



**MONTEREY-SALINAS TRANSIT DISTRICT**  
**BOARD OPERATIONS PERFORMANCE COMMITTEE**  
**MEETING AGENDA**

**April 12, 2021**

**Time: 9:00 AM Pacific Time (US and Canada)**

Governor Newsom's COVID-19 Executive Order N-25-20 allows MST to hold meetings via teleconference and to make meetings accessible electronically to protect public health. The April 12, 2021 meeting of the Board Operations Performance Committee will be held via Zoom conference. There will be NO physical location of the meeting. The public is asked to use the Zoom app for best reception. There may only be limited opportunity to provide oral comments during the meeting. Persons who wish to make public comment on an agenda item are encouraged to submit comments in writing by email to MST at [clerk@mst.org](mailto:clerk@mst.org) by 3:00 pm on Friday, April 9, 2021; those comments will be distributed to the legislative body before the meeting. Members of the public participating by Zoom are instructed to be on mute during the proceedings and to speak only when public comment is allowed, after requesting and receiving recognition from the Chair. Prior to the meeting, participants should download the Zoom app at: <https://zoom.us/download> A link to tutorials for use of the Zoom app is: <https://support.zoom.us/hc/en-us/articles/206618765-Zoom-Video-Tutorials> and <https://support.zoom.us/hc/en-us/articles/209743263-Meeting-and-Webinar-Best-Practices-and-Resources>

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# ***MST AGENDA & MEETING NOTICE***

**Group:** Board Operations Performance Committee (BOPC)

**Directors:** Amelio (Vice-Chair), Barrera, Baron, Carbone, Velazquez (Chair), Worthy

**Staff:** Carl Sedoryk, General Manager/CEO, Lisa Rheinheimer, AGM, Kelly Halcon, Director of HR and Risk Management, Norman Tuitavuki, Chief Operating Officer, Mark Eccles, Director of Information Technology. Michelle Overmeyer, Director of Planning & Innovation.

**Date:** April 12, 2021

**Time:** 9:00 am

*The BOPC Committee provides policy direction to the Board and monitor performance in areas of Transit, ADA Paratransit and Mobility Management Service Design/Service Delivery, Capital Investment Requirements, Capital Projects, Transit Facilities/Customer Amenities, Asset Management, Labor Relations, and Safety/Security.*

- 1. Call to order.**
- 2. Public comment on matters not on the agenda.**

*Members of the public may address the Committee on any matter related to the jurisdiction of MST but not on the agenda. There is a time limit of not more than three minutes for each speaker. The Committee will not take action or respond immediately to any public comments presented, but may choose to follow-up at a later time, either individually, through staff, or on a subsequent agenda.*

## **3. CONSENT AGENDA**

- 3-1. Approve Minutes of the Board Operations Performance / BOPC Committee on February 8, 2021. (Jeanette Alegar-Rocha) (Page 5)

## **4. ACTION ITEMS**

- 4-1. Review of Operations Performance. (Carl Sedoryk) (Refer to MST Board Agenda Item 7-1)
- 4-2. Receive Construction Update on the South County Operations and Maintenance Facility Project. (Lisa Rheinheimer) (No Enclosure)

- 4-3. Receive Update on SURF! Busway and Bus Rapid Transit Project. (Lisa Rheinheimer and Michelle Overmeyer) (No Enclosure)
- 4-4. Review Draft 5-Year Capital Improvement Program and Provide Comments. (Lisa Rheinheimer) (Page 9)
- 4-5. Receive Update on South County Service Plan (Michelle Overmeyer) (Board Agenda item 6-2)
- 4-6. Recommend Approval of Low Carbon Transit Operations Program (LCTOP) (Matthew Deal) (Board Agenda item 6-1)

## 5. Closed Session

*As permitted by Government Code §54957 et seq. of the State of California, the Board of Directors may adjourn to Closed Session to consider specific matters dealing with personnel and/or pending possible litigation and/or conferring with the Board's Meyers-Milias-Brown Act representative.*

**None.**

## 6. Adjourn.

**NEXT MEETING DATE:** June 14, 2021

**REMOTE CONFERENCE ONLY**

**ZOOM MEETING**

**9:00 a.m.**

*\*Dates, times and **teleconference** information are subject to change.*

*Please contact MST for accurate meeting date, times and **teleconference** information or check online at <http://mst.org/about-mst/board-of-directors/board-meetings/>*

*Materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet are available for public inspection at the Monterey-Salinas Transit District Administration Building at 19 Upper Ragsdale Dr., Suite 200, Monterey, CA 93940 during normal business hours.*

*Upon request, Monterey-Salinas Transit District will provide written materials in appropriate alternative formats, including disability-related modifications or accommodations, auxiliary aids, or services to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number, description of the requested materials, and preferred alternative format or auxiliary aid or service at least three working days*

*prior to the meeting. Requests should be sent to MST – c/o Clerk to the Board, 19 Upper Ragsdale Dr., Suite 200, Monterey, CA 93940 or [clerk@mst.org](mailto:clerk@mst.org).*



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**Board Operations Performance Committee (BOPC)**  
ZOOM Teleconference Meeting

***Draft Minutes***

February 8, 2021  
9:00 a.m.

