



<b>BOARD OF DIRECTORS AGENDA</b>
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**REGULAR MEETING**  
of the  
**BOARD OF DIRECTORS**  
of the  
**SANTA BARBARA METROPOLITAN TRANSIT DISTRICT**  
A Public Agency  
**Tuesday, May 7, 2019**  
**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 of Directors will be asked to approve the draft minutes for the meeting of April 16, 2019.

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

The Board of Directors will be asked to review and approve the Cash Reports from April 6, 2019, through April 26, 2019.

**THIS CONCLUDES THE CONSENT CALENDAR**

**6. PUBLIC COMMENT**

Members of the public may address the Board of Directors on items within the 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.gov](http://www.sbmtd.gov) and at MTD Administrative offices.

<b>BOARD OF DIRECTORS AGENDA</b>
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**7. FUNDING AGREEMENT WITH SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS FOR MTD FACILITY IMPROVEMENTS - (ATTACHMENT - ACTION MAY BE TAKEN)**

Staff will recommend that the Board authorize execution of the attached agreement with the Santa Barbara County Association of Governments (SBCAG) to provide Transit and Intercity Rail Capital Program (TIRCP) funds to assist with MTD facility improvement projects.

**TIME CERTAIN 9:00 AM**

**8. DRAFT FINAL SERVICE PLAN FOR FISCAL YEAR 2019-20 - (ACTION MAY BE TAKEN)**

Staff will recommend that the Board of Directors receive a presentation on the draft final service plan for FY 2019-20 and consider approval of the plan.

**9. EARTHQUAKE INSURANCE RENEWAL - EFFECTIVE MAY 24, 2019 - (ACTION MAY BE TAKEN)**

Staff recommends the Board of Directors authorize MTD staff to bind coverage and place earthquake insurance with StarStone Specialty Insurance Company.

**10. COMMERCIAL PROPERTY INSURANCE RENEWAL - EFFECTIVE MAY 24, 2019 - (ACTION MAY BE TAKEN)**

Staff recommends the Board of Directors authorize MTD staff to bind coverage and place commercial property insurance with Travelers Indemnity Company of Connecticut.

**11. TRANSIT CENTER RENOVATIONS REBID CONTRACT AWARD RECOMMENDATION - (ACTION MAY BE TAKEN)**

Staff will request that the Board give the General Manager authority to enter into a contract with Newton Construction & Management, Inc. for the Transit Center Renovations Project.

**12. FINANCIAL UPDATE FOR THE NINE MONTHS ENDED MARCH 31, 2019 - (ATTACHMENT - INFORMATIONAL)**

Staff will present the Fiscal Year 2018-19 financial results for the nine-month period.

**13. GENERAL MANAGER'S REPORT - (INFORMATIONAL)**

The General Manager will provide an update on district activities.

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

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

**15. ADJOURNMENT**

**AMERICANS 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.



<b>BOARD OF DIRECTORS DRAFT MINUTES</b>
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**REGULAR MEETING**  
of the  
**BOARD OF DIRECTORS**  
of the  
**SANTA BARBARA METROPOLITAN TRANSIT DISTRICT**  
A Public Agency  
**Tuesday, April 16, 2019**  
**8:30 AM**  
**John G. Britton Auditorium**  
550 Olive Street, Santa Barbara, CA 93101

**1. CALL TO ORDER**

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

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

Chair Davis reported that all members were present with the exception of Secretary Bill Shelor.

**3. REPORT REGARDING POSTING OF AGENDA**

Christina Perry, Administrative Assistant Lead, reported that the agenda was posted on Thursday, April 11, 2019, at MTD's Administrative office, mailed and emailed to those on the agenda list, and posted on MTD's website.

**CONSENT CALENDAR**

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

The Board of Directors was asked to waive the reading of and approve the draft minutes for the meeting of March 19, 2019.

Vice Chair Dave Tabor moved to approve the minutes. Director Olivia Rodriguez seconded the motion. The motion passed with abstention from Director Paula Perotte.

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

The Board of Directors will be asked to review and approve the Cash Reports from March 9, 2019, through March 22, 2019, and March 23, 2019, through April 5, 2019.

Vice Chair Tabor moved to approve the consent calendar. Director Perotte seconded the motion. The motion passed unanimously.

**THIS CONCLUDES THE CONSENT CALENDAR**

**6. PUBLIC COMMENT**

No public comments were made.

<b>BOARD OF DIRECTORS DRAFT MINUTES</b>
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**7. FINANCIAL AUDIT SERVICES CONTRACT AWARD RECOMMENDATION - (ATTACHMENT - ACTION MAY BE TAKEN)**

Assistant General Manager and Controller Brad Davis recommended that the Board authorize award of a contract for Financial Audit Services to Brown Armstrong to perform the annual financial and compliance audits of the District for Fiscal Years 2018-19 and 2019-20 for a total price of \$79,980.

After discussion, Director Rodriguez moved to authorize award of a contract to Brown Armstrong. Vice Chair Tabor seconded the motion. The motion passed unanimously.

**8. GENERAL MANAGER'S REPORT - (INFORMATIONAL)**

General Manager Jerry Estrada provided an update on District activities, including BYD bus service and bus refurbishment, application preparation for FTA FY 2019 Section 5339(c) Low or No Emission Vehicle Program (Low No), and UCSB service.

**9. OTHER BUSINESS AND REPORTS - (INFORMATIONAL)**

Cancellation of a tentative Planning and Marketing Committee meeting was discussed but no action was taken.

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

No public comments regarding closed session were made prior to recess.

Chair Davis stated that the Board would stand in recess to the closed sessions at 8:53 AM.

**10. RECESS TO CLOSED SESSION: CONFERENCE WITH LABOR NEGOTIATOR(S) (GOVERNMENT CODE SECTION 54957.6) – (ACTION MAY BE TAKEN)**

Agency-designated representatives: MTD General Manager Estrada and Human Resources and Risk Manager Mary Gregg.

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

No reportable action was taken by the Board.

**11. ADJOURNMENT**

Vice Chair Tabor moved to adjourn the meeting at 9:24 AM. Director Rodriguez seconded the motion. The motion passed unanimously.

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**Santa Barbara Metropolitan Transit District**  
**Cash Report**  
**Board Meeting of May 7, 2019**  
**For the Period April 6, 2019 through April 26, 2019**

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**MONEY MARKET**

**Beginning Balance April 6, 2019** **\$3,829,711.14**

SB-325 (LTF)	667,604.09
Accounts Receivable	399,842.63
Measure A Transfer	182,852.43
Passenger Fares	161,535.28
Prop 1B Cap Revenue	103,037.05
LCTOP Transfer	5,312.59
Miscellaneous Income	<u>1,191.69</u>
<b>Total Deposits</b>	<b>1,521,375.76</b>

Workers' Compensation	146.06
Miscellaneous Transfers	(2,479.56)
401(k)/Pension Transfer	(71,056.67)
Payroll Taxes	(309,153.85)
Payroll	(709,000.16)
Accounts Payable	<u>(846,305.96)</u>
<b>Total Disbursements</b>	<b>(1,937,850.14)</b>

**Ending Balance** **\$3,413,236.76**

**CASH INVESTMENTS**

LAIF Account	\$8,608,034.51
Money Market Account	<u>3,413,236.76</u>

**Total Cash Balance** **\$12,021,271.27**

**SELF INSURED LIABILITY ACCOUNTS**

WC / Liability Reserves	(\$3,880,775.22)
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**Working Capital** **\$8,140,496.05**

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

<b>Date</b>	<b>Company</b>	<b>Description</b>	<b>Amount</b>
4/8/2019	Jim Haggerty	Retiree - Vision	12.20
4/8/2019	Jim Haggerty	Retiree - Vision	12.20
4/8/2019	S.B.C.A.G.	Amtrak Connecting Service	13,763.75
4/9/2019	Department of Rehabilitation	Passes/Passports Sales	1,212.00
4/9/2019	Hiltachk Marketing Group/SB Airport	Advertising on Buses	4,919.40
4/10/2019	Cottage Hospital	Passes/Token Sales	393.75
4/15/2019	Montecito Bank & Trust	Advertising on Buses	3,281.00
4/15/2019	UCSB	Advertising on Buses	2,145.00
4/16/2019	Cottage Hospital	Passes/Token Sales	157.50
4/16/2019	MacDonald Media/MUFG Union Ban	Advertising on Buses	12,150.00
4/16/2019	Moonlight Graphics/Mktg	Advertising on Buses	7,236.00
4/16/2019	Wells Marketing, LLC	Advertising on Buses	853.20
4/19/2019	CalPERS	OPEB Reimbursement	6,129.53
4/22/2019	UCSB - Parking Services-7001	Passes/Passports Sales	6,356.00
4/23/2019	City of SB - Downtown Parking	City of SB My Ride	20,000.00
4/23/2019	Hiltachk Marketing Group/SB Airport	Advertising on Buses	4,919.40
4/26/2019	UCSB - Contract Fares	Contract Fares	316,301.70
<b>Total Accounts Receivable Paid During Period</b>			<b>\$399,842.63</b>

**Santa Barbara Metropolitan Transit District**  
**Accounts Payable**

Check #	Date	Company	Description	Amount	Voids
120447	3/7/2019	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	797.15	V
120524	3/21/2019	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	0.00	V
120602	4/4/2019	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	0.00	V
120603	4/4/2019	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	9,682.44	V
120670	4/12/2019	HENRY ANDREWS	RETIREE HEALTH REIMBURSEMENT	285.00	
120671	4/12/2019	JAMES BRACKETT	RETIREE HEALTH REIMBURSEMENT	146.00	
120672	4/12/2019	ROBERT BURNHAM	RETIREE HEALTH REIMBURSEMENT	285.00	
120673	4/12/2019	STAN CISOWSKI	RETIREE HEALTH REIMBURSEMENT	249.34	
120674	4/12/2019	COX COMMUNICATIONS, CORP.	INTERNET & CABLE TV	454.77	
120675	4/12/2019	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	0.00	V
120676	4/12/2019	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	7,182.44	
120677	4/12/2019	CURTIS, NANCY	RETIREE HEALTH REIMBURSEMENT	169.88	
120678	4/12/2019	CA DEPT. OF TAX & FEE ADMIN.	QTRLY USER FUEL TAX	1,551.20	
120679	4/12/2019	CA. DEPT. of TAX & FEE ADMINIST	UNDERGROUND STORAGE TANK FEE	2,994.24	
120680	4/12/2019	EASY LIFT TRANSPORTATION, INC	MONTHLY ADA SUBSIDY	78,496.83	
120681	4/12/2019	STATE OF CALIFORNIA	PAYROLL RELATED	415.00	
120682	4/12/2019	FRONTIER CALIFORNIA INC.	TELEPHONES	100.98	
120683	4/12/2019	GARY GLEASON	RETIREE HEALTH REIMBURSEMENT	285.00	
120684	4/12/2019	JILL GRISHAM	RETIREE HEALTH REIMBURSEMENT	228.78	
120685	4/12/2019	GUARDIAN-APPLETON (DENTAL I	DENTAL INSURANCE	4,477.46	
120686	4/12/2019	GUARDIAN-APPLETON (LIFE INS)	LIFE INSURANCE	1,017.20	
120687	4/12/2019	JIM HAGGERTY	RETIREE HEALTH REIMBURSEMENT	542.47	
120688	4/12/2019	ALI HABIBI	RETIREE HEALTH REIMBURSEMENT	569.44	
120689	4/12/2019	ROBERT HARTMAN, JR.	RETIREE HEALTH REIMBURSEMENT	1,207.32	
120690	4/12/2019	MONTE KIMZEY	RETIREE HEALTH REIMBURSEMENT	438.00	
120691	4/12/2019	LINDA LEE LACKEY	RETIREE HEALTH REIMBURSEMENT	855.00	
120692	4/12/2019	LABOR ALLIANCE MANAGED TRU	UNION DENTAL INSURANCE	11,466.50	
120693	4/12/2019	LOUIS MANDEVILLE	RETIREE HEALTH REIMBURSEMENT	538.82	
120694	4/12/2019	MEDICAL EYE SERVICES, INC.	VISION INSURANCE	531.92	
120695	4/12/2019	CAREY POINDEXTER	RETIREE HEALTH REIMBURSEMENT	285.00	
120696	4/12/2019	PRISCILLA REID	RETIREE HEALTH REIMBURSEMENT	438.00	
120697	4/12/2019	AL ROMERO SR.	RETIREE HEALTH REIMBURSEMENT	146.00	
120698	4/12/2019	SB COUNTY FEDERAL CREDIT UNI	PAYROLL DEDUCTION	260.00	
120699	4/12/2019	SPECIAL DISTRICT RISK MGMT	HEALTH INSURANCE	50,249.28	
120700	4/12/2019	SANTA BARBARA SHERIFF'S DEPT	PAYROLL RELATED	105.33	
120701	4/12/2019	STATE BOARD OF EQUALIZATION	PAYROLL RELATED	250.00	
120702	4/12/2019	TEAMSTERS MISC SECURITY TRUS	UNION MEDICAL INSURANCE	206,885.00	
120703	4/12/2019	TEAMSTERS PENSION TRUST	UNION PENSION	93,657.93	

