



## **MONTEREY-SALINAS TRANSIT BOARD OF DIRECTORS BOARD MEETING AGENDA**

**July 13, 2020**

**Time: 10:00 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 **July 13, 2020** meeting of the Board of Directors 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, **July 10, 2020**; 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>

### **REMOTE CONFERENCE ONLY**

#### **Join from PC, Mac, Linux, iOS or Android:**

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Meeting ID: 934 9925 1302

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Meeting ID: 934 9925 1302

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## **1. CALL TO ORDER**

- 1-1. Roll Call.
- 1-2. Pledge of Allegiance.
- 1-3. Election of Officers
- 1-4. Review Highlights of the agenda. (Carl Sedoryk)

## **2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA**

*Members of the public may address the Board 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 Board 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. (Please refer to page 1 of the agenda for instructions)*

## **3. CONSENT AGENDA**

*These items will be approved by a single motion. Anyone may request that an item be discussed and considered separately.*

- 3-1. Adopt Resolution 2021-01 Recognizing Aldaberto Corrales, Coach Operator, as Employee of the Month for July 2020. (Robert Weber) (Page 7)
- 3-2. Approve Minutes of the Board Operations Performance Committee on June 8, 2020. (Jeanette Alegar-Rocha) (Page 9)
- 3-3. Approve Minutes of the MST Board Meeting on June 8, 2020. (Jeanette Alegar-Rocha) (Page 11)
- 3-4. Approve Minutes of the Special Meeting and Public Hearing on June 22, 2020. (Jeanette Alegar-Rocha) (Page 17)
- 3-5. Financial Reports – May 2020 (Lori Lee) (Page 21)
  - a) Accept report of May 2020 cash flow
  - b) Approve May 2020 disbursements
  - c) Accept report of May 2020 treasury transactions
- 3-6. Receive Report on Lost and Found Items Left on MST Property for the Month of March 2020. (Sonia Wills) (Page 29)
- 3-7. Inform the MST Board of Directors of the Renewal and Procurement of Excess Workers' Compensation Insurance. (Kelly Halcon) (Page 31)

- 3-8. Add New Advertising Rate for MST Bus Door or Window Decals. (Lisa Rheinheimer) (Page 33)
- 3-9. Approve Resolution 2021-02 In Appreciation for MST Leadership Mayor Mike LeBarre. (Carl Sedoryk) (Page 39)
- 3-10. Receive Report from Nominating Committee, Conduct Election of Officers, and Appoint Representatives. (Jeanette Alegar-Rocha) (Page 41)
- 3-11. Adopt Retirement Resolution 2021-03 Recognizing Eliseo Aromin, Scheduling Assistant, for his 15 years of Service. (Michelle Overmeyer) (Page 43)
- 3-12. Receive Draft Mobility Advisory Committee (MAC) Minutes of May 27, 2020 Meeting. (Cristy Sugabo) (Page 45)
- 3-13. Reject Claim by Claimants Tina and Alexis Wong Submitted on May 28, 2020. (Lisa Cox) (Page 49)

End of Consent Agenda

#### **4. RECOGNITIONS AND SPECIAL PRESENTATIONS**

- 4-1. Outgoing Chair Recognition. (Carl Sedoryk)
- 4-2. Employee of the Month for July 2020, Aldaberto Corrales. (Robert Weber)
- 4-3. Retirement – Eliseo Aromin, 15 Years of Service. (Michelle Overmeyer)
- 4-4. Receive Presentation on Colleges and Universities Pass Programs. (Michelle Overmeyer) (Page 51)
- 4-5. Receive Staff Report on Activities Related to the COVID-19 Pandemic Incident Response and Recovery Planning to Date and Provide Direction, If Needed. (Carl Sedoryk) (Page 55)

#### **5. PUBLIC HEARINGS**

None

#### **6. ACTION ITEMS**

- 6-1. Authorize Monterey-Salinas Transit (MST) Staff to Purchase Eight (8) Fixed-Route Cutaway Buses from Creative Bus Sales in an Amount Not to Exceed \$904,000. (Norman Tuitavuki) (Page 57)
- 6-2. Authorize Monterey-Salinas Transit (MST) Staff to Purchase Seven (7) Heavy-Duty Coaches From Gillig, LLC of California in an Amount Not to Exceed \$4,004,000. (Norman Tuitavuki) (Page 59)

- 6-3. Authorize Monterey-Salinas Transit (MST) Staff to Purchase Up To Four (4) ChargePoint Chargers for Gillig Battery Electric Buses at a Cost Not to Exceed \$250,000. (Carl Wulf) (Page 61)
- 6-4. Authorize the Purchase and Configuration of Hardware and Software for the MST Computer Infrastructure, not to Exceed \$350,000. (Mark Eccles) (Page 63)
- 6-5. Establish the School Pass Program with a Monthly Rate of \$13 Per Pass. (Michelle Overmeyer) (Page 65)

## **7. REPORTS & INFORMATION ITEMS**

*The Board will receive and file these reports, which do not require action by the Board.*

- 7-1. General Manager/CEO Report. – May 2020 (Page 67)
- 7-2. Washington, D.C. Lobby Report. – June 2020 (Page 97)
- 7-3. State Legislative Advocacy Update. – June 2020 (Page 101)
- 7-4. Staff Trip Reports- None
- 7-5. Correspondence. (Pages 103-113)

## **8. BOARD REPORTS, COMMENTS, AND REFERRALS**

- 8-1. Reports on Meetings Attended by Board Members at MST Expense. (AB 1234)
- 8-2. Board Member Comments and Announcements.
- 8-3. Board Member Referrals for Future Agendas.

## **9. CLOSED SESSION**

*Members of the public may address the Board on any matter related to Closed Session. There is a time limit of not more than three minutes for each speaker. The Board will not take action or respond immediately to any public comments presented, but may choose to follow-up at a later time individually, through staff, or on a subsequent agenda. **(Please refer to page 1 of the agenda for instructions)***

*As permitted by Government Code §64956 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.*

- 9-1. CONFERENCE WITH LABOR NEGOTIATORS (§54957.6)  
Agency designated representatives: (Kelly Halcon, Michael Laredo) (No Enclosure)  
Employee organization: (Monterey-Salinas Transit Employee Association)

- 9-2. Conference with Legal Counsel – Existing Litigation (§ 54956.9)  
Name of Case: *Elsa Cruz Barrios vs. Jarrod Mansfield, et al.*, Case No.  
17CV001398

## 10. RETURN TO OPEN SESSION

- 10-1 Report on Closed Session and Possible Action.

## 11. ATTACHMENTS

- 11-1. The Detailed Monthly Performance Statistics and Disbursement Journal for  
**May 2020** can be viewed online within the GM Report at  
<http://mst.org/about-mst/board-of-directors/board-meetings/>

## 12. ADJOURN

**NEXT MEETING DATE:** August 10, 2020

**REMOTE CONFERENCE ONLY**

**ZOOM MEETING**

**10:00 a.m.**

**NEXT AGENDA DEADLINE:** July 21, 2020

*\*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 Board after distribution of the agenda packet are available for public inspection at the Monterey-Salinas Transit Administration Building at 19 Upper Ragsdale Dr., Suite 200, Monterey, CA 93940 during normal business hours.*

*Upon request, Monterey-Salinas Transit 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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지원

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**ALDABERTO CORRALES  
JULY 2020  
EMPLOYEE OF THE MONTH**

WHEREAS, each month Monterey-Salinas Transit recognizes an outstanding employee as Employee of the Month; and

WHEREAS, the Employee of the Month is recognized for his positive contribution to MST and to the entire community; and

WHEREAS, Aldaberto Corrales began his employment with Monterey-Salinas Transit District in February of 2009 as a Coach Operator. He had been recognized for 5 years of safe driving; and

WHEREAS, Aldaberto Corrales displayed remarkable composure, forethought, and restraint when confronted with a passenger who, after physically assaulting a female passenger, attacked him while driving north on Highway 1. Adalberto was able to safely stop the bus on the shoulder of the highway and allow his passengers to safely escape and secured the bus. He contacted 911 and MST Center to report the incident. The attacker attempted to drive the coach but was unsuccessful due to Adalberto's quick thinking. The suspect was ultimately intercepted by law enforcement and arrested in Marina after carjacking another vehicle stopped in traffic; and

WHEREAS, Aldaberto Corrales has continued to be an excellent representative to the communities MST serves and remains a valued asset to our district and to our customers.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit District recognizes Aldaberto Corrales as Employee of the Month for July 2020; and

BE IT FURTHER RESOLVED that Aldaberto Corrales is to be congratulated for his outstanding performance, dedication, and supreme effort toward the success of MST completing its mission.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT PASSED AND ADOPTED RESOLUTION 2021-01 this 13th day of July 2020.

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Mike LeBarre  
Board Chair

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Carl Sedoryk  
Board Secretary

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

**Minutes**

June 8, 2020  
9:00 a.m.

<b>Present:</b>	Dan Albert (Chair) Joe Amelio Jeff Baron Mary Ann Carbone Anna Velazquez (Vice-Chair) Lorraine Worthy	City of Monterey City of Pacific Grove City of Carmel-by the Sea City of Seaside City of Soledad City of Gonzales
<b>Absent:</b>	None	
<b>Staff:</b>	Carl Sedoryk Lisa Rheinheimer Robert Weber Norman Tuitavuki Kelly Halcon Mark Eccles Michelle Overmeyer Jeanette Alegar-Rocha Andrea Williams Deanna Smith Ikuyo Yoneda-Lopez Carl Wulf Marzette Henderson Ezequiel Rebollar	General Manager/CEO Assistant General Manager Chief Operating Officer Deputy Chief Operating Officer Director of HR and Risk Management Director of Information Technology Director of Planning and Innovation Clerk to the Board General Accountant and Budget Manager Compliance Analyst Marketing Manager Facilities and Capital Projects Manager Contract Transportation Supervisor IT Technician
<b>Counsel:</b>	Dave Laredo Michael D. Laredo	General Counsel, De Lay & Laredo Assistant Counsel, De Lay & Laredo
<b>Public:</b>	Fred Simkins	Coach Operator and ATU

1. Call to order.

**Chair Albert 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. 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. Construction and Facilities Update (No Enclosure)(Lisa Rheinheimer/Carl Wulf)
  - a) Joe Lloyd Way Facility
  - b) South County Operations and Maintenance Facility
  - c) Proposed SURF! Busway and Rapid Transit Project
  - d) Demolition of Ft. Ord Building (Quartermaster Ave / 5<sup>th</sup> Street)

**Lisa Rheinheimer provided the committee a construction and facilities update for Joe Lloyd Way, South County Operations and Maintenance, the proposed SURF! Busway and Rapid Transit Project and the Demolition of the Ft. Ord Building.**

5. MST Response and Recovery to COVID-19 Briefing (Carl Sedoryk and Staff)

**The committee received an update from the General Manager/CEO on the MST Response and Recovery Planning to COVID-19.**

6. Closed Session

**None**

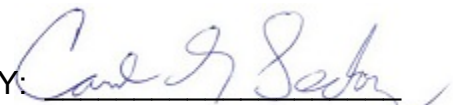
7. Adjourn.

**There being no further business, Chair Albert adjourned the meeting at 9:58 a.m.**

PREPARED BY:

  
Jeanette Alegar-Rocha

REVIEWED BY:

  
Carl G. Sedoryk

**MEETING OF THE MST BOARD OF  
DIRECTORS**

**MEETING MINUTES**

**June 8, 2020**

<b>Present:</b>	Jeff Baron	City of Carmel-by-the Sea
	Kristin Clark	City of Del Rey Oaks
	Lorraine Worthy	City of Gonzales
	Mike LeBarre	City of King
	Frank O'Connell	City of Marina
	Dan Albert	City of Monterey
	Joe Amelio	City of Pacific Grove
	Tony Barerra	City of Salinas
	Mary Ann Carbone	City of Sand City
	Dave Pacheco	City of Seaside
	Anna Velazquez	City Soledad
	Luis Alejo	County of Monterey
<b>Absent:</b>	Yanely Martinez	City of Greenfield
<b>Staff:</b>	Carl Sedoryk	General Manager/CEO
	Lisa Rheinheimer	Assistant General Manager
	Robert Weber	Chief Operating Officer
	Norman Tuitavuki	Deputy Chief Operating Officer
	Kelly Halcon	Director of HR and Risk Management
	Mark Eccles	Director of Information Technology
	Michelle Overmeyer	Director of Planning and Innovation
	Carl Wulf	Facilities and Capital Projects Manager
	Jeanette Alegar-Rocha	Deputy Secretary
	Andrea Williams	General Accountant & Budget Manager
	Matt Deal	Grants Analyst
	Deanna Smith	Compliance Analyst
	Ikuyo Yoneda-Lopez	Marketing Manager
	Sonia Wills	Customer Service Supervisor
	Beronica Carriedo	Community Outreach Coordinator
	Lisa Cox	Risk and Safety Manager
	Marzette Henderson	Contract Transportation Supervisor

Doris Martinez  
Elena Grigorichina  
Ezequiel Rebollar

Schedule/Planning Analyst  
Operations Analyst  
IT Technician

**Counsel:** Dave Laredo  
Michael D. Laredo  
Heidi Quinn

General Counsel, De Lay & Laredo  
Assistant Counsel, De Lay & Laredo  
De Lay & Laredo

**Public:** Fred Simkins

Coach Operator and ATU

*Apology is made for any misspelling of a name.*

## **1. CALL TO ORDER**

1-1. Roll Call

**Chair LeBarre called the meeting to order at 10:05 a.m. with roll call taken as the meeting was via ZOOM teleconference.**

1-2. Pledge of Allegiance

**The pledge of allegiance was led by Chair LeBarre.**

1-3. Review Highlights of the agenda. (Carl Sedoryk)

**Carl Sedoryk reviewed the highlights of the agenda and called attention to action item 6-1 review proposed FY2021 budget and setting of special meeting and public hearing.**

## **2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA**

*Members of the public may address the Board 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 Board 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 Comment- None

## **3. CONSENT AGENDA**

*These items will be approved by a single motion. Anyone may request that an item be discussed and considered separately.*

3-1. Adopt Resolution 2020-25 Recognizing Thomas Newton, as Employee of the Month for June 2020. (Robert Weber)

3-2. Approve Minutes of the Board Administrative Performance Committee on

May 11, 2020. (Jeanette Alegar-Rocha)

- 3-3. Approve Minutes of the MST Board Meeting on May 11, 2020. (Jeanette Alegar-Rocha)
- 3-4. Receive Report on Lost and Found Items Left on MST Property for the Month of February. (Sonia Wills)
- 3-5. Financial Reports – April 2020 (Lori Lee)
  - a) Accept report of April 2020 cash flow
  - b) Approve April 2020 disbursements
  - c) Accept report of April 2020 treasury transaction
- 3-6. Authorize the Chair to appoint an Ad Hoc Nominating Committee and identify volunteers for this committee. (Carl Sedoryk)
- 3-7. Adopt Retirement Resolution 2020-27 recognizing Max Hamilton, IT Technician for his 23 years of service. (Mark Eccles)
- 3-8. Reject Claim submitted on May 5, 2020 from Lawrence E. Biegel, Esq., BIEGEL LAW FIRM on behalf of Alejandro Sanchez Ortiz. (Lisa Cox)
- 3-9. Receive August 1, 2020-July 31, 2023 Draft Title VI Public Participation Plan for Public Review and 30-day Comment Period. (Deanna Smith)
- 3-10. Amend Resolution 2020-18 Relating to the Fiscal Emergency Impacts of the COVID-19 Pandemic. (Lisa Rheinheimer)

### **End of Consent Agenda**

Chair LeBarre pulled consent agenda items 3-1 and 3-6 for comment.

Director Barrera pulled consent agenda item 3-8 which by recommendation of Legal Counsel Dave Laredo was moved to closed session item 9-2 for further discussion.

Director Velazquez pulled consent agenda item 3-9 for comment.

Director Baron pulled consent agenda item 3-10 for comment.

**Director Alejo made the motion to approve all consent items except pulled items, 3-1, 3-6, 3-8, 3-9, and 3-10 which was seconded by Director O'Connell. A roll call vote was taken with 12 votes in favor, 1 absent and none against. The motion passed unanimously.**

**Following comments and further discussion, Director Alejo made the motion to approve consent agenda items 3-1, 3-6, 3-8 and 3-9 which was seconded by Velazquez. A roll call vote was taken with 12 votes in favor, 1 absent and none against. The motion passed unanimously.**

Following comment made by Director Baron on consent agenda item 3-10, Director Alejo made the motion to approve which was seconded by Director Albert. A roll vote was taken with 11 voting in favor, 1 against and 1 absent. The motion passed.

#### **4. RECOGNITIONS**

- 4-1 MST June Employee of the Month, Thomas Newton, Coach Operator.  
(Robert Weber)

**Chair LeBarre verbally recognized and thanked MST June Employee of the Month, Thomas Newton for his dedication and outstanding contribution to MST and the community.**

- 4-2. Retirement – Max Hamilton, IT, 23 years of service. (Mark Eccles)

**The MST Board and Staff recognized Max Hamilton for his 23 years of service, dedication and outstanding contribution to MST and the community.**

- 4-3. 25 years of Services – Tony Valladares, Fleet Superintendent (Norman Tuitavuki)

**The MST Board and Staff recognized Tony Valladares for his 25 years of service, dedication and outstanding contribution to MST and the community.**

#### **5. PUBLIC HEARINGS**

None

#### **6. ACTION ITEMS**

- 6-1. Review Proposed FY 2021 Budget and Set Special Meeting and Public Hearing to Adopt the Budget on June 22 at 10:00 a.m. (Lisa Rheinheimer) (Enclosure)

Public Comment- None

**Director Barrera made the motion to approve action item 6-1 which was seconded by Director Clark. A roll call vote was taken with 12 votes in favor, 1 absent and none against. The motion passed unanimously.**

- 6-2. Receive Report from Staff on MST Response and Recovery Planning Related to COVID-19. (Carl Sedoryk)

Public Comment- None

**The MST Board received a report from the General Manager/CEO on MST Response and Recovery Planning Related to COVID-19.**

## 7. REPORTS & INFORMATION ITEMS

*The Board will receive and file these reports, which do not require action by the Board.*

- 7-1. General Manager/CEO Report. – April 2020
- 7-2. Washington, D.C. Lobby Report. – May 2020
- 7-3. State Legislative Advocacy Update. – April 2020
- 7-4. Staff Trip Reports
- 7-5. Correspondence.

Public Comment- None

## 8. BOARD REPORTS, COMMENTS, AND REFERRALS

- 8-1. Reports on meetings attended by board members at MST expense.  
(AB 1234)
- 8-2. Board member comments and announcements.
  - a) Appoint Regional Taxi Authority Nominating Committee

**Carl Sedoryk, reminded RTA Chair, Dan Albert to appoint the RTA nominating committee in the upcoming months.**

- 8-3. Board member referrals for future agendas.

Public Comment- None

## 9. CLOSED SESSION

*Members of the public may address the Board on any matter related to Closed Session. There is a time limit of not more than three minutes for each speaker. The Board will not take action or respond immediately to any public comments presented, but may choose to follow-up at a later time individually, through staff, or on a subsequent agenda. **(Please refer to page 1 of the agenda for instructions)***

*As permitted by Government Code §64956 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.*

- 9-1. CONFERENCE WITH LABOR NEGOTIATORS (§54957.6)  
Agency designated representatives: (Kelly Halcon, Michael Laredo)

(No Enclosure) Employee organization:  
(Monterey-Salinas Transit Employee Association)

- 9-2. Reject Claim submitted on May 5, 2020 from Lawrence E. Biegel, Esq., BIEGEL LAW FIRM on behalf of Alejandro Sanchez Ortiz. (Lisa Cox)

Public Comment- None

## 10. RETURN TO OPEN SESSION

10-1 Report on Closed Session and possible action.

- 9-1. CONFERENCE WITH LABOR NEGOTIATORS (§54957.6)  
Agency designated representatives:

**Status: General Direction Given**

**No Formal Action Taken**

- 9-2. Reject Claim submitted on May 5, 2020 from Lawrence E. Biegel, Esq., BIEGEL LAW FIRM on behalf of Alejandro Sanchez Ortiz.