<b>Present:</b>	Joe Amelio Tony Barerra (Vice Chair) Jeff Baron Mary Ann Carbone Lorraine Worthy	City of Pacific Grove City of Salinas City of Carmel-by the Sea City of Sand City City of Gonzales
<b>Absent:</b>	Anna Velazquez (Chair)	City of Soledad
<b>Staff:</b>	Carl Sedoryk Lisa Rheinheimer Norman Tuitavuki Kelly Halcon Mark Eccles Michelle Overmeyer Jeanette Alegar-Rocha Andrea Williams Ikuyo Yoneda-Lopez Alvin Johnson Lisa Cox Marzette Henderson	General Manager/CEO Assistant General Manager Chief Operating Officer Director of HR and Risk Management Director of Information Technology Director of Planning and Innovation Clerk to the Board General Accounting and Budget Manager Marketing and Customer Service Manager Transportation Manager Risk and Security Manager Contract Services Manager
<b>Counsel:</b>	Dave Laredo Michael D. Laredo	General Counsel, De Lay & Laredo Assistant Counsel, De Lay & Laredo

1. Call to order.

**Vice Chair Amelio called the meeting of the committee to order at 9:00 a.m.**

2. Public comment on matters not on the agenda.

*Members of the public may address the Committee on any matter related to the jurisdiction of MST but not on the agenda. There is a time limit of not more than three minutes for each speaker. The Committee will not take action or respond immediately*

*to any public comments presented, but may choose to follow-up at a later time, either individually, through staff, or on a subsequent agenda.*

**Public Comments- None**

**3. CONSENT AGENDA**

- 3-1. Approve Minutes of the Board Operations Performance / BOPC Committee on December 14, 2020. (Jeanette Alegar-Rocha)

**Director Worthy made the motion to approve the minutes which was seconded by Director Carbone with the noted correction:**

**ABSENT: Mary Ann Carbone City of Sand City**

**A roll call vote was taken with five votes in favor Directors: Amelio, Barrera, Baron, Carbone, and Worthy with one absent: Velazquez. The motion passed.**

**4. ACTION ITEMS**

- 4-1. Review of Operations Performance. (Refer to MST Board Agenda Item 7-1) (Carl Sedoryk)

**Carl Sedoryk provided the Committee a review of the MST Operations Performance from the General Manager's report of the regular Board Agenda.**

- 4-2. Receive South County Operations and Maintenance Facility Construction Update. (No Enclosure) (Lisa Rheinheimer)

**Lisa Rheinheimer provided the Committee a construction update on the South County Operations and Maintenance Facility project.**

- 4-3. Receive Update on MST Project List for Inclusion in the Regional Transportation Plan and Metropolitan Transportation Plan. (Page 6) (Michelle Overmeyer)

**Michelle Overmeyer provided the Committee an update on the MST project list for inclusion in the Regional Transportation Plan and Metropolitan Transportation Plan.**

- 4-4. Receive Update on SURF! Busway and Bus Rapid Transit Project Progress. (No Enclosure) (Lisa Rheinheimer)

**Lisa Rheinheimer provided the Committee an update on the progress of the SURF! Busway and Bus Rapid Transit project.**

- 4-5. Receive Update on Timeline of the Comprehensive Operational Analysis. (Michelle Overmeyer)

**Michelle Overmeyer provided the Committee a report on the Comprehensive Operational Analysis timeline.**

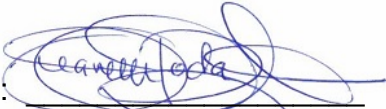
**5. Closed Session**

*As permitted by Government Code §54957 et seq. of the State of California, the Board of Directors may adjourn to Closed Session to consider specific matters dealing with personnel and/or pending possible litigation and/or conferring with the Board's Meyers-Milias-Brown Act representative.*

**None.**

**6. Adjourn.**

**With no further business, Vice-Chair Amelio adjourned the meeting at 9:30 a.m.**

PREPARED BY:   
Jeanette Alegar-Rocha

REVIEWED BY:   
Carl G. Sedoryk

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To: Board Operations Performance Committee

From: Lisa Rheinheimer, Assistant General Manager

Subject: Draft 5-Year Capital Improvement Program

**RECOMMENDATION:**

Review Draft 5-Year Capital Improvement Program and Provide Comments.

**FISCAL IMPACT:**

The creation of this new 5-Year Capital Improvement Program (CIP) will help MST plan for capital needs as funding opportunities become available. While the CIP is fiscally constrained, meaning that funding has been reasonably identified to support the program of projects, it also identifies the funding gaps needed to fully implement this capital program. In some cases, funding is apportioned through federal, state or local programs; in other cases, grant applications will be submitted to pay for the project.

The CIP supports \$92 million in capital projects over the 5-year planning and programming horizon. The category of Bus Stations/Stops identified the largest funding need, \$56 million, for all project phases of the SURF! Busway and BRT project in FY 2024/2025, followed by nearly \$26 million for Bus Rolling Stock throughout the planning period.

The first two years are incorporated into the annual Operating and Capital Budget, totaling just under \$28 million for the South County project, replacement vehicles, and further planning phases of the SURF! project.

**POLICY IMPLICATIONS:**

MST has not prepared a CIP in the past, instead relying on the annual Budget to serve that need. Although not required by any MST policy, as the agency grows and expands its service, capital projects will be needed to support public transit to our community. This CIP supports the Board's Strategic Plan as developed this year and planned for adoption as part of the Annual Budget process.

The Federal Transit Administration requires that MST submit a Transit Asset Management (TAM) Plan every four (4) years (last submitted in 2018) if it owns, operates, or manages capital assets used to provide public transportation and receives federal financial assistance under 49 U.S.C. Chapter 53. This CIP supports the TAM Plan.

This draft CIP is also consistent with other plans and programs of MST's partner agencies including the Transportation Agency for Monterey County and the Association of Monterey Bay Area Governments.

