

To: MTD Board of Directors
From: Jerry Estrada, General Manager
Date: June 18, 2024
Subject: General Manager's Report

Operations, Fleet & Facilities

The Service Change (Summer), will go live this coming Monday, June 17, 2024. Operations completed the bidding process some time ago. Preparations for the August service change, which includes restoration of some service that had been suspended due to the pandemic are underway. The following new Bus Operators in Training are at various progressions in their training: Carlos S., Jose Luis S., Jose B., Cameron P., Heriberto I., Hoang P., Noberto R., Larry M., Jesus O., and Alek K.. Heriberto and Alek are fully licensed, and will be released from training soon.

Next week six mechanics will be attending a 32-hour course on High Voltage Safety / Propulsion & ESS Familiarization provided by New Flyer as well as an eight-hour course covering Preventative Maintenance Inspections. The two courses will be repeated again in July for the remaining six mechanics.

Three 2004 Gillig diesel buses are being shipped to Santa Maria this week for destruction as part of a grant agreement with the San Juaquin APCD.

Administration

As dual designated recipients for the Santa Barbara Urbanized Area (UZA), SBCAG and MTD share responsibility for Section 5310 funding allocation in the UZA. FTA 5310 funds are intended for non-profit organizations and local public transportation agencies to enhance the mobility and transportation services for seniors and people with disabilities. SBCAG staff is conducting the Call for Projects. The guidelines and application will be presented to the SBCAG Board for review at their June meeting. Applications are due by August 29, 2024, and allocations will be approved by both the SBCAG and MTD Boards of Directors.

Finance/Accounting Staff are entering year end closing processes. The FY23-24 Financial and Single Audit kick-off meeting was held on 6/11/2024.

Staff has begun engaging Southern California Edison's (SCE) Charge Ready Program (CRP) representatives to discuss the possibility of a CRP project at Terminal 2. The CRP provides funding and or turnkey solutions for electric vehicle (EV) infrastructure deployment. The electrical infrastructure supplying power to MTD's 14 Level 2 and 14 Direct Current Fast Charging (DCFC) ports at Terminal 1 are a result of two separate CRP projects. For those projects, MTD chose the "SCE Build" option, whereby SCE designs and installs the infrastructure on behalf of the customer. If MTD is to pursue a CRP project for Terminal 2, it would likely be under the "Customer

Build” option. That approach requires the customer to perform the design and installation on their own, with SCE reimbursing up-to 80% of what it would cost them to execute the same project. The “Customer Build” option, while more work and up-front cost for the customer, is less restrictive. Equipment installed by SCE under the “SCE Build” option comes with certain limitations like the inability to connect distributed energy resources (DER), which consist of generators, photovoltaic (PV), and battery energy storage systems (BESS). A determination of whether to pursue a CRP project at Terminal 2 will be made in the coming months.

The Federal Transit Administration (FTA) conducted MTD’s Triennial Review on May 23 & 24, 2024. Each recipient of FTA Urbanized Area Formula Program (Section 5307) funds undergoes Triennial Reviews, which are one of FTA’s tools for examining grantee performance and adherence to FTA requirements. FTA staff and the review team conducted MTD’s Exit Conference on Wednesday, June 5, and informed staff that no deficiencies were identified in MTD’s operation. It is not a common occurrence in the transit industry to have no deficiencies. However, MTD has been an exception to this general rule and has in the last 20 years or so had several Triennial Reviews with no deficiencies identified. FTA staff and the review team were very complimentary of MTD staff and the quality of the information presented.

Kimberly R. and Zinnia G. have joined the Human Resources team as Human Resources Generalists. MTD welcomed Jose S. this week as a Service Person. He is currently training with the Operations team to obtain his Class B license. Additionally, there are currently 11 Bus Operator candidates that are in various steps of the hiring process, as well as 1 Service Person. The Human Resources team is working with Brown and Brown Representatives on the renewal of flood insurance policy with Lloyds of London, effective July 10, 2024 through July 10, 2025 with a \$5,000 deductible at an annual premium of \$24,413.64. This renewal premium is a 14.8% increase from the expiring premium. The premium limits are the same as the expiring policy, with the exception of an addition building, Haley Canopy.

Similarly, MTD’s renewal of Excess Workers’ Compensation Insurance with current coverage through Public Risk Innovation, Solutions, and Management (PRISM) with a Self-Insured Retention (SIR) of \$250,000, effective July 1, 2024 – 2025 will be executed in the following weeks. MTD is still awaiting the final invoice from PRISM to renew the required insurance. The premium is expected to be within the spending authority of the General Manager.