**Director Alejo made the motion to reject the claim which passed with a roll call vote of 9 votes in favor, 2 absent and none against. The motion passed.**

## 11. ATTACHMENTS

- 11-1. The detailed monthly Performance Statistics and Disbursement Journal for April 2020 can be viewed online within the GM Report at <http://mst.org/about-mst/board-of-directors/board-meetings/>

## 12. ADJOURN

**With no further business to discuss, Chair LeBarre adjourned the meeting at 11:57 a.m.**

PREPARED BY:



Jeanette Alegar-Rocha

REVIEWED BY:



Carl G. Sedoryk



**SPECIAL MEETING OF THE MST BOARD  
OF DIRECTORS**

**MEETING MINUTES**

**June 22, 2020**

<b>Present:</b>	Jeff Baron	City of Carmel-by-the Sea
	Kristin Clark	City of Del Rey Oaks
	Lorraine Worthy	City of Gonzales
	Yanely Martinez	City of Greenfield
	Mike LeBarre	City of King
	Frank O'Connell	City of Marina
	Dan Albert	City of Monterey
	Joe Amelio	City of Pacific Grove
	Tony Barerra	City of Salinas
	Mary Ann Carbone	City of Sand City
	Dave Pacheco	City of Seaside
	Anna Velazquez	City Soledad
	Luis Alejo	County of Monterey
<b>Absent:</b>	None	
<b>Staff:</b>	Carl Sedoryk	General Manager/CEO
	Lisa Rheinheimer	Assistant General Manager
	Robert Weber	Chief Operating Officer
	Norman Tuitavuki	Deputy Chief Operating Officer
	Kelly Halcon	Director of HR and Risk Management
	Mark Eccles	Director of Information Technology
	Michelle Overmeyer	Director of Planning and Innovation
	Jeanette Alegar-Rocha	Deputy Secretary
	Eva Perez	Office Administrator
	Andrea Williams	General Accountant & Budget Manager
	Matt Deal	Grants Analyst
	Ikuyo Yoneda-Lopez	Marketing Manager
	Sonia Wills	Customer Service Supervisor
	Lisa Cox	Risk and Safety Manager
	Elena Grigorichina	Operations Analyst
<b>Counsel:</b>	Dave Laredo	De Lay & Laredo
	Michael D. Laredo	De Lay & Laredo
	Heidi Quinn	De Lay & Laredo

**Public:** Debbie Hale

Transportation Agency for Monterey County

*Apology is made for any misspelling of a name.*

**1. CALL TO ORDER**

1-1. Roll Call

**Chair LeBarre called the meeting to order at 10:00 a.m. with roll call taken as the meeting was via ZOOM teleconference.**

1-2. Pledge of Allegiance

**The pledge of allegiance was led by Chair LeBarre.**

1-3. Review Highlights of the agenda. (Carl Sedoryk)

**Carl Sedoryk reviewed the highlights of the agenda and called attention to action item 5-1.**

**2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA**

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None

**3. CONSENT AGENDA**

None

**4. PUBLIC COMMENTS**

None

**5. ACTION ITEMS**

5-1. FY 2021 Budget (Lisa Rheinheimer)

a) Receive Presentation on Final FY 2021 Budget,

**The MST Board received a presentation of the MST FY 2021 Budget from Lisa Rheinheimer, AGM.**

b) Conduct Public Hearing to Hear Public Comments on the FY 2021 Budget,

**The MST Board conducted a public hearing for the MST FY 2021 Budget for public comments. No public comments were made.**

- c) Adopt Final FY 2021 Budget,

**Director O'Connell made the motion to adopt the MST FY 2021 Budget which was seconded by Director Alejo. A roll call vote was taken with 13 votes in favor and none against. The motion passed unanimously.**

- d) Approve Resolution 2020-26 Authorizing the Filing of Federal Grant Applications,


**Director Albert made the motion to adopt Resolution 2020-26 authorizing the filing of Federal Grant Resolutions which was seconded by Director Amelio. A roll call vote was taken with 13 votes in favor and none against. The motion passed unanimously.**

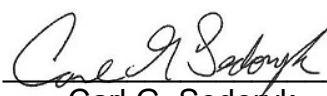
- e) Authorize staff to apply to the Transportation Agency for Monterey County for Transportation Development Act Local Transportation Funds and State Transit Assistance for FY 2021.

**Director Worthy made the motion to authorize staff to apply to the Transportation Agency for Monterey County for Transportation Development Act Local Transportation funds and State Transit Assistance for FY 2021 which was seconded by Director Amelio. A roll call vote was taken with 13 votes in favor and none against. The motion passed unanimously.**

## **6. ADJOURN**

**With no further business to discuss, Chair LeBarre adjourned the meeting at 10:23 a.m.**

PREPARED BY:   
Jeanette Alegar-Rocha

REVIEWED BY:   
Carl G. Sedoryk

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To: Board of Directors  
From: Lori Lee  
Subject: **FINANCIAL REPORTS – MAY 2020**

**RECOMMENDATION:**

1. Accept report of May 2020 cash flow presented in Attachment #1
2. Approve May 2020 disbursements listed in Attachment #2
3. Accept report of May 2020 treasury transactions listed in Attachment #3

**FISCAL IMPACT:**

The cash flow for May is summarized below and is detailed in Attachment #1.

Beginning balance May 1, 2020	\$11,113,378.25
Revenues	5,052,111.63
Disbursements	<u>&lt;3,816,070.92&gt;</u>
Ending balance May 31, 2020	<u>\$12,349,418.96</u>

**POLICY IMPLICATIONS:**

Disbursements are approved by your Board each month and are shown in Attachment #2. Treasury transactions are reported to your Board each month and are shown in Attachment #3.

**DISCUSSION:**

By the end of May of FY 2020, MST had a \$743,083 year-to-date deficit to budget on the fixed-route operations and a \$601,555 surplus to budget on the MST RIDES operations, resulting in an overall year-to-date deficit of \$141,528.

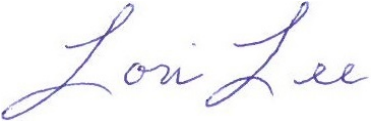
The following fixed-route expenses have negative variances of greater than 5% and have a monetary value greater than \$5,000 as seen in the May Budget vs. Actual reports contained in Attachment #4: None for May.

The financial impact of the COVID-19 pandemic began in mid-March when the agency began ordering sanitizing and cleaning supplies and the Shelter In Place Order was issued by Monterey County Health Department. During the month of May, MST spent \$75,326.22 on COVID-19 supplies. This information will be provided for each finance report until the pandemic is over.

A detail of disbursements can be viewed within the GM Report at <http://www.mst.org/about-mst/board-of-directors/board-meetings/>

**ATTACHMENT(S):**

1. May 2020 Cash Flow
2. May 2020 Disbursements
3. May 2020 Treasury Transactions
4. May Budget vs. Actual

PREPARED BY:   
Lori Lee

REVIEWED BY:   
Carl G. Sedoryk

**(REVENUES & DISBURSEMENTS)****CASH FLOW**

Beginning balance 05/01/2020 11,113,378.25

## Revenues

Passenger Revenue	202,623.73	
DOD Revenue	1,902.97	
LTF / STA / 5307	3,129,100.05	
Sales Tax	433,851.74	
Grants	1,256,319.08	
Interest Income	443.17	
Non Transit Revenue	27,870.89	
Total Revenues	5,052,111.63	5,052,111.63

## Disbursements

Operations (See Attachment #2)	3,653,608.97	
Capital	162,461.95	
Total Disbursements		(3,816,070.92)

Ending balance 05/31/2020 **12,349,418.96**

**COMPOSITION OF ENDING BALANCE**

Checking - Rabo Bank	273,343.87
Local Agency Investment Fund (LAIF)	7,151,214.49
Money Market - Rabo MM	2,624,017.17
Money Market - PTMISEA	140,964.32
Money Market - LCTOP	1,303,635.80
Money Market - State of Good Repair	538,024.76
Money Market - FOR A/Other	299,004.46
Bank of America - Escrow	8,987.59
Petty cash fund, STC Coin Machine, and 2 change funds	10,226.50
<b>Total</b>	<b>12,349,418.96</b>

**PAYROLL ACCOUNT**

May 8 Payroll & Related Expenses	512,810.07	
May 22 Payroll & Related Expenses	537,718.33	
PERS & 457	379,112.66	
Garnishments	3,838.74	
PERS Health Insurance	<u>341,524.00</u>	
	1,775,003.80	1,775,003.80

**GENERAL ACCOUNT**

Disbursements on Attached Summary	1,888,619.70	
Paydown loans	62,009.63	
Workers Comp. Disbursements	76,736.30	
Interest Expense	12,063.46	
Bank Service Charge	<u>1,638.03</u>	
	2,041,067.12	2,041,067.12
Total Disbursements		<u>3,816,070.92</u>
Less Capital Disbursements & Transfers		(162,461.95)
<b>Operating Disbursements</b>		<b><u><u>3,653,608.97</u></u></b>
<b>Non-Payroll COVID 19 Costs Paid This Month</b>		<b><u><u>75,326.22</u></u></b>



**DISBURSEMENTS SUMMARY:**  
**GENERAL ACCOUNT DISBURSEMENTS FOR May 01, 2020 - May 31, 2020**

CHECK PRINT DATE	CHECKS	TOTAL
Accounts Payable 05/01/2020	56024 - 56163	298,420.54
Accounts Payable 05/12/2020	56164 - 56170	1,300.00
Accounts Payable 05/15/2020	56171 - 56261	1,040,083.04
Accounts Payable 05/26/2020	56262 - 56281	111,637.02
Accounts Payable 05/29/2020	56282 - 56374	437,179.10
<b>TOTAL</b>		<b><u>1,888,619.70</u></b>

**CHECKS \$100,000 AND OVER**

VENDOR	BOARD APPROVED	CHECK NUMBER	CHECK DATE	AMOUNT
MV TRANSPORTATION	Recurring Expense	56226	5/15/20	808,761.16
KIMLEY-& ASSOCIATES	BRT Phasse II Surf! Board Approved 10/07/19	56326	5/29/20	112,422.01

**PURCHASES BETWEEN \$50,000 AND \$99,999**

VENDOR	GENERAL MANAGER APPROVED	CHECK NUMBER	CHECK DATE	AMOUNT
NONE DURING THE MONTH OF MAY				

**TREASURY TRANSACTIONS  
FOR MAY 2020**

**LAIF ACCOUNT**

<u>Date</u>	<u>Account</u>	<u>Description</u>	<u>Deposit</u>	<u>Withdrawal</u>	<u>Balance</u>
Balance Forward at 05/01/2020					7,151,214.49
Local Agency Investment Fund: LAIF Treasury Balance at 05/31/2020					7,151,214.49

**RABOBANK MM ACCOUNT**

<u>Date</u>	<u>Account</u>	<u>Description</u>	<u>Deposit</u>	<u>Withdrawal</u>	<u>Balance</u>
Balance Forward at 05/01/2020					1,237,677.52
05/01/20	479	LTF	1,084,616.05		2,322,293.57
05/01/20	479	AP/Payroll		700,000.00	1,622,293.57
05/01/20	308	PTMISEA	242,000.00		1,864,293.57
05/07/20	702	AP/Payroll		700,000.00	1,164,293.57
05/14/20	308	AP/Payroll		995,000.00	169,293.57
05/20/20	479	5307 Grant	2,044,484.00		2,213,777.57
05/21/20	473	AP/Payroll		690,000.00	1,523,777.57
05/28/20	473	5311/5311f	1,100,000.00		2,623,777.57
05/31/20		Interest	239.60		2,624,017.17
RABO MM Balance at 05/31/2020					2,624,017.17

**MONTEREY-SALINAS TRANSIT**

Revenue & Expense - Consolidated

Budget vs Actual

For the Period from May 1, 2020 to May 31, 2020

(Amounts are in USD)

(Includes Fund: 001|004|005)

(Includes G/L Budget Name: BUDFY20)

	<b>Cur Mo. Actual</b>	<b>Cur Mo. Budget</b>	<b>Cur Mo. Variance</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>YTD Variance</b>
<b>Revenue</b>						
Passenger Fares	-3,957	-296,038	292,082	-2,490,280	-3,256,418	766,138
Special Transit	-7,736	-468,963	461,227	-2,618,751	-5,158,593	2,539,842
Cash Revenue	-5,989	-37,873	31,884	-432,150	-416,603	-15,547
Cash Grants & Reimbursement	-2,992,780	-3,089,211	96,431	-31,932,996	-33,981,321	2,048,325
<b>Total Revenue</b>	<b>-3,010,462</b>	<b>-3,892,085</b>	<b>881,623</b>	<b>-37,474,177</b>	<b>-42,812,935</b>	<b>5,338,758</b>
<b>Expenses</b>						
Labor	1,182,756	1,354,045	-171,289	14,050,151	14,894,495	-844,344
Benefits	819,404	901,870	-82,466	9,587,678	9,920,570	-332,892
Advertising & Marketing	5,430	10,809	-5,379	100,619	118,899	-18,280
Professional & Technical	45,130	84,238	-39,108	568,062	926,618	-358,556
Outside Services	39,027	44,167	-5,140	435,728	485,837	-50,109
Outside Labor	131,089	169,400	-38,311	1,274,469	1,863,400	-588,931
Fuel & Lubricants	96,030	308,572	-212,542	1,888,657	3,394,292	-1,505,635
Supplies	62,876	90,586	-27,710	829,678	996,446	-166,768
Vehicle Maintenance	60,955	85,183	-24,228	839,525	937,013	-97,488
Marketing Supplies		2,584	-2,584	26,700	28,424	-1,724
Utilities	46,798	54,331	-7,533	588,433	597,641	-9,208
Insurance	102,919	109,533	-6,614	1,165,500	1,204,863	-39,363
Taxes	5,138	22,393	-17,255	136,801	246,323	-109,522
Purchased Transportation	355,500	510,990	-155,490	5,293,582	5,620,890	-327,308
Miscellaneous Expenses	19,060	47,407	-28,347	397,397	521,477	-124,080
Interfund transfers						
Pass Thru/Behalf of Others						
Interest Expense	14,836	16,190	-1,354	179,128	178,090	1,038
Leases & Rentals	31,439	38,431	-6,992	400,236	422,741	-22,505
<b>Total Operating Expenses</b>	<b>3,018,388</b>	<b>3,850,729</b>	<b>-832,341</b>	<b>37,762,343</b>	<b>42,358,019</b>	<b>-4,595,676</b>
<b>Operating (Surplus) Deficit</b>	<b>7,926</b>	<b>-41,356</b>	<b>49,282</b>	<b>288,167</b>	<b>-454,916</b>	<b>743,083</b>

**MONTEREY-SALINAS TRANSIT**

Revenue & Expense - Consolidated

Budget vs Actual

For the Period from May 1, 2020 to May 31, 2020

(Amounts are in USD)

(Includes Fund: 002)

(Includes G/L Budget Name: BUDFY20)

	Cur Mo. Actual	Cur Mo. Budget	Cur Mo. Variance	YTD Actual	YTD Budget	YTD Variance
<b>Revenue</b>						
Passenger Fares	-1,465	-23,143	21,678	-196,358	-254,573	58,215
Special Transit						
Cash Revenue						
Cash Grants & Reimbursement	-539,604	-539,604		-5,935,644	-5,935,644	
<b>Total Revenue</b>	<b>-541,069</b>	<b>-562,747</b>	<b>21,678</b>	<b>-6,132,002</b>	<b>-6,190,217</b>	<b>58,215</b>
<b>Expenses</b>						
Labor	9,919	10,734	-815	98,494	118,074	-19,580
Benefits	4,825	6,232	-1,407	75,405	68,552	6,853
Advertising & Marketing		9	-9		99	-99
Professional & Technical		417	-417		4,587	-4,587
Outside Services						
Outside Labor	10,449	9,399	1,050	115,482	103,389	12,093
Fuel & Lubricants	37,466	51,400	-13,934	534,745	565,400	-30,655
Supplies	107	1,998	-1,891	5,572	21,978	-16,406
Vehicle Maintenance						
Marketing Supplies						
Utilities	120	120		1,320	1,320	
Insurance						
Taxes						
Purchased Transportation	220,822	460,018	-239,196	4,442,877	5,060,198	-617,321
Miscellaneous Expenses	17,320	22,420	-5,100	248,742	246,620	2,122
Interfund transfers						
Pass Thru/Behalf of Others						
Interest Expense						
Leases & Rentals				7,810		7,810
<b>Total Operating Expenses</b>	<b>301,028</b>	<b>562,747</b>	<b>-261,719</b>	<b>5,530,447</b>	<b>6,190,217</b>	<b>-659,770</b>
<b>Operating (Surplus) Deficit</b>	<b>-240,041</b>		<b>-240,041</b>	<b>-601,555</b>		<b>-601,555</b>

To: Board of Directors  
From: Sonia Wills, Customer Service Supervisor  
Subject: Disposal of Unclaimed Items Left on MST Property

**RECOMMENDATION:**

Receive Report on Lost and Found Items Left on MST Property for the Month of March 2020.

**FISCAL IMPACT:**

There are no fiscal impacts to receiving this report.

**POLICY IMPLICATIONS:**

Your Board adopted MST's Disposal of Lost and Found Property Policy.

**DISCUSSION:**


Per MST's Disposal of Lost and Found Property Policy adopted in February 2019, lost items listed below which are left on buses, bus benches, at transit centers, at bus stops, and/or which have been turned in to bus or RIDES Operators, Customer Service Representatives, or any MST employee will be held at one of MST's Customer Service locations for a three (3) month period.


MST makes an attempt to contact the owners of Lost and Found items. Prescriptions, ID cards, and items with an estimated fair market value under \$100 and have been turned in to MST are either disposed of properly or donated to non-profit charitable organizations.

Only the items listed below with an estimated fair market value of \$100 or more and are unclaimed after three months will be auctioned off per Policy:

*Item(s) with an estimated fair market value of \$100 or more:*

- None

PREPARED BY:   
Sonia Wills

REVIEWED BY:   
Carl G. Sedoryk

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To: Board of Directors

From: K. Halcon, Director of Human Resources/Risk Management

Subject: Excess Workers' Compensation Insurance

**RECOMMENDATION:**

Inform the MST Board of Directors of the Renewal and Procurement of Excess Workers' Compensation insurance.

**FISCAL IMPACT:**

Not to exceed \$98,000.00 for one year of coverage. The cost of the insurance renewal has been budgeted in the FY2021 budget.

**POLICY IMPLICATIONS:**

MST is a member of CalTIP Transit Insurance Pool. CalTIP has a contract with Driver Alliant to act as the broker agent to procure liability insurance for the Member Transit Agencies.

**DISCUSSION:**

The California Transit Indemnity Pool (CalTIP) is a result of the cooperative efforts of public transit operators acting collectively to meet their insurance needs. In the mid-1980's, public transit operators faced an insurance crisis of increasing premiums, decreasing coverages and increasing deductibles. In 1986, California's public transit operators banded together and formed a joint powers authority for the purpose of insurance policies for MST: General Liability Insurance, Physical Liability Insurance, Property and Pollution Insurance and Excess Workers' Compensation Insurance. CalTIP contracts with Driver Alliant to act as the broker agent to negotiate and broker insurance coverages and rates for the member Transit Agencies.

This year the market softened, and premiums were projected to decrease between 18%-20%. MST has continued to be aggressive in administering and managing our industrial claims keeping claim costs low. This year, MST was able to realize a decrease with a savings of a little over \$12,000. Below is a chart demonstrating the fluctuating costs of excess workers' compensation premiums for MST:

<b>Fiscal Year</b>	<b>Insurance Premium</b>	<b>Total with Admin costs</b>
2016	\$93,304.00	\$111,139.00
2017	\$90,145.00	\$107,437.00
2018	\$90,791.00	\$126,930.00
2019	\$87,910.00	\$105,182.00
2020	\$95,593.00	\$118,683.00
2021	\$78,998.00	\$97,033.00

Below is an itemized breakdown of the total invoice cost.

<b>Item Description</b>	<b>Cost</b>
Deposit Premium	\$78,998.00
Admin Fee	\$9,384.00
Broker Fee	\$8,651.00
<b>Total</b>	<b>\$97,033.00</b>

MST staff is informing the Board of the premium cost and administrative fees and recognize it as an ongoing cost of providing service to the public.

PREPARED BY:  REVIEWED BY:   
Kelly Halcon Carl G. Sedoryk



To: Board of Directors  
From: Lisa Rheinheimer, Assistant General Manager  
Subject: Bus Advertising

**RECOMMENDATION:**

Add New Advertising Rate for MST Bus Door or Window Decals.

