



BOARD OF DIRECTORS AGENDA

REGULAR MEETING
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, June 20, 2023
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), Jen Lemberger (Secretary), Paula Perotte (Director), Arjun Sarkar (Director), Alberto Lapuz (Director), Monica Solorzano (Director).
- 3. REPORT REGARDING THE POSTING OF THE AGENDA**

CONSENT CALENDAR

- 4. APPROVAL OF PRIOR MINUTES - (ACTION MAY BE TAKEN)**
The Board of Directors will be asked to approve the draft minutes for the meeting of June 6, 2023.
- 5. CASH REPORTS - (ACTION MAY BE TAKEN)**
The Board of Directors will be asked to review and approve the Cash Reports May 27, 2023 through June 9, 2023.

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 and at MTD Administrative offices.

BOARD OF DIRECTORS AGENDA

7. **AT-LARGE BOARD MEMBER POSITION – (ACTION MAY BE TAKEN)**
Staff recommends the Board of Directors appoint Director Alberto Lapuz to the four-year term due to begin in July 3, 2023.
8. **APPROVAL OF UPDATED PUBLIC TRANSPORTATION AGENCY SAFETY PLAN – (ACTION MAY BE TAKEN – ATTACHMENT)**
Staff recommends the Board approve MTD's Public Transportation Agency Safety Plan Version number 4.0.
9. **ADVANCE AUTHORITY TO EXECUTE RENEWABLE DIESEL FUEL CONTRACT – (ACTION MAY BE TAKEN)**
Staff requests that the Board provide advance authority to the General Manager to enter into a renewable diesel (RD) contract for an upcoming bid solicitation.
10. **CONTACTLESS PAYMENT SYSTEM PROJECT UPDATE – (INFORMATIONAL)**
Staff will provide a presentation on the status of MTD's "Tap to Ride" Contactless Payment project
11. **GENERAL MANAGER'S REPORT– (INFORMATIONAL)**
The General Manager will report on any updates to district activities.
12. **OTHER BUSINESS AND REPORTS – (INFORMATIONAL)**
The Board will report on other related public transit issues and committee meetings.
13. **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.



BOARD OF DIRECTORS DRAFT MINUTES

REGULAR MEETING
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, June 6, 2023
8:30 AM
John G. Britton Auditorium
550 Olive Street, Santa Barbara, CA 93101

1. **CALL TO ORDER**
Chair Davis called the meeting to order at 8:31 AM.
2. **ROLL CALL OF THE BOARD MEMBERS**
Chair Davis reported that all members were present with the exception of Director Perotte and Vice Chair Tabor.
3. **REPORT REGARDING POSTING OF AGENDA**
Lilly Gomez, Interim Clerk of the Board reported that the agenda was posted on Friday, June 2, 2023, 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 approve the draft minutes for the meeting of May 9, 2023.
5. **CASH REPORT - (ATTACHMENT - ACTION MAY BE TAKEN)**
The Board of Directors was asked to review and approve the Cash Reports April 22, 2023 through May 5, 2023 and May 6, 2023 through May 26, 2023.

Director Lapuz moved to approve the consent calendar. Director Solorzano seconded the motion. Chair Davis held a roll call vote and the consent calendar was approved unanimously with two absent.

THIS CONCLUDES THE CONSENT CALENDAR

6. **PUBLIC COMMENT**
No public comments were made.

7. OPERATING & CAPITAL BUDGET FOR FISCAL YEAR 2023-24 – (ACTION MAY BE TAKEN – ATTACHMENT)

Nancy Tillie, Director of Finance and Administration presented and recommended the Board of Directors adopt the Final draft of the Operating and Capital Budget for Fiscal Year 2023-24.

Chair Davis and Jerry Estrada General Manager commended Nancy and the Accounting team for a well written and informative report.

Secretary Lemberger moved to approve the adoption of the Operating and Capital Budget for Fiscal Year 2023-24. Director Solorzano seconded the motion. The motion was approved unanimously with two absent.

8. FISCAL YEAR 2022-23 THIRD QUARTER PERFORMANCE REPORTS (INFORMATIONAL - ATTACHMENT)

Hillary Blackerby, Planning and Marketing Manager provided a presentation on the Third Quarter Fiscal Year (FY) 2022-23 Performance Reports for the nine-month period ending March 31, 2023.

9. AT-LARGE BOARD MEMBER POSITION

Secretary Lemberger shared that the Recruitment Ad hoc committee met and recommended the full board appoint Director Lapuz to the four-year term beginning July 3, 2023.

Jerry Estrada General Manager, recommended tabling item no. 9 until the next regular scheduled meeting of June 20, 2023 due to the lack of language for action on the agenda.

Director Lapuz motioned to table item no.9. Secretary Lemberger seconded the motion. The motion was approved unanimously with two absent.

10. GENERAL MANAGER'S REPORT– (INFORMATIONAL)

General Manager Estrada provided an update on district activities.

11. OTHER BUSINESS AND REPORTS – (INFORMATIONAL)

No other business was discussed.

12. ADJOURNMENT

Chair Davis adjourned the meeting at 9:48 AM.

Santa Barbara Metropolitan Transit District
Cash Report
Board Meeting of June 20, 2023
For the Period May 27, 2023 through June 9, 2023

MONEY MARKET

Beginning Balance May 27, 2023 **\$3,770,036.90**

Accounts Receivable	1,256,586.57
Passenger Fares	140,853.95
Property Tax Revenue	6,708.00
Interest Income	2,019.29
Prepays & Advertising	284.00
Miscellaneous Income	56.09
Measure A Transfer	1.13
Total Deposits	1,406,509.03

Bank & Credit Card Fees	(4,354.86)
Miscellaneous Transfers	(11,904.78)
401(k)/Pension Transfer	(35,194.36)
Payroll Taxes	(162,690.42)
Payroll	(373,682.95)
Accounts Payable	(480,743.91)
Total Disbursements	(1,068,571.28)

Ending Balance **\$4,107,974.65**

CASH INVESTMENTS

LAIF Account	\$5,993,860.90
Money Market Account	4,107,974.65

Total Cash Balance **\$10,101,835.55**

SELF INSURED LIABILITY ACCOUNTS

WC / Liability Reserves	(\$4,014,208.70)
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Working Capital **\$6,087,626.85**

Santa Barbara Metropolitan Transit District
Accounts Payable

Check #	Date	Company	Description	Amount	Voids
132270	5/11/2023	TDS SERVICE CORP. DBA TRANSI	BUS PARTS REPAIRS	1,437.00	V
132378	6/2/2023	ABC BUS COMPANIES INC	BUS PARTS	1,347.89	
132379	6/2/2023	APTA	MEMBERSHIP DUES	26,000.00	
132380	6/2/2023	ASBURY ENVIRONMENTAL SERVI	WASTE OIL RECYCLER	95.00	
132381	6/2/2023	HILLARY BLACKERBY	REIMBURSEMENT	180.51	
132382	6/2/2023	CELTIS VENTURES, INC.	MARKETING SERVICES	765.00	
132383	6/2/2023	CENTRAL COAST TANK TESTING	TANK TESTS	145.00	
132384	6/2/2023	COMPLETE COACH WORKS	FLEET RENEWAL CAMPAIGN	49,795.37	
132385	6/2/2023	COX COMMUNICATIONS, CORP.	INTERNET & CABLE TV	155.44	
132386	6/2/2023	CROSSLINE SUPPLY LLC	BUS PARTS	234.91	
132387	6/2/2023	DENMUN OFFICE SOLUTIONS DB	IT CONTRACT SERVICES	7,695.00	
132388	6/2/2023	ALLIANT POWER DBA	BUS PARTS	159.67	
132389	6/2/2023	DUNN EDWARDS CORPORATION	B&G SUPPLIES	165.80	
132390	6/2/2023	DOCUPRODUCTS CORPORATION	COPIER MAINTENANCE/SUPPLIES	325.46	
132391	6/2/2023	FAUVER, LARGE, ARCHBALD&SPR	LEGAL COUNSEL	80,570.25	
132392	6/2/2023	FEDEX dba	FREIGHT CHARGES	37.98	
132393	6/2/2023	FIDELITY SECURITY LIFE INS. CO	VISION INSURANCE	483.12	
132394	6/2/2023	STATE OF CALIFORNIA	PAYROLL RELATED	927.50	
132395	6/2/2023	GENFARE LLC	FAREBOX REPAIRS & PARTS	1,252.05	
132396	6/2/2023	GIBBS INTERNATIONAL INC	BUS PARTS	990.83	
132397	6/2/2023	GILLIG LLC	BUS PARTS	2,046.73	
132398	6/2/2023	GOODYEAR TIRE & RUBBER CO	BUS TIRE LEASE	11,301.66	
132399	6/2/2023	GRAINGER, INC.	SHOP/B&G SUPPLIES	161.69	
132400	6/2/2023	GUARDIAN-APPLETON (DENTAL I	DENTAL INSURANCE	4,793.01	
132401	6/2/2023	GUARDIAN-APPLETON (LIFE INS)	LIFE INSURANCE	1,027.92	
132402	6/2/2023	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	133.22	
132403	6/2/2023	HR AUTOGLASS DBA	BUS PARTS/REPAIRS	540.00	
132404	6/2/2023	IMPULSE ADVANCED COMMUNIC	INTERNET	400.00	
132405	6/2/2023	I-NETT	PHONE SYSTEM MAINTENANCE CONT	271.66	
132406	6/2/2023	KIMBALL MIDWEST	SHOP SUPPLIES	205.54	
132407	6/2/2023	KUBA INC	TAP TO PAY VALIDATORS	5,220.00	
132408	6/2/2023	LENZ PEST CONTROL DBA	FUMIGATION SERVICES	70.00	
132409	6/2/2023	MAYAN LANDSCAPING	LANDSCAPE MAINTENANCE SERVICE	3,420.00	
132410	6/2/2023	MC CORMIX CORP. (OIL)	LUBRICANTS	6,485.67	
132411	6/2/2023	MCMASTER-CARR SUPPLY CO.	SHOP/B&G SUPPLIES	61.24	
132412	6/2/2023	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	699.81	
132413	6/2/2023	MOUSER ELECTRONICS	VEHICLE BUS PARTS	175.97	
132414	6/2/2023	MUNOZ JANITORIAL	JANITORIAL/DISINFECTANT SERVICE	7,800.00	