Check #	Date	Company	Description	Amount	Voids
120704	4/12/2019	TEAMSTERS UNION LOCAL NO. 18	UNION DUES	10,767.46	
120705	4/12/2019	JOHN J. VASQUEZ	RETIREE HEALTH REIMBURSEMENT	1,224.15	
120706	4/12/2019	VERIZON WIRELESS	WIRELESS PHONES & AIM CELLULAR	13,656.20	
120707	4/12/2019	ALEXANDER YOUNG	RETIREE HEALTH REIMBURSEMENT	260.23	
120708	4/18/2019	ALLIED ELECTRONICS, INC	BUS PARTS	286.80	
120709	4/18/2019	ASBURY ENVIRONMENTAL	WASTE OIL RECYCLER	270.00	
120710	4/18/2019	AXLE TECH INTERNATIONAL D	BUS PARTS & REPAIRS	158.26	
120711	4/18/2019	BIG BRAND TIRES, BRANDCO BILL	SERVICE VEHICLE MAINTENANCE	1,104.02	
120712	4/18/2019	BILL'S COPY SHOP	PUBLIC FLYERS/OTHER PROMOTIONS	46.76	
120713	4/18/2019	CALIFORNIA ELECTRIC SUPPLY, I	SHOP/B&G SUPPLIES	190.30	
120714	4/18/2019	CAPITOL HARDWARE & BUILDING	B&G SUPPLIES	31.79	
120715	4/18/2019	CARQUEST AUTO PARTS	BUS PARTS & SUPPLIES	299.11	
120716	4/18/2019	CELTIS VENTURES, INC.	MARKETING SERVICES	5,296.25	
120717	4/18/2019	CENTRAL COAST CIRCULATION, L	BUS BOOK DISTRIBUTION	575.00	
120718	4/18/2019	CINTAS CORPORATION	FIRST AID SUPPLIES	291.94	
120719	4/18/2019	CROCKER REFRIGERATION & AIR	HVAC MAINTENANCE	1,889.43	
120720	4/18/2019	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	1,075.12	
120721	4/18/2019	DOCUPRODUCTS CORPORATION	COPIER MAINTENANCE/SUPPLIES	235.30	
120722	4/18/2019	DOWNTOWN ORGANIZATION, INC.	TC MAINTENANCE	450.00	
120723	4/18/2019	ESP LOCKSMITH DBA	T1 FIXED FACILITIES	1,841.00	
120724	4/18/2019	FLEET SERVICES, INC.	BUS PARTS	700.20	
120725	4/18/2019	FRANK THOMPSON HOUSING CON	CALLE REAL DEVELOPMENT	2,350.00	
120726	4/18/2019	FRONTIER CALIFORNIA INC.	TELEPHONES	1,153.20	
120727	4/18/2019	GIBBS INTERNATIONAL INC	BUS PARTS	1,873.16	
120728	4/18/2019	GILLIG LLC	BUS PARTS	8,791.10	
120729	4/18/2019	GOGETTERS, LLC DBA	COURIER SERVICES	150.00	
120730	4/18/2019	GOLD COAST TRANSPORT REFRIG	BUS A/C MAINTENANCE	936.75	
120731	4/18/2019	GRAPHICINK	PUBLIC FLYERS	1,206.68	
120732	4/18/2019	HAYNES SALES DBA	B&G REPAIRS & SUPPLIES	825.87	
120733	4/18/2019	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	778.80	
120734	4/18/2019	INTELLICORP RECORD INC.	PRE-EMPLOYMENT CHECK	72.80	
120735	4/18/2019	IRON HORSE AUTO BODY OF SB D	SERVICE VEHICLE REPAIRS	768.19	
120736	4/18/2019	JANICARE DBA	JANITORIAL SERVICES	5,036.03	
120737	4/18/2019	JOY EQUIPMENT PROTECTION, IN	SERVICING FIRE EXTINGUISHERS	40.00	
120738	4/18/2019	KIRKS AUTOMOTIVE, INC	BUS/AUTO PARTS	239.25	
120739	4/18/2019	KLIPPEL TOOL REPAIR DBA	COMPRESSORS MAINT/BUS PARTS	1,040.56	
120740	4/18/2019	LAWSON PRODUCTS INC	SHOP SUPPLIES	824.31	
120741	4/18/2019	LORI'S MOBILE NOTARY&FINGERP	MOBILE NOTARY	393.00	
120742	4/18/2019	ROBERT H. LURIE	REIMBURSEMENT	131.62	
120743	4/18/2019	STEVEN EDWARD MAAS	REIMBURSEMENT	103.24	
120744	4/18/2019	MC CORMIX CORP. (OIL)	LUBRICANTS	4,089.78	



Check #	Date	Company	Description	Amount	Voids
120745	4/18/2019	MC CORMIX CORP. (GAS)	FUEL-SERVICE VEHICLES	2,245.74	
120746	4/18/2019	MCMASTER-CARR SUPPLY CO.	SHOP/B&G SUPPLIES	259.63	
120747	4/18/2019	MIKE CUEVAS GARDENING SERVI	LANDSCAPE MAINTENANCE SERVICE	695.00	
120748	4/18/2019	KENNETH B. MILLS	PROCUREMENT SERVICES	1,903.00	
120749	4/18/2019	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	47.34	
120750	4/18/2019	NATIONAL AUTO BODY & PAINT I	BUS REPAIRS	2,605.37	
120751	4/18/2019	NEOPART TRANSIT LLC	BUS PARTS	233.24	
120752	4/18/2019	NU-COOL REDI GREEN, INC	COOLANTS & SHOP SUPPLIES	692.61	
120753	4/18/2019	NORTHWEST PUMP & EQUIPMENT	FUEL ISLAND SUPPLIES	650.69	
120754	4/18/2019	PREVOST CAR INC.- CREDIT DEPT.	BUS PARTS	2,329.24	
120755	4/18/2019	N/S CORPORATION	BUS WASHER PARTS	226.91	
120756	4/18/2019	O'CONNOR PEST CONTROL DBA	FUMIGATION	77.00	
120757	4/18/2019	POWERSTRIDE BATTERY CO.	EV BATTERIES	1,003.71	
120758	4/18/2019	REPUBLIC ELEVATOR, INC	ELEVATOR MAINTENANCE	170.00	
120759	4/18/2019	RON WILLIAMS MACHINE SHOP, I	BUS REPAIRS	618.00	
120760	4/18/2019	SANSUM CLINIC	MEDICAL EXAMS	270.00	
120761	4/18/2019	SANTA BARBARA FASTENERS, INC	SHOP SUPPLIES	32.53	
120762	4/18/2019	SANTA BARBARA COUNTY SELPA	TRANSITION FAIR VENDOR BOOTH FE	10.00	
120763	4/18/2019	SB LOCKSMITHS, INC.	B&G REPAIR & SUPPLIES	615.20	
120764	4/18/2019	SILVAS OIL CO., INC.	LUBRICANTS	719.68	
120765	4/18/2019	SMITTY'S TOWING SERVICE D	TOWING SERVICES	224.50	
120766	4/18/2019	SELECT STAFFING DBA	CONTRACT SERVICES	972.80	
120767	4/18/2019	SMART & FINAL	OFFICE/MEETING SUPPLIES	68.95	
120768	4/18/2019	SO. CAL. EDISON CO.	UTILITIES	5,399.96	
120769	4/18/2019	SOCALGAS	UTILITIES	401.54	
120770	4/18/2019	SPECIALTY TOOL & BOLT, LTD	SHOP SUPPLIES	60.90	
120771	4/18/2019	SOUTHWEST LIFT & EQUIPMENT, I	LIFT REPAIRS & SUPPLIES	355.00	
120772	4/18/2019	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	630.57	
120773	4/18/2019	STAR-TAM, INC.	B&G REPAIRS & SUPPLIES	1,459.56	
120774	4/18/2019	STEWART'S DE-ROOTING & PLUM	PLUMBING REPAIRS	165.75	
120775	4/18/2019	TELCOM, INC.	RADIO PARTS & REPAIRS	4,011.10	
120776	4/18/2019	THE MEDCENTER	MEDICAL EXAMS	1,454.00	
120777	4/18/2019	TRUMAN ARNOLD COMPANIES (T	DIESEL FUEL	88,693.13	
120778	4/18/2019	VALLEY POWER SYSTEMS, INC.	BUS PARTS	7,201.38	
120779	4/18/2019	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	1,038.78	
120780	4/18/2019	WORKER'S COMPENSATION ADMI	PROFESSIONAL SERVICES	14,747.25	
120781	4/18/2019	WURTH USA WEST INC.	SHOP SUPPLIES	921.67	
120782	4/18/2019	YELLOW (YRC) TRANSPORTATION	FREIGHT CHARGES	181.60	
120783	4/26/2019	ABC BUS COMPANIES INC	BUS PARTS	1,553.14	
120784	4/26/2019	AMERICAN MOVING PARTS, LLC	BUS PARTS	329.73	
120785	4/26/2019	CARQUEST AUTO PARTS	BUS PARTS & SUPPLIES	22.14	

Check #	Date	Company	Description	Amount	Voids
120786	4/26/2019	CINTAS CORPORATION	FIRST AID SUPPLIES	131.97	
120787	4/26/2019	COX COMMUNICATIONS, CORP.	INTERNET & CABLE TV	433.47	
120788	4/26/2019	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	264.23	
120789	4/26/2019	CDTFA	SALES/CONSUMER USE TAX	780.00	
120790	4/26/2019	COUNTY OF S.B.PUBLIC WORKS D	WASTE DISPOSAL	26.00	
120791	4/26/2019	DIESEL FORWARD, INC.	BUS PARTS	2,725.00	
120792	4/26/2019	JAMES A. EATON	DMV/VTT REIMBURSEMENT	56.00	
120793	4/26/2019	FEDEX dba	FREIGHT CHARGES	252.30	
120794	4/26/2019	FLEET SERVICES, INC.	BUS PARTS	114.57	
120795	4/26/2019	STATE OF CALIFORNIA	PAYROLL RELATED	415.00	
120796	4/26/2019	FRONTIER CALIFORNIA INC.	TELEPHONES	815.43	
120797	4/26/2019	GENFARE, A DIVISION OF SPX COR	3YR SOFTWARE MAINT & LICENSE	79,867.50	
120798	4/26/2019	G.L. HYDRAULICS INC.	VENDOR BUS REPAIRS	1,439.40	
120799	4/26/2019	GIBBS INTERNATIONAL INC	BUS PARTS	905.37	
120800	4/26/2019	GILLIG LLC	BUS PARTS	2,180.39	
120801	4/26/2019	GOODYEAR TIRE & RUBBER CO	BUS TIRE LEASE	13,418.82	
120802	4/26/2019	HAYNES SALES DBA	B&G REPAIRS & SUPPLIES	152.25	
120803	4/26/2019	HI-LINE ELECTRIC COMPANY, INC	BUS PARTS	37.62	
120804	4/26/2019	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	83.51	
120805	4/26/2019	JANEK CORP	BUS PARTS	598.13	
120806	4/26/2019	J n L GLASS INC.	REPLACE BUS WINDOWS	2,455.00	
120807	4/26/2019	LARA'S AUTO REPAIR DBA	BUS REPAIRS	784.95	
120808	4/26/2019	MC CORMIX CORP. (OIL)	LUBRICANTS	3,255.02	
120809	4/26/2019	MC CORMIX CORP. (GAS)	FUEL-SERVICE VEHICLES	2,938.63	
120810	4/26/2019	ANTHONY MENDIBLES	REIMBURSEMENT	56.00	
120811	4/26/2019	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	41.76	
120812	4/26/2019	MULLEN & HENZELL	CALLE REAL DEVELOPMENT	15,257.03	
120813	4/26/2019	NORMA JEAN MYERS	DMV/VTT RENEWAL	56.00	
120814	4/26/2019	NATIONAL DRIVE	PAYROLL DEDUCTION	40.00	
120815	4/26/2019	NEOPART TRANSIT LLC	BUS PARTS	528.26	
120816	4/26/2019	PREVOST CAR INC.- CREDIT DEPT.	BUS PARTS	1,473.05	
120817	4/26/2019	CIPRIANO OCAMPO	REIMBURSEMENT	253.76	
120818	4/26/2019	O'REILLY AUTO PARTS DBA	BUS PARTS	156.60	
120819	4/26/2019	ORANGE COUNTY TRANS. AUTHO	OPERATIONS WORKSHOP	290.00	
120820	4/26/2019	POWERSTRIDE BATTERY CO.	EV BATTERIES	1,303.15	
120821	4/26/2019	SAFETY-KLEEN CORPORATION	SHOP SUPPLIES	291.80	
120822	4/26/2019	SB COUNTY FEDERAL CREDIT UNI	PAYROLL DEDUCTION	260.00	
120823	4/26/2019	SANTA BARBARA NEWSPRESS D	BUS SCHEDULE GUIDES	98.56	
120824	4/26/2019	SILVAS OIL CO., INC.	LUBRICANTS	288.14	
120825	4/26/2019	SANTA BARBARA SHERIFF'S DEPT	PAYROLL RELATED	50.00	
120826	4/26/2019	SANTA BARBARA TROPHY	DRIVER NAME PLATES	21.32	

