BOARD OF DIRECTORS AGENDA

REGULAR MEETING
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, September 15, 2026
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), Mónica Solórzano (Director), Arjun Sarkar (Director), Alberto Lapuz (Director).

3. REPORT REGARDING THE POSTING OF THE AGENDA

CONSENT CALENDAR

4. APPROVAL OF PRIOR MINUTES - (ACTION MAY BE TAKEN)
The Board will be asked to review and approve the draft minutes for the meeting of September 1, 2026.

5. CASH REPORTS - (ACTION MAY BE TAKEN)
The Board will be asked to review and approve the Cash Report from August 22, 2026. through September 4, 2026.

THIS CONCLUDES THE CONSENT CALENDAR

6. PUBLIC COMMENT
Members of the public may address the Board 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.

7. 50-YEAR WORK ANNIVERSARY – LINCOLN RUSSELL - (ACTION MAY BE TAKEN - ATTACHMENT)
Staff recommends that the Board of Directors adopt the attached Resolution, formally recognizing Lincoln Russell on his 50th work anniversary in September 2026.

8. 2026 TRANSIT ASSET MANAGEMENT PLAN - (INFORMATIONAL - ATTACHMENT)
Staff recommend that the Board review and comment on MTD's 2026 Transit Asset Management Plan.

9. FINANCIAL UPDATE 4th QUARTER REVIEW OF FISCAL YEAR 2025-26 - (INFORMATIONAL - ATTACHMENT)
Staff requests that the Board accept and file the financial report for the Santa Barbara Metropolitan Transit District fourth quarter of the 2025-26 fiscal year. The period being July 1, 2025 through June 30, 2026.

10. ADVANCED AUTHORITY TO AWARD AND EXECUTE RENEWABLE DIESEL CONTRACT - (ACTION MAY BE TAKEN)
Staff recommends that the Board grant the General Manager delegated advance authority to award and execute a renewable diesel (RD) supply contract resulting from an upcoming competitive solicitation, subject to the following conditions: delivered base price not to exceed $4.23 per gallon (excluding applicable regulatory fees and taxes); fixed-price contract term not to exceed 18 months; and contract award made to the lowest responsive and responsible bidder.

11. FTA 5310 FY 26/27 DRAFT GUIDELINES FOR THE SANTA BARBARA URBANIZED AREA - (ACTION MAY BE TAKEN - ATTACHMENT)
Staff recommends that the Board of Directors review the draft Federal Transit Administration (FTA) Guidelines and Application for the Santa Barbara Urbanized Area, provide comments, and approve final guidelines.

12. SDRMA STAFF MEDICAL INSURANCE RENEWAL - (ACTION MAY BE TAKEN - ATTACHMENT)
Staff recommends the Board of Directors approve/adopt the PRISM/SDRMA's updated Participation Agreement; and approve/adopt the Resolution Approving the Form of and Authorizing the Execution of a Memorandum of Understanding and Authoring Participation in the Special District Risk Management Authority's Health Benefits Program.

13. AWARD JANITORIAL SERVICES CONTRACT - (ACTION MAY BE TAKEN)
Staff recommends that the Board of Directors authorize the General Manager to execute a contract with Rich & Famous, Inc. dba Big Green Cleaning Company for comprehensive daily janitorial services for a one-year base term for the firm fixed fee schedule representing an initial one-year base term the amount of $125,900.00, with four consecutive one-year options with not-to-exceed annual escalations of 3.5%, for a total potential five-year contract value of $675,134.46.

14. CONFLICT OF INTEREST CODE UPDATE - (ACTION MAY BE TAKEN - ATTACHMENT)
Staff and MTD's attorney request that the Board approve the recommended changes to the Conflict of Interest Code: Appendix C - Designated Employees title and names.

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.

15. GENERAL MANAGER'S REPORT - (INFORMATIONAL)
The General Manager will report on updates to District activities.

16. OTHER BUSINESS AND REPORTS - (INFORMATIONAL)
The Board will report on the other related public transit issues and committees.

17. 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, September 1, 2026
8:30 AM
John G. Britton Auditorium
550 Olive Street, Santa Barbara, CA 93101

1. CALL TO ORDER
Meeting was called to order at 8:30 a.m.

2. ROLL CALL OF THE BOARD MEMBERS
Chair Davis reported that all members were present, with the exception of Director Perotte and Secretary Lemberger.

Director Perotte arrived at 8:33 am.

3. REPORT REGARDING THE POSTING OF THE AGENDA
Kimberly Rangel, Interim Clerk/Human Resources Generalist reported that the agenda was posted on August 27, 2026 at MTD's Administrative Office, emailed to those on the agenda list, and posted to MTD's website.

CONSENT CALENDAR

4. APPROVAL OF PRIOR MINUTES - (ACTION MAY BE TAKEN)
The Board was asked to review and approve the draft minutes for the meeting of August 18, 2026.

5. CASH REPORTS - (ACTION MAY BE TAKEN)
The Board was asked to review and approve the Cash Reports from August 8, 2026 through August 21, 2026.

Vice chair Tabor moved to approve the consent calendar. Director Lapuz seconded the motion. The motion was approved unanimously, with Secretary Lemberger absent.

THIS CONCLUDES THE CONSENT CALENDAR

6. PUBLIC COMMENT
There was no public comment.

7. OTHER BUSINESS AND REPORTS - (INFORMATIONAL)
Chair Davis shared that the final State Street Master Plan would be presented to the Santa Barbara City Council later that day, September 1, 2026.

8. RECESS TO CLOSED SESSION: REAL PROPERTY NEGOTIATIONS (GOVERNMENT CODE §54956.8) - (ACTION MAY BE TAKEN)
Property: 4678 Calle Real / 149 North San Antonio Road.
Agency Negotiators: General Manager Jerry Estrada; District Outside Counsel Graham Lyons.
Negotiating Parties: Con/Am Group.
Under Negotiation: Price and terms of payment

Secretary Lemberger arrived at 8:40 a.m.

The Board reconvened at 8:51 a.m. No action was taken on Closed Session Item 8.

PUBLIC COMMENT RELATED TO CLOSED SESSION ITEM WILL BE ALLOWED BEFORE THE RECESS

9. ADJOURNMENT
The Board adjourned at 8:51 a.m.

Santa Barbara Metropolitan Transit District

Cash Report

Board Meeting of September 15, 2026

For the Period August 22, 2026 through September 4, 2026

MONEY MARKET		
Beginning Balance August 22, 2026		**$3,730,327.46**
Miscellaneous Income	10,647,497.56	
Accounts Receivable	1,107,759.75	
Passenger Fares	111,102.03	
Measure A Transfer	6,091.94	
Prepaids & Advertising	3,514.00	
Total Deposits	**11,875,965.28**	
Bank & Credit Card Fees	(2,784.64)	
Miscellaneous Transfers	(19,310.20)	
401(k)/Pension Transfer	(82,490.19)	
Payroll Taxes	(176,042.72)	
Payroll	(420,246.93)	
Accounts Payable	(11,673,733.22	
Total Disbursements	**(12,374,607.90**	
Ending Balance		**$3,231,684.84**
CASH INVESTMENTS		
LAIF Account	$6,730,860.45	
Money Market Account	3,231,684.84	
Total Cash Balance		**$9,962,545.29**
SELF INSURED LIABILITY ACCOUNTS		
WC / Liability Reserves	($3,648,667.00)	
Working Capital		**$6,313,878.29**

Santa Barbara Metropolitan Transit District
Accounts Payable

Check #	Date	Company	Description	Amount	Voids
200910	8/27/2026	AMAZON CAPITAL SERVICES, INC	SUPPLIES	200.31	
200911	8/27/2026	RJ CARROLL & SONS INC.	TC VANDALISM REPAIRS	464.83	
200912	8/27/2026	CENTRAL COAST TANK TESTING	TANK TESTS	150.00	
200913	8/27/2026	CUMMINS SALES & SERVICE DBA	BUS PARTS & REPAIRS	1,527.79	
200914	8/27/2026	CROSSLINE SUPPLY LLC	BUS PARTS	498.19	
200915	8/27/2026	EMERGENCY DRAIN SERVICES DB	DRAIN SERVICES	191.25	
200916	8/27/2026	FRONTIER CALIFORNIA INC.	TELEPHONE/RADIO/FIBER OPTIC INT	356.30	
200917	8/27/2026	GENFARE LLC	FAREBOX REPAIRS & PARTS	10,393.68	
200918	8/27/2026	GIBBS INTERNATIONAL INC	BUS PARTS	393.12	
200919	8/27/2026	GILLIG LLC	BUS PURCHASE & BUS PARTS	765.12	
200920	8/27/2026	GOODYEAR TIRE & RUBBER CO	BUS TIRE LEASE	791.88	
200921	8/27/2026	GRAPHICINK	PRINTING SERVICES	2,401.04	
200922	8/27/2026	GRAINGER INC.	SHOP/B&G SUPPLIES	197.63	
200923	8/27/2026	HAYNES SALES DBA	B&G REPAIRS & SUPPLIES	551.00	
200924	8/27/2026	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	121.69	
200925	8/27/2026	IMPERIAL ELECTRIC LLC	B & G REPAIRS	240.00	
200926	8/27/2026	JOHNSON CONTROLS FIRE PROTE	FIRE ALARM SERVICES	751.74	
200927	8/27/2026	KITCHELL CEM INC.	T2 PHASE 2	438.40	
200928	8/27/2026	KIRKS AUTOMOTIVE INC	BUS/AUTO PARTS	2,381.14	
200929	8/27/2026	LENZ PEST CONTROL INC	FUMIGATION SERVICES	79.80	
200930	8/27/2026	MC CORMIX CORP. (GAS)	FUEL-SV/MICROTRANSIT	1,091.03	
200931	8/27/2026	MCMASTER-CARR SUPPLY CO.	SHOP/B&G SUPPLIES	202.25	
200932	8/27/2026	NFI PARTS DBA	BUS PARTS	3,173.33	
200933	8/27/2026	NS CORPORATION	BUS WASHER PARTS	1,707.75	
200934	8/27/2026	PARTS AUTHORITY LLC	BUS PARTS & REPAIRS	109.14	
200935	8/27/2026	ROBERT HALF	TEMPORARY LABOR	4,807.50	
200936	8/27/2026	SANTA BARBARA FASTENERS INC	SHOP SUPPLIES	15.30	
200937	8/27/2026	SILVAS OIL CO. INC.	LUBRICANTS	897.61	
200938	8/27/2026	SMITH MECHANICAL-ELECTRICA	HALEY CANOPY PROJECT	39,419.73	
200939	8/27/2026	SOUTHERN CALIFORNIA EDISON	ELECTRIC VEHICLES "FUEL"	1,403.04	
200940	8/27/2026	SOCALGAS	UTILITIES	16.73	
200941	8/27/2026	SOUTHWEST LIFT & EQUIPMENT I	LIFT REPAIRS & SUPPLIES	143.00	
200942	8/27/2026	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	715.65	
200943	8/27/2026	USI INSURANCE SERVICES LLC	INSURANCE	36,312.96	
200944	8/27/2026	VERIZON WIRELESS	CELLULAR/WIRELESS SERVICE	1,113.13	
200945	8/27/2026	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	2,750.36	
200946	8/27/2026	EASY LIFT TRANSPORTATION INC	MONTHLY ADA SUBSIDY	105,709.87	
200947	9/4/2026	A-Z BUS SALES INC	FORD ELECTRIC VANS - TRANSIT	656,316.78	

Check #	Date	Company	Description	Amount	Voids
200948	9/4/2026	ABC BUS COMPANIES INC	BUS PARTS	940.60	
200949	9/4/2026	AMERICAN MOVING PARTS LLC	BUS PARTS	304.10	
200950	9/4/2026	AMAZON CAPITAL SERVICES, INC	SUPPLIES	226.34	
200951	9/4/2026	ASBURY ENVIRONMENTAL SERVI	WASTE OIL RECYCLER	153.00	
200952	9/4/2026	CENTRAL COAST CIRCULATION L	BUS BOOK DISTRIBUTION	808.00	
200953	9/4/2026	COMPLETE COACH WORKS	BUS PARTS	1,208.90	
200954	9/4/2026	COX COMMUNICATIONS CORP.	INTERNET & CABLE TV	195.63	
200955	9/4/2026	CUMMINS SALES & SERVICE DBA	BUS PARTS & REPAIRS	212.90	
200956	9/4/2026	DOCUPRODUCTS CORPORATION	COPIER MAINTENANCE/SUPPLIES	343.47	
200957	9/4/2026	FAUVER LARGE ARCHBALD&SPR	LEGAL COUNSEL	14,223.06	
200958	9/4/2026	FRONTIER CALIFORNIA INC.	TELEPHONE/RADIO/FIBER OPTIC IN	254.50	
200959	9/4/2026	GIBBS INTERNATIONAL INC	BUS PARTS	955.70	
200960	9/4/2026	GILLIG LLC	BUS PURCHASE & BUS PARTS	10,649,963.48	
200961	9/4/2026	GOLETA WATER DISTRICT	UTILITIES	544.79	
200962	9/4/2026	GRAPHICINK	PRINTING SERVICES	929.17	
200963	9/4/2026	HR AUTOGLASS DBA	BUS PARTS/REPAIRS	790.00	
200964	9/4/2026	KIRKS AUTOMOTIVE INC	BUS/AUTO PARTS	237.98	
200965	9/4/2026	MANSFIELD OIL CO OF GAINESVIL	RENEWABLE DIESEL FUEL	72,895.47	
200966	9/4/2026	MISSION LINEN SUPPLY INC	UNIFORM & LINEN SERVICE	680.60	
200967	9/4/2026	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	531.81	
200968	9/4/2026	MULLEN & HENZELL	CALLE REAL PROJECT SERVICES	10,567.80	
200969	9/4/2026	NFI PARTS DBA	BUS PARTS	236.51	
200970	9/4/2026	O'REILLY AUTO PARTS DBA	BUS/SERVICE VEHICLE PARTS	63.32	
200971	9/4/2026	ROBERT HALF	TEMPORARY LABOR	2,400.00	
200972	9/4/2026	SAFETY-KLEEN CORPORATION	SHOP EQUIPMENT MAINTENANCE	795.64	
200973	9/4/2026	SILVAS OIL CO. INC.	LUBRICANTS	1,512.36	
200974	9/4/2026	SM TIRE CORP.	BUS TIRE MOUNTING	586.48	
200975	9/4/2026	SO. CAL. EDISON CO.	UTILITIES	14,504.62	
200976	9/4/2026	STANTEC ARCHITECTURE INC.	FACILITIES A&E SERVICES	2,570.15	
200977	9/4/2026	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	248.44	
200978	9/4/2026	TDS SERVICE CORP. DBA TRANSIT	BUS PARTS REPAIRS	1,517.80	
200979	9/4/2026	U.S. BANK CORP. PAYMENT SYST	CREDIT CARD PURCHASES	7,285.18	
200980	9/4/2026	VASQUEZ & COMPANY LLP	ANNUAL AUDIT	5,800.00	
200981	9/4/2026	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	290.35	
200982	9/4/2026	FRONTIER CALIFORNIA INC.	TELEPHONE/RADIO/FIBER OPTIC IN	155.00	

Check #	Date	Company	Description	Amount	Voids
				11,673,733.22	
			Current Cash Report Voided Checks:	0.00	
			Prior Cash Report Voided Checks:	0.00	
			Grand Total:	**$11,673,733.22**	

Santa Barbara Metropolitan Transit District
Cash Receipts of Accounts Receivable

Date	Company	Description	Amount
8/24/2026	Montecito Bank & Trust	Advertising on Buses	3,210.00
8/25/2026	Moonlight Graphics/Mktg	Advertising on Buses	5,810.40
8/25/2026	UCSB Bookstore	Passes/Passport Sales	1,250.00
8/28/2026	College of Law	Advertising on Buses	7,696.80
9/2/2026	Cottage Hospital	Passes/Token Sales	33,500.00
9/2/2026	County of Santa Barbara	Passes/Token Sales	2,662.50
9/4/2026	Local Transportation Fund	SB 325 - Aug '26	783,021.14
9/4/2026	Measure A, Section 3 LSTI	Measure A Funds - Aug '26	270,608.91
		Total Accounts Receivable Paid During Period	**$1,107,759.75**

BOARD OF DIRECTORS REPORT

MEETING DATE: SEPTEMBER 15, 2026 **AGENDA ITEM #:** 7

TYPE: ACTION ITEM

PREPARED BY: HUMAN RESOURCES AND RISK MANAGER, DAVID SERRANO
HUMAN RESOURCES GENERALIST, KIMBERLY RANGEL

REVIEWED BY: GENERAL MANAGER, JERRY ESTRADA

SUBJECT: **50-YEAR WORK ANNIVERSAY – LINCOLN RUSSELL**

RECOMMENDATION:

Staff recommends that the Board of Directors adopt the attached Resolution, formally recognizing Lincoln Russell on his 50th work anniversary in September 2026.

DISCUSSION:

Transit drivers play a vital role in the success of Santa Barbara Metropolitan Transit District (MTD). Every day, they safely transport passengers to their destinations, assist riders with professionalism and care, and contribute to the efficiency of the public transit system. They play an integral role in our community and impact the lives of those who rely on public transit. Their work is crucial in connecting communities, reducing traffic congestion, and promoting affordable and reliable transportation.

Lincoln Russell, Operations Supervisor, celebrated his 50th year with the District on September 13, 2026. Lincoln joined MTD in September 1976 as a Bus Operator and was promoted to Operations Supervisor in October 2022. Throughout his career, Lincoln has demonstrated strong leadership and professionalism, while also performing as a Trainer and contributing to the training and development of fellow employees. He has been recognized numerous times through MTD's Caught in the Act (CITA) program for his exceptional service and commitment to the community and has consistently identified opportunities to improve District operations. His 50 years of dedicated service represent a lasting contribution to MTD, its employees, and the community it serves.

Today, the Board congratulates and celebrates Lincoln Russell for each of his 50-years of service to the Santa Barbara Metropolitan Transit District.

ATTACHMENTS: (1)

- Resolution: Lincoln Russell – 50-year anniversary with SB MTD.

LINCOLN RUSSELL
50 YEARS OF SERVICE

WHEREAS, Lincoln Russell began his career with Santa Barbara Metropolitan Transit District in September of 1976 as a Bus Operator; and

WHEREAS, Mr. Russell was promoted to Operations Supervisor in October 2022; and,

WHEREAS, throughout his 50 years of service, Mr. Russell has demonstrated a strong commitment to MTD, its employees, and the communities it serves; and

WHEREAS, Lincoln has served in various capacities throughout his career, including as a Bus Operator, Temporary Supervisor, and Operations Supervisor, while also contributing as a Trainer, demonstrating strong leadership and professionalism; and a wealth of knowledge and experience; and

WHEREAS, Lincoln has made significant contributions to the training and development of MTD employees and has consistently sought opportunities to improve District operations; and

WHEREAS, Lincoln's exceptional service has been recognized through numerous Caught in the Act (CITA) awards and other commendations; and

WHEREAS, Lincoln's 50 years of dedicated service, leadership, mentorship, and commitment to excellence have made a lasting contribution to the Santa Barbara Metropolitan Transit District;

THEREFORE BE IT RESOLVED that the Board of Directors of Santa Barbara Metropolitan Transit District recognizes and congratulates Lincoln Russell for his outstanding service to MTD; and

THE BOARD OF DIRECTORS OF Santa Barbara metropolitan transit district PASSED AND ADOPTED RESOLUTION 2025-07 this 15th day of September 2026.

Dave Davis, Chair

Jen Lemberger, Secretary

BOARD OF DIRECTORS REPORT

MEETING DATE: SEPTEMBER 15, 2026 **AGENDA ITEM: #8**

DEPARTMENT: COMPLIANCE

TYPE: INFORMATIONAL ITEM

PREPARED BY: MARY GREGG and DAVID RZEPINSKI ______________________
Signature

REVIEWED BY: JERRY ESTRADA, GENERAL MANAGER ______________________
Signature

SUBJECT: **2026 TRANSIT ASSET MANAGEMENT PLAN**

RECOMMENDATION:

Staff recommend that the Board review and comment on MTD's 2026 Transit Asset Management Plan.

DISCUSSION:

<u>Transit Asset Management</u>

The Federal Transit Administration (FTA) requires every federally funded transit agency to have a Transit Asset Management (TAM) Plan. TAM requires MTD to ensure that its capital assets remain in a state of good repair (SGR) by monitoring and managing those assets to enhance safety, reduce maintenance costs, increase reliability, and improve performance. TAM further requires that MTD develop SGR targets for each class of capital assets, and MTD's capital investment priorities must be coordinated with these targets. Transit agencies are required to prepare an updated Plan every four years. MTD prepared its first TAM Plan in 2018 and updated it in 2022. This updated 2026 TAM Plan must be approved by the transit agency's Accountable Executive by October 1, 2026.

MTD's General Manager, Jerry Estrada, was appointed by the Board as the Accountable Executive on September 4, 2018. Per 49 CFR § 625.5, "Accountable Executive means a single, identifiable person who has ultimate responsibility for carrying out the safety management system of a public transportation agency; responsibility for carrying out transit asset management practices; and control or direction over the human and capital resources needed to develop and maintain both the agency's public transportation agency safety plan, in accordance with 49 U.S.C 5329(d), and the agency's transit asset management plan in accordance with 49 U.S.C. 5326."

Under the TAM rule, all transit agencies are categorized based on the number of fixed-route revenue vehicles operated during peak periods. Agencies that operate 101 or more fixed-route vehicles at peak are "Tier I"; those that operate 100 or fewer are "Tier II." TAM Plan requirements for Tier I agencies are greater than those for Tier II agencies. MTD is currently a Tier II agency.

Staff have utilized a TAM Plan template provided by FTA to develop the attached Tier II 2026 TAM Plan.

As a Tier II agency, MTD's TAM Plan includes the following four required elements:

1) An inventory of the number and type of all capital assets that the agency owns, except equipment with an acquisition value under $50,000 that is not a service vehicle. The inventory also includes vehicles owned by Easy Lift Transportation, Inc., MTD's contractor providing paratransit service.
2) A condition assessment of assets for which the agency has direct capital responsibility.
3) A description of analytical processes or decision-support tools that MTD uses to estimate capital investment needs over time and develop MTD's investment prioritization.
4) A project-based prioritization of investments that is consistent with the results of the TAM analysis and MTD's SGR targets.

The TAM Plan is divided into two parts. The first part presents summary tables of MTD's assets aggregated into the above mentioned four required elements. The second portion of the Plan is the appendix to the Plan providing the raw data that is rolled up into the summary tables.

<u>Revenue Vehicle Fleet Data</u>

The TAM Plan provides a high-level overview of MTD's fleet. The current revenue vehicle fleet is comprised of 105 buses ranging in propulsion type and vehicle length. Bus lengths in the fleet are divided into three types: 30', 40', and 60'. There are three propulsion types in MTD's current fleet: renewable diesel, hybrid, and battery electric.

In addition to maintaining the active fleet, MTD follows a comprehensive process for the disposition of fleet assets beyond their useful life, which is based upon several factors including vehicle age, mileage, condition, reliability, and duty cycle. These factors are considered when determining which and when vehicles are designated for replacement.