Check #	Date	Company	Description	Amount	Voids
132415	6/2/2023	NEWEGG BUSINESS, INC	IT EQUIPMENT & SUPPLIES	456.74	
132416	6/2/2023	SAFETY-KLEEN CORPORATION	SHOP SUPPLIES	498.72	
132417	6/2/2023	SANSUM CLINIC	MEDICAL EXAMS	600.00	
132418	6/2/2023	SB COUNTY FEDERAL CREDIT UNI	PAYROLL DEDUCTION	260.00	
132419	6/2/2023	SILVAS OIL CO., INC.	LUBRICANTS	3,276.86	
132420	6/2/2023	SO. CAL. EDISON CO.	UTILITIES	5,360.92	
132421	6/2/2023	SOAP MAN DISTRIBUTIN DBA	BUS CLEANING SUPPLIES	393.40	
132422	6/2/2023	SPECIALTY TOOL & BOLT, LTD	SHOP SUPPLIES	228.22	
132423	6/2/2023	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	658.37	
132424	6/2/2023	SB CITY OF-REFUSE/WATER	UTILITIES	2,293.45	
132425	6/2/2023	TEAMSTERS UNION LOCAL NO. 18	UNION DUES	263.75	
132426	6/2/2023	TEXTMARKS, INC	SMS TEXTING SERVICES	14,388.00	
132427	6/2/2023	TAC ENERGY LLC	RENEWABLE DIESEL	30,636.25	
132428	6/2/2023	UNITED PARCEL SERVICE, INC.	FREIGHT CHARGES	368.96	
132429	6/2/2023	J.C.M. AND ASSOCIATES INC.	UNIFORMS	65.39	
132430	6/2/2023	U.S. BANK CORP. PAYMENT SYST	CREDIT CARD PURCHASES	8,266.47	
132431	6/2/2023	VEHICLE MAINTENANCE PROGRA	BUS PARTS	862.91	
132432	6/2/2023	VENTURA COUNTY OVERHEAD D	B&G REPAIRS & SUPPLIES	225.00	
132433	6/2/2023	VISIT SANTA BARBARA	MEMBERSHIP DUES	475.00	
132434	6/2/2023	WALKER, DANIEL	DMV REIMB	65.00	
132435	6/2/2023	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	859.15	
132436	6/8/2023	ABC BUS COMPANIES INC	BUS PARTS	5,477.44	
132437	6/8/2023	CAPITOL HARDWARE & BUILDING	B&G SUPPLIES	43.45	
132438	6/8/2023	COMPLETE COACH WORKS	FLEET RENEWAL CAMPAIGN	47,817.92	
132439	6/8/2023	ALLIANT POWER DBA	BUS PARTS	2,390.63	
132440	6/8/2023	EMERGENCY DRAIN SERVICES DB	DRAIN SERVICES	208.22	
132441	6/8/2023	GIBBS INTERNATIONAL INC	BUS PARTS	1,066.20	
132442	6/8/2023	GILLIG LLC	BUS PARTS	1,627.04	
132443	6/8/2023	GOLD COAST TRANSPORT REFRIG	BUS A/C MAINTENANCE	857.56	
132444	6/8/2023	GOLETA WATER DISTRICT	UTILITIES	224.48	
132445	6/8/2023	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	45.78	
132446	6/8/2023	MARIA B. KAESTNER	SETTLEMENT	18,500.00	
132447	6/8/2023	LANSPEED DBA	IT SERVICES	2,935.00	
132448	6/8/2023	LAWSON PRODUCTS INC	SHOP SUPPLIES	1,652.13	
132449	6/8/2023	MC CORMIX CORP. (GAS)	FUEL-SERVICE VEHICLES	1,515.75	
132450	6/8/2023	MILPAS RENTAL INC.	EQUIPMENT RENTAL	653.82	
132451	6/8/2023	MISSION LINEN SUPPLY, INC	UNIFORM & LINEN SERVICE	1,642.12	
132452	6/8/2023	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	259.24	
132453	6/8/2023	NEWEGG BUSINESS, INC	IT EQUIPMENT & SUPPLIES	202.15	
132454	6/8/2023	NFI PARTS DBA	BUS PARTS	135.44	
132455	6/8/2023	O'REILLY AUTO PARTS DBA	BUS/SERVICE VEHICLE PARTS	18.37	

Check #	Date	Company	Description	Amount	Voids
132456	6/8/2023	ROBERT HALF	TEMPORARY LABOR	8,450.00	
132457	6/8/2023	SANSUM CLINIC	MEDICAL EXAMS	328.00	
132458	6/8/2023	SAFEGUARD DBA	OFFICE SUPPLIES	333.13	
132459	6/8/2023	SPECIAL DISTRICT RISK MGMT	HEALTH INSURANCE	63,484.05	
132460	6/8/2023	SB CITY OF-REFUSE/WATER	UTILITIES	2,130.39	
132461	6/8/2023	TDS SERVICE CORP. DBA TRANSI	BUS PARTS REPAIRS	1,437.00	
132462	6/8/2023	TAC ENERGY LLC	RENEWABLE DIESEL	30,621.99	
132463	6/8/2023	J.C.M. AND ASSOCIATES INC.	UNIFORMS	139.50	
132464	6/8/2023	VENTURA COUNTY OVERHEAD D	B&G REPAIRS & SUPPLIES	195.00	
132465	6/8/2023	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	607.31	
132466	6/8/2023	WURTH USA WEST INC.	SHOP SUPPLIES	538.34	
				482,180.91	
				Current Cash Report Voided Checks:	0.00
				Prior Cash Report Voided Checks:	1,437.00
				Grand Total:	\$480,743.91

Santa Barbara Metropolitan Transit District
Cash Receipts of Accounts Receivable

Date	Company	Description	Amount
6/2/2023	Old Mission Santa Barbara	Bus Advertising	232.00
6/5/2023	Local Transportation Fund	SB 325 - May 2023	954,637.49
6/5/2023	Measure A, Section 3 LSTI	Measure A Funds - May 2023	272,849.08
6/5/2023	UCSB Bookstore	Passes/Passport Sales	7,400.00
6/6/2023	Department of Rehabilitation	Passes/Passports Sales	520.00
6/7/2023	SB School District	Passes/Token Sales	16,500.00
6/7/2023	UCSB - Parking Services-7001	Passes/Passports Sales	4,448.00
Total Accounts Receivable Paid During Period			\$1,256,586.57



BOARD OF DIRECTORS REPORT

MEETING DATE: JUNE 20, 2023

AGENDA ITEM: #7

DEPARTMENT: ADMINISTRATION

TYPE: ACTION ITEM

PREPARED BY: JERRY ESTRADA

Signature

REVIEWED BY: GENERAL MANAGER

Signature

SUBJECT: AT-LARGE BOARD MEMBER POSITION

RECOMMENDATION:

That the Board of Directors appoint Director Alberto Lapuz to the four-year term due to begin in July 3, 2023.

DISCUSSION:

In 2022, the Board assigned an Ad hoc Committee consisting of Secretary Lemberger and Director Perotte the task of commencing the recruitment process to fill the "At-Large" Board position. The available position was a partial term that ran through July 2, 2023.

Solicitation and recruitment efforts began late September including a press release, Santa Barbara News Press public notice ran for two weeks consecutively, social media posts, a detailed website with the application process, and notice of vacancy flyers posted at the Santa Barbara City Hall, Goleta Library, Goleta City Hall, Carpinteria City Hall and MTD's Administrative Office.

Three applicants shared interest in the vacant position. Consistent with previous recruitments the Board of Directors interviewed the 2 of the 3 interested candidates including Alberto Lapuz and referred to the Ad hoc committee for recommendation. Ultimately, the Ad hoc committee recommended that Mr. Alberto Lapuz be selected to fill the final few months of the vacant "At-large" board position term due to expire July 2, 2023.

On May 19, 2023 the Ad hoc committee met and recommended that the full Board of Directors re-appoint Director Lapuz for the upcoming four-year term rather than re-issuing the solicitation.



BOARD OF DIRECTORS REPORT

MEETING DATE: JUNE 20, 2023

AGENDA ITEM: #8

DEPARTMENT: SAFETY

TYPE: ACTION ITEM

PREPARED BY: MARY GREGG

Signature

REVIEWED BY: JERRY ESTRADA

Signature

SUBJECT: APPROVAL OF UPDATED PUBLIC TRANSPORTATION AGENCY SAFETY PLAN

RECOMMENDATION:

Staff recommends the Board approve MTD's Public Transportation Agency Safety Plan Version number 4.0.

DISCUSSION:

MTD is required to have an Agency Safety Plan (ASP) under the Public Transportation Agency Safety Plan (PTASP) Final Rule, 49 Code of Federal Regulations Part 673, as a recipient of federal funds under Federal Transit Administration (FTA) Section 5307 Urbanized Area Formula Grants. MTD's Board of Directors adopted MTD's ASP on November 3, 2020 and the Board approved the last updated ASP on June 7, 2022.

New requirements relating to PTASP were laid out in the Bipartisan Infrastructure Law (BIL) (amendments to 49 U.S.C. § 5329(d)) that became effective December 31, 2022. This legislation did not change who is required to have an ASP. Most of the new BIL PTASP requirements instead apply based on the size of the urbanized area, or UZA, that the transit agency serves, those being one of two categories: large or small. A large UZA has a population of 200,000 or more. And a small UZA has a population of fewer than 200,000, which MTD is currently recognized as by FTA. FTA will formally recognize MTD as a large UZA, from the recent results of the 2020 Census, effective October 1, 2023 with the start of the new Federal fiscal year.

Staff completed review of MTD's ASP under the BIL requirements for a transit provider serving a small UZA, and is fully compliant with the December 31, 2023 deadline to do the following:

1. Put in place strategies consistent with guidelines of the Centers for Disease Control and Prevention or a State health authority to minimize exposure to infectious diseases.
2. Develop the ASP in cooperation with frontline employees.

Further, review of the ASP utilized FTA's recommendation to consider the following three questions to determine whether the contents of the ASP required revisions:

BOARD OF DIRECTORS REPORT

1. Does our ASP address all relevant requirements in the PTASP regulation?
2. Does our ASP reflect our organization and transit system as it operates today?
3. Are the activities and processes described in our ASP suitable to manage safety at our transit agency?

The answer to all three questions was yes. MTD has rigorous safety programs previously established, and in continuous development, that meet local, state and Federal compliance regulations which are included in the ASP and address Safety Management Systems (SMS). SMS is intended to reduce safety events through making safety everyone's responsibility, a primary component of PTASP regulations.