Check #	Date	Company	Description	Amount	Voids
120827	4/26/2019	SELECT STAFFING DBA	CONTRACT SERVICES	1,864.61	
120828	4/26/2019	SM TIRE, CORP.	BUS TIRE MOUNTING	1,521.40	
120829	4/26/2019	SO. CAL. EDISON CO.	UTILITIES	627.85	
120830	4/26/2019	SOCALGAS	UTILITIES	25.23	
120831	4/26/2019	SOUTHWEST LIFT & EQUIPMENT, I	LIFT REPAIRS & SUPPLIES	1,336.06	
120832	4/26/2019	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	404.01	
120833	4/26/2019	STATE BOARD OF EQUALIZATION	PAYROLL RELATED	250.00	
120834	4/26/2019	SB CITY OF-REFUSE/WATER	UTILITIES	734.77	
120835	4/26/2019	TEAMSTERS UNION LOCAL NO. 18	UNION DUES	1,010.46	
120836	4/26/2019	TRUMAN ARNOLD COMPANIES (T	DIESEL FUEL	22,131.00	
120837	4/26/2019	UNITED PARCEL SERVICE, INC.	FREIGHT CHARGES	496.43	
120838	4/26/2019	UNITED WAY OF SB	PAYROLL DEDUCTION	68.00	
120839	4/26/2019	U.S. BANK CORP. PAYMENT SYSTE	CREDIT CARD PURCHASES	5,857.22	
120840	4/26/2019	VENTURA COUNTY STAR DBA	PUBLIC NOTICE ADS	214.08	
120841	4/26/2019	VENTURA COUNTY OVERHEAD D	B&G REPAIRS & SUPPLIES	170.00	
120842	4/26/2019	VERIZON WIRELESS	WIRELESS PHONES & AIM CELLULAR	683.76	
120843	4/26/2019	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	432.40	
120844	4/26/2019	YACO SCHOLARSHIP FUND	PAYROLL DEDUCTION	48.00	
				<b>855,988.40</b>	
Current Cash Report Voided Checks:				-797.15	
Prior Cash Report Voided Checks:				10,479.59	
Grand Total:				<b>\$846,305.96</b>	



<b>BOARD OF DIRECTORS REPORT</b>
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**MEETING DATE:** MAY 7, 2019 **AGENDA ITEM: #7**

**DEPARTMENT:** GOVERNMENT RELATIONS

**TYPE:** ACTION ITEM

**PREPARED BY:** JERRY ESTRADA

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

**REVIEWED BY:** GENERAL MANAGER

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

**SUBJECT:** FUNDING AGREEMENT WITH SANTA BARBARA COUNTY ASSOCIATION  
OF GOVERNMENTS FOR MTD FACILITY IMPROVEMENTS

**RECOMMENDATION:**

Staff recommends that the Board authorize execution of the attached agreement with the Santa Barbara County Association of Governments (SBCAG) to provide Transit and Intercity Rail Capital Program (TIRCP) funds to assist with MTD facility improvement projects.

**DISCUSSION:**

SBCAG was awarded two Transit and Intercity Rail Capital Program (TIRCP) grants in April 2018 by the State Department of Transportation (Caltrans), of which, one provides \$1.5 million in capital funds for improvements to MTD's transit facilities.

TIRCP is funded by Cap and Trade auction proceeds and SB1 funds. SBCAG successfully competed for two grants, one to expand Coastal Express bus service in support of the new peak hour Pacific Surfliner train service using battery-powered coaches and make local transit facility improvements, and a second grant to construct a train station on a parcel purchased by the City of Goleta adjacent to the current Goleta station.

MTD supported both grant applications and agreed to partner with SBCAG and Ventura County transit providers to expand Coastal Express bus service in support of the new peak hour Pacific Surfliner train service using battery-powered coaches and to make local transit facility improvements to its Goleta and Santa Barbara properties.

The attached agreement identifies the eligible expenditures and responsibilities of the parties related to the project. Additionally, an updated Program Supplement (Exhibit D) is being processed by Caltrans to clearly identify the "local transit facility improvements". As such, the original Program Supplement attached to this agreement will be replaced at the request of both agencies.

**ATTACHMENT:**

- Attachment 1 – MTD / SBCAG TIRCP Funding Agreement

**Funding Agreement Between the**  
**Santa Barbara County Association of Governments**  
**and the**  
**Santa Barbara Metropolitan Transit District**

**THIS FUNDING AGREEMENT** (hereafter "Agreement") is made by and between the SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS (hereafter "SBCAG") and the Santa Barbara Metropolitan Transit District (hereafter "MTD"), having its principal place of business at 550 Olive Street, Santa Barbara CA 93101, wherein MTD agrees to provide and SBCAG agrees to accept the services specified herein. These parties are sometimes referred to herein as a "Party" or "Parties" to this Agreement.

WHEREAS, SBCAG applied for and received \$9,009,000 under the 2018 Transit and Intercity Rail Capital Program (TIRCP) to expand Coastal Express regional transit service by purchasing electric over-the-road coaches and to make facility and infrastructure improvements to MTD-owned facilities (FACILITIES), including, that located at 5353 Overpass Road in Goleta (PROJECT) and 550 Olive Street in Santa Barbara; and

WHEREAS, SBCAG and MTD agree that MTD will be the lead agency for any grant-funded improvements to the FACILITY that will require reimbursement from SBCAG for the costs of implementing these improvements; and

WHEREAS, MTD and SBCAG agree that MTD is best equipped to provide project management for engineering and design components and to oversee any technical studies needed for environmental approvals and permitting for infrastructure improvements at the facilities; and

WHEREAS, SBCAG and the State of California (STATE) have entered into a Master Agreement (Exhibit D) to define roles and responsibilities for funding and oversight of this PROJECT; and

WHEREAS, SBCAG has assured the STATE that all recipients receiving TIRCP flow-through grant funds under the Master Agreement would adhere to specific regulations, standards, and procedures; and

WHEREAS, the California Transportation Commission approved funding on October 18, 2018 that shall be available for the purposes of this Agreement; and

WHEREAS, the California Transportation Commission may approve additional funding in the future that shall be available for the purposes of this Agreement; and

WHEREAS, MTD will be the lead agency for CEQA compliance and certification, if necessary, for improvements funded by the grant at the FACILITY; and

WHEREAS, MTD and SBCAG desire to define roles and responsibilities for grant-funded improvements to the FACILITY.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

**1. DESIGNATED REPRESENTATIVES.**

SBCAG's Executive Director and/or her designee is the Designated Representative of SBCAG and will administer this Agreement for and on behalf of SBCAG. MTD's General Manager and/or his designee is the

authorized representative of MTD. Each Party agrees to promptly provide written notice if the Designated Representative is changed.

2. **NOTICES.** Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by first class mail, postage prepaid, or otherwise delivered as follows:

To SBCAG: Santa Barbara County Association of Governments  
260 North San Antonio Road, Suite B  
Santa Barbara, CA 93110  
Attention: Marjie Kirn, Executive Director

To MTD: Santa Barbara Metropolitan Transit District  
550 Olive Street,  
Santa Barbara, CA 93101  
Attention: Jerry Estrada, General Manager

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process, except as required by applicable law.

3. **SCOPE OF SERVICES.** MTD agrees to assume the responsibilities identified in Exhibit A, attached hereto and incorporated herein by this reference.

4. **TERM.** The term of this agreement is May 16, 2019 to June 30, 2023, unless earlier terminated or extended.

5. **REIMBURSEMENT TO MTD.** MTD shall be reimbursed for valid costs under this Agreement, including costs eligible under the Master Agreement, Exhibit D, attached hereto and incorporated herein by this reference. Reimbursement shall be no later than quarterly and a detailed progress report shall be included with each invoice. Payment shall be net thirty (30) days from presentation of invoice.

6. **DEBARMENT AND SUSPENSION.** MTD certifies to SBCAG that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state or local government contracts. MTD certifies that it shall not contract with subcontractors for services under this Agreement that are so debarred or suspended.

7. **TAXES.** MTD shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement and shall make any and all payroll deductions required by law that are not otherwise reimbursed in accordance to Section 5. SBCAG shall not be responsible for paying any taxes on MTD's behalf and, should SBCAG be required to do so by State, federal, or local taxing agencies, MTD agrees to promptly reimburse SBCAG for the full value of such paid taxes, plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

8. **CONFLICT OF INTEREST.** MTD covenants that MTD presently has no employment or interest, and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. MTD further covenants that in the performance of this Agreement, no person having any such interest shall be employed by MTD. MTD must promptly disclose to SBCAG, in writing, any potential conflict of interest. SBCAG retains the right to waive a conflict

of interest disclosed by MTD if SBCAG determines it to be immaterial, and such waiver is only effective if provided by SBCAG to MTD in writing.

9. **NO PUBLICITY OR ENDORSEMENT.** Neither Party shall use the other Party's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials, unless otherwise required. Neither Party shall use the other's name or logo in any manner that would give the appearance that one Party is endorsing the other. Neither Party shall in any way contract on behalf of or in the name of the other Party. Neither Party shall release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the other or the other's projects without obtaining the prior written approval of the other Party.

10. **PROPERTY AND INFORMATION.** Each Party's property, documents, and information provided to the other Party for use in connection with the services shall remain the originating Party's property, and the other Party shall return any such items whenever requested by the originating Party and whenever required according to the Termination section of this Agreement. The receiving Party may use such items only in connection with providing the services. The receiving Party shall not disseminate any property, documents, or information of the originating Party without the originating Party's prior written consent.

11. **RECORDS, AUDIT, AND REVIEW.** MTD shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of MTD's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. SBCAG shall have the right to audit and review all such documents and records at any time during MTD's regular business hours or upon reasonable notice. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00) MTD shall be subject to the examination and audit of the State Auditor General for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). MTD shall participate in any audits and review, whether by SBCAG or the State, at no charge to SBCAG.

If federal, state or other regulatory audit exceptions are made relating to this Agreement, MTD shall reimburse all costs incurred by SBCAG associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other reasonable costs of whatever nature. Within 30 days of notification from SBCAG, and absent challenge by MTD, MTD shall reimburse the reasonable amount of the audit exceptions and any other related reasonable costs directly to SBCAG as specified by SBCAG in the notification.

12. **INDEMNIFICATION AND INSURANCE.** MTD agrees to defend, indemnify and hold harmless the SBCAG and to procure and maintain insurance in accordance with the provisions of Exhibit C, attached hereto and incorporated herein by reference.

13. **NONDISCRIMINATION.** MTD shall comply with Title VI of the Civil Rights Act of 1964, as amended, and with the provisions contained in 49 CFR 21 through Appendix C and 23 CFR 710.405(b). During the performance of this Agreement, MTD, for itself, its assignees and successors in interest agrees as follows:

A. Compliance with Regulations: MTD shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by this reference and made a part of this Agreement.

B. Nondiscrimination: MTD or subcontractors shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. MTD shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the MTD to carry out

these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as recipient deems appropriate. MTD, with regard to the work performed by it during the Agreement, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection or retention of subcontractors, including procurement of materials and leases of equipment. MTD shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the Agreement covers a program set forth in Appendix B of the regulations.

C. Solicitations for subcontractors, including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by MTD for work to be performed under the subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by MTD of MTD's obligations under this Agreement, and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age or national origin.

D. Information and Reports: MTD shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by SBCAG to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a MTD is in the exclusive possession of another who fails or refuses to furnish this information, MTD shall so certify to SBCAG, and shall set forth what efforts it has made to obtain the information.

E. Sanctions for Noncompliance: In the event of MTD's noncompliance with the nondiscrimination provisions of this Agreement, SBCAG shall impose such contract sanctions as it may determine to be appropriate, including, but not limited to:

1. Withholding of payments to MTD under this Agreement until MTD complies, and/or
2. Cancellation, termination or suspension of the Agreement in whole or in part.

14. **NON-ASSIGNMENT.** MTD shall not assign or transfer this Agreement or any of its rights or obligations under this Agreement without the prior written consent of SBCAG and any attempt to so assign or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

15. **TERMINATION.**

A. **By SBCAG.** SBCAG may, by written notice to MTD, terminate this Agreement in whole or in part, at SBCAG's sole option, whether for SBCAG's convenience, for non-appropriation of funds, or because of the failure of MTD to fulfill the obligations herein.

1. **For Convenience.** SBCAG may terminate this Agreement in whole or in part upon thirty (30) days written notice. During the thirty (30) day period, MTD shall, as directed by SBCAG, wind down and cease its services as quickly, safely and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on SBCAG from such winding down and cessation of services.