As indicated in the TAM Plan, the average age of MTD's bus fleet is 8.6 years, and the approximate mileage is 272,000. Also, the percentage of the bus fleet at or exceeding their Useful Life Benchmark is 28%. The lower average age, mileage, and ULB as compared to the 2022 TAM Plan, an average of 12 years, 344,000 miles, and 44% respectively, can be attributed to the disposal of buses past their useful life for the reduction of the overall size of MTD's fleet in line with reduced service levels, as well as the replacement of aging vehicles through procurement of new battery electric buses (9-40' New Flyer and 8-40' Gillig) since the 2022 TAM Plan.

<u>Facility and Equipment</u>

MTD operates and maintains three facilities: Terminal 1 (primary operations and maintenance facility), the Transit Center (major passenger transfer hub), and Terminal 2 (recommissioned operations facility). As with the revenue and service fleets, MTD regularly evaluates and plans investment for necessary facility improvements and repairs and equipment, for example, the heavy-duty and light-duty charging infrastructure, repair and replacement.

Facility and equipment improvements and replacement are considered based on several factors, including age, condition, readiness, and duty cycle. Identified MTD facility improvements and equipment replacements are prioritized each fiscal year as presented in the TAM Plan.

The average age of the facilities is 20 years and the percentage of equipment at or exceeding their ULB is 7%. The refurbishment of the Transit Center and Phase 1 of the Terminal 2 Recommissioning project resulted in TAM scores above the threshold rating of 3 on a five-point scale for facilities, while the replacement of non-revenue equipment resulted in a lower percentage of equipment at their ULB compared to the 2022 TAM plan designation of 41%. Terminal 1's maintenance facility (aggregated out separately per TAM requirements) was the only facility rated below the threshold with a score of 2 as improvements achieved through the soon-to-be-completed Haley Canopy project will be factored into the scoring. Additional Terminal 1 improvements and equipment replacement identified for future years in the 2026 TAM Plan will also contribute to a revised score above the threshold at a future Plan update.

ATTACHMENT:

- MTD 2026 Transit Asset Management Plan

Santa Barbara Metropolitan Transit District

Transit Asset Management (TAM)

Tier II Plan

October 1, 2026 – September 30, 2030

Accountable Executive	Signature	Date
Jerry Estrada, General Manager		

Brief Overview

The Santa Barbara Metropolitan Transit District (SBMTD) serves an area of approximately 52 square miles comprising the South Coast of Santa Barbara County, California. The service area runs from the Ventura County border in the east to the western end of Goleta, between the Pacific Ocean to the south and the Santa Ynez Mountains to the north. The service area includes the communities of Santa Barbara, Carpinteria, Goleta, Isla Vista, Montecito, Summerland, and the Eastern Goleta Valley. The University of California, Santa Barbara, Santa Barbara City College, and the Santa Barbara Municipal Airport are also included within the service area. SBMTD directly operates fixed-route bus service and contracts for ADA complementary paratransit service.

Performance Targets & Measures

Asset Category	Asset Class	2026 Target	2027 Target	2028 Target	2029 Target	2030 Target
Equipment	Non-Revenue/Service Automobile	0%	10%	10%	75%	0%
Equipment	Other Rubber Tire Vehicles	0%	15%	0%	35%	0%
Facilities	Administrative / Maintenance Facilities	20%	20%	20%	0%	0%
Facilities	Passenger Facilities	0%	0%	0%	0%	0%
Revenue Vehicles	AB - Articulated Bus	0%	0%	100%	0%	0%
Revenue Vehicles	BU - Bus	25%	15%	25%	10%	0%
Revenue Vehicles	MV - Minivan	0%	0%	0%	0%	0%
Revenue Vehicles	VN - Van	0%	0%	0%	0%	0%

Capital Asset Inventory - Asset Inventory Summary

Asset Category/Class	Total Number	Avg Age	Avg Mileage	Avg Replacement Cost/Value	Total Replacement Cost/Value
Revenue Vehicles	**139**	**8.6**	**271,058**	**$1,127,842.20**	**$156,769,799.52**
AB - Articulated Bus	3	9.0	273,677	$1,300,000.00	$3,900,000.00
BU - Bus	105	10.2	323,577	$1,420,618.00	$149,164,623.52
MV - Mini-van	23	3.7	124,365	$85,000.00	$1,955,000.00
VN - Van	8	1.1	2,508	$218,772.00	$1,750,176.00
Equipment	**74**	**4.3**	**N/A**	**$54,352.76**	**$4,022,104.03**
Non-Revenue/Service Automobile	22	3.5	N/A	$35,019.15	$770,421.21
Other Rubber Tire Vehicles	6	10.2	N/A	$56,551.67	$339,310.00
Bus Charging Equipment	29	3.1	N/A	$77,143.66	$2,237,166.00
Generators	3	11.0	N/A	$183,157.00	$549,471.00
Service Vehicle Charging Equipment	14	4.0	N/A	$8,981.13	$125,735.82
Facilities	**9**	**19.8**	**N/A**	**$2,861,035.85**	**$25,749,322.68**
Administration	1	23.0	N/A	$5,927,510.00	$5,927,507.23

Asset Category/Class	Total Number	Avg Age	Avg Mileage	Avg Replacement Cost/Value	Total Replacement Cost/Value
Maintenance	3	21.3	N/A	$989,319.00	$2,967,960.76
Passenger Facilities	1	4.0	N/A	$6,584,750.00	$6,584,748.34
Bus Wash	2	10.5	N/A	$474,509.00	$949,017.72
Bus Yard	2	33.0	N/A	$4,660,045.00	$9,320,088.63

Condition Assessment - Asset Condition Summary

Asset Category/Class	Total Number	Avg Age	Avg Mileage	Avg Replacement Cost/Value	Total Replacement Cost/Value	% At or Exceeds ULB	Number of Facilities less than 3 on TERM scale
Revenue Vehicles	**139**	**8.6**	**271,058**	**$1,127,842.20**	**$156,769,799.52**	**24%**	**N/A**
AB - Articulated Bus	3	9.0	273,677	$1,300,000.00	$3,900,000.00	0%	N/A
BU - Bus	105	10.2	323,577	$1,420,618.00	$149,164,623.52	28%	N/A
MV - Mini-van	23	3.7	124,365	$85,000.00	$1,955,000.00	0%	N/A
VN - Van	8	1.1	2,508	$218,772.00	$1,750,176.00	0%	N/A

Asset Category/Class	Total Number	Avg Age	Avg Mileage	Avg Replacement Cost/Value	Total Replacement Cost/Value	% At or Exceeds ULB	Number of Facilities less than 3 on TERM scale
Equipment	**74**	**4.3**	**N/A**	**$54,352.76**	**$4,022,104.03**	**7%**	**N/A**
Non -Revenue/Service Automobile	22	3.5	N/A	$35,019.15	$770,421.21	5%	N/A
Other Rubber Tire Vehicles	6	10.2	N/A	$56,551.67	$339,310.00	67%	N/A
Bus Charging Equipment	29	3.1	N/A	$77,143.66	$2,237,166.00	0%	N/A
Generators	3	11.0	N/A	$183,157.00	$549,471.00	0%	N/A
Service Vehicle Charging Equipment	14	4.0	N/A	$8,981.13	$125,735.82	0%	N/A
Facilities	**9**	**19.8**	**N/A**	**$2,861,035.85**	**$25,749,322.68**	**N/A**	**1**
Administration	1	23.0	N/A	$5,927,510.00	$5,927,507.23	N/A	0
Maintenance	3	21.3	N/A	$989,319.00	$2,967,960.76	N/A	1
Passenger Facilities	1	4.0	N/A	$6,584,750.00	$6,584,748.34	N/A	0
Bus Wash	2	10.5	N/A	$474,509.00	$949,017.72	N/A	0
Bus Yard	2	33.0	N/A	$4,660,045.00	$9,320,088.63	N/A	0

Decision Support - Decision Support Tools

The following tools are used in making investment decisions:

Process/Tool	Brief Description
Facility Maintenance & Rehabilitation Prioritization	Facility maintenance is conducted as needed to ensure that all facilities are maintained in a state of good repair and generally does not require major capital investment. Facility rehabilitation projects, which are generally capital intensive, are prioritized when the maintenance required is excessive as determined by the criteria above. The Facilities Master Plan guides future facility investments.
Non-Revenue Vehicle Replacement Prioritization	Various criteria, including the outcomes of preventive maintenance inspections, repair history, asset age, observation, and the results of the TAM analysis are utilized to prepare a list of priority investments.
Non-Vehicle Equipment Replacement Prioritization	Various criteria, including the outcomes of preventive maintenance inspections, repair history, asset age, observation, and the results of the TAM analysis are utilized to prepare a list of priority investments.
Revenue Fleet Replacement Prioritization	Various criteria, including the outcomes of preventative maintenance inspections, repair history, asset age, observations, and the results of the TAM analysis are utilized to prepare a list of priority investments.

Investment Prioritization

Department managers use a variety of criteria to prioritize capital needs and develop a list of priorities to forward to the General Manager and the Controller. Those officials review the Departmental lists and prepare recommended priority investments for consideration by the Board of Directors.

Proposed Investments

Project Name	Project Year	Asset Category	Asset Class	Cost	Priority
Shop Upgrades	2027	Facilities	Facilities	$500,000.00	High
Haley Canopy EV Infrastructure	2027	Facilities	Facilities	$2,500,000.00	High
40 ft. Electric Bus Acquisition (8)	2027	Revenue Vehicles	BU - Bus	$10,333,874.00	High
Electric Microtransit Van Acquisition (3)	2027	Revenue Vehicles	VN - Van	$682,431.00	High
35 ft. Electric Bus Acquisition (14)	2028	Revenue Vehicles	BU - Bus	$17,482,280.00	Medium
60 ft. Diesel Bus Acquisition (3)	2028	Revenue Vehicles	AB - Articulated Bus	$6,000,000.00	High
T2 EV Infrastructure (10 ports)	2028	Equipment	Chargers	$2,500,000.00	High
40 ft. Hybrid Bus Acquisition (10)	2028	Revenue Vehicles	BU - Bus	$15,000,000.00	High
Replace BYD Chargers (15) with Non-Proprietary Chargers (15)	2028	Equipment	Chargers	$2,000,000.00	Medium

Project Name	Project Year	Asset Category	Asset Class	Cost	Priority
Service Vehicle Replacement (2)	2028	Equipment	Non-Revenue/Service Automobile	$150,000.00	Medium
Haley Street Driveway	2028	Facilities	Facilities	$375,000.00	Medium
Service Vehicle Replacement (14)	2029	Equipment	Non-Revenue/Service Automobile	$560,000.00	Medium
T2 EV Infrastructure (12 ports)	2029	Equipment	Chargers	$2,800,000.00	Medium
T2 Recommissioning Phase 2	2029	Facilities	Facilities	$35,000,000.00	High
40 Ft. Electric Bus Acquisition (5)	2029	Revenue Vehicles	BU - Bus	$7,500,000.00	Medium
T1 EV Infrastructure (24 ports)	2030	Equipment	Chargers	$3,400,000.00	Medium
40 ft. Hybrid Bus Acquisition (10)	2030	Revenue Vehicles	BU - Bus	$18,000,000.00	Medium

Appendix A: Asset Register - Revenue Vehicles

Asset Category	Asset Class	Asset Name	Asset Owner	Manufacture Year	NTD ID	RVI ID	Manufacturer	Model	Count/Total Number of vehicles	Count / Fleet	Fleet ID	Total Active Fleet Mileage	No of Active Fleet vehicles	Non-Dedicated Fleet	Capital Responsibility?	Transit Agency Capital Responsibility (%)
Revenue Vehicles	AB - Articulated Bus	Revenue Vehicles	OOPA*	2015	90020	338923	NOVA Bus Corporation	LFS Artic	3	Fleet	1001-1003	821032	3	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2026	90020	TBD	Gillig Corporation	ELECTRICLOWFLOOR	8	Fleet	850-857	6964	8	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2018	90020	375389	Build Your Dreams, Inc.	K7	6	Fleet	31,38,39,41-43	350637	6	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2022	90020	407073	New Flyer of America	Xcelsior	9	Fleet	806-814	143572	9	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2004	90020	12129	Gillig Corporation	LOWFLOOR	3	Fleet	703, 704, 708	1438417	3	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2013	90020	60788	Gillig Corporation	LOWFLOOR	11	Fleet	624-634	5624941	11	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2013	90020	57025	Gillig Corporation	LOWFLOOR	2	Fleet	622-623	1034393	2	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2011	90020	45209	Gillig Corporation	HYBRIDLOWFLOOR	7	Fleet	908-910, 912-915	2731179	7	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2011	90020	45208	Gillig Corporation	LOWFLOOR	7	Fleet	615-621	3597979	7	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2009	90020	39204	Gillig Corporation	HYBRIDLOWFLOOR	3	Fleet	715-717	766332	3	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2007	90020	26163	Gillig Corporation	HYBRIDLOWFLOOR	7	Fleet	900-906	4064814	7	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2006	90020	26161	Gillig Corporation	LOWFLOOR	3	Fleet	711-713	1487043	3	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2019	90020	375390	Gillig Corporation	Lowfloor	10	Fleet	643-652	2920244	10	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2018	90020	356142	Build Your Dreams, Inc.	K7	8	Fleet	30,32-37,40	458206	8	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2003	90020	356141	Gillig Corporation	LOWFLOOR	13	Fleet	436-438, 440-442, 444-450	6052971	13	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2016	90020	345132	Gillig Corporation	LOWFLOOR	2	Fleet	638-639	888706	2	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2017	90020	350886	Gillig Corporation	LOWFLOOR	3	Fleet	640-642	1091009	3	No	Yes	100.00%
Revenue Vehicles	BU - Bus	Revenue Vehicles	OOPA	2016	90020	345131	Gillig Corporation	LOWFLOOR	3	Fleet	635-637	1318159	3	No	Yes	100.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	OOPA	2023	90020	TBD	Chrysler	Voyager	1	Fleet	1	75511	1	No	Yes	100.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	ADA Paratransit Provider	2017	90020	TBD	Toyota	Sienna	1	Fleet	14	92104	1	No	No	0.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	OOPA	2018	90020	391425	Dodge	Entervan	4	Fleet	2-4, 12	677305	4	No	Yes	100.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	OOPA	2024	90020	TBD	Toyota	Sienna	1	Fleet	24	30794	1	No	Yes	100.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	ADA Paratransit Provider	2023	90020	TBD	Chrysler	Voyager	5	Fleet	11, 19, 20, 22, 23	352982	5	No	No	0.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	OOPA	2023	90020	TBD	Chrysler	Voyager	1	Fleet	7	45649	1	No	Yes	100.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	ADA Paratransit Provider	2021	90020	TBD	Toyota	Sienna	1	Fleet	6	148181	1	No	No	0.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	ADA Paratransit Provider	2021	90020	TBD	Ford	Starcraft Starlite	2	Fleet	16-17	177788	2	No	No	0.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	ADA Paratransit Provider	2019	90020	TBD	Dodge	Braun	2	Fleet	8-9	250704	2	No	No	0.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	ADA Paratransit Provider	2019	90020	TBD	Ford	Starcraft	1	Fleet	18	135682	1	No	No	0.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	ADA Paratransit Provider	2018	90020	TBD	Dodge	Entervan	2	Fleet	36, 39	460395	2	No	No	0.00%
Revenue Vehicles	MV - Mini-van	ADA Paratransit	ADA Paratransit Provider	2018	90020	TBD	Toyota	Sienna	2	Fleet	21, 34	413299	2	No	No	0.00%
Revenue Vehicles	VN - Van	Microtransit	OOPA	2021	90020	TBD	Ford	Transit	3	Fleet	277-279	1373	3	No	Yes	100.00%
Revenue Vehicles	VN - Van	Microtransit	OOPA	2024	90020	TBD	Ford	Transit	2	Fleet	280-281	12230	2	No	Yes	100.00%
Revenue Vehicles	VN - Van	Microtransit	OOPA	2024	90020	TBD	Ford	Transit	3	Fleet	282-284	6458	3	No	Yes	100.00%

**OOPA = Owned outright by public agency (SBMTD)*

Appendix A: Asset Register - Equipment

Asset Category	Asset Class	Asset Name	Asset Owner	Manufacture Year	NTD ID	ID/Serial No	Manufacturer	Model	Count/Total Number of vehicles	Count / Fleet	No of Active Fleet vehicles	Non-Dedicated Fleet	Capital Responsibility?	Transit Agency Capital Responsibility (%)
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	OOPA	2013	90020	S111	Chevrolet	Fusion	1	Fleet	1	No	Yes	100.00%
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	OOPA	2018	90020	S116, S118	Chevrolet	Cruze	2	Fleet	2	No	Yes	100.00%
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	OOPA	2021	90020	S130-S134	Chevrolet	Bolt	4	Fleet	4	No	Yes	100.00%
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	OOPA	2020	90020	S120-S129	Chevrolet	Bolt	10	Fleet	10	No	Yes	100.00%
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	OOPA	2023	90020	S134-S136	Toyota	Highlander	3	Fleet	3	No	Yes	100.00%
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	OOPA	2025	90020	S139-S140	Toyota	Camry	2	Fleet	2	No	Yes	100.00%
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	OOPA	2011	90020	S098	Ford	F-350 Utility	1	Fleet	1	No	Yes	100.00%
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	OOPA	2011	90020	S099	Ford	F-350 Stakebed	1	Fleet	1	No	Yes	100.00%
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	OOPA	2007	90020	S091	International	Tow Truck	1	Fleet	1	No	Yes	100.00%
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	OOPA	2024	90020	S137	Chevrolet	Silverado	1	Fleet	1	No	Yes	100.00%
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	OOPA	2024	90020	S138	Chevrolet	Colorado	1	Fleet	1	No	Yes	100.00%
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	OOPA	2006	90020	S089	Ford	F-250	1	Fleet	1	No	Yes	100.00%
Equipment	Bus Charging Equipment	T1 - BYD Chargers	OOPA	2017	90020	Charging Equip	BYD		15	Count			Yes	100.00%
Equipment	Generators	T1 - Generators	OOPA	2013	90020	Generators			3	Count			Yes	100.00%
Equipment	Bus Charging Equipment	T1 - Heavy Duty Chargers	OOPA	2025	90020	Charging Equip	Charge Point		14	Count			Yes	100.00%
Equipment	Service Vehicle Charging Equipment	T1 - Light Duty Chargers	OOPA	2020	90020	Charging Equip	Charge Point		14	Count			Yes	100.00%

**OOPA = Owned outright by public agency (SBMTD)*

Appendix A: Asset Register - Facilities

Asset Category	Asset Class	Asset Name	Asset Owner	NTD ID	Year Built	Street Address	ID/Serial No	Count	Capital Responsibility?	Transit Agency Capital Responsibility (%)
Facilities	Administration	T1 - Administration	OOPA	90020	2001	550 Olive St.,Santa Barbara,CA 93101	3342	1	Yes	100.00%
Facilities	Bus Wash	T1 - Bus Wash	OOPA	90020	2001	550 Olive St.,Santa Barbara,CA 93101	8556	1	Yes	100.00%
Facilities	Bus Wash	T2 - Bus Wash	OOPA	90020	2026	5353 Overpass Rd, Goleta,CA 93111	T2 Bus Wash	1	Yes	100.00%
Facilities	Bus Yard	T2 - Bus Yard	OOPA	90020	1978	5353 Overpass Rd., Goleta,CA 93111	Bus Yard	1	Yes	100.00%
Facilities	Bus Yard	T1 - Bus Yard & Canopies	OOPA	90020	2004	550 Olive St. Santa Barbara,CA 93101	Bus Yard	1	Yes	100.00%
Facilities	Maintenance	T1 - Fuel Island	OOPA	90020	2001	550 Olive St.,Santa Barbara,CA 93101	3363	1	Yes	100.00%
Facilities	Maintenance	T1 - Maintenance	OOPA	90020	1981	550 Olive St.,Santa Barbara,CA 93101	3364	1	Yes	100.00%
Facilities	Maintenance	T2 - Fuel Island	OOPA	90020	2026	5353 Overpass Rd, Goleta,CA 93111	T2 Fuel Island	1	Yes	100.00%
Facilities	Passenger Facilities	TC - Transit Center	OOPA	90020	2020	1020 Chapala St.,Santa Barbara,CA 93101	3365	1	Yes	100.00%

**OOPA = Owned outright by public agency (SBMTD)*

Appendix B: Asset Condition - Revenue Vehicles

Asset Category	Asset Class	Asset Name	NTD ID	RVI ID	Count/Total Number of vehicles	No of Active Fleet vehicles	Total Active Fleet Mileage	Unit Replacement Cost/Value	Age (Yrs)	Useful Life Benchmark(Yrs)	Past Useful Life Benchmark	Default Useful Life Benchmark
Revenue Vehicles	AB - Articulated Bus	Revenue Vehicles	90020	338923	3	3	821,032	$1,300,000.00	9	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	TBD	8	8	6,964	$1,471,611.44	-2	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	375389	6	6	350,637	$1,248,734.00	6	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	407073	9	9	143,572	$1,468,525.00	2	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	12129	3	3	1,438,417	$1,248,734.00	20	14	Yes	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	60788	11	11	5,624,941	$1,468,525.00	11	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	57025	2	2	1,034,393	$1,468,525.00	11	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	45209	7	7	2,731,179	$1,468,525.00	13	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	45208	7	7	3,597,979	$1,468,525.00	13	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	39204	3	3	766,332	$1,248,734.00	15	14	Yes	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	26163	7	7	4,064,814	$1,468,525.00	17	14	Yes	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	26161	3	3	1,487,043	$1,248,734.00	18	14	Yes	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	375390	10	10	2,920,244	$1,468,525.00	5	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	356142	8	8	458,206	$1,248,734.00	6	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	356141	13	13	6,052,971	$1,468,525.00	21	14	Yes	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	345132	2	2	888,706	$1,468,525.00	8	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	350886	3	3	1,091,009	$1,468,525.00	7	14	No	Yes
Revenue Vehicles	BU - Bus	Revenue Vehicles	90020	345131	3	3	1,318,159	$1,468,525.00	8	14	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	1	1	75,511	$85,000.00	1	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	1	1	92,104	$85,000.00	7	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	391425	4	4	677,305	$85,000.00	6	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	1	1	30,794	$85,000.00	0	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	5	5	352,982	$85,000.00	1	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	1	1	45,649	$85,000.00	1	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	1	1	148,181	$85,000.00	3	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	2	2	177,788	$85,000.00	3	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	2	2	250,704	$85,000.00	5	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	1	1	135,682	$85,000.00	5	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	2	2	460,395	$85,000.00	6	8	No	Yes
Revenue Vehicles	MV - Mini-van	ADA Paratransit	90020	TBD	2	2	413,299	$85,000.00	6	8	No	Yes
Revenue Vehicles	VN - Van	Microtransit	90020	TBD	3	3	1,373	$218,772.00	3	8	No	Yes
Revenue Vehicles	VN - Van	Microtransit	90020	TBD	2	2	12,230	$218,772.00	0	8	No	Yes
Revenue Vehicles	VN - Van	Microtransit	90020	TBD	3	3	6,458	$218,772.00	0	8	No	Yes