**FISCAL IMPACT:**

This new ad rate has the potential to generate up to \$50,000 per year in revenue to offset operating expenses.

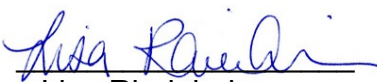

**POLICY IMPLICATIONS:**

Your Board approves new – and revisions to current – MST bus advertising rates.

**DISCUSSION:**

MST has had an advertising policy in place for many years, generating up to \$400,000 in revenue for operating expenses. Recently, there has been interest by the private sector to advertise on the window or door of MST buses on the passenger side. The final placement of the decals will be at the discretion of the maintenance department. These decals are more labor intensive to install and remove and therefore, staff recommends a rate higher than the interior advertising rate but lower than exterior advertising. The current ad rates with the additional decal rate are attached for reference.

Staff recommends that the ad rate be set at \$25 per decal per month for the first month, \$24 per decal per month for 3 months, \$23 per decal per month for 6 months, and \$22 per decal per month for 12 months.

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

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## Your Audience

**MST's moving billboards** are a great way to reach the approximately 430,000 residents of Monterey County. MST also serves select locations in Santa Cruz County, Santa Clara County and San Luis Obispo County. In addition to this year-round population, there is an estimated eight million annual visitors to our beautiful Central Coast. This is your audience when you choose to advertise on MST's bus fleet. In addition to these impressive numbers is the wide demographic profile of the county. Your business is exposed to the entire range of the population. MST's fleet of 150 buses travel over four million miles each year in a 290-square-mile area. This enables your message high visibility while moving around the market like no other advertising venue. • Interested in on-board advertising with an interior card? MST's annual ridership is 4.5 million passenger trips – or more than 14,000 riders each weekday.

Effective February 7, 2017

### Communities Reached

Aptos	Greenfield	Salinas
Big Sur	King City	San Ardo
Camp Roberts	Lockwood	Sand City
Carmel	Marina	San Jose
Carmel Valley	Monterey	San Lucas
Castroville	Morgan Hill	San Miguel
Chualar	Moss Landing	Santa Cruz
Del Rey Oaks	Pacific Grove	Seaside
Elkhorn	Pajaro	Soledad
Fort Hunter Liggett	Paso Robles	Soquel
Gilroy	Pebble Beach	Templeton
Gonzales	Prunedale	Watsonville

### Contact

For questions, to reserve advertising space or confirm space availability, please call:

Chidlaw Marketing

**Chris Chidlaw**

(831) 641-0657

[chidlawmarketing@comcast.net](mailto:chidlawmarketing@comcast.net)



Sizes

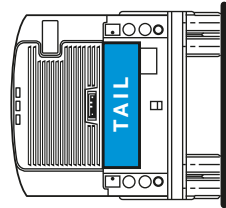
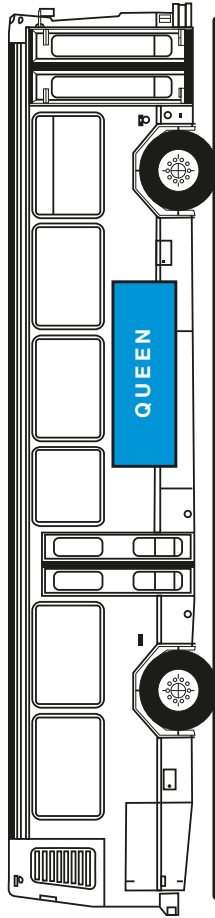
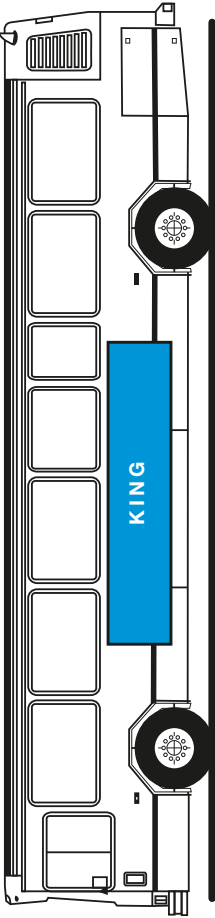
- King 30" x 144" Street side
- Queen 30" x 88" Curb side
- Tail 21" x 72" Back
- Interior Cards 11" x 17"
- Minibus 21" x 72" Street + Curb side

Rates + Sizes

Outdoor Ad Rates

Rates are per ad, per month net.

Ad Size	1 Month	3 Months	6 Months	12 Months
King	\$430	\$405	\$385	\$355
Queen	\$220	\$210	\$195	\$185
Tail	\$200	\$190	\$180	\$170
Minibus	\$200	\$185	\$170	\$155



Individual elements not to scale.

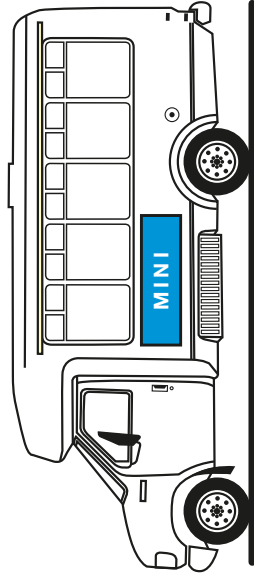
Interior Card Rates

Rates are per ad, per month net.

Quantity	1 Month	3 Months	6 Months	12 Months
10-20 Cards	\$16	\$15	\$14	\$13
21+ Cards	\$14	\$13	\$12	\$11

Nonprofit organizations receive two months of advertising for the price of one. Offer restricted to space availability.

Effective February 7, 2017



# Terms and Specifications

**Terms** A deposit equal to one month's payment is due in advance to reserve space. Succeeding months are billed at the beginning of each contract month and are payable upon receipt. The deposit will be held until the end of the contract term and will be applied to the final month of the contract. Non-payment will result in immediate removal of signs and cancellation of contract. • Posters become the property of MST. Used posters are disposed of after their contract has expired and will not be returned to clients or designers/artists nor will they be stored by MST. New vinyl posters are required to resume advertising following any break between advertising periods.

**Restrictions** MST does not accept political, religious or sexually explicit advertising, nor does MST accept alcohol or tobacco messages. Other restrictions do apply. All advertising must comply with MST's advertising policy, which can be found at [www.mst.org/about-mst/advertising](http://www.mst.org/about-mst/advertising). Creative must be approved by MST prior to printing.

**Mechanical Requirements** Advertiser is responsible for design, production and printing of posters. MST will work with local signage companies to provide mounting in order to simplify shipping and delivery of unmounted posters. Please call your local signage company for production and mounting pricing.

- Exterior posters are to be printed on 4 mil. Flexcon Busmark adhesive-backed vinyl. All ads must be mounted to 5 mm. Coroplast. Ads are to be mounted as one piece. Coroplast must be cut to the exact size of the bus ad frame. All four corners of mounted ad are to be trimmed at a 45° angle. Ad frame dimensions can be found in the rates section of this media kit. Live areas should be no closer than 2" from all four borders to allow for frame.

**Shipping** Mounted ads must arrive at MST a minimum of three days prior to start of ad campaign. Mounted ads may be shipped directly to MST at: One Ryan Ranch Road, Monterey, CA 93940. Do not ship unmounted ads to MST. Delivery location for printing and/or mounting is available on request.

## Ad Production Rates

Production and mounting costs include labor and materials. Ad production rates are provided for estimation purposes only and do not include tax. Ad production is a service provided by signage companies, not MST. Please contact your local signage company for exact costs.

Ad Size	Printing, Mounting & Delivery (per ad)	Mounting & Delivery Only (per ad)	Printing & Delivery Only (per ad)
<b>King</b>	\$240	\$75	–
<b>Queen</b>	\$150	\$55	–
<b>Tail</b>	\$90	\$40	–
<b>Minibus</b>	\$61–85	–	–

## Contact

For questions, to reserve advertising space or confirm space availability, please call:

Chidlaw Marketing

**Chris Chidlaw**

(831) 641-0657

[chidlawmarketing@comcast.net](mailto:chidlawmarketing@comcast.net)

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## **IN APPRECIATION FOR MST LEADERSHIP MAYOR MIKE LEBARRE**

WHEREAS, Mike LeBarre has served on the Board of Directors of Monterey-Salinas Transit since January 2015; and

WHEREAS, Mike LeBarre served as chair of the Board of Monterey-Salinas Transit from July 9, 2018 to July 13, 2020; and

WHEREAS, as Chair of the Board of Monterey-Salinas Transit Mike LeBarre advocated for innovative programs including free-fare programs with Hartnell College and Monterey Peninsula College; and,

WHEREAS, as Chair of the Board of Monterey-Salinas Transit Mike LeBarre encouraged investments in new technologies including the MST RealTime app and portfolio of traveler information systems and its international award-winning marketing campaign; and,

WHEREAS, as Chair of the Board of Monterey-Salinas Transit Mike LeBarre oversaw the construction and completion of the Salinas Mobility Center and Salinas Transit Center renovations and has been a driving force behind the planning, financing, and design of the South County Operations and Maintenance Facility which started construction on July 10, 2020.

NOW THEREFORE. BE IT RESOLVED that the Board of Directors gives Mike LeBarre its thanks and appreciation for his service as Chair of the Board and for his continued dedication to Monterey-Salinas Transit and the communities we serve.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT PASSED AND ADOPTED RESOLUTION 2021-02 this 13th day of July 2020.

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Board Chair

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Board Secretary

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To: Board of Directors

From: Jeanette Alegar-Rocha, Deputy Secretary

Subject: Report from Nominating Committee and Election of Officers

**RECOMMENDATION:**

Receive Report from Nominating Committee, Conduct Election of Officers, and Appoint Representatives.

**FISCAL IMPACT:**

None.

**POLICY IMPLICATIONS:**

The Monterey-Salinas Transit District bylaws require the Board to conduct an annual election of officers and to make required appointments.

Article VI. Officers, of the MST Bylaws requires your board to “appoint members to a Nominating Committee responsible for recommending officer appointments to the full Board.”

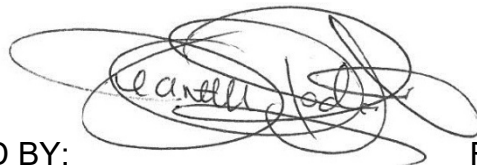
**DISCUSSION:**

The Nominating Committee consisting of Directors Jeff Baron (Carmel-by-the-Sea), Mary Ann Carbone (Sand City) and Lorraine Worthy (Gonzales) met on June 29, 2020 to nominate and recommend election of MST Directors Dan Albert (Monterey) to serve as Board Chair and Anna Velazquez (Soledad) to serve as Vice-Chair for FY 2021-2022.

Furthermore, MST non-elected officers are asked to sit on various boards and committees. The proposed non-elected officer appointments are included in the attachment.

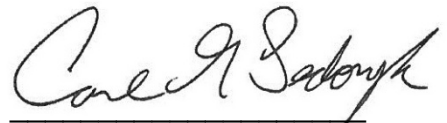
**ATTACHMENT:** MST District Officers and Appointments for FY 2021-2022

PREPARED BY:



Jeanette Alegar-Rocha

REVIEWED BY:



Carl G. Sedoryk

## Attachment 1

### **MST District Officers and Appointments Fiscal Years 2021-2022**

#### ***Officers elected by the Board:***

Chair	Dan Albert (nominated)
Vice-Chair	Anna Velazquez (nominated)
City of Carmel-by-the-Sea	Jeff Baron
City of Del Rey Oaks	Kristin Clark
City of Greenfield	Yanelly Martinez
City of Gonzales	Lorraine Worthy
City of King City	Mike LeBarre
City of Marina	Frank O'Connell
City of Monterey	Dan Albert
City of Pacific Grove	Joe Amelio
City of Salinas	Tony Barrera
City of Sand City	Mary Ann Carbone
City of Seaside	Dave Pacheco
City of Soledad	Anna Velazquez
County of Monterey	Luis Alejo

#### ***Non-elected officers and appointments:***

Secretary to the Board	Carl G. Sedoryk
Deputy Secretary to the Board	Jeanette Alegar-Rocha
Treasurer	Carl G. Sedoryk
Deputy Treasurer	Lisa Rheinheimer
General Counsel	David C. Laredo
Representative to TAMC	Carl G. Sedoryk
Alternate to TAMC	Lisa Rheinheimer
Representative to California Transit Indemnity Pool (CalTIP)	Kelly Halcon
Alternates to CalTIP	Lisa Cox
Representative to AMBAG	Carl Sedoryk
Alternate to AMBAG	Lisa Rheinheimer

## **ELISEO AROMIN 15 YEARS OF SERVICE**

WHEREAS, Eliseo Aromin began his career with the Monterey-Salinas Transit in July 2005; and

WHEREAS, Eliseo Aromin has been recognized for his outstanding contributions within the Planning Department. Over his career, Eliseo has been recognized for his on the job safety and his perfect attendance; and

WHEREAS, Eliseo Aromin has been recognized for his commitment to MST's Mission. He was previously recognized as the Employee of the Month in July of 2013 for his outstanding work ethic. Eliseo is instrumental in both the day to day operations and in the service change process. He is known as the go to person for knowledge of MST's bus stops; and

WHEREAS, after 15 years of service to MST and its customers, Eliseo Aromin retired on July 11, 2020.

NOW THEREFORE BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit recognizes and congratulates Eliseo Aromin for his excellent support and service to MST and our customers; and

BE IT FURTHER RESOLVED the Board of Directors expresses its sincere gratitude to Eliseo Aromin and wishes him success and a satisfying retirement.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT  
PASSED AND ADOPTED RESOLUTION 2021-03 this 13th day of July 2020.

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Mike LeBarre  
Board Chair

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Carl G. Sedoryk  
Board Secretary

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**MEETING OF THE MOBILITY ADVISORY COMMITTEE (MAC)**

**MEETING MINUTES**

**May 27, 2020**

<b>Present:</b>	Jessica McKillip Stefania Castillo Kathleen Murray-Phillips Maureen McEachen Esmeralda Ortiz Jennifer Ramirez Bobby Merritt Maria Magaña	ITN Monterey County Transportation Agency for Monterey County (TAMC) Monterey County Dept. of Social Services Visiting Nurse Association The Blind and Visually Impaired Center Partnership for Children Veterans Transition Center Central Coast Center for Independent Living (CCCIL)
<b>Absent:</b>	Aimee Cuda Reyna Gross Melissa McKenzie Joseph Ruiz Alejandro Fernandez	Central Coast Senior Services Alliance on Aging Carmel Foundation Interim Inc. DaVita Dialysis
<b>Staff:</b>	Robert Weber Lisa Rheinheimer Cristy Sugabo Kevin Allshouse Claudia Valencia Lesley van Dalen Marzette Henderson	Chief Operating Officer Assistant General Manager Mobility Services Manager Mobility Services Coordinator Mobility Specialist Mobility Specialist Contract Transportation Supervisor
<b>Public:</b>	Doug Thomson Steven Macias	MV Operations Manager The Blind and Visually Impaired Center

*Apology is made for any misspelling of a name.*

## **1. CALL TO ORDER**

### **1-1. Roll Call**

**Vice-Chair McKillip called the meeting to order at 1:04 p.m. with roll call taken as the meeting was via teleconference call.**

Member Magaña joined at 1:11 p.m

## **2. NEW BUSINESS**

### **2-1. Election of Officers for 2020.**

**Member Ramirez moved to approve Vice-Chair McKillip to continue being the Interim Chair for the remainder of 2020, and Member McEachen seconded it. A roll call vote was taken with 7 votes in favor and none against. The motion passed unanimously.**

## **3. CONSENT AGENDA**

### **3-1. Approve Minutes of the regular meeting of January 29, 2020.**

**Member Murray-Phillips made a motion to approve the Minutes and Member Magaña seconded. A roll call vote was taken with 8 votes in favor and none against. The motion passed unanimously.**

## **4. PUBLIC COMMENTS 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 comment- None

## 5. PUBLIC HEARING

### 5-1. Unmet Transit Needs Public Hearing.

**Member Castillo presented the Unmet Transit Needs process and Interim Chair McKillip opened the discussion for public comments. There being no public comments received, Interim Chair McKillip closed the public hearing.**

## 6. MEMBERSHIP

### 6-1. Accept resignation for Member Alejandro Fernandez representing DaVita Dialysis Center.

**Member Merritt made a motion to accept Member Fernandez's resignation and Member Ramirez seconded. A roll call vote was taken with 8 votes in favor and none against. The motion passed unanimously.**

### 6-2. Accept resignation for Alternate Member Kurt Schake representing the Veterans Transition Center.

**Member Murray-Phillips made a motion to accept Member Schake's resignation and Member Merritt seconded. A roll call vote was taken with 8 votes in favor and none against. The motion passed unanimously.**

### 6-3. Interim Chair McKillip appointed Member Merritt to the Measure Q Oversight Committee.

## 7. REPORTS

*The Committee will receive these report(s), which do not require action by the Committee.*

### 7-1. MV Transit- MST RIDES Service Update (Doug Thomson)

### 7-2. MST Mobility Programs Updates (Kevin Allshouse)

## 8. SUBJECT ITEM REQUEST

*This item(s) will be included on a future agenda for follow-up.*

### 8-1. Measure X Senior & Disabled Transportation Program Update.

### 8-2. MST Community Survey Results.

## 9. ANNOUNCEMENTS AND APPRECIATIONS

### 9-1. Member and staff comments and announcements.

**10. ADJOURN**

**With no further business to discuss, Interim Chair McKillip adjourned the meeting at 1:54 p.m.**

PREPARED BY: *Claudia L. Valencia*  
Claudia Valencia

REVIEWED BY: *Kevin Allshouse*  
Kevin Allshouse

DRAFT



To: Board of Directors  
From: Lisa Cox, Risk and Security Manager  
Subject: Liability Claim Rejection

**RECOMMENDATION:**

Reject Claim by Claimants Tina and Alexis Wong Submitted on May 28, 2020.

**FISCAL IMPACT:**

Excess of \$10,000.00

**POLICY IMPLICATIONS:**

None

**DISCUSSION:**

The claim was submitted on May 28, 2020 from Tina and Alexis Wong regarding an incident that occurred on November 10, 2019 when a bus driver endangered their lives. The claimant states an MST bus driver made an illegal 'u-turn' on Highway 68 and the claimant and her daughter should be compensated based on fear factor.

It has been determined that the current claim submitted has failed to comply with the California tort claims act and is insufficient. Staff recommends the claim be rejected in its entirety.

The above claim is under investigation. If any Board member desires further information on this claim, they may request it be discussed in closed session.

PREPARED BY:  APPROVED BY:   
Lisa Cox Carl Sedoryk

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To: Board of Directors

From: Michelle Overmeyer, Director of Planning and Innovation

Subject: Update on College and University Pass Programs

**RECOMMENDATION:**

Receive Presentation on Colleges and Universities Pass Programs.

**FISCAL IMPACT:**

A total of approximately \$98,150 in revenue for Fiscal Year 2021.

**POLICY IMPLICATIONS:**

Your Board authorizes expenditures in excess of \$100,000. Additionally, these partnerships are identified in the Board's Strategic Plan- Action Plan and adopted FY 2021 Budget.

**DISCUSSION:**

The COVID-19 pandemic has vastly changed the way our county operates and there are still many unknowns as we navigate this uncharted territory. The partnerships MST has enjoyed with the institutions of higher education will need to be flexible during the recovery.

Cal State Monterey Bay (CSUMB)

Each year staff has been working with counterparts at CSUMB in order to plan the university-sponsored bus routes for the academic year. The contract has historically covered operations for Lines 19, 25, and 26, for an agreed upon cost depending on the total number of service hours provided. In the 2019-2020 school year, the total contract was set at \$588,000. The "U-Pass" program is included in the contract which allows all students, faculty and staff to board MST service for free with a valid CSUMB identification (ID) card. The shelter-in-place order issued in March 2020 led to an early end of the traditional school year as students were forced to move out of campus housing and virtually all classes moved to an on-line platform for the remainder of the semester. As a result, CSUMB and MST decided to suspend Lines 19, 25, and 26.

CSUMB has announced that the 2020-2021 school year will begin in a similar fashion- virtually all classes will be held online, and few students will be housed on

campus. The student fee the university normally charges its students to cover MST's costs will not be included in CSUMB's Fall 2020 fees. Because very little activity will be taking place on campus and the housing community, and because CSUMB does not have the revenue source to pay for MST service, the university has opted to forego a contract with MST to start the school year. Lines 19, 25 and 26 will remain suspended. Once MST restores fare collection on the system later this year, CSUMB students, faculty and staff will have to pay a fare when they board the bus.