2. **For Nonappropriation of Funds.** Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or local governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then SBCAG will notify MTD of such occurrence and SBCAG may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, SBCAG shall have no obligation to make payments with regard to the remainder of the term.

3. **For Cause.** Should MTD materially default in the performance of this Agreement or materially breach any of its provisions, SBCAG may, at SBCAG's sole option, terminate or suspend this



Agreement in whole or in part by written notice, if such default or breach is not remedied by MTD within thirty (30) days of written notice from SBCAG of such default or breach. Upon receipt of such notice, MTD shall either take immediate steps to remedy the default or breach, or immediately discontinue all services affected and notify SBCAG as to the status of its performance. The date of termination shall be thirty (30) days after the date the notice is received by MTD, unless the default or breach is remedied.

B. **By MTD.** Except where SBCAG withholds payment pursuant to other terms of this Agreement, should SBCAG fail to pay MTD all or any part of the payment set forth in Exhibit B, MTD may, at MTD's sole option, terminate this Agreement, if such failure is not remedied by SBCAG within thirty (30) days of written notice to SBCAG of such late payment.

C. **Upon termination,** MTD shall deliver to SBCAG copies of all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by MTD in performing this Agreement, whether completed or in process. Notwithstanding any other payment provision of this Agreement, SBCAG shall pay MTD for satisfactory services performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall MTD be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. MTD shall furnish to SBCAG such financial information as in the good faith judgment of SBCAG is necessary to determine the reasonable value of the services rendered by MTD. In the event of a dispute as to the reasonable value of the services rendered by MTD, the dispute shall be decided by a neutral mediator agreed to by the parties or, if no agreement can be reached, appointed by the Santa Barbara Superior Court. The foregoing is cumulative and shall not affect any right or remedy which the Parties may have in law or equity.

16. **SECTION HEADINGS.** The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

17. **SEVERABILITY.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

18. **REMEDIES NOT EXCLUSIVE.** No remedy herein conferred upon or reserved to the Parties is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

19. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

20. **NO WAIVER OF DEFAULT.** No delay or omission of the Parties to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to the Parties shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of the affected Party.

21. **ENTIRE AGREEMENT AND AMENDMENT.** In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

22. **SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

23. **COMPLIANCE WITH LAW.** MTD shall, at its sole cost and expense, comply with all, state and federal ordinances and statutes, including regulations now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of MTD in any action or proceeding against MTD, whether SBCAG is a party thereto or not, that MTD has violated any such ordinance statute, or regulation, shall be conclusive of that fact as between MTD and SBCAG.

24. **CALIFORNIA LAW AND JURISDICTION.** This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in State court, or in the federal district court nearest to Santa Barbara County, if in federal court.

25. **EXECUTION OF COUNTERPARTS.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

26. **AUTHORITY.** All signatories and parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, MTD hereby warrants that it shall not have materially breached the terms or conditions of any other contract or agreement to which MTD is obligated, which breach would have a material effect hereon.

27. **SURVIVAL.** All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

28. **PRECEDENCE.** In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the numbered sections shall prevail over those in the Exhibits.

29. **SUBCONTRACTORS.** MTD may retain the services of a consultant, consultants, or subcontractors (collectively referred to as subcontractors) to assist with the fulfillment of its roles and responsibilities outlined in this Agreement. MTD shall be fully responsible for all services performed by its subcontractors. MTD shall secure from any and all subcontractors all rights for SBCAG in this Agreement, including audit rights, and all rights for SBCAG and the State in the Master Agreement. MTD shall ensure subcontractors' compliance with California Labor Code, including, but not limited to, the payment of prevailing wage when required.

30. **SUSPENSION FOR CONVENIENCE.** SBCAG may, without cause, order MTD in writing to suspend, delay, or interrupt the work under this Agreement in whole or in part for up to 90 days. SBCAG shall pay all reasonable costs incurred by MTD for any such suspension under this provision. However, no such suspension shall constitute a breach of this Agreement.

31. **MASTER AGREEMENT & PROGRAM SUPPLEMENTS.** MTD agrees to all terms and conditions as set forth for SBCAG, as Recipient, in the Master Agreement which is attached as Exhibit D and incorporated herein by this reference. Other Program Supplements, or amendments thereto, shall have no force or effect until they are mutually agreed to and fully executed by MTD and SBCAG.

32. **DISPUTES**. Within a period of 45 days after the request for mediation, the Parties agree to convene with a mutually agreed upon mediator, with business representatives present, for at least one session to attempt to resolve the matter in good faith. In no event will mediation delay commencement of the litigation for more than 45 days absent agreement of the Parties or interfere with the availability of emergency relief

**IN WITNESS WHEREOF**, the parties have executed this Agreement to be effective on the date when fully executed by both parties.

ATTEST:

SANTA BARBARA METROPOLITAN TRANSIT  
DISTRICT

By: \_\_\_\_\_  
Jerry Estrada  
General Manger  
Santa Barbara Metropolitan Transit District

By: \_\_\_\_\_  
Dave Davis, Chair  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Doug Large  
MTD Attorney

*(signatures continue on following page)*

**IN WITNESS WHEREOF**, the parties have executed this Agreement to be effective on the date when fully executed by both parties.

ATTEST:

SANTA BARBARA COUNTY ASSOCIATION  
OF GOVERNMENTS:

By: \_\_\_\_\_  
Marjie Kirn  
Clerk of the Board  
Executive Director SBCAG

By: \_\_\_\_\_  
Alice Patino, Chair

Date: \_\_\_\_\_

APPROVED AS TO FORM:  
Michael C. Ghizzoni  
County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

## EXHIBIT A

### **Roles & Responsibilities**

#### **1. Project Purpose**

The purpose of the PROJECT is to expand Coastal Express regional transit service by purchasing electric over-the-road coaches and to make facility and infrastructure improvements to MTD-owned facilities.

For the first phase of The PROJECT improvements will include, but are not limited to, the following:

- Development of a facilities master plan;
- Development of fueling, bus washing, and other components to support bus service operations, to the extent the \$1,500,000 first phase funding allows.

#### **2. Roles and Responsibilities**

- a. MTD will be the CEQA lead agency for any grant funded improvements to the FACILITY that require environmental clearance and/or permitting.
- b. MTD will be responsible for managing consultant work, and shall be responsible for all work products and deliverables related to improvements to the facilities.
- c. MTD will develop an overall PROJECT delivery schedule which will be updated regularly as to progress of the PROJECT.
- d. MTD will prepare and provide to SBCAG any reports required by the State for PROJECT components overseen and/or administered by MTD.
- e. SBCAG and MTD will work cooperatively to make presentations and provide updates as needed to SBCAG's South Coast Subregional Planning Committee.

## EXHIBIT B

### **PAYMENT ARRANGEMENTS** **Periodic Compensation**

- A. For reimbursement to be rendered under this Agreement, MTD shall be paid a total contract amount, including cost reimbursements, up to but not to exceed \$1,500,000.
- B. Reimbursement of costs shall be made upon MTD's satisfactory performance, based upon the scope and methodology contained in **Exhibit A**. Invoices submitted for payment must contain sufficient detail to enable an audit of the charges and provide supporting documentation if so specified in **Exhibit A**. MTD will submit claims for reimbursement to SBCAG quarterly for PROJECT costs incurred by MTD. SBCAG will seek reimbursement from the STATE for these costs under the terms of the Master Agreement and process MTD invoices within 30 days of receipt.
- C. MTD, shall submit to the SBCAG Designated Representative an invoice or certified claim for the service performed over the period specified.
- D. SBCAG's failure to discover or object to any unsatisfactory billings prior to payment will not constitute a waiver of SBCAG's right to require MTD to correct such billings or seek any other legal remedy.

## EXHIBIT C

### STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS

MTD agrees to indemnify, defend (with counsel reasonably approved by SBCAG) and hold harmless SBCAG and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by SBCAG on account of any claim except where such indemnification is prohibited by law. MTD's indemnification obligation applies to SBCAG's active as well as passive negligence but does not apply to SBCAG's sole negligence or willful misconduct.

### NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

MTD shall notify SBCAG immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

### INSURANCE

MTD shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the MTD, its agents, representatives, employees or subcontractors.

#### A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if MTD has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

If MTD maintains higher limits than the minimums shown above, SBCAG requires and shall be entitled to coverage for the higher limits maintained by the MTD. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to SBCAG.

#### B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – SBCAG, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the MTD including materials, parts, or equipment furnished in connection with such work or operations.

General liability coverage can be provided in the form of an endorsement to the MTD's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).

2. **Primary Coverage** – For any claims related to this Agreement, MTD's insurance coverage shall be primary insurance as respects the SBCAG, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by SBCAG, its officers, officials, employees, agents or volunteers shall be excess of the MTD's insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to SBCAG.
4. **Waiver of Subrogation Rights** – MTD hereby grants to SBCAG a waiver of any right to subrogation which any insurer of said MTD may acquire against the SBCAG by virtue of the payment of any loss under such insurance. MTD agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the SBCAG has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the SBCAG. SBCAG may require the MTD to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
7. **Verification of Coverage** – MTD shall furnish SBCAG with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by SBCAG before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the MTD's obligation to provide them. MTD shall furnish evidence of renewal of coverage throughout the term of the Agreement. SBCAG reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, SBCAG has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by SBCAG as a material breach of contract.
9. **Subcontractors** – MTD shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and MTD shall ensure that SBCAG is an additional insured on insurance required from subcontractors.
10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
  - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
  - ii. Insurance must be maintained and evidence of insurance must be provided for at least two (2) years after completion of contract work.
  - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective



date, MTD must purchase “extended reporting” coverage for a minimum of two (2) years after completion of contract work.

11. **Special Risks or Circumstances** – SBCAG reserves the right to request modification of these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any agreed change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. MTD agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of SBCAG to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of SBCAG.

## **Exhibit D**

### **Program Supplement**

**STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION  
DIVISION OF MASS TRANSPORTATION  
PROGRAM SUPPLEMENT/AMENDMENT  
STATE FUNDED TRANSIT PROJECTS**

<b>MASTER AGREEMENT NO.:</b>	<b>64SBCAGMA</b>	<b>PROGRAM SUPPLEMENT NO.:</b>	<b>05SBCAGPS-01</b>
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**PROVISION SECTION**

This PROGRAM SUPPLEMENT hereby incorporates all of the provisions contained in MASTER AGREEMENT No. 64SBCAGMA, entered into between **STATE** and **RECIPIENT** on October 1, 2018 and is subject to all the terms and conditions thereof including all applicable CTC resolutions. This PROGRAM SUPPLEMENT is adopted in accordance with ARTICLE II, Section 2 of the aforementioned MASTER AGREEMENT under authority of Resolution #18-28 approved by **RECIPIENT** on October 18, 2018. The **RECIPIENT** further stipulates that, as a condition to the reimbursement of State funds obligated to this PROJECT, it accepts and will comply with the covenants, obligations, terms and conditions set forth in said MASTER AGREEMENT and on the following page(s) of this PROGRAM SUPPLEMENT including all attachments.

<b>CTC RESOLUTION</b>	<b>RESOLUTION DATE</b>	<b>FISCAL YEAR</b>	<b>FUND</b>	<b>AMOUNT</b>	<b>EA</b>	<b>PHASE</b>	<b>3<sup>RD</sup> PARTY CONTRACT</b>	<b>LAST EXPENDITURE DATE</b>
TIRCP-1819-02	October 18, 2018	18-19	GGRF PTA	\$133,000 \$167,000	R409GA	PS&E	N/A	June 30, 2021

**PROJECT TITLE:** Coastal Express/Pacific Surfliner Peak Hour Service Expansion and Integration Project

**PROJECT SUMMARY:** Procurement of five zero-emission over-the-road electric buses to complement rail service for commuters between Ventura and Santa Barbara counties and the development of layover and maintenance facilities in Goleta and Santa Barbara that can support expanded zero-emission bus service.

**REQUIRED SIGNATURES**

<b>Recipient:</b> <u>Santa Barbara County Association of Governments</u>	<b>State Dept.:</b> <u>STATE OF CALIFORNIA Department of Transportation</u>
<b>Signed By:</b> _____	<b>Signed By:</b> _____
<b>Name:</b> <u>Marjie Kirn</u>	<b>Name:</b> <u>Ronald E. Sheppard</u>
<b>Title:</b> <u>Executive Director</u>	<b>Title:</b> <u>Acting Chief, Division of Rail and Mass Transportation</u>
<b>Date:</b> _____	<b>Date:</b> _____

**DISTRIBUTION LIST**

Caltrans Headquarters Accounting (2)  
Caltrans Legal (1)  
Recipient (1)  
Caltrans Rail and Mass Transportation (1)  
CalSTA (1)

**LIST OF ATTACHMENTS INCLUDED**

- ☒ I. **Scope of Work**  
☒ II. **CTC Resolutions**  
☒ III. **Certification of Funds**  
☐ IV. **3<sup>rd</sup> Party Agreement**

## **ATTACHMENT I**

### **Scope of Work**

#### **A. Project Description**

The Coastal Express/Pacific Surfliner Peak Hour Service Expansion and Integration Project enhances bus services that will allow seamless use of both rail and transit service to commute to employment centers in Goleta from Oxnard and Ventura using zero-emission electric coaches. Service improvements will result in travel time savings of 45 minutes and provide new expansion service to Oxnard.