Appendix B: Asset Condition - Equipment

Asset Category	Asset Class	Asset Name	NTD ID	ID/Serial No	Count/Total Number of vehicles	No of Active Fleet vehicles	Unit Replacement Cost/Value	Age (Yrs)	Useful Life Benchmark(Yrs)	Past Useful Life Benchmark	Default Useful Life Benchmark
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	90020	S111	1	1	$20,520.00	11	8	Yes	Yes
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	90020	S116, S118	2	2	$20,997.85	6	8	No	Yes
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	90020	S130-S134	4	4	$34,084.00	3	8	No	Yes
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	90020	S120-S129	10	10	$37,801.00	4	8	No	Yes
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	90020	S134-S136	3	3	$43,951.17	1	8	No	Yes
Equipment	Non Revenue/Service Automobile	Non-Revenue/Auto	90020	S139-S140	2	2	$30,853.00	-1	8	No	Yes
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	90020	S098	1	1	$26,936.00	13	8	Yes	No
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	90020	S099	1	1	$41,310.00	13	8	Yes	No
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	90020	S091	1	1	$152,849.00	17	8	Yes	No
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	90020	S137	1	1	$57,806.00	0	14	No	Yes
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	90020	S138	1	1	$34,518.00	0	14	No	Yes
Equipment	Other Rubber Tire Vehicles	Non-Revenue/Truck	90020	S089	1	1	$25,891.00	18	8	Yes	No
Equipment	Bus Charging Equipment	T1 - BYD Chargers	90020	Charging Equip	15		$18,110.00	7	10	No	No
Equipment	Generators	T1 - Generators	90020	Generators	3		$183,157.00	11	15	No	No
Equipment	Bus Charging Equipment	T1 - Heavy Duty Chargers	90020	Charging Equip	14		$140,394.00	-1	10	No	No
Equipment	Service Vehicle Charging Equipment	T1 - Light Duty Chargers	90020	Charging Equip	14		$8,981.13	4	10	No	No

Appendix B: Asset Condition - Facilities

Asset Category	Asset Class	Asset Name	NTD ID	ID/Serial No	Count	Unit Replacement Cost/Value	Age(Yrs)	TERM Scale Condition
Facilities	Administration	T1 - Administration	90020	3342	1	$5,927,507.23	23	3
Facilities	Bus Wash	T1 - Bus Wash	90020	8556	1	$163,311.72	23	3
Facilities	Bus Wash	T2 - Bus Wash	90020	T2 Bus Wash	1	$785,706.00	-2	5
Facilities	Bus Yard	T2 - Bus Yard	90020	Bus Yard	1	$6,381,800.00	46	3
Facilities	Bus Yard	T1 - Bus Yard & Canopies	90020	Bus Yard	1	$2,938,288.63	20	4
Facilities	Maintenance	T2 - Fuel Island	90020	T2 Fuel Island	1	$457,084.00	-2	5
Facilities	Maintenance	T1 - Fuel Island	90020	3363	1	$568,792.90	23	3
Facilities	Maintenance	T1 - Maintenance	90020	3364	1	$1,942,083.86	43	2
Facilities	Passenger Facilities	TC - Transit Center	90020	3365	1	$6,584,748.34	4	5

BOARD OF DIRECTORS REPORT

MEETING DATE: SEPTEMBER 15, 2026 AGENDA ITEM #: 9

TYPE: INFORMATION ITEM

PREPARED BY: DIRECTOR OF FINANCE AND ADMINISTRATION, NANCY TILLIE

REVIEWED BY: GENERAL MANAGER JERRY ESTRADA

SUBJECT: **FINANCIAL UPDATE 4th QUARTER REVIEW OF FISCAL YEAR 2025-26**

RECOMMENDATION:

Staff requests that the Board accept and file the financial report for the Santa Barbara Metropolitan Transit District fourth quarter of the 2025-26 fiscal year. The period being July 1, 2025 through June 30, 2026.

DISCUSSION:

Staff will present an update to the Board on the current financial outlook and the second quarter.

ATTACHMENT: Fiscal Year 2025-26 Financial Update - Fourth Quarter Draft Report

Fiscal Year 2025-26 Financial Update
Fourth Quarter Draft

Executive Summary

This financial update includes a review of the Fiscal Year 2026 (FY25-26) ending June 30, 2026, performance. Budget assumptions included estimating cost levels with conservative inflation, conservative increases in collection of adjusted fares, an adjusted service plan, as well as filling staff vacancies.

The District fared well with the inflationary pressures, fuel price volatility, and contract negotiations. Negotiations for drivers, supervisors, mechanics, and service workers represented by the International Brotherhood of Teamsters Local 186, resulted in three-year collective bargaining agreements that will expire at the end of FY27-28. Overall, the District's financial position was better than anticipated; the deficit for the period was favorable from budget estimates in that it was $1.3M less than anticipated operating deficit of $4.9M.

The actual deficit is $3.6M. Budgeted Operating costs were $1.3M lower than anticipated, half of which were in Vehicle Maintenance. Staffing Vacancies were filled throughout the year, however the positions were budgeted at 100%. Fuel Costs other Vehicle Consumables were estimated at a higher cost and volume rate.

Staffing position vacancies in all other business units accounted for the majority of the other Operating Expenses being under budget. Hirings also explain the expenditures exceeding the prior year by $1.8M. Fare Revenues ended at $136k over target, however, Grants & Appropriations and Other income fell short by $100k.

As in previous years, the operating deficit will be balanced with federal relief funding.

OPERATING BUDGET SUMMARY
FISCAL YEAR 2025-26
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026
($ thousands)

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
OPERATING REVENUES							
Fare Revenue	$6,193	$6,057	$136	2%	$4,980	$1,213	24%
Grants & Appropriations	22,473	22,547	(75)	0%	25,288	(2,816)	-11%
Other Income	664	688	(25)	-4%	761	(98)	-13%
Total Operating Revenue	$29,329	$29,292	$37	0%	$31,030	($1,701)	-5%
OPERATING EXPENSES							
Route Operations	$19,422	$19,449	($27)	0%	$18,165	$1,257	7%
Vehicle Maintenance	6,476	7,171	(696)	-10%	6,169	306	5%
Passenger Accommodations	2,163	2,354	(191)	-8%	1,924	239	12%
General Overhead	4,856	5,252	(396)	-8%	4,770	86	2%
Total Operating Expense	$32,917	$34,226	($1,310)	-4%	$31,028	$1,888	6%
Surplus / (Deficit)	**($3,587)**	**($4,934)**	**$1,346**		**$2**	**($3,589)**	

Federal Relief Funding

The District has been allocated federal economic relief funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the American Rescue Plan Act of 2021 (ARPA). These funds were made available to reimburse operating and capital expenses incurred and revenues lost as a result of the pandemic. The District will utilize ARPA and CARES Act funds to offset the deficit. These funds are not included in any Operating Revenues. The ARPA funds have now been exhausted.

Operating Revenue

Total operating revenue of $29.3 million, excluding the budget balancing ARPA and CARES Act funding—was within 2% of budget projections. Farebox revenues were budgeted conservatively for the year, with the fare adjustment in August 2025. Cash Fares/Pass Sales were within 3% of budget. The District experienced a 6.4% reduction in ridership over the period. Other Fare Programs fell short of budget based on a higher expectation for the Microtransit program; 2026 being the first full year in operation and working out the details in the system.

Grants and Appropriations represented 76% of total operating revenue during the period. In total the budget plan was met, there were some variations in individual areas. Regarding sales tax lines, LTF was over the budget and Measure A under budget; projections are provided from the State for budgeting purposes, and this is a timing issue. Other income is slightly under budget (4%). Bus Advertisement is under budget $43k, however Interest on Investments was $6k or 3% over the budgeted amount. Rounding out the category was the sale of Revenue and Service Vehicles that had served their useful life.

OPERATING REVENUE DETAIL
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026
($ thousands)

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
FAREBOX REVENUE							
Cash Fares	$1,926	$2,025	($99)	-5%	$1,597	$330	21%
Pass Sales	2,020	2,057	(36)	-2%	1,549	471	30%
Contract Fares	2,198	1,794	404	22%	1,796	402	22%
Other Fare Programs	48	180	(132)	-73%	39	9	24%
Subtotal	$6,193	$6,057	$136	2%	$4,980	$1,213	24%
GRANTS & APPROPRIATIONS							
LTF Sales Tax Revenue	$10,429	$10,328	$101	1%	$10,257	$172	2%
FTA Operating Assistance	5,449	5,499	(50)	-1%	8,687	(3,238)	-37%
Measure A Sales Tax	2,708	2,866	(159)	-6%	2,908	(201)	-7%
Other Operating Assistance	1,924	1,935	(11)	-1%	1,566	359	23%
Property Tax Revenue	1,963	1,920	44	2%	1,871	93	5%
Subtotal	$22,473	$22,547	($75)	0%	$25,288	($2,816)	-11%
OTHER INCOME							
Advertising on Buses	$430	$473	($43)	-9%	$450	($19)	-4%
Interest on Investments	206	200	6	3%	277	(72)	-26%
Other Income	28	15	13	86%	35	(7)	-19%
Subtotal	$664	$688	($25)	-4%	$761	($98)	-13%
Total Operating Revenue	**$29,329**	**$29,292**	**$37**	**0%**	**$31,030**	**($1,701)**	**-5%**

Grants & Subsidies– Local Sales Tax Revenue is up this period $101k over budget. Measure A Sales Tax Revenues are $(159k) under budget. Federal Transit Administration Section 5307 operating assistance is reflected at full year apportionment.

Local Operating Assistance is based on UCSB's agreement with the District to provide assistance for Line 28 and Lines 12x/24x and special project grant revenue, for example SBCAG covering the Operating Cost of the 19x to and from Santa Barbara City College and Carpinteria. The Microtransit Operating Assistance is budgeted under LCTOP Operating Assistance in this category and is underbudget due to the operating level being anticipated higher than actual Microtransit service. The LOSSAN, First/Last Mile AMTRAK, Downtown-Waterfront Shuttle, and Santa Barbara Zoo program also fall within this category. Property Tax Revenue is 2% or $44k above the budget.

Other Income– Advertising income is (4%) under the budgeted projections. Interest income was over budget $6k and exceeded prior year due to interest income. The bulk of the Other Income was the Public Auction proceeds on Revenue and Service Vehicles that had reached their useful lives.

OPERATING EXPENDITURES
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026
($ thousands)

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
ROUTE OPERATIONS							
Drivers	$12,844	$13,204	($361)	-3%	$12,227	$616	5%
Dispatch & Supervision	1,043	1,119	(76)	-7%	949	94	10%
Hiring & Training	990	654	335	51%	943	47	5%
Risk & Safety	3,338	3,264	74	2%	2,797	542	19%
Transportation Subsidies	1,208	1,208	(0)	0%	1,250	(42)	-3%
Subtotal	$19,422	$19,449	($27)	0%	$18,165	$1,257	7%
VEHICLE MAINTENANCE							
Mechanics	$1,615	$1,692	($76)	-5%	$1,423	$192	14%
Cleaners & Fuelers	872	1,070	(198)	-19%	756	116	15%
Supervision	1,004	1,079	(75)	-7%	983	22	2%
Vehicle Consumables	2,123	2,299	(176)	-8%	2,069	54	3%
Bus Parts & Supplies	821	789	31	4%	728	93	13%
Vendor Services	42	45	(3)	-6%	38	4	10%
Risk & Safety	(26)	140	(165)	-118%	145	(170)	-118%
Microtransit	24	57	(34)	-59%	28	(4)	-16%
Subtotal	$6,476	$7,171	($696)	-10%	$6,169	$306	5%
PASSENGER ACCOMMODATIONS							
Passenger Facilities	$788	$876	($88)	-10%	$795	($7)	-1%
Transit Development	356	429	(73)	-17%	319	38	12%
Marketing & Community Rela	458	516	(58)	-11%	259	199	77%
Fare Revenue Collection	560	533	28	5%	551	9	2%
Subtotal	$2,163	$2,354	($191)	-8%	$1,924	$239	12%
GENERAL OVERHEAD							
Finance	$790	$949	($159)	-17%	$909	($119)	-13%
Personnel	378	229	149	65%	416	(38)	-9%
Utilities & Communication	292	388	(97)	-25%	304	(13)	-4%
Operating Facilities	910	680	230	34%	447	463	104%
District Administration	2,486	3,005	(519)	-17%	2,694	(208)	-8%
Subtotal	$4,856	$5,252	($396)	-8%	$4,770	$86	2%
Total Operating Expenses	**$32,917**	**$34,226**	**($1,310)**	**-4%**	**$31,028**	**$1,888**	**6%**

Operating Expenses

Total operating expenses of $32.9 million were $1.3M under budget for the FY25-26 and increased $1.8M or 6% from the prior year. Staff Vacancies impacted all Business Lines until mid-year; the budget assumed full staffing. All functional areas were under budget for the fiscal year. Hiring continued throughout the year and in particular for Bus Operators in large part, which can account for the over budget spending in the category of Hiring and Training. All other Business Lines completed the year under budget however, all were over the previous year's expenses as positions were filled in Route Operations, Vehicle Maintenance, and Administration.

Other Expenses– As a service industry approximately 71% of expenses are staffing related. The next largest cost overall is risk. Notable expenditures and variations from expectations include the following:

- At June 30, 2026, Risk expenses were over budget by ($138k) and increased from the previous year by $255k. This is as a result of increased insurance premiums and reserve projections based on pending claims and management of the risks; A trend that has continued from the previous fiscal year, although climbing at a much lower rate as the increase in the prior year spend was $400k. Claims Administration has appeared to improve, and District Staff are actively involved in the management of this area.

- Fuel Costs are below Risk Management costs and served as the next largest cost to Labor for many years. This category is currently under budget $176k and totals $54k higher than the previous year's costs. The District was able to secure a fixed price contract for $2.49 per gallon from January 1, 2025, through June 30, 2026; permitting the District to weather the fuel volatility for the January through June 2026 period.

Capital Budget

The District's capital outlays for the period were $17M. Vehicle Acquisitions expenses were the Eight (8) Gillig 40' Heavy Duty Battery Electric Buses. Bus Improvements represent Bus Engine Overhauls and Transmission replacements as well as upgrades throughout the year.

Operating Facilities costs were the completion of Phase 1, for the Terminal 2 Recommissioning, the Haley Canopy Electric Infrastructure Improvement Project which is expected to be completed at the end of the Fall 2026, and the Terminal 2 Recommissioning Phase 2 Plans, Specifications, & Engineering. Intelligent Information Systems were upgrades to the Clever Devices Hardware and Software for the Computer-Aided Dispatch/Automatic Vehicle Location (CAD/AVL) System.

Additionally, hardware was upgraded for the Contactless Payment Systems on revenue vehicles. A Bus Stop Sign Project is listed under the Passenger Facilities category. All bus stop signage was updated. Other Equipment were the replacements of shop equipment and Office and IT Furniture and Equipment. Early in the Fiscal Year, IT upgraded all computer systems for the sunset of Windows 7. Hardware for staff users as well as servers were replaced to be compliant with new operating system and security requirements. Expenditures will be primarily reimbursed by FTA, TIRCP, Measure A and STA funds.

CAPITAL EXPENDITURES BY CATEGORY
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026
($ thousands)

CATEGORY	**FY 25-26 ACTUAL**	**FY 24-25 BUDGET**	**Variance $**	**Variance %**
Vehicle Acquisitions	$11,772	$29,709	($17,937)	-60%
Bus Improvements	423	150	$273	182%
Information Systems	0	435	($435)	-100%
Operating Facilities	4,411	12,394	($7,983)	-64%
Intelligent Transportation Systems	169	1,230	($1,061)	-86%
Passenger Facilities	181	328	($147)	-45%
Other Equipment	45	448	($403)	-90%
Total Capital Expenditures	**$17,001**	**$44,694**	**($27,693)**	

SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
ROUTE OPERATIONS DETAIL
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
DRIVERS							
Scheduled	$7,288,819	$7,414,137	($125,318)	-2%	$7,082,107	$206,712	3%
Scheduled - Wave	$70,972	$179,605	($108,633)	-60%	$17,540	$53,432	305%
Scheduled Overtime	268,935	78,765	190,170	241%	269,210	(275)	0%
Scheduled OT - Wave	5,370	197,565	(192,195)	-97%	3,057	2,313	76%
Unscheduled Pay	353,537	281,108	72,429	26%	283,259	70,279	25%
Unscheduled - Wave	28	0	28	281000%	0	28	n/a
Driver Lite Duty	0	1,121	(1,121)	-100%	0	0	n/a
FICA	696,292	679,928	16,364	2%	653,466	42,826	7%
Pension	876,927	905,661	(28,734)	-3%	867,130	9,797	1%
Health	2,143,198	2,320,110	(176,912)	-8%	2,104,632	38,565	2%
Sick Pay	149,116	197,089	(47,973)	-24%	153,696	(4,579)	-3%
Vacation Pay	519,835	595,481	(75,646)	-13%	462,808	57,027	12%
Holiday Pay	267,649	280,669	(13,020)	-5%	252,240	15,408	6%
Other Paid Leave	166,940	39,577	127,363	322%	43,225	123,715	286%
Unemployment Insurance	15,265	15,318	(53)	0%	15,525	(260)	-2%
Uniforms	20,701	18,150	2,551	14%	19,294	1,407	7%
Drivers Subtotal	$12,843,584	$13,204,284	($360,700)	-3%	$12,227,189	$616,395	5%
DISPATCH & SUPERVISION							
Supervisors	$390,377	$341,647	$48,730	14%	$270,761	119,616	44%
Staff	287,803	339,748	(51,945)	-15%	305,512	(17,709)	-6%
FICA	52,392	59,839	(7,447)	-12%	50,976	1,416	3%
Pension	59,408	73,697	(14,289)	-19%	58,954	454	1%
Health	173,181	201,860	(28,679)	-14%	153,765	19,416	13%
Sick Pay	(2,722)	14,541	(17,263)	-119%	28,859	(31,581)	-109%
Vacation Pay	50,044	42,505	7,539	18%	47,936	2,108	4%
Holiday Pay	22,127	28,433	(6,306)	-22%	20,924	1,203	6%
Other Paid Leave	9,173	15,342	(6,169)	-40%	10,348	(1,175)	-11%
Unemployment Insurance	769	965	(196)	-20%	743	26	3%
Supervison Subtotal	$1,042,552	$1,118,577	($76,025)	-7%	$948,779	93,773	10%
HIRING & TRAINING							
Staff	$100,932	$101,127	($195)	0%	$97,964	2,968	3%
Student Drivers	221,034	179,564	41,470	23%	419,582	(198,548)	-47%
Existing Drivers/Supers	357,993	115,116	242,877	211%	156,345	201,648	129%
FICA	53,962	33,863	20,099	59%	55,896	(1,935)	-3%
Pension	37,562	25,721	11,841	46%	33,473	4,089	12%
Health	119,735	95,807	23,928	25%	103,311	16,424	16%
Sick Pay	8,377	7,361	1,016	14%	(974)	9,352	-960%
Vacation Pay	24,620	23,031	1,589	7%	13,065	11,555	88%
Holiday Pay	13,595	12,015	1,580	13%	11,672	1,922	16%
Other Paid Leave	11,111	4,438	6,673	150%	5,137	5,974	116%
Unemployment Insurance	425	536	(111)	-21%	459	(34)	-7%
Medical Exams & License Fe	31,474	29,100	2,374	8%	37,540	(6,066)	-16%
Employment Advertising	330	10,000	(9,670)	-97%	932	(602)	-65%
Training, Travel & Meetings	8,507	16,500	(7,993)	-48%	8,224	282	3%
Hiring & Training Subtotal	$989,656	$654,179	$335,477	51%	$942,626	47,030	5%

SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
ROUTE OPERATIONS DETAIL
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
Route Operations Cont'd.							
RISK & SAFETY							
Wages & Benefits							
Staff	$185,570	$317,038	($131,468)	-41%	$71,086	114,484	161%
Supervisors	379,664	351,951	27,713	8%	423,554	(43,890)	-10%
Driver Accident Pay	3,039	2,527	512	20%	2,315	724	31%
FICA	50,603	57,903	(7,300)	-13%	43,962	6,641	15%
Pension	50,919	65,176	(14,257)	-22%	40,656	10,263	25%
Health	111,953	160,696	(48,743)	-30%	113,738	(1,784)	-2%
Sick Pay	16,314	16,133	181	1%	10,143	6,171	61%
Vacation Pay	45,004	39,592	5,412	14%	29,239	15,765	54%
Holiday Pay	19,633	20,399	(766)	-4%	15,471	4,162	27%
Other Paid Leave	8,672	9,265	(593)	-6%	5,395	3,277	61%
Unemployment Insurance	660	821	(161)	-20%	604	56	9%
Risk & Safety Labor Subtota	$872,032	$1,041,501	($169,469)	-16%	$756,164	115,868	15%
Public Liability							
Professional Services	$163,570	$200,731	($37,161)	-19%	$165,186	(1,615)	-1%
Insurance	961,400	991,417	(30,018)	-3%	907,050	54,350	6%
Current Year Incident Payouts	54,478	95,000	(40,522)	-43%	15,810	38,668	245%
Current Year Incident Reserv	27,505	130,000	(102,495)	-79%	31,700	(4,195)	-13%
Prior Years Incident Payouts	195,629	75,000	120,629	161%	54,630	140,999	258%
Change in Prior Years Reser	(81,700)	(75,000)	(6,700)	9%	116,443	(198,143)	-170%
Public Liability Subtotal	$1,320,882	$1,417,148	($96,266)	-7%	$1,290,818	30,064	2%
Workers' Compensation							
Professional Services	$280,068	$311,259	($31,191)	-10%	$228,380	51,688	23%
Insurance	228,534	250,275	(21,741)	-9%	217,031	11,503	5%
Current Year Incident Payouts	9,449	50,000	(40,551)	-81%	64,144	(54,696)	-85%
Current Year Incident Reserv	34,664	125,000	(90,336)	-72%	104,901	(70,237)	-67%
Prior Years Incident Payouts	323,153	425,000	(101,847)	-24%	234,889	88,264	38%
Change in Prior Years Reser	216,718	(425,000)	641,718	-151%	(160,583)	377,301	-235%
Miscellaneous Risk & Safety	52,794	68,870	(16,076)	-23%	60,821	(8,027)	-13%
Workers' Comp Subtotal	$1,145,379	$805,404	$339,975	42%	$749,583	395,796	53%
Risk & Safety Subtotal	$3,338,292	$3,264,053	$74,239	2%	$2,796,564	541,728	19%
TRANSPORTATION SUBSIDIES							
ADA Paratransit Service	$1,208,113	$1,208,113	($0)	0%	$1,249,881	(41,768)	-3%
Transp. Subsidies Subtotal	$1,208,113	$1,208,113	($0)	0%	$1,249,881	($41,768)	-3%
TOTAL ROUTE OPERATION	$19,422,197	$19,449,206	($27,009)	0%	$18,165,039	1,257,158	7%

SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
VEHICLE MAINTENANCE DETAIL
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026