What does the future look like for MTD's ASP under the BIL as a large urban area? The legislation's safety provisions include:

- Increased engagement by frontline workers in safety planning by convening a PTASP specific safety committee through a joint labor management process consisting of an equal number of frontline employee representatives and management representatives.
- Allocation of at least 0.75 percent of annual 5307 funds to support safety related projects, in what is being called a "safety set-aside"
- Establishment of risk reduction program to include mitigation of assaults on transit workers, such as installing barriers, like those that MTD has already in place, to restrict the unwanted entry of individuals and objects into the workstations of bus operators
- Inclusion in safety training programs of de-escalation training for all covered employees, including operations, maintenance, and personnel directly responsible for safety.

FTA is proposing an update to the PTASP rule, as well as revisions to the National Public Transportation Safety Plan, to address the new safety requirements authorized under the Bipartisan Infrastructure Law. Staff continues to monitor the timing of these proposed rulemakings to ensure compliance with their requirements.

Attachment: MTD Public Transportation Agency Safety Plan Version 4.0

PUBLIC TRANSPORTATION AGENCY SAFETY PLAN



The mission of Santa Barbara Metropolitan Transit District is to enhance the mobility of South Coast residents, commuters, and visitors by offering safe, appealing, equitable, environmentally responsible, and fiscally sound transit service.

Public Transportation Agency Safety Plan

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1. Definition of Terms Used in the Agency Safety Plan

Santa Barbara Metropolitan Transit District incorporates all of the Federal Transit Administration's definitions that are in 49 CFR § 673.5 of the Public Transportation Agency Safety Plan regulation.

- **Accident** means an Event that involves any of the following: A loss of life; a report of a serious injury to a person; a collision of public transportation vehicles; an evacuation for life safety reasons.
- **Accountable Executive** means a single, identifiable person who has ultimate responsibility for carrying out the Agency Safety Plan of a public transportation agency; responsibility for carrying out the agency's Transit Asset Management Plan; and control or direction over the human and capital resources needed to develop and maintain both the Agency Safety Plan, in accordance with 49 U.S.C. § 5329(d), and the Transit Asset Management Plan, in accordance with 49 U.S.C. § 5326, of said public transportation agency.
- **Agency or transit agency** means Santa Barbara Metropolitan Transit District, located at 550 Olive Street, Santa Barbara, CA 93101, an operator of a public transportation system.
- **Agency Safety Plan** means the documented comprehensive Public Transportation Agency Safety Plan for a transit agency that is required by 49 U.S.C. 5329 and Part 673.
- **Board of Directors** means governing body of Santa Barbara Metropolitan Transit District.
- **Chief Safety Officer** means the adequately trained individual who has responsibility for safety and reports directly to the transit agency's Accountable Executive.
- **Event** means any Accident, Incident, or Occurrence.
- **Hazard** means any real or potential condition that can cause injury, illness, or death; damage to or loss of the facilities, equipment, rolling stock, or infrastructure of a public transportation system; or damage to the environment.
- **Incident** means an Event that involves any of the following: a personal injury that is not a serious injury; one or more injuries requiring medical transport; or damage to facilities, equipment, rolling stock, or infrastructure that disrupts the operations of the transit agency.
- **Investigation** means the process of determining the causal and contributing factors of an accident, incident, or hazard, for the purpose of preventing recurrence and mitigating risk.
- **National Public Transportation Safety Plan** means the plan to improve the safety of all public transportation systems that receive federal financial assistance under 49 U.S.C. Chapter 53.
- **Occurrence** means an Event without any personal injury in which any damage to facilities, equipment, rolling stock, or infrastructure does not disrupt the operations of a transit agency.
- **Operator** of a public transportation system means a provider of public transportation as defined under 49 U.S.C. 5302.
- **Part 673** means 49 CFR Part 673.
- **Performance measure** means an expression based on a quantifiable indicator of performance or condition that is used to establish targets and to assess progress toward meeting the established targets.
- **Performance target** means a quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period required by the FTA.
- **Public Transportation Agency Safety Plan** means the documented comprehensive Agency Safety Plan for a transit agency that is required by 49 U.S.C. 5329 and Part 673.
- **Risk** means the composite of predicted severity and likelihood of the potential effect of a hazard.
- **Risk mitigation** means a method or methods to eliminate or reduce the effects of hazards.

- **Safety Assurance** means processes within the transit agency's Safety Management System that function to ensure the implementation and effectiveness of safety risk mitigation, and to ensure that the transit agency meets or exceeds its safety objectives through the collection, analysis, and assessment of information.
- **Safety Management Policy** means the transit agency's documented commitment to safety, which defines the transit agency's safety objectives and the accountabilities and responsibilities of its employees in regard to safety.
- **Safety Management System** means the formal, top-down, organization-wide approach to managing safety risk and assuring the effectiveness of a transit agency's safety risk mitigation. SMS is a continuous improvement process that includes systematic procedures, practices, and policies for managing risks and hazards.
- **Safety Performance Target** means a performance target related to safety management activities.
- **Safety Promotion** means a combination of training and communication of safety information to support SMS as applied to the transit agency's public transportation system.
- **Safety Risk Assessment** means the formal activity whereby the transit agency determines Safety Risk Management priorities by establishing the significance or value of its safety risks.
- **Safety Risk Management** means a process within the transit agency's ASP for identifying hazards and analyzing, assessing, and mitigating safety risk.
- **Serious injury** means any injury which: (1) Requires hospitalization for more than 48 hours, commencing within seven days from the date when the injury was received; (2) Results in a fracture of any bone (except simple fractures of fingers, toes, or noses); (3) Causes severe hemorrhages, nerve, muscle, or tendon damage; (4) Involves any internal organ; or (5) Involves second- or third-degree burns, or any burns affecting more than five percent of the body surface.
- **State of Good Repair** means the condition in which a capital asset is able to operate at a full level of performance.
- **Transit Agency** means an operator of a public transportation system.
- **Transit Asset Management Plan** means the strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation, as required by 49 U.S.C. 5326 and 49 CFR Part 625.

2. Commonly Used Acronyms

Acronym	Word or Phrase
ADA	Americans with Disabilities Act of 1990
AE	Accountable Executive
ASP	Agency Safety Plan (also referred to as a PTASP in Part 673)
BOD	Board of Directors
Caltrans	California Department of Transportation
CSO	Chief Safety Officer
CFR	Code of Federal Regulations
DOT	Department of Transportation

ESRP	Employee Safety Reporting Program
FTA	Federal Transit Administration
MPO	Metropolitan Planning Organization
Part 673	49 CFR Part 673 (Public Transportation Agency Safety Plan)
SBCAG	Santa Barbara County Association of Governments
SBMTD	Santa Barbara Metropolitan Transit District
SGR	State of Good Repair
SMP	Safety Management Policy
SMS	Safety Management System
SPT	Safety Performance Target
SRM	Safety Risk Management
U.S.C.	United States Code
VRM	Vehicle Revenue Miles
VTT	Verification of Transit Training

3. Public Transportation Agency Safety Plan Overview

Public Transportation Agency Safety Plan

On July 19, 2018, the Federal Transit Administration (FTA) published the Public Transportation Agency Safety Plan (PTASP) Rule. The rule applies to all operators of public transportation systems that are recipients and subrecipients of federal financial assistance under the Urbanized Area Formula Program (49 U.S.C. § 5307). The rule requires these transit operators to develop an Agency Safety Plan (ASP) that include the processes and procedures to implement Safety Management System (SMS). FTA has adopted the principles and methods of SMS as the basis for enhancing the safety of public transportation in the United States.

- The Rule 49 CFR Part 673 became effective on July 19, 2019.
- FTA published a Dear Colleague letter on July 19, 2019, to alert the transit industry of the July 20, 2020 safety compliance deadline.
- FTA published a Notice of Enforcement Discretion on April 22, 2020, effectively extending the compliance deadline to December 31, 2020 due to the COVID-19 pandemic.

SBMTD developed the contents of our Agency Safety Plan to meet all requirements specified in 49 CFR Part 673. SBMTD's ASP addresses all applicable requirements and standards as set forth in FTA's Public Transportation Safety Program and the National Public Transportation Safety Plan.

The Agency Safety Plan is based on the four principles or pillars of the Safety Management System (SMS). SMS is defined as the formal, top-down, organization-wide, data-driven approach to managing safety risk and assuring the effectiveness of safety mitigations. It includes systematic policies, procedures, and practices for the management of safety risk.

The four principles or pillars of SMS are: (1) Safety Management Policy; (2) Safety Risk Management; (3) Safety Assurance; and (4) Safety Promotion.

SMS is a comprehensive, collaborative approach that brings management and labor together to build on the transit industry's existing safety foundation to control risk better, detect and correct safety concerns earlier, share and analyze safety data more effectively, and measure safety performance more efficiently. SBMTD's SMS focuses on applying resources to risk and is based on ensuring that the agency has the organizational infrastructure to support decision-making at all levels regarding the assignment of resources. The SMS processes in the ASP are for SBMTD's directly operated fixed route bus service.

Key components of SBMTD's SMS include:

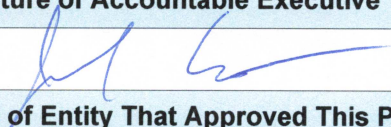
- Strong executive safety leadership;
- Defined roles and responsibilities;
- Formal safety accountabilities and communications;
- Effective policies and procedures; and
- Active employee involvement

SBMTD monitors the contractor providing its ADA/Paratransit service to ensure they are following their SMS as referenced in Appendix A. Contractor's Agency Safety Plan was developed in coordination with SBMTD and meets all requirements specified in 49 CFR Part 673.