CSUMB students do rely on MST service for various trip purposes. A recent report of CSUMB ID cards scanned on MST service notes significant usage on routes not serving the campus. Staff will continue ongoing coordination with CSUMB counterparts to resume some level of service for the Spring 2021 semester should they return to more normal campus activity.

### Hartnell College

For years MST has offered a free fare zone for Hartnell College students boarding the bus at the campus bus stops. In the 2019-2020 school year, this partnership was expanded so students could board for free anywhere on MST's system. The expanded program was very successful, particularly among the south county residents traveling to the Salinas campus, but it ended early with the COVID-19 pandemic. Similar to CSUMB, Hartnell College finished its school year with online classes. It, too, will be starting the fall semester with online classes, however, Hartnell wants to resume the free fares program for its students at the beginning of the 2020-2021 school year.

Based on a partial school year of boarding data and rough projections for the next school year, it is estimated that the cost to offer free fares to Hartnell students in the 2020-2021 school year will be \$233,150. Hartnell is committing \$48,150 to the program, which will be matched with \$185,000 in grant funding from the State's Low Carbon Transit Operations Program (LCTOP).

### Monterey Peninsula College (MPC)

One of the goals of the Marketing and Communication Plan is to increase the number of partners to MST to help increase ridership. With this in mind, staff came to your board in July 2019 to request authorization to begin a partnership with MPC. In this new partnership, MPC had committed \$50,000 for a year, and MST implemented a ½ fare cost for MPC students by allowing all students with a valid MPC issued ID to board for free at the Monterey and Marina campuses.

The MPC partnership was modeled after the successful Hartnell College partnership which also started with a free fare zone. On August 16, 2019 the MPC school year started, and students were able to board free at any of the 9 bus stops in front of the two campuses. The ridership grew, and MPC staff was pleased with the

program participation. An amendment to our contract was approved by your board in March 2020 to expand the program to allow MPC students to board at *any* MST stop in the entire system beginning March 30, 2020. Unfortunately, the COVID-19 pandemic took hold of our state, and the shelter-in-place order went into effect two days before we could implement the expanded program.

MPC will be starting the 2020-2021 school year with online classes, but leadership notes that students will be on campus for limited services such as the library, financial aid assistance, and food pantry. MPC wants to resume the free fares program for its students at the beginning of the 2020-2021 school year.

Based on boarding data from the last school year and rough projections for the next school year, it is estimated that the cost to offer free fares to MPC students in the 2020-2021 school year will be \$79,240. MPC is committing \$50,000 to the program, which will be matched with \$29,240 in grant funding from LCTOP.

 PREPARED BY Michelle Overmeyer	 REVIEWED BY Carl G. Sedoryk
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To: Board of Directors

From: C. Sedoryk, General Manager/CEO

Subject: Pandemic incident response and recovery update.

**RECOMMENDATION:**

Receive staff report on activities related to the COVID-19 pandemic incident response and recovery planning to date and provide direction, if needed.

**FISCAL IMPACT:**

None.

**POLICY IMPLICATIONS:**

This update supports your Board adopted Business Continuity Plan which states "The final responsibility for the resolution of the incident remains with the chief elected official(s). It is imperative that the MST Board of Directors remain as active participants and supporters of the Emergency EOC Commander's activities."

**DISCUSSION:**

At the Board meeting of June 8, 2020, staff provided a comprehensive update on activities undertaken in response to the COVID-19 pandemic and a separate presentation on how MST staff was moving forward with recovery. Staff will provide an update on significant activities taken since your last meeting and continued short term pandemic response and recovery plans.

**ATTACHMENT(S):**

None

PREPARED BY:   
Carl G. Sedoryk

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To: Board of Directors

From: Norman K. Tuitavuki, Deputy Chief Operating Officer

Subject: Authorize Purchase of Eight (8) Fixed-Route Cutaway Buses

**RECOMMENDATION:**

Authorize Monterey-Salinas Transit (MST) staff to purchase eight (8) fixed-route cutaway buses from Creative Bus Sales in an amount not to exceed \$904,000.

**FISCAL IMPACT:**

\$904,000. Staff combined the following funding sources to arrive at the total dollar amount required for this purchase:

Funding Sources	Amounts
SB 1	654,000
FORA	250,000
<b>Total Budget: \$904,000</b>	

**POLICY IMPLICATIONS:**

Your Board approves all purchases that exceed \$100,000.

**DISCUSSION:**

MST's contractor, MV Transportation operates a fleet of 36 fixed-route cutaway buses – of which 20 buses are eligible for retirement based on age, mileage accrued, or both. These new buses will improve customer satisfaction while lowering anticipated maintenance costs. Approval of this item authorizes staff to purchase 8 fixed-route cutaway buses from Creative Bus Sales, through the CalAct/MBTA Purchasing Cooperative. The Cooperative provides MST a federal and California State compliant purchasing solution that is competitively bid and drastically reduces MST's procurement processing time and eliminates other related activities.

PREPARED BY: Norman K. Tuitavuki  
Norman Tuitavuki

REVIEWED BY: Carl G. Sedoryk  
Carl G. Sedoryk

To: Board of Directors

From: Norman K. Tuitavuki, Deputy Chief Operating Officer

Subject: Authorize Purchase of Seven (7) Heavy-Duty Coaches

**RECOMMENDATION:**

Authorize Monterey-Salinas Transit (MST) staff to purchase seven (7) heavy-duty coaches from Gillig, LLC of California in an amount not to exceed \$4,004,000.

**FISCAL IMPACT:**

\$4,004,000. Staff combined the following funding sources to arrive at the total dollar amount required for this purchase:

<b>Funding Sources</b>	<b>Amount</b>
SB 1	383,521
5307	2,044,484
5339	1,557,420
Capital Budget	18,575
<b>Total Budget: \$4,004,000</b>	

**POLICY IMPLICATIONS:**

Your Board approves all purchases that exceed \$100,000.

**DISCUSSION:**

MST currently operates a fleet of 82 heavy-duty transit coaches. To date, 42 of these coaches are eligible for retirement based on age, mileage accrued, or both. These new buses will improve customer satisfaction while lowering anticipated maintenance costs.

Approval of this item authorizes staff to purchase (seven) 7 heavy-duty coaches from Gillig, LLC through the CalAct/MBTA Purchasing Cooperative at a total cost of \$4,004,000. The Cooperative provides MST a federal and California State compliant purchasing solution that is competitively bid and drastically reduces MST's procurement processing time and eliminates other related activities.

PREPARED BY: Norman K. Tuitavuki REVIEWED BY: Carl G. Sedoryk  
Norman Tuitavuki Carl G. Sedoryk

To: Board of Directors

From: Carl Wulf, Facilities and Capital Projects Manager

Subject: ChargePoint Charging Infrastructure for Battery Electric Buses

**RECOMMENDATION:**

Authorize Monterey-Salinas Transit (MST) staff to purchase up to four (4) ChargePoint Chargers for Gillig Battery Electric Buses at a cost not to exceed \$250,000.

**FISCAL IMPACT:**

Through the Low Carbon Transit Operations Program (LCTOP), MST has allocated \$250,000 dollars to purchase these chargers.

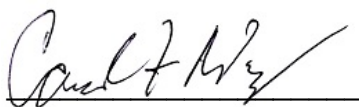
**POLICY IMPLICATIONS:**

Your Board approves all purchases that exceed \$100,000.

**DISCUSSION:**

In 2019, MST issued a purchase order to Gillig, LLC for two (2) battery-electric buses. ChargePoint is the exclusive battery charging solution for these buses. ChargePoint will work with MST staff to manufacture, deliver, and install up to four (4) chargers at MST's operating divisions in both Salinas and Monterey. Installing chargers at both operating divisions will provide flexibility to operate these buses throughout MST's region, within the operating range of these buses.

The Board's approval of this item will authorize staff to place an order through Gillig to purchase up to four (4) ChargePoint chargers to be installed in Salinas and Monterey as soon as operationally possible.

PREPARED BY:   
Carl Wulf

REVIEWED BY:   
Carl G. Sedoryk

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To: Board of Directors  
From: M. Eccles, Director of Information Technology  
Subject: Information Technology Computer System Upgrade

**RECOMMENDATION:**

Authorize the purchase and configuration of hardware and software for the MST computer infrastructure, not to exceed \$350,000.

**FISCAL IMPACT:**

Up to \$350,000 for the purchase and configuration of computer hardware and software licenses. 100% funding is available in the Board approved FY 2021 Budget.

**POLICY IMPLICATIONS:**

Your Board approves contracts and expenditures over \$100,000.

**DISCUSSION:**

MST IT needs to upgrade the current virtual server infrastructure due to the end of life of the current virtual environment, which was installed in 2013. MST has 11 different computer systems that are installed and operated in-house. These systems form the basis of our entire computer operational capability and include the Automatic Vehicle Location tracking system, Planning and Scheduling system, vehicle camera monitoring system, as well as the network access for shared files and systems.

Working with Alvarez Technology Group, the proposed upgrade has been planned to allow for growth over 10 years. The physical servers would be reduced from 23 to 3 but with increased capacity and speed. Apart from the savings in electricity usage, we would save on the cost of maintenance and licensing renewals for the Microsoft Operating system environment. The maintenance/licensing cost for the new system will amount to \$20,000 over 10 years, compared to the cost of over \$200,000 for the legacy 20 servers that we are removing with the proposed system reconfiguration.

The new virtual environment would also allow for a test installation system, so that MST IT can ensure that any upgrades or changes to our many software systems are not going to disrupt the operational systems before deployment. Finally, with cybersecurity being such an important part of any IT system, the new hardware will

ensure that MST is up-to-date with the latest operating system software which incorporates the latest anti-virus and anti-spam software.

The Dell hardware selected for this upgrade will ensure that there is hardware reliability, and on-site support when required.

Your approval of this request will ensure that MST can continue to operate the necessary IT infrastructure with confidence and flexibility for growth and upgrades of current and future operational systems over the next 10 years.

**ATTACHMENT(S):**

None

PREPARED BY:   
Mark Eccles

REVIEWED BY:   
Carl G. Sedoryk



To: Board of Directors

From: Michelle Overmeyer, Director of Planning and Innovation

Subject: Establish a School Pass Program Including a Special Monthly Pass Rate of \$13

**RECOMMENDATION:**

Establish the School Pass Program with a monthly rate of \$13 per pass.

**FISCAL IMPACT:**

A total of approximately \$100,000 in revenue for Fiscal Year 2021.

**POLICY IMPLICATIONS:**

Your Board sets fare policy.

**DISCUSSION:**

In response to the COVID-19 pandemic, MST is looking at ways to support the community through recovery. Our peers in the school transportation industry have noted challenges they will face in the coming school year as their budgets will be largely focused on transporting special needs students, leaving many other students without transportation to or from school. MST's fixed routes serve many public schools in the county already. There is an opportunity for MST to gain new ridership by marketing the service to school age students by way of a new School Pass Program.

In April 2020, your board approved the allocation of \$50,000 in Low Carbon Transit Operations Program (LCTOP) Funds to go toward monthly youth passes. Staff is proposing a new pass program that would leverage those LCTOP funds and make it feasible for school districts to purchase deeply discounted student monthly passes for use on MST's fixed route system. The proposed discount is similar to the campaign MST operated in 2016-2017 during the Highway 68 Roundabout construction, with a monthly pass priced at \$13.

LCTOP grant	\$6.50
School District	\$6.50
Total Pass Price	\$13.00

MST staff would coordinate the sale and distribution with interested school districts within Monterey County, while ensuring that 50% of grant funds are used toward passes benefiting the state-defined disadvantaged communities.

Staff recommends that you establish the School Pass Program.

PREPARED BY  REVIEWED BY   
Michelle Overmeyer Carl G. Sedoryk

To: Board of Directors  
From: C. Sedoryk, General Manager/CEO  
Subject: Monthly Report

Attached is a summary of monthly performance statistics for the Transportation, Maintenance, and Administration departments for May 2020.

Attachment #1 – Dashboard Performance Statistics – May 2020

Attachment #2 – Operations Dept. Report – May 2020

Attachment #3 – Facilities & Maintenance Dept. Report – May 2020

Attachment #4 – Administration Dept. Report – May 2020

Attachment #5 – Article San Francisco Chronicle : Proposed California law would fast-track environmentally sustainable transit

A complete detail of Monthly Performance Statistics can be viewed within the GM Report at <http://www.mst.org/about-mst/board-of-directors/board-meetings/>

PREPARED BY: \_\_\_\_\_

  
Carl G. Sedoryk

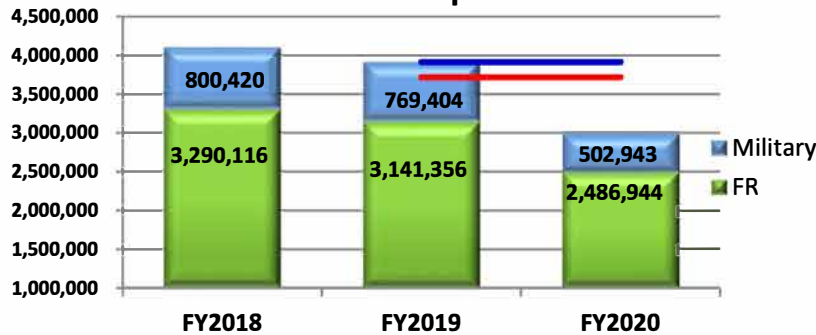
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## YTD Dashboard Performance Comparative Statistics

July - May

Fiscal Years 2018-2020

### Ridership



(Passenger Boardings - Fixed Route and Military)

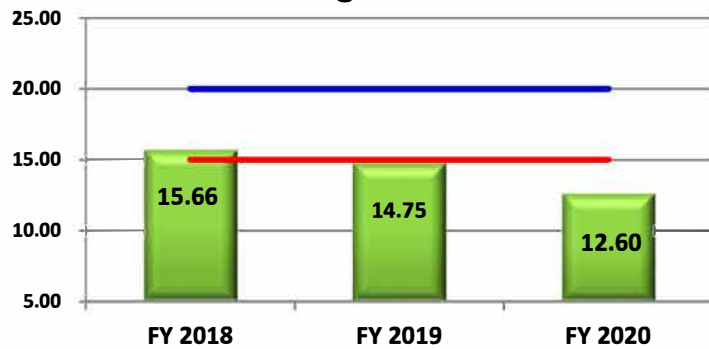
**Goal = 3,910,760 passengers**

**Minimum = 3,715,222 passengers**

**Goal = 20 passengers p/h**

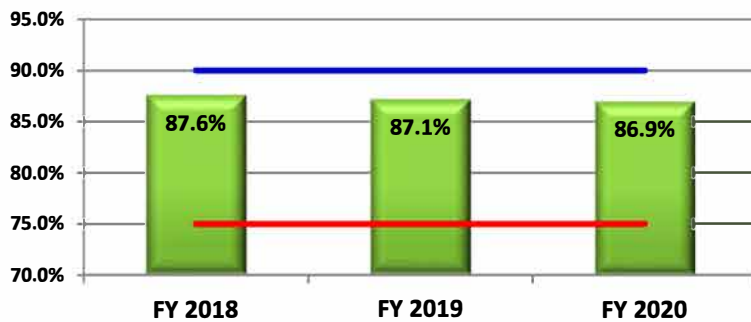
**Minimum = 15 passengers p/h**

### Passengers Per Hour



(Passengers per hour of service)

### On Time Performance



(Percent of passengers within 5 minutes of scheduled arrival)

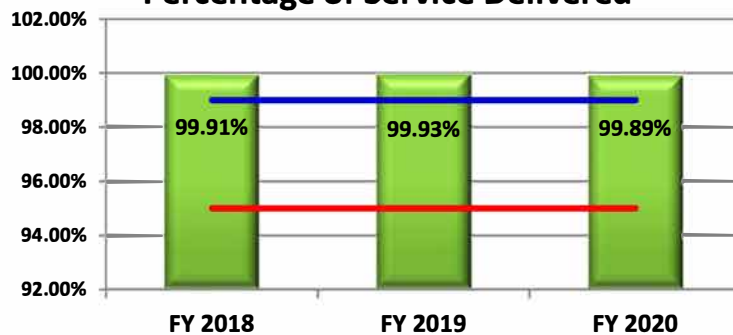
**Goal = 90% on time**

**Minimum = 75% on time**

**Goal = 99% completed**

**Minimum = 95% completed**

### Percentage of Service Delivered



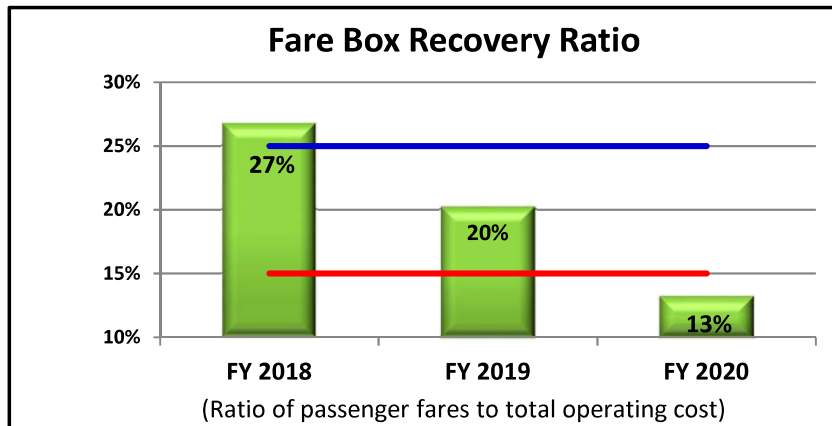
(Percentage of scheduled trips completed)

# MST Fixed Route

## YTD Dashboard Performance Comparative Statistics

### July - May

### Fiscal Years 2018-2020

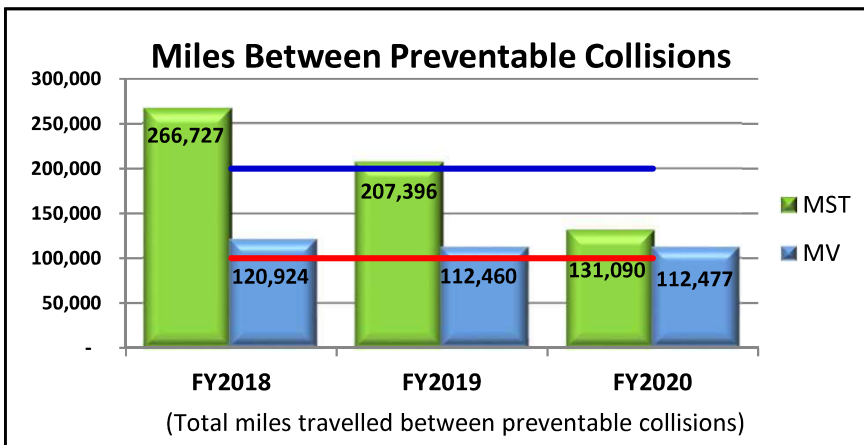
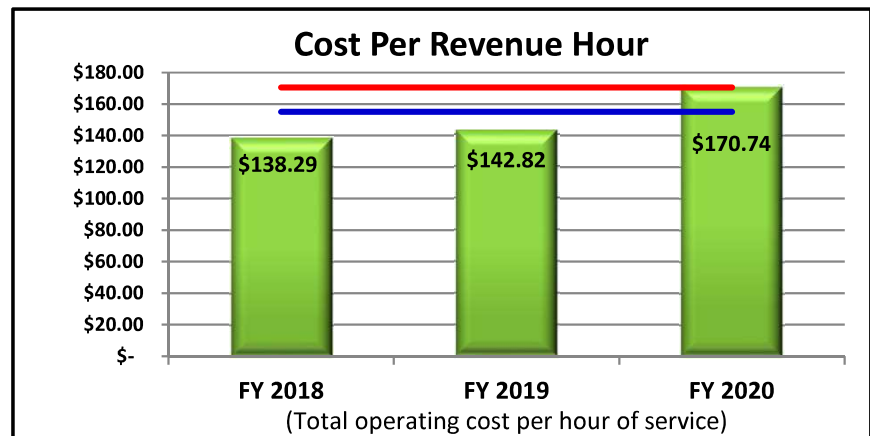


