



MONTEREY-SALINAS TRANSIT DISTRICT BOARD OF DIRECTORS MEETING AGENDA AND NOTICE

Meeting Date: July 11, 2022
Meeting Time: 10:00 AM Pacific Time (US and Canada)
Location: In-Person and Zoom Conference

Due to the expiration of certain directives contained in the Governor's Declaration of Emergency for the State of California (Executive Order N-29-20), the Board of Directors of the Monterey-Salinas Transit District will hold meetings in-person and via Zoom virtual meeting as indicated below:

In-Person Participation:

The Regular Meeting of the Monterey-Salinas Transit District Board of Directors in-person meeting will be held on July 11, 2022 at 10:00 a.m. at 19 Upper Ragsdale Drive, Suite 100. *Members of the public are required to wear a face covering and will be socially distanced in the Board room.*

OR

Zoom Participation:

The Regular Meeting of the Monterey-Salinas Transit District Board of Directors Zoom virtual meeting will be held on July 11, 2022 at 10:00 a.m. via Zoom conference, click <https://us06web.zoom.us/j/84500836234?pwd=aFQ0YUdj3Y0eW94WmtRZ1Myc0Vldz09> and enter the following:

Meeting ID: 845 0083 6234 and Passcode: 652252.

By telephone: (669) 900-6833 same Meeting ID: 845 0083 6234 and Passcode: 652252.

Public comments may be made either in person, via Zoom, or via email. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment. 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 by 3:00 pm on Friday, July 8, 2022; those comments will be distributed to the MST Board of Directors before the meeting. Written comments may be emailed to clerk@mst.com, and should include the subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)."

MST District Board and Committee Agendas

Accessibility, Language Assistance, and Public Comments

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 District Administration Building at 19 Upper Ragsdale Dr., Suite 200, Monterey, CA 93940 during normal business hours.

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

Public comments may be submitted for any item on the agenda by contacting MST:

Mail: MST, Attn: Clerk to the Board, 19 Upper Ragsdale Dr., Suite 200, Monterey, CA 93940

Website: <https://mst.org/contact-us/> • **Email:** clerk@mst.org • **Phone:** (888) 678-2871



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888-678-2871 / Free language assistance / Asistencia de Lenguaje Gratuito /
Libreng tulong para sa wika / Hỗ trợ ngôn ngữ miễn phí / 무료 언어 지원

1. CALL TO ORDER

- 1-1. Roll Call.
- 1-2. Pledge of Allegiance.
- 1-3. 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 District 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. Approve Resolution 2023-01 Authorizing Remote Teleconference Meetings. (Carl Sedoryk) (Page 7)
- 3-2. Adopt Resolution 2023-02 recognizing Ana Villanueva, Coach Operator, as Employee of the Month for July 2022. (Manager) (Page 9)
- 3-3. Approve Minutes of the MST Board Meeting on June 13, 2022. (Jeanette Alegar-Rocha) (Page 11)
- 3-4. Receive Draft Minutes MST Board Operations Performance Committee Meeting on June 13, 2022. (Jeanette Alegar-Rocha) (Page 19)
- 3-5. Financial Reports – May 2022. (Lori Lee) (Page 23)
 - a) Accept reports of May 2022 Cash Flow
 - b) Approve May 2022 Disbursements
 - c) Accept Report of May 2022 Treasury Transactions
- 3-6. Receive Report on Lost and Found Items Left on MST Property for the Month of March 2022. (Sonia Wills) (Page 31)
- 3-7. Authorize Disposal of Seven (7) MST-Owned Vehicles that Have Reached or Exceeded Their Useful Life. (Norman K. Tuitavuki) (Page 33)

End of Consent Agenda

4. RECOGNITIONS AND SPECIAL PRESENTATIONS

- 4-1. July 2022 Employee of the Month – Ana Villanueva, Coach Operator as Employee of the Month for July 2022 (Norman Tuitavuki)
- 4-2. Recognize 35 Years of Service – Fernando Manansala, Mechanic A (Norman Tuitavuki)
- 4-3. 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)

5. PUBLIC HEARINGS

- 5-1. MST Bus Fare Changes (Lisa Rheinheimer) (Page 35)
 - a) Receive Presentation on Proposed Bus Fare Changes,
 - b) Conduct Public Hearing to Hear Public Comments on the Proposed Changes to Bus Fares, and
 - c) Approve New Bus Fare Policy.

6. ACTION ITEMS

- 6-1. Approve Procurement Policy. (Lisa Rheinheimer) (Page 55)
- 6-2. Authorize General Manager/CEO to Enter into Contract with Stantec Architecture Inc. in an Amount not to Exceed \$1,591,627 for a Fixed Facility Analysis, Preliminary Architectural, Planning, Design, and Environmental Services for the Salinas Operations and Maintenance Facility. (Lisa Rheinheimer) (Page 113)

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 2022 (Page 115)
- 7-2. Federal Legislative Advocacy Report (Page 145)
- 7-3. State Legislative Advocacy Update (Page 147)
- 7-4. Staff Trip Reports – (Pages 149-161)
- 7-5. Correspondence – 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) CALACT Autumn Conference & EXPO November 1-4, 2022 in Santa Rosa, CA, Early Registration and Discounted Hotel Room Block Deadline is **today July 11, 2022.**
 - b) CTA Fall Annual Conference & EXPO, November 15 -18, 2022 in Ontario, CA. Early Registration Deadline is September 8. 2022.
- 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 Monterey-Salinas Transit and ATU Labor Contract – Gov. Code § 54957.6.

10. ATTACHMENTS

- 10-1. The Detailed Monthly Performance Statistics and Disbursement Journal for May 2022 can be viewed online within the GM Report at <http://mst.org/about-mst/board-of-directors/board-meetings/>

11. ADJOURN

NEXT SCHEDULED MEETING DATE: August 8, 2022

10:00 a.m.

NEXT SCHEDULED AGENDA DEADLINE: July 26, 2022

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/>*

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**RESOLUTION NO. 2023-01
MONTEREY-SALINAS TRANSIT DISTRICT
REGARDING RALPH M BROWN ACT AND FINDING OF RISK TO HEALTH AND SAFETY OF
IN-PERSON MEETINGS AS A RESULT OF THE CONTINUING COVID-19 PANDEMIC STATE
OF EMERGENCY DECLARED BY GOVERNOR NEWSOM**

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic; and,

WHEREAS, the proclaimed state of emergency remains in effect; and,

WHEREAS, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconferencing rules set forth in the California Open Meeting law, Government Code section 54950 et seq. (the "Brown Act"), provided certain requirements were met and followed; and,

WHEREAS, on June 11, 2021, Governor Newsom issued Executive Order N-08-21 that clarified the suspension of the teleconferencing rules set forth in the Brown Act, and further provided that those provisions would remain suspended through September 30, 2021; and,

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361 that provides that a legislative body subject to the Brown Act may continue to meet without fully complying with the teleconferencing rules in the Brown Act provided the legislative body determines that meeting in person would present risks to the health or safety of attendees, and further requires that certain findings be made by the legislative body every thirty (30) days; and,

WHEREAS, California Department of Public Health ("CDPH") and the federal Centers for Disease Control and Prevention ("CDC") caution that the Delta variant of COVID-19, currently the dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations (<https://www.cdc.gov/coronavirus/2019-ncov/variants/delta-variant.html>); and,