4. Transit Agency Information

Transit Agency Name	Santa Barbara Metropolitan Transit District			
Transit Agency Address	550 Olive Street, Santa Barbara, CA 93101			
Name and Title of Accountable Executive	Jerry Estrada, General Manager			
Name of Chief Safety Officer	Mary Gregg, Chief Operating Officer / Assistant General Manager			
Mode(s) of Service Covered by This Plan	Fixed Route Bus	List All FTA Funding Types (e.g., 5307, 5337, 5339)	5307, 5339	
Mode(s) of Service Provided by the Transit Agency	Directly Operated Fixed Route Bus; Contracted ADA/Paratransit Service			
Does the agency provide transit services on behalf of another transit agency or entity?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Description of Arrangement(s)	N/A
Name and Address of Transit Agency(ies) or Entity(ies) for Which Service Is Provided	N/A			

5. Plan Development, Approval, and Updates

Name of Person Who Drafted This Plan	Mary Gregg, Chief Operating Officer / Assistant General Manager		
Signature by the Accountable Executive	Signature of Accountable Executive	Date of Signature	
		6/13/23	
Approval by the Board of Directors or an Equivalent Authority	Name of Entity That Approved This Plan	Date of Approval	
	SBMTD Board of Directors	June 20, 2023	
	Relevant Documentation (Title and Location)		
	A copy of SBMTD's Board of Directors Resolution # 2020-05, adopting the Agency Safety Plan, is maintained on file by SBMTD's Chief Safety Officer.		
Certification of Compliance	Name of Entity That Certified This Plan	Date of Certification	
	Santa Barbara Metropolitan Transit District	February 7, 2023	
	Relevant Documentation (Title and Location)		
	Federal Fiscal Year 2023 Certifications and Assurances, on file at SBMTD's administrative office		
Agency Safety Plan Version Number and Updates			
Version Number	Section/Pages Affected	Reason for Change	Date
1.0	All Pages	New Document	11/03/2020
2.0	5, 6	Staff title change, Annual Review timeline	09/07/2021
3.0	5, 6, 7, 9	Staff title change, Safety Performance Targets	06/07/2022
4.0	6, 10, 15, 18	Updated in cooperation with frontline employees per new requirements of the Bipartisan Infrastructure Law for agencies serving a small Urbanized Area	11/30/2022
Annual Review and Update of the Agency Safety Plan			
<p>This plan will be developed in cooperation with frontline employee representatives, and reviewed and updated by the Chief Safety Officer no less than annually by July 20 in perpetuity. All Agency Safety Plan updates shall be signed by the Accountable Executive and approved by SBMTD's Board of Directors.</p> <p>SBMTD updates this ASP when information, processes or activities change within the agency and/or when Part 673 undergoes significant changes, or annually, whichever comes sooner. Data collected by SBMTD through its Safety Risk Management and Safety Assurance processes is shared with the State Department of Transportation, and the local Metropolitan Planning Organization.</p>			

6. Safety Performance Targets

Safety Performance Targets							
<p>Safety Performance Targets (SPTs) are specific numerical targets set by SBMTD based on safety performance measures under the <i>National Public Transportation Safety Plan</i> for: (1) Fatalities, (2) Injuries, (3) Safety Events, and (4) System Reliability (State of Good Repair). Rates for the safety performance targets are calculated by SBMTD per 100,000 vehicle revenue miles (VRM) based on a three-year average from 2019-2022 of SBMTD's reportable data to the National Transit Database (NTD).</p>							
Mode of Transit Service	Fatalities (Total)	Fatalities (Rate)	Injuries (Total)	Injuries (Rate)	Safety Events (Total)	Safety Events (Rate)	System Reliability
Fixed Route Bus	0	0	1.3	0.05	1.0	0.04	8,000
ADA/Paratransit	0	0	1	0.04	4.0	0.17	50,000
Safety Performance Target Coordination							
<p>SBMTD's Accountable Executive shares our ASP, including safety performance targets, with the Metropolitan Planning Organization (MPO) in our service area each year after its formal adoption by the Board of Directors. MTD's Chief Safety Officer also provides a copy of our formally adopted plan to the State Department of Transportation. MTD personnel are available to coordinate with both agencies in the selection of each agency's safety performance targets upon request.</p>							
Targets Transmitted to the State	State Entity Name			Date Targets Transmitted			
	California Department of Transportation, Division of Rail and Mass Transportation (Caltrans)			06/07/2022			
Targets Transmitted to the Metropolitan Planning Organization(s)	Metropolitan Planning Organization Name			Date Targets Transmitted			
	Santa Barbara County Association of Governments (SBCAG)			06/07/2022			

7. Safety Management Policy

Safety Management Policy
<p>The first component of SBMTD's Safety Management System is Safety Management Policy, which is the foundation the agency's SMS. It states the agency's safety objectives and sets forth the policies, procedures, and organizational structures necessary to accomplish these safety objectives.</p>

Safety Management Policy Statement

Safety is Santa Barbara Metropolitan Transit District's number one priority. We educate, encourage, and endorse a strong culture of safety at every level of the organization. We value the responsibility entrusted in us by the communities that we serve. SBMTD is committed to developing, implementing, maintaining, and constantly improving processes to ensure the safety of our customers, employees, and the public. The agency's overall safety objective is to proactively manage safety hazards and their associated safety risk to achieve the highest level of safety performance, meeting and exceeding established standards for our industry.

All levels of management, employees and contractors are accountable for the delivery of the highest level of safety performance. Our commitment is to:

- **Communicate** the purpose and benefits of the Safety Management System (SMS) to all employees, reaffirming that responsibility for making our operations safer for everyone lies with all employees;
- **Provide** all employees with appropriate safety information and training, to ensure they are competent in safety matters, and assigned only tasks commensurate with their duties and skills;
- **Establish** an effective Employee Safety Reporting Program (ESRP) that will encourage employees to communicate and report any unsafe work conditions, hazards, or at-risk behavior to the management team;
- **Support** a culture of open reporting of all safety concerns, to ensure that no action will be taken against any employee who discloses a safety concern through the ESRP, unless such disclosure indicates, beyond any reasonable doubt, an illegal act, gross negligence, or a deliberate or willful disregard of regulations or procedures;
- **Identify** hazardous and unsafe work conditions, thoroughly analyzing data from the ESRP, and then developing procedures to mitigate safety risk to an acceptable level;
- **Establish** and measure our safety performance against realistic and data-driven safety performance indicators and safety performance targets.
- **Continually** improve our safety performance through management processes that ensure appropriate safety management action is taken and is effective.



Jerry Estrada, General Manager and Accountable Executive

Safety Management Policy Communication

The Safety Management Policy is communicated throughout the agency, to all employees, managers, and executives, as well as contractors, and to SBMTD's Board of Directors. This is accomplished through various processes, such as:

- **New Hire Onboarding** – Safety orientation for all new employees regardless of their classifications; training about their roles and responsibilities pertaining to PTASP and the principles of SMS.
- **Workshops/training sessions** – Conducted for executives, department managers, and supervisors; Verification of Transit Training for bus operators; toolbox safety meetings.
- **Safety Communication Board** – Newsletters and safety information posted in employee work locations throughout the agency; email blasts to staff, and/or safety committee meetings.

Authorities, Accountabilities, and Responsibilities

Accountable Executive

The General Manager serves as Santa Barbara Metropolitan Transit District's Accountable Executive with the following authorities, accountabilities, and responsibilities under this plan:

- Controls and directs human and capital resources, to support asset management and capital investments needed to develop and maintain SBMTD's Agency Safety Plan and Safety Management System.
- Ensures safety concerns are considered and addressed in the agency's ongoing budget planning process.
- Designates an adequately trained Chief Safety Officer who is a direct report.
- Ensures that the agency's SMS is effectively implemented throughout the organization and safety policy is appropriately communicated throughout the agency.
- Ensures action is taken, as necessary, to address substandard performance in the agency's SMS.
- May delegate specific responsibilities, but responsibility for carrying out the ASP and SMS, and ultimate accountability for SBMTD's safety performance, rests with the AE.
- Maintains responsibility for carrying out the Transit Asset Management Plan.

Chief Safety Officer or SMS Executive

The Accountable Executive designated the Chief Operating Officer / Assistant General Manager as SBMTD's Chief Safety Officer. The Chief Safety Officer has the following authorities, accountabilities, and responsibilities under this plan:

- Develops the ASP and SMS policies and procedures.
- Authority and responsibility for day-to-day implementation and operation of the agency's SMS.
- Manages the Employee Safety Reporting Program.
- Chairs the SBMTD Safety Committee and
 - Coordinates the activities of the committee;
 - Establishes and maintains the agency's Safety Risk Register and Safety Event Log; and
 - Maintains and distributes minutes of committee meetings.
- Briefs the Accountable Executive on SMS progress and status.
- Identifies substandard performance in SBMTD's SMS and develops action plans for approval by the AE.
- Ensures policies are consistent with the agency's safety objectives.
- Provides Safety Risk Management expertise and support for other SBMTD personnel who conduct and oversee Safety Assurance activities.

<p>Agency Leadership and Executive Management</p>	<p>Agency Leadership and Executive Management also have authorities and responsibilities for day-to-day SMS implementation and operation of SBMTD's SMS under this plan. These personnel include the Director of Finance and Administration, Operations Manager, Fleet and Facilities Manager, Planning and Marketing Manager, and Human Resources Manager. They have the following authorities, accountabilities, and responsibilities under this plan:</p> <ul style="list-style-type: none"> • Oversees day-to-day operations of the SMS and communicates safety accountability and responsibility in their departments. • Supports implementation of the SMS throughout the organization. • Ensures employees in their department are following safety rules and regulations in performing their jobs, and their specific roles and responsibilities in the implementation of this Agency Safety Plan and SMS. • Modifies policies in their departments consistent with implementation of the SMS, as necessary. • Completes training on SMS and the ASP elements. • Provides subject matter expertise to support implementation of the SMS as requested by the AE or the CSO, including SRM activities, investigation of safety events, development of safety risk mitigations, and monitoring of mitigation effectiveness. • Replaces aging facilities, equipment, and infrastructure. • Participates as members of SBMTD's Safety Committee as assigned.
<p>Key Staff</p>	<p>Includes the Safety Committee and may include managers, supervisors, specialists, analysts, database administrators and other key employees who are performing highly technical work and overseeing employees performing critical tasks and providing support in the implementation of the ASP and SMS principles in various departments throughout the agency. These personnel include, but are not limited to, Superintendent of Maintenance, Assistant Superintendent of Maintenance, Fleet Maintenance Supervisor, Superintendent of Operations, Operations Safety and Training Administrator, Risk Administrator. Key Staff responsibilities include:</p> <ul style="list-style-type: none"> • Supports implementation of the SMS throughout the organization. • Promotes safety in employee's respective area of responsibilities and compliance with agency rules and procedures and regulatory requirements. • Ensures employees are complying with the safety reporting program. • Ensures safety of passengers, employees and the public. • Develops and maintains programs to gather pertinent data elements to develop safety performance reports and conduct useful statistical analyses to identify trends and system performance targets. • Establishes clear lines of safety communication and hold accountability for safety performance • Maintains aging facilities, equipment, and infrastructure. • Assists as subject matter experts in safety risk assessment and safety risk mitigation processes.

Employee Safety Reporting Program

The purpose of an Employee Safety Reporting Program (ESRP) is to establish a system for all employees who identify unsafe conditions or hazards in their day-to-day duties to report them to department and executive management in good faith without fear of reprisal.

The ESRP is intended to help the Accountable Executive, Chief Safety Officer, and other executive management get important safety information from across the transit agency.

SBMTD has implemented a process that allows and encourages its employees to report safety conditions through verbal reporting to supervisors and management, paper forms such as accident/incident reports, safety meetings and toolbox talks, and local union representation.