	FY 25-26	FY 25-26	VARIANCE		FY 24-25	VARIANCE	
	ACTUAL	BUDGET	$	%	PRIOR	$	%
MECHANICS							
Mechanics	$952,324	$1,023,605	($71,281)	-7%	$863,171	89,153	10%
Less Mechanic Labor Capitali	(58,284)	(38,205)	(20,079)	53%	(83,351)	25,067	-30%
Mechanics-OT	79,513	82,675	(3,162)	-4%	58,552	20,961	36%
FICA	87,987	94,504	(6,517)	-7%	80,274	7,713	10%
Pension	100,682	110,495	(9,813)	-9%	94,735	5,948	6%
Health	277,827	267,338	10,489	4%	257,865	19,962	8%
Sick Pay	36,025	26,744	9,281	35%	35,482	543	2%
Vacation Pay	71,288	57,399	13,889	24%	58,881	12,406	21%
Holiday Pay	42,378	42,790	(412)	-1%	35,735	6,643	19%
Other Paid Leave	4,855	2,139	2,716	127%	2,934	1,921	65%
Unemployment Insurance	1,568	1,666	(98)	-6%	1,572	(4)	0%
Uniforms	5,027	5,305	(278)	-5%	4,211	815	19%
Tool Allowance	14,290	15,400	(1,110)	-7%	12,998	1,292	10%
Mechanics Subtotal	*$1,615,479*	*$1,691,855*	($76,376)	-5%	*$1,423,059*	*192,420*	14%
CLEANERS & FUELERS							
Service Workers	$459,018	$600,575	($141,557)	-24%	$403,428	55,589	14%
FICA	39,470	52,911	(13,441)	-25%	35,354	4,117	12%
Pension	63,113	85,604	(22,491)	-26%	57,365	5,749	10%
Health	184,341	229,147	(44,806)	-20%	180,597	3,743	2%
Sick Pay	20,990	20,747	243	1%	21,864	(873)	-4%
Vacation Pay	76,015	43,681	32,334	74%	31,710	44,305	140%
Holiday Pay	18,984	25,021	(6,037)	-24%	17,000	1,983	12%
Other Paid Leave	2,314	1,627	687	42%	0	2,314	n/a
Unemployment Insurance	1,246	1,456	(210)	-14%	996	250	25%
Uniforms	2,535	4,855	(2,320)	-48%	2,803	(267)	-10%
Medical Exams & License Fe	3,690	4,229	(539)	-13%	4,483	(793)	-18%
Cleaners & Fuelers Subtotal	*$871,716*	*$1,069,853*	*($198,137)*	-19%	*$755,599*	*116,116*	15%
SUPERVISION							
Staff	$590,235	$628,205	($37,970)	-6%	$582,194	8,041	1%
FICA	51,129	54,362	(3,233)	-6%	51,096	34	0%
Pension	66,402	71,062	(4,660)	-7%	65,432	970	1%
Health	176,000	222,775	(46,775)	-21%	183,111	(7,111)	-4%
Sick Pay	15,432	11,876	3,556	30%	13,279	2,154	16%
Vacation Pay	40,829	39,661	1,168	3%	37,987	2,842	7%
Holiday Pay	25,253	23,751	1,502	6%	25,059	194	1%
Other Paid Leave	17,972	11,442	6,530	57%	13,583	4,389	32%
Unemployment Insurance	613	774	(161)	-21%	804	(191)	-24%
Training, Travel & Meetings	20,359	15,000	5,359	36%	9,983	10,376	104%
Supervision Subtotal	*$1,004,224*	*$1,078,908*	*($74,684)*	-7%	*$982,527*	*21,697*	2%

SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
VEHICLE MAINTENANCE DETAIL
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
Vehicle Maintenance Cont'd.							
VEHICLE CONSUMABLES							
Bus Fuel	$1,655,006	$1,699,166	(44,160)	-3%	$1,584,878	70,127	4%
Wave Fuel	$10,026	$24,200	(14,174)	-59%	$534	9,491	1777%
Oil & Lubricants	146,769	197,642	(50,873)	-26%	175,813	(29,044)	-17%
Wave Lubricants	0	1,000	(1,000)	-100%	0	0	n/a
Electric Vehicle Power	120,410	169,984	(49,574)	-29%	134,331	(13,921)	-10%
Wave EV Power	0	5,000	(5,000)	-100%	0	0	n/a
Tire Lease	167,384	153,564	13,820	9%	153,633	13,751	9%
Wave Tires	0	30,000	(30,000)	-100%	0	0	n/a
Tire Mounting	23,624	18,919	4,705	25%	19,557	4,067	21%
Vehicle Consumables Subtotal	*$2,123,218*	*$2,299,475*	*($176,257)*	-8%	*$2,068,747*	*54,471*	3%
VEHICLE PARTS & SUPPLIES							
Bus Parts Issued	$719,833	$675,000	$44,833	7%	$631,276	88,557	14%
Wave Vehicle Parts							
Shop Supplies	76,411	74,484	1,927	3%	60,364	16,047	27%
Bus Servicing Supplies	7,101	15,000	(7,899)	-53%	13,069	(5,967)	-46%
Hazmat Disposal & Complian	17,464	25,000	(7,536)	-30%	23,563	(6,099)	-26%
Vehicle Part & Supplies Subtotal	*$820,809*	*$789,484*	*$31,325*	4%	*$728,272*	*92,537*	13%
VENDOR BUS REPAIRS							
Vandalism Repairs	$499	$5,000	($4,501)	-90%	$230	270	118%
Accident Damage Repairs	32,344	5,000	27,344	547%	4,722	27,622	585%
Accident Claim Collections	(13,496)	(10,000)	(3,496)	35%	(1,715)	(11,781)	687%
Other Vendor Repairs	22,805	45,000	(22,195)	-49%	35,075	(12,270)	-35%
Vendor Bus Repairs Subtotal	*$42,152*	*$45,000*	*($2,848)*	-6%	*$38,311*	*3,841*	10%
RISK & SAFETY							
Workers' Comp Services	$7,982	$16,382	($8,400)	-51%	$37,581	(29,599)	-79%
Workers' Comp Insurance	12,018	13,172	(1,154)	-9%	11,412	606	5%
Current Year Incident Payouts	577	10,000	(9,423)	-94%	0	577	n/a
Current Year Incident Reserv	0	25,000	(25,000)	-100%	0	0	n/a
Prior Years Incident Payouts	5,299	50,000	(44,701)	-89%	69,988	(64,689)	-92%
Change in Prior Years Reser	(51,509)	25,000	(76,509)	-306%	25,809	(77,318)	-300%
Risk & Safety Subtotal	*($25,634)*	*$139,554*	*($165,188)*	-118%	*$144,790*	*(170,424)*	-118%
MICROTRANSIT							
Microtransit Services	21,993	38,601	(16,608)	-43%	18,644	3,349	18%
Microtransit Materials	1,666	18,642	(16,976)	-91%	9,473	(7,806)	-82%
Microtransit Subtotal	*$23,659*	*$57,243*	*($33,584)*		*$28,117*	*($4,458)*	
TOTAL VEHICLE MAINTENANCE	*$6,475,624*	*$7,171,372*	*($695,748)*	-10%	*$6,169,422*	*$306,202*	5.0%

SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
PASSENGER ACCOMMODATIONS DETAIL
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
PASSENGER FACILITIES							
Wages & Benefits							
Supervisors	$238,938	$256,495	($17,557)	-7%	$223,559	15,379	7%
TC Advisors	82,056	118,056	(36,000)	-30%	106,262	(24,206)	-23%
Staff	53,533	53,880	(347)	-1%	50,418	3,114	6%
FICA	30,863	37,634	(6,771)	-18%	32,136	(1,273)	-4%
Pension	31,807	44,172	(12,365)	-28%	37,048	(5,241)	-14%
Health	103,950	150,813	(46,863)	-31%	139,412	(35,462)	-25%
Sick Pay	44,474	15,272	29,202	191%	16,600	27,874	168%
Vacation Pay	34,729	23,964	10,765	45%	29,155	5,573	19%
Holiday Pay	11,821	17,631	(5,810)	-33%	14,022	(2,202)	-16%
Other Paid Leave	16,775	6,652	10,123	152%	6,162	10,612	172%
Unemployment Insurance	718	903	(185)	-21%	718	(1)	0%
Wages & Benefits Subtotal	$649,661	$725,472	($75,811)	-10%	$655,494	(5,832)	-1%
Buildings & Grounds							
TC Contract Maintenance	$110,257	$113,000	($2,743)	-2%	$107,858	2,399	2%
TC Repairs/Supplies	8,085	7,500	585	8%	8,183	(98)	-1%
Bus Stop Repairs/Supplies	2,533	7,000	(4,467)	-64%	2,225	308	14%
TC Property Insurance	17,775	23,500	(5,725)	-24%	21,189	(3,415)	-16%
Buildings & Grounds Subtotal	$138,650	$151,000	($12,350)	-8%	$139,456	(806)	-1%
Passenger Facilities Subtotal	*$788,311*	*$876,472*	*($88,161)*	-10%	*$794,950*	*(6,638)*	-1%
TRANSIT DEVELOPMENT							
Staff	$222,683	$253,574	($30,891)	-12%	$192,443	30,240	16%
FICA	19,733	21,984	(2,251)	-10%	17,484	2,249	13%
Pension	25,930	28,737	(2,807)	-10%	22,938	2,992	13%
Health	46,992	80,438	(33,446)	-42%	48,323	(1,331)	-3%
Sick Pay	7,924	6,632	1,292	19%	6,989	936	13%
Vacation Pay	16,551	14,836	1,715	12%	9,861	6,690	68%
Holiday Pay	9,628	8,290	1,338	16%	8,263	1,364	17%
Other Paid Leave	6,084	4,041	2,043	51%	7,551	(1,467)	-19%
Unemployment Insurance	294	357	(63)	-18%	295	(1)	0%
Training, Travel & Meetings	237	8,500	(8,263)	-97%	4,502	(4,264)	-95%
Planning Services & Supplies	326	1,500	(1,174)	-78%	0	326	n/a
Transit Development Subtotal	*$356,382*	*$428,889*	($72,507)	-17%	*$318,648*	*37,734*	12%

SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
PASSENGER ACCOMMODATIONS DETAIL
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
Passenger Accomodations Cont'd.							
MARKETING & COMMUNITY RELATIONS							
Wages & Benefits							
Staff	$169,164	$189,400	($20,236)	-11%	$108,503	60,661	56%
FICA	14,899	16,053	(1,154)	-7%	9,916	4,983	50%
Pension	14,355	20,984	(6,629)	-32%	13,176	1,179	9%
Health	78,753	63,726	15,027	24%	36,312	42,441	117%
Sick Pay	4,984	4,446	538	12%	2,752	2,232	81%
Vacation Pay	12,404	8,873	3,531	40%	6,670	5,735	86%
Holiday Pay	7,796	5,641	2,155	38%	4,939	2,857	58%
Other Paid Leave	7,926	1,479	6,447	436%	3,763	4,164	111%
Unemployment Insurance	475	238	237	100%	259	216	83%
Wages & Benefits Subtotal	$310,758	$310,840	($82)	0%	$186,290	124,467	67%
Outside Services							
Media Ad Placement	1,978	$80,000	(78,022)	-98%	1,804	174	10%
Brochures & Publications	0	10,000	(10,000)	-100%	4,127	(4,127)	-100%
Market Research	150	2,500	(2,350)	-94%	9,184	(9,034)	-98%
Promotional Giveaways	9,113	12,000	(2,887)	-24%	3,502	5,610	160%
Other Promotions	8,197	47,600	(39,403)	-83%	7,782	415	5%
Route Schedules & Informatic	121,188	50,000	71,188	142%	44,497	76,691	172%
Training, Travel & Meetings	6,819	3,000	3,819	127%	2,212	4,607	208%
Outside Services Subtotal	$147,445	$205,100	($57,655)	-28%	$73,109	74,336	102%
Marketing & Community Relatior	*$458,203*	*$515,940*	*($57,737)*	-11%	*$259,399*	*198,804*	77%
FARE REVENUE COLLECTION							
Wages & Benefits							
Staff	$189,867	$159,044	$30,823	19%	$192,546	(2,679)	-1%
FICA	17,416	14,882	2,534	17%	17,674	(258)	-1%
Pension	23,049	19,453	3,596	18%	23,259	(209)	-1%
Health	68,067	88,496	(20,429)	-23%	76,173	(8,105)	-11%
Sick Pay	7,895	7,098	797	11%	9,783	(1,888)	-19%
Vacation Pay	17,617	17,745	(128)	-1%	17,002	615	4%
Holiday Pay	7,054	7,098	(44)	-1%	6,695	359	5%
Other Paid Leave	6,992	3,549	3,443	97%	7,325	(333)	-5%
Unemployment Insurance	224	238	(14)	-6%	224	0	0%
Wages & Benefits Subtotal	$338,181	$317,603	$20,578	6%	$350,679	(12,498)	-4%
Outside Services							
Fare Processing	$148,327	$100,000	$48,327	48%	$89,029	59,298	67%
Farebox Parts & Repairs	30,684	50,000	(19,316)	-39%	50,818	(20,134)	-40%
Tickets, Tokens & Transfers	43,063	65,000	(21,937)	-34%	60,467	(17,404)	-29%
Outside Services Subtotal	$222,075	$215,000	$7,075	3%	$200,314	21,761	11%
Fare Revenue Collection Subtotā	*$560,256*	*$532,603*	*$27,653*	5%	*$550,993*	*$9,262*	2%
TOTAL PSNGR ACCOMMODAT	*$2,163,152*	*$2,353,904*	($190,752)	-8%	*$1,923,990*	*239,162*	12%

SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
GENERAL OVERHEAD DETAIL
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
FINANCE							
Staff	$404,892	$489,556	($84,664)	-17%	$477,244	(72,352)	-15%
FICA	35,406	42,413	(7,007)	-17%	41,193	(5,787)	-14%
Pension	46,910	55,442	(8,532)	-15%	54,737	(7,827)	-14%
Health	173,292	228,324	(55,032)	-24%	212,976	(39,684)	-19%
Sick Pay	6,393	4,232	2,161	51%	5,338	1,055	20%
Vacation Pay	31,416	33,116	(1,700)	-5%	33,013	(1,597)	-5%
Holiday Pay	17,269	21,162	(3,893)	-18%	20,301	(3,032)	-15%
Other Paid Leave	6,472	6,349	123	2%	7,718	(1,245)	-16%
Unemployment Insurance	504	655	(151)	-23%	617	(113)	-18%
Financial Audit Services	67,542	67,890	(348)	-1%	55,600	11,942	21%
Finance Subtotal	*$790,096*	*$949,139*	($159,043)	-17%	*$908,737*	*(118,641)*	-13%
PERSONNEL							
Staff	$203,076	$106,832	$96,244	90%	$248,200	(45,125)	-18%
FICA	17,568	9,612	7,956	83%	21,550	(3,982)	-18%
Pension	22,871	12,565	10,306	82%	16,802	6,069	36%
Health	89,044	80,906	8,138	10%	92,382	(3,338)	-4%
Sick Pay	7,719	1,711	6,008	351%	7,136	583	8%
Vacation Pay	24,558	9,124	15,434	169%	10,756	13,802	128%
Holiday Pay	8,913	5,703	3,210	56%	9,982	(1,069)	-11%
Other Paid Leave	4,210	2,281	1,929	85%	8,887	(4,676)	-53%
Unemployment Insurance	259	298	(39)	-13%	380	(122)	-32%
Personnel Subtotal	*$378,217*	*$229,032*	*$149,185*	65%	*$416,075*	*(37,858)*	-9%
UTILITIES						*0*	
Telephone & Data Communic	$63,925	$105,078	($41,153)	-39%	$81,739	(17,814)	-22%
Power, Water & Refuse	216,533	254,000	(37,467)	-15%	202,964	13,568	7%
Two-Way Radios	11,287	29,209	(17,922)	-61%	19,687	(8,400)	-43%
Utilities Subtotal	*$291,745*	*$388,287*	*($96,542)*	-25%	*$304,391*	*(12,646)*	-4%
OPERATING FACILITIES							
Wages & Benefits							
Staff	$93,471	$68,858	$24,613	36%	$71,646	21,825	30%
FICA	6,802	6,232	570	9%	6,621	181	3%
Pension	8,998	8,146	852	10%	8,711	287	3%
Health	16,287	16,712	(425)	-3%	15,595	691	4%
Sick Pay	5,195	922	4,273	463%	3,160	2,034	64%
Vacation Pay	8,447	7,685	762	10%	7,703	744	10%
Holiday Pay	3,177	3,074	103	3%	3,074	103	3%
Other Paid Leave	914	922	(8)	-1%	2,029	(1,115)	-55%
Unemployment Insurance	112	119	(7)	-6%	112	0	0%
Wages & Benefits Subtotal	$143,402	$112,670	$30,732	27%	$118,651	24,751	21%

SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
GENERAL OVERHEAD DETAIL
DRAFT FOR THE 12 MONTHS ENDING JUNE 30, 2026

	FY 25-26 ACTUAL	FY 25-26 BUDGET	VARIANCE $	VARIANCE %	FY 24-25 PRIOR	VARIANCE $	VARIANCE %
Operating Facilities (cont'd)							
Service Vehicles							
Parts & Repairs	$32,979	$15,000	$17,979	120%	$17,217	15,761	92%
Fuel	46,203	65,000	(18,797)	-29%	31,517	14,686	47%
Service Vehicles Subtotal	$79,181	$80,000	($819)	-1%	$48,734	30,447	62%
Buildings & Grounds							
Contract Maintenance	$117,786	$121,380	($3,594)	-3%	$110,748	7,038	6%
Overpass Site Maintenance	379,350	150,500	228,850	152%	483	378,867	78429%
B&G Repairs/Supplies	67,615	85,000	(17,385)	-20%	52,833	14,782	28%
Property Insurance	122,608	130,619	(8,011)	-6%	115,127	7,481	6%
Buildings & Grounds Subtotal	$687,360	$487,499	$199,861	41%	$279,191	408,169	146%
Operating Facilities Subtotal	*$909,943*	*$680,169*	*$229,774*	34%	*$446,576*	*463,367*	104%
DISTRICT ADMINISTRATION							
Wages & Benefits							
Staff	$781,983	$897,460	($115,477)	-13%	$758,376	23,607	3%
GASB101 Liabilities Expense	0	0	(0)	-100%	112,621	(112,621)	-100%
FICA	66,847	77,535	(10,688)	-14%	62,198	4,649	7%
Pension	86,867	122,860	(35,993)	-29%	56,743	30,125	53%
Health	177,798	241,119	(63,321)	-26%	170,144	7,654	4%
Sick Pay	22,367	12,094	10,273	85%	3,188	19,179	602%
Vacation Pay	60,736	53,581	7,155	13%	61,983	(1,247)	-2%
Holiday Pay	34,544	34,750	(206)	-1%	30,974	3,570	12%
Other Paid Leave	61,426	10,641	50,785	477%	59,951	1,475	2%
Unemployment Insurance	960	927	33	4%	959	1	0%
Wages & Benefits Subtotal	$1,293,528	$1,450,967	($157,439)	-11%	$1,317,136	($23,609)	-2%
Administrative Services							
Directors Fees	$7,800	$10,080	($2,280)	-23%	7,200	600	8%
Public Officials Insurance	105,193	128,977	(23,784)	-18%	114,662	(9,469)	-8%
Legal Counsel	53,224	75,000	(21,776)	-29%	41,569	11,654	28%
Pension Administration	1,347	1,000	347	35%	81,122	(79,775)	-98%
Office Equipment Maintenanc	584,700	715,617	(130,917)	-18%	601,116	(16,416)	-3%
Interest Expense - GASB96	0	0	(0)	-100%	0	0	n/a
Miscellaneous Services	100,096	232,750	(132,654)	-57%	168,826	(68,730)	-41%
Lobbying Expense	66,000	0	66,000	n/a	0	66,000	n/a
Office & Computer Supplies	41,481	72,000	(30,519)	-42%	51,581	(10,100)	-20%
Dues & Subscriptions	54,412	58,121	(3,709)	-6%	50,847	3,566	7%
Conferences & Training	13,749	25,000	(11,251)	-45%	28,445	(14,696)	-52%
Employee Relations	39,361	48,960	(9,599)	-20%	44,284	(4,923)	-11%
Retiree Health Insurance	(23,883)	96,800	(120,683)	-125%	46,542	(70,425)	-151%
Mandated Fees & Permits	45,621	42,272	3,349	8%	32,810	12,811	39%
Bus Ad Revenue Program	3,482	0	3,482	34822900%	0	3,482	n/a
Miscellaneous Expenses	18,061	15,001	3,060	20%	14,936	3,125	21%
Bad Debt Expense	0	2,500	(2,500)	-100%	0	0	n/a
COVID-19 Exenses	0	0	0	n/a	625	(625)	-100%
Subscription Amortization Ex	81,388	30,000	51,388	171%	92,245	(10,857)	-12%
Administrative Services Subtotal	$1,192,033	$1,554,078	($362,045)	-23%	$1,376,811	($184,777)	-13%
District Administration Subtotal	*$2,485,561*	*$3,005,045*	*($519,484)*	-17%	*$2,693,947*	*($208,386)*	-8%
TOTAL GENERAL OVERHEAD	*$4,855,562*	*$5,251,672*	*($396,110)*	-8%	*$4,769,726*	*$85,836*	2%

BOARD OF DIRECTORS REPORT

MEETING DATE: SEPTEMBER 15, 2026 **AGENDA ITEM #:** 10

TYPE: ACTION ITEM

PREPARED BY: SENIOR PURCHASING AGENT, VALERIE WHITE

REVIEWED BY: GENERAL MANAGER JERRY ESTRADA

SUBJECT: **ADVANCED AUTHORITY TO AWARD AND EXECUTE RENEWABLE DIESEL CONTRACT**

RECOMMENDATION:

Staff recommends that the Board grant the General Manager delegated advance authority to award and execute a renewable diesel (RD) supply contract resulting from an upcoming competitive solicitation, subject to the following conditions:

- Delivered base price not to exceed $4.23 per gallon (excluding applicable regulatory fees and taxes);
- Fixed-price contract term not to exceed 18 months; and
- Contract award made to the lowest responsive and responsible bidder.

DISCUSSION:

Background: In preparation for the contract term starting January 1, 2027, Staff is actively qualifying vendors to ensure a competitive pool of responsive and responsible bidders for the upcoming RD contract. RD serves as a drop-in, non-fossil fuel alternative that matches petroleum diesel performance in heavy-duty transit buses while substantially reducing greenhouse gas lifecycle emissions.

Need for Advance Authority: To maintain budget certainty, MTD seeks a firm, fixed-price agreement. Qualified suppliers hedge their bid pricing through commodity futures contracts immediately upon award to lock in rates and mitigate market exposure. Requiring standard Board approval cycles between bid opening and execution introduces pricing risk, prompting bidders to add a risk premium to their proposals. Granting advance authority allows Staff to execute the contract on the day of bid opening, securing the lowest possible market rate.

Price Bid Maximum: RD pricing correlates closely with Ultra-Low Sulfur Diesel (ULSD) futures. Based on market projections, volatility modeling, and historical supplier margins, Staff estimates competitive bids will fall at or below the FY26-27 Operating and Capital Budget amount of $4.23 per gallon delivered (exclusive of taxes and statutory fees). Establishing this maximum provides necessary fiscal control while preventing procurement delays. If all responsive bids exceed this threshold, Staff will reject the bids and return to the Board for direction.