**Goal = 25%**

**Minimum = 15%**

**Goal = \$155.00 per RH**

**Maximum = \$170.50 per RH**

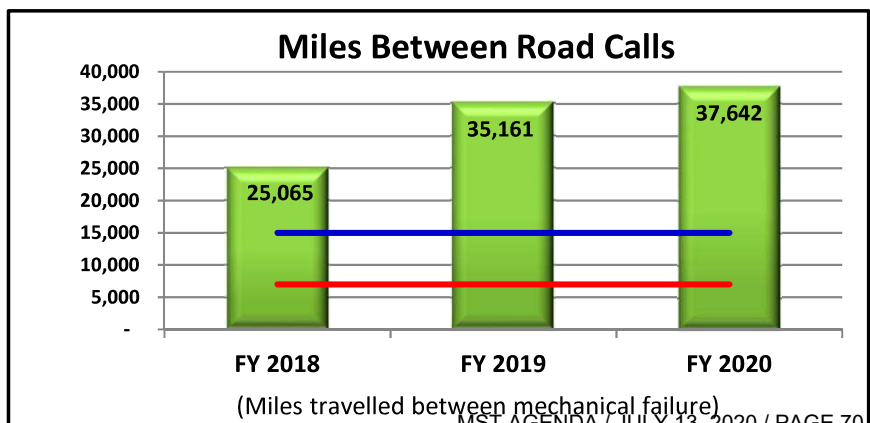


**Goal = 200,000 Miles**

**Minimum = 100,000 Miles**

**Goal = 15,000 Miles**

**Minimum = 7,000 Miles**

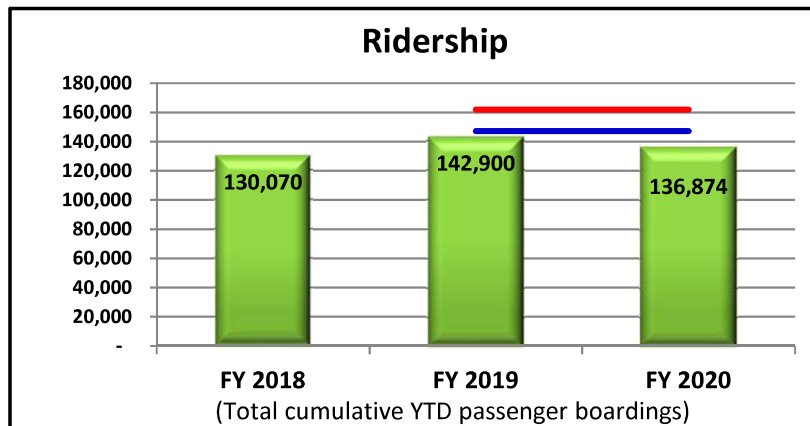


# MST RIDES

## YTD Dashboard Performance Comparative Statistics

### July - May

### Fiscal Years 2018-2020

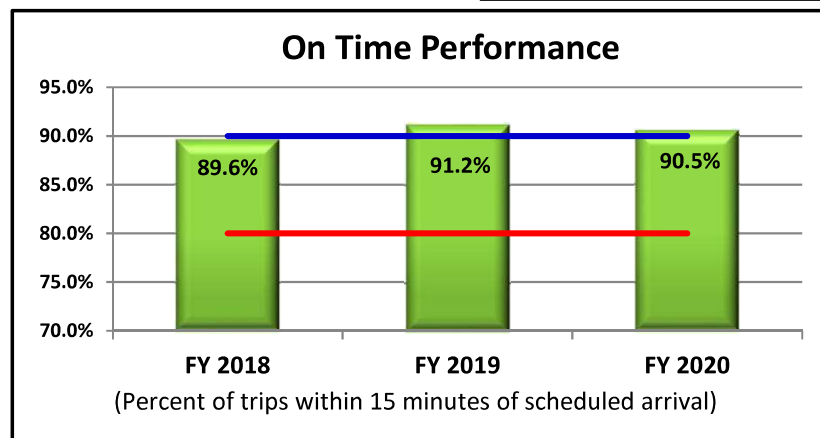
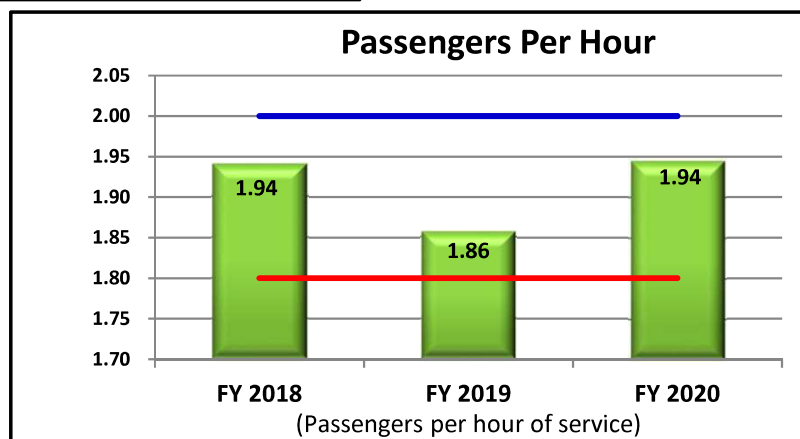


**Goal = 147,187  
passengers**

**Maximum = 161,906  
passengers**

**Goal = 2.0  
passengers p/h**

**Minimum = 1.8  
passengers p/h**

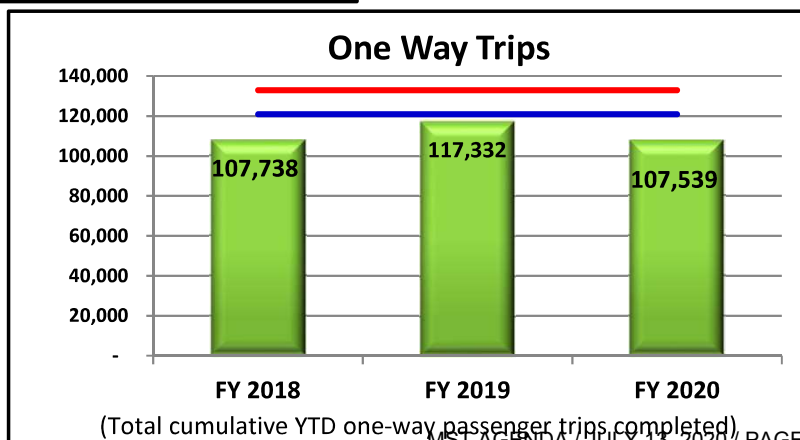


**Goal = 90% on time**

**Minimum = 80% on time**

**Maximum = 132,937  
one-way trips**

**Goal = 120,852  
one-way trips**

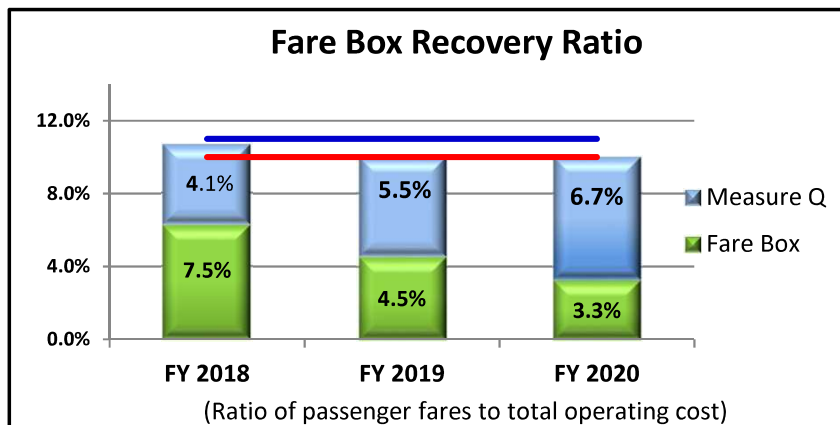


# MST RIDES

## YTD Dashboard Performance Comparative Statistics

### July - May

### Fiscal Years 2018-2020

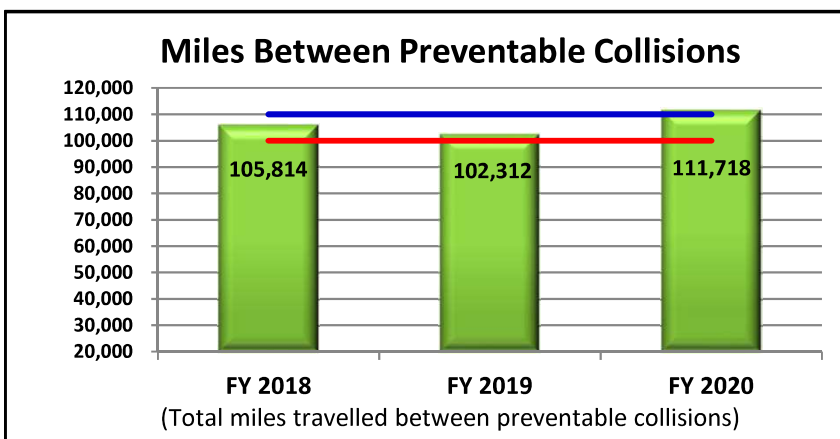
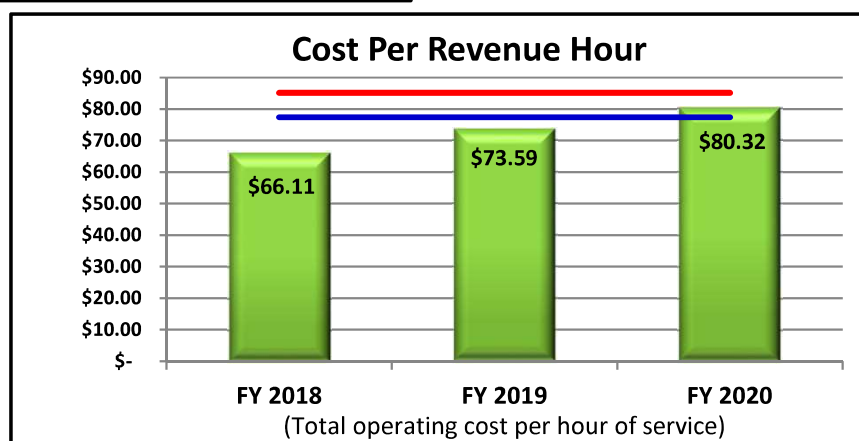


**Goal = 11%**

**Minimum = 10%**

**Goal = \$77.37 per RH**

**Maximum = \$85.11 per RH**

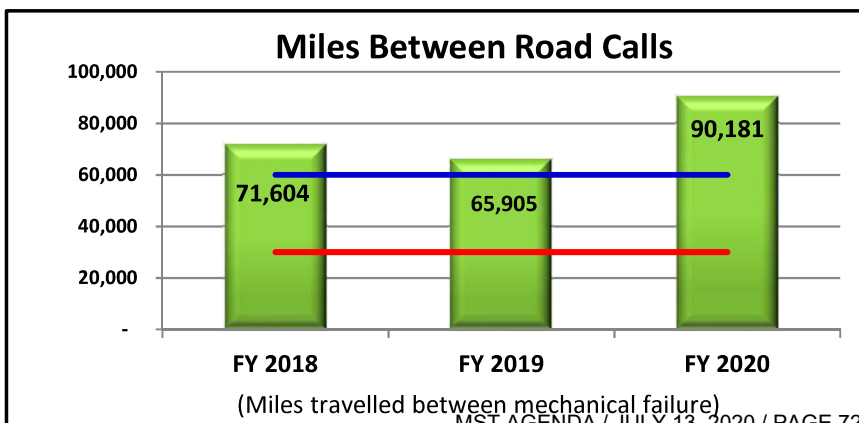


**Goal = 110,000 Miles**

**Minimum = 100,000 Miles**

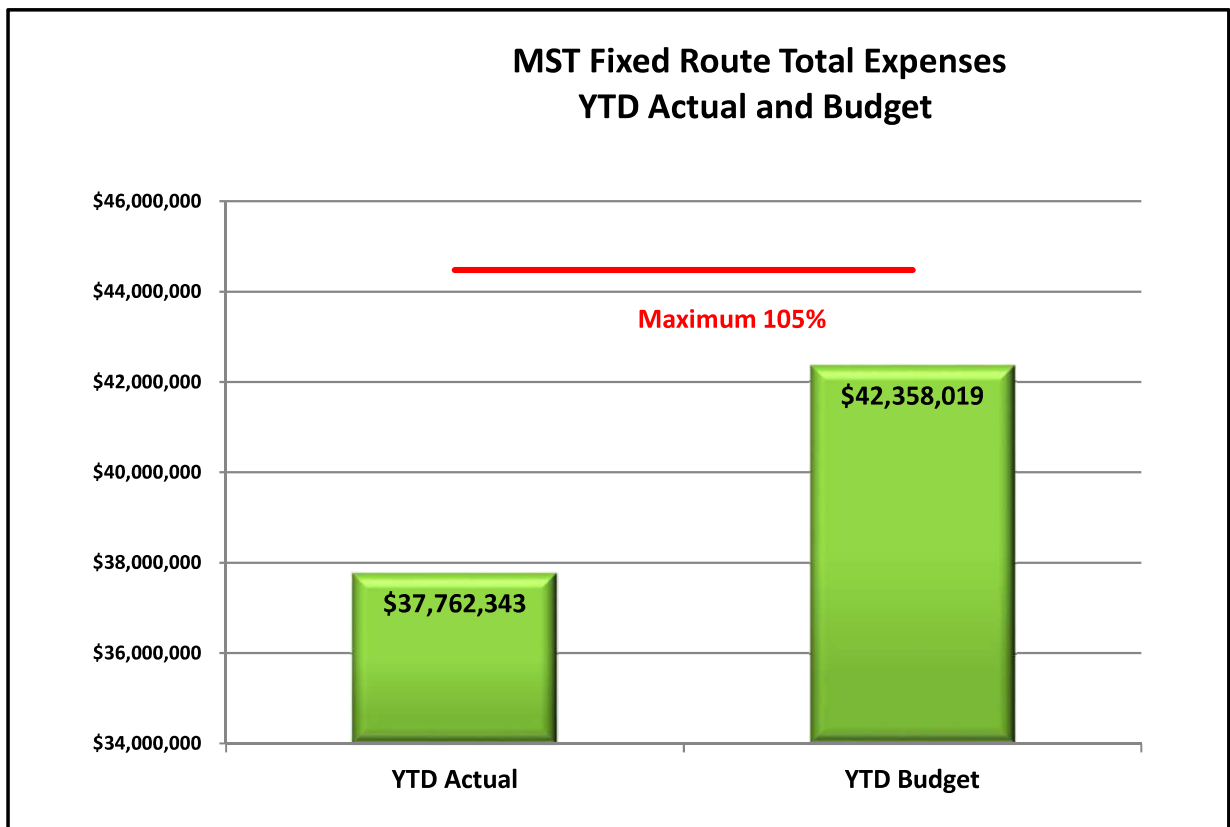
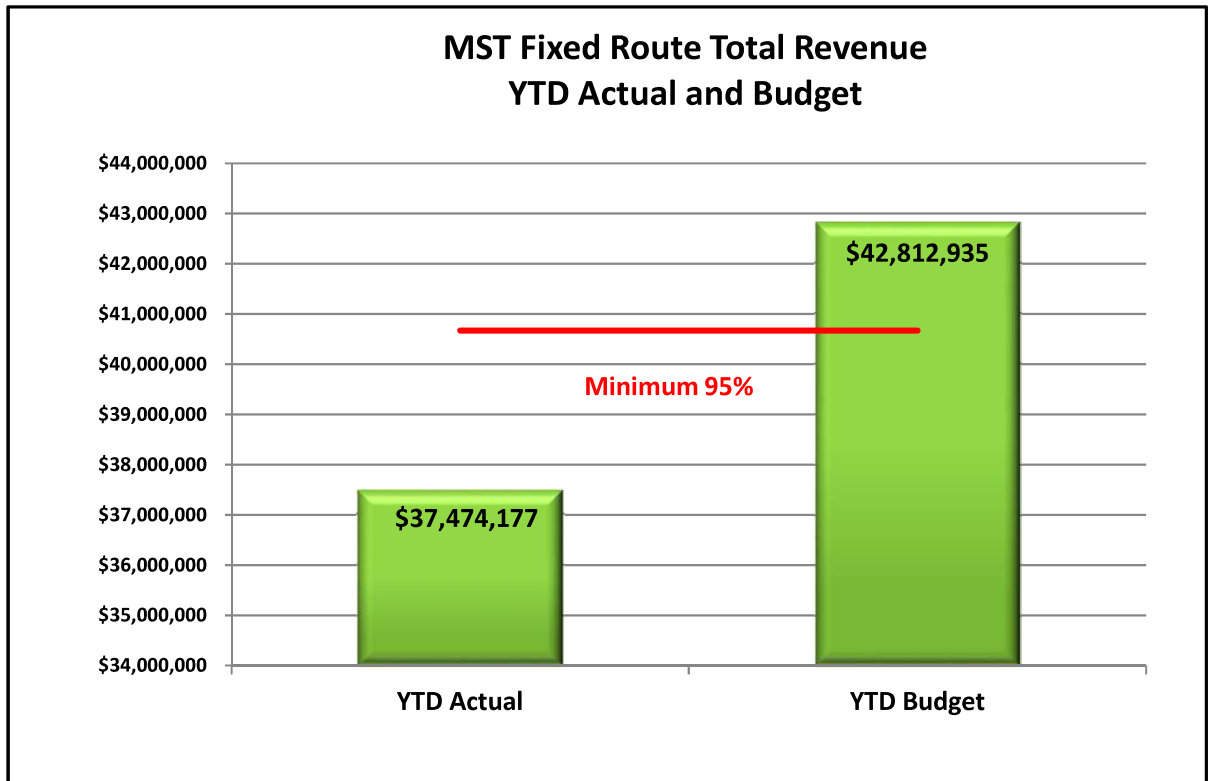
**Goal = 60,000 Miles**

**Minimum = 30,000 Miles**





**MST Fixed Route**  
**Financial Performance Comparative Statistics**  
**July - May**  
**Fiscal Years 2017-2020**

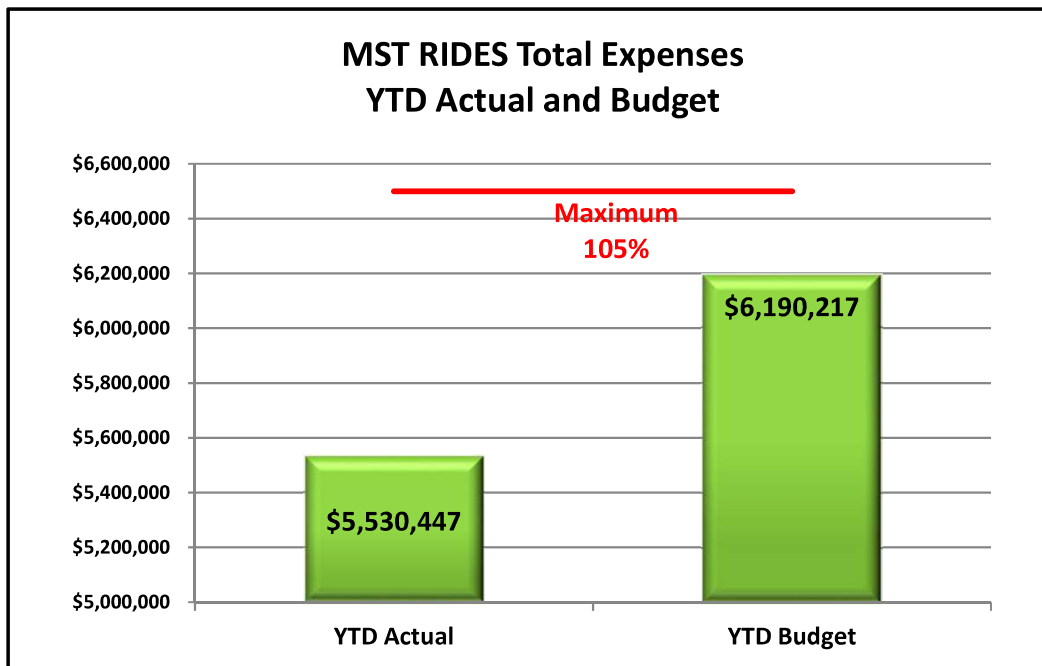
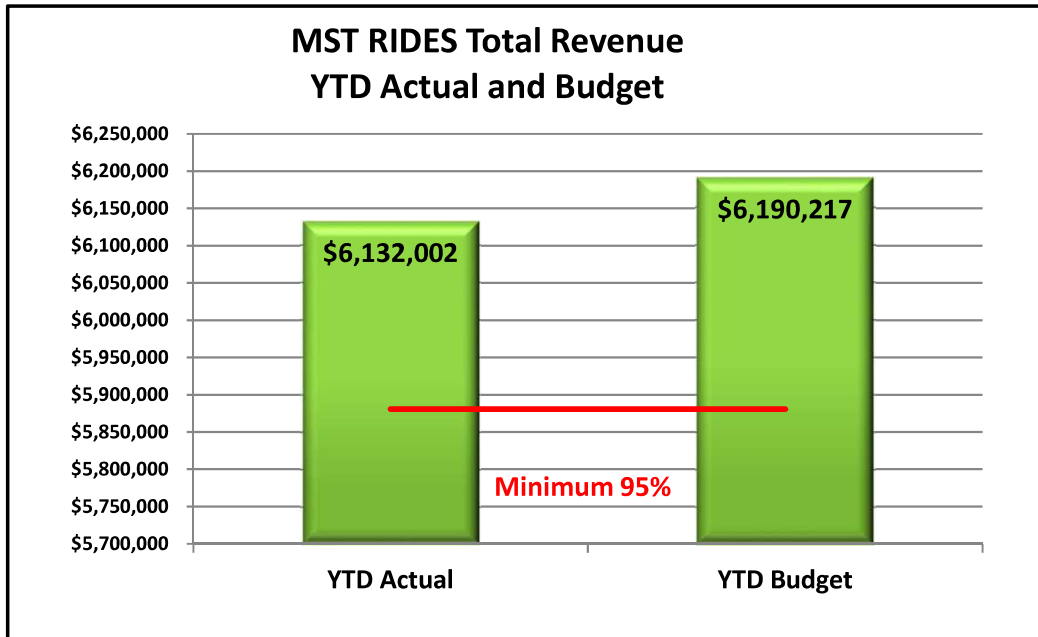


# MST RIDES

## Financial Performance Comparative Statistics

### July - May

### Fiscal Years 2017-2020



June 30, 2020

To: Carl Sedoryk, General Manager / C.E.O.