Some examples of voluntary information typically reported include:

- Safety concerns in the operating environment;
- Policies and procedures that may not be working as intended;
- Events that managers might not otherwise know about; and
- Information about why a safety event occurred.

SBMTD's Chief Safety Officer or designee reviews reported safety conditions and documents safety conditions in the Safety Risk Register.

The CSO will review and address each employee report, ensuring that hazards and their consequences are appropriately identified and resolved through the agency's Safety Risk Management (SRM) process and that reported deficiencies and non-compliance with rules or procedures are managed through the agency's Safety Assurance process. Findings will be published following mitigation actions, and presented through meetings throughout the year such as those held for Operations Supervisors and VTT for Bus Operators, for example.

Employees may report safety concerns anonymously. If the reporting employee provided his or her name during the reporting process, the CSO or designee follows up directly with the employee when SBMTD determines what action, if necessary, is to be taken and after any mitigations are implemented.

All employees have the obligation to report immediately any unsafe conditions or hazards to their immediate supervisor/department manager and may do so without fear of reprisal. Further, SBMTD encourages participation in the ESRP by protecting employees that report safety conditions in good faith. However, if the report reveals any of the following, SBMTD may take disciplinary action for:

- Willful participation in or conduct of an illegal act;
- Gross negligence, deliberate or willful disregard of regulations or procedures, including reporting to work under the influence of controlled substances;
- Physical assault of a co-worker, passenger, vendor or any member of the public;
- Theft of agency property;
- Unreported safety events, unreported collisions, and unreported passenger injuries or fatalities;
- Or violation of agency Code of Conduct and employment policies.

8. Safety Risk Management

Safety Risk Management Process

The second component of SMS is Safety Risk Management, which includes the following activities: (1) Safety Hazard identification, (2) Safety Risk Assessment, and (3) Safety Risk Mitigation. SRM is the primary method to ensure the safety of our operations, passengers, employees, vehicles, and facilities. It is a process whereby hazards and their consequences are identified, assessed for potential safety risk, and resolved in a manner acceptable to SBMTD's leadership. SBMTD's SRM process allows us to carefully examine what could cause harm and determine whether we have taken sufficient precautions to minimize the harm, or if further mitigations are necessary. SBMTD's SRM process applies to all elements of our system including our operations and maintenance; facilities and vehicles; and personnel recruitment, training, and supervision. In carrying out the SRM process, SBMTD uses the following terms:

- **Event** – Any accident, incident, or occurrence.
- **Hazard** – Any real or potential condition that can cause injury, illness, or death; damage to or loss of the facilities, equipment, rolling stock, or infrastructure belonging to SBMTD; or damage to the environment.
- **Risk** – Composite of predicted severity and likelihood of the potential effect of a hazard.
- **Risk Mitigation** – Method(s) to eliminate or reduce the effects of hazards.
- **Consequence** – An effect of a hazard involving injury, illness, death, or damage to SBMTD property or the environment.

(1) Safety Hazard Identification

The safety hazard identification process offers SBMTD the ability to identify hazards and potential consequences in the operation and maintenance of our system. Hazards can be identified through a variety of sources, including but not limited to:

- Employee Safety Reporting Program (ESRP);
- Review of vehicle camera footage and/or property footage;
- Review of monthly performance data and safety performance targets;
- Observations from supervisors;
- Maintenance reports;
- Comments from customers, passengers, vendors, and third parties;
- Safety Committee, Drivers, Maintenance, and Staff Meetings;
- Results of audits and inspections of vehicles and facilities;
- Results of training assessments;
- Investigations into safety events, incidents, and occurrences; and
- Federal Transit Administration (FTA) and other oversight authorities.

When a safety hazard has been identified, whatever the source, it is reported to the Chief Safety Officer through the procedures established and identified throughout this Agency Safety Plan. The CSO enters the information into the Safety Event Log. The CSO will conduct further analyses of hazards to collect information and identify additional consequences, to inform which hazards should be prioritized for safety risk assessment. In following up on identified hazards, the Chief Safety Officer may:

- Reach out to the reporting party, if available, to gather all known information about the reported hazard;
- Conduct a walkthrough of the affected area, assessing the possible hazardous condition,

- generating visual documentation, and taking any measurements deemed necessary;
- Conduct interviews with employees in the area to gather potentially relevant information on the reported hazard;
- Review any documentation associated with the hazard (records, reports, procedures, inspections, technical documents, etc.);
- Contact other departments that may have association with or technical knowledge relevant to the reported hazard;
- Review any past reported hazards of a similar nature; and
- Evaluate tasks and/or processes associated with the reported hazard.

Any identified hazard that poses a real and immediate threat to life, property, or the environment must immediately be brought to the attention of the Accountable Executive and addressed through the Safety Risk Management process (with or without the full Safety Committee) for safety risk assessment and mitigation. This means that the Chief Safety Officer believes immediate intervention is necessary to preserve life, prevent major property destruction, or avoid harm to the environment that would constitute a violation of Environmental Protection Agency or California State environmental protection standards. Otherwise, the Safety Committee will prioritize hazards for further SRM activity.

(2) Safety Risk Assessment

SBMTD assesses safety risk associated with identified safety hazards using its safety risk assessment process. Safety risk assessment defines the level or degree of the safety risk by assessing the likelihood and severity of the consequences of hazards, including existing mitigations, and prioritizing hazards based on safety risk.

The following matrix, adopted from the TSI Participation Guide – SMS Principles for Transit, facilitates the ranking of hazards based on their probability of occurrence and severity of their outcome. The measuring goes from A to F with A being frequent or likely to occur frequently, E being improbable and F being used when potential hazards are identified and later eliminated.

Safety Risk Probability Levels Table			
Level	Description	Specific Individual Item	Fleet Inventory
A	Frequent	Likely to occur often in the life of an item.	Continuously experienced.
B	Probable	Will occur several times in the life of an item.	Will occur frequently.
C	Occasional	Likely to occur sometime in the life of an item.	Will occur infrequently.
D	Remote	Unlikely, but possible to occur in the life of an item.	Unlikely, but can reasonably be expected to occur.
E	Improbable	So unlikely, it can be assumed occurrence may not be experienced in the life of an item.	Unlikely to occur, but possible.
F	Eliminated	Incapable of occurrence. This level is used when potential hazards are identified and later eliminated.	Incapable of occurrence. This level is used when potential hazards are identified and later eliminated.

The Safety Risk Severity presents a typical safety risk denoting the level of severity of the occurrence of a consequence. Hazard severity is a subjective measure of the worst credible mishap resulting from

personnel error, environmental conditions, design inadequacies and/or procedural efficiencies for system, subsystem or component failure or malfunction. Severity is ranked as shown below:

Safety Risk Severity Levels Table		
Level	Description	Mishap Result Criteria
1	Catastrophic	Could result in one or more of the following: death, permanent total disability, irreversible significant environmental impact, or monetary loss equal to or exceeding \$10M
2	Critical	Could result in one or more of the following: permanent partial disability, injuries or occupational illness that may result in hospitalization of at least three personnel, reversible significant environmental impact, or monetary loss equal to or exceeding \$1M but less than \$10M
3	Marginal	Could result in one or more of the following: injuries or occupational illness resulting in one or more lost work day(s), reversible moderate environmental impact, or monetary loss equal to or exceeding \$100k but less than \$1M
4	Negligible	Could result in one or more of the following: injuries or occupational illness not resulting in lost work day, minimum environmental impact, or monetary loss less than \$100k.

Safety Risk Probability and Safety Risk Severity are combined into the Safety Risk Index Ranking to help prioritize safety risks according to the table below.

Safety Risk Index Ranking		
1A, 1B, 1C, 2A, 2B	High	Unacceptable
1D, 2C, 3A, 3B	Serious	Undesirable - with management decision required
1E, 2D, 2E, 3C, 3D, 3E, 4A, 4B,	Medium	Acceptable - with review by management
4C, 4D, 4E	Low	Acceptable - without review

Safety Risk Assessment Matrix				
Severity → Probability ↓	Catastrophic 1	Critical 2	Marginal 3	Negligible 4
A-Frequent	1A	2A	3A	4A
B- Probable	1B	2B	3B	4B
C-Occasional	1C	2C	3C	4C
D- Remote	1D	2D	3D	4D
E- Improbable	1E	2E	3E	4E
F- Eliminated				

The Chief Safety Officer documents recommendations regarding hazard rating and mitigation options and reports this information to the Accountable Executive, including assessment activities outcomes documented from Safety Committee meetings. During Safety Committee meetings, the CSO reviews the hazard and its consequence(s) and reviews available information distributed to the committee on severity and likelihood. The CSO may request support from members of the Safety Committee in obtaining additional information to support the safety risk assessment. All Safety Committee risk assessment outcomes will be documented and maintained by the CSO for a period of three years from the date of generation.

(3) Safety Risk Mitigation

The Chief Safety Officer, assisted by the Safety Committee and Key Staff subject matter experts, reviews current safety risk mitigations and establishes procedures to 1) eliminate; 2) mitigate; 3) accept specific risks. Prioritization of safety remediation measures is based on risk analysis and a course of action acceptable to SBMTD management. The safety risk must be mitigated if ranked as Unacceptable (High-Red). Those safety risks that have been mitigated, even those mitigated risks shown as Acceptable status (Low-Green), undergo regular and consistent monitoring to ensure the mitigation strategy is effective.

Key strategies to minimize the types of risks that potentially exist include:

- Development and deployment of policies and procedures that address known hazards and risks,
- Discussion of other actions, strategies and procedures that might help safeguard against unknown/unforeseen risks,
- Training of drivers and other agency staff on all safety policies and procedures,
- Training of drivers and other agency staff on methodologies for handling emergencies, and
- Training of drivers and staff on proper and effective use of emergency equipment and communication technologies and protocol.

Safety risk mitigations are tracked and updated in the Safety Event Log by the Chief Safety Officer.

Safety risk mitigations and strategies are also in place to address infectious diseases. SBMTD identifies exposures and responds with measures that are consistent with the Division of Occupational Safety and Health, known as Cal/OSHA, and the California Department of Public Health.