BOARD OF DIRECTORS REPORT

MEETING DATE: SEPTEMBER 15, 2026 **AGENDA ITEM #:** 11

TYPE: ACTION ITEM

PREPARED BY: DIRECTOR OF FINANCE AND ADMINISTRATION, NANCY TILLIE

REVIEWED BY: GENERAL MANAGER JERRY ESTRADA

SUBJECT: **FTA 5310 FY 26/27 DRAFT GUIDELINES FOR THE SANTA BARBARA URBANIZED AREA**

RECOMMENDATION:

Staff recommends that the Board of Directors review the draft Federal Transit Administration (FTA) Guidelines and Application for the Santa Barbara Urbanized Area, provide comments, and approve final guidelines.

DISCUSSION:

The Federal Transit Administrations (FTA) Section 5310 (FTA 5310) Grant Program provides annual funding to non-profit organizations and local public transportation agencies, enhancing mobility and transportation services for seniors and individuals with disabilities.

FTA requires one or more designated recipients to administer FTA funds for large UZAs. MTD and the Santa Barbara Association of Governments (SBCAG) are dual designated recipients for FTA fund, in this UZA and have agreed to have SBCAG administer the program this year.

As such, SBCAG is responsible for conducting a Call for Projects for the FTA 5310 program. Any agencies receiving FTA 5310 funding will be considered sub-recipients.

2026 Call for Projects

This cycle will provide approximately $286,545 for FY 26/27. Per program guidelines, as fund administrator, SBCAG can use 10%, or $28,654, for administration.

During the FY 25/26 Call for Projects, the total ask was less than the total amount available. The remaining balance of $7,615 will be included in this Call for Projects, bringing the total to $265,506 available to subrecipients. For this call for projects, the 55% reserved for Traditional projects will be allocated to needs for projects approved in Cycles 1 and 2. Approximately $116,050 will be available, this cycle for a Call for Projects for Expanded projects only.

Attachments:

Attachment 1: FTA 5310 Draft Guidelines

Attachment 2: FTA 5310 Application

SBCAG Guidelines for Federal Transit Administration Section 5310
Enhanced Mobility of Seniors and Individuals with Disabilities Program

Santa Barbara Urbanized Area

2026 Call for Projects – Cycle 3

FTA 5310 Program Background

The Federal Transit Administration's (FTA) Section 5310 (FTA 5310) Grant Program funding offers funding to non-profit organizations, state or local government authorities, and local operators of public transportation to enhance the mobility and transportation services for seniors and individuals with disabilities. FTA 5310 funding is provided to the Santa Barbara Urbanized Area (UZA) on annual basis. The Santa Barbara Urbanized Area is designated as a Large UZA per the United States Census and includes the cities of Carpinteria, Goleta and Santa Barbara and unincorporated areas of the southern Santa Barbara County. More information can be found at FTA's website, linked here.

FTA requires that one or more designated recipients administer FTA funds for Large Urbanized Areas (UZAs). Santa Barbara County Association of Governments (SBCAG) serves as the Metropolitan Planning Organization (MPO) for Santa Barbara County. SBCAG and Santa Barbara Metropolitan Transit District (SBMTD) serve as dual-designated recipients of FTA 5310 funds for the Santa Barbara Urbanized Area (UZA). SBCAG is responsible for conducting the FTA 5310 Call for Projects and programming approved projects into the Federal Transportation Improvement Program (FTIP). Any agencies receiving FTA 5310 funding from SBCAG will be considered subrecipients.

2026 Call for Projects – Cycle 3

This Call for Projects is the primary funding source to support projects and strategies identified in SBCAG's Coordinated Public Transit-Human Services Transportation Plan.

This cycle will provide approximately $286,545 for FY 26/27. Per program guidelines, as the fund administrator, SBCAG is able to use 10%, or $28,654 for administration.

For this call for projects, the 55% reserved for Traditional projects will be allocated to needs for projects approved in Cycles 1 and 2.

Approximately $116,050 will be available this cycle for a Call for Projects for Expanded projects only.

Schedule

Milestone	Date
SBCTAC recommends approval of final guidelines	September 2
Final Guidelines approved by SBMTD Board	September 15
Final Guidelines approved by SBCAG Board and Call for Projects announced	September 17
Applications due to SBCAG	October 23
SBCTAC recommends Program of Projects	November 4
Program of Projects approved by the SBMTD Board	November 17
Program of Projects approved by SBCAG Board	November 19

Program Goal

The FTA 5310 Grant Program is intended to improve mobility for seniors and individuals with disabilities by removing barriers to transportation services and expanding transportation mobility options available.

The Program provides funding for:

a. Public transportation projects planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable;
b. Public transportation projects that exceed the requirements of the Americans with Disabilities Act (ADA);
c. Public transportation projects that improve access to fixed-route service and decrease reliance on complementary paratransit; and
d. Alternatives to public transportation projects that assist seniors and individuals with disabilities and with transportation.

Eligible Applicants

Eligible applicants, or subrecipients, in the Santa Barbara Urbanized Area include one or more of the following:

a. A private nonprofit organization

b. A state or local governmental authority that:
    1. Is approved by a state to coordinate services for seniors and individuals with disabilities; or
    2. Certifies there are no nonprofit organizations readily available in the area to provide the service.

c. Operators of public transportation[1] (Expanded projects only).

An eligible applicant will have a service area in the Santa Barbara Urbanized Area.

Coordinated Plan

Proposed projects MUST address one or more of the goals included in Santa Barbara County's Coordinated Public Transit – Human Services Transportation Plan (Coordinated Plan). The Coordinated Plan was approved by the SBCAG Board of Directors on March 21, 2024. The plan can also be found on SBCAG's website: https://www.sbcag.org/planning-programming/document-directory/

Goals in the Coordinated Plan include:

1. Develop a Comprehensive Plan for communication, education, and awareness throughout the county;
2. Strengthen provider resources and create sustainable funding streams;
3. Establish a County-wide plan for coordinated advocacy and policy development;
4. Support ongoing planning, coordination, and collaboration, while creating new community partnerships; and
5. Ensure consistent operation of safe, accessible, and affordable services for county residents.

Projects that do not address any goals in the Coordinated Plan will not be considered for funding.

Eligible Activities – Traditional and Expanded Projects

Eligible projects include capital, mobility management, and operating expenses.

Section 5310 funding can be used for traditional or expanded projects with descriptions on traditional and expanded projects provided below.

55% of FTA 5310 funds ($**149,455*****) will be allocated* to needs for projects approved in Cycles 1 and 2. *The remaining amount or 45% can be used for Expanded projects*.**

Traditional Section 5310 project examples include:

a. buses and vans
b. wheelchair lifts, ramps, and securement devices
c. transit-related information technology systems, including scheduling/routing/one-call systems
d. mobility management programs which can include travel training and volunteer driver programs

[1] Operators of public transportation are entities that provide regular continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low-income.

e. acquisition of transportation services under a contract, lease, or other arrangement

<u>Expanded Section 5310 project examples include:</u>

a. travel training
b. volunteer driver programs
c. building an accessible path to a bus stop, including curb-cuts, sidewalks, accessible pedestrian signals or other accessible features
d. improving signage, or way-finding technology
e. incremental cost of providing same day service or door-to-door service
f. purchasing vehicles to support new accessible taxi, rides sharing and/or vanpooling programs
g. mobility management programs

FTA's Section 5310 program allows grantees to coordinate and assist in regularly providing meal delivery service for homebound individuals if the delivery service does not conflict with providing public transportation service or reduce service to public transportation.

Match Requirements

At least 20% match using non-US DOT funds is required for traditional projects and at least 50% match using non-US DOT funds is required for expanded projects.

Toll credits may be used as match if available. Toll credits are not a cash match but can be used to offset the local match requirement. The table below is a reference for how toll credit match can be used if a traditional project total and need is $100,000.

	Federal Amount (Ask)	**Match Amount (20%)**	**Total Project Cost**
Non Toll Credit match	$80,000	$20,000	$100,000
Toll Credit Match	$100,000	$20,000 (Toll Credits)	$100,000

Federal Grant Requirements

The recipient agency must be able to meet the Federal Transit Administration's conditions for use of its funds. These conditions include but are not limited to:

- Annual outside audit;
- Triennial FTA audit;
- Five-year grant records retention development of a written maintenance plan for FTA-funded vehicles, facilities, and equipment;
- Competitive procurement;
- Buy America;
- ADA; and
- civil rights. (Drug and alcohol testing is not a requirement for these programs.)

Agencies receiving funds will need to have in place a signed agreement committing to meeting FTA requirements.

Evaluation Criteria

SBCAG will use the following evaluation criteria to score and select projects with projects evaluated on a 100 point scale as shown below:

Criteria		Points
1.	**Goals and Objectives**: Degree to which project supports new, enhancement, or expansion of service or system capacity for the targeted populations. The application should clearly state how the project addresses the program goals and the goals and service gaps identified in the Coordinated Plan.	**10**
2.	**Project Implementation Plan**: Degree to which the project implementation has been well designed. Proposals must state who will be responsible for the implementation, and implementation steps and timeline. Sponsors should describe how the project will improve service delivery, coordination, and cost-effectiveness.	**10**
3.	**Communication and Outreach**: Degree to which applicants coordinate with other community transportation and/or social service resources. Application should describe efforts to keep stakeholders involved in and informed of project activities. There should be demonstrated public support for the project (including letters of support), as well as a plan to promote awareness of the project to the target population.	**10**
4.	**Emergency Planning and Preparedness**: Applicant should describe emergency planning and any participation in emergency drills.	**10**
5.	**Ability of Applicant**: Applicant should provide existing experience in providing transportation service or social services for elderly or disabled individuals.	**20**
6.	**Transportation Service**: Determination that existing fleet is fully utilized based on days and hours, passenger trips, and service area.	**20**

7.	**Proposed Project**: Applicant will be scored based on project type– vehicle replacement/expansion and equipment. Replacement and expansion vehicles will receive ratings based on mileage, service hours per week, and number of people served. Equipment will be scored based on number of vehicles within the fleet which are coordinated and service efficiency enhancement with the new equipment. Operating Assistance and Mobility Management Projects will be scored based on the extent to which the applicant provides clear, measurable, and outcome-based performance measures with quantifiable methodology to track the effectiveness of the project.	**20**

Reporting Requirements

The following reporting requirements will be due to SBCAG on the dates or frequency provided below. If awarded FTA 5310 funds, reporting will be specific to the year of apportionment.

a. **Milestone Progress Reports:** recipient must provide SBCAG with updates on the milestone dates (as provided in the application) annually by October 3.
b. **Program Measures:** recipient must provide SBCAG with information available on each of the following measures annually:

Traditional Projects

1. Gaps in Service Filled: Provision of transportation options that would not otherwise be available for seniors and individuals with disabilities, measured in numbers of seniors and individuals with disabilities afforded mobility they would not have without program support as a result of traditional Section 5310 projects implemented in the current reporting year.
2. Ridership: Actual or estimated number of rides (as measured by one-way trips) provided annually for seniors or individuals with disabilities on Section 5310 supported vehicles and services as a result of traditional Section 5310 projects implemented in the current reporting year.

Expanded Projects

1. Service Improvements: related to geographic coverage, service quality, and/or service times that impact availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year
2. Physical Improvements: Additions or changes to environmental infrastructure (e.g., transportation facilities, sidewalks, etc.), technology, and vehicles that

impact availability of transportation services for seniors and individuals with disabilities as a result of other section 5310 projects implemented in the current reporting year.

3. Ridership: Actual or estimated number of rides (as measured by one-way trips) provided annually for seniors or individuals with disabilities on Section 5310 supported vehicles and services as a result of other Section 5310 projects implemented in the current reporting year.

c. **National Transit Database**: 49 United States Code (USC) Section 5335(c) requires all FTA grant recipients that provide public transportation, including grant recipients under Section 5310, to report an asset inventory or condition assessment conducted by the recipient to the National Transit Database (NTD). Recipients that provide services only to their own clients are exempt from this requirement, as such services are not public transportation.

d. **Disadvantaged Business Enterprise (DBE) Reports**. If the state or designated recipient receives planning, capital, and/or operating assistance and awards prime contracts exceeding $250,000 in FTA funds in a federal fiscal year, DOT regulations require the state or designated recipient to have a DBE program and establish a DBE goal methodology that applies to all direct and subrecipient contracting activity resulting from those funds. Subrecipients must follow the recipient's established DBE program. FTA recipients that meet the above thresholds must submit a DBE goal to FTA for review by August 1 at three-year intervals, based on a schedule established by FTA.

Please contact Maya Kulkarni, SBCAG Transportation Planner II, at mkulkarni@sbcag.org, with any questions on the FTA 5310 Program.

SBCAG
SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

SBCAG Application for Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program

Applications due to SBCAG by 5:00 pm on October 23, 2026

Please complete all sections of this application. Incomplete and/or missing information will not be considered for funding. Instructions and other guidance documents are available on SBCAGs website at sbcag.org. Completed applications should not exceed 35 pages, excluding required attachments.

Send application and supporting documents to Maya Kulkarni mkulkarni@sbcag.org by October 23, 2026 at 5PM. Late applications will not be accepted.

Section 1: Applicant Information		
Applicant Agency:		
Is your agency eligible for FTA 5310 funding as per page 2 of SBCAG Guidelines for FTA 5310? ☐Yes ☐No		
Physical Address (No P.O. Box)		
City	County	Zip
Agency Contact		
Phone	E-Mail Address	
Attachments Checklist		
☐ Map of Service Area ☐Emergency Services response plan documentation ☐Completed pre-trip and post trip inspection forms from FY 2025 ☐FY 2025 CHP vehicle/terminal inspection report or Agency vehicle inspection report ☐Transportation Service Table ☐Proposed Project Table (Replacement/Expansion Projects only)		
Authorizing Representative must certify the information contained in this application is true and accurate and has signature authority to enter into grant agreements on behalf of the applicant organization. Printed Name: Title: Signature: ______________________ Email Address:		

Section 2: Agency Purpose
Briefly describe your agency's purpose. Click or tap here to enter text.
Describe the services that your agency provides, as well as the service area. Please attach a map delineating the service boundaries to your application. Click or tap here to enter text.

Section 3: Project Information
Select the project category for this application: ☐Traditional ☐Expanded
Amount of Section 5310 funds requested for the project: $
Match requirement: at least 20% match is required for traditional projects, and at least 50% match is required for expanded projects. Please provide the amounts and funding sources you will be using for the match: Fund Source 1: Amount $ Percentage: % Fund Source 2: Amount $ Percentage: % Fund Source 3: Amount $ Percentage: %
Total Project Cost: $
Project Scope: Please provide a detailed scope of your project. If you are applying for a Traditional project, please include the project type (Replacement/Expansion or Other Equipment). Click or tap here to enter text.

Project Schedule: Provide project milestones and dates that these milestones will be completed. These milestones will be used to provide the annual Milestone Progress Reports as described in the guidelines.

Milestone	Date Completed

Section 4: Evaluation Criteria

Goals and Objectives (10 Points): *Degree to which project supports new, enhancement, or expansion of service or system capacity for the targeted populations.*

1. How does your project address the goals of this program? (5 points)
   Click or tap here to enter text.

2. Describe how your project addresses one or more of the goals and service gaps identified in the Coordinated Plan. (5 points)
   Click or tap here to enter text.

Project Implementation Plan (10 Points): *Degree to which the project implementation has been well designed.*

1. Describe the project implementation plan. Please include who will be responsible for the implementation steps and timeline. (5 points)
   Click or tap here to enter text.

2. How will the project improve service delivery, coordination, and cost-effectiveness? (5 points)
   Click or tap here to enter text.

Communication and Outreach (10 Points): *Degree to which applicants coordinate with stakeholders and other community transportation and/or social service resources.*

1. Describe your outreach methods with your senior and disabled clients to ensure their needs are being met and adjustments to service are made accordingly. (5 points)
   Click or tap here to enter text.

2. Describe the efforts you will make to keep stakeholders and community transportation providers informed of project activities. Please attach letters of support. (5 points)
   Click or tap here to enter text.

Emergency Planning and Preparedness (10 Points): *Applicant should describe emergency planning and any participation in emergency drills.*

1. Describe the steps you have taken to identify available accessible vehicles for potential use during an emergency. (5 points)
   Click or tap here to enter text.

2. Describe the emergency planning and drill activities within your agency and in coordination with the county. Indicate the drill(s) you have participated in, or are scheduled to participate in. Attach proof your agency is included in the County Office of Emergency Services response plan. (5 points)
   Click or tap here to enter text.

Ability of Applicant (20 Points): *Applicant should provide existing experience in providing transportation service or social services for elderly or disabled individuals.*

1. Describe your organization's experience and history in providing efficient and effective transit services. Please state how many years your organization has provided services to seniors and individuals with disabilities. If you will be a first-time provider of transportation services, provide the number of years you have provided social services to seniors and individuals with disabilities. (5 points)
   Click or tap here to enter text.

2. Describe your agency's driver training program by specifically discussing each of the following components indicating whether they will be performed in-house or under contract and the staff or position(s) responsible (4 points):
   a. New Driver Orientation and Training; including classroom and behind the wheel and testing. Including ongoing training.
      Click or tap here to enter text.
   b. Sensitivity Training, Emergency Preparedness, First Aid and CPR.
      Click or tap here to enter text.
3. Describe your agency's system for dispatching vehicles and discuss training of staff in the dispatching function. (3 points)

Click or tap here to enter text.

4. Describe your agency's vehicle maintenance program, addressing each of the following components. **Please attach completed pre-trip and post-trip inspection forms and maintenance forms from FY 2025 as an appendix.** (6 points)
    a. Daily pre-trip and post-trip inspection description
    Click or tap here to enter text.
    b. Preventative and routine maintenance description
    Click or tap here to enter text.
    c. Contingency plan for when equipment is not available for service
    Click or tap here to enter text.

5. If your agency operates vehicles with more than 10 passengers (includes driver), attach a copy of your most recent CHP vehicle and terminal inspection report. If your agency is not required to have a CHP inspection attach your agency's vehicle inspection reports from FY 2025. (2 points).
    Click or tap here to enter text.

Transportation Service (20 Points): *Determination that existing fleet is fully utilized based on days and hours, passenger trips, and service area.* (20 Points)

1. Complete **Table 1 – Transportation Service**. Instructions to complete the table are included on Appendix A.

Proposed Project (20 Points): *Applicant will be scored based on project type.* (20 Points)

1. If you have a **Replacement/Expansion** project: **Complete Table 2 – Proposed Project Vehicle Replacement**. Instructions to complete the table are on Page 7
2. If you are requesting **Other Equipment**: Complete the information on **Page 8**.
3. If you are requesting **Operating Assistance**: Complete the information on **Page 9**.
4. If you have a **Mobility Management Project**: Complete the information on **Page 10**.

Transportation Service

Please complete Table 1 – Transportation Service and attach along with your application. Instructions to complete the table are on Appendix A.

Proposed Project – Vehicle Expansion/Replacement

New or Service Expansion: **Table 2 – Proposed Project** should be filled out by agencies starting a new transportation service or adding new or additional service to their current program. See instructions for information on how to fill out the chart.

To complete the chart provide the information below in the respective column:

1. Indicate if vehicle request is for New (N) transportation agency or Service Expansion (SE) for an existing agency.
2. Indicate type of requested vehicle, such as Modified Van, Small Bus, etc. as shown on the Funding Request

Note: if the requested vehicle(s) will be used in coordination to transport another agency's clients on a regular basis, include those trips in the calculations of the proposed service for columns 3-7

3. Indicate the number of days of vehicle service (eg. Monday-Friday = 5, Monday-Sunday = 7)
4. Indicate the average number of vehicle service hours per day (exclude idle time when the vehicle is not in direct passenger service). Use whole hours; do not use ranges or portions of hours.
5. Calculate vehicle service hours by multiplying column 3 with column 4 (e.g. 5 days per week X 8 hours per day = 40 hours per week)
6. Indicate the projected number of one-way passenger trips per day (each time a passenger boards the vehicle, round trips would be counted as 2 passenger trips) and of the total how many are wheelchair/lift users.
7. Indicate the projected average number of miles that the vehicle will travel per day.

Use the chart on Table 2 – Proposed Project to complete following question:

Compute the total percentage of current and projected wheelchair/lift users ____%

For Expanded Service: Use the total number of wheelchair/lift users in your current program (page 3 of this application), add the projected number of lift users for this expanded service, then divide by the total number of existing and projected passengers from column 6 below.

For New Service: Use the total number of projected wheelchair/lift users then divide by total projected passengers from column 6.

Proposed Project – Other Equipment

Other Equipment: This section is to be completed by agencies requesting other equipment such as a computer system, software and or communication. For the 2021 Call, this category also includes COVID-19 Response Equipment.

If you are making a request for new equipment based on the inadequacy of your old equipment, please include a detailed description of the make and year model of the equipment to be replaced consistent with the scoring worksheet. The equipment must be used to support your transportation operation, that is, the number of vehicles you operate in your transportation program.

a. How many vehicles are in the existing Service Fleet (including back up)? (15 pts)	____
b. Is the applicant currently using a manual system for scheduling, vehicle tracking, etc. and/or has no dispatch communication equipment? (5 points)	____
OR	
c. Does the applicant need to replace inadequate equipment to improve efficiency? Equipment more than 5 years old – 5 pts 3 to 5 years old – 3 pts Less than 3 years old – 0 pts	____
Total (20 Points)	____

Fleet utilization determination

a. What are the total service hours per week for your existing or projected fleet? ____
b. What is the existing or projected number of passengers per hour? ____
c. What are the total vehicle miles per day? ____

Proposed Project – Operating Assistance

1. Please provide performance measures and objectives for your proposed project below. (2 points)

Annual Performance Measures and Objectives		
Existing Service		
☐Current Geographic Coverage	Number of one-way trips per day:	
☐Current Service Hours/Days	Number of new one-way miles on weekdays:	
☐Current System Capacity	Number of new one-way miles on weekends:	
☐Current Access/Connections	Click or tap here to enter text.	
Service Expansion		
☐Current Geographic Coverage	Number of one-way trips per day:	
☐Current Service Hours/Days	Number of new one-way miles on weekdays:	
☐Current System Capacity	Number of new one-way miles on weekends:	
☐Current Access/connections	Click or tap here to enter text.	

2. Identify the performance measures/indicators to track the effectiveness of your project and include the number of people you anticipate being served, and the number and purpose of trips that the project will provide (and other measurable units of service). Include the desired outcome (impact) that the project will have on the target community. (5 points)
   Click or tap here to enter text.

3. Based on the performance objectives/outcomes that you provided in the previous question, describe methodologies and procedures for ongoing monitoring and evaluation of the project or service. (3 points)
   Click or tap here to enter text.

Proposed Project – Mobility Management

1. Please provide performance measures and objectives for your proposed project below. (2 points)

Mobility Management		
☐Mobility Management	Number of customer contacts:	
	Number of one-way trips:	
☐One Stop Center/Customer Referral	Number of customer contacts:	
☐Trip/Itinerary Planning	Number of customer contacts:	
☐One-on-One Travel Training	Number of people trained:	
☐Internet-Based Information	Number of web hits:	
☐Information Materials/Marketing	*Description of materials/distribution*	
☐Driver Training	Number of drivers trained:	

2. Identify the performance measures/indicators to track the effectiveness of your project and include the number of people you anticipate being served, and the number and purpose of trips that the project will provide (and other measurable units of service). Include the desired outcome (impact) that the project will have on the target community. (5 points)
   Click or tap here to enter text.