## **DISCUSSION:**

Taken from the introduction of the draft CIP, this Program aims to:

- Develop a fiscally constrained 5-year program of projects to support the MST transit system.
- Review and forecast capital revenue sources between FY 2022-2026 and assess the District's financial capacity to carry out proposed capital investments.
- Allow regional transportation partners, the MST Board of Directors, and MST staff to formulate strategies in advance of potential financial challenges.
- Inform requests for federal, state, and regional funds.
- Provide transparent and accessible information to the MST Board and community about transit projects and programs of regional significance.
- Serve as an implementation tool to support the MST Strategic Plan's goals, objectives, and strategies.

In order to plan out the financial needs of these capital projects, staff applied a 3% cost escalation factor in years 2-5 to most projects. This allows MST to better understand the cost increases anticipated over time and plan accordingly.

This Draft CIP is being brought to the Committee for review and comment. The final version will be placed on the May Board agenda for consideration of approval.

## **ATTACHMENT(S):**

Draft Capital Improvement Program FY2022-2026

PREPARED BY:  REVIEWED BY:   
Lisa Rheinheimer Carl G. Sedoryk



# Monterey-Salinas Transit District

FY 2022-2026

*Draft* Capital Improvement Program

April 2021



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## **Acknowledgments**

With support from the Board of Directors and the Executive Leadership Team, MST staff work to align, optimize, and manage financial resources. This Capital Improvement Program helps to guide the District's financial planning efforts; supports the prioritization of projects; helps inform the development of MST's operating budget, capital budget and other management plans and reports; and supports special programs and projects.

### **MST Board of Directors**

Chair, Dan Albert, City of Monterey  
Vice-chair, Anna Velazquez, City Soledad  
Jeff Baron, City of Carmel-by-the Sea  
John Gaglioti, City of Del Rey Oaks  
Lorraine Worthy, City of Gonzales  
Yanely Martinez, City of Greenfield  
Mike LeBarre, City of King  
David Burnett, City of Marina  
Joe Amelio, City of Pacific Grove  
Tony Barrera, City of Salinas  
Mary Ann Carbone, City of Sand City  
Dave Pacheco, City of Seaside  
Luis Alejo, County of Monterey

### **MST Contributors**

Carl Sedoryk, General Manager/CEO  
Lisa Rheinheimer, Assistant General Manager  
Norman Tuitavuki, Chief Operating Officer  
Mark Eccles, Director of Information Technology  
Frank Marcos, Maintenance Manager  
Paul Lopez, Facilities Manager  
Scott Taylor, IT Manager  
Andrea Williams, General Accounting and Budget Manager  
Michelle Overmeyer, Director of Planning & Innovation  
Matt Deal, Grants Analyst

*Cover page photo credit: David Williams, Superintendent for Diede Construction on the South County Operations and Maintenance Facility Project*

## 1. Introduction

This Capital Improvement Program (CIP) summarizes Monterey-Salinas Transit District's (MST's) capital financial plan for the period FY22-FY26. The CIP aims to:

- Develop a fiscally constrained 5-year program of projects to support the MST transit system.
- Review and forecast capital revenue sources between FY 22-26 and assess the District's financial capacity to carry out proposed capital investments.
- Allow regional transportation partners, the MST Board of Directors, and MST staff to formulate strategies in advance of potential financial challenges.
- Inform federal, state, and regional partners about the financial challenges and opportunities to implementing the Innovative Clean Transit rule.
- Inform requests for federal, state, and regional funds.
- Provide transparent and accessible information to the MST Board and community about transit projects and programs of regional significance.
- Serve as an implementation tool to support the MST Strategic Plan's goals, objectives, and strategies.

MST's capital plans are driven by the MST Strategic Plan, as adopted by the Board of Directors in May 2021. The District has committed to advancing the Mission statement: "Advocating and delivering quality public transportation as a leader within our community and industry." The financial and project readiness forecast in the CIP is based on the best available information at the time of publication and outlines a financial scenario based on that information. The CIP will be updated as new information becomes available during the annual budget preparation process.

## **2. Overview of the MST System**

### **2.1 History**

MST began operations in 1973 as Monterey Peninsula Transit formed by a joint-powers agreement and, by 1981, included the City of Salinas by consolidating two separate municipal public transit systems into a viable network of local service throughout a 110 square-mile service area. In 1997, MST began operation of RIDES, a demand-response paratransit service for persons with disabilities which had been previously operated by the County government. Over the years, MST's service area has expanded to what is as of fiscal year 2020 approximately 295 square miles.

As of July 1, 2010, the MST Joint Powers Agency was replaced by the Monterey-Salinas Transit District, which was created through legislation (AB 644 Caballero) passed by the California Legislature and signed into law by Governor Arnold Schwarzenegger. The borders of the MST District are contiguous with those of the County of Monterey. Monterey County is located along the Central Coast of California, bordered to the south by San Luis Obispo County, the west by the Pacific Ocean, the east by San Benito County, and the north by Santa Cruz County.

### **2.2 Governance**

MST is governed by a board of directors composed of one representative from each member jurisdiction. Each member jurisdiction will appoint a regular member as well as an alternate member to the MST board of directors. Each member has one vote. Membership in the District is limited by the County of Monterey and the incorporated cities within the County. Board members may be elected officials or officers or employees of the appointing member. The current membership includes only elected officials.