9. Safety Assurance

Safety Assurance
<p>The third component of SBMTD's SMS is Safety Assurance, which ensures the performance and effectiveness of safety risk controls established under safety risk management. Through our Safety Assurance process, SBMTD:</p> <ul style="list-style-type: none"> • Evaluates our compliance with operations and maintenance procedures to determine whether our existing rules and procedures are sufficient to control our safety risk; • Assesses the effectiveness of safety risk mitigations to make sure the mitigations are appropriate and are implemented as intended; • Investigates safety events to identify causal factors; and • Analyzes information from safety reporting, including data about safety failures, defects, or conditions.
Safety Performance Monitoring and Measurement
<p>SBMTD has many processes in place to monitor its entire transit system for compliance with operations and maintenance procedures, including:</p> <ul style="list-style-type: none"> • Safety audits, • Informal inspections, • Regular review of onboard camera footage to assess drivers and specific incidents,

- Safety surveys,
- ESRP,
- Investigation of safety occurrences,
- Safety review prior to the launch or modification of any facet of service,
- Daily data gathering and monitoring of data related to the delivery of service, and
- Regular vehicle inspections and preventative maintenance.

Results from the above processes are compared against recent performance trends quarterly and annually by the Chief Safety Officer to determine where action needs to be taken. The CSO enters any identified non-compliant or ineffective activities, including mitigations, back into the SRM process for reevaluation by the Safety Committee.

SBMTD monitors the agency's operations identifying safety risk mitigations to determine if they have been implemented and are effective, appropriate, and working as intended through:

- Reviewing results from accident, incident, and occurrence investigations;
- Monitoring employee safety reporting;
- Reviewing results of internal safety audits and inspections; and
- Analyzing operational and safety data to identify emerging safety concerns.

These monitoring mechanisms may include tracking a specific metric on daily, weekly, or monthly logs or reports; conducting job performance observations; or other activities. The Chief Safety Officer will endeavor to make use of existing SBMTD processes and activities before assigning new information collection activities.

SBMTD's CSO reviews the performance of individual safety risk mitigations, based on the reporting schedule determined for each mitigation, and determines if a specific safety risk mitigation is not implemented or performing as intended. Such reviews may be included as a function of the Safety Committee. If the mitigation is not implemented or performing as intended, a proposed course of action to modify the mitigation or take other action to manage the safety risk is determined by the Safety Committee, and/or Key Staff subject matter experts, and the CSO will approve or modify this proposed course of action and oversee its execution.

SBMTD also conducts investigations of safety events, to find causal and contributing factors and review the existing mitigations in place at the time of the event. These procedures also reflect all traffic safety reporting and investigation requirements established by California Department of Motor Vehicles, including accident reporting requirements under California Vehicle Code §16002 subdivision (a) and subdivision (b).

The Chief Safety Officer maintains all documentation of SBMTD's investigation policies, processes, forms, checklists, activities, and results, and records of any report filed with FTA and/or DMV.

In the event that an incident and/or accident has been determined by the CSO to be preventable, SBMTD will include processes outlined in a Collective Bargaining Agreement for employees represented by a union, in so much as language in the CBA does not conflict with FTA legal requirements under PTASP and as so indicated in this Agency Safety Plan.

The Chief Safety Officer routinely reviews information reported through all internal safety reporting programs (e.g., safety data captured in employee incident/accident reports, safety meeting minutes, customer complaints, and other safety communication channels). When necessary, the CSO ensures that the issues and concerns are investigated or analyzed through the SRM process.

The Chief Safety Officer also analyzes internal and external reviews, including audits and assessments, with findings affecting the agency's safety performance, compliance with operations and maintenance procedures, or the effectiveness of safety risk mitigations. The CSO discusses relevant safety issues and concerns with the Accountable Executive and executive management and documents the results of these reviews in the Safety Event Log.

10. Safety Promotion

Safety Promotion

The fourth component of SBMTD's SMS is Safety Promotion, which includes a combination of training and communication of safety information to employees to enhance the agency's safety performance. There are two parts to Safety Promotion: Competencies and Training; and Safety Communication. Together, these set the tone for the SMS and helps to establish and maintain a robust safety culture.

Competencies and Training

SBMTD's comprehensive safety training program applies to all SBMTD employees directly responsible for safety and the agency dedicates resources to conduct safety training, as well as training on SMS roles and responsibilities.

All Employees, understanding of:

- Safety Performance Targets
- Fundamental principles of SMS
- Employee Safety Reporting Program
- Their individual roles and responsibilities under SMS

Managers and Supervisors, understanding of:

- Safety Risk Management
- Safety Assurance
- Safety Promotion
- Their individual roles and responsibilities for SMS

Executive Management, understanding of:

- Management commitment to and support of all SMS activities.

All employees are required to acquire the competencies and knowledge for consistent application of their skills as they relate to safety performance objectives. SBMTD dedicates resources to conduct effective safety-related skill training, the scope of which, including annual refresher training, is appropriate to each employee's individual safety-related job responsibilities and their role in the SMS.

Operations safety-related skill training includes the following:

- New-hire bus operator classroom, behind the wheel, and in-service skill training,
- Bus operator refresher training, and annual ride-check/in-service evaluation,
- Bus operator new bus type familiarization training,
- Bus operator retraining (recertification or return to work),
- Classroom and on-the-job training for operations supervisors and managers
- Accident investigation training for operations supervisors and managers.

Vehicle maintenance safety-related skill training includes the following:

- New-hire Commercial Drivers' License classroom and behind the wheel skill training,
- Ongoing mechanic skill training and mechanic supervisor training,
- Ongoing training for all maintenance personnel, to include Heat Illness Training, Hazard Communications, PPE, High Voltage Safety and Fall Protection,
- Ongoing hazardous material training for vehicle maintenance technicians and supervisors, and
- Training provided by vendors.

SBMTD's Accountable Executive and Agency Leadership and Executive Management team must complete FTA's SMS Awareness online training, and Transportation Safety Institute training as assigned by the Chief Safety Officer.

Safety Communication

SBMTD's Chief Safety Officer and the Human Resources and Risk Department coordinate safety communication activities for the SMS. SBMTD's activities focus on the three categories of communication activity established in 49 CFR Part 673 (Part 673):

- i. Communicating safety and safety performance information throughout the agency
- ii. Communicating information on hazards and safety risks relevant to employees' roles and responsibilities throughout the agency
- iii. Informing employees of safety actions taken in response to reports submitted through the ESRP

Ongoing safety communication is critical and SBMTD ensures communication occurs up, down, and across all levels of the organization. Any lessons learned are communicated to all concerned. Management commitment to address safety concerns and hazards is communicated on a regular basis.

Management encourages and motivates employees to communicate openly, authentically, and without concern for reprisal; ensures employees are aware of SMS principles and understand their safety-related roles and responsibilities; conveys safety critical information such as accident data, injuries, and reported safety concerns and hazards and their resolutions to employees. SBMTD's tools to support safety communication include:

- Safety bulletins and notices
- Posters
- Web based safety training
- Employee Newsletters
- Briefings or Toolbox talks
- Seminars and workshops
- New-hire onboarding and training
- Refresher and Return to Work training
- Safety Committee Meetings

11. Additional Information

Supporting Documentation

SBMTD maintains documentation related to the implementation of its SMS; the programs, policies, and procedures used to carry out this ASP; and the results from its SMS processes and activities for three years after creation. They will be available to the FTA or other Federal or state oversight entity upon request. They include:

- Injury and Illness Prevention Plan (IIPP)
- COVID-19 and Infectious Disease Prevention Plan
- Emergency Response Plan
- Driver Training Manual 2020
- SBMTD Training Manual Gillig Transit Buses

- SBMTD Training Manual Articulated Transit Buses
- SBMTD Training Manual BYD Transit Buses
- Employee Handbooks – Staff
- Employee Manual - Represented
- Operators Manual
- Maintenance Manual
- Code of Conduct Policies
- SBMTD Drug & Alcohol Testing Policy
- Drug Free Workplace Policy
- Policy Against Sexual Harassment
- Easy Lift Agency Safety Plan



BOARD OF DIRECTORS REPORT

MEETING DATE: JUNE 20, 2023
DEPARTMENT: PROCUREMENT
TYPE: ACTION ITEM
PREPARED BY: VALERIE WHITE

AGENDA ITEM: #9

Signature

REVIEWED BY: GENERAL MANAGER

Signature

SUBJECT: ADVANCE AUTHORITY TO EXECUTE RENEWABLE DIESEL FUEL
CONTRACT

RECOMMENDATION:

Staff requests that the Board provide advance authority to the General Manager to enter into a renewable diesel (RD) contract for an upcoming bid solicitation subject to the following conditions:

- The gross price does not exceed **\$3.88** per gallon;
- The fixed price contract term shall not exceed eighteen months; and,
- The contract is awarded to the low bidder found to be responsive and responsible.

DISCUSSION:

Background: MTD's current contract for RD terms December 31, 2023. In preparation for the next fuel contract, Staff will issue a Request for Qualifications to identify responsive and responsible vendors to issue bids to, where the lowest bid shall be awarded the RD contract. RD is the alternative fuel used for bus operations that is nearly identical to petroleum-based diesel in its performance characteristics yet is not produced from fossil fuels, producing fewer greenhouse gas (GHG) and other harmful emissions.

Advanced Authority: MTD shall seek a firm, fixed-price contract for RD to achieve budget goals and market risk tolerance. The qualified suppliers are expected to hedge their bid prices by purchasing commodity futures contracts. So, the winning bidder will seek to enter into its futures contracts as quickly as possible following bid submittal to secure its profit margin. The greater the period between bid submittal and MTD contract award notification, the greater the potential for futures contract price changes, thereby increasing the price risk to the bidder. Thus, MTD must guarantee to bidders to make the award decision quickly following the receipt of bids to minimize the risk premium vendors will add to their bid prices. Board approval for advanced authority to enter into a fuel contract will allow Staff to honor that promise to bidders, lock in prices, and award the contract the same day fuel bids are received.

Price Bid Maximum: The price of RD is strongly correlated and competitive with ultra-low sulfur diesel (ULSD) in California (this is partly the result of the state's Low Carbon Fuel Standard, which offsets some of the production cost through carbon credits). Based on the margins between ULSD futures trading prices and fixed price RD fuel contracts MTD has experienced over the years, Staff is estimating bids to come in under \$3.88 per gallon. This price shall include the cost to supply and delivery to MTD's Terminal 1, but not include applicable fees and taxes. Based on current

BOARD OF DIRECTORS REPORT

market conditions, Staff has determined that price bid maximum to be fair and reasonable and should prevent the necessity of returning to the Board for increased authority.



BOARD OF DIRECTORS STAFF REPORT
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MEETING DATE: JUNE 20, 2023
DEPARTMENT: PLANNING
TYPE: INFORMATIONAL ITEM
PREPARED BY: HILLARY BLACKERBY

AGENDA ITEM: #10

Signature

REVIEWED BY: GENERAL MANAGER

Signature

SUBJECT: CONTACTLESS PAYMENT PROJECT UPDATE

RECOMMENDATION:

That the Board of Directors receive a presentation on the status of MTD's "Tap to Ride" Contactless Payment project.