3. Based on the performance objectives/outcomes that you provided in the previous question, describe methodologies and procedures for ongoing monitoring and evaluation of the project or service. (3 points)
   Click or tap here to enter text.

Appendix A – Instructions to complete the Existing Transportation Services Table

Instructions are below by column number:

1. Identified by the last five digits of the VIN, list all vehicles your agency currently owns or leases that provide passenger service to seniors and/or persons with disabilities. Include backup vehicles and those to be removed from service if a new vehicle is awarded. Also list any vehicles you have on order for which you have received a grant or commitment from any source (e.g., Section 5310, Department of Aging, city or county).
2. **Proposed Replacement requests only**: Indicate the type of vehicle, Van or Bus for vehicles proposed for replacement in the application. A van is defined as a vehicle with a gross vehicle weight rating (GVWR) of less than 10,000 pounds; and a bus as a vehicle with a GVWR of more than 10,000 pounds, as identified by the Original Equipment Manufacturer's (OEM's) weight certificate located on the driver's side door. Also indicate the **disposition** of the vehicle proposed for replacement as follows: "**BK**" for backup and "**S**" for sell. To be eligible for replacement, vehicles must meet the following criteria at the time the application is filled:
    a. Vehicle to be replaced must be currently registered to the applicant and in **active service** (providing service throughout the agency's normal days and hours of operation)
    b. Vehicle to be replaced is for a like-kind vehicle with similar service life. **Sedans and SUVs are not eligible for replacement.**
3. List all active vehicles years and makes in your fleet inventory (add additional rows if you need more space
4. List the most current mileage
5. List ambulatory (A) seating capacity and wheelchair (W) capacity (e.g., 6A/2W) for each vehicle
6. Indicate the number of fold down seats in the wheelchair positions for each vehicle
7. Identify, by indicating "Y" for yes and "N" for no, if a vehicle is currently used as a backup vehicle. **Note**: vehicles currently in backup service are not eligible for replacement.
8. Date the vehicle was purchased or leased by your agency
9. List the registered owner(s) of the vehicle. Do not list the legal owner (lien holder) You may abbreviate or use the words "applicant", "county", etc. where the meaning is clear in the context of the application.
10. List number of hours per day, excluding idle time, that each vehicle provides service. Then the total service hours per day for all active vehicles (exclude backups) in the fleet by totaling all entries and enter the total in the last cell in column 10. Use whole number hours.
11. List average number of one-way passenger trips per day. Provide total number of one-way passenger trips per day for all active vehicles (exclude backups) in the fleet by totaling all entries and enter the total in the last cell in column 11. Do not use ranges.
12. Annual maintenance and repair costs. List total maintenance and repair costs for the last 12-month period for which figures are available.

Proposed Project - Vehicle Replacement

	1	2	3	4	5	6	7
	Type of Request N – New agency SE – Service Expansion	Vehicle Type	Days of Service	Total Service Hours Per Day	Total Service Hours Per Week	Total one-way passenger Trips Per Day (number of lift users)	Projected Mileage Per Day
Ex	*N or SE*	*Small Bus*	*5*	*6*	*30*	*25(5)*	*400*
1							
2							
3							
4							
5							
6							
7							

Transportation Service - Existing Transportation Services

To complete the chart below, list all vehicles your agency currently owns or leases that provide passenger service to seniors and/or individuals with disabilities. Include backup vehicles and those to be removed from service if a new vehicle is awarded. Also list any vehicles you have on order or for which you have received a grant or commitment from any source (e.g., Section 5310, Department of Aging, city or county.)

If this information is not tracked per vehicle (volunteer vehicles), please fill out columns 5,6,10, and 11 to reflect the scope and scale of the transportation services you provide. If this information is not tracked per vehicle, please provide estimates and include an attachment that provides proof of the total trips and hours.

For additional instructions, refer to Appendix A.

For replacement vehicle requests: Replacement vehicles are identified as those needing replacement in order for the Agency to continue their existing services. For each new vehicle requested, a current vehicle in active service must be placed in backup or sold.

Answer the following questions and complete the chart below.

A. Total miles traveled per day for all active vehicles in fleet (excluding the vehicles indicated as backup in Column 7) ________

B. Days of Service (e.g., Monday thru Sunday) ________

C. Percentage of current wheelchair/lift users ________ %

a. To compute, divide total riders (Applicant Profile Table, Page 4) by wheelchair/lift clients.

	1	2	3	4	5	6	7	8	9	10	11	12
	List All VINs in Fleet (Last 5 digits)	Replacement Requests Vehicle Type /Disposition	List All Active Vehicles by Year/Make/Model	Current Mileage	Passenger Capacity Ambulatory/ Wheelchair	Number of Fold Down Seats	Current Backup Vehicle Y/N	Date Purchased or Leased (indicate if leased)	Registered Owner (not lienholder)	Vehicle Service Hours Per Day	Total One-Way Passenger Trips Per Day	12 Month Maintenance & Repair Costs
Ex	*12345*	*Van/BK*	*2003 Ford*	*252,899*	*6A/2W*	*3*	*N*	*1/1/2001*	*Agency X*	*6*	*16*	*$1,000*
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
								Total for Columns 10 & 11		**0**	**0**	

BOARD OF DIRECTORS REPORT

MEETING DATE: SEPTEMBER 15, 2026 **AGENDA ITEM #:** 12

TYPE: ACTION ITEM

PREPARED BY: HUMAN RESOURCES AND RISK MANAGER, DAVID SERRANO

REVIEWED BY: GENERAL MANAGER, JERRY ESTRADA

SUBJECT: **STAFF MEDICAL PLAN – UPDATED PARTICIPATION AGREEMENT SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA)**

RECOMMENDATION:

Staff recommend the Board of Directors:

1. approve/adopt the PRISM/SDRMA's updated Participation Agreement;
2. approve/adopt the Resolution Approving the Form of and Authorizing the Execution of a Memorandum of Understanding and Authoring Participation in the Special District Risk Management Authority's Health Benefits Program

DISCUSSION:

The District provides its non-union Staff employees with medical benefits purchased through the Special District Risk Management Authority, who through their relationship with Public Risk Innovation, Solutions, and Management (PRISM), offers small group medical plans to small, small-medium sized California Special Districts. The District has been involved with SDRMA medical plans since July 1, 2012. The Board adopted a resolution, Resolution # 2019-04, on October 15, 2019.

The SDRMA presents an update to the Membership Participation Agreement, following their governing board and PRISM governing board procedures. According to SDRMA, the table listed below indicates specific changes/updates to the Participation Agreement:

Section:	Previous Language:	Revised Language:	Description of Change:
Definitions	Various terms and definitions, some not clearly defined or missing	Expanded and clariid definitions for "Committee," "Coverage Documents," "Program Participation Agreement," and "Program Documents."	Improved clarity and specificity of key terms for better understanding and administration.

Entry into Program	ENTITY shall enroll in the Program by making application through SDRMA.	ENTITY shall apply for participation by executing all forms prescribed by SDRMA, subject to approval by the Program's Underwriter.	Clarifies the application process and emphasizes underwriter approval.
Maintenance of Effort	Program provides health benefits to all participants of the ENTITY.	Specifies eligible participants (active employees, retired employees, dependents, public officials) and outlines optional participation for some groups.	Clarifies eligibility and participation requirements.
Premiums	ENTITY will remit monthly premiums based on rates established by SDRMA.	Premiums and rates are set by the Committee; SDRMA adds an administrative fee. Details on billing, penalties for late payment, and termination for non-payment added.	Adds detail on premium calculation, billing, and consequences for late payment.
Benefits	Benefits as set forth in ENTITY's Plan Summary.	Benefits must be agreed upon with employee organizations and approved by the Program underwriter.	Adds requirement for underwriter approval of plan selections.
Assessments & Dividends	Assessments/dividends used sparingly; allocation based on premiums paid.	Committee may impose premium assessments if funds are insufficient; details on liability for withdrawn entities and dividend formula.	Expands on funding adequacy, assessment process, and dividend distribution.

Withdrawal	ENTITY may withdraw with 90 days' notice.	Notice period extended to 120 days prior to January 1; rescission deadline added; 3-year waiting period for re-entry after withdrawal.	Tightens withdrawal process and re-entry requirements.
Arbitration	Not previously specified.	Adds binding arbitration clause for disputes, specifying Sacramento, CA as venue.	Introduces formal dispute resolution process.
Amendment	Amendments require written agreement by both parties.	Clarifies amendment process, including SDRMA's right to terminate if ENTITY does not execute required amendments.	Strengthens amendment and termination provisions.

The District, through Legal Counsel, has reviewed these changes. Continued participation in SDRMA Medical Benefits program is contingent upon adoption of the revised/updated Participation Agreement. If the District does not adopt these amended Participation Agreements, SDRMA/PRISM could drop the District from its coverage effective 1/1/2027

While the District is a currently participating agency (Entity) in the SDRMA/PRISM small group medical plan, the District will continue to practice its due diligence in evaluating the health insurance market place annually, for cost of coverage, plan design, and ease of usage for our employees. As SDRMA/PRISM make clear in the amended Participation Agreement, should an Entity opt out, it may be three (3) years before the Entity could return to SDRMA/PRISM small group medical plan coverage. Hence, as part of any due diligence, it would include looking and forecasting the medical health coverage marketplace for up to three (3) years in advance.

Based upon our role as a currently participating agency (Entity), it is recommended the Board adopt/approve continued participation in the SDRMA/PRISM small group medical plan program, by adopting the attached resolution.

ATTACHMENTS: (3)

- Resolution: SDRMA Health Benefits
- Revised MOU for Health Benefits Redline
- Revised SDRMA Health Benefits MOU

RESOLUTION NO. 2026-08

A RESOLUTION OF THE OF THE BOARD OF DIRECTORS OF THE SANTA BARBARA METROPOLITAN TRANSIT DISTRICT APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING AND AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY'S HEALTH BENEFITS PROGRAM

WHEREAS, the Santa Barbara Metropolitan Transit District, a public agency duly organized and existing under and by virtue of the laws of the State of California (the "ENTITY"), has determined that it is in the best interest and to the advantage of the ENTITY to participate in the Health Benefits Program offered by Special District Risk Management Authority (the "Authority"); and

WHEREAS, the Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 *et seq.,* for the purpose of providing risk financing, risk management programs and other coverage protection programs; and

WHEREAS, participation in Authority programs requires the ENTITY to execute and enter into a Memorandum of Understanding which states the purpose and participation requirements for the Health Benefits Program; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the ENTITY is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE ENTITY AS FOLLOWS:

Section 1: Findings. The ENTITY's Governing Body hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the ENTITY.

Section 2: Memorandum of Understanding. The Memorandum of Understanding, to be executed and entered into by and between the ENTITY and the Authority, in the form presented at this meeting and on file with the ENTITY's Secretary, is hereby approved. The ENTITY's Governing Body and/or Authorized Officers ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the ENTITY, to execute and deliver to the Authority the Memorandum of Understanding.

Section 3: Program Participation. The ENTITY's Governing Body approves participating in the Special District Risk Management Authority's Health Benefits Program.

Section 4: Severability. If any provision of this resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable.

Section 5: Other Actions. The Authorized Officers of the ENTITY are each hereby authorized and directed to execute and deliver any and all documents which are necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 6: Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 15th day of September, 2026 by the following vote:

AYES: ____________________

NOES: ____________________

ABSENT: ____________________

____
David Davis

____
Chair, Board of Directors,
Santa Barbara Metropolitan Transit District

____
Jenn Lemberger,
Secretary
Santa Barbara Metropolitan Transit District

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (HEREAFTER "MEMORANDUM") IS ENTERED INTO BY AND BETWEEN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (HEREAFTER "SDRMA") AND THE PARTICIPATING PUBLIC ENTITY (HEREAFTER "ENTITY") WHO IS SIGNATORY TO THIS MEMORANDUM.

WHEREAS, on August 1, 2006, SDRMA in its capacity as a member of Public Risk Innovation, Solutions and Management (PRISM) and having executed the Joint Powers Agreement (JPA) governing PRISM, was appointed administrator for the purpose of enrolling small public entities into the ~~Public Risk Innovation, Solutions and Management~~ (PRISM) Health and/or Employee Benefits Small Group Program (hereinafter "P~~ROGRAM~~rogram"); and

WHEREAS, the terms and conditions of the PROGRAM as well as benefit coverage, rates, assessments, and premiums are governed by the PRISM Health Committee and/or PRISM Employee Benefits Committee for the P~~ROGRAM~~rogram (the "C~~OMMITTEE~~ommittee") and not SDRMA; and

WHEREAS, ENTITY desires to enroll and participate in the P~~ROGRAM~~rogram, acknowledging that SDRMA acts solely in an administrative capacity and does not establish Program terms.

NOW THEREFORE, SDRMA and ENTITY agree as follows:

1. DEFINITIONS. For purposes of this MEMORANDUM, unless the context otherwise requires, the following terms when capitalized have the respective meanings set out below and are applicable to the singular as well as to the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

a. "Committee" means the PRISM Health Committee and/or PRISM Employee Benefits Committee for the Program.

b. "Coverage Documents" means, except as otherwise provided herein, coverage documents from each carrier outlining the coverage provided, including terms and conditions of coverage, are controlling with respect to the coverage of the Program and will be provided by SDRMA to each ENTITY. Documents will be made available through the online SDRMA Portal and be accessible to approved users of the ENTITY.

c. "Program Participation Agreement" means the agreement issued by PRISM/AUS Underwriting to the Entity that details the final terms of acceptance and any special exceptions or terms that have been made a part of the underwriting approval and is required to be completed and executed in order to constitute full acceptance as a member of the PRISM Small Group Program.

d. “Program” or “PRISM” means the Public Risk Innovation, Solutions and Management (PRISM) Health and/or Employee Benefits Small Group Program.

e. “Program Documents” means the following: SDRMA Program Administrative Guidelines, SDRMA Resolution, Program Underwriting application and any required underwriting documents, Program approval, Program Underwriting & Eligibility Rules and Program Participation Agreement.

~~1~~2. PURPOSE. ENTITY is signatory to this MEMORANDUM for the ~~express~~ sole purpose of enrolling in the Program~~ROGRAM~~.

~~2~~3. ENTRY INTO PROGRAM. ENTITY shall ~~enroll~~ apply for participation in the Program~~ROGRAM~~ by ~~making application through~~ executing and all forms prescribed by SDRMA. ~~-~~SDRMA shall submit the completed forms to ~~which shall be subject to approval by~~ the Program~~ROGRAM~~'s Underwriter who has the authority to accept or reject Entity’s application in its sole discretion based on the Program’s ~~and~~ governing documents and in accordance with the Program’s~~applicable~~ eligibility guidelines.

~~3~~4. MAINTENANCE OF EFFORT. Program ~~ROGRAM is designed to provide an alternative~~ provides health benefits ~~solution~~ to all ~~participants~~ active employees, retired employees, dependents of an active or retired employee and public officials of the ENTITY who satisfy requirements for participation. ~~of the ENTITY including active employees, retired employees (optional), dependents (optional) and public officials (optional).~~ ENTITY public officials may participate in the Program~~ROGRAM~~ only if they are currently being covered and their own ENTITY’s enabling act, plans and policies allow it. ENTITY must contribute at least the minimum percentage required by the eligibility requirements

~~4~~5. PREMIUMS. ENTITY ~~understands~~ agrees and acknowledges that premiums and rates for the Program ~~ROGRAM~~ are set by the ~~COMMITTEE~~Committee and that SDRMA’s Administrative Fee is set by SDRMA For each billing cycle,. ENTITY will remit the total monthly ~~premiums based upon rates established~~ amount billed by SDRMAfor each category of participants and the census of covered employees, public officials, dependents and retirees. PREMIUMs are based on a full month, and there are no partial months or prorated PREMIUMs. Enrollment for mid-year qualifying events and termination of coverage will be made in accordance with the SDRMA Program Administrative Guidelines.

~~Rates for the ENTITY and each category of participant will be determined by the COMMITTEE designated for the PROGRAM based upon advice from its consultants and/or a consulting Benefits Actuary and insurance carriers. In addition, SDRMA adds an administrative fee to premiums and rates for costs associated with administering the PROGRAM. Rates may vary depending upon factors including, but not limited to, demographic characteristics, loss experience of all public entities participating in the PROGRAM and differences in benefits provided (plan design), if any.~~

~~SDRMA will administrate a billing to ENTITY each month, with payments due by the date specified by SDRMA. Payments received after the specified date will accrue penalties up to and including termination from the PROGRAM. Premiums are based on a full month, and there are no partial months or prorated premiums. Enrollment for mid-year qualifying events and termination of coverage will be made in accordance with the SDRMA Program Administrative Guidelines~~.
Late Payment Penalties. ENTITY shall pay all PREMIUM invoices as billed to SDRMA, regardless of any changes to eligibility or adjustments to PREMIUMS that may occur during the billing month and not reflected in the PREMIUM invoice. SDRMA shall issue PREMIUM invoices to ENTITY prior to the coverage month in which they are due. PREMIUM invoices are due by the due date stated on the invoice and considered delinquent thirty (30) calendar days from the due date. In addition to the outstanding balance due for any unpaid invoice, ENTITY shall be liable to SDRMA for a late payment penalty of 1% of the outstanding balance of any unpaid portion of such invoice effective (30) calendar days after the invoice due date. SDRMA reserves the right to terminate the MEMORANDUM and ENTITY'S Participation Agreement, including immediate cessation of all services under the Program, any time after it provides written notice to ENTITY of its failure to pay the amount due of any invoice.

~~5~~6. BENEFITS. Benefits provided to ENTITY participants shall be as set forth in ENTITY's Plan Summary for the Program ~~ROGRAM~~ and as agreed upon between the ENTITY and its recognized employee organizations as applicable. Not all plan offerings will be available to ENTITY, and plans requested by ENTITY must be submitted to Program~~ROGRAM~~ underwriter for approval.

6. ~~COVERAGE DOCUMENTS. Except as otherwise provided herein, coverage documents from each carrier outlining the coverage provided, including terms and conditions of coverage, are controlling with respect to the coverage of the PROGRAM and will be provided by SDRMA to each ENTITY. SDRMA will provide each ENTITY with additional documentation, defined as the SDRMA Program Administrative Guidelines which provide further details on administration of the PROGRAM.~~

7. ~~PROGRAM FUNDING. It is the intent of this MEMORANDUM to provide for a fully funded PROGRAM by any or all of the following: pooling risk; purchasing individual stop loss~~

~~coverage to protect the pool from large claims; and purchasing aggregate stop loss coverage.~~

~~8. ASSESSMENTS. Should the PROGRAM not be adequately funded for any reason, pro-rata assessments to the ENTITY may be utilized to ensure the approved funding level for applicable policy periods. Any assessments which are deemed necessary to ensure approved funding levels shall be made upon the determination and approval of the COMMITTEE in accordance with the following:~~

~~a. Assessments/dividends will be used sparingly. Generally, any over/under funding will be factored into renewal rates.~~

~~b. If a dividend/assessment is declared, allocation will be based upon each ENTITY's proportional share of total premiums paid for the preceding 3 years. An ENTITY must be a current participant to receive a dividend, except upon termination of the PROGRAM and distribution of assets.~~

~~c. ENTITY will be liable for assessments for 12 months following withdrawal from the PROGRAM.~~

~~d. Fund equity will be evaluated on a total PROGRAM-wide basis as opposed to each year standing on its own.~~

7. ASSESSMENTS AND DIVIDENDS. The Program annual premium, as approved by the Committee will be established at a level which is anticipated to provide adequate overall funding. The Program will directly manage surpluses and deficits. Premiums are targeted to fund expected claims (including incurred-but-not-reported (IBNR) and run-out), reinsurance (if any), Program/administrative expenses, and any reserve or margin adopted by the Committee.

If Program funds are insufficient (including funding IBNR), the Committee may impose premium assessments on all applicable participating Entities, consistent with the JPA, including ENTITY signing this MEMORANDUM. Entities that have withdrawn from the Program are liable for assessments attributable to plan year(s) in which they participated.

After appropriate reserves and obligations are funded and any Committee-approved margin is achieved, the Committee may declare a dividend or premium credit, using a formula recommended by the Program Underwriters and actuary.

~~9~~8. WITHDRAWAL. ENTITY may withdraw from this MEMORANDUM and terminate its Program Participation Agreement for a subsequent calendar year subject to the following condition: ~~ENTITY shall notify SDRMA and the PROGRAM in writing of its~~

~~intent to withdraw at least 90 days prior to their requested withdrawal date~~. ENTITY shall notify SDRMA in writing of its intent to withdraw from this MEMORANDUM and terminate its Program Participation Agreement at least 120 days prior to January 1st of the subsequent calendar year in which it shall be effective . No withdrawal shall become effective until December 31 of the year that notice of termination is received. ENTITY may rescind its notice of intent to withdraw and terminate no later than October 1st. Once ENTITY withdraws from the Program~~ROGRAM~~, there is a 3-year waiting period to come back into the Program~~ROGRAM~~, and the ENTITY will be subject to underwriting approval ~~again~~.

~~10. LIAISON WITH SDRMA. Each ENTITY shall maintain staff to act as liaison with SDRMA and between the ENTITY and SDRMA's designated PROGRAM representative.~~

9. ARBITRATION OF DISPUTES. To the extent permitted by law, all controversies between the ENTITY and SDRMA that may arise out of or relate to any of the services provided by SDRMA under the MEMORANDUM, or the construction, performance or breach of this or any other agreement between the ENTITY and SDRMA, whether entered into prior to, on or subsequent to the date hereof, shall be settled by binding arbitration in the City of Sacramento, California, under the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any award rendered by the arbitrator(s) shall be final, and may be entered into any court having jurisdiction.

~~11~~10. GOVERNING LAW. This MEMORANDUM shall be governed in accordance with the laws of the State of California.

~~12~~11. VENUE. Venue for any dispute or enforcement shall be in the City of Sacramento, California.

~~13~~12. ATTORNEY FEES. The prevailing party in any dispute shall be entitled to an award of reasonable attorney fees.

~~14.~~13. COMPLETE AGREEMENT. This MEMORANDUM together with the related Program~~ROGRAM documents~~ Documents constitutes the full and complete agreement of the ENTITY.

~~15~~14. SEVERABILITY. Should any provision of this MEMORANDUM be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.

~~16~~15. AMENDMENT OF MEMORANDUM; WAIVER. This MEMORANDUM may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed by authorized representatives of SDRMA and ENTITY. The failure of either Party to enforce at any time any provision of the MEMORANDUM shall not be construed to be a waiver of such provision, nor in any way to affect the validity of the MEMORANDUM or the right of either party thereafter to enforce each and every such provision.~~may be amended by the SDRMA Board of Directors and such amendments are subject to approval of ENTITY's designated representative, or alternate, who shall have authority to execute this MEMORANDUM.~~ ~~Any~~ If ENTITY ~~who~~ fails or refuses to execute an amendment to this MEMORANDUM ~~–~~by the deadline included in written notice of SDRMA'S execution of said amendment, SDRMA reserves the right to terminate ~~shall be deemed to have withdrawn~~ this MEMORANDUM and ENTITY'S Program Participation Agreement ~~from the PROGRAM~~ effective as of ~~on~~ the next annual renewal date.