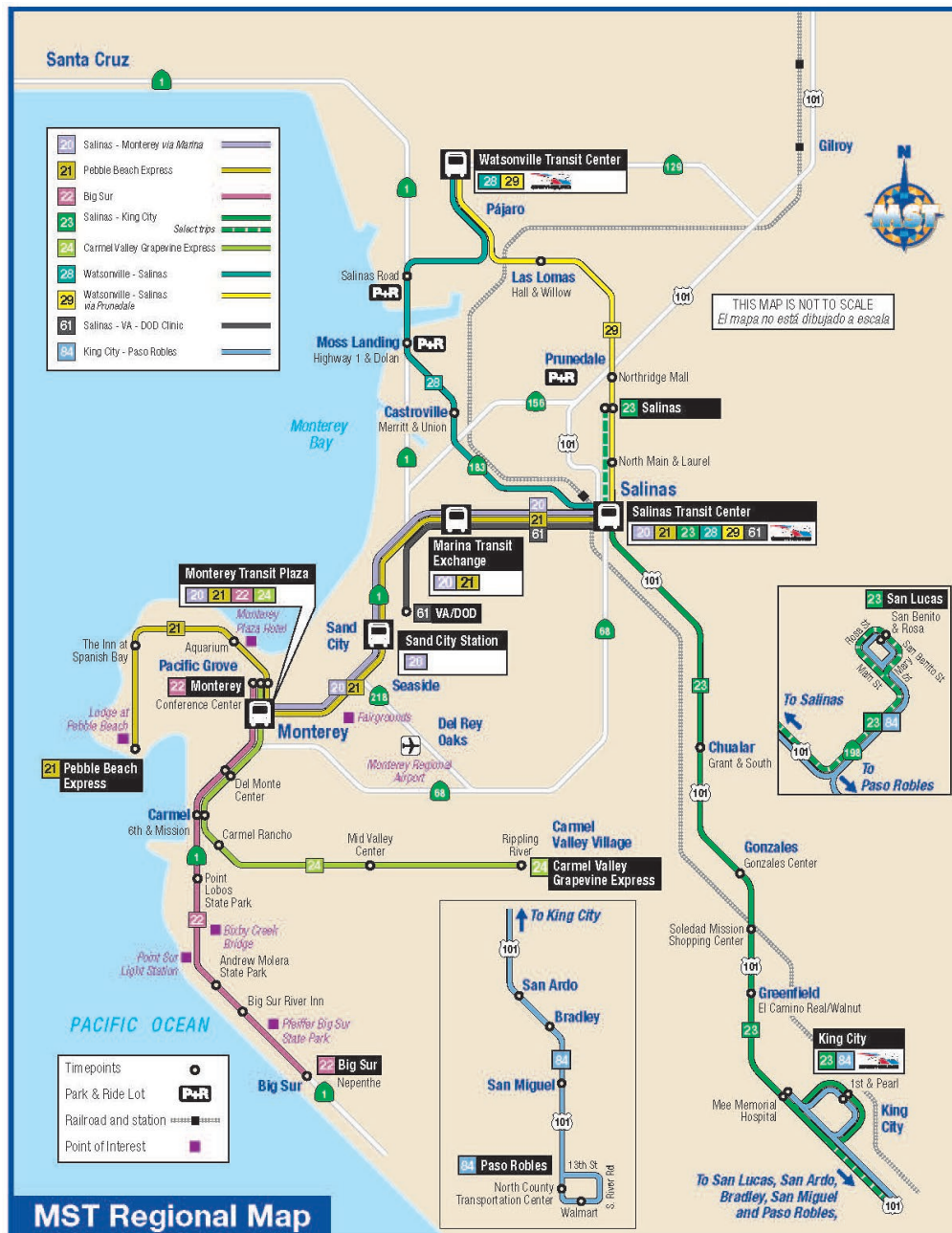
At the present, thirteen Board members form MST's governing board. Members of the MST Board provide strategic and policy guidance to achieve MST's mission. The Chair of the MST Board of Directors serves a two-year term along with a Vice-chair.

### **2.3 Areas Served and Services Provided**

MST provides bus transit services throughout Monterey County and north into downtown Watsonville, as well as south to San Miguel, Paso Robles, and Templeton in northern San Luis Obispo County. There is no other organization within Monterey County with a similar scope of public transportation service.



Figure 2: MST Regional Map



Note: MST served Aptos and Santa Cruz in Santa Cruz County, Gilroy and San Jose in Santa Clara County prior to the COVID-19 pandemic and plans to serve these out of county areas in the future as part of recovery.

In FY 2021, MST's fixed-route bus system consisted of thirty-four routes, down from sixty-one the previous year. Of the thirty-four routes, sixteen are operated by MST personnel, eighteen routes are operated by MV Transportation, Incorporated (MV).



In FY 2020, vehicles on MST routes traveled approximately 3,785,000 miles and carried 3,082,463 passengers. RIDES, MST's paratransit service, transported approximately 196,000 persons with disabilities on 39 specially equipped minibuses, minivans, and sedans.

In addition to MST's fixed-route and ADA paratransit services, MST provides an On Call demand-response service in the cities of Marina, Gonzales, Soledad, Greenfield, and King City. Mobility services, funded with Measure Q revenues, support special transportation including taxi vouchers, special medical trips to Santa Clara, Palo Alto, and San Francisco, a travel reimbursement program, travel training, and navigators to help others ride the bus.

## **2.4 Physical Infrastructure and Capital Assets**

### **2.4.1 Bus – Rolling Stock**

MST's fleet consists of 100 heavy duty Gillig buses, 2 BYD battery electric buses, 9 trolley-style buses, 105 light duty buses, and support vehicles.



### **2.4.2 Bus Support Equipment, Facilities & ITS**

MST support equipment, facilities and ITS infrastructure consist of equipment which support bus maintenance, unforeseen facility improvements, and information technology hardware to support the work of MST staff. From time to time, these pieces of equipment, facilities and technology need replacing or new technology becomes available to support ongoing operations.

### **2.2.3 Communications and Radio Equipment**

MST communications and radio equipment support the necessary function of operating a transit system. From time to time, communication and radio equipment needs to be replaced or upgraded.