DISCUSSION:

Objective of Open-Loop Contactless Payment Project

The purpose of open-loop contactless transit payments is, in short, to make paying for transit as easy as buying a cup of coffee. When riders have the ability to use a payment method they already have in their wallet or on their smartphone or smart watch, this lowers the barriers to using transit. No research, visit to an ATM, or fare media pre-purchase needed—just tap and go like you would at a coffee shop or grocery store. Additionally, with dynamic fare capping, a rider using contactless payment needn't do math to figure out if they're getting the best deal—the software takes care of that for them.

MTD began a demonstration pilot of open-loop contactless payment as a partner with the California Integrated Travel Project (Cal-ITP) almost two years ago. Only the third public transit agency in the State of California to try this, the demonstration that commenced in July 2021 and is currently deployed on 18 of MTD's buses continues today.

Passes and Transfers on a Contactless Payment System

The back-end of the transit processing software has a fare engine that gets configured with MTD's specific fare rules. For example, when a rider taps their payment method once and is charged \$1.75, that same payment method can be used for 60 minutes thereafter as an embedded transfer. This means if they tap on another bus to complete their journey within 60 minutes of their first, they won't be charged another \$1.75.

This software also allows for something called dynamic fare capping. Dynamic fare capping, sometimes referred to as earning a pass or "pay as you go", is defined as a policy in which a transit agency caps the maximum amount a rider pays over a given period of time. Fare capping has been implemented by transit agencies across the United States and around the world, both on open and closed loop systems, with varying fares and structures.

How Dynamic Fare Capping Would Work on MTD's System

A rider would tap their contactless-enabled bank card or smart device on the card reader when boarding the bus. With a single tap they would be charged \$1.75. To earn a one-day pass (a value of \$6), upon a 4th tap of the same payment method in the same calendar day, the rider is capped at \$6 and wouldn't be charged for any additional taps in that day.

To earn an adult 30-day pass (a value of \$52), the rider is charged \$1.75 for each tap, but upon spending a cumulative \$52 within a 30-day period, they are capped and aren't charged any more in that 30-day period, as long as they use the same payment card or device. Riders would not need to keep track of their taps or days, because they know they'll be getting capped at the same amount as those who purchase and use paper passes.

One thing that isn't possible with a system like this, is a 10-ride pass. Because the system works on a time period basis (60 minutes for transfers, one day, or 30 days), it would not be able to also configure a per-ride discount since each ride accrues towards a time period-based pass.

By simply translating MTD's existing fare structure for cash fares and passes onto this new technology, this does not constitute a change in fare policy, per the rules outlined in the Federal Transit Administration (FTA) Circular 4702.1B, which outlines fare change requirements under Title IV.

Equity Considerations for Contactless Payment and Fare Capping

Dynamic fare capping benefits riders who currently pay cash but would like to benefit from day passes or 30-day passes but do not have the ability to pay \$6 or \$52 dollars upfront, respectively. This provides greater access to the savings realized by a time period-based pass. Currently, many of MTD's low-income riders do not have access to large sums that would allow the upfront purchase of a 30-day pass. This means that those low-income, possibly transit-dependent riders who ride the bus a great deal end up paying more than \$52 in a 30-day period if they ride the bus more than 30 times, even though it's just \$1.75 at a time.

A 2022 study published in the journal of the Transportation Research Board found that fare capping was particularly beneficial to promoting equity and stated that "daily fare capping likely provides important discounts to transit-dependent riders, tourists, and other frequent riders."

Riders who do not have a bank card can still use contactless payment systems. Cash App offers Cash Card, a free, customizable, contactless-enabled debit card that is connected to a Cash App balance. It can be used anywhere Visa is accepted, and users do not have to have a bank account in order to use it. A physical card is sent to the person, and it can be loaded into a mobile wallet such as Apple Pay or Google Pay.

Riders can deposit paper money into their Cash App balance at participating retailers. Retailers that serve as locations to add cash to a Cash App balance include 7-Eleven, Walgreens, and Rite Aid. Transactions to add paper money to a Cash App balance cost \$1 and transactions can be up to \$500 per deposit.

Possible Ridership Impacts

As mentioned in the introduction to this staff report, open-loop contactless payment helps reduce the barriers for someone to choose to travel via transit. Currently, transit is one of the only segments of the economy that generally uses a closed-loop system, meaning that aside from cash, the instruments that are generally used to pay a bus fare are specific to pay for bus fare and can't be used to say, purchase a coffee, diapers, or lunch. When people visiting from another area arrive to town and want to take transit,

BOARD OF DIRECTORS STAFF REPORT

they have to do research and likely make a special trip to determine what kind of fare media to purchase, where to get it, what methods of payment are accepted, and whether or not they'll have to provide exact change. For some people, this is enough of an inconvenience to not even try to ride the bus.

An open-loop system like the one MTD is implementing removes the need for such research and/or advanced purchases. If the rider has some method of contactless payment (contactless-enabled credit or debit card or smart device with a mobile wallet enabled), they simply tap their payment method where they see the contactless symbol, and they're welcomed aboard.

Since the launch of a partial deployment of this system (18 buses), there has been a large public appetite for full fleet deployment as riders cannot currently rely on the bus that shows up to be configured for contactless payment due to less than a quarter of buses being equipped. For this reason, it is estimated that ridership could increase thanks to a fully deployed contactless payment system.

Potential to Reduce Cash Handling Costs

As one might imagine, by increasing transactions made by the contactless method, there is a reduction in cash and coin coming into the system, which needs to be handled and ultimately deposited. Because there will continue to be cash accepted onboard MTD buses for the foreseeable future, there will continue to be an operating cost of handling cash no matter how much cash is handled. That said, there are ways that simple dealing with less cash can reduce certain costs.

Some of the costs associated with cash handling include MTD staff time, armored transport, bank deposit fees, cash handling fees, machine maintenance, farebox maintenance, and more. The more cash that comes through the system, the higher these costs.

Using paper passes also involves much of the same cash handling costs since most are purchased using cash either via a Customer Service Representative or a Ticket Vending Machine, and also involves printing and encoding of the passes themselves.

Fare Policy and Structure Assessment

As mentioned above, carrying MTD's existing fare structure over to the contactless payment system does not appear to trigger a change in fare policy within the requirements of the FTA. By simply integrating the same cash and pass prices into the contactless system via fare capping, no changes occur to fare policy.

MTD has maintained essentially the same fare structure since January 2009, comprised of cash one-way fares, a day pass, 10 ride pass, 30-day pass, and free transfers. The discounted passes for adults are not mandated by law, but were put in place by a decision of the Board of Directors during a previous fare policy change. The table below outlines the current structure for cash fares and paper magstripe passes.

Current fare structure for MTD cash fares and paper passes

Fare Types	Cash one-way fare	1 day pass	10 ride pass	30-day pass	Transfer
Regular	\$1.75	\$6.00	\$11.50	\$52.00	Free
Seniors (62+)	\$0.85	\$6.00	\$5.50	\$20.00	Free
People with Disabilities	\$0.85	\$6.00	\$5.50	\$20.00	Free
Youth	\$1.75	\$6.00	\$8.25	\$42.00	Free

As stated above, contactless payment readers have been installed and piloted on 18 of MTD's buses for almost two years. The current fare structure for contactless payments is configured like so:

BOARD OF DIRECTORS STAFF REPORT

Current fare structure for MTD contactless payment fares

Fare Types	Cash one-way fare	1 day pass	30-day pass	Transfer
Any rider	\$1.75	\$6.00	\$52.00	Free

Reduced Fare Benefits for Seniors and People with Disabilities

The Federal Transit Administration requires that transit providers receiving federal funds provide a discount of half the regular adult fare to seniors and people with disabilities. As stated above, MTD currently provides this benefit via discounted cash fares and passes for seniors and people with disabilities with our cash and paper passes. In order to ensure that these groups would be able to use contactless payment and continue to benefit from the reduced fares, this requires special processes to be set up.

The method of verifying age and validating will take place through Login.gov, which is an ID verification system operated by the Federal government for various programs and benefits. The age for senior eligibility would be 65 under that system, as opposed to 62 and over (which is the current age to qualify for MTD's cash and pass reduced fares). The FTA defines "elderly persons" (seniors) as "at a minimum...all persons 65 years of age or over."

Unfortunately, with Login.gov, we are unable to customize the age accepted, and therefore can only use this system to validate those 65 and older to receive the discount via contactless payment. Riders aged 62-64 would still be able to use the discounted senior paper pass or pay \$0.85 in cash.

Passengers with disabilities who have been issued an MTD Mobility ID card based on their qualifying disability or Medicare eligibility would be able to register via the same online verification portal as seniors 65 and over.

During the pilot, the ability to offer the half-fare discount to seniors and people with disabilities was not able to be configured. In the full fleet rollout, the plan is to allow seniors and those people with disabilities who have been issued an MTD Mobility ID card to validate their status and link it with a form of contactless payment via an online verification portal. This benefits system has already been configured and deployed at Monterey-Salinas Transit and Sacramento Regional Transit.

MTD staff is currently working with the Cal-ITP team to configure work flows and systems for benefits verification for seniors and those who qualify for MTD's mobility discount for passengers with qualifying disabilities. Those eligible individuals would simply register via the online verification portal, and could possibly be assisted by MTD Customer Service staff to do so. Benefit verification for youth is not yet developed but Cal-ITP is working to do so in the future.

Other Pass Programs

UC Santa Barbara and Santa Barbara City College have both had pass program agreements with MTD for many years. Students pay a quarterly or semesterly fee that entitles them to unlimited rides on all of MTD's existing fixed-route service. These are extremely popular and successful programs. Under the current system, students from both institutions simply tap their ID on the MTD farebox and the backend configuration approves the ride as long as that student is in good standing with all fees paid.

At this time, UCSB is moving towards implementing a mobile credential for students entering with the Freshman class as of Fall quarter 2023. The University's intention is to not issue those students the traditional plastic ID card, but rather their smartphones would be configured to act as their digital ID and pass on campus for door access, dining commons transactions, and other transactions around campus.

In addition to these, an effort is being made to integrate this mobile student ID credential with MTD's contactless payment readers. The UCSB system is a closed-loop system, so configuration is a bit more complex, but MTD, UCSB, and Cal-ITP staff are all working together to find a successful path to integration.

As far as MTD is aware, SBCC is not as far along on pursuing mobile credentials for their students, but we will certainly learn lessons from the UCSB use case that may apply to their needs in the future.