~~17~~16. Effective Date. This MEMORANDUM shall become effective on the later of the first date of coverage for the ENTITY or the last date of signing of this MEMORANDUM by the Chief Executive Officer or Board President of SDRMA and the authorized person for the ENTITY.

~~18~~17. Execution In Counterparts. This MEMORANDUM may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

In Witness Whereof, the undersigned have executed the MEMORANDUM as of the date set forth below.

Dated: ____________________ By:_____________________________________

Special District Risk
Management Authority

Dated: ____________________ By:_____________________________________

~~Agency~~ ENTITY Name

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (HEREAFTER "MEMORANDUM") IS ENTERED INTO BY AND BETWEEN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (HEREAFTER "SDRMA") AND THE PARTICIPATING PUBLIC ENTITY (HEREAFTER "ENTITY") WHO IS SIGNATORY TO THIS MEMORANDUM.

WHEREAS, on August 1, 2006, SDRMA in its capacity as a member of Public Risk Innovation, Solutions and Management (PRISM) and having executed the Joint Powers Agreement (JPA) governing PRISM, was appointed administrator for the purpose of enrolling small public entities into the (PRISM) Health and/or Employee Benefits Small Group Program (hereinafter "Program"); and

WHEREAS, the terms and conditions of the PROGRAM as well as benefit coverage, rates, assessments, and premiums are governed by the PRISM Health Committee and/or PRISM Employee Benefits Committee for the Program (the "Committee") and not SDRMA; and

WHEREAS, ENTITY desires to enroll and participate in the Program, acknowledging that SDRMA acts solely in an administrative capacity and does not establish Program terms.

NOW THEREFORE, SDRMA and ENTITY agree as follows:

1. DEFINITIONS. For purposes of this MEMORANDUM, unless the context otherwise requires, the following terms when capitalized have the respective meanings set out below and are applicable to the singular as well as to the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

a. "Committee" means the PRISM Health Committee and/or PRISM Employee Benefits Committee for the Program.

b. "Coverage Documents" means, except as otherwise provided herein, coverage documents from each carrier outlining the coverage provided, including terms and conditions of coverage, are controlling with respect to the coverage of the Program and will be provided by SDRMA to each ENTITY. Documents will be made available through the online SDRMA Portal and be accessible to approved users of the ENTITY.

c. "Program Participation Agreement" means the agreement issued by PRISM/AUS Underwriting to the Entity that details the final terms of acceptance and any special exceptions or terms that have been made a part of the underwriting approval and is required to be completed and executed in order to constitute full acceptance as a member of the PRISM Small Group Program.

d. “Program” or “PRISM” means the Public Risk Innovation, Solutions and Management (PRISM) Health and/or Employee Benefits Small Group Program.

e. “Program Documents” means the following: SDRMA Program Administrative Guidelines, SDRMA Resolution, Program Underwriting application and any required underwriting documents, Program approval, Program Underwriting & Eligibility Rules and Program Participation Agreement.

2. PURPOSE**.** ENTITY is signatory to this MEMORANDUM for the sole purpose of enrolling in the Program.

3. ENTRY INTO PROGRAM**.** ENTITY shall apply for participation in the Program by executing and all forms prescribed by SDRMA. SDRMA shall submit the completed forms to the Program's Underwriter who has the authority to accept or reject Entity’s application in its sole discretion based on the Program’s governing documents and in accordance with the Program’s eligibility guidelines.

4. MAINTENANCE OF EFFORT**.** Program provides health benefits to all active employees, retired employees, dependents of an active or retired employee and public officials of the ENTITY who satisfy requirements for participation. ENTITY public officials may participate in the Program only if they are currently being covered and their own ENTITY’s enabling act, plans and policies allow it. ENTITY must contribute at least the minimum percentage required by the eligibility requirements

5. PREMIUMS. ENTITY agrees and acknowledges that premiums and rates for the Program are set by the Committee and that SDRMA’s Administrative Fee is set by SDRMA For each billing cycle. ENTITY will remit the total monthly amount billed by SDRMA for each category of participants and the census of covered employees, public officials, dependents and retirees. PREMIUMs are based on a full month, and there are no partial months or prorated PREMIUMs. Enrollment for mid-year qualifying events and termination of coverage will be made in accordance with the SDRMA Program Administrative Guidelines.

Late Payment Penalties. ENTITY shall pay all PREMIUM invoices as billed to SDRMA, regardless of any changes to eligibility or adjustments to PREMIUMS that may occur during the billing month and not reflected in the PREMIUM invoice. SDRMA shall issue PREMIUM invoices to ENTITY prior to the coverage month in which they are due. PREMIUM invoices are due by the due date stated on the invoice and considered delinquent thirty (30) calendar days from the due date. In addition to the outstanding balance due for any unpaid invoice, ENTITY shall be liable to SDRMA for a late payment penalty of 1% of the outstanding balance of any unpaid portion of such invoice effective (30) calendar days after the invoice due date. SDRMA reserves the right to terminate the

MEMORANDUM and ENTITY'S Participation Agreement, including immediate cessation of all services under the Program, any time after it provides written notice to ENTITY of its failure to pay the amount due of any invoice.

6. BENEFITS. Benefits provided to ENTITY participants shall be as set forth in ENTITY's Plan Summary for the Program and as agreed upon between the ENTITY and its recognized employee organizations as applicable. Not all plan offerings will be available to ENTITY, and plans requested by ENTITY must be submitted to Program underwriter for approval.

7. ASSESSMENTS AND DIVIDENDS. The Program annual premium, as approved by the Committee will be established at a level which is anticipated to provide adequate overall funding. The Program will directly manage surpluses and deficits. Premiums are targeted to fund expected claims (including incurred-but-not-reported (IBNR) and run-out), reinsurance (if any), Program/administrative expenses, and any reserve or margin adopted by the Committee.

If Program funds are insufficient (including funding IBNR), the Committee may impose premium assessments on all applicable participating Entities, consistent with the JPA, including ENTITY signing this MEMORANDUM. Entities that have withdrawn from the Program are liable for assessments attributable to plan year(s) in which they participated.

After appropriate reserves and obligations are funded and any Committee-approved margin is achieved, the Committee may declare a dividend or premium credit, using a formula recommended by the Program Underwriters and actuary.

8. WITHDRAWAL. ENTITY may withdraw from this MEMORANDUM and terminate its Program Participation Agreement for a subsequent calendar year subject to the following condition: ENTITY shall notify SDRMA in writing of its intent to withdraw from this MEMORANDUM and terminate its Program Participation Agreement at least 120 days prior to January 1st of the subsequent calendar year in which it shall be effective. No withdrawal shall become effective until December 31 of the year that notice of termination is received. ENTITY may rescind its notice of intent to withdraw and terminate no later than October 1st. Once ENTITY withdraws from the Program, there is a 3-year waiting period to come back into the Program, and the ENTITY will be subject to underwriting approval.

9. ARBITRATION OF DISPUTES. To the extent permitted by law, all controversies between the ENTITY and SDRMA that may arise out of or relate to any of the services provided by SDRMA under the MEMORANDUM, or the construction, performance or breach of this or any other agreement between the ENTITY and SDRMA, whether entered into prior to, on or subsequent to the date hereof, shall be settled by binding arbitration in the City of

Sacramento, California, under the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any award rendered by the arbitrator(s) shall be final and may be entered into any court having jurisdiction.

10. GOVERNING LAW. This MEMORANDUM shall be governed in accordance with the laws of the State of California.

11. VENUE. Venue for any dispute or enforcement shall be in the City of Sacramento, California.

12. ATTORNEY FEES. The prevailing party in any dispute shall be entitled to an award of reasonable attorney fees.

13. COMPLETE AGREEMENT. This MEMORANDUM together with the related Program Documents constitutes the full and complete agreement of the ENTITY.

14. SEVERABILITY. Should any provision of this MEMORANDUM be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.

15. AMENDMENT OF MEMORANDUM; WAIVER. This MEMORANDUM may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed by authorized representatives of SDRMA and ENTITY. The failure of either Party to enforce at any time any provision of the MEMORANDUM shall not be construed to be a waiver of such provision, nor in any way to affect the validity of the MEMORANDUM or the right of either party thereafter to enforce each and every such provision. If ENTITY fails or refuses to execute an amendment to this MEMORANDUM by the deadline included in written notice of SDRMA'S execution of said amendment, SDRMA reserves the right to terminate this MEMORANDUM and ENTITY'S Program Participation Agreement effective as of the next annual renewal date.

16. EFFECTIVE DATE. This MEMORANDUM shall become effective on the later of the first date of coverage for the ENTITY or the last date of signing of this MEMORANDUM by the Chief Executive Officer or Board President of SDRMA and the authorized person for the ENTITY.

17. EXECUTION IN COUNTERPARTS. This MEMORANDUM may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

In Witness Whereof, the undersigned have executed the MEMORANDUM as of the date set forth below.

Dated: ___________________ By:___________________________________

Special District Risk
Management Authority

Dated: ___________________ By:___________________________________

ENTITY Name

Tel 800.537.7790
Fax 916.231.4111
www.sdrma.org

SANTA BARBARA MTD

BOARD OF DIRECTORS REPORT

MEETING DATE: SEPTEMBER 15, 2026 **AGENDA ITEM #:** 13

TYPE: ACTION ITEM

PREPARED BY: SENIOR PURCHASING AGENT, VALERIE WHITE

REVIEWED BY: GENERAL MANAGER JERRY ESTRADA

SUBJECT: **AWARD JANITORIAL SERVICES CONTRACT**

RECOMMENDATION:

Staff recommends that the Board of Directors authorize the General Manager to execute a contract with Rich & Famous, Inc. dba Big Green Cleaning Company for comprehensive daily janitorial services for a one-year base term for the firm fixed fee schedule representing an initial one-year base term the amount of $125,900.00, with four consecutive one-year options with not-to-exceed annual escalations of 3.5%, for a total potential five-year contract value of $675,134.46, as evaluated:

Year 1 Activity 2026 -2027		Unit	Contract Firm Fixed Price/Amount	Quantity For Bid Evaluation purposes	Calculated Annual Bid Price for Evaluation purposes
Terminal 1	Olive Terminal - 550 Olive St	per month	$6,317.00	12	$75,804.00
Transit Center	Downtown Hub 1020 Chapala St	per month	$3,238.00	12	$38,856.00
Terminal 2	Goleta Terminal - 5353 Overpass Rd	per visit	$20.00	12	$240.00
Special Tasks	any location	per hour	$50.00	100	$5,000.00
Emergency	any location	per hour	$60.00	100	$6,000.00
				Total Year 1 Evaluated Bid	$125,900.00
Year 2 Option	not to exceed % change		3.5		$130,306.50
Year 3 Option	not to exceed % change		3.5		$134,867.23
Year 4 Option	not to exceed % change		3.5		$139,587.58
Year 5 Option	not to exceed % change		3.5		$144,473.15
				Total 5-Year Evaluated Bid	$675,134.46

DISCUSSION:

Santa Barbara MTD requires professional commercial janitorial services to maintain a clean, safe, and welcoming environment at all its operating facilities for its employees and the served public: daily scheduled and on-call for urgent matters.

On July 20, 2026, an Invitation for Bids for Janitorial Services was formally released: advertised in the *Ventura County Star* and *Santa Barbara Independent*, published on MTD's website, and distributed directly to 23 prospective vendors. On July 29, 2026, MTD conducted a mandatory pre-bid conference and job walk across all three facilities with six firms participating. Addendum No. 1, issued on August 7, 2026, provided operational clarifications from discussions held on-site.

Sealed bids were publicly opened on August 12, 2026. Bids were evaluated based on the lowest Total 5-Year Evaluated Bid Price (Base Year 1 plus Option Years 2 through 5):

Bidder	Year One Bid	Five Year Evaluated Bid
Big Green Cleaning Company	$125,900.00	$675,134.46
Premier Property Preservation	$129,524.00	$687,788.63
Munoz Janitorial	$142,900.00	$750,225.00
Channel Islands Janitorial	$154,600.00	$796,190.00
Southern Coast Janitorial	$159,864.00	$812,237.49

Big Green Cleaning Company was deemed fully responsive: executed all required compliance forms, acknowledged Addendum No. 1, submitted valid non-collusion and lobbying certifications, and took no exception to MTD's terms and conditions. Furthermore, Big Green Cleaning Company was determined to be a fully responsible contractor:

- Headquartered in Santa Barbara, Big Green has operated locally for 48 years and will perform 100% of the work in-house with no subcontractors.
- Background checks confirmed active, good standing with the California Secretary of State, no debarments or exclusions on SAM.gov
- Strong credit references were verified with regional supply vendors.
- City and County work references provided positive feedback noting superior quality and immediate supervisory response

MTD developed an Independent Cost Estimate (ICE) of $112,000.00 for Year 1 based on unindexed historical baseline figures. Big Green's Year 1 bid of $125,900.00 represents a reasonable 12.4% increase reflecting cumulative post-pandemic labor and prevailing wage market adjustments. A comparative analysis against the other bidders confirms a fair and reasonable price:

Analysis Metric	Year One Bid	Five-Year Bid
Big Green Cleaning Company's Bid	$125,900.00	$675,134.46
Average Bid (market midpoint)	$142,557.60	$744,315.12
Variance ($)	-$16,657.60	-$69,180.66
Variance (%)	-12%	-9%

The second lowest Bidder was only $3,624 more than Big Green Cleaning Company's Bid for that first year; confirming that Big Green Cleaning Company was on target with aggressive competition. In addition, Big Green Cleaning Company bid does "save" MTD $33,964 in year one when compared to the highest bidder; and $137,103 over a five-year term. Evaluating the bids over the five-year term allows MTD to initiate option years seamlessly and secures substantial long-term value. Contract expenditure will be charged to the Operating Facilities budgets, supported by local transit operating funds and FTA assistance.

SANTA BARBARA MTD

BOARD OF DIRECTORS REPORT

MEETING DATE:	SEPTEMBER 15, 2026	**AGENDA ITEM #:**	14
TYPE:	ACTION ITEM		
PREPARED BY:	PLANNING AND MARKETING MANAGER HILLARY BLACKERBY		
REVIEWED BY:	GENERAL MANAGER JERRY ESTRADA		
SUBJECT:	**CONFLICT OF INTEREST CODE UPDATE**		

RECOMMENDATION:

Staff and MTD's attorney request that the Board approve the recommended changes to the Conflict of Interest Code:

- Appendix C - Designated Employees title and names.

ATTACHMENT:

- Conflict of Interest Code

<u>Santa Barbara Metropolitan Transit District</u>
<u>Conflict of Interest Code</u>

Sec. 1 <u>Purpose and Applicability.</u>

As a governmental institution, the Santa Barbara Metropolitan Transit **District** ("**District**") must be vigilant in its protection of the public trust. **Public officials** are bound to observe the highest standards of performance and to discharge faithfully the duties of their office, regardless of personal considerations. The members of the Board of Directors hold office for the benefit of the public and their offices must not be used for the purpose of private gain. This Conflict of Interest Code ("Code") is intended to prescribe standards of conduct designed to ensure the honesty and integrity of those **persons** governing the operation of the **District**.

The Political Reform Act, Government Code section 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, California Code of Regulations, title 2, section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of California Code of Regulations, title 2, section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the Santa Barbara Metropolitan Transit District. Nothing set forth herein is intended to be inconsistent with the regulations adopted by the Fair Political Practices Commission.

Sec. 2 <u>Definitions.</u>

Unless expressly defined herein or in Appendix A, the definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this Code. Terms defined in Appendix A hereto are printed in **bold** type in this Code.

Sec. 3 <u>**Public Official**.</u>

As used, herein "**public official**" means members and alternates of the Board of Directors, **designated employees** of **District**, and **consultants** to and contractors of **District** required to file disclosure statements pursuant to this Code.

Sec. 4 <u>Statements of Economic Interests.</u>

Sec. 4.1 **Designated Employees**. The **persons** holding positions of General Manager, Assistant General Manager, and Procurement Officer are **designated**

employees. All such employees have senior management positions. It has been determined that these individuals make or participate in decisions that may foreseeably have a material effect on **financial interests**. These individuals are listed in Appendix C.

Sec. 4.2 Place of Filing. All members of the Board of Directors and all **designated employees** shall file statements of economic interests with the Secretary of the Board of Directors. The Secretary shall review all statements and, after consultation with **District** General Counsel, report to the Board of Directors any potential conflicts noted in the statements. In addition:

Designated employees may file their statements online using eDisclosure, which will submit the Form 700 to the County Clerk, Recorder and Assessor. Statements will be made available for public inspection and reproduction (Government Code Section 81008). Your Department/Agency's filing official can give you access.

Designated employees who file using a paper Form 700 shall file with the Code Agency. Upon receipt of the Statement filed by the designated employee, a copy shall be retained with the Code Agency and the original shall be forwarded to the County Clerk, Recorder and Assessor.

Sec. 4.3 Time of Filing. Statements shall be filed according to the following schedule:

Sec. 4.3.1 Initial Statements. All members of the Board of Directors and all **designated employees** employed by **District** on the effective date of this Code shall file statements within 30 days of that effective date. Thereafter, each person already in a position subsequently designated by an amendment to this Code shall file an initial statement within 30 days after the effective date of the amendment.

Sec. 4.3.2 Assuming Office Statements. All **persons** assuming **designated employee** positions after the effective date of this Code shall file statements within 30 days after assuming the designated position.

Sec. 4.3.3 Annual Statements. All **designated employees** shall file statements no later than April 1st of each calendar year.

Sec. 4.3.4 Leaving Office Statements. All **persons** who leave **designated employee** positions shall file statements within 30 days after leaving office.

Sec 4.4 Statements for Persons Who Resign Prior to Assuming Office

Sec. 4.4.1 Any **person** who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming officer statement, is not deemed to have assumed office of left office, provided he or she did not make or participate in the making of, or use his or her position to influence and decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such **persons** shall not file either an assuming or leaving office statement.

Sec. 4.4.2 Any **person** who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision, or receive, or become entitled to receive, and form of payment by virtue of being appointed to the position.

Sec. 4.5 Contents of Statements.

Sec. 4.5.1 Contents of Initial Statements. Initial statements shall disclose any reportable **investments, interest in real property**, **income** and business positions held on the effective date of the Code and **income** received during the 12 months prior to the effective date of the Code.

Sec. 4.5.2 Contents of Assuming Office Statements. Assuming office statements shall disclose any reportable **investments, interest in real property, income** and business positions held on the date of assuming office, and **income** received during the 12 months prior to the date of assuming office.

Sec. 4.5.3 Contents of Annual Statements. Annual Statements shall disclose any reportable **investments**, **interest in real property**, **income** and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the Code <u>or the date of assuming office, whichever is later</u>.

Sec. 4.5.4 Contents of Leaving Office Statements. Leaving office statements shall disclose reportable **investments, interest in real property**, **income** and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

Sec. 5 Manner of Reporting.

Statements of economic interests shall be made on Form 700, attached hereto as Appendix B, and shall contain the following information:

Sec. 5.1 **Investment** and Real Property Disclosure. When an **investment** or an interest in real property is required to be reported, the statement shall contain the following:

Sec. 5.1.1 A statement of the nature of the **investment** or interest.

Sec. 5.1.2 The name of the business entity in which each **investment** is held, and a general description of the business activity in which the business entity is engaged.

Sec. 5.1.3 The address or other precise location of the real property.

Sec. 5.1.4 A statement whether the fair market value of the **investment** or **interest in real property** equals or exceeds Two Thousand Dollars ($2,000.00), exceeds Ten Thousand Dollars ($10,000.00), exceeds One Hundred Thousand Dollars ($100,000.00), or exceeds One Million Dollars ($1,000,000.00).

Sec. 5.1.5. If the interest is a leasehold interest, identify the number of years remaining on the lease.

Sec. 5.1.6. If the interest is a leasehold interest, identify the exact date the lease became effective or terminated if it did so during the period covered by the statement.

Sec. 5.2 Personal **Income** Disclosure. When personal **income** is required to be reported, the statement shall contain:

Sec. 5.2.1 The name and address of each **source of income** aggregating Five Hundred Dollars ($500.00) or more in value, or Fifty Dollars ($50.00) or more in value if the **income** was a **gift**, and a general description of the business activity, if any, of each source.

Sec. 5.2.2 A statement whether the aggregate value of **income** from each source, or in the case of a loan, the highest amount owed to each source, was One Thousand Dollars ($1,000.00) or less, greater than One Thousand Dollars ($1,000.00), greater than Ten Thousand Dollars ($10,000.00), or greater than One Hundred Thousand Dollars ($100,000.00).

Sec. 5.2.3 A description of the consideration, if any, for which the **income** was received.

Sec. 5.2.4 In the case of a **gift**, the name, address and business activity of the donor and any intermediary through which the **gift** was made; a description of the **gift**; the amount or value of the **gift**; and the date on which the **gift** was received.

Sec. 5.2.5 In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

Sec. 5.3 Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported, the statement shall contain:

(1) The name, address and a general description of the business activity of the business entity; and

(2) The name of every **person** from whom the business entity received payments if the filer's pro rata share of the gross receipts from such **person** was equal to or greater than ten thousand dollars ($10,000.00).

Sec. 5.4 Business Position Disclosure. When business positions are required to be reported, a **designated employee** shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the **designated employee's** position with the business entity.

Sec. 5.5 Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an **investment** of an **interest in real property** was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

Sec. 6 Standards of Conduct for **Public Officials**.

There are numerous laws and regulations which govern the conduct of **public officials** and which are applicable to **District**. When in doubt as to the applicability of any law or regulation or provision of this Code to any particular situation, the potentially affected **person** should request an advisory opinion from counsel to **District**. All **persons** subject to this Code shall be familiar with its provisions, including the following provisions that govern the conduct of all **public officials**:

Sec. 6.1 **Public officials** shall disqualify themselves from making, or participating in the making of, or in any way attempting to use their official position to influence, a **governmental decision** which they know or have reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

Sec. 6.1.1 Any business entity in which the public official has a direct or indirect investment worth Two Thousand Dollars ($2,000.00) or more.

Sec. 6.1.2 Any **interest in real property** in which the **public official** has a direct or indirect interest worth Two Thousand Dollars ($2,000.00) or more.

Sec. 6.1.3 Any **source of income**, other than **gifts** and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating Five Hundred Dollars ($500.00) or more in value provided to, received by or promised to the **public official** within 12 months prior to the time the decision is made.

Sec. 6.1.4 Any business entity in which the **designated employee** is a director, officer, partner, trustee, employee, or holds any position of management.

Sec. 6.1.5 Any donor of, or any intermediary or agent for a donor of, a **gift** or **gifts** aggregating Five Hundred Dollars ($500.00) or more provided to, received by, or promised to the **designated employee** within twelve months prior to the time when the decision is made.

Sec. 6.2 **Public officials** shall not be financially interested in any contract made by them in their official capacity. They shall not be purchasers at any sale or vendors at any purchase made by them in their official capacity. A contract made in violation of provision within Section 6 of this Code may be voided by the Board of Directors.

Sec. 6.3 **Public officials** shall not engage in any employment or activity for compensation that is inconsistent or incompatible or in conflict with his or her duties as a Board member or employee (that is, which would interfere with the official's ability to carry out official duties or exercise independent judgment on behalf of the public interest). **Public officials** shall not engage in outside employment or provide services for compensation where any part of those efforts will be subject to approval by the Board of Directors, or any other board, officer or employee acting on behalf of **District**.