WHEREAS, other variants of COVID-19 exist, and it is unknown at this time whether other variants may result in a new surge in COVID-19 cases; and,

WHEREAS, the CDC has established a "Community Transmission" metric with three (3) tiers designed to reflect a community's COVID-19 case rate and percent positivity; and,

WHEREAS, Monterey County currently has a Community Transmission metric of "high" which is the most severe tier in terms of case rate and percent positivity; and,

WHEREAS, due to the seriousness of the current pandemic situation, the CDC and CDPH strongly recommends masking in indoor public places, for everyone, including public transportation, regardless of vaccination status; and,

WHEREAS, the Board of Directors for the Monterey-Salinas Transit District (“MST”) is empowered to take actions necessary to protect public, health, welfare and safety within the region; and,

WHEREAS, MST has an important governmental interest in protecting the health, safety and welfare of those who participate in meetings of MST’s various legislative bodies subject to the Brown Act; and,

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the MST Board of Directors deems it necessary to find that meeting in person for meetings of all MST-related legislative bodies subject to the Ralph M. Brown Act would present risks to the health or safety of attendees, and thus intends to invoke the provisions of AB 361 related to teleconferencing.

NOW, THEREFORE, BE IT RESOLVED by the MST Board of Directors as follows:

1. The Board of Directors finds that meeting in person for meetings of all MST- related legislative bodies subject to the Ralph M. Brown Act would present risks to the health or safety of attendees;
2. This finding applies to all MST-related legislative bodies subject to the Brown Act, including but not limited to, the Board Administrative Performance Committee, Board Operations Performance Committee, Mobility Advisory Committee, Measure Q Oversight Committee, and any other standing committees;
3. Staff is directed to return to the Board of Directors no later than thirty (30) days after the adoption of this resolution, or by the next Board of Directors meeting with an item for the Board to consider making the findings required by AB 361 in order to continue meeting under its provisions; and
4. The MST General Manager/CEO and MST Counsel are directed to take such other necessary or appropriate actions to implement the intent and purposes of this resolution.

PASSED AND ADOPTED this 11th day of July 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ANNA VELAZQUEZ, CHAIR
MONTEREY-SALINAS TRANSIT DISTRICT

CARL G. SEDORYK, GENERAL MANAGER/CEO
MONTEREY-SALINAS TRANSIT DISTRICT

ATTEST:

JEANETTE ALEGAR-ROCHA
CLERK TO THE BOARD

**ANA VILLANUEVA
JULY 2022
EMPLOYEE OF THE MONTH**

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

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

WHEREAS, Ana Villanueva began her career with Monterey-Salinas Transit in August 2015 as a coach operator. As a driver, she continually demonstrates the skills and professionalism MST strives for in its workforce. She was previously recognized as Employee of the Month in July 2021; and

WHEREAS, Ana Villanueva was operating Line 20 headed to Monterey when she picked up an elderly customer at the Salinas Transit Center. When she arrived at Sand City Station, while talking with the passenger, Ana noticed there was a problem. She stayed with the passenger at the stop and was able to flag down a Sand City Police Officer for assistance to help the confused passenger; and

WHEREAS, Ana Villanueva has continued to showcase her skills as she went above and beyond to help the passenger. Her efforts continue to enable MST to achieve its Mission and fulfill obligations to the communities we serve.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit District recognizes Ana Villanueva as Employee of the Month for July 2022; and

BE IT FURTHER RESOLVED that Ana Villanueva is to be congratulated for her outstanding performance, dedication, and supreme effort toward the success of MST fulfilling its mission.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT DISTRICT PASSED AND ADOPTED RESOLUTION 2023-02 this 11th day of July 2022.

Anna Velazquez
Board Chair

Carl G. Sedoryk
Board Secretary

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MEETING OF THE MST BOARD OF DIRECTORS

MEETING MINUTES

June 13, 2022
10:00 am (Pacific)

Present:	Dan Albert (Chair)	City of Monterey
	Anna Velazquez (Vice Chair)	City Soledad
	Jeff Baron	City of Carmel-by-the-Sea
	John Gaglioti	City of Del Rey Oaks
	Lorraine Worthy	City of Gonzales
	Mike LeBarre	City of King
	David Burnett	City of Marina
	Joe Amelio	City of Pacific Grove
	Tony Barrera	City of Salinas
	Mary Ann Carbone	City of Sand City
	Anna Velazquez	City Soledad
	Luis Alejo	County of Monterey
Absent:	Dave Pacheco	City of Seaside
	Yanely Martinez	City of Greenfield
Staff:	Carl Sedoryk	General Manager/CEO
	Lisa Rheinheimer	Assistant General Manager
	Norman Tuitavuki	Chief Operating Officer
	Michael Kohlman	Chief Information Officer
	Kelly Halcon	Director of HR & Risk Management
	Michelle Overmeyer	Director of Planning & Innovation
	Andrea Williams	General Accounting & Budget Manager
	Jeanette Alegar-Rocha	Deputy Secretary
	Ikuyo Yoneda-Lopez	Marketing & Customer Service Manager
	Sonia Wills	Customer Service Supervisor
	Matthew Deal	Grants Analyst
	Scott Taylor	IT Manager
	Ezequiel Rebollar	IT Technician
	Lisa Cox	Risk and Safety Manager
	Sonjé Dayries	Compliance Officer
	Elena Grigorichina	Operations Analyst
	Marzette Henderson	Transportation Manager
	Kevin Allshouse	Mobility Coordinator

Claudia Valencia
Beronica Carriedo
Daniel Bruno
Emma Patel

Mobility Specialist
Community Relations Coordinator
Scheduling Assistant
Associate Planner

Counsel: David Laredo
Michael D. Laredo

General Counsel, De Lay & Laredo
Associate Counsel, De Lay & Laredo

Public: Tate Baugh

Member of the Public

Apology is made for any misspelling of a name.

1. CALL TO ORDER

1-1. Roll Call.

1-2. Pledge of Allegiance.

Chair Albert called the meeting to order at 10:03 a.m. Roll call was taken, and a quorum was established. Vice Chair Velazquez led the pledge of allegiance.

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

2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

There were no public comments.

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. Approve Resolution 2022-34 Authorizing Remote Teleconference Meetings. (Carl Sedoryk)

3-2. Adopt Resolution 2022-35 Recognizing Hector Suarez, Payroll Specialist, as Employee of the Month for June 2022. (Andrea Williams)

3-3. Approve Minutes of the MST Board Meeting on May 9, 2022. (Jeanette Alegar-Rocha)

3-4. Receive Draft Minutes MST Board Administrative Performance Committee Meeting on May 9, 2022. (Jeanette Alegar-Rocha)

3-5. Financial Reports – April 2022. (Lori Lee)

a) Accept Reports of April 2022 Cash Flow

- b) Approve April 2022 Disbursements
- c) Accept Report of April 2022 Treasury Transactions
- 3-6. Receive Report on Lost and Found Items Left on MST Property for the Month of February 2022. (Sonia Wills)
- 3-7. Reject Claim by Claimant Gonzalo Camarillo Morales. (Lisa Cox)
- 3-8. Authorize the General Manager/CEO to Execute a Contract with Vontas for One Year of System Maintenance in an Amount Not to Exceed \$123,451. (Michael Kohlman)
- 3-9. Authorize the General Manager/CEO to Execute a Contract with Giro, Inc. for One Year of System Maintenance for HASTUS Software in an Amount Not to Exceed \$124,458. (Michael Kohlman)
- 3-10. Authorize the General Manager/CEO to Execute a Series of Related Contracts with the Trapeze Software Group for One Year of System Maintenance in an Amount Not to Exceed \$129,240. (Michael Kohlman)
- 3-11. Reject Claim by Lamb & Frischer Law Firm, LLP obo Rhonda Wise. (Lisa Cox)

End of Consent Agenda

There were no public comments.