Challenges with Contactless Fare Payment

Despite being an exciting new advance in technology and fairly ubiquitous in other industries, open-loop contactless payment for transit is still a relatively new application, especially in North America. California has been in the vanguard of introducing this technology to the transit space, and as with early adoption of any technology, it comes with challenge and unknowns.

Vendors offering the hardware and software components are far more experienced in Europe and Asia and are still learning how U.S. transit agencies work differently and are governed by different constraints. In what is clearly an iterative process, validator hardware is being improved with each generation and software functionality is being updated on a regular basis.

Because California is on the cutting edge in the U.S. for open-loop transit payments, the need to set up systems from scratch (such as the age and disability verification process) can cause technical issues or delays in implementation. There are also additional use cases, such as employer transit benefit programs, that will require further research and development to create user-friendly and administratively simple processes.

With only a few transit agencies in California have piloted or implemented this technology, we are all providing "lessons learned" and helping develop best practices for other agencies that will implement these products in the future.

Project Budget

Capital funding for full fleet deployment of contactless payment has been allocated from federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funds in the amount of \$1.5 million dollars.

Project Timeline Implementation and Ongoing Support

The pilot has been deemed a success both from MTD staff and the riding public. From the start of the pilot at the end of July 2021 to the end of April 2023, 12,552 trips have been taken using the Tap to Ride system. To that end, the MTD Board of Directors has authorized full fleet deployment of contactless payment, a funding source has been secured, and contracts have been awarded to and executed with a validator hardware vendor (KubaPay) and transit processor software vendor (Littlepay). Plans for installation this summer are underway and is expected to be completed in early Fall 2023.

All components in the hardware, software, and connectivity are being coordinated and are expected to come together for an on-time installation and roll out.

The mobile data required to provide connectivity to the payment acceptance devices (readers) will be provided via a new contract with FirstNet, which Cal-ITP has managed to negotiate for transit districts and other first responder agencies that provides a better billing rate than is available on the broader market.

Upon implementation of the system, the ongoing responsibilities for the components of the contactless payment system will be absorbed into existing MTD departments and positions. The departments responsible for ongoing maintenance and support include Finance, IT, and Maintenance.

Recurring Financial Considerations

Transaction cost

First, what does it cost MTD when a contactless transaction takes place? Per our contracts with Littlepay (transit processor software) and Elavon (payments processor), they receive 2.25% and 7.7% of each transaction, respectively. During the pilot period, MTD was not charged the fee from Littlepay but will be when full fleet installation is complete.

Adoption of Contactless Fare Payment Option

In addition to fees, because of providing a new pathway for people who currently pay cash for each ride since they can't afford the upfront cost of a 30-day pass, there is the possibility of fare revenue loss as they would newly benefit from that 30-day pass discount via fare capping.

It is difficult to predict exactly how rider behavior will change and how quickly once contactless payment is deployed across the entire MTD fleet. There are several different changes in payment behavior that may take place. For example, a portion of those who are currently paying cash will likely switch to tapping to pay once it's available fleet wide. Others who don't generally ride the bus may give it a try due to the easier way to pay. Adoption will also depend on the level of marketing that takes place to encourage use of the new system.

In order to estimate what percentage of total rides may be paid by contactless methods, it is helpful to take a look at other agencies who have accumulated data on usage over a longer period of time and across an entire fleet. Based on anecdotal evidence throughout the transit industry, mobile fare payment in general rarely reaches over 10 percent of rides in the first several years. Again, most of these are closed loop systems and there isn't a great deal of data yet on open-loop system usage to draw from. System implementation is anticipated for the fall, and staff intends to incorporate existing 30-day fare pricing as features are made available by the vendors.

While there are certainly tradeoffs and variables to account for as MTD expands the contactless payment program, staff is optimistic about the upcoming full fleet installation and deployment of contactless fare payment. By maintaining the same fare structure across both paper passes and contactless payment, this allow for passengers to choose their preferred method of payment without missing out on a better deal, and improves equity for our riders.

MTD's Strategic Plan Update process should commence this fall with the Board in public meetings to reset our overall course for another five years. Those meetings will provide the Board with an opportunity to consider all of MTD's challenges and opportunities and to provide staff with clear guidance on how to proceed as it pertains to future Fare Policy changes. Ensuring MTD's fare policy provides the flexibility and ease of use our riders deserve, and provides a reasonable amount of operating revenue to help sustain service levels is the goal.

To: MTD Board of Directors
From: Jerry Estrada, General Manager
Date: June 20, 2023
Subject: General Manager's Report

The Fleet Renewal Campaign is ongoing and to date, 34 buses have been completed with 5 additional buses in process. Semi-annual HVAC service on the administrative building was completed recently and the annual emergency generator services were completed the first week in June. The LED lighting retrofit continues as time and materials permit.

Monday, June 12th, our newest service change started, which dovetailed with our Operators successfully bidding for new work, some weeks ago. This summer schedule goes through Sunday, August 13th. Within the next several days bidding will commence again for the next service change that started August 14th, which includes our local schools resuming classes. Quarterly VTT (Verification of Transit Training) sessions took place during the week of June 12th. These are mandatory classes required by the State of California DMV to bus operators and staff that hold a Class B Commercial Driver's License with a Passenger Endorsement. Four sessions during the week were scheduled to accommodate everyone's different schedules. Part of these sessions, among other topics, included detailed overview by Planning Department of the new service changes, like the Line 19x, that go into effect with the Fall bid that starts August 14th.

Southern California Edison (SCE) began their latest phase of construction at Terminal 1 on June 9. SCE's contractors are trenching, laying conduit, and remediating impacted soils. This phase of work is anticipated to be completed on June 16. Of course, that is subject to change if crews encounter unanticipated conditions. Once complete, SCE will pivot to the next phase of the project, installation of a new transformer and switchgear.

Staff purchased three new 2023 Toyota Highlander hybrid vehicles to replace three existing non-revenue service vehicles. The new vehicles are anticipated to be delivered the week of June 19. The 2023 Highlanders will replace three vehicles in MTD's fleet that are well beyond their useful life, a 2010 Ford Explorer and two 2013 Toyota Highlanders. Replacing the preceding vehicles was listed in MTD's 2022 Transit Asset Management Plan approved by the Board of Directors in October of last year, and furthers MTD's pursuit of keeping its assets in a state of good repair.

The SBCAG North County and South Coast Subregional Planning Committees received updates on the transition of the Santa Barbara urbanized area (UZA) to a "large UZA" (i.e., more than 200,000 population) following the 2020 Census. The update focused on two funding sources that will be affected by the transition to a large UZA: the California Active Transportation Program (primarily for bike and pedestrian projects); and Federal Transit Administration (FTA) formula programs. For FTA formula programs, an important change is the need to select a new "Designated Recipient" of the funds. Currently, as a small UZA, Caltrans has filled that role. By October 1, 2023, MTD, SBCAG, and the Governor will need to concur on the selection of a Designated Recipient for the funds from several FTA formula funding programs. MTD submitted a letter to both Committees proposing that MTD and SBCAG both serve as Designated Recipients.

On June 15, 2023, the California State Legislature passed the state budget bill in chief, Senate Bill (SB) 101, meeting their statutory deadline. Negotiations between legislative leadership and the Governor on the final budget are ongoing and further details, specifically with regards to transit funding, are likely to change. SB 101 restores \$2 billion in General Fund support for the Transit and Intercity Rail Capital Program (TIRCP), returning General Fund investment in the program to \$4 billion total for FY 2023-24 and FY 2024-25. Additionally, it appropriates \$811 million in new and previously appropriated transit funding for a newly created Zero-Emission Transit Capital Program. The main takeaway from these investments is the newfound flexibility of these capital-focused programs to fund transit operations. MTD is closely engaged with the California Transit Association on advocacy for these and other important legislative priorities.

MTD's Drug & Alcohol Program Manager, Dave Morse, recently attended the annual FTA Drug and Alcohol Program National Conference held in San Diego. The conference offered sessions over a three-day period with a variety of topics that provided participants the opportunity to choose sessions based on individual's needs. Sessions were conducted by industry experts including Medical Review Officers (MROs), Substance Abuse Professionals (SAPs) and Transportation Safety Institute (TSI) instructors.

On May 2, 2023, Department of Transportation (DOT) published a final rule that, among other items, that authorizes employers to use oral fluid drug testing as an alternative testing methodology to urine drug testing. Although the final rule was effective June 1, 2023, DOT oral fluid testing cannot be implemented until the Department of Health and Human Services (HHS) certifies at least two laboratories for oral fluid testing, which has not yet been done.

Staff recently attended the California Association for Coordinated Transportation (CALACT) 2023 Spring Conference in Olympic Valley, CA. MTD was nominated by our peers, and received the 2023 Above & Beyond Award in recognition of MTD employees' service to the public in response to the storm events in January and those that followed in March. Over this period of time, there were twelve atmospheric rivers that came through our area with significant storm events, particularly in January, during which MTD provided critical transit service, coordinated with local and state emergency agencies and peer transit agencies, and staged buses and personnel in critical areas for the potential of evacuation. Over the past few years, MTD employees have been asked to go above and beyond during the unprecedented events from past storms and area fires. Without hesitation, many have raised their hands to help and accepted the responsibility to weather storms, floods, and road closures to be there for our community in need. To say thank you and demonstrate MTD's gratitude, several events were held during the week of June 12th to recognize every MTD employee going Above & Beyond.

Accounting/Finance Staff is preparing for the 2022-23 year end. Audit planning has begun; an entrance meeting has been set for June 26, 2023. A multi-year contract for Inventory of the Bus parts has been awarded to Compucount after Procurement bid the services. The Audit Engagement Letter is expected imminently.

The Chief Operating Officer and Director of Finance and Administration completed a Crisis Communications for Transit Management course at the National Transit Institute. The Director of Finance and Administration additionally completed a Public Involvement in Transportation Decision-Making course.

Procurement finalized a multi-year agreement for power-washing at the Transit Center with Evergreen subsequent to bidding the services.

The MTD Pension Committee met to review the 401(k) and 457 Retirement Plan Investments performance and IRS regulatory changes that will need to be implemented as of 1/1/2024.

In April MTD held our Youth Art Poster Contest, which hadn't run since before the pandemic began. The contest invited 1st through 6th graders to use their imaginations and create artwork based on this year's theme: "Storybook Buses". Programs from the Boys and Girls Club, Girls, Inc., City of Santa Barbara's RAP program, and all local libraries participated. The winners were notified and given their prizes earlier this month, and beginning in July, their artwork will be reproduced and posted inside all MTD buses for the next year.