The first component consists of improvements to facilities in Santa Barbara, including the assessment of Santa Barbara Metropolitan Transit District's (MTD) existing transit center and a surplus facility. In addition, an evaluation of improvements to these structures will be performed to bring MTD's facilities to a condition where they can be used efficiently, effectively, and safely for the provision of local and regional transit services. The facilities owned by MTD will be made available to support the expanded service to maintain, store, and dispatch vehicles and drivers. The upgrades include stabilization and reinforcement of the existing canopies, electrical and HVAC upgrades, resurfacing of areas, and other general renovations.

The second component includes the procurement of charging infrastructure and five zero emission electric battery coaches to operate four peak-hour round trips to support peak hour rail service between Ventura and Santa Barbara counties, and includes the installation of charging infrastructure in Ventura County to support the zero emission electric battery coaches.

#### **B. Detailed Scope**

<b>Project Improvements</b>	<b>Funded in Current Provisions</b>
<b>1. Design of MTD transit facility improvements</b>	<b>1. PS&amp;E for assessment of MTD's existing transit facilities, including structures, electrical and plumbing systems, and canopies.</b>

Additional scope may be amended to this agreement as it is allocated.

This supplement funds the following components:

1. Engineering Plans, Specifications, and Estimates (PS&E) Component: Complete design for the MTD transit facilities to refurbish and make facility improvements.

#### **Project Overall Funding Plan**

The Project's overall Funding Plan is attached to and hereby incorporated into this Program Supplement as Schedule 1, Project Programming Request.

#### **C. Project Financial Plan**

The Project's Financial Plan is attached to and hereby incorporated into this Program Supplement as Schedule 2, Project Financial Plan, outlining the cash flow of expenditures.

#### **D. Project Schedule**

The Project's Schedule of Activities is attached to and hereby incorporated into this Program Supplement as Schedule 3, and will be updated as part of the regular status reports.

## **E. Special Conditions**

Notwithstanding any other commitment in the Recipient's application, clarification regarding the following items are a condition precedent to award of further funding for the Project:

### **1. Cost Savings, Project Match, and Project Completion**

The Recipient is encouraged to evaluate design and construction alternatives that would mitigate costs of delivering project commitments. The Recipient shall take all steps necessary on a commercially reasonable basis that would generally be taken in accordance with best management practices. In determining cost savings, the Parties shall take into account all avoided costs, including avoided design, material, equipment, labor, construction, testing, acceptance, overhead costs, avoided costs due to time savings, and all savings in financing costs associated with such avoided costs.

Cost savings shall also include identification and implementation of any CalSTA approved Project or TIRCP funded Project component alternatives resulting in the reduction of project costs or if the Project or any TIRCP funded Project component is completed under budget.

Parties agree that the Recipient shall bear the burden of providing a prorated share of the Project or TIRCP funded Project component cost savings based on the overall project match below to the Department no later than 30 days after the submission of the final invoice. Subject to CalSTA's approval, savings may be used towards increasing project benefits or applied to another TIRCP funded Project components that are consistent with the original project award while maintaining the overall project match referenced below.

TIRCP funding is based on a project budget of \$10,175,000 with a funding award of \$9,600,00 (94.34% match) that is utilized to achieve project benefits equal to or greater than defined in the TIRCP Award Announcement. The funding award amount and percent match shall not be exceeded.

The Recipient agrees to complete the Project and accepts sole responsibility for the payment of any additional cost increases. If either the Project or the funded components are not completed, the Recipient shall bear the burden of full TIRCP funds reimbursement to the Department.

### **2. Invoicing**

For each invoice submitted, TIRCP funds shall provide reimbursement as follows:

1. Up to \$300,000 for the design component of the Project, which includes transit facility improvements based on the estimated cost of \$300,000.

The Department will make payments on invoices submitted as work proceeds.

Not more than on a monthly-basis, based on the date of invoice receipt, the Department will make payments on invoices as work proceeds. On each invoice, the Recipient shall certify the total costs invoiced do not exceed the allowable reimbursement percentage.

### **3. Useful Life - Vehicles, Facilities and Capital Improvements**

All new zero emission battery electric buses must be maintained in a state of good repair over their useful life of 12 years and maintenance/operations facility for 50 years.

### DELIVERABLES

Item	Requirement Description	Due
<b>1. PS&amp;E</b>	The Recipient shall provide to the Department the Facilities Master Plan that will address short and long-term facilities need, including recommendations for improvements.	Upon Completion of Design
<b>Benefits Tracking and Reporting</b>	<p>Provide the Department with benefit tracking and reporting, consistent with TIRCP and California Air Resources Board (CARB) guidelines (located at <a href="https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/2018-fundingguidelines.pdf?_ga=2.85033177.1369924840.1553634217-1693531777.1527200625">https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/2018-fundingguidelines.pdf?_ga=2.85033177.1369924840.1553634217-1693531777.1527200625</a>) for any additional project benefits not specifically identified in the special conditions above that demonstrate and document Greenhouse Gas Emissions reduction.</p> <p>Provide the Department with a plan for reporting greenhouse gas emission reduction benefits specific to disadvantaged communities. Once approved, this plan will lay out the specific approach to reporting project benefits for future reporting requirements.</p>	In accordance with CARB Semi-Annual Reporting Requirements

**ATTACHMENT II**

**CTC Resolutions**

## ATTACHMENT II

### Certification of Funds

<b>Name of Recipient:</b>	Santa Barbara County Association of Governments
<b>Name of Project:</b>	Coastal Express/Pacific Surfliner Peak Hour Service Expansion and Integration project
<b>CTC Resolution Number:</b>	TIRCP-1819-02
<b>CTC Resolution Date:</b>	10/18/2018
<b>Allocation Amount:</b>	\$300,000 (PS&E)
<b>Fund Source:</b>	GGRF PTA
<b>Date of Third Party Contract Award:</b>	N/A

**This Supplement reflects an additional allocation for PS&E for assessment of MTD's existing transit facilities, including structures, electrical and plumbing systems, and canopies.**

SOURCE DIST-UNIT	CHARGE DIST-UNIT	EXP AUTH NO. Project ID No.	OBJECT	ALLOCATION AMOUNT	LED	FY	ENCUMBRANCE DOCUMENT NO.	PPNO
64	3736	R409GA 0019000092	7049	\$133,000 (GGRF) \$167,000 (PTA)	6/30/2021	18/19	05SBCAGPS-01	CP048
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure Stated above.					Signature of Accounting Officer			Date
ITEM		CHAPTER	STATUTES	FISCAL YEAR				
2660-301-0046R 2660-101-046		14, 22, 54	2017	2017-18				





## BOARD OF DIRECTORS REPORT

**MEETING DATE:** MAY 7, 2019

**AGENDA ITEM: #8**

**DEPARTMENT:** PLANNING

**TYPE:** ACTION ITEM

**PREPARED BY:** HILLARY BLACKERBY

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

**REVIEWED BY:** GENERAL MANAGER

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

**SUBJECT:** DRAFT FINAL SERVICE PLAN FOR FISCAL YEAR 2019-20

### RECOMMENDATION:

Staff recommends that the Board of Directors receive a presentation on the draft final service plan for FY 2019-20 and consider approval of the plan.

### DISCUSSION:

The changes proposed for FY 2019-20 represent a .001% increase in revenue hours for FY 2019-20. The approved service level for FY 2018-19 was 225,196 hours. The changes under consideration would increase the service level to 225,476 hours representing an increase of 280 hours. The potential net increase in service hours is primarily comprised of minor adjustments for on-time performance for Lines 4, 5, 10, 14, 15x, 17, 20, and several booster routes. Other service changes are proposed to make service more efficient. These changes to fixed route service would go into effect on August 19, 2019.

Lines	Purpose of Changes	Additional Revenue Hours
4, 5, 10, 14, 15x, 17, 20	On-time performance	81
Booster services	On-time performance	149
3	Routing changes	0
12x & 24x	Bus stop balancing	0
Miscellaneous	Minor adjustments	50
<b>Total</b>		<b>280*</b>

\*Should an agreement be reached to augment Line 28 service, this number would increase.

### New routing and stops for Line 3

Due to planned changes at Santa Barbara Cottage Hospital, there will be several Line 3 stop changes in the area surrounding the Cottage Hospital campus. Existing stops at Junipero at Castillo (inbound and outbound) and Bath at Pueblo (inbound) will be eliminated and replaced by new stops at Oak Park Lane at Junipero (inbound) and Pueblo at Castillo (inbound and outbound). This means the routing in the area immediately around the hospital will change to the following: Inbound right on Oak Park Lane from Junipero, left on Pueblo. Outbound- Right on Oak Park Lane from Pueblo, left on Junipero. While MTD would like to add a matching outbound stop at Oak Park Lane and Junipero, the oak tree canopy is not mature enough at that location and buses could cause damage to the existing street trees.

The City of Santa Barbara had planned to change the circulation of Bath and Castillo Streets in order to extend bike lanes in the area, but the project was recently deemed infeasible. While MTD staff had prepared changes to reflect this new routing, and presented it to the public during service change outreach, this portion of the route will not change.

### Route changes to Line 3



## BOARD OF DIRECTORS REPORT

### Minor on-time performance adjustments

Upon staff analysis of current on-time performance, minor changes are needed on Lines 4, 5, 10, 14, 15x, 17, and 20. This will consist mostly of small changes, reallocating time between time points, or adjusting trip times at a specific time of day.

Minor schedule changes are proposed for our booster services that serve junior high and high schools in the morning and afternoon. These services have not had their schedules changed in many years and some of them need minor schedule adjustments to improve on-time performance. The booster lines with proposed changes are as follows:

- La Colina Junior High: 2410 AM, 2420 AM & PM, 2430 AM & PM
- San Marcos High: 2510 AM & PM, 2540 AM
- Goleta Valley Junior High: 2610 PM, 2620 PM, 2630 PM, 2650 AM & PM
- Dos Pueblos High: 2720 AM & PM, 2730 PM

### Express Improvements on Lines 12x and 24x

Express bus lines are generally characterized by limited stops between major destinations. Two of MTD's express lines, the 12x (Goleta Express) and 24x (UCSB Express) are currently faster trips than the local lines that serve the same locations but still stop at almost every bus stop they pass. This makes for a slower trip and reduces the overall express nature of the service. For that reason, planning staff is proposing that Lines 12x and 24x not serve certain stops they have traditionally served. These stops are usually served by other lines and the infrastructure will not be removed, they just will not be served by Lines 12x and 24x. The stops proposed for removal from these lines are:

#### Inbound Stops Proposed for Elimination on Express Lines

Line 12x	Line 24x
Hollister at Los Carneros Way	Storke at Santa Felicia
Hollister at Hartley	Storke at Sierra Madre
Hollister at Griggs	El Colegio at Stadium