From: Robert Weber, Chief Operating Officer

Cc: MST Board of Directors

Subject: **Transportation Department Monthly Report – May 2020**

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## **FIXED ROUTE BUS OPERATIONS:**

### **System-Wide Service: (Fixed Route & On-Call Services):**

Preliminary boarding statistics indicate that the ridership fell to 70,264 in May 2020, which represents an **80.61% decrease** as compared to May 2019, (362,326). For the fiscal year to date, passenger boardings have decreased by **23.55%** from last year.

Productivity decreased from 14.6 passengers per hour in May 2019 to **4.9** passengers per hour in May of this year.

***Note: The sharp decline in passenger boardings and productivity is directly attributed to the COVID-19 county-wide shelter in place order that went into effect on March 18<sup>th</sup>.***

### **Supplemental / Special Services:**

All supplemental and special services were suspended for the month of May due to the COVID-19 pandemic.

### **System-Wide Statistics:**

- Ridership: 70,264
- Vehicle Revenue Hours: 14,420
- Vehicle Revenue Miles: 212,203
- System Productivity: 4.9 Passengers Per Vehicle Revenue Hour
- One-Way Trips Provided: 15,256

**Time Point Adherence:** Of 77,069 total time-point crossings sampled for the month of May, the Transit Master™ system recorded 7,541 delayed arrivals to MST's published time-points system-wide. This denotes that **90.22%** of all scheduled arrivals at published time-points were on time. (See *MST Fixed-Route Bus ~ On Time Compliance Chart FY 2019 - 2020.*)

**Note:** Service arriving later than **5** minutes beyond the published time point is considered late. The on-time compliance chart, (attached), reflects system-wide "on-time performance" as a percentage to the total number of reported time-point crossings.

**Service Canceled:** **100%** of all trips were deployed as scheduled in May. There were no service cancellations.

**Documented Occurrences:** MST Coach Operators are required to complete an occurrence report for any unusual incident that occurs during their workday. The information provided within these reports is used to identify trends, which often drive changes in policy or standard operating procedures. The following is a comparative summary of reported incidents for the months of May 2019 and May 2020:

Occurrence Type	May-19	May-20
Collision: MST Involved	4	0
Employee Injury	0	0
Medical Emergency	2	3
Object Hits Coach	3	0
Passenger Conflict	7	3
Passenger Fall	7	1
Passenger Injury	1	0
Other	0	2
Near Miss	1	0
Fuel / fluid Spill	2	2
Unreported Damage	1	0
<b>Totals</b>	<b>27</b>	<b>11</b>

## CONTRACTED TRANSPORTATION SERVICES:

### MST RIDES ADA / ST Paratransit Program:

Preliminary boarding statistics for the MST RIDES program reflect that for the month of May 2020 there were 5,865 passenger boardings. This denotes a **56.98%** decrease in passenger boardings from May of 2019, (13,634). For the Fiscal year – passenger boardings have decreased by **4.22%** from FY 2019.

- Productivity for May 2020 was **1.61** passengers per hour, decreasing from 1.84 passengers per hour in May 2019.

***Note: The sharp decline in passenger boardings and productivity is directly attributed to the COVID-19 county-wide shelter in place order that went into effect on March 18<sup>th</sup>.***

- For the month of May 2020, 92.71% of all scheduled trips for the MST RIDES program arrived on time, increasing from May of 2019, and (91.00%).

## COMMUNICATIONS CENTER:

In May, MST's Communications Center summoned public safety agencies on twenty-two (22) separate occasions to MST's transit vehicles and facilities:

Agency Type	Incident Type	Number Of Responses
Police	Passenger Disturbance / Other	12
EMS	Passenger Medical Emergency / Injury	9
Fire Department	Small Tree Fire Near the service stop	1

Robert Weber



Chief Operating Officer  
Monterey – Salinas Transit District

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June 22, 2020

To: Carl Sedoryk, General Manager/CEO

From: Norman K. Tuitavuki, Deputy Chief Operating Officer

Subject: Monthly Maintenance Operations Report: **May 2020**

This report summarizes the performance and major activities of the Maintenance Department as well as fuel and operating expenses during the month.

<b>FY20 Fuel Budget:</b>	<b>Average Fuel Price May 2020:</b>	<b>Average Fuel Price: FY2020</b>
Diesel: \$3.10	<b>\$1.45</b>	<b>\$2.32</b>
Gasoline: \$3.20	<b>\$1.68</b>	<b>\$2.63</b>

<b>Period:</b>	<b>Revenue Fleet: Operating Cost Per Mile:</b>	<b>Revenue Fleet: Miles Between Major Mechanical Road Calls:<sup>1</sup></b>
<b>May: 2020</b>	<b>\$1.22</b>	<b>56,564</b>
<b>YTD: FY 2020</b>	<b>\$1.05</b>	<b>29,523</b>
FY 2019	\$0.93	29,713
FY 2018	\$0.92	22,727

<sup>1</sup> **Minimum:** 7,000 Miles; **Goal:** 15,000 Miles

#### **Department Activities/Comments:**

For the month of May, MST's revenue fleet traveled 56,564 Miles Between major mechanical Road Calls (MBRC). This was a 71% increase in MBRC compared to last month; and, our Operating Cost Per Mile decreased by \$0.11 cents compared to last month. Similar to previous months following MST's response to COVID-19, this increase was expected due to the major decrease in the overall number of hours and miles MST has travelled in response to the COVID-19 pandemic.

In May, MST successfully passed the vehicle maintenance portion of its CHP Annual BIT inspection. The BIT inspection is a comprehensive, multi-day process that involves reviewing vehicle repair and maintenance records, and manual vehicle

inspections performed by the CHP. Staff continues supporting MST's COVID-19 activities. The following highlights some of these activities:

- Continued procuring and increasing Personal Protective Equipment (PPE) supplies
- Participated in transit industry online meetings to increase COVID-19 awareness
- Deployed Mobile Wifi Units to cities within MST's jurisdiction
- Provided direction and guidance to Monterey County Regional Taxi Operators regarding COVID-19
- Participated in Contactless Fare Collection project

*Norman K. Tuitavuki*

Prepared by: \_\_\_\_\_

Norman Tuitavuki

*Carl G. Sedoryk*

Reviewed by: \_\_\_\_\_

Carl G. Sedoryk



**ATTACHMENT 4**

Date: June 23, 2020

To: C. Sedoryk, General Manager/CEO

From: Lisa Rheinheimer, Assistant General Manager; Michelle Overmeyer, Director of Planning /Innovation, Andrea Williams, General Accounting & Budget Manager; Mark Eccles, Director of Information Technology; Kelly Halcon, Director of Human Resources/Risk Management; Sonia Wills, Customer Service Supervisor.

Subject: **Administration Department Monthly Report – May 2020**

The following significant events occurred in Administration work groups for the month of May 2020:

**Human Resources**

A total employment level for May 2020 is summarized as follows:

<b>Positions</b>	<b>Budget FY20</b>	<b>Actual</b>	<b>Difference</b>
Coach Operators F/T	136	132	-4
Coach Operators Limited Duty	0	0	0
CO Occupational Injuries	1	0	-1
Operations Staff	37	34	-3
Maintenance & Facilities	52	51	-1
Administrative (Interns 1 PT)	30	28	-2
<b>Total</b>	<b>256</b>	<b>245</b>	<b>-11</b>

\*Total budget numbers do not include the C/O on Long Term Leave as those numbers are already reflected in the Coach Operators/Trainees number.

<b><i>May Worker's Compensation Costs</i></b>	
<i>Indemnity (paid to employees)</i>	<b>\$50,079.59</b>
<i>Other (includes Legal)</i>	<b>\$11,050.30</b>
<i>Medical includes Case Mgmt, UR, Rx &amp; PT</i>	<b>\$15,606.41</b>
<i>TPA Administration Fee</i>	<b>\$5,708.33</b>
<i>Excess Insurance</i>	<b>\$8,216.08</b>
<b><i>Total Expenses</i></b>	<b><i>\$90,660.71</i></b>
<b><i>Reserves</i></b>	<b><i>\$748,933.56</i></b>
<b><i>Excess Reserved</i></b>	<b><i>(\$0)</i></b>
<b><i># Ending Open Claims</i></b>	<b><i>37</i></b>

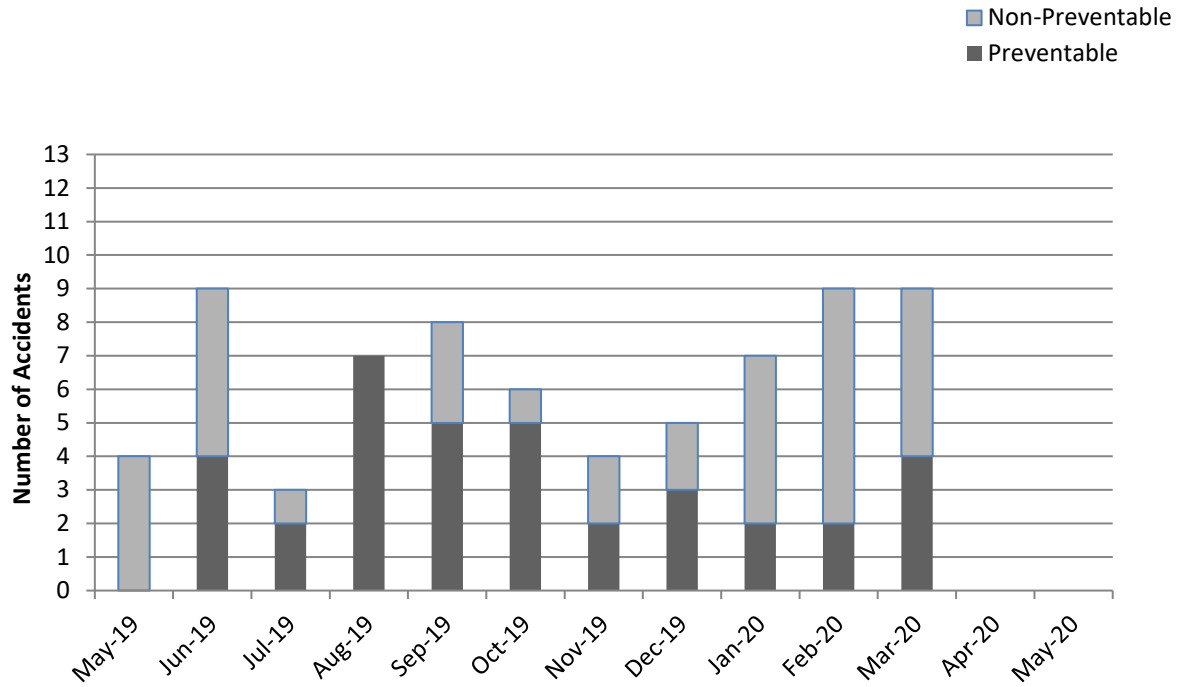
## Training

Description	Attendees
Annual Coach Operator Verification of Transit Training	14
Post-Accident/Incident Re-training	1
In-Service Training: Drive Safely at all time and Accident Prevention-targeting left turns	14
Human Trafficking: Modern Day Slavery Training	14
Return to Work refresher training	0
Maintenance Safety Training: Shoulders, accident causes, hand truck safety	23
Alliant: Road to Recovery-Clinical, occupational and compliance issue with return to work	1

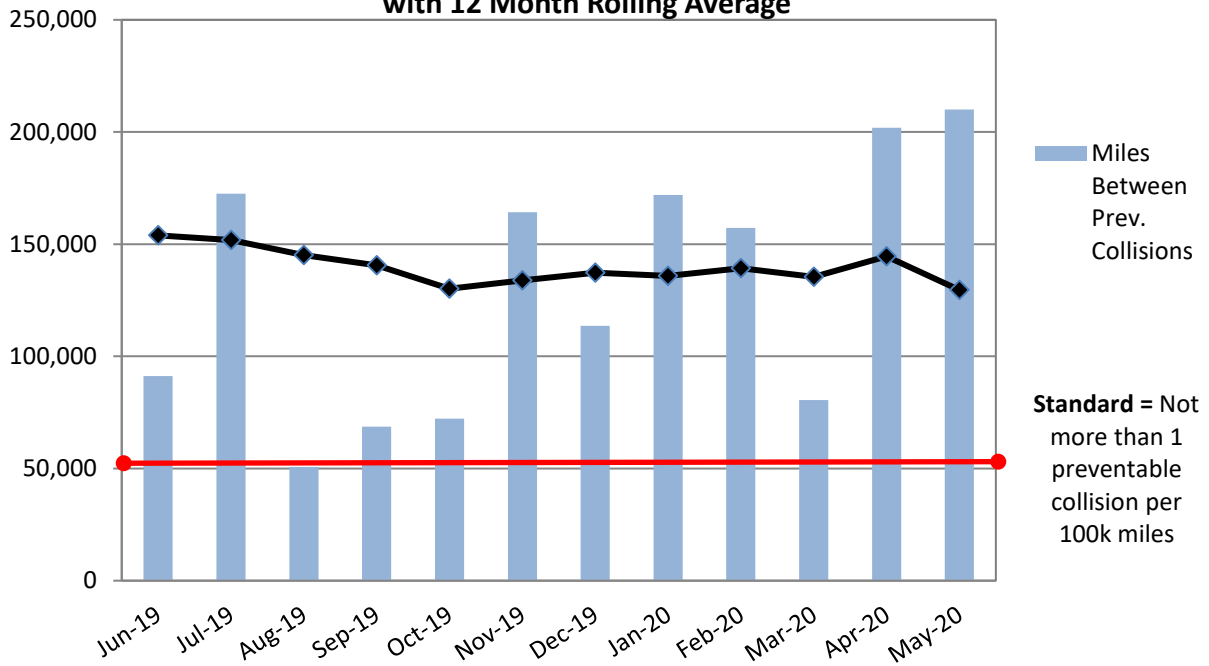
## Risk Management

Description	May 2020 Preventable		May 2019 Preventable	
	Yes	No	Yes	No
POV Vehicle hits MST Vehicle	0	0	4	0
MST Preventable Accidents	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>

## Accident Statistics



## Monthly Miles Between Preventable Collisions (MBPC) with 12 Month Rolling Average



## **Customer Service Update**

<b>Service Report Type</b>	<b>MST</b>	<b>Other Provider*</b>	<b># of valid reports</b>	<b>% of reports received**</b>	<b>May 2019</b>	<b>% of reports received**</b>
ADA Compliance	0	0		0.0%	1	1.3%
Agency Policy	0	0		0.0%		0.0%
Bus Stop Amenities	0	0		0.0%	1	1.3%
Carried By	0	0		0.0%	1	1.3%
Discriminatory behavior by employee	1	0	1	2.5%	0	0.0%
Early Departure	0	0		0.0%	0	0.0%
Employee Other	1	2	1	7.5%	1	1.3%
Facilities Vandalism	0	0		0.0%	0	0.0%
Fare / Transfer Dispute	0	1	1*	2.5%	3	3.9%
Full Bus / Left Behind	0	0		0.0%	0	0.0%
Harassment by Employee	0	0		0.0%	0	0.0%
Improper Driving	6	0	1	15.0%	23	30.3%
Improper Employee Conduct	1	1		5.0%	14	18.4%
Inaccurate Public Information	0	0		0.0%	1	1.3%
Late Arrival	0	2		5.0%	3	3.9%
Late Departure	1	0		2.5%	0	0.0%
No Show	0	0		0.0%	7	9.2%
Off Route	0	0		0.0%	1	1.3%
Overcrowding	5	1	1/1*	15.0%	0	0.0%
Passed By	4	0		10.0%	4	5.3%
Passenger Conduct	0	0		0.0%	0	0.0%
Passenger Injury	1	0	1	2.5%	0	0.0%
Reasonable Modification	0	0		0.0%	0	0.0%
Request To Add Service	1	0		2.5%	2	2.6%
Request To Reduce Service	0	0		0.0%	0	0.0%
Routing	2	0	1	5.0%	0	0.0%
Service Animal	0	0		0.0%	0	0.0%
Service Other	7	3	1	25.0%	13	17.1%
Service Schedule	0	0		0.0%	0	0.0%
Taxi	0	0		0.0%	0	0.0%
Title VI Complaint	0	0		0.0%	0	0.0%
Unsafe Conditions	0	0		0.0%	1	1.3%
Vehicle Maintenance	0	0		0.0%	0	0.0%

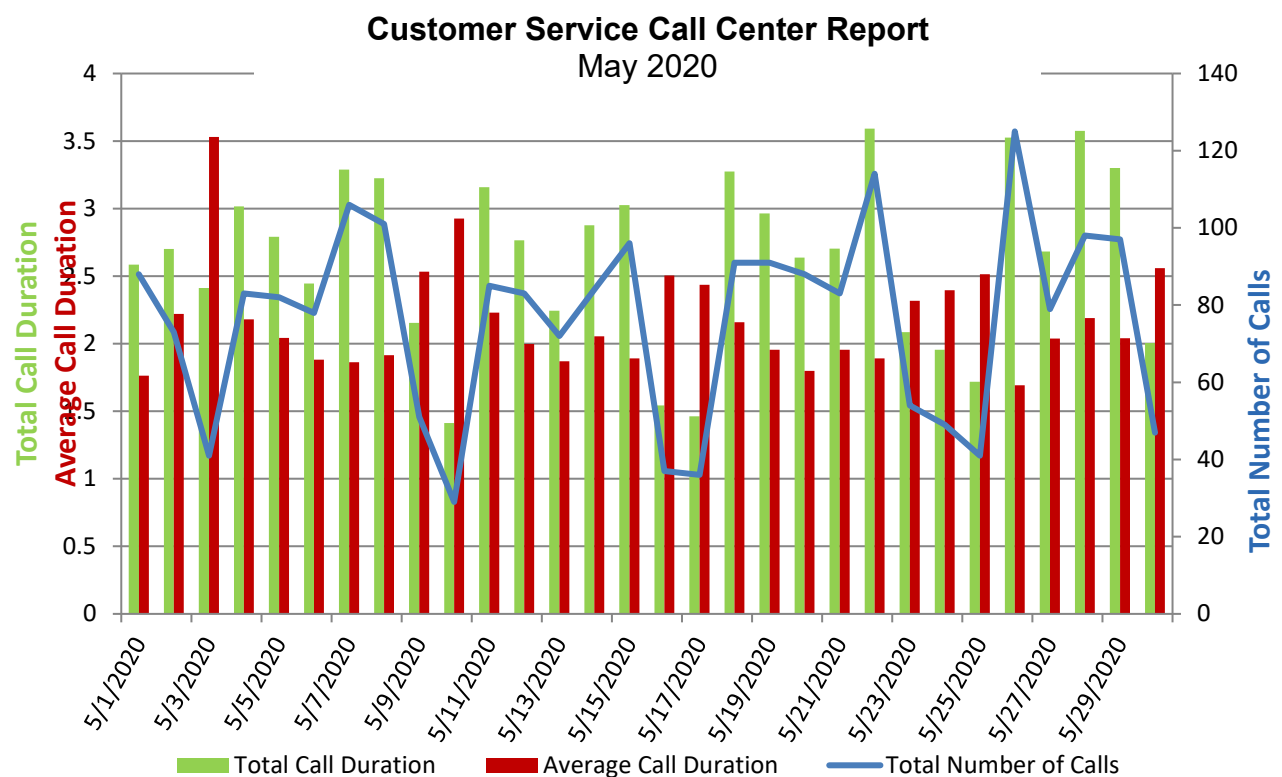
Subtotal reports	30	10		
Grand Total MST and *Other Provider	40	100.0%	76	100.0%
Employee Compliment	1		6	
Service Compliment			1	

\*Operated by MV Transportation or taxi provider

\*\*Numbers may not add up exactly due to rounding

### Customer Service Call Center Report:

During the month of May 2020, MST received a total of 2,320 calls which lasted a total of 80 hours and 50 minutes. The average call duration was two minutes and five seconds (2:05). MST received the most number of calls on Tuesday, May 26, at 125. Of the total number of calls, 462 (19%) were routed to RealTime bus arrival information. Call volume was heaviest during the weekdays and lightest during the weekends, although average call duration spikes on the weekends due to the fact that there are no customer service representatives on duty. Rather, customers are attempting to get information from MST's pre-recorded automated system, which appears to take more time.