Sec. 6.4 No **public official** shall participate in a **governmental decision** in which he or she has a close personal interest that would tend to impair the exercise of independent judgment in the public interest.

Sec. 6.5 No **public official** shall hold another public office where the two offices are incompatible.

Sec. 6.6 No **public official** of the **District** may solicit or accept, either directly or indirectly, any **gift**, gratuity, loan, or other item or service of value if either the discharge of his or her official duties would be influenced or he or she has been, is presently, or may in the near future be involved in any official act or action directly affecting the donor or lender.

Sec. 6.7 Invitations, received from bidders or other parties involved in a pending procurement, for business lunches, parties, or similar functions shall be declined. This is intended to avoid any situation that may give an appearance of improper influence in **District** procurement activities.

Sec. 6.8 No **public official** shall accept any honorarium from any source, if the **public official** would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

Sec. 6.8.1 No **public official** shall accept **gifts** with a total value of more than $520 in a calendar year from any single source, if the **public official** would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

Sec. 6.9 Notwithstanding the above, this section shall not apply to the following:

Sec. 6.9.1 An occasional non-pecuniary **gift** of nominal value accepted in the ordinary course of a business meeting.

Sec. 6.9.2 Unsolicited advertising or promotional material of nominal intrinsic value.

Sec. 6.9.3 A **gift**, gratuity, favor, loan, or other thing of value when circumstances make it clear that an obvious long-standing social or family relationship, rather than a business relationship, is the motivating factor.

Sec. 6.10 No **public official** or **designated employee** shall disclose or otherwise use confidential information acquired by virtue of his or her position or employment with the **District** for his or her or another **person**'s private gain. No Board member shall reveal information received in a lawful closed session unless such information is required by law to be disclosed.

Sec. 7 **Legally Required Participation**.

No **public official** of **District** shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a **designated employee** who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

Sec. 8 Prohibitions Against the Use of Public Office for Personal Gain.

No **public official** of **District** shall use for personal gain or advantage, **District** facilities, equipment, supplies, personnel or other things of value or his or her position or office to secure, for personal benefit, **gifts**, special privileges or exemptions.

Sec. 9 Conduct When There May Be a **Financial Interest**.

Public officials shall conduct themselves as follows whenever the Board member, employee or **consultant** has, or may have, a **financial interest** in making or participating in the making of, any **governmental decision**:

Sec. 9.1 Board of Directors' member: Unless his or her participation is legally required, when the matter comes up on the agenda, the Director shall disclose his or her interest, refrain from participating in any way in the decision making process, and withdraw from the room if the subject is being discussed in a closed session.

Sec. 9.2 During any **contract formation**, a Director may not have any **financial interest** in any contract made by the **District**. Board of Directors are conclusively presumed to be involved in the making of all contracts under their Board's jurisdiction. Any contract made when a Director has a financial interest will be void. Disclosure of any **financial interest** and disqualification of the Director from contract formation will not prevent the creation of a void contract. Directors may engage in contract formation only when: (1) they have no financial interest; (2) they have a **remote interest**, (3) they have a **noninterest**; and/or (4) the contract involves a necessity.

Sec 9.3 If **designated employee** has a **remote interest**, that employee shall not be deemed to be to have a **financial interest** in a contract entered into by the **District** if the fact of that interest is disclosed to the body of the Board of Directors, and is noted in the official records, and thereafter the Board of Directors authorizes, approves, or ratifies the contract in good faith by a vote of its membership sufficient for the purpose without counting the vote of the **designated employee** with the **remote interest**.

Sec. 9.4 Employees: The employee shall immediately report the nature of the matter and the existence of a conflict to his or her superior so that the work may be assigned to another employee.

Sec. 9.5 **Consultants**: The **consultant** shall immediately report the nature of the matter and the existence of the conflict to the General Manager, who shall determine the action to be taken.

Sec. 10 Contact with Vendors, Bidders, and Proposers.

Prior to the issuance of a procurement solicitation, informational and research contacts with prospective vendors may be made for the purpose of gathering needed data. However, in making such contacts, **District** employees, officers, and agents shall avoid any commitment, or implication thereof, of a possible future contract.

Accordingly, requests for substantial complimentary services or supplies which may imply an obligation on the part of **District** shall be avoided. Also to be avoided are requests for testing services, product samples or demonstrations, and free trips to examine vendor products.
Whenever a procurement is in process, e.g., during the solicitation, evaluation, negotiation, and award phases, all contacts with potential contractors or vendors shall be made through the Procurement Officer.

Sec. 11 Incompatible Uncompensated Activities.

Sec. 11.1 **Public officials** may participate in outside activities for which they are not compensated, but are discouraged from participating in such non-compensated activities when any of the following subsections applies:

Sec. 11.1.1 The activity involves a substantial commitment of time that interferes with the **public official's** ability to timely discharge his or her official duties.

Sec. 11.1.2 The activity involves matters which come regularly before the Board and would create a substantial conflict between private interest and the exercise of Board authority in the public interest.

Sec. 11.2 A director may disqualify himself or herself in matters coming before the Board where the director concludes that participation would create the appearance of a conflict of interest.

Sec. 12 Penalties for Violation.

This Code has the force and effect of law. **Designated employees** violating any provision of this Code are subject to the administrative, criminal and civil sanctions provided in the Political

Reform Act, Government Code sections 81000-91015. In addition, failure to adhere to the provisions of this Code shall constitute a violation of **District** policy and shall subject the violator to disciplinary action up to and including termination as deemed appropriate by the **District** General Manager and/or Board of Directors. Any decision affected by a violation of the disqualification provisions of this Code has occurred may be set aside as void.

Sec. 13 Transportation Passes and Discounts.

Other than indicated below, the **District** may not grant, and Directors and/or **designated employees** may not receive, free passes or discounts for transit. The acceptance of a pass or discount by a **public official**, other than a Public Utilities Commissioner, shall work a forfeiture of that office. The Board of Directors or other employees may receive passes or discounts if such passes or discounts are provided to assist or enable them to perform a part of their official duties.

Sec. 14 Post Employment Restrictions.

Sec. 14.1 Post Employment Restriction for Board Members. The **District** shall not employ or retain under contract for compensation any individual who has served as a Board member within the previous two years. No Board member who leaves his or her office and accepts a position of employment with, or as a contractor or **consultant** for, a current or future **District** contractor/**consultant** may participate in a project or provide any goods or services to the **District**, through the contractor or **consultant**, for a period of two years.

Sec. 14.2 Post Employment Restrictions for Employees. No employee who leaves his or her **District** position and accepts a position of employment with, or as a contractor of **consultant** for, a current or future **District** contractor (**consultant**, vendor, developer, etc.) may participate in a project or provide any goods or services to the **District** through the contractor, for a period of two years. The General Manager may, when it is in the overall best interests of the **District**, make exceptions in the case of employees who have retired.

Appendix A

DEFINITIONS

1. **CONTRACT FORMATION**: The following actions constitute involvement in contract formation: (1) Any involvement in preliminary discussions, reasoning, negotiations, planning, drawing or plans or specifications and solicitations of bids relating to a contract; or (2) participation in decisions to modify, extend or renegotiate an existing contract, including exercise of an option.

2. **CONSULTANT**: Consultant shall be defined pursuant to 2 Cal. Code Regs. § 18700(a)(2) for purposes of this code. A consultant is an individual who, pursuant to contract with a state or local agency:

(A) Makes a governmental decision whether to:

(i) Approve a rate, rule, or regulation;

(ii) Adopt or enforce a law;

(iii) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;

(iv) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval;

(v) Grant agency approval to a contract which requires agency approval and in which the agency is a party or the specification for such a contract;

(vi) Grant approval to a plan, design, report, study or similar item:

(vii) Adopt, or grant agency approval or, policies, standards, or guidelines for the agency, or for any subdivision thereof;

or

(B) Serves in a staff capacity with the agency and in that capacity performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.

Consultants shall be included in the list of **designated employees** and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

3. **DESIGNATED EMPLOYEE**: Any official of the **District** whose position is designated in this Code.

4. **DISTRICT**: The Santa Barbara Metropolitan Transit **District**.

5. **FINANCIAL INTEREST**: For the purposes of Article IV of this Code, a **designated employee** has a **financial interest** in a decision if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, or on any significant segment thereof, within the **jurisdiction**, on:

   (a) Any business entity in which the **designated employee** has a direct or indirect **investment** worth more than Two Thousand Dollars ($2,000.00).

   (b) Any real property in which the **designated employee** has a direct or indirect interest worth more than Two Thousand Dollars ($2,000.00).

   (c) Any **source of income**, other than loans by a commercial lending institution in the regular course of business, aggregating Five Hundred Dollars ($500.00) or more in value received by or promised to the **designated employee** within twelve (12) months prior to the time when the decision is made; or

   (d) Any business entity in which the **designated employee** is a director, officer, partner, trustee, employee or holds any position of management.

   (e) Indirect **investment** or interest, as used to define **financial interest**, means any **investment** or interest owned by the spouse or dependent child of the **designated employee**, by any business entity controlled by the **designated employee** or by a trust in which the business entity is controlled by a **designated employee** if the **designated employee** has a substantial interest. A business entity is controlled by a **designated employee** if the **designated employee**, his or her agents, spouse and dependent children hold more than Fifty Percent (50%) of the ownership interest in the entity. A **designated employee** has a substantial interest in a trust when the **designated employee**, his or her spouse and dependent children have a present or future interest worth more than Two Thousand Dollars ($2,000.00).

6. **GIFT**: Any payment to the extent that the consideration of equal or greater value is not received. Any **person**, other than a defendant in a criminal action, who claims that a

payment is not a **gift** by reason of receipt of consideration has the burden of proving that the consideration received is of equal or greater value. The term **"gift"** does not include informational material such as books, reports, pamphlets, calendars or periodicals. No payment for travel or reimbursements for any expenses shall be deemed "informational material."

7. **INCOME**:

(a) **Income** means, except as provided in subsection (b), **income** of any nature from any source, including but not limited to any salary, wage, advance, payment, dividend, interest, rent, capital gain, return of capital, **gift**, including any **gift** of food or beverage, loan, forgiveness or payment of indebtedness, discount in the price of anything of value unless the discount is available to members of the public without regard to official status, rebate, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any **person** other than an employer, and including any community property interest in **income** of a spouse. **Income** of an individual also includes a pro rata share of any **income** of any business entity or trust in which the individual or spouse owns, directly, indirectly, or beneficially, a Ten Percent (10%) interest or greater.

(b) **Income** does not include:

(1) **Income**, other than a **gift**, from any source outside the **jurisdiction** and not doing business within the **jurisdiction**, not planning to do business within the **jurisdiction**, or not having done business within the **jurisdiction** during the two years prior to the time any statement or other action is required under this Code.

(2) Campaign contribution required to be reported under Chapter 4 of the Political Reform Act of 1974.

(3) Salary and reimbursement for expenses or per diem received from a state or local government agency and reimbursement for travel expenses and per diem received from a bona fide educational, academic or charitable organization.

(4) **Gifts** of informational material, such as books, pamphlets, reports, calendars or periodicals.

(5) **Gifts** which are not used and which, within thirty (30) days after receipt, are returned to the donor or delivered to a charitable organization without being claimed as a charitable contribution for **income** tax purposes.

(6) **Gifts** from an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, aunt, uncle or

first cousin or the spouse of any such **person**; provided that a **gift** from any such **person** shall be considered **income** if the donor is acting as an agent or intermediary for any **person** not covered by this paragraph.

(7) Any devise or inheritance.

(8) Interest, dividends or premiums on a time or demand deposit in a financial institution, shares in a credit union or any insurance policy, interest credited on employees' contributions to public retirement plans, payments received under any insurance policy, or any bond or other debt instrument issues by any government or government agency.

(9) Dividends, interest or any other return on a security which is registered with the Securities & Exchange Commission of the United States Government.

(10) The value of **gifts** of hospitality including food, beverages or lodging provided to any **person** filing a statement of economic interest if such hospitality has been reciprocated within the filing period. "Reciprocity" as used in this paragraph includes the providing by the filer to the host of any consideration, including entertainment or a household **gift** of a reasonably similar benefit or value.

(11) **Income** from a source which is a former employer if all **income** from the employer was received by or accrued to the **designated employee** prior to the time he or she became a **designated employee**; the **income** was received in the normal course of the previous employment; and there was no expectation by the **designated employee** at the time he or she assumed a designated position or resumed employment with the former employer.

8. **INTEREST IN REAL PROPERTY** includes any leasehold, beneficial or ownership interest or option to acquire such an **interest in real property** within the **jurisdiction** if the fair market value of the interest is equal to or greater than Two Thousand Dollars ($2,000.00). **Interests in real property** of an individual include a pro rata share of **interests in real property** of any business entity or trust in which the individual or spouse owns, directly, indirectly or beneficially, a Ten Percent (10%) interest or greater. For the purposes of Articles II and III of this Code, **"Interest in Real Property**" does not include the principal residence of the filer.

9. **INVESTMENT**: Any **financial interest** in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments and any partnership or other ownership interest, if the business entity or any parent, subsidiary or otherwise related business entity has an **interest in real property** within the **jurisdiction**, or does business or plans to do business within the **jurisdiction** of the **District**, or has done business within the **jurisdiction** at any time during the two

years prior to the time any statement or other action is required under this Code. No asset shall be deemed an **investment** unless its fair market value exceeds Two Thousand Dollars ($2,000.00). **Investment** does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, any employee's contribution to a public retirement plan or any bond or other debt instrument issued by any government or government agency. **Investments** of an individual include a pro rata share of **investments** of any business entity or trust in which the individual or spouse owns, directly or beneficially, a Ten Percent (10%) interest or greater.

10. **LEGALLY REQUIRED PARTICIPATION**:

(a) A **designated employee** is not legally required to make or to participate in the making of a **governmental decision** within the meaning of paragraph 4.5 of this Code unless there exists no alternative source of decision consistent with the purposes and terms of the statute authorizing the decision.

(b) Whenever a **designated employee** who has a **financial interest** in a decision is legally required to make or to participate in making such a decision, he or she shall:

(1) Disclose as a matter of official public record the existence of the **financial interest**.

(2) Describe with particularity the nature of the **financial interest** before he or she makes or participates in making the decision.

(3) Attempt in no way to use his or her official position to influence any other **public official** with respect to the matter.

(4) State the reason there is no alternative source of decision-making authority.

(5) Participate in making the decision only to the extent that such participation is legally required.

(c) This regulation shall be construed narrowly, and shall not be construed to permit voting to break a tie.

11. **MAKING GOVERNMENTAL DECISIONS**: A **designated employee** makes **governmental decisions**, except as provided in subsection (f)(1) herein, when he or she, acting within the authority of his or her duties:

(a) Votes on a matter.

(b) Appoints a **person**.

(c) Obligates or commits the **District** to any course of action.

(d) Enters into any contractual agreement on behalf of the **District**.

(e) Determines not to act, within the meaning of subparagraphs (a) through (d) above, unless such determination is made because of his or her **financial interest**. When the determination not to act occurs because of his or her **financial interest**, the **designated employee's** determination not to act must be accompanied by disclosure of the **financial interest** in the manner prescribed in Section 4.3 of the Article IV of this Code.

(f) The making of a **governmental decision** shall not include:

(1) Actions of **designated employees** which are solely ministerial, secretarial, manual or clerical.

(2) Appearances by a **designated employee** as a member of the general public before an agency in the course of its prescribed governmental function to represent himself on matters related solely to his or her personal interests.

(3) Actions by **designated employees** or their representatives relating to their compensation or the terms or conditions of their employment or contract.

12. NONINTEREST:

(a) An officer or employee of the District shall not be deemed to be interested in a contract if his other interest is any of the following:

(1) The ownership of less than 3 percent of the shares of a corporation for profit, provided the total annual income to him or her from dividends, including the value of stock dividends, from the corporation does not exceed 5 percent of his or her total annual income, and any other payments made to him or her by the corporation do not exceed 5 percent of his or her total annual income.

(2) That of an officer in being reimbursed for his or her actual and necessary expenses incurred in the performance of official duty.

(3) That of a recipient of public services generally provided by the public body or board of which he or she is a member, on the same terms ad conditions as if he or she were not a member of the board.

(4) That of a landlord or tenant of the contracting party if such contracting party is the federal government or any federal department or agency, this state or an

adjoining state, any department of agency of this state or an adjoining state, any county or city of this state or an adjoining state, or any public corporation or special, judicial, or other public district of this state or an adjoining state unless the subject matter of such contract is the property in which such officer or employee as such interest as landlord or tenant in which event his or her interest shall be deemed a **remote interest** within the meaning of, and subject to, the provisions of Section 1091.

(5) That of a tenant in a public housing authority created pursuant to Part 2 (commencing with Section 34200) of Division 24 of the Health and Safety Code in which he or she serves as a member of the board of commissioners of the authority or of a community development commission created pursuant to Part 1.7 (commencing with Section 34100) of Division 24 of the Health and Safety Code.

(6) That of a spouse or an officer or employee of a public agency in his or her spouse's employment or officeholding if his or her spouse's employment or officeholding has existed for at least one year prior to his or her election or appointment.

(7) That of a nonsalaried member of a nonprofit corporation, provided that such interest is disclosed to the body or board at the time of the first consideration of the contract, and provided further that such interest is noted in it official records.

(8) That of a noncompensated officer of a nonprofit, tax-exempt corporation, which, as one of its primary purposes, supports the functions of the body or board or to which the body or board has a legal obligation to give particular consideration, and provided further that such interest is noted in its official records. For purposes of this paragraph, an officer is "noncompensated" even though he or she receives reimbursement from the nonprofit, tax-exempt corporation for necessary travel and other actual expenses incurred in performing duties for his or her office.

(9) That of compensation for employment with a governmental agency, other than the governmental agency that employs the officer or employee, provided that the interest is disclosed to the body or board at the time of consideration of the contract, and provided further that the interest is noted in its official record.

(10) That of an attorney of the contracting party or that of an owner, officer, employee, or agent of a firm which renders, or has rendered, service to the contracting party in the capacity of stockbroker, insurance agent, insurance broker, real estate agent, or real estate broker, if these individuals have not received and will not received remuneration, consideration, or a commission as a result o the contract and if these individuals have an

ownership interest of less than 10 percent in the law practice or firm, stock brokerage firm, insurance firm, or real estate firm.

(11) Except as provided in subdivision (b), that of an officer or employee of or a **person** having less than a 10 percent ownership interest in a bank, bank holding company, or savings and loan association with which a party to the contract has a relationship of borrower or depositor, debtor, or creditor.

(b) An officer or employee shall not be deemed to be interested in a contract made pursuant to competitive bidding under a procedure established by law if his or her sole interest is that of an officer, director, or employee of a bank or savings and loan association with which a party to the contract has the relationship of borrower or depositor, debtor or creditor.

13. **PERSON**: An individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, associations, committee and any other organization or group of **persons** acting in concert.

14. **PUBLIC OFFICIAL**: As used herein, **public official** means members and alternates of the Board of Directors, **designated employees** of **District**, and **consultants** to and contracts of **District** required to file disclosure statements pursuant to this Code.

15. **REMOTE INTEREST**: As used in this article, **remote interest** means any of the following:

(a) That of an officer or employee of a nonprofit corporation, except as provided in paragraph (8) of subdivision (a) of Government Code section 1091.5.

(b) That of an employee or agent of the contracting party, if the contracting party has 10 or more other employees and if the officer was an employee or agent of that contracting party for at least three years prior to the officer initially accepting his or her office. For purposes of this paragraph, time of employment with the contracting party by the officer shall be counted in computing the three-year period specified in this paragraph even though the contracting party has been converted from one form of business organization to a different form of business organization within three years of the initial taking of office by the officer. Time of employment in that case shall be counted only if, after the transfer or change in organization, the real or ultimate ownership of the contracting party is the same or substantially similar to that which existed before the transfer or change in organization. For purposes of this paragraph, stockholders, bondholders, partners, or other **persons** holding an interest in the contracting party are regarded as having the "real or ultimate ownership" of the contracting party.

(c) That of an employee or agent of the contracting party, if all of the following conditions are met:

(1) The agency of which the person is an officer is a local public agency located in a county with a population of less that 4,000,000.

(2) The contract is competitively bid and is not for personal services.

(3) The employee or agent is not in a primary management capacity with the contracting party, is not an officer or director of the contracting party, and holds no ownership interest in the contracting party.

(4) The contracting party has 10 or more other employees.

(5) The employee or agent did not directly participate in formulating the bid of the contracting party.

(6) The contracting party is the lowest responsible bidder.

(d) That of a parent in the earnings of his or her minor child for personal services.

(e) That of a landlord or tenant of the contracting party.

(f) That of an attorney of the contracting party or that of an owner, officer, employee, or agent of a firm which renders, or has rendered, service to the contracting party in the capacity of stockbroker, insurance agent, insurance broker, real estate agent, or real estate broker, if these individuals have not received and will not receive remuneration, consideration, or a commission as a result of the contract and if these individuals have an ownership interest of 10 percent or more in the law practice or firm, stock brokerage firm, insurance firm, or real estate firm.

(g) That of a member of a nonprofit corporation formed under the Food and Agricultural Code or a nonprofit corporation formed under the Corporations Code for the sole purpose of engaging in the merchandising of agricultural products or the supplying of water.

(h) That of a supplier of goods or services when those goods or services have been supplied to the contracting party by the officer for at least five years prior to his or her election or appointment to office.

(i) That of a person subject to the provisions of Section 1090 in any contract or agreement entered into pursuant to the provisions of the California Land Conservation Act of 1965.

(j) Except as provided in subdivision (b) of Section 1091.5, that of a director of or a person having an ownership interest of 10 percent or more in a bank, bank holding company, or savings and loan association with which a party to the contract has a relationship of borrower or depositor, debtor or creditor.

(k) That of an engineer, geologist, or architect employed by a consulting engineering or architectural firm. This paragraph applies only to an employee of a consulting firm who does not serve in a primary management capacity, and does not apply to an officer or director of a consulting firm.

(l) That of an elected officer otherwise subject to Section 1090, in any housing assistance payment contact entered into pursuant to Section 8 of the United States Housing Act of 1927 (42 U.S.C. Sec. 1437f) as amended, provided that the housing assistance payment contract was in existence before Section 1090 became applicable to the officer and will be renewed or extended only as to the existing tenant, or, in a jurisdiction in which the rental vacancy rate is less than 5 percent, as to new tenants in a unit previously under a Section 8 contract. This section applies to any person who became a public official on or after November 1, 1986.

16. **SOURCE OF INCOME**: **Source of income**, as used in subparagraph c of paragraph No. 3 of this Appendix "A" shall not include a former employer if all **income** from the employer was received by or accrued to the **designated employee** prior to the time he or she became a **designated employee**, the **income** was received in the normal course of the previous employment, and there was no expectation by the **designated employee** at the time he or she began employment or assumed office or renewed employment with the former employee.

Appendix B

See Form 700 attached hereto.

Appendix C
Designated Employees

Designated Employees:

General Manager: Jerry Estrada

Assistant General Manager: ~~Brad Davis~~Mary Gregg

Procurement Officer: ~~Brad Davis~~Nancy Tillie

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 statues 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.