On a motion by Director Gaglioti, seconded by Director Alejo and carried by the following vote, which was conducted by roll call, the Board approved items 3-1 through 3-11 on the Consent Agenda:

AYES:	11	Albert, Alejo, Amelio, Baron, Barrera, Burnett, Carbone, Gaglioti, LeBarre, Velazquez and Worthy
NOES:	0	
ABSENT:	2	Martinez and Pacheco
ABSTAIN:	0	

Director Worthy left the meeting at approximately 11:15 a.m.

4. RECOGNITIONS AND SPECIAL PRESENTATIONS

- 4-2. June 2022 Employee of the Month –Hector Suarez, Payroll Specialist, as Employee of the Month for June 2022. (Andrea Williams)
- 4-3. Board Member Service Recognition – Mary Ann Carbone 5 years (Carl Sedoryk)
- 4-4. 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)

4-5. Receive Update on SURF! Project Public Outreach. (Lisa Rheinheimer)

5. PUBLIC HEARINGS

5-1. FY 2023 – 2024 Operating and Capital Budget (Lisa Rheinheimer)

- a) Receive Presentation on Proposed FY 2023 – 2024 Operating and Capital Budget,
- b) Conduct Public Hearing to Hear Public Comments on the Proposed FY 2023 – 2024 Operating and Capital Budget,
- c) Adopt Proposed FY 2023 – 2024 Operating and Capital Budget,
- d) Approve Resolution 2022-36 Authorizing the Filing of Federal Grant Applications, and
- 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 2023.

Chair Albert opened the public hearing and called for public comments on the Proposed FY 2023-2024 Operating and Capital Budget.

There were no public comments.

On a motion by Director Alejo, seconded by Director Gaglioti and carried by the following vote, which was conducted by roll call, the Board approved the FY 2023-2024 Operating and Capital Budget, Resolution 2022-36 authorizing the filing of federal grant applications, and authorized staff to apply to the Transportation Agency for Monterey County Transportation Development Act Local Transportation Funds and State Transit Assistance for FY 2023.

AYES: 10 Albert, Alejo, Amelio, Baron, Barrera, Burnett, Carbone, Gaglioti, LeBarre, Pacheco, and Velazquez

NOES: 0

ABSENT: 3 Martinez, Pacheco, and Worthy

ABSTAIN: 0

6. ACTION ITEMS

- 6-1. Authorize the General Manager/CEO to Enter into Contract with Kimley-Horn for a Transit-Oriented Development Planning Study in an Amount Not to Exceed \$493,498, with a \$12,752 Project Contingency. (Michelle Overmeyer)

On a motion by Director Barrera, seconded by Director Gaglioti and carried by the following vote, which was conducted by roll call, the Board authorized the General Manager/CEO to enter into contract with Kimley-Horn for a Transit-Oriented Development Planning Study in an amount not to exceed \$493,498 with a \$12,752 project contingency.

AYES: 10 **Albert, Alejo, Amelio, Baron, Barrera, Burnett, Carbone, Gaglioti, LeBarre, Pacheco, and Velazquez**
NOES: 0
ABSENT: 3 **Martinez, Pacheco and Worthy**
ABSTAIN: 0

- 6-2. Receive Report from Nominating Committee, Conduct Election of Officers, and Appoint Representatives. (Dan Albert)

On a motion by Director LeBarre seconded by Director Alejo and carried by the following vote, which was conducted by roll call, the Board approved the FY 2023-2024 MST District Officers and appointments with Anna Velazquez as the new Board Chair and Mary Ann Carbone as the new Vice Chair:

AYES: 10 **Albert, Alejo, Amelio, Baron, Barrera, Burnett, Carbone Gaglioti, LeBarre, Pacheco, and Velazquez**
NOES: 0
ABSENT: 3 **Martinez, Pacheco and Worthy**
ABSTAIN: 0

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 2022
- 7-2. Federal Legislative Advocacy Report
- 7-3. State Legislative Advocacy Update
- 7-4. Staff Trip Reports
- 7-5. Correspondence – 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) 2022 APTA Transit Board Members & Board Administrators Seminars, Salt Lake City, UT. Early Bird Registration Deadline is June 17, 2022.

8-3. Board Member Referrals for Future Agendas.

8-4. Approve Resolution 2022-37 In Appreciation for MST Leadership Dan Albert. (Carl Sedoryk)

On a motion by Director Gaglioti, seconded by Director Amelio and carried by the following vote, which was conducted by roll call, the Board unanimously approved resolution 2022-37 in appreciation of Dan Albert for his leadership as Chair.

AYES:	10	Albert, Amelio, Baron, Barrera, Burnett, Carbone, Gaglioti, LeBarre, Pacheco, and Velazquez
NOES:	0	
ABSENT:	3	Alejo, Martinez, and Worthy
ABSTAIN:	0	

9. CLOSED SESSION

9-1. Significant Exposure to Litigation Pursuant to § 54956.9(b): (one case: Francisco Martinez vs. Monterey-Salinas Transit District; Court & Case # not assigned.)

Associate Counsel Michael Laredo reported an update was provided by staff, but no reportable action was made by the Board.

9-2. Conference with Legal Counsel Pursuant to § 54956.95: Authorization to Settle Permanent Disability and Future Medical for Isabel Carrasco Claim No: MST-18-0015.

Associate Counsel Michael Laredo reported an update that action was made by the Board on a motion by Director Albert, seconded by Director Gaglioti, and carried by the following vote, which was conducted by roll call, the Board approved to settle permanent disability and future medical for Isabel Carrasco Claim No: MST-18-0015.


AYES:	9	Albert, Amelio, Baron, Barrera, Burnett, Carbone Gaglioti, LeBarre, and Velazquez
NOES:	0	
ABSENT:	4	Alejo, Pacheco Martinez, and Worthy
ABSTAIN:	0	

10. ATTACHMENTS

10-1. The Detailed Monthly Performance Statistics and Disbursement Journal for April 2022 can be viewed online within the GM Report at <http://mst.org/about-mst/board-of-directors/board-meetings/>

11. ADJOURN

With no further business to discuss, Chair Velazquez adjourned the meeting at 11:48 a.m. (Pacific).

Prepared by : 
Jeanette Alegar-Rocha

Reviewed by: 
Carl G. Sedoryk

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Board Operations Performance Committee (BOPC)

ZOOM Teleconference Meeting

Draft Minutes

June 13, 2022
9:00 a.m.