## **Finance Update**

### **General Accounting/Accounts Payable**

During the month of May, staff processed timely and accurate payments to vendors, recorded appropriate revenues, and prepared monthly financial reporting and analysis. Throughout the month, staff gathered the information necessary to complete the FY2021 draft budget compilation to present to the MST Board to adopt at the June meeting. Additionally, staff is tracking all COVID-19 related expenses necessary in order to claim expense reimbursements from FEMA, CARES, and Tax Credits in the next coming months. During this unprecedented time staff has been successfully continuing to adapt to working from a distance as work allows.

### **Payroll**

Routine changes and adjustments to payroll records were maintained along with filing of all federal, state, and retirement reports and payments on a timely basis. Payroll continued to provide hours and earnings reports upon request to MST departments

### **Grants**

During the month of May, staff provided support in responding to COVID-19 and applying for FEMA Emergency grant funding. Staff submitted applications for 5307 and 5311 CARES Act funds, and FEMA grant programs. In addition to attending several webinars for future grant opportunities, staff also participated in webinars regarding the COVID-19 pandemic, the CARES Act, and FEMA grant funding processes. Update meetings with internal staff were ongoing to address status changes of various active or pending grants and requests for reimbursements. Staff attended several FORA Administrative committee meetings and then reported on the meetings to management staff.

### **Purchasing**

During the month of May, staff worked on several procurement and inventory management objectives. Parts staff worked on placing orders and managing inventory levels at Monterey and Salinas locations. The inventory value for the month of May was \$228,346 which represents a negligible change over the inventory value for the month of April which was at \$231,492. The increase over past few months is a direct response to COVID-19 supply chain shortages and the desire to increase inventory for high use critical items. The slight decrease is only temporary as staff continues to respond to Maintenance, Operations, and Facilities departmental requests for increased inventory on hand. Staff continues to define and evaluate the best level of inventory to support Maintenance needs. Staff also worked on responding to demands for personal protective equipment (PPE) and disinfectant related items in the fight against the COVID-19 pandemic. Staff also worked on large procurements such as RFP 20-06 Zero Emission Bus Analysis and Rollout Plan.

## **Information Technology Update**

Due to the COVID-19 pandemic emergency, staff continued to offer support for remote computer access for administrative employees to continue working from home. This support was for video conference meetings and laptop configuration, if required.

Staff worked with Operations and Maintenance Department personnel in monitoring and configuration of the (ITS) equipment installed on the vehicles and in the MST Communication Centers. Staff monitored and configured the software for the Trapeze Automatic Vehicle Location (AVL) systems on the fixed-route and Paratransit fleets. Staff monitored and configured the fixed-route real-time bus arrival/departure system.

Staff monitored and configured the Trapeze Enterprise Asset Management (EAM) vehicle maintenance system. Staff have delayed the upcoming implementation of the Facilities module, due to the COVID-19 pandemic. Staff continued to support the users of the Serenic Navision accounting/payroll system. Staff monitored and configured the functionality of the customer service database. Staff retrieved the RealTime data text and IVR data for the Customer Service monthly report. Staff ensured that the WiFi systems installed on 15 buses used on the commuter routes were working as designed, especially as the WiFi buses were deployed to allow local students access to internet-based school resource materials. Staff monitored and configured the Giro Hastus run cutting/planning system.

Staff monitored the AT&T-managed Voice-Over-Internet Protocol (VOIP) telephone system. Staff continued to support other MST staff members as needed, proactively ensuring that all were supported fully with their IT requirements. Staff received over 100 IT support-related emails and telephone calls that were responded to in a timely manner.

## **Marketing Update**

### **MST RealTime Usage:**

<b>2019</b>	<b>Text</b>	<b>RealTime Phone</b>	<b>CSR Phone</b>	<b>App Sessions</b>	<b>App Users</b>
May	8,433	1,108	4,234	299,506	8,882
June	8,301	1,105	4,276	277,891	8,317
July	9,008	1,251	5,292	274,073	8,092
August	10,904	1,422	5,103	220,049	10,184
September	10,983	1,368	4,674	232,152	10,149
October	10,831	1,315	4,641	234,418	10,550
November	9,650	1,211	3,613	381,021	10,283
December	7,527	1,332	4,214	345,483	10,271
<b>2020</b>					
January	8,297	1,080	4,220	396,890	11,326
February	8,614	1,199	3,974	393,590	10,542

March	5,033	849	3,593	214,912	7,368
April	1,731	363	2,327	34,426	1,622
May	2,067	462	2,320	42,906	1,524

**Published news stories include the following:** “Monterey parking fees set to jump in July” (Monterey Herald, 5/20/20), “Monterey County Office of Education bridging the digital divide” (Salinas Californian, 5/25/20).

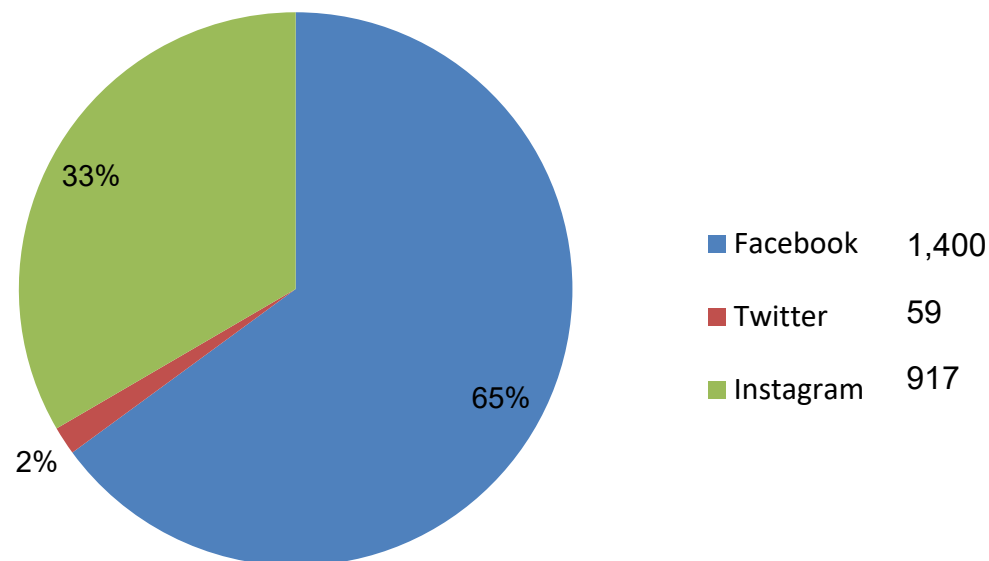
**Press releases sent include:** “MST Bus Service on Memorial Day” (5/20/20).

**Projects:** Continue collaboration on MST School Pass program, participate in COVID-19 Recovery Team meetings, support agency donation/volunteer efforts, manage social media presence, maintain consistent internal and external communication through press releases, Onboard Newsletter, memos.

**Collaborative/Meeting/Committees:** Attended Census 2020 Zoom meeting; attended MCCVA Zoom meeting for Senior Day; presented to Hartnell College students via Zoom; attended the Board of Supervisors meeting for the proclamation of Older Americans Month via Zoom; presented to students from Greenfield via Zoom.

#### Social Media Performance:

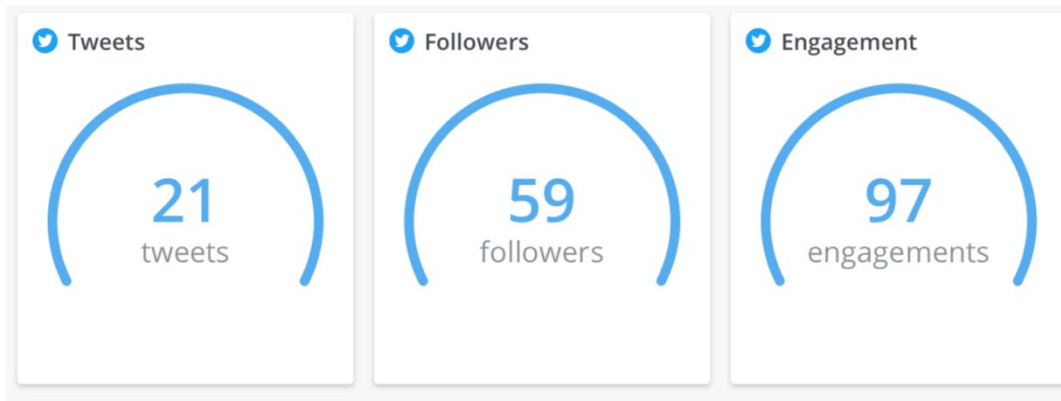
#### Social Fans



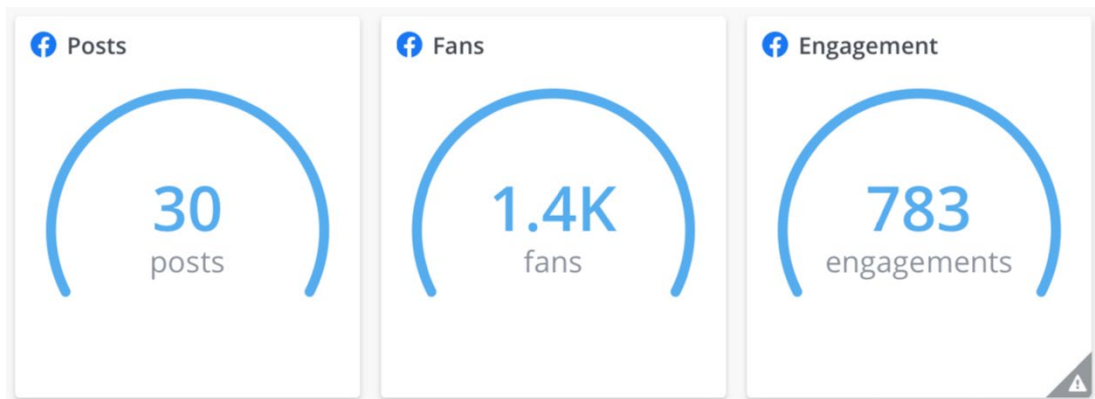


## Overview by Social Media Platform:

### NEW! Twitter



### Facebook



### Instagram



**Notes:** On Twitter, "following" someone means that you will see their tweets (Twitter updates) in your personal timeline. Twitter lets you see who you follow and also who is following you. Followers are people who receive other people's Twitter updates.

A Facebook “fan” is a user who likes a particular Facebook page. Users who “like” a page are able to receive updates from that page's administrator through status updates, posted content, and event invitations. A list of pages a fan has liked will appear on his or her profile page.

“Engagement” is the sum of likes and comments received by all posts.

“Traffic” is the total number of clicks on all the links posted.

### **Planning Update**

During the month of May staff efforts continued to be focused on the COVID-19 pandemic. Ridership was closely tracked following the March 28<sup>th</sup> and May 2<sup>nd</sup> service suspensions.

Staff continued work on updating design criteria in MST’s Designing for Transit guidelines. This document helps guide cities and the County to better plan for supportive transit facilities and amenities.

Work continued on the Bus Rapid Transit Project Phase II *Surf!* Staff met weekly with the consultant.

Throughout the month, staff continued participating in meetings with various local agencies, including the Transportation Agency for Monterey County, Association of Monterey Bay Area Governments, and the Fort Ord Reuse Authority.

## Proposed California law would fast-track environmentally sustainable transit



**Carolyn Said**

June 15, 2020 Updated: June 15, 2020 1:59 p.m.

Comments



Senator Scott Wiener comes in to talk to the editorial board at the Chronicle on Friday, Jan. 10, 2020, in San Francisco, Calif.

Photo: Liz Hafalia / The Chronicle

Transportation projects focused on public transit, bikes and pedestrians — but not cars — would get fast-tracked for construction under a bill Sen. Scott Wiener, D-San Francisco, plans to announce on Monday.

His goal is two-fold: ramp up sustainable transportation and stimulate the economy.

“If we’re going to claw our way out of this economic collapse, public investment in infrastructure is a crucial strategy, and we need to get that investment out and implemented fast,” Wiener said. “We can’t afford delays.”

**price drop**

SB288, the Sustainable Transportation COVID-19 Recovery Act, would exempt “sustainable” transportation projects from challenges under CEQA, the California Environmental Quality Act, which mandates environmental protection as part of decision-making for all kinds of construction.

The bill would not benefit projects that help put more cars on the road. Instead it targets updated and new transit stations, bus rapid transit lines, safer streets for biking and walking, and repairs for bridge and transit storage facilities.



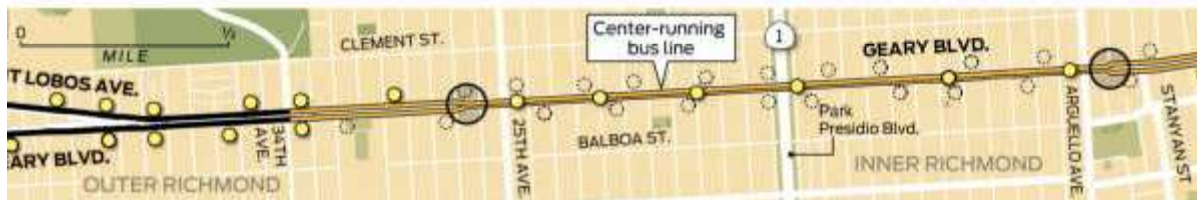
The 11 biggest Bay Area transportation projects — and when...

-

## Used Geary Bus Rapid it line

Existing route  
Proposed or existing  
bus-only lane  
Transition to  
center-running bus line

Local stop  
Proposed local stop  
(new or relocated)  
Proposed BRT/local stop  
Removed existing stop



### LOCAL

BY RACHEL SWAN

- **Judge tosses lawsuit aimed at slowing Geary Blvd. bus rapid**
- All of those are public projects. It also includes one type of private construction: installing new electric-vehicle charging stations, which must be accessible to the public.
- “These are inherently pro-environmental, anti-climate change investments that don’t need to be subjected to lengthy review,” Wiener said. “Let’s streamline them and get that investment out fast to inject money into the economy and get people to work.”

The bill has backing from three heavyweight sponsors: the San Francisco Bay Area Planning and Urban Research Association, or SPUR, the Silicon Valley Leadership Group and the Bay Area Council. Backers said that labor and environmental groups are also supportive and that they are not aware of any opposition.

“We see this as a no-cost stimulus,” said Laura Tolkoff, regional planning policy director at SPUR. “Many cities and counties already have funding dedicated for these projects that could be unlocked much more quickly.” Such funds come from voter-passed bond measures and sales taxes, for instance.

Some San Francisco initiatives already in the pipeline that could benefit, Tolkoff said, are the Fulton Street Safety & Transit Project, the Embarcadero Enhancement Project and the Excelsior Neighborhood Traffic Calming Project. California has 1.6 million transportation jobs, many of which could be impacted as beleaguered cities, counties and the state itself slash budgets amid the coronavirus economic devastation — and if commuters continue to avoid public transit.

As cities reopen, many planners fear that workers will take to their cars rather than use transit, thus clogging up roadways.

“Speeding up the delivery of environmentally friendly and sustainable public transportation projects will help put the brakes on polluting traffic as the region’s economy begins to reopen and commuters return to work,” Jim

Wunderman, CEO of the Bay Area Council, said in a statement.

The bill does not entirely sidestep CEQA. It still requires that the overarching plan behind projects already have CEQA approval, but specific projects that are part of those plans can get the fast-track authorization.

Projects must pass certain criteria to win the bill’s CEQA exemptions. They must be located on public rights of way in areas that are already urbanized. If they are large, they must be part of a regional transportation plan.

CEQA lawsuits can delay projects by one to five years, Wiener said. Each year’s delay adds 4% to costs, Tolkoff said. Studies have found that the majority of CEQA lawsuits are filed by groups that are not involved in environmental advocacy and often have other agendas for seeking to stop or slow projects.

For example, makeovers of Van Ness Avenue and of Geary Boulevard to build express bus lanes ended up taking years in part because of CEQA challenges, Wiener said. Even projects that don't face lawsuits can mean hundreds of thousands or millions of dollars spent on environmental impact reports, he said.

"Fast-tracking some of California's most sustainable transportation and complete streets projects would bring jobs, revive local economies, and result in improved safety, less pollution, reduced traffic and enhanced public health," Carl Guardino, CEO of the Silicon Valley Leadership Group, said in a statement.

Carolyn Said is a San Francisco Chronicle staff writer. Email: [csaid@sfchronicle.com](mailto:csaid@sfchronicle.com) Twitter: [@csaid](https://twitter.com/csaid)

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**Thomas Walters & Associates, Inc.**  
*Washington, DC*

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June 23, 2020

TO: Carl Sedoryk

FROM: Don Gilchrest

The following report summarizes actions taken on behalf of Monterey-Salinas Transit in June.

**Surface Transportation Reauthorization**

On June 18, the House Transportation and Infrastructure Committee approved Chair DeFazio's (D-OR) draft of the next surface transportation reauthorization bill, which is also intended to help respond to the impact of the coronavirus and provide stimulus spending for economic recovery. H.R. 2, the *Investing in a New Vision for the Environment and Surface Transportation in America Act* would authorize \$494 billion over five years for surface and rail transportation, including \$411 billion over five years out of the Highway Trust Fund. The spending would be distributed as follows:

- \$319 billion for the Federal-aid highway program under the Federal Highway Administration,
- \$105 billion for transit programs under the Federal Transit Administration,
- \$4.6 billion for highway safety programs,
- \$5.3 billion for motor carrier safety programs, and
- \$60 billion for rail programs.

These funding levels would increase federal investment in transportation programs a significant amount above the baseline (current spending plus inflation) levels. A rough estimate is that the bill would increase highway funding by 27 percent above baseline levels, while transit would be increased by 54 percent and passenger rail by over 300 percent.

The first year of this five-year bill includes additional assistance for transit operations in the coronavirus crisis. Current FAST Act authorizations would be extended for FY 2021 with an additional \$5.8 billion provided to FTA for flexible spending to aid transit agencies. In addition, programs that are priorities for MST would receive sustained increases in years two through five. The Urbanized Area formula program would be increased from \$4.9 billion per year to \$7.87 billion. Bus and Bus Facility Formula grants would increase from \$464.6 million to \$1.299 billion.

Competitive Bus grants would reach a high of \$437 million in FY 2022 and a total of \$1.7 billion would be provided for Zero Emission Buses.