### **2.2.4 Safety and Security**

The safety and security system consists of access control to MST facilities, onboard cameras, and station area cameras to provide for the Department of Homeland Security measures and Federal Transit Administration (FTA) requirements necessary of transit operations. From time to time, safety and security equipment must be replaced or upgraded.

### **2.2.5 Preventative Maintenance**

Preventative maintenance includes major components to keep buses running longer as well as shop tools and equipment. An efficient and well-functioning preventative maintenance program is vital to ensuring that the MST bus fleet is in a state of good repair.

### **2.2.6 Bus Stations and Stops**

Bus stations and stops includes upgrades, renovations, or replacements of existing stops and stations as well as new major new transit infrastructure. The new SURF! Busway and Bus Rapid Transit Project is considered new transit infrastructure. Keeping the existing bus stops and stations in a state of good repair helps defer major investments in the future and extends its useful life.



### **2.2.7 Major Facilities Expansion and Rehabilitation**

Major facilities expansion and rehabilitation includes facilities used for operations and maintenance, mobility services, administration, and customer service. Efficient and well-functioning facilities are vital to ensuring that MST is meeting the mission of the organization and expectations of the public.

## **3. MST Strategic Plan, Goals, and 2-Year Action Plan**

### **3.1 Strategic Plan**

On an annual basis, the MST Board of Directors conducts a strategic planning session at its January meeting. The result is a Strategic Plan which represents the collaboration of the MST Board of Directors and staff to develop a multi-year vision and identify strategic priorities to focus MST resources and energies.

#### **Monterey-Salinas Transit District Mission**

Advocating and delivering quality public transportation as a leader within our community and within our industry.

#### **Our Vision**

A fully funded public transit system providing quality, valued, and affordable mobility and transportation services for the people in Monterey County.

#### **We Believe In...**

- Using Good Judgment
- Achieving Win/Win Outcomes
- Mutual Respect
- Teamwork
- Acting with Dignity, Trust, Cooperation, and Loyalty
- Constant Measurable Improvement
- Recognizing Achievement of Results

### **3.2 Strategic Plan Goals**

- Goal #1: Develop and Maintain Adequate and Stable Long-Term Revenues.
- Goal #2: Provide Quality Transit and Mobility Service for the Communities We Serve.
- Goal #3: Improve Board Protocols and Recommend Best Practices to Achieve Effective and Efficient Board Operations and Board Meeting Management.
- Goal #4: Promote Policies and Practices that Encourage Environmental Sustainability and Resource Conservation.

- Goal #5: Educate the Public on MST Services Through Promotion, Communication and Advocacy.
- Goal #6: Promote Organizational Values to Maintain High-Quality Relationships with MST Employees, Contractors, Vendors, Board Members, and Community Stakeholders.
- Goal #7: Enhance Industry Leadership for Like-Sized Agencies within California and the United States.

### 3.3 2-Year Action Plan

The 2-Year Action Plan accompanies the Strategic Plan to support the mission, vision, goals, objectives, outcomes, indicators and tactics. The 2-Year Action Plan is updated annually during the Board's strategic planning session in January ahead of the budget preparation process.

Below is a list of actions to be taken over the next two years which support the Strategic Plan and CIP actions are specifically identified in *italics* and **bold**:

#### FY 2021/22 and FY 2022/23: 2 Year Project Action Plan

1. Initiate development and implementation plan of MST Branding initiative per Marketing Plan. July 2021
2. Initiate comprehensive campaign to promote increased inclusivity, diversity, and equity of employment of underrepresented groups within MST's workforce. September 2021
3. ***Complete construction and commence operations from South County Operations and Maintenance Facility. December 2021***
4. ***Complete demonstration of contactless fare payment and mobile ticketing solution and determine feasibility of continuing technology on MST fixed route, MST RIDES and MST subsidized taxi services. October 2021***
5. ***Begin implementation of Zero Emission Bus (ZEB) Roll Out Plan: Focus on ZEB vehicles, equipment, infrastructure, and develop long term funding plan to include public-private partnerships. December 2021.***
6. ***Initiate East Alisal BRT and Salinas Transit Center (STC) Relocation Study as funding allows. January 2022***
7. Upgrade/replace MST voice communication systems. December 2021

8. ***Develop plan to address outdated information technology legacy systems and continue implementation of 2019 – 2021 Information Technology Strategic Action Plan. December 2021***
9. Finalize Comprehensive Operational Analysis and begin implementation of board approved service changes to fixed route and Measure Q funded services along with supporting staffing plan. March 2022
10. Execute contract for purchased transportation services to include Fixed Route, On Call, and RIDES Paratransit service. May 2022.
11. ***Complete environmental and preliminary engineering (October 2021), and begin final design, and continue documentation for FTA Capital Investment Grant (CIG) project evaluation, rating, and approval for SURF! Busway and Bus Rapid Transit Project (BRT). June 2022***
12. ***Conduct fixed facility review for location new/rehabilitated Salinas Operations and Maintenance Facility. June 2022***
13. Determine feasibility of MST administered Vanpool Program to supplement existing fixed-route and mobility services. June 2022
14. Refine and renew post-COVID partnership programs for Hartnell College, Monterey Peninsula College, CSUMB, City of Monterey/Monterey Bay Aquarium, Naval Post Graduate School and Presidio of Monterey. July 2022
15. Seek opportunities to identify how MST services and amenities can better support the mobility needs of Monterey County homeless populations. September 2022
16. Promote and participate in planning efforts for autonomous vehicle infrastructure where such technology would best support MST operations. June 2023
17. Initiate research to determine levels of community support for local funding initiatives to support long term investments including fixed route operations, BRT and ZEB infrastructure investments. June 2023

#### **FY 2022: Ongoing and Recurring Action Items**

1. Continue efforts to ensure passenger and employee safety and security.
2. Continue transit activities within board adopted operational and financial performance standards.
3. ***Continue efforts to finance and maintain a state of good repair for MST fleet, facilities and supporting infrastructure.***
4. Maintain ongoing community partnerships and seek new opportunities as appropriate.