#### Outbound Stops Proposed for Elimination on Express Lines

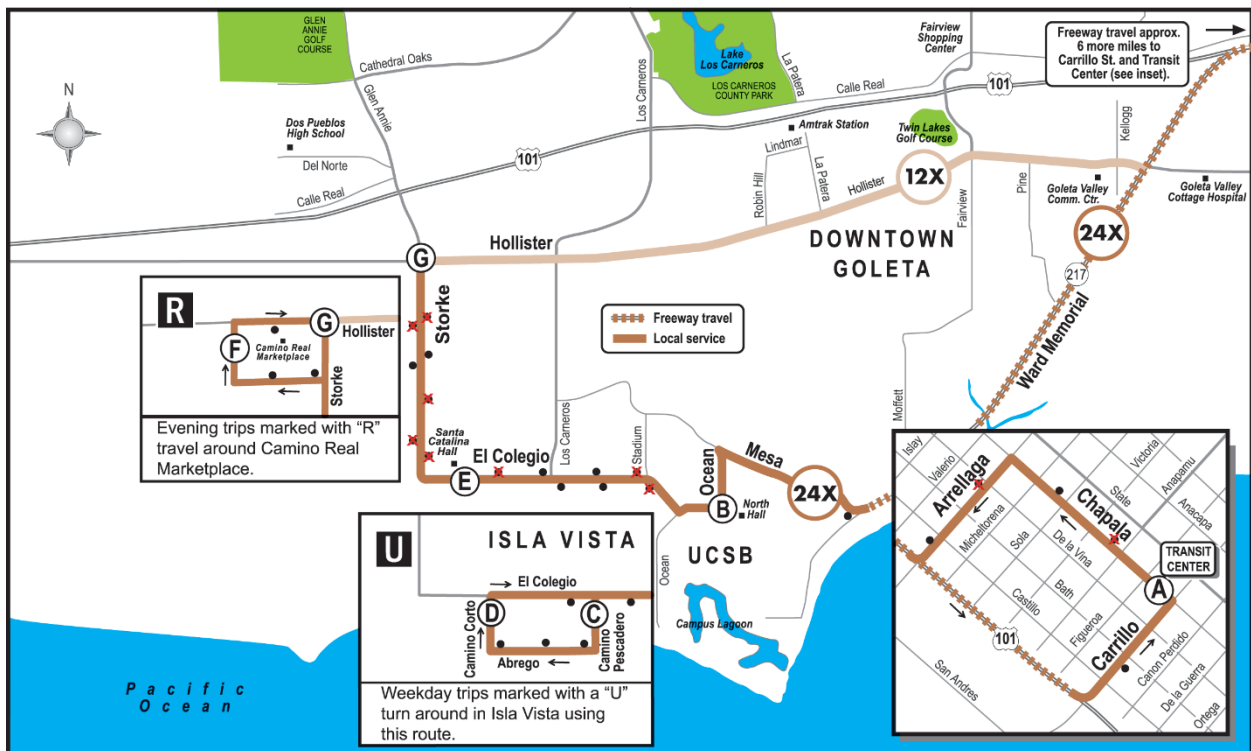
Line 12x	Line 24x
Chapala at Anapamu	Chapala at Anapamu
Arrellaga at De La Vina	Arrellaga at De La Vina
Hollister at Wendy's	El Colegio at Stadium
Hollister at Lopez	El Colegio at Camino Corto
Hollister at David Love	Storke at El Colegio
Hollister at Robin Hill	Storke at Whittier
Hollister at Willow Springs	Storke at Santa Felicia
Hollister at Los Carneros Way	

# BOARD OF DIRECTORS REPORT

## Line 12x with stops marked



## Line 24x with stops marked



## BOARD OF DIRECTORS REPORT

In the areas where the stops are proposed to be eliminated from these routes, remaining stops are very close nearby on adjacent blocks, and traditionally, people are willing to walk a bit farther to access express transit services. While the Line 24x stops at Storke at Sierra Madre (inbound) and Storke at El Colegio (outbound) are very well used, they are also served by Lines 11, 27 and 28, and over 2/3<sup>rd</sup> of passengers who board at the Storke at Sierra Madre stop alight on the UCSB Campus, often denying a seat to riders further into Isla Vista who wish to board the 24x to get downtown. We believe that this change, with augmented Line 28 service, will address some of the overcrowding on the 24x while still moving riders to their intended destination of UCSB North Hall.

### **Line 28**

Ridership in Isla Vista has grown exponentially over the past few years. From its inception, Line 28 (UCSB Shuttle) has had the highest number of passengers per hour of any of MTD's fixed route lines, often averaging 89 passengers per hour. Passenger loads on all lines serving the Storke and El Colegio corridors are experiencing records and riders are often left behind at stops when the buses become too full to board. UCSB fully funds operation of Line 28. Staff has proposed an augmentation in Line 28 service, and expects to bring the board a proposed agreement with UCSB at the May 21<sup>st</sup> board meeting.

### **Microtransit**

MTD has applied for Low Carbon Transit Operations Program (LCTOP) funds to conduct a one-year microtransit pilot. Microtransit is flexible, on-demand, curb-to-curb service within a specified zone in which passengers can request a ride via smartphone app or phone call. The service is provided by a wheelchair-accessible passenger van and provides shared rides anywhere in the specified zone for a flat fee. Modeling and simulations are underway to assess the appropriate pilot zone.

### **Community feedback**

Planning staff held four public community meetings to receive feedback in April in Santa Barbara, Carpinteria and Goleta. The service change presentation was also given at a meeting of the Isla Vista Community Services District board. In addition to the meetings, which saw a combined attendee number of 18, the online survey that explained and solicited feedback on the changes saw impressive engagement, receiving 450 responses.

In 2018, when MTD conducted our first service change survey, we had 100 respondents. We attribute this year's high level of engagement to the fact that UCSB distributed the survey link to the entire campus.





<b>BOARD OF DIRECTORS REPORT</b>
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**MEETING DATE:** MAY 7, 2019  
**DEPARTMENT:** RISK  
**TYPE:** ACTION ITEM  
**PREPARED BY:** MARY GREGG

**AGENDA ITEM: #9**

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

**REVIEWED BY:** GENERAL MANAGER

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

**SUBJECT:** EARTHQUAKE INSURANCE RENEWAL - EFFECTIVE MAY 24, 2019

**RECOMMENDATION:**

Staff recommends the Board of Directors authorize MTD staff to bind coverage and place earthquake insurance with StarStone Specialty Insurance Company, effective May 24, 2019 through May 24, 2020, at a total annual premium plus tax and fees of \$14,225.60.

**DISCUSSION:**

StarStone Specialty has an AM Best rating of A- XI (Excellent). They are domiciled in Wilmington, Delaware. According to Robert Fatch of Brown & Brown Insurance, MTD's insurance broker, AM Best reports that StarStone Specialty's financial outlook remains "stable".

Coverage fully insures the Administrative building, Maintenance building, Transit Center, and Overpass location for Real Property including Foundations, Business Personal Property, Loss of Rents, Business Income, Extra Expense and Building Ordinance. The Total Insurable Value (TIV) is \$10,211,939 Per Occurrence and in Policy Term Aggregate, with a 5% deductible per unit, per building, subject to a \$25,000 minimum.

**BUDGET/FINANCIAL:**

2019-2020 Renewal	2018-2019 Expiring	2017-2018 Prior Year	2016-2017 Prior Year	2015-2016 Prior Year
\$14,225.60	\$13,658.00	\$13,193.60	\$13,193.60	\$15,154.40

**HISTORICAL:**

Prior policies were issued by Lloyd's of London Insurance through managing underwriter Catalytic. Due to pricing and underwriting capacity, Catalytic underwriters offered renewal terms for the 2018-2019 policy from a different insurance company, StarStone Specialty Insurance Company. Brown & Brown's marketing summary included two other quotes, including one from Lloyds through another underwriting syndicate, that were higher priced and with less favorable coverage. Brown & Brown recommended placement of coverage with StarStone.



<b>BOARD OF DIRECTORS REPORT</b>
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**MEETING DATE:** MAY 7, 2019  
**DEPARTMENT:** RISK  
**TYPE:** ACTION ITEM  
**PREPARED BY:** MARY GREGG

**AGENDA ITEM: #10**

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

**REVIEWED BY:** GENERAL MANAGER

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

**SUBJECT:** COMMERCIAL PROPERTY INSURANCE RENEWAL-EFFECTIVE  
MAY 24, 2019

**RECOMMENDATION:**

Staff recommends the Board of Directors authorize MTD staff to bind coverage and place commercial property insurance with Travelers Indemnity Company of Connecticut, at an annual premium of \$14,285, effective May 24, 2019 through May 24, 2020.

**DISCUSSION:**

The District's property insurance policy is written by Travelers, a A + + XV (Superior) AM Best rated carrier. The commercial property insurance policy renewal covers all MTD locations as follows:

- 550 Olive Street - six buildings;
- 1020 Chapala St - Transit Center
- 5353 Overpass Road - four buildings
- 5775 Carpinteria Ave - charging station

**BUDGET/FINANCIAL:**

	2019-2020 Renewal	2018-2019 Expiring	2017-2018 Prior Year	2016-2017 Prior Year
Blanket Building and Business Personal Property	\$14,285	\$13,047	\$12,451	\$15,718

*The Per Occurrence deductible amount is \$25,000.*

**HISTORICAL:**

The District's property insurance policy was previously issued by Liberty National. Liberty increased their rates to go into effect June 2017 and was unable to compete with Travelers' quote for the 2017-2018 policy. Travelers offered the same terms as the expiring policy and the Board authorized MTD staff to bind coverage with Travelers on May 2, 2017. Travelers continues to offer the best pricing.



## BOARD OF DIRECTORS REPORT

**MEETING DATE:** MAY 7, 2019

**AGENDA ITEM: #11**

**DEPARTMENT:** CAPITAL PROJECTS

**TYPE:** ACTION ITEM

**PREPARED BY:** RYAN GRIPP

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

**REVIEWED BY:** GENERAL MANAGER

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

**SUBJECT:** TRANSIT CENTER RENOVATIONS REBID CONTRACT AWARD  
RECOMMENDATION

### RECOMMENDATION:

Based upon the discussion that follows, Staff requests that the Board give the General Manager authority to enter into a contract with Newton Construction & Management, Inc. for the Transit Center Renovations Rebid. Such contract is for a turnkey project that includes building materials and labor required to complete the scope of work for a fixed price of \$3,395,000. Staff is also seeking authorization for the revision of the capital budget to include an additional \$395,000 for the project. That would bring the total allocation for the Transit Center Renovations Rebid to \$3,595,000, which provides an extra \$200,000 for contingency.

### DISCUSSION:

Project Description—The purpose of this project is to perform a major overhaul of MTD's over four decades old 15,200 square feet (sf) passenger terminal in downtown Santa Barbara. While some updates have been done through the years, this will be the first major renovation since it was constructed in the 1970's. The scope of work in the Invitation for Bid (IFB) was broken down as follows:

The work is comprised of interior and exterior improvements of a 1,200 sf single story concrete block, metal, and glass building with metal roofing; replacement of a 1,160 sf concrete loading platform; replacement of a 8, 550 sf concrete driveway surface; new underground utility services and site lighting; all new landscaping; temporary facilities; and offsite improvements.

Building interior spaces include a passenger waiting area; a customer service area with transaction windows; an employee breakroom; a mezzanine; storage closets; public restrooms; and employee restrooms. Interior spaces will undergo varying levels of renovation, but each will see a minimum of new flooring, new ceilings, new paint, and new fixtures and accessories.

Building improvements also include new plumbing; some new wiring; new electrical panels and switchgear; new public address and security systems; new windows; new LED lighting (interior and exterior); and a new dual zone HVAC system. Additional building improvements consist of a new ribbed metal roof and underlayment; the replacement of perimeter roof gutters and roof fascia components, and abatement of contaminated building materials as indicated in the specifications and may be found during the project.



## BOARD OF DIRECTORS REPORT

Improvements beyond the building include loading platform replacement with new brick pavers; redesigned curb ramps and slopes for ADA access; new seating; and new waste and recycling receptacles. Also included is a new concrete driveway surface; new irrigation; new LED pole lights; and new drought tolerant plants. Offsite improvements consist of new sidewalk, curb, and gutter adjacent the property.

Before renovation work is to begin, the contractor will erect a small interim operations facility in Parking Lot #3 adjacent to the Transit Center property. The temporary facilities will be comprised of an employee trailer; operations ticket booth; vending machine enclosure; portable restrooms; and utility hook-ups, which are to remain in service through the duration of the main site renovations, commissioning, and start up. The interim operations also necessitates modifications to existing streetscape to support passenger boarding and alighting, which will also be completed by MTD's contractor.

### **PROJECT BUDGET & FUNDING:**

The contract price of \$3,395,000 is inclusive of all elements of the project listed in the construction drawings and specifications provided with the IFB. No bid alternates were included in the rebid, which greatly simplified the IFB for prospective bidders.

After the mid-year budget revision, the current capital budget reflects \$3,200,000 for the Transit Center Renovations Rebid, which presents a shortfall of \$195,000 for the contract. The aforementioned request for an additional \$395,000 will cover the contract shortfall and adds a contingency to address unanticipated construction expenses and ancillary costs like project management, project-specific insurance, Southern California Edison engineering fees, and others.

Cost estimates in the early stages of project planning, which began in 2014, were significantly less than the bids received in January 2019 and the subsequent rebid in April 2019. As the planning process progressed, the scope of work expanded to incorporate feedback from MTD personnel, passengers, design consultants, the Historic Landmarks Commission, and various departments within the City of Santa Barbara. In October 2016, Staff hired C.P. O'Halloran to provide professional cost estimating services for the project. Based upon the design drawings at the time, which were about 80% complete, the project was projected to cost \$2,056,601. After the full scope of the project was established and reflected in the construction drawings and specifications, MTD's architect provided a final cost estimate in October 2018 of \$2,973,985. The considerable increase between the original and final estimates is a result of additional scope including a detailed interim operations plan and the inclusion of offsite improvements that consist of a new sidewalk, curb, and gutter along the Transit Center property.

### **SOLICITATION PROCESS:**

Development of Plans and Specifications—The Transit Center Renovations Project specifications and plans were developed by LMA Architects with technical consultation from electrical engineering firm Alan Noelle Engineering; structural engineering firm Ehlen Spiess & Haight, Inc.; civil engineering firm Flowers & Associates, Inc.; and mechanical engineering firm Mechanical Engineering Consultants. These specifications were further amended following input from MTD employees including operators, supervisors, customer service representatives, and department managers.