H.R. 2 would also make significant modifications to key FTA programs. The No-Low Emission Bus Program would be changed to remove eligibility for low emission vehicles and instead only fund zero emission vehicles. The competitive bus program would only allow projects that complete large, one-time needs. There would also be a new subgrant bus formula for aging buses to provide additional funding for transit agencies with the oldest buses.

Senate Republicans will be using S. 2302, the *America's Transportation Infrastructure Act of 2019 (ATIA)*, as a starting point for their reauthorization efforts. The ATIA was approved by the Senate Committee on Environment and Public Works last August and would provide a multi-year authorization of the highway portion of federal surface transportation programs. The ATIA would increase highway spending by about 27 percent. The portions of the legislation related to public transportation must still be added by the Banking Committee. The rail and highway safety sections also need to be added by the Commerce Committee, while the financing provisions for the bill are under the jurisdiction of the Finance Committee.

### **Highway Trust Fund**

Current spending levels on federal transportation programs cannot be sustained by the amount of revenues being deposited into the Highway Trust Fund. The spending increases that the *INVEST Act* proposes continue this trend and increase the need for new revenues or general fund transfers to keep the Trust Fund solvent. In addition, the coronavirus pandemic is expected to decrease projected revenues into the Highway Trust Fund, which would further widen this gap. H.R. 2 resolves the financing issue by transferring \$106.7 billion from the general fund of the Treasury to the Highway Account of the Highway Trust Fund and an additional \$38.6 billion from the general fund to the Mass Transit Account. There are no “pay-fors” for the transfer, and there are no highway user tax increases.

### **Infrastructure Package**

On June 22, House Democratic leaders released the text of a \$1.5 trillion infrastructure package, and announced their plan to use H.R. 2, the *INVEST Act*, as the legislative vehicle for moving it forward. The legislation is scheduled to be voted on by the full House on June 30.

In addition to the surface transportation program reauthorizations that were adopted by the Transportation and Infrastructure Committee, H.R. 2 now includes hundreds of billions of dollars in funding for infrastructure including broadband, public housing, clean energy grants, health care infrastructure, and drinking water programs. The infrastructure package also includes numerous tax provisions drafted by the House Ways and Means Committee to support green energy use and reduce greenhouse gas emissions. As a member of the Committee, Representative Panetta was able to get his H.R. 5163, the *Green Bus Tax Credit Act*, included in the package. H.R. 5163 would create a 10 percent manufacturer's tax credit for electric and hydrogen fuel-cell buses and help make zero emission vehicles affordable for public transit agencies like MST.

### **Pandemic Relief/HEROES Act**

Congress is in the process of drafting a fifth legislative package to respond to the COVID 19 crisis. On May 15, the House of Representatives passed H.R. 6800, the *Health and Economic Recovery Omnibus Emergency Solutions (HEROES Act)*, which includes significant additional aid for public transportation. H.R. 6800 would provide \$15.75 billion for transit assistance, in addition to the \$25 billion of transit assistance that was previously enacted in the CARES Act in April. \$11.75 billion of the funding proposed in the HEROES Act would be distributed to the 14 largest urbanized areas. The remaining \$4 billion would be distributed through grants to transit agencies that, as a result of coronavirus, require significant additional assistance to maintain basic transit services. The Senate version of this bill is likely to be much different from what the House has passed, setting up a protracted negotiation process.

### **FY 2021 Funding**

The pandemic severely interrupted the normal conduct of legislative activity, including the development of the annual budget. This past week, the House Appropriations Committee released a schedule of markups for the twelve annual funding bills for FY 2021 that would get the appropriations process back on track. As currently envisioned, the transportation funding bill would be drafted at the Subcommittee level on July 8 with a full committee markup scheduled for the following week. The Senate Appropriations Committee has not announced a schedule for its markups.

### **Lobbying Strategies & Opportunities**

The very different approaches that the House and Senate are taking on transportation legislation and FY 2021 appropriations bills ensures that this will continue to be a chaotic year. We are continuing to work with you to advocate for your Board's adopted platform, with particular attention paid to opportunities for economic stimulus funding and coronavirus relief. We will also recommend additional lobbying actions based on emerging issues and coordinate our advocacy with APTA and CTA.

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To: Board of Directors  
From: Carl Sedoryk, General Manager/CEO  
Subject: State Legislative Update

On June 29, Governor Newsom signed the Budget Act of 2020 – a \$202.1 billion spending plan that strengthens emergency response, protects public health and safety, and promotes economic recovery while closing a \$54.3 billion budget shortfall caused by the COVID-19 recession – and a raft of budget trailer bills, including AB 90.

AB 90 takes effect immediately and includes several of the statutory relief measures pursued by MST through the California Transit Association that will:

- Institute a hold harmless provision for calculation and allocation of State Transit Assistance Program, Low Carbon Transit Operations Program, and STA-State of Good Repair allocations; and,
- Temporarily suspend the financial penalties associated with the Transportation Development Act's requirements that transit agencies obtain specified fixed percentages of their operating budgets from passenger fares; and,
- Temporarily suspend the financial penalties associated with the State Transit Assistance Program's requirement that transit agencies' operating cost per revenue vehicle hour may not exceed operating cost per revenue vehicle hour adjusted by regional CPI, year over year.

MST Staff joined TAMC staff and received a presentation from representatives of the Bay Area Council of Governments to receive an update on SB 288 (Weiner) Sustainable Transportation COVID-19 Recovery Act SB 288. Both TAMC and MST staff committed to recommending their respective boards support the measure due to the potential benefits the legislation would provide to streamline the delivery of TAMC bike trail and MST transit projects

Submitted by:   
Carl G. Sedoryk

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Apr. 9, '20

**2004 American Heritage Streetcar**

This MST Trolley captures the look and feel of an authentic turn-of-the-century streetcar. The Fast, Fun & Free trolley serves The WAVE route to historic downtown Monterey, Fisherman's Wharf, Cannery Row and Monterey Bay Aquarium.

Dear Sir,

I trust that this note will get to someone who respects law and the spirit of the law. I've called about the disregard-ing of proper distancing provided for passengers. I in fact have become somewhat angry over this issue. I have never made excessive or irrelevant complaints. I like and trust that I am liked by many of

**MST TROLLEY**  
MONTEREY-SALINAS TRANSIT

I respectfully request that you require MST drivers to not cordon off the Senior/Disabled seating area of the bus. We passengers are your *raison d'être* (reason for being).

Thank you,

Ms. Betty G. Weatherbee

MST  
19 Upper Ragsdale Dr.  
Suite 200  
Monterey, CA 93940

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Wednesday, April 15, 2020

MST

Ryan Ranch Road  
Del Rey Oaks, California  
93941

To The Administration:

I send this letter to thank you with gratitude about saving my items left on the bus once again. Two days ago I left my suitcase of clothing under the seat of the bus and it was given to the TDA lost and found so I could have it again. With gratitude, thank you.

Sincerely,

Rebecca Perfecto-Hickman

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"Delivering meals, nurturing hearts and nourishing homebound seniors."

Agenda # **7-5c**  
July 13, 2020 Meeting

June 18, 2020

**BOARD OF DIRECTORS:**

**PRESIDENT:**

Karen DeWitt

**VICE PRESIDENT:**

Joanne Bravo

**TREASURER:**

Robyn Chamberlin

**SECRETARY:**

Jeremy Connally

Manuel Ipong  
Miles P. Moore III  
Sharilyn Payne  
Cary Swensen  
Jesus Yanez  
Daniella Zapata

**EXECUTIVE DIRECTOR:**

Regina M. Gage

**OUTREACH DIRECTOR:**

Laurie A. Bend

**PROGRAM MANAGER:**

Claudia Aguilera

**PROGRAM COORDINATOR:**

Alison Castro

**PROGRAM ASSISTANT:**

Leonel Oliveira

**BOOKKEEPER/ADMIN**

**ASSISTANT:**

Jene Canlas

Kevin and MST staff:

Thank you so much for your time, energy and dedication to help us with the MASA program. With your help, we will have served 283 seniors in the 13 weeks (March 30<sup>th</sup> – June 26<sup>th</sup>) that the program has run. Generous donations from the agriculture community, as well as caring organizations and community members, totaled nearly \$100,000. These funds allowed us to partner with 6 local restaurants to give a well-needed boost to their businesses by providing all those delicious fresh meals. Be proud to know that you were a part of this new program created due to COVID-19 and the shelter-in-place order that surged the number of homebound seniors in the Salinas Valley.

As our program comes to an end, we ask that drivers leave a letter with each meal delivery, **every day**, Mon-Fri from June 22<sup>th</sup> through the final day of meal deliveries on June 26<sup>th</sup>. This letter notifies the clients that the MASA program will end June 26<sup>th</sup>. There are resources listed on the letter for those seniors who may need to find another source of delivered meals once MASA ends. Please send any client questions or concerns to staff at Meals on Wheels – 758-6325.

Without the collaboration between MOWSV and MST, we could never have had such success with this program. We thank you for your huge part in the success of MASA and look forward to future collaborations...whatever they may be!

All the best,

A handwritten signature in black ink, appearing to read "Regina M. Gage", written in a cursive style.

Regina M. Gage

*Executive Director*

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"Delivering meals, nurturing  
hearts and nourishing  
homebound seniors."

Agenda # **7-5d**  
July 13, 2020 Meeting

June 22, 2020

**BOARD OF DIRECTORS:**

**PRESIDENT:**

Karen DeWitt

**VICE PRESIDENT:**

Joanne Bravo

**TREASURER:**

Robyn Chamberlin

**SECRETARY:**

Jeremy Connally

Manuel Ipong  
Miles P. Moore III  
Sharilyn Payne  
Cary Swensen  
Jesus Yanez  
Daniella Zapata

**EXECUTIVE DIRECTOR:**

Regina M. Gage

**OUTREACH DIRECTOR:**

Laurie A. Bend

**PROGRAM MANAGER:**

Claudia Aguilera

**PROGRAM COORDINATOR:**

Alison Castro

**PROGRAM ASSISTANT:**

Leonel Oliveira

**BOOKKEEPER/ADMIN**

**ASSISTANT:**

Jene Canlas

Dear Meals on Wheels of the Salinas Valley "MASA" client,

We hope you have found the daily lunches our local restaurants have prepared for you and delivered via our friends at MST and ITN Monday-Friday to be helpful during this time.

As we stated to you when we signed you up for this temporary program we call "MASA" (**M**eals on **W**heels of the **S**alinas **V**alley **A**nd our **S**alinas **V**alley **C**ommunity **P**artners in **A**ction!), we would continue to deliver as long as the Shelter-in-Place remained in place or our funding was depleted.

We received almost \$100,000 in private donations and have spent this money buying daily meals for you from local restaurants who need our support.

Our funding has been depleted; we're unable to continue to deliver meals to you. **The LAST DAY we will deliver a lunch meal to you will be Friday, June 26, 2020.**

We suggest the following options for meal delivery/pick-up:

- 1) Call 211 for information on local food distribution centers.
- 2) Salvation Army-Drive thru meals for seniors.  
Please call 831-443-9655, Option 2.
- 3) The "Great Plates" Delivered Program for Seniors. Please call 211 for a phone screening and to begin the application process.
- 4) Meals on Wheels of the Salinas Valley. Frozen meal program for home-bound seniors. Please call 831-758-6325.

Sincerely,

A handwritten signature in black ink, appearing to read "Regina M. Gage".

Regina M. Gage  
*Executive Director*

FEIN #77-0064507

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June 30, 2020

To the Governing Board of  
Monterey-Salinas Transit  
Monterey, California

This letter is provided in connection with our engagement to audit the financial statements and to audit compliance over major federal award programs of Monterey-Salinas Transit (MST) as of and for the year ended June 30, 2020. Professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit, the compliance audit, and the planned scope and timing of our audits.

As stated in our engagement letter dated June 30, 2020, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), *Government Auditing Standards* of the Comptroller General of the United States of America, the requirements of the Single Audit Act, as amended; and the provisions of the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), for the purpose of forming and expressing opinions on the financial statements and on major federal award program compliance. Our audits do not relieve you or management of your respective responsibilities.

Our responsibility as it relates to the schedule of expenditures of federal awards is to evaluate its presentation for the purpose of forming and expressing an opinion as to whether it is presented fairly in all material respects in relation to the financial statements as a whole.

Our audits will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit procedures will also include determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or material noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS, *Government Auditing Standards* of the Comptroller General of the United States of America, the requirements of the Single Audit Act, as amended; and the provisions of the Uniform Guidance.

**What inspires you, inspires us. | [eidebailly.com](http://eidebailly.com)**

260 Sheridan Ave., Ste. 440 | Palo Alto, CA 94306-2011 | T 650.462.0400 | F 650.462.0500 | EOE

Our audits will include obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements, the risk of material noncompliance in the major federal award programs, and as a basis for designing the nature, timing, and extent of further audit procedures. However, we will communicate to you at the conclusion of our audit, significant matters that are relevant to your responsibilities in overseeing the financial reporting process, including any material weaknesses, significant deficiencies, and violation of laws or regulations that come to our attention.

Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

We expect to begin our interim audit procedures on approximately July 1, 2020 and year end field work in October 2020.

This information is intended solely for the information and use of the Governing Board and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, consisting of a series of loops and a final horizontal stroke.

Palo Alto, California





June 30, 2020

To the Governing Board of  
Monterey-Salinas Transit  
Monterey, California

You have requested that we audit the financial statements of Monterey-Salinas Transit (MST) as of June 30, 2020, and for the year then ended, and the related notes to the financial statements, which collectively comprise the MST's basic financial statements. In addition, we will audit the entity's compliance over major federal award programs for the period ended June 30, 2020. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs.

Accounting principles generally accepted in the United States of America require that certain information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's Discussion and Analysis
2. Pension schedules and disclosures, as applicable
3. OPEB schedules and disclosures, as applicable

Supplementary information other than RSI will accompany the MST's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

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1. Schedule of Expenditures of Federal Awards
2. Supplementary Schedule of Revenues and Expenses – Budgetary Comparison

### **Schedule of Expenditures of Federal Awards**

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole. Also, the document you submit to us will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

1. Comprehensive Annual Financial Report Introductory Section
2. Comprehensive Annual Financial Report Statistical Section

### **Data Collection Form**

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

### **Audit of the Financial Statements**

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and in accordance with the Transportation Development Act (TDA) as specified by guidelines in the California Codes of Regulations (CCR) section 6667 of Title 21 including the compliance requirements of the Public Transportation Modernization, Improvement, and Service Enhancement Account Program. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance (whether caused by errors, fraudulent financial reporting, misappropriation of assets, detected abuse, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America and/or state or regulatory audit requirements. Please note that the determination of abuse is subjective, and *Government Auditing Standards* does not require auditors to detect abuse.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the MST's basic financial statements. Our report will be addressed to the governing body of the MST. We cannot provide assurance that any unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

### **Audit of Major Program Compliance**

Our audit of the MST's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the entity has complied with applicable laws and regulations and the provisions of contracts and grant

agreements applicable to major federal award programs. Our procedures will consist of determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. However, our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

### **Management Responsibilities**

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received, including federal awards and funding increments received prior to December 26, 2014 (if any), and those received in accordance with the Uniform Guidance (generally received after December 26, 2014);
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
6. For the design, implementation, and maintenance of internal control over federal awards;
7. For establishing and maintaining effective internal control over federal awards that provides reasonable assurance that the nonfederal entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
8. For identifying and ensuring that the entity complies with federal statutes, regulations, and the terms and conditions of federal award programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
9. For disclosing accurately, currently, and completely, the financial results of each federal award in accordance with the requirements of the award;
10. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
11. For taking prompt action when instances of noncompliance are identified;

12. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
13. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
14. For submitting the reporting package and data collection form to the appropriate parties;
15. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
16. To provide us with:
  - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, and relevant to federal award programs, such as records, documentation, and other matters;
  - b. Additional information that we may request from management for the purpose of the audit; and
  - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
17. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole;
18. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
19. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
20. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
21. For the accuracy and completeness of all information provided;
22. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
23. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With respect to any nonattest services we perform, we agree to perform the following:

- Prepare or assist with preparing financial statements in conformity with U.S. generally accepted accounting principles based on information provided by you.
- Completion of the auditee's portion of the Data Collection Form

The MST's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the schedule of expenditures of federal awards and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

### **Fees and Timing**

Ahmad Gharaibeh is the engagement partner for the audit services specified in this letter. Responsibilities include supervising services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. We expect to begin our audit on approximately July 1, 2020.

Our fee for these services will be in accordance with our signed audit contract. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation to and validation by the MST. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the MST's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

In addition, we will be compensated for any time and expenses, including time and expenses of legal counsel, we may incur in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings as a result of our Firm's performance of these services. You and your attorney will receive, if lawful, a copy of every subpoena we are asked to respond to on your behalf and will have the ability to control the extent of the discovery process to control the costs you may incur.

Should our relationship terminate before our audit procedures are completed and a report issued, you will be billed for services to the date of termination. All bills are payable upon receipt. A service charge of 1% per month, which is an annual rate of 12%, will be added to all accounts unpaid 30 days after billing date. If collection action is necessary, expenses and reasonable attorney's fees will be added to the amount due.

### **Other Matters**

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

We may use third party service providers and/or affiliated entities (including Eide Bailly Shared Services Private Limited) (collectively, "service providers") in order to facilitate delivering our services to you. Our use of service providers may require access to client information by the service provider. We will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the confidentiality of client information accessed by such service provider and any work performed by such service provider.

The audit documentation for this engagement is the property of Eide Bailly LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Eide Bailly LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the regulators. The regulator may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least eight years from the date of our report.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to the management and board of directors the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

*Government Auditing Standards* require that we provide, upon request, a copy of our most recent external peer review report and any subsequent review reports to the party contracting for the audit. Accordingly, we will provide a copy of our most recent peer review report at your request.

Eide Bailly LLP is a member of HLB International, a worldwide organization of accounting firms and business advisors, ("HLB"). Each member firm of HLB, including Eide Bailly LLP is a separate and independent legal entity and is not owned or controlled by any other member of HLB. Each member firm of HLB is solely responsible for its own acts and omissions and no other member assumes any liability for such acts or omissions. Neither Eide Bailly LLP, nor any of its affiliates, are responsible or liable for any acts or omission of HLB or any other member firm of HLB and hereby specifically disclaim any and all responsibility, even if Eide Bailly LLP, or any of its affiliates are aware of such acts or omissions of another member of HLB.

Eide Bailly, LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business Code. It is not anticipated that any of the non-licensee owners will be performing audit services for the MST.



## **DISPUTE RESOLUTION**

The following procedures shall be used to resolve any disagreement, controversy or claim that may arise out of any aspect of our services or relationship with you, including this engagement, for any reason ("Dispute"). Specifically, we agree to first mediate.

### ***Mediation***

All Disputes between us shall first be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator. The mediator will be selected by mutual agreement, but if we cannot agree on a mediator, one shall be designated by the American Arbitration Association ("AAA").

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute. Mediation will be conducted with the parties in person in Palo Alto, CA.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Either party may commence suit on a Dispute after the mediator declares an impasse.

## **INDEMNITY**

You agree that none of Eide Bailly LLP, its partners, affiliates, officers or employees (collectively "Eide Bailly") shall be responsible for or liable to you for any misstatements in your financial statements that we may fail to detect as a result of knowing representations made to us, or the concealment or intentional withholding of information from us, by any of your owners, directors, officers or employees, whether or not they acted in doing so in your interests or for your benefit, and to hold Eide Bailly harmless from any claims, losses, settlements, judgments, awards, damages and attorneys' fees from any such misstatement, provided that the services performed hereunder were performed in accordance with professional standards, in all material respects.

If a claim is brought against you by a third-party that arises out of or is in any way related to the services provided under this engagement, you agree to indemnify Eide Bailly LLP, its partners, affiliates, officers and employees, against any losses, including settlement payments, judgments, damage awards, punitive or exemplary damages, and the costs of litigation (including attorneys' fees) associated with the services performed hereunder provided that the services were performed in accordance with professional standards, in all material respects.

## **ASSIGNMENTS PROHIBITED**

You agree that you will not and may not assign, sell, barter or transfer any legal rights, causes of actions, claims or Disputes you may have against Eide Bailly LLP, its partners, affiliates, officers and employees, to any other person or party, or to any trustee, receiver or other third party.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements compliance over major federal award programs including our respective responsibilities.

We appreciate the opportunity to be your certified public accountants and look forward to working with you and your staff.

Respectfully,



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Ahmad Gharaibeh  
Partner

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RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of MST by:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_