

To: MTD Board of Directors
From: Jerry Estrada, General Manager
Date: September 15, 2026
Subject: General Manager's Report

Operations and Fleet Maintenance

Staff is preparing for the annual Department of California Highway Patrol ("CHP") terminal inspection, which is scheduled for September 22 through September 25. The CHP Motor Carrier Specialist will inspect regulated vehicles, maintenance records, and driver records, to determine compliance with applicable motor carrier safety-related statutes and regulations.

Operations is preparing for the launch of The Wave microtransit service in the City of Carpinteria, with a soft launch on Wednesday, September 16. The Wave will service the entire city, along with select adjacent unincorporated areas of Santa Barbara County, including Santa Claus Lane.

The eight new Gillig 40-foot battery-electric buses have been undergoing testing in revenue service across various routes. Once Operations completes testing and operator training, these buses will be assigned to Lines 6 and 11, and Line 7.

Mechanic Larry Gomoll recently attended Part 1 of a four-part HVAC training series at the MCI Training Academy in Louisville, Kentucky. The five-day course, HVAC 101, covers basic refrigerant theory, components and operating principles. Federal regulatory requirements are explained in detail, and all students are given the EPA 608 and 609 certification testing. Mechanic Jose Barragan also attended the HVAC training, completing the fourth and final course, HVAC 401, and has received his MCI HVAC Specialist Diploma. The Academy's program is accredited by the National Institute for Automotive Service Excellence ("ASE").

Safety Manager Nicole Sell recently completed the National Transit Institute's Assault Awareness and Prevention for Transit Operators Train-the-Trainer course, strengthening the agency's knowledge and resources related to transit worker assault prevention. The Safety Department is also updating the Terminal 1 Spill Prevention, Control, and Countermeasure Plan (SPCC) and coordinating with Fleet and Facilities on fall protection equipment recertification and related program enhancements. These efforts reflect MTD's ongoing commitment to maintaining effective safety programs and supporting safe, reliable transit operations.

Chief Operating Officer Mary Gregg has been appointed to California Transit Association's Operations Committee for the 2026-28 term. The Operations Committee provides a forum for transit professionals to discuss matters related to the operation of transit systems and advises the Association's Executive Committee on critical operational trends, policies, and impacts.

Administration

The District currently employs 118 Bus Operators and continues to actively recruit to reach the authorized staffing level of 125. Since the last report, four offers of employment have been extended (two candidates have completed their background and passed their CDL Permit testing with the California DMV. One Candidate has a valid CDL and is testing to obtain passenger endorsements with the DMV. One candidate is pending final background clearance process). Applications continue to be reviewed, and phone screenings are being scheduled as recruitment efforts remain ongoing.

Recruitment to fill one Service Person vacancy is ongoing. Several phone screenings have been completed, and two interviews were conducted during the week of September 7 – September 11 with the Fleet and Facilities Manager and Fleet Supervisor. Additional applications will continue to be screened and evaluated throughout the recruitment process.

The recruitment for Assistant Planning and Marketing Manager opened in August, and by August 30th, we received 21 applications and resumes. Only one candidate advanced to consideration; the other applicants did not possess the minimum qualifications and background skills for the position. The position remains open through September 14, at which time additional candidate review will be conducted.

The District has renewed all property/casualty/ERISA insurance coverage through July 1, 2027. Moving forward, all renewals will coincide with the start of the fiscal year and allow budgeting to include insurance cost projections based upon formal marketing efforts by our Broker of Record.

Staff Employee (non-Union) Medical Renewal - the District's Staff Employee medical renews on 1/1/2027 with the Special District Risk Management Association (SDRMA/PRISM). Open enrollment occurs during September through October (three-to-four months prior to the effective renewal date). This year, SDRMA has notified the District that premiums will increase 10.6% from expiring rates. Please recall, for the 2025 renewal, SDRMA increased rates 13.84%. Collectively, over a ten-year period, SDRMA rates have increased 73%. These cumulative rate increases erode the District's ability to continue to providing strong financial support for staff employee benefits and make it difficult to have a benefit option that makes the District an employer of choice.

Similar to last year, when the District increased non-represented employee contributions, so to, this renewal period, the District will have to ask its non-represented employees to pick up an additional portion of the medical cost. This year we will ask non-represented employees to pay an additional \$10.00 per month to continue to provide meaningful medical benefits and maintain our Total Compensation structure as an Employer of Choice. Looking forward, MTD will be required to look at the general marketplace for reduced medical premiums and possibly adjusting the available coverages to our employees.

Planning and Marketing Manager Hillary Blackerby was recently named the Chair of the California Transit Association's Legislative Committee. After serving two terms as Vice Chair, Blackerby will now lead the committee that focuses on advocacy for public transit in policy and budget matters at the State and Federal levels.