Invitation for Bid—The Invitation for Bid (IFB) procurement process was used in order to identify the firm with the lowest bid, and the experience and qualifications necessary to execute the project successfully. The original IFB was publicly noticed in October and November 2018 in the *Ventura*

## BOARD OF DIRECTORS REPORT

*County Star* and the *Santa Barbara News-Press*. Five contractors, a member of the public, and a trade union representative attended the non-mandatory pre-bid conference/job walk. Subsequent questions and requests for clarification resulted in six addenda and several extensions of the bid date to provide bidders time to digest changes and adjust their bid. The bid process culminated in the receipt of four bids by the January 2019 deadline, the results of which are shown in the table below.

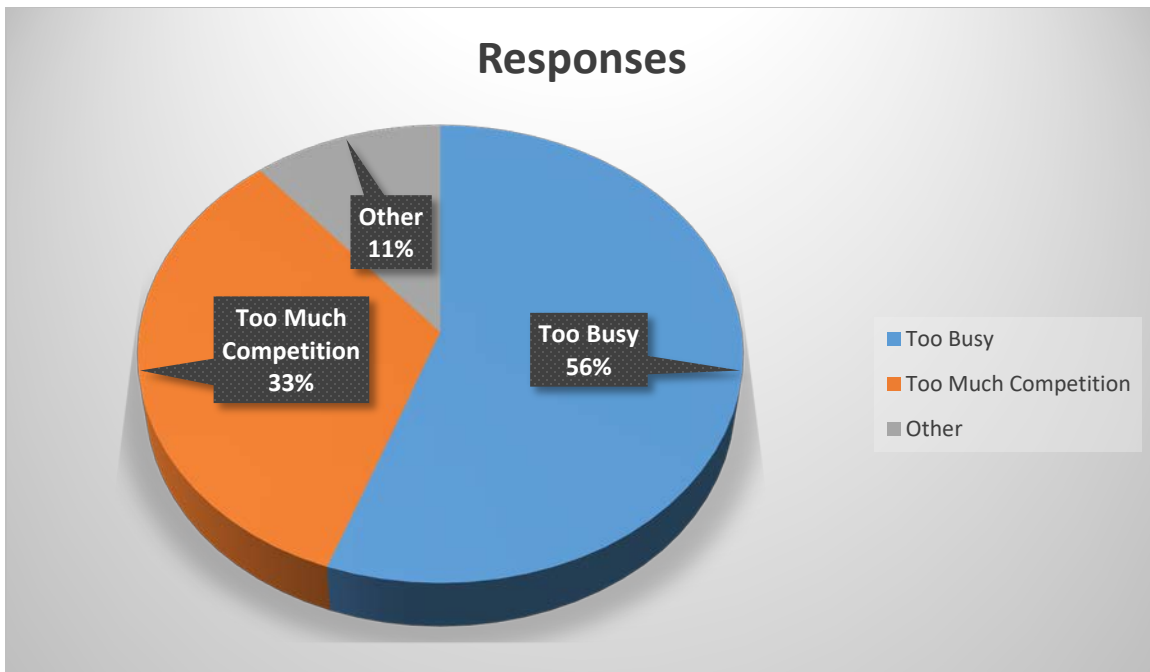
Bidder Name	Bidder Location	Base Bid	Alternate #1	Alternate #2
Newton Construction & Management, Inc.	San Luis Obispo	\$2,894,000	No Cost	-\$66,000
Viola, Inc.	Oxnard	\$3,516,000	-\$10,000	-\$41,600
Frank Schipper Construction Co.	Santa Barbara	\$3,743,399	No Cost	-\$41,600
AMG & Associates, Inc.	Santa Clarita	\$3,937,000	\$16,000	-\$40,000

Based upon a consequential variance between the construction drawings and specifications discovered after the bid opening, and its potential effect on bids received by the January 16, 2019 deadline, Staff believed it was in MTD's best interest to reject all bids from the original solicitation. After firming-up the specifications and construction drawings by incorporating changes reflected in the addenda from the original solicitation and simplifying the bid package by eliminating the two bid alternates, MTD reissued the IFB under the title "Transit Center Renovations Rebid" on March 18, 2019.

The rebid IFB was publicly noticed in March 2019 in the *Ventura County Star* and the *Santa Barbara News-Press* and issued to 24 contractors from the bidders list for the project. Ten general contractors attended the mandatory pre-bid conference/job walk including the four bidders from the original solicitation. Subsequent questions and requests for clarification resulted in one addendum. The bid process culminated in the receipt of a single bid by the April 29, 2019 deadline, the results of which are shown in the table below.

Bidder Name	Bidder Location	Base Bid	Unit Price Total	Grand Total
Newton Construction & Management, Inc.	San Luis Obispo	\$3,395,000	\$14,080	\$3,409,080

To understand why the nine other general contractors who attended the mandatory pre-bid conference/job walk did not submit a bid, Staff called each one. The majority of respondents indicated that their firm was too busy with other projects to bid. The other dominant reason given was the amount of competition at the mandatory pre-bid conference/job walk, which respondents felt decreased their likelihood of submitting the lowest bid. The results are shown in the chart below.



**Responsiveness & Responsibility**—The low bidder, Newton Construction & Management, Inc., was reviewed for “responsiveness” to determine that all required materials, information and forms were provided and “responsibility” to determine their financial capacity to undertake the project. In evaluating “responsiveness,” no material deviations from MTD bid criteria were identified. In evaluating “responsibility,” Staff determined that Newton Construction & Management, Inc. has the financial strength and technical capacity to undertake the project.

**Bid Evaluation**—MTD’s independent cost estimate (ICE) of \$2,973,985 for the Transit Center Renovations Rebid IFB is based upon the final estimate provided by LMA in October 2018. Newton Construction & Management, Inc.’s Base Bid of \$3,395,000 is 14% greater than the ICE. However, the average of the four bids received from the original solicitation, \$3,522,599, is 3.6% greater than Newton Construction & Management, Inc.’s Base Bid. The average of the bids from the original competitive solicitation is a better basis for comparison because it reflects the “true cost” of the project, which takes into account market conditions that effect construction pricing that are difficult to account for in an estimate. Based upon the foregoing, the price appears to be fair and reasonable.

#### **CONTRACT EXECUTION:**

If the Board gives the General Manager authority to enter into a contract with Newton Construction & Management, Inc., Staff will issue the firm a “Notification of Contingent Award” indicating MTD’s intent to execute a contract for the Transit Center Renovations Rebid after receipt of required certificates of insurance and bonds.

Upon execution of the contract, Staff will issue Newton Construction & Management, Inc. a notice to proceed and work is required to begin 14 calendar days thereafter. Once Newton Construction & Management, Inc. commences with the project, construction is expected to take eight months to complete, barring any unforeseen complications.



<b>BOARD OF DIRECTORS REPORT</b>
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**MEETING DATE:** MAY 7, 2019

**AGENDA ITEM: #12**

**DEPARTMENT:** FINANCE

**TYPE:** INFORMATIONAL ITEM

**PREPARED BY:** THAIS SAYAT

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

**REVIEWED BY:** GENERAL MANAGER

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

**SUBJECT:** FINANCIAL UPDATE FOR THE NINE MONTHS ENDED MARCH 31, 2019

**DISCUSSION:**

Staff will present the Fiscal Year 2018-19 financial results for the nine-month period.

**ATTACHMENT:**

- MTD Operating Budget Report – Nine Months Ended March 31, 2019



## OPERATING BUDGET REPORT

### Nine Months Ended March 31, 2019

#### Executive Summary

The financial results for the first nine months of FY2018-19 are an operating surplus of nearly \$740,000. The current results do reflect the midyear budget revision, which does skew the comparison somewhat, but the fact remains that this outcome continues to differ substantially from the projected \$300,000 deficit. As reported last quarter, lower risk-related costs accounts for the majority of the positive outcome. Sales tax subsidies also surpassed budget projections. Taken together, these two results alone account for 90% of the surplus. Past precedent is for LTF sales tax receipts distributed by SBCAG to be limited to the TDA Claim amount, which would reduce the current surplus.<sup>1</sup> Nevertheless, a surplus for the year nearly a certainty at this point. There are a number of other notable revenue and expense trends which will also be discussed.

#### Operating Budget 9 Months Ended March 31, 2019 (\$ thousands)

	FY 18-19 Actual	FY 18-19 Budget	Variance Amt	%	FY 17-18 Actual	Variance Amt	%
<b><u>REVENUE</u></b>							
Fare Revenue	\$5,354	\$5,250	\$104	2%	\$5,224	\$131	2%
Sales Tax Revenue	7,926	7,688	237	3%	7,545	380	5%
FTA Operating Assistance	3,935	3,916	19	0%	3,911	24	1%
State & Local Op Assistance	1,055	1,041	13	1%	905	150	17%
Property Tax Revenue	722	704	18	3%	695	27	4%
Non-Transportation Income	779	786	(7)	-1%	686	93	14%
<b>Total Operating Revenue</b>	<b>\$19,771</b>	<b>\$19,386</b>	<b>\$385</b>	<b>2%</b>	<b>\$18,966</b>	<b>\$805</b>	<b>4%</b>
<b><u>EXPENSE</u></b>							
Route Operations	\$11,465	\$11,845	(\$380)	-3%	\$12,485	(\$1,019)	-8%
Vehicle Maintenance	4,210	4,342	(132)	-3%	3,713	497	13%
Passenger Accommodations	1,115	1,190	(75)	-6%	1,111	4	0%
General Overhead	2,244	2,304	(60)	-3%	2,329	(84)	-4%
<b>Total Operating Expense</b>	<b>\$19,034</b>	<b>\$19,681</b>	<b>(\$647)</b>	<b>-3%</b>	<b>\$19,637</b>	<b>(\$603)</b>	<b>-3%</b>
<b>Surplus/Deficit</b>	<b>\$737</b>	<b>(\$295)</b>			<b>(\$670)</b>		

#### Operating Budget

**Operating Revenue** – Aggregate revenue of \$19.8 million was 2% more than budgeted and grew by 4% relative to last year. Fare revenue continues its recovery exceeding both the budget and prior year by 2%. Pass sales alone grew by 8% from last year adult passes leading the way. These more than compensated for a 4% fall in cash fares and the continued reduction in SBCC contract fares.

<sup>1</sup> The sales tax receipts in excess of the claim amount are typically distributed to recipients in late summer as a year-end residual.

**Operating Revenue Detail**  
**9 Months Ended March 31, 2019**  
**(\$ thousands)**

	FY 18-19 Actual	FY 18-19 Budget	Variance Amt	Variance %	FY 17-18 Actual	Variance Amt	Variance %
<i><b>FAREBOX REVENUE</b></i>							
Cash Fares & Tokens	\$1,440	\$1,438	\$2	0%	\$1,498	(\$59)	-4%
Adult Passes	853	782	70	9%	781	72	9%
Youth Passes	408	410	(2)	0%	373	35	9%
Senior Passes	152	143	9	6%	138	14	10%
Mobility Passes	106	107	(1)	-1%	112	(6)	-5%
Day Passes	9	6	3	40%	3	6	180%
Downtown-Waterfront Shuttle	889	867	22	3%	832	56	7%
UCSB Contract Fares	780	777	3	0%	750	30	4%
SBCC Contract Fares	644	644	(0)	0%	678	(34)	-5%
Special Event Fares & Amtrak	52	57	(5)	-9%	39	13	34%
City My Ride Program	22	18	4	21%	20	2	11%
Subtotal	\$5,354	\$5,250	\$104	2%	\$5,224	\$131	2%
<i><b>GRANTS &amp; SUBSIDIES</b></i>							
TDA Sales Tax Revenue	\$6,237	\$6,099	\$138	2%	\$5,932	\$306	5%
FTA Formula Assistance	3,935	3,916	19	0%	3,911	24	1%
Measure A	1,688	1,589	99	6%	1,614	75	5%
State & Local Op Assistance	1,055	1,041	13	1%	905	150	17%
Property Tax Revenue	722	704	18	3%	695	27	4%
Subtotal	\$13,638	\$13,349	\$289	2%	\$13,056	\$581	4%
<i><b>NON-TRANSPORTATION INCOME</b></i>							
Advertising on Buses	\$353	\$394	(\$41)	-10%	\$472	(\$119)	-25%
Interest on Investments	171	168	3	2%	58	113	196%
Lease & Other Income	256	225	31	14%	157	98	63%
Subtotal	\$779	\$786	(\$7)	-1%	\$686	\$93	14%
Total Operating Revenue	\$19,771	\$19,386	\$385	2%	\$18,966	\$805	4%

Grants and subsidies were nearly \$300,000 more than projected and grew by nearly \$600,000 compared to the prior period. This stemmed from the previously mentioned large allocations of TDA-LTF and Measure A sales tax receipts for the quarter. With approval of the federal budget, FTA apportionments were announced and were generally as expected. This includes the large increase in STIC built into the fourth year of the FAST Act for "transit intensive communities" which amounts to nearly \$400,000 for MTD. In the approved budget, the new revenue has been designated as capital funding. State and Local Operating Assistance was in line with the budget, but was up 17% compared to the prior year because of SBCAG support for the "last mile" bus service accommodating Amtrak train service to the South Coast.