5. *Develop and implement service levels, **facilities**, policies, and procedures appropriate to funding availability and community requirements.*
6. Actively participate in state and national trade associations to support issues of local concern.
7. Continue employee training and development opportunities through partnerships with local colleges, universities, trade associations, and vendors.
8. Provide administrative support in service to Monterey County Regional Taxi Authority and Monterey-Salinas Transit Corporation.
9. Ensure compliance with federal, state, and local regulations, and conduct regular review of policies and practices.
10. Adopt and execute federal and state legislative programs.
11. Continue marketing and community outreach programs to promote and educate the communities we serve regarding the benefits of MST mobility services.
12. Continue board development/educational activities and policy reviews.
13. Continue to adopt policies and adapt practices to existing Emergency Operations plan to address impacts to the operations and workforce of MST and ensure safety and cyber security of MST data and telecommunications systems, networks, and programs.
14. Continue to seek funding from grant sources and extra governmental partnerships to maintain and expand mobility services.
15. Continue programs to support employment diversity, inclusiveness and equity for MST employees and customers.

## 4. Capital Improvement Program

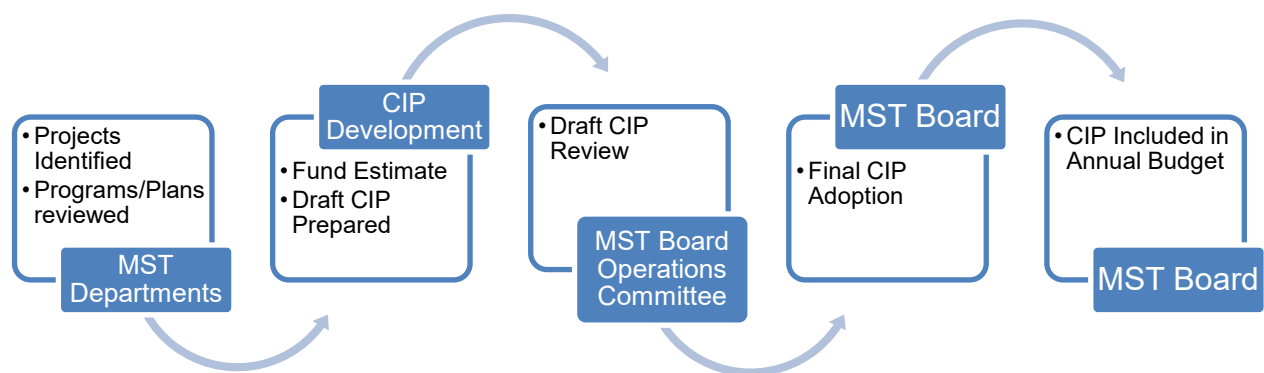
### 4.1 About the CIP

The MST FY 2022-2026 Capital Improvement Program includes projects that will receive funding over the next 5 years and represents over \$92 million in region-wide investment. Projects include new transportation infrastructure, vehicle and equipment purchases, as well as investments in technology.

### 4.2 CIP Development Process

MST staff from the Capital, Facilities, Maintenance, and Information Technology departments contributed to the identified needs contained in this CIP. Focus was given to safety and maintaining a state of good repair as well as technology advancements in the transit industry.

After capital projects are nominated by MST departments, a 5-year estimate of capital funding helps to narrow the number of projects to match reasonably expected revenue. Following review by the Board Operations Performance Committee of the Draft CIP, the first two years of projects are included in the annual 2-year Budget. The following flow chart shows the CIP development process and how it supports the annual Budget:



### 4.3 CIP Consistency with Other Programs and Plans

This CIP is internally and externally consistent with these programs and plans:

- Adopted MST FY 2021 Operating and Capital Budget

- TAMC 2045 MTP/SCS and RTP Project List as presented to the Association of Monterey Bay Area Governments Board of Directors on March 10, 2021
- FFY 2020-2021 to 2023-2024 Metropolitan Transportation Improvement Program prepared by the Association of Monterey Bay Area Governments

#### **4.4 Capital Improvement Program Categories**

The CIP projects are segregated into 7 categories which match federal funding categories. The following provides a brief description of each category:

##### **4.4.1 Bus – Rolling Stock**

Rolling stock includes MST's heavy duty buses, battery electric vehicles, trolley-style buses, cutaway mini-buses, and support vehicles. Most things with wheels are included on this list of rolling stock.

##### **4.4.2 Bus Support Equipment, Facilities & ITS**

MST support equipment, facilities and ITS infrastructure consist of equipment which support bus maintenance, unforeseen facility improvements, and information technology hardware to support the work of MST staff.

##### **4.4.3 Communications and Radio Equipment**

MST communications and radio equipment support the necessary function of operating a transit system.

##### **4.4.4 Safety and Security**

The safety and security system consists of access control to MST facilities, onboard cameras, and station area cameras to provide for the Department of Homeland Security measures necessary of transit operations.

##### **4.4.5 Preventative Maintenance**

Preventative maintenance includes major components to keep buses running longer as well as shop tools and equipment. An efficient and well-functioning preventative maintenance program is vital to ensuring that the MST bus fleet is in a state of good repair.

##### **4.4.6 Bus Stations and Stops**

Bus stations and stops includes upgrades, renovations, or replacements of existing stops and stations as well as new major new transit infrastructure.

