

To: MTD Board of Directors
From: Jerry Estrada, General Manager
Date: December 7, 2021
Subject: General Manager's Report

Refresher training for our temporary supervisor's is currently in progress. Three distinct job assignments could be assigned to all supervisors dispatch, road and transit center. The positions have different characteristics and challenges, and all of our supervisors need to be proficient in each role. Operations recently conducted interviews for additional temporary supervisors and we are pleased to report that 13 bus operators were interviewed for the openings. From the aforementioned pool of applicants, two were selected and will begin training soon. Additionally, our two newest mechanics are working in the shop and becoming acquainted with the fleet.

Capital Projects

The first electric Ford Transit passenger van for MTD's microtransit service was delivered on November 10. A representative from the dealer, A-Z Bus Sales, participated in a question and answer session at MTD on November 15 to go over the features of the vehicle and answer questions from MTD team members. As a result of some of the feedback received, MTD staff have requested some modest changes to the vehicle specifications. Such changes will delay the delivery of the remaining two vans to MTD.

Staff executed a contract amendment with the project contractor, Complete Coach Works (CCW) that modified the order of vehicles to undergo refurbishment, updated the vehicle paint and decal specifications to reflect MTD's fleet wide branding campaign, and clarified CCW's responsibilities. The amendment processing and projected COVID-19 related parts delivery delays have resulted in a delay in the project timeline. A revised schedule is expected to be provided within the next few weeks.

MTD staff will commence with monthly calls with our Commission Agreement Manager (CAM), Esther Odufuwa, to provide regular updates to the California Energy Commission about our progress with MTD's Blueprint project.

Staff participated in a webinar hosted by CALSTART to discuss the launch of the California Energy Commission's (CEC) newest program to provide financial incentives to accelerate the deployment of infrastructure needed to fuel zero-emission trucks, buses and equipment. The EnergIZE Commercial Vehicles (Energy Infrastructure Incentives for Zero-Emission Commercial Vehicles) program will initially provide \$50 million to fund the purchase of charging and hydrogen fueling infrastructure. CALSTART will administer the program on behalf of the CEC and intends to launch their website in December, which will provide a comprehensive guide to infrastructure planning and execution, as well as an implementation manual for agencies looking to fund infrastructure projects. Staff will be monitoring this new funding opportunity closely to determine how MTD can participate.

Administration

MTD is a longstanding member of the Central Coast Clean Cities Coalition (C5), a coalition committed to accelerating the deployment of alternative fuel vehicles and developing local alternative fueling infrastructure throughout the Central Coast. At the 2021 National Clean Cities Workshop, C5 was recognized for having the greatest annual percentage improvement of renewable diesel usage among all Clean Cities Coalitions in 2020. C5 stakeholders increased their usage of renewable diesel by 2,883% from 2019 to 2020, resulting in an annual reduction of 736,650 gallons of gasoline equivalent. MTD's use of renewable diesel in the diesel bus fleet was acknowledged as a major contributor to this success.

On November 4, 2021, the Occupational Safety and Health Administration (OSHA) issued the COVID-19 Vaccination and Testing Emergency Temporary Standard (ETS), which requires certain employers with 100 or more employees to develop, implement, and enforce written policies on COVID-19 vaccination in the workplace. Employers have the option to implement either a mandatory vaccination policy or an elective policy requiring employees to choose to either receive the COVID-19 vaccination or undergo weekly COVID-19 testing. A mandatory policy requires all employees to be fully vaccinated, other than those employees for whom a vaccine is medically contraindicated, who require a delay in vaccination, or are entitled to a reasonable accommodation. Employers were required to comply with these testing requirements by January 4, 2022 until a recent order from the U.S. Court of Appeals for the Fifth Circuit granted a motion to stay OSHA's ETS. OSHA has suspended activities related to the implementation and enforcement of the ETS pending future developments in the litigation.

Staff submitted MTD's application to FTA for the FY 2021 Section 5339(b) Grants for Buses and Bus Facilities Program. The application requests assistance to purchase eight 40-ft. battery-electric buses, and to complete the rehabilitation of Terminal 2 in Goleta to a facility that will support a fully electric fleet. FTA is expected to announce awards in the first quarter of 2022.

Staff will attend a Zoom meeting of the Technical Transportation Advisory Committee (TTAC) of the Santa Barbara County Association of Governments (SBCAG) on December 2. TTAC will be asked to recommend that the SBCAG Board approve revisions to Fiscal Year 2020-21 Transportation Development Act – Local Transportation Fund (TDA-LTF) allocations, as reflected in revised claims. TTAC will also be asked to recommend that the SBCAG Board approve final Measure A revenue estimates for Fiscal Years 2022/23 to 2026/27. TTAC will receive updates on SBCAG's planned Transportation Infrastructure Finance and Innovation Act (TIFIA) loan and on the Infrastructure Investment and Jobs Act (IIJA) that President Biden recently signed into law.

Staff met via Zoom with several City of Goleta staff members to discuss upcoming City projects that may affect MTD operations or bus stops. The meeting was quite productive, and both agencies agreed to hold such meetings bimonthly.

Staff made minor changes to MTD's FY 2021 National Transit Database (NTD) Annual Report as requested by FTA, and resubmitted the Report. Staff also submitted the October monthly NTD ridership report to FTA.

The Human Resource Department has initiated the process to fill two vacant Fleet Maintenance Supervisor positions. Staff is conducting panel interviews for one of two vacant Fleet Maintenance Supervisor positions later this week. Additionally, one Bus Operator candidate with an offer will start after completion of the pre-employment process.

Risk has reviewed the final renewal quotes secured by MTD's insurance broker, Robert Fatch of Brown & Brown Insurance, for three separate policies renewing for the policy period January 3, 2022 – January 3, 2023: Directors and Officers (D&O) with Indian Harbor Insurance Company, Employment Practices Liability (EPL) with Atlantic Specialty Insurance, and Fiduciary with Travelers Casualty. All carriers have an A.M. Best rating of Superior. In the D&O and EPL markets in California, claims experience (frequency and severity), in conjunction with the wild fires and COVID-19 losses, are driving sharp increases of 25% to 45%. Renewal quotes for MTD's policies reflect this trend. The D&O renewal is an approximate 6% increase and EPL a 24% increase over the expiring policies. The increase in the Fiduciary policy of 12% (approximately \$600 in total) is solely the result of the growth in plan assets under the employee benefit plans. MTD's General Manager intends to approve the renewals for Risk to proceed with authorizing Brown & Brown to bind coverage.