groups of students using their student ID smart cards in live revenue service. Upon successful beta testing, there will be an information and education campaign as part of full implementation of the program.

As a quick recap of the program, the student IDs are embedded with a “smart” chip that includes student validity data and uses “near field communications” so that the IDs need only be placed on or near the farebox for the acceptance and counting of the fare. The program will improve passenger count accuracy, simplify driver interaction, and eliminate the cumbersome student ID sticker system (stickers will continue to be used until all parties are confident with the performance of the smart card system).

Staff met with FEMA and CalOES representatives last week to discuss and review MTD’s claim for reimbursement for costs associated with the Thomas fire and Montecito mudslides. Staff has gathered most information and has begun required entry into FEMA’s on-line claim website. There will be a follow-up meeting with the FEMA representative in the near future to review progress and provide assistance as needed.

Human resources is currently looking to fill the part time Fare Revenue Clerk position. The position was created last year to allow MTD’s two farebox technicians to dedicate all of their time towards onboard information technology, which now includes the new Clever Devices equipment. The capacity of the two technicians to properly maintain and repair the new IT equipment in addition to the fareboxes is being closely monitored.