##### **4.4.7 Major Facilities Expansion and Rehabilitation**

Major facilities expansion and rehabilitation includes facilities used for operations and maintenance, mobility services. and customer service. Efficient and well-functioning



facilities are vital to ensuring that MST is meeting the mission of the organization and expectations of the public.

## **4.5 Capital Funding: Committed and Secure Funds**

### **MST LOCAL AND VOTER-APPROVED FUNDING**

MST is eligible for and receives local funds to support public transportation capital projects through competitive grants as well as from two local measures. The CIP anticipates \$6.6 million in local funding between FY22 and FY26, including:

#### *Measure Q*

MST placed Measure Q on the November 2014 ballot and Monterey County voters approved Measure by 72% of the vote. Measure Q is a 15 year and authorizes the imposition of a retail transactions and use tax with the proceeds to be invested in services and projects which benefit seniors, Veterans, and people with disabilities. The Measure extends from 2015 through 2030. Planned investments are summarized in the Measure Q Transit Investment Plan and associated updates. Consistent with spending objectives reported to the Measure Q Oversight Committee, this Capital Improvement Program assumes that the majority of funding will be spent delivering service with \$256,000 being set aside as the local match for federal 5310 funding for vehicle replacements. A total of 16 RIDES vehicles will be replaced over the programming period.

#### *Measure X*

The Transportation Agency for Monterey County placed the Transportation Safety & Investment Plan known as Measure X on the November 8, 2016 ballot and the measure was approved with 67.7% approval from Monterey County voters.

The measure is anticipated to generate an estimated \$20 million annually for a total of \$600 million over thirty years through a retail transactions and use tax of three-eighths' of one percent (3/8%). The revenue from the sales tax measure will be used to fund transportation safety and mobility projects in Monterey County. Measure X funds will be used for the SURF! Busway and Bus Rapid Transit Project (\$15 million) as well as for the South County Operations and Maintenance Facility project (\$10.4 million).

## **AB 2766**

Since 1991, the AB 2766 Subvention Fund Program provides a funding source to cities and counties to develop clean transportation programs and reduce vehicle emissions. These funds are managed locally through the Monterey Bay Air Resources District and distributed yearly on a competitive basis. When grants have been awarded to MST, funding has been used as a local match to leverage other state and federal programs. Funding from this source is dependent on Air Resources District grant awards on a yearly basis.

### ***Fort Ord Reuse Authority (dissolved as of July 1, 2020)***

The Fort Ord Reuse Authority issued bonds in June 2020 to remove blighted buildings in the former Fort Ord. MST's allocation from the bond sale was \$186,000 and will be used to demolish an old building in a severe state of disrepair.

### ***MST Financing***

From time to time, MST has the need to finance capital projects including rolling stock, property and buildings, and construction. Financial loans are available from the commercial banking market as well as through the Build America Bureau under the TIFIA program. In October 2020, MST entered into an agreement under the TIFIA Rural Project Initiative and will repay this loan with a pledge of Local Transportation Funds provided through the Transportation Development Act. This \$8.5 million loan was necessary to fill a funding gap for the South County Operations and Maintenance Facility.

## **STATE FUNDING OPPORTUNITIES**

MST is eligible for and receives State of California funds through the competitive grant process as well as from formula programs. The CIP anticipates \$33.5 million in state funding between FY22 and FY26, including:

### ***California Transit and Intercity Rail Capital Program (TIRCP)***

The Transit and Intercity Rail Capital Program (TIRCP) was created by Senate Bill (SB) 862 (2014), to provide grants from the Greenhouse Gas Reduction Fund to fund transformative capital improvements that will modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. MST, in partnership with the Transportation Agency for Monterey County, will seek funding for the construction phase of the SURF! Busway and Bus Rapid Transit Project.

### *Low Carbon Transit Operations Program (LCTOP)*

The Low Carbon Transit Operations Program provides operating and capital assistance for transit agencies to reduce greenhouse gas emission and improve mobility, with a priority on serving disadvantaged communities.

### *Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)*

The Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) is a voucher whereby purchasers (MST) can buy vehicles that are cleaner, quieter, and in line with California Air Resources Board regulations. The vouchers incentive the purchase of zero-emission vehicles that reduce the incremental cost of commercial vehicles.

### *Senate Bill (SB) 1*

State of Good Repair Senate Bill (SB) 1, passed in April 2017, provides for new operating and capital funding sources for public transit. SB1 establishes a new “Transportation Improvement Fee” (TIF) under the Vehicle License Fee law. The TIF is based on a vehicle’s current market value and ranges from \$25 to \$175. Fee revenues are dedicated to the STA program (\$105 million per year) for state of good repair investments. MST anticipates that State of Good Repair funding will be \$1.5 million during the 5-year period but is dependent on market value.

Another program that receives funding under SB1 is the Local Partnership Program (LPP). LPP provides funding to counties, cities, transit districts, and regional transportation agencies in which voters have approved fees or taxes dedicated solely to transportation improvements or that have imposed fees, including uniform developer fees, dedicated solely to transportation improvements. The program provides funding to local and regional agencies to improve aging Infrastructure, road conditions, active transportation, transit and rail. There is both a formulaic and competitive component to LPP. MST anticipates that LPP funding will be \$5.5 million over the 5-year timeframe.

## **FEDERAL TRANSIT ADMINISTRATION – CAPITAL FUNDS**

MST is eligible for and receives Federal Transit Administration (FTA) funds through the competitive grant process as well as from formula programs. The CIP anticipates \$52.5 million in federal funding between FY 2021/22 and FY2025/26, including:

### *FTA Section 5310*

The 5310 program for the Enhanced Mobility of Seniors and Individuals with Disabilities improves mobility by removing barriers to transportation service and expanding transportation mobility options. This program supports transportation service plans, designs, and construction to meet the special transportation needs of seniors and individuals with disabilities in large urbanized (more than 200,000), small urbanized (50,000 - 200,000), and rural (fewer than 50,000) areas. Eligible projects include both traditional capital investment and non-traditional investment which go beyond the Americans with Disabilities Act complementary paratransit services. Funding is anticipated to range from \$180,000-\$270,000 on an annual basis.