Total Non-transportation income was in line with expectations which included a 14% increase from the prior year. The 200% upsurge in interest earnings coupled with the sale of the retired Nova fleet more than mitigated the reduction in bus ad revenue.

**Operating Expenses** – Aggregate expenditures through March were under budget and down from the prior year by 3%. As previously discussed, the results were largely driven by low risk-related costs.

**Operating Expense Detail**  
**9 Months Ended March 31, 2019**  
**(\$ thousands)**

	FY 18-19 Actual	FY 18-19 Budget	Variance Amt	Variance %	FY 17-18 Actual	Variance Amt	Variance %
<i><b>ROUTE OPERATIONS</b></i>							
Drivers	\$8,855	\$8,926	(\$71)	-1%	\$8,815	\$40	0%
Dispatch & Supervision	567	567	1	0%	556	12	2%
Hiring & Training	345	303	42	14%	327	18	6%
Risk & Safety	942	1,325	(383)	-29%	2,135	(1,194)	-56%
Transportation Subsidies	756	725	32	4%	652	105	16%
Subtotal	<u>\$11,465</u>	<u>\$11,845</u>	<u>(\$380)</u>	-3%	<u>\$12,485</u>	<u>(\$1,019)</u>	-8%
<i><b>VEHICLE MAINTENANCE</b></i>							
Mechanics	\$879	\$906	(\$27)	-3%	\$868	\$11	1%
Cleaners & Fuelers	622	640	(18)	-3%	630	(8)	-1%
Supervision	526	537	(10)	-2%	386	140	36%
Vehicle Consumables	1,473	1,481	(8)	-1%	1,291	182	14%
Bus Parts & Supplies	526	536	(10)	-2%	455	71	16%
Vendor Services	89	99	(10)	-10%	51	39	76%
Risk & Safety	94	142	(48)	-34%	32	61	189%
Subtotal	<u>\$4,210</u>	<u>\$4,342</u>	<u>(\$132)</u>	-3%	<u>\$3,713</u>	<u>\$497</u>	13%
<i><b>PASSENGER ACCOMMODATIONS</b></i>							
Passenger Facilities	\$412	\$418	(\$6)	-1%	\$380	\$31	8%
Transit Development	173	193	(20)	-10%	217	(44)	-20%
Marketing & Community Relation	259	317	(58)	-18%	309	(49)	-16%
Fare Revenue Collection	271	262	9	3%	205	66	32%
Subtotal	<u>\$1,115</u>	<u>\$1,190</u>	<u>(\$75)</u>	-6%	<u>\$1,111</u>	<u>\$4</u>	0%
<i><b>GENERAL OVERHEAD</b></i>							
Finance	\$454	\$451	\$4	1%	\$460	(\$5)	-1%
Personnel	130	132	(2)	-2%	125	4	4%
Utilities & Communication	184	197	(13)	-6%	185	(0)	0%
Operating Facilities	308	301	7	2%	284	24	8%
District Administration	1,167	1,223	(56)	-5%	1,275	(107)	-8%
Subtotal	<u>\$2,244</u>	<u>\$2,304</u>	<u>(\$60)</u>	-3%	<u>\$2,329</u>	<u>(\$84)</u>	-4%
Total Operating Cost	<u>\$19,034</u>	<u>\$19,681</u>	<u>(\$647)</u>	-3%	<u>\$19,637</u>	<u>(\$603)</u>	-3%

Route Operations risk costs stem from both public liability and workers compensation claims. Liability costs continue to remain under control with very few active claims. With workers compensation, the lower costs this year are to a large degree the result of closing prior year claims for less than the reserves established for them. In effect, the large increase in such costs last year are being offset this year. Given the magnitude of these changes, it is a reminder of how significant swings in risk related costs impact the District's financial position and can vary from year to year.

Vehicle Maintenance expenses were 3% under budget, although up 13% from the prior year. Mechanic employment continues to remain below budgeted levels. The growth relative to last year was anticipated with supervisor staffing now at full employment and a new fuel contract that includes a 43% jump in prices. The current year also reflects increased outlays related to the upkeep of an aging fleet and risk related costs.

Passenger Accommodations outlays were 6% below the projection and nearly identical with respect to the prior year. Marketing & Community Relations expenses remain under budget accounting for a large part of the budget disparity. In regards to the prior year, costs were less due to Transit Development staffing level changes and the absence of marketing outlays for the District's rebranding campaign.

General Overhead expenses were 3% under budget and down 4% compared to last year. A vacancy in District Administration was the main reason. Prior year administrative expenses were also significantly higher than FY18-19 because it reflected last year's natural disaster outlays as well as retiree health benefits. The OPEB Trust is now covering said benefits.

**Operating Expenses by Category**  
**9 Months Ended March 31, 2019**  
 (\$ thousands)

<u>EXPENSE</u>	FY 18-19	FY 18-19	Variance		FY 17-18	Variance	
	<u>Actual</u>	<u>Budget</u>	\$	%	<u>Actual</u>	\$	%
Wages	\$9,095	\$8,927	\$168	2%	\$8,760	\$335	4%
Fringe Benefits	5,306	5,529	(223)	-4%	5,439	(133)	-2%
Fuel	1,338	1,346	(7)	-1%	1,160	178	15%
Risk	472	992	(520)	-52%	1,602	(1,130)	-71%
Materials & Supplies	876	921	(45)	-5%	849	27	3%
Services	1,004	1,094	(90)	-8%	990	15	1%
ADA	756	675	82	12%	652	105	16%
Utilities	184	197	(13)	-6%	185	(0)	0%
Total	<u>\$19,034</u>	<u>\$19,681</u>	<u>(\$647)</u>	-3%	<u>\$19,637</u>	<u>(\$603)</u>	-3%

The above table illustrates the District's outlays by category. Again, risk continued to be the dominate factor in the aggregate lower costs compared to the budget and prior year. Wages are up relative to last year due to scheduled wage growth level. Fringe Benefits remained under budget as the result of unfilled positions which kept down the cost of health benefits.

**Capital Activity**

Capital acquisitions for the nine months totaled \$7.3M. The significant increase from the previous quarter was the acquisition of ten new Gillig 40-foot buses costing \$5.3M. A large part of the buses were funded with the FTA Section 5339 (b) discretionary grant received by the District two years ago.

**Capital Expenditures by Category**  
**9 Months Ended March 31, 2019**  
 (\$ thousands)

	<u>Total</u>
Revenue Vehicle Purchases	\$6,848
Revenue Vehicle Improvements	70
Information Systems	34
Operating Facilities	104
Intelligent Transportation Systems	30
Passenger Facilities	116
Other Equipment	82
Total	<u>\$7,284</u>



**Statement of Net Position**  
**March 31, 2019**

**ASSETS**

**CURRENT ASSETS**

Cash & Cash Items	\$ 13,167,183
Receivables	5,054,038
Materials & Supplies Inventory	1,153,689
Prepayments	<u>264,718</u>

\$ 19,639,628

**NON-CURRENT ASSETS**

Work in Process	\$ 3,079,319
Land	5,596,297
Fixed Facilities	14,552,595
Revenue Fleet	52,327,908
Non-Revenue Vehicles	781,468
Shop Equipment	609,261
Office & IT Equipment	3,029,434
Bus Stop Facilities	1,214,279
Accumulated Depreciation	<u>42,492,599</u>

38,697,962

**Total Assets**

\$ 58,337,590

**DEFERRED OUTFLOWS OF RESOURCES**

565,645

**Total Assets & Deferred Outflows**

\$ 58,903,235

**LIABILITIES**

**CURRENT LIABILITIES**

Accounts Payables	\$ 475,286
Payroll Liabilities	790,235
Other Current Liabilities	<u>1,505,899</u>

\$ 2,771,420

**NON-CURRENT LIABILITIES**

Accrued Benefits & Payouts	<u>\$ 5,260,543</u>
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5,260,543

**Total Liabilities**

\$ 8,031,963

**NET POSITION**

Capital Assets	\$ 37,210,212
Restricted Net Position	1,639,913
Unrestricted Net Position	11,283,865
Year to Date Surplus (Deficit)	<u>737,282</u>

**Total Net Position**

50,871,272

**Total Liabilities & Net Position**

\$ 58,903,235

To: MTD Board of Directors  
From: Jerry Estrada, General Manager  
Date: May 7, 2019  
Subject: General Manager's Report

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

Plug-and-play LED tube replacements that have replaced older florescent tubes in the shop continue to improve shop lighting for our Mechanics. LED retrofits for the exterior light poles have been ordered to improve yard lighting and reduce energy consumption.

Staff is evaluating various electric vehicles (EVs) on the California Department of General Services (DGS) contract for fleet vehicles to determine which vehicle will provide the greatest utility for MTD. Staff is looking to replace ten existing gasoline powered relief vehicles that are beyond their useful life with the EVs from the DGS contract. Fleet Manager Nolan Robertson attended the ACT EXPO in Long Beach, CA. He met with existing vendors and a few new potential vendors for electric and hybrid vehicles.

MTD's application for funding under Southern California Edison's (SCE) Charge Ready Program advanced to the next stage of review, a site analysis. SCE's Charge Ready implementation team is scheduled to evaluate the suitability of MTD's proposed location for EV charging on May 1. Based upon their review, the Charge Ready Program administrators will determine whether MTD's application for installation of electrical infrastructure for 10 level 2 charge ports will be funded.

Staff continues preparation of an application to the Federal Transit Administration (FTA) for the 2019 5339(c) Low or No Emission Grant Program (Low-No). The Low-No Program provides funding for the acquisition of low or no emission vehicles, charging equipment, and infrastructure. In MTD's application, staff is requesting funding for a minimum of two and maximum of seven 40-ft. battery electric buses (BEBs). MTD is partnering with Gillig LLC on the application. Gillig's commitment is to provide favorable pricing, which makes MTD's application more competitive. Applications are due to the FTA by May 14.

Bus 448, a SamTrans bus powered by a series 50 Detroit Diesel engine, had diesel fuel in the cooling system. It is currently in the shop receiving an engine overhaul. Hybrid bus 903 remains at Valley Power Systems since February 22nd for further troubleshooting and repair of its hybrid system. Cummins is scheduled to make a trip to Valley Power this week to assist in the troubleshooting.

BYD plans to retrofit the battery covers on the roof of the buses with hatches on MTD's 14 buses. The modifications will dramatically simplify the bi-annual preventative maintenance on the fire suppression system. The cost of the retrofit will be covered by BYD since it should have been incorporated into the design at the onset of the build. Due to the complexity of the work, the buses

will have to go back to the BYD factory in Lancaster one by one. The first bus is scheduled to go back to Lancaster in a couple of weeks.

## **Administration**

Staff tabled at the annual Earth Day Festival on April 27th and 28th alongside a BYD electric shuttle. As always, thousands of attendees interacted with MTD's booth

On April 16, Staff had a follow-up meeting with SBCAG staff regarding MTD's proposal to mitigate traffic during the upcoming Highway 101 widening project. The proposed service would run between Carpinteria and Santa Barbara, serving several markets. MTD expects that students and staff traveling from Carpinteria to Santa Barbara City College without the need to transfer would be a major market. If approved, the new service will be funded through the Traffic Management Plan associated with the widening project.

Approximately one year ago, Human Resources initiated several changes to MTD's recruiting process for bus operators. In order to give every qualified candidate an opportunity for timely consideration, the monthly group orientation was replaced with individual interviews and testing. This provided MTD with more flexibility to bring candidates in on a timely basis and offer each a comprehensive one-on-one orientation. Candidates have provided positive feedback about the process, and the opportunity to ask detailed questions about the position, helping them to make an informed decision about joining the MTD team. HR is pleased to report six candidates have recently accepted offers of employment and they will begin training as bus operators in May.

Clever Devices' installation of the new 4G modems on the bus fleet began Monday, April 29. The project also includes the addition of a new exterior antenna to segregate cellular services for future passenger Wi-Fi access. Completion is expected in two to three weeks after which time all 3G services with Verizon Wireless will be discontinued.

The Trapeze software upgrade to the latest version was recently completed. The update was the last step in a lengthy process of product testing of this key software used to create and optimize MTD's transit service and driver work schedules. In spite of the best laid plans, there was a malfunction in the Trapeze integration with Clever Devices data systems that resulted in the temporary loss of real time bus location information. Trapeze and Clever Devices worked together to quickly rectify the situation.

The firmware upgrade to turn on Genfare farebox Wi-Fi communications and improve Smart Card processing speed was completed. The benefit of the Wi-Fi implementation is to eliminate most of the data transfer from occurring during farebox probing by service workers thereby improving probing speed. Additionally, updated SBCC and UCSB enrollment lists are now immediately updated to fareboxes in the yard via Wi-Fi rather than waiting until the nightly probing process.