Present:	Anna Velazquez (Chair)	City of Soledad
	Joe Amelio (Vice Chair)	City of Pacific Grove
	Jeff Baron	City of Carmel-by the Sea
	Tony Barrera	City of Salinas
	Mary Ann Carbone	City of Sand City
	Lorraine Worthy	City of Gonzales
Absent:	None	
Staff:	Carl Sedoryk	General Manager/CEO
	Lisa Rheinheimer	Assistant General Manager
	Norman Tuitavuki	Chief Operating Officer
	Kelly Halcon	Director of HR and Risk Management
	Michael Kohlman	Chief Information Officer
	Michelle Overmeyer	Director of Planning and Innovation
	Jeanette Alegar-Rocha	Clerk to the Board
	Scott Taylor	Information Technology Manager
	Ezequiel Rebollar	Information Technology Technician
	Andrea Williams	General Accounting and Budget Manager
	Ikuyo Yoneda-Lopez	Marketing and Customer Service Manager
	Beronica Carriedo	Community Outreach Coordinator
	Marzette Henderson	Transportation Manager
	Elena Grigorichina	Operations Analyst
	Lisa Cox	Risk and Safety Manager
	Matt Deal	Grants Analyst
	Sloan Campi	Planning Manager
	Emma Patel	Associate Planner
	Daniel Bruno	Scheduling Assistant
	Sonjé Dayries	Compliance Analyst
Counsel:	Dave Laredo	General Counsel, DeLay & Laredo
	Michael D. Laredo	Associate Counsel, DeLay & Laredo
Public:	Tate Baugh	Member of the Public

Apology is made for any misspelling of a name.

1. Call to order

MST Bylaws Article 2. Meetings

106030. The board, at its first meeting, and thereafter annually at the meeting designated by the board, shall elect a chairperson who shall preside at all meetings, and a vice chairperson who shall preside in the absence of the chairperson. In the event of his or her absence or inability to act, the members present, by an order entered in the minutes, shall select one of their members to act as a chairperson pro tempore, who, while so acting, shall have all the authority of the chairperson. (This article applies to committee meetings as well.)

Chair, Anna Velazquez called the meeting of the Committee to order at 9:01 a.m. Roll was taken to establish a quorum of the Committee.

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.

There were no public comments.

3. **CONSENT AGENDA**

- 3-1. Approved Minutes of the Board Operations Performance / BOPC Committee on April 11 , 2022. (Jeanette Alegar-Rocha)

There were no public comments.

On a motion by Director Worthy, seconded by Director Barrera and carried by the following vote, which was conducted by roll call, the Committee approved the Minutes of the Board Operations Performance Committee of December 13, 2021:

AYES:	6	Amelio, Baron, Barrera, Carbone, Velazquez and Worthy
NOES:	0	
ABSENT:	0	
ABSTAIN:	0	

4. **ACTION ITEMS**

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

There were no public comments.

4.2 Receive Report on Bus Stop Shelter Replacement Plan. (Paul Lopez)

There were no public comments.

4.3 Receive Project Report on South County Circulators. (Michelle Overmeyer)

There were no public comments.

4.4 Receive Update on Salinas Transit Center Relocation Study. (Carl Sedoryk)

There were no public comments.

CLOSED SESSION

None

5. ADJOURN

Chair Velazquez adjourned the meeting at 9:48 a.m.

PREPARED BY:  REVIEWED BY: 
Jeanette Alegar-Rocha Carl G. Sedoryk

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To: Board of Directors
From: Lori Lee, Accountant
Subject: **FINANCIAL REPORTS – MAY 2022**

RECOMMENDATION:

1. Accept report of May 2022 cash flow presented in Attachment #1
2. Approve May 2022 disbursements listed in Attachment #2
3. Accept report of May 2022 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, 2022	\$37,032,623.69
Revenues	8,177,609.04
Disbursements	<u><4,487,572.52></u>
Ending balance May 31, 2022	<u><u>\$40,722,660.21</u></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 2022, using the Board approved FY 2022 Budget, MST had a \$6,318,571 year-to-date surplus to budget on the fixed-route operations and a \$1,483,132 surplus to budget on the MST RIDES operations, resulting in an overall year-to-date surplus of \$7,801,703.

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:

1. Fuel & Lubricants – These 46.1% Fixed Route and 14.4% RIDES negative variances for the month of May are attributed to the continuing increase in the cost of fuel. While the average cost per gallon for both diesel and gasoline for the fiscal year remains below budget – staff is monitoring this closely and calculated fuel costs accordingly in the FY 2023 Budget.
2. Utilities – This 34.5% negative variances for the month of May is attributed to a one-time PG&E South County Operations and Maintenance Facility billing adjustment. For the fiscal year, this category is 10.6% below budget.

The financial impact of the COVID-19 pandemic began in mid-March 2020 when the District began ordering sanitizing and cleaning supplies and the Shelter in Place Order was issued by the Monterey County Health Department. During the month of May, MST spent \$ 9,771 on COVID-19 supplies. This amount includes \$9,738 for MV bus sanitation services. This information will be provided for each finance report until COVID emergency orders are lifted.

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 2022 Cash Flow
2. May 2022 Disbursements
3. May 2022 Treasury Transactions
4. May 2022 Budget vs. Actual

Prepared by:  Reviewed by: 
Lori Lee Carl G. Sedoryk

(REVENUES & DISBURSEMENTS)**CASH FLOW**

Beginning balance 05/01/2022 37,032,623.69

Revenues

Passenger Revenue	594,747.35	
DOD Revenue	9,942.65	
TIFIA Loan	-	
LTF / STA / SGR	1,607,422.21	
Sales Tax	1,206,695.74	
Grants	4,723,636.00	
Interest Income	731.72	
Non Transit Revenue	34,433.37	
Total Revenues	8,177,609.04	8,177,609.04

Disbursements

Operations (See Attachment #2)	3,559,966.79	
Capital	927,605.73	
Total Disbursements		(4,487,572.52)

Ending balance 05/31/2022 **40,722,660.21**

COMPOSITION OF ENDING BALANCE

Checking - Mechanics Bank	962,700.87
Local Agency Investment Fund (LAIF)	17,241,907.13
Money Market - Mechanics Bank MM	19,352,847.59
Money Market - Mechanics Bank	9,418.32
Money Market - LCTOP	1,334,918.68
Money Market - State of Good Repair	1,570,813.94
Money Market - FOR A/Other	230,904.65
Bank of America - Escrow	8,989.03
Petty cash fund, STC Coin Machine, and 2 change funds	10,160.00
Total	40,722,660.21

PAYROLL ACCOUNT

May 06 Payroll & Related Expenses	577,044.56	
May 20 Payroll & Related Expenses	577,654.94	
PERS & 457	330,387.78	
Garnishments	2,708.93	
PERS Health Insurance	<u>381,297.68</u>	
	1,869,093.89	1,869,093.89

GENERAL ACCOUNT

Disbursements on Attached Summary	2,490,407.99	
Transfer to Monterey County RTA	3,004.51	
Paydown Loans	67,947.16	
Workers Comp. Disbursements	46,330.88	
Interest Expense	6,125.93	
Bank Service Charge	<u>4,662.16</u>	
	2,618,478.63	2,618,478.63
Total Disbursements		<u>4,487,572.52</u>
Less Capital Disbursements & Transfers		(927,605.73)
Operating Disbursements		<u><u>3,559,966.79</u></u>

PAYROLL ACCOUNT

May 06 Payroll & Related Expenses	577,044.56	
May 20 Payroll & Related Expenses	577,654.94	
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Total Disbursements		<u>4,487,572.52</u>
Less Capital Disbursements & Transfers		(927,605.73)
Operating Disbursements		<u><u>3,559,966.79</u></u>

**TREASURY TRANSACTIONS
FOR MAY 2022**

LAIF ACCOUNT

<u>Date</u>	<u>Account</u>	<u>Description</u>	<u>Deposit</u>	<u>Withdrawal</u>	<u>Balance</u>
Balance Forward at 05/01/2022					17,241,907.13
Quarterly interest earned 0.32%					17,241,907.13
Local Agency Investment Fund:					
LAIF Treasury Balance at 05/31/2022					17,241,907.13

MECHANICS BANK MM ACCOUNT

<u>Date</u>	<u>Account</u>	<u>Description</u>	<u>Deposit</u>	<u>Withdrawal</u>	<u>Balance</u>
Balance Forward at 05/01/2022					14,218,529.77
05/04/22	687	AP/Payroll		1,850,000.00	12,368,529.77
05/05/22	687	AP/Payroll		500,000.00	11,868,529.77
05/06/22	687	Prop 1B Buses	176,727.98		12,045,257.75
05/06/22	687	Prop 1B IT	568,707.20		12,613,964.95
05/19/22	687	AP/Payroll		550,000.00	12,063,964.95
05/27/22	687	Fed 5339 Buses	567,103.00		12,631,067.95
05/27/22	687	Fed 5339 Buses	325,771.00		12,956,838.95
05/27/22	687	Fed 5307 Buses	1,459,739.00		14,416,577.95
05/27/22	687	Fed 5307 ARPA	2,371,023.00		16,787,600.95
05/27/22	687	STA	1,393,922.01		18,181,522.96
05/27/22	687	SGR	213,500.20		18,395,023.16
05/27/22	687	LTF	1,507,344.03		19,902,367.19
05/27/22	687	AP/Payroll		550,000.00	19,352,367.19
05/31/22		Interest	480.40		19,352,847.59
MECHANICS MM Balance at 05/31/2022					19,352,847.59

Fixed-Route

Revenue & Expense - Consolidated

Period: 05/01/22..05/31/22

AGENDA #3-5
ATTACHMENT 4
PAGE 1

MST

Fiscal Start Date: 07/01/21

G/L Budget Filter: FY22, Fund Filter: 001|004|005

All amounts are in USD.

6/25/2022

AWILLIAMS

Description	Cur Mo. Actual	Cur Mo. Budget	Cur Mo. Variance	YTD Actual	YTD Budget	YTD Variance
Revenue						
Passenger Fares	218,248	172,875	45,373	2,172,253	1,901,625	270,628
Special Transit	39,916	49,583	(9,667)	725,713	545,416	180,297
Cash Revenue	8,425	15,841	(7,416)	238,510	174,257	64,253
Cash Grants &	3,669,092	3,669,092	0	40,360,012	40,359,709	303
Total Revenue	3,935,681	3,907,391	28,290	43,496,487	42,981,007	515,480
Expenses						
Labor	1,242,503	1,450,839	(208,336)	13,705,819	15,959,216	(2,253,397)
Benefits	895,080	945,305	(50,225)	9,932,448	10,398,308	(465,860)
Advertising & Marketing	2,799	13,667	(10,868)	66,525	150,334	(83,809)
Professional & Technical	44,968	79,092	(34,124)	583,928	870,009	(286,081)
Outside Services	55,222	55,466	(244)	532,700	610,132	(77,432)
Outside Labor	98,088	183,749	(85,661)	1,375,423	2,021,247	(645,824)
1 Fuel & Lubricants	318,864	218,316	100,548	2,340,902	2,401,482	(60,580)
Supplies	48,196	118,852	(70,656)	718,381	1,307,361	(588,980)
Vehicle Maintenance	14,761	83,517	(68,756)	412,517	918,684	(506,167)
Marketing Supplies	0	3,084	(3,084)	16,592	33,918	(17,326)
2 Utilities	92,252	68,605	23,647	674,779	754,656	(79,877)
Insurance	71,074	89,617	(18,543)	839,197	985,784	(146,587)
Taxes	21,065	16,803	4,262	173,685	184,833	(11,148)
Purchased Transportation	325,939	380,950	(55,011)	3,780,224	4,190,450	(410,226)
Miscellaneous Expenses	31,823	33,928	(2,105)	335,521	373,209	(37,688)
Interfund transfers	0	0	0	0	0	0
Pass Thru/Behalf of Others	0	0	0	0	0	0
Interest Expense	8,493	15,300	(6,807)	132,306	168,300	(35,994)
Leases & Rentals	41,336	54,416	(13,080)	502,468	598,582	(96,114)
Total Operating Expenses	3,312,461	3,811,506	(499,045)	36,123,415	41,926,505	(5,803,090)
Operating Surplus (Deficit)	623,219	95,885	527,334	7,373,073	1,054,502	6,318,571

RIDES

Revenue & Expense - Consolidated

Period: 05/01/22..05/31/22

AGENDA #3-5
ATTACHMENT 4
PAGE 2

6/25/2022

AWILLIAMS

MST

Fiscal Start Date: 07/01/21

G/L Budget Filter: FY22, Fund Filter: 002

All amounts are in USD.

Description	Cur Mo. Actual	Cur Mo. Budget	Cur Mo. Variance	YTD Actual	YTD Budget	YTD Variance
Revenue						
Passenger Fares	12,526	9,583	2,943	172,869	105,416	67,453
Special Transit	20,207	0	20,207	86,711	0	86,711
Cash Revenue	0	0	0	0	0	0
Cash Grants &	530,528	530,528	0	5,835,808	5,835,811	(3)
Total Revenue	563,261	540,111	23,150	6,095,388	5,941,227	154,161
Expenses						
Labor	14,851	11,375	3,476	108,301	125,125	(16,824)
Benefits	6,260	6,933	(673)	85,629	76,266	9,363
Advertising & Marketing	0	417	(417)	0	4,584	(4,584)
Professional & Technical	0	417	(417)	0	4,584	(4,584)
Outside Services	0	0	0	0	0	0
Outside Labor	10,506	6,500	4,006	82,481	71,500	10,981
1 Fuel & Lubricants	52,307	45,725	6,582	431,760	502,975	(71,215)
Supplies	863	1,709	(846)	6,705	18,793	(12,088)
Vehicle Maintenance	0	0	0	0	0	0
Marketing Supplies	0	0	0	137	0	137
Utilities	97	120	(23)	1,223	1,320	(97)
Insurance	0	0	0	0	0	0
Taxes	0	0	0	0	0	0
Purchased Transportation	365,651	446,309	(80,658)	3,661,388	4,909,393	(1,248,005)
Miscellaneous Expenses	15,030	16,859	(1,829)	193,387	185,443	7,944
Interfund transfers	0	0	0	0	0	0
Pass Thru/Behalf of Others	0	0	0	0	0	0
Interest Expense	0	0	0	0	0	0
Leases & Rentals	0	0	0	0	0	0
Total Operating Expenses	465,565	536,364	(70,799)	4,571,012	5,899,983	(1,328,971)
Operating Surplus (Deficit)	97,697	3,747	93,950	1,524,376	41,244	1,483,132

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 2022.

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.

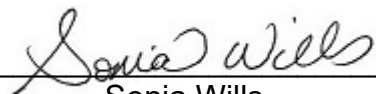
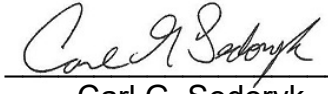
DISCUSSION:

Per MST's revised Disposal of Lost and Found Property policy during shelter in place adopted on April 6, 2020, MST shall suspend collection and storage of lost personal items with an estimated value of less than \$100. Unless prohibited by law, lost and found personal items with an estimated value of less than \$100 shall be treated as potentially hazardous and disposed of immediately. These items include but are not limited to umbrellas, articles of clothing, pill containers, glasses, etc.

Items reasonably estimated with a value of greater than \$100 shall only be handled by employees wearing personal protective equipment (such as gloves, masks, etc.), and stored in a secure area to limit possible exposure of COVID-19 to MST employees. All wallets/purses with identifying information and Driver's License or Identification Cards will continue to be retained for 90 days before being disposed. MST makes an attempt to contact the owners of Lost and Found items with identifying information.

March 2022

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: Norman K. Tuitavuki, Chief Operating Officer

Subject: Authorize the Disposal of Seven (7) Vehicles

RECOMMENDATIONS:

Authorize disposal of seven (7) MST-owned vehicles that have reached or exceeded their useful life.

FISCAL IMPACT:

Pending sales proceeds.

POLICY IMPLICATIONS:

Your Board approves the disposition (retirement, sale, donation, or disposal) of MST-owned vehicles per MST's Disposal of Surplus Property Policy adopted July 12, 2010, and revised March 2, 2018.

DISCUSSION:

MST has several revenue and non-revenue vehicles in its fleet which have reached or exceeded the FTA recommended minimum useful life criteria as defined by FTA Circular 5010.1.E. MST's Maintenance Department has removed these vehicles from service and changed their status to inactive.

If the Board approves the disposition of these vehicles, staff will remove any MST-owned equipment of value from these vehicles such as fareboxes and radio equipment to be installed and reused in other MST vehicles. Finally, staff will dispose of these vehicles most appropriately, following MST policy.

Staff estimates proceeds from individual auctions will not exceed \$3,000 per vehicle. Staff will attempt to donate vehicles deemed safe and road-worthy before sending these vehicles to auction. All other vehicles will be disposed of accordingly.

The following vehicles are available for donation, disposal, or sale:

Model Year	Manufacturer	Equipment Description	VIN (Last 5)	Meter Reading Estimated
2003	GILLIG	40 FT LOW-FLOOR DIESEL BUS	73303	765,989
2003	GILLIG	40 FT LOW-FLOOR DIESEL BUS	73305	713,212
2003	GILLIG	40 FT LOW-FLOOR DIESEL BUS	73310	699,408
2003	GILLIG	40 FT LOW-FLOOR DIESEL BUS	73312	684,689
2002	GILLIG	40 FT SUBURBAN DIESEL BUS	11705	786,613
2002	GILLIG	40 FT SUBURBAN DIESEL BUS	11707	852,034
2003	GILLIG	40 FT SUBURBAN DIESEL BUS	12077	803,225

Approval of this item authorizes staff to sell, donate, or dispose of the seven (7) vehicles listed above.

Prepared by: Norman K. Tuitavuki Reviewed by: Carl G. Sedoryk
 Norman K. Tuitavuki Carl G. Sedoryk

To: Board of Directors

From: Lisa Rheinheimer, Assistant General Manager

Subject: MST Bus Fare Changes

RECOMMENDATION:

- a) Receive presentation on proposed bus fare changes,
- b) Conduct public hearing to hear public comments on the proposed changes to bus fares, and
- c) Approve new Bus Fare Policy.

FISCAL IMPACT:

In FY 2021, the average fare collected per passenger was \$1.36 per trip. However, it is difficult to predict the impacts of a fare change given the implementation of the Comprehensive Operational Analysis – Final Network Plan aka Better Bus Network as well as high fuel prices at the pump. A better predictor of ridership growth and hence fare revenue, is fast, frequent and dependable service.

During the meeting of April 2022, the Board inquired about a more comprehensive quantitative analysis of how the proposed changes would impact fare revenue. As a result, Emma Patel, Associate Planner for MST and statistics major from UC Santa Barbara, took a detailed look at the connection between fares and ridership. Her analysis is provided in **Attachment 1**.

The fare analysis conclusion is that implementation of the Better Bus Network will increase ridership and combined with the overall fare decrease, passenger fare revenue is expected to increase by \$630,187 or 28% between FY2022 and FY2023.

POLICY IMPLICATIONS:

The existing fare structure was approved by the Board of Directors in May 2012. Although the Board approves fares as a practice, there is no existing Transit Fare Policy. Staff proposes the attached (**Attachment 2**) Transit Fare Policy to support the fare changes proposed.

Additionally, the MST Public Hearing Policy (Revised February 2019) outlines the threshold for seeking comment from passengers and the public with respect to fare increases:

Threshold for Public Hearing Requirement

The MST Board defines a “major reduction of transportation” as one that results in a 20% or greater decrease in total vehicle service hours **or any permanent increase in fare structure for fixed-route or paratransit service.** Changes not meeting this threshold do not require a public comment process.

The proposed fare structure results in a fare decrease for the majority of passengers on fixed-route buses. Currently, Line 3 is the only fixed-route at the \$1.50 fare. On Call services are also at the \$1.50 fare, however, On Calls are slated for discontinuation with the implementation of the Better Bus Network. On Call services would be replaced by fixed-route circulators in South County cities. The number of riders from Line 3 plus the On Call service represents 2.6% (3,226 passengers) of overall ridership from the month of January, 2022.

While the proposed fare structure would be a decrease for the majority of passengers, in a good faith effort to satisfy our federal public hearing requirements, it was prudent to conduct public outreach on the fare changes. Two public hearings were conducted: June 27th at Greenfield City Hall and June 29th at Montage Health Center in Marina.

DISCUSSION:

A summary of proposed fare changes is found in the table below:

	Existing Fares	Proposed Fares				
		Single Ride/ 2 hours	Day GoPass (Expires 2:00 AM)	Weekly GoPass (7-Days)	Monthly GoPass (31-Days)	Promotional Fares
Fixed Route Regular Fare	\$1.50, \$2.50, \$3.50	\$2.00	\$6.00	\$20.00	\$70.00	\$35.00
Fixed Route Discount Fare*	\$.75- \$1.75	\$1.00	\$3.00	\$10.00	\$35.00	\$17.00
ADA RIDES One-Way Fare (2 hours)	\$1.50- \$3.50	\$2.00				
RIDES Booklet of 30, \$2.00, One-Way Trip Tickets	various	\$2.00/ticket, \$60.00/ booklet				
Group Discounts 25% (5-20 Monthly GoPass)	\$71.25				\$52.00	
Group Discounts 35% (21+ Monthly GoPass)	\$61.75				\$45.00	
Vanpool Subsidy**					\$450/month	

* Discounts apply to seniors, persons with disabilities, and Veteran's.

**A vanpool subsidy would be provided for each vanpool group/vehicle each month for up to one year.


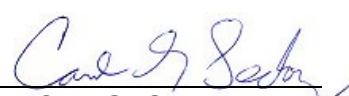
Only proposed changes to fares are displayed in the above table with the full set of fares captured in the new MST Transit Fare Policy (Attachment 2). An additional category was added for Vanpool Subsidy where MST would assist vanpool groups with the cost of the monthly lease arrangement with a vanpool provider for a 1-year introductory period. Vanpooling is an option for more remote areas no longer by transit including Big Sur.

MST conducted a survey of the proposed fare changes using the Slido online survey tool during the month of May 2022. The Survey Results showed overwhelming support for the fare changes proposed. **Attachment 3** summarizes the results of the public survey.

Finally, MST noticed in the Herald and the Californian in English and Spanish on June 11, the public hearings held on June 27 in Greenfield and June 29 in Marina. There were no attendees at either public hearing.

ATTACHMENT(S):

1. MST Evaluation of Fare Changes
2. MST Transit Fare Policy
3. MST Bus Fare Survey Results

Prepared by:  Reviewed by: 
Lisa Rheinheimer Carl G. Sedoryk

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MST Evaluation of Fare Changes

Prepared by Emma Patel, Associate Planner
June 27, 2022

I was asked to analyze the impact of proposed fare changes based on previous research on the correlation or causation between fare changes and ridership. Based on previous research on the subject, the following are my conclusions:

1. Ridership Trends:

- There was a slight decline in ridership pre-COVID (2017-2019) and a drastic decline when COVID shut-downs occurred
 - Due to the above drop in ridership, the ridership is difficult to forecast.
- MST monthly ridership is highly seasonal with peaks in the summer months; this trend continues through COVID/COVID recovery.
- Due to the significant drop in ridership, the ridership is difficult to forecast. Forecast models predict that ridership will eventually hit zero; therefore, models do not account for impacts on ridership from a global pandemic.

2. Ridership and Revenue Hours:

- Ridership is highly correlated to revenue hours delivered by a transit provider. The more hours of service, the more passengers use the service.
- A change in revenue hours is likely a good predictor of a change in ridership.

3. Fare Analysis Forecast:

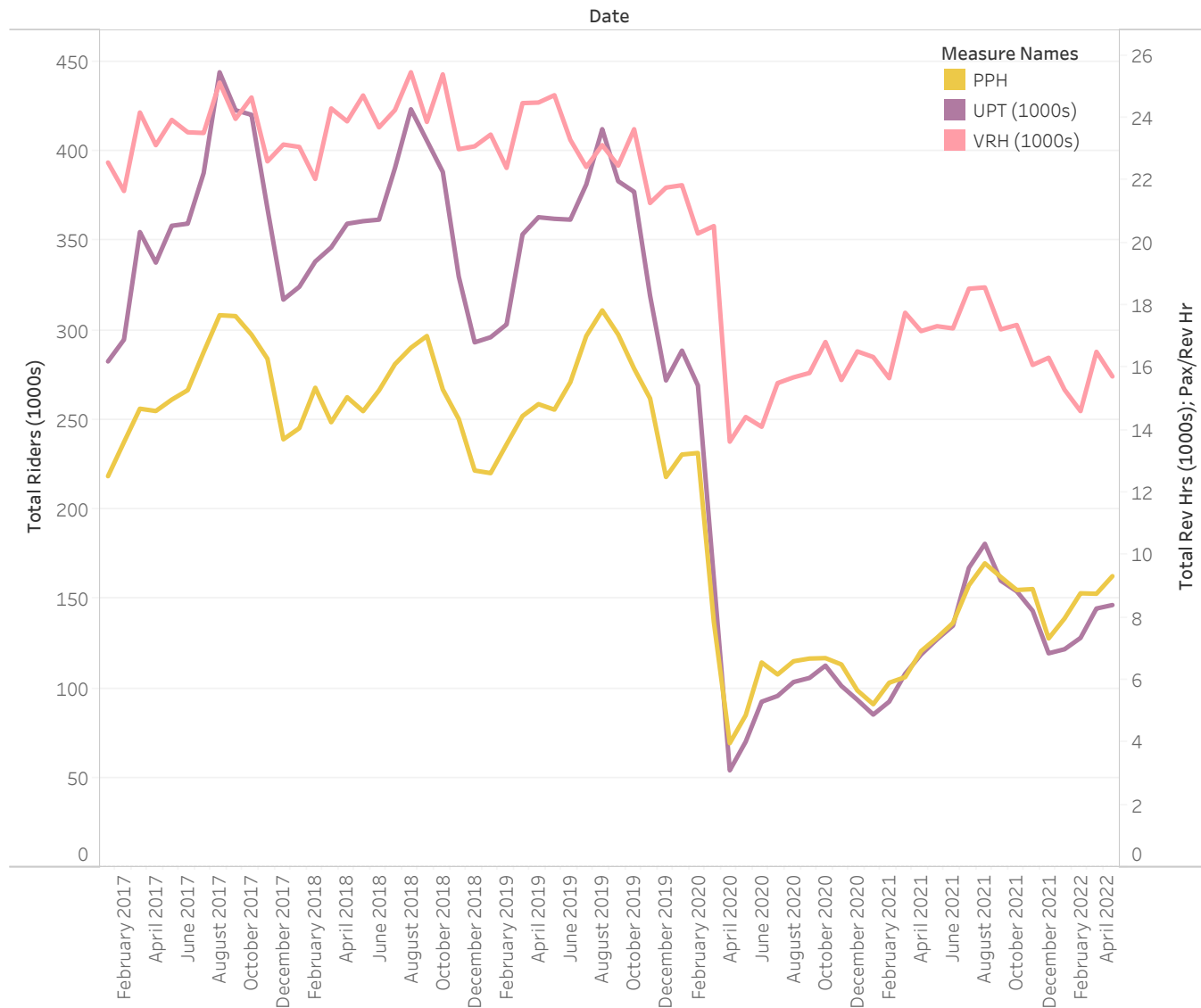
- Expected ridership change is based on the Simpson-Curtin rule: *Each 3 percent fare increase reduces ridership by 1 percent*
 - It was inferred that the opposite is also true – for each 3 percent fare decrease, ridership is increased by 1 percent, and
 - This is a simplistic rule.
- Based on a GFI cash farebox report, 51% of riders used discount fares and 49% used regular fares. This was used to estimate the average fare for FY23-FY25 in the alternative scenario.
- The estimated average fare for FY23-FY25 in the existing scenario is based on the average fare from FY20-FY22. Previous years were not included as commuter routes were operating during that time at a higher fare, skewing the average fare higher.

- The 2020 Marketing Rider Survey shows that the most commonly cited reasons for riding MST were “no car available” and “unable to drive”. Thus, we can infer that a large portion of riders are dependent on transit services
 - Fare changes as they relate to price elasticities are lower for riders who are dependent on transit than for riders who have other options.

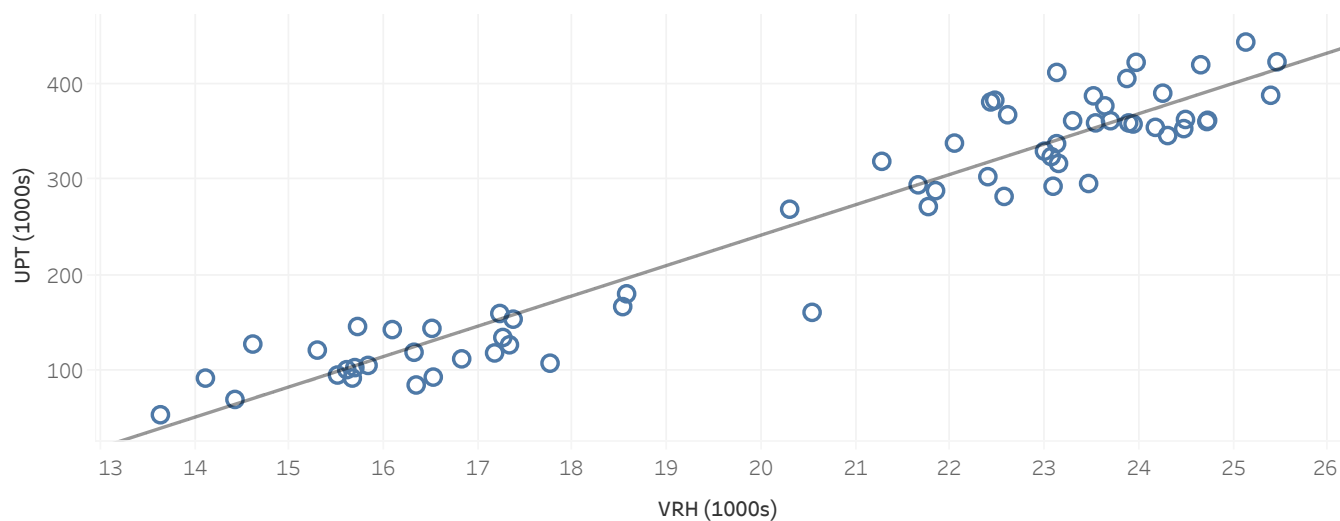
Attachments:

1. Graphs: Fixed Route Ridership and Revenue Hours by Month and Ridership Response to Revenue Hours
2. Forecasts

Fixed Route Ridership and Revenue Hours by Month



Ridership Response to Revenue Hours



Forecasts:

Based on the Simpson-Curtin rule, with each 3% fare increase, ridership will decrease by 1%

	Current Fare	New Fare	Fare Change	Expected Ridership Change
Local	\$1.50	\$2.00	33.33%	-11.11%
Primary	\$2.50	\$2.00	-20.00%	6.67%
Regional	\$3.50	\$2.00	-42.86%	14.29%

Three Year Projection on Existing Structure:

Existing	FY18	FY19	FY20	FY21	FY22 (est)	FY23*	FY24*	FY25*
Average Fare	2.36	1.97	1.66	1.36	1.28	1.43	1.43	1.43
Ridership	4,452,389	4,272,624	3,082,533	1,280,619	1,725,701	1,782,270	1,840,693	1,901,031
Revenue	10,522,000	8,438,000	5,121,000	1,747,000	2,208,897	2,548,646	2,632,191	2,718,474

Three Year Projection on Proposed Structure:

Alternative	FY18	FY19	FY20	FY21	FY22 (est)	FY23*	FY24*	FY25*
Average Fare	2.36	1.97	1.66	1.36	1.28	1.48	1.48	1.48
Ridership	4,452,389	4,272,624	3,082,533	1,280,619	1,725,701	1,918,300	1,981,182	2,046,125
Revenue	10,522,000	8,438,000	5,121,000	1,747,000	2,208,897	2,839,084	2,932,149	3,028,265



Transit Fare Policy

MST Board Policy

General Description

Description:

This Monterey-Salinas Transit District (MST) Transit Fare Policy establishes fees paid by riders for use of the transit system including fixed-routes, ADA RIDES service, [vanpool](#), and special services.

Purpose:

The purpose of this Policy is to establish guidelines for setting and/or restructuring public transit fares for MST.

Scope:

This Policy applies to all fixed-route, ADA RIDES, Taxi Vouchers, Special Medical Trips, special services, [vanpool](#), and discounted fares for seniors, persons with disabilities, and Veteran's. This Policy also applies to all employees selling passes or enforcing fare collections onboard the bus or at pass sales locations.

Per contracts or agreements between MST and partners, special fares may be established. Per agreements between MST and MSTEa and ATU, MST shall grant free transit to MST employees, spouses, principal domestic partners, dependent child(ren), parents of all employees, retirees and spouses, widows, widowers and minor children of deceased employees.

Responsibility:

MST Board of Directors sets policy
Coach Operators
Customer Service Staff

Mobility Department Staff

The Board of Directors sets policy. Those who sell any kind of pass or ensure collection at the farebox are responsible for carrying out this Policy.

Requirements

Approvals:

Board of Directors

Relevant Knowledge:

In order to comply with this Policy you should know:

This Transit Fare Policy

MST fares for fixed-route, ADA RIDES, taxi vouchers, other MST fares

Terms and Definitions:

Term:	Definition:
ADA	Americans with Disabilities Act
Fixed-route	A transit line on which a vehicle is operated along a prescribed route according to a fixed schedule.
RIDES	MST RIDES is complementary ADA transit service for individuals who have a disability which prevents them from using fixed-route bus service.
MST	Monterey-Salinas Transit District

Policy Provisions

① Fare Payment

Description:

Based on existing equipment available onboard the vehicle, the following fare payment options are available for use on the fixed-routes and RIDES ADA service:

Cash, GoPasses, contactless credit or debit cards including e-wallets, valid college/university ID, or MST employee ID, or dependent pass.

Scope and Exceptions:

It is understood that failures in fare equipment are possible. If there is a failure of equipment and the vehicle is operating in service, it is permissible to allow passengers to board the bus for free.

② Fare Structure

Description:

MST recognizes that transit services are provided to a transit reliant population within Monterey County and the MST service area. Fare prices are developed with sensitivity to the communities served and further consideration to Measure Q assisted populations. Appendix A identifies transit fares by service type.

Scope and Exceptions:

From time to time, MST enters into special agreements/contracts with partners in support of free transportation within a specified area or for a specified group. When special agreements/contracts are executed between MST and another organization, General Fund transit services will not be diminished, unless authorized by the Board of Directors.

③ Fare Box Recovery

Description:

In each fiscal year, MST must calculate its farebox recovery where fare revenues offset a portion of annual operating costs. The amount of fares collected from fixed-route passengers was 20% in 2019. Other State, Federal, and local sources fund the remaining operating budget. Given this context, fares will not completely cover operating costs and a certain farebox recovery must be maintained.

Scope and Exceptions:

The Transportation Development Act establishes farebox recovery requirements unless suspended by the California legislature for unusual circumstances.

④ Customer Experience

Description:

When considering new fare products, prices or collection methods, MST will strongly consider the customer experience. Fares should be easily understood and changes to fares should be transparent, following MST's Public Hearing Policy requirements. MST will also consider regional efforts to streamline fare payments.