### *FTA Section 5339*

The federal Bus and Bus Facilities program funds new and replacement buses in addition to bus-related equipment and facilities. Eligible projects include fleet or service expansions, maintenance and transfer facilities, terminals, passenger shelters, the bus portion of intermodal facilities, computers, garage equipment and bus rebuilds. Grants are awarded by the Federal Transit Administration to states and local governments, as well as to sub-recipients including public agencies, private companies and non-profit organizations in public transportation. The program has both discretionary and competitive components. MST anticipates receiving nearly \$8 million in Section 5339 funding in this CIP.

### *FTA Section 5307 (traditional, CARES, CRRSAA, and ARPA)*

The Federal Section 5307 Urbanized Area Formula program provides funds to urbanized areas and state Governors for transit capital and operating assistance, and for transportation-related planning. Eligible uses include planning, engineering, design, and evaluation of transit projects; technical transportation-related studies; capital investments in bus and bus-related activities; capital investments in new and existing fixed guideway systems; and signals, communications, and computer hardware and software. The Federal Transit Administration administers 5307 grants. These formula-based grants are awarded on population, population density, passenger miles, and revenue/route miles for various modes.

The addition of funding under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the American Rescue Plan Act of 2021 (ARPA) supports the ongoing operational and capital improvement program needs of transit agencies across the U.S. in response to the COVID-19 pandemic and requires no local match.

In total, MST anticipates receiving \$10.2 million in Section 5307 traditional funding for capital needs over the 5-year period.

#### *Capital Investment Grants (CIG)*

This FTA discretionary grant program funds transit capital investments, including heavy rail, commuter rail, light rail, streetcars, and bus rapid transit. Federal transit law requires transit agencies seeking CIG funding to complete a series of steps over several years. MST will continue to seek small starts project approval under the CIG program. MST anticipates that it will seek \$27 million in funding under the CIP program for construction of the SURF! Busway and Bus Rapid Transit Project to match State TIRCP funding.

#### *Transportation Infrastructure Finance and Innovation Act (TIFIA)*

MST received a federal very low-interest loan for construction of the South County Operations and Maintenance Facility project in October 2020. The federal loan will be used in FY 2021/22 to fund the remaining cost of the project (\$4.4 million), scheduled to be operational in fall 2021.

## **4.6 Capital Improvement Program Summary**

MST is actively working on multiple fronts to create a safer and more reliable experience both on and off transit. MST brings together in one place a long list of projects and planning efforts underway to support the goals of the Strategic Plan. Route changes and service improvements will be implemented after the Comprehensive Operational Analysis concludes in 2021. The result may be to reallocate limited resources where they are needed most. Implementation and expansion of the bus rapid transit JAZZ service with the new SURF! Busway and Bus Rapid Transit Project is a major component of the CIP where frequent and reliable service will be at the core.

Updating and replacing our transit fleet which complies with the Innovative Clean Transit (ICT) Rule is a focus in years 2 and 4 of the CIP. The ICT requires that 25% of new buses purchased in years 2026, 2027 and 2028 need to be zero-emission buses (ZEB). The physical infrastructure to support ZEBs will begin in earlier years. Making safety improvements are also an important focus of this CIP.



Over the next five years, the MST will roll out an unprecedented investment in transit infrastructure and service improvements, including:

- Replacing aging buses and expanding our transit fleet to increase service capacity, improve safety, comfort, reliability, and maintaining a t
- Completing the South County Operations and Maintenance Facility.
- Completing the planning, design and construction of the SURF! Busway and Bus Rapid Transit project.
- Maintaining a state of good repair at MST facilities.
- Making the transit system smarter and more reliable by investing in new technology, improving integration between traffic signals and transit, and improving real-time transit information.

## CIP Program Summary Table

### Five-Year Summary by Program

Program Category	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	5-Year Total	Unfunded
A - Bus Rolling Stock	\$6,423,760	\$7,987,375	\$3,227,940	\$4,446,110	\$3,568,428	\$25,653,612	\$5,720,371
B - Bus Support Equipment and Facilities/ITS	\$535,000	\$315,000	\$0	\$0	\$0	\$850,000	\$4,443,520
C - Communication/ Radio Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
D - Safety & Security	\$12,000	\$1,332,000	\$13,000	\$13,000	\$14,000	\$1,384,000	\$0
E - Preventative Maintenance	\$43,700	\$25,000	\$25,000	\$25,000	\$25,000	\$143,700	\$0
F - Bus Stations / Stops	\$2,236,000	\$2,000,000	\$0	\$52,000,000	\$0	\$56,236,000	\$0
G - Major Facilities Expansion / Rehab	\$6,419,000	\$635,000	\$275,000	\$275,000	\$275,000	\$7,879,000	\$20,700,000
<b>Grand Total</b>	<b>\$15,669,460</b>	<b>\$12,294,375</b>	<b>\$3,540,940</b>	<b>\$56,759,110</b>	<b>\$3,882,428</b>	<b>\$92,146,312</b>	<b>\$30,863,891</b>
<b>ITC Compliance</b>	<b>\$0</b>	<b>\$4,695,000</b>	<b>\$0</b>	<b>\$719,919</b>	<b>\$0</b>	<b>\$5,414,919</b>	<b>\$280,081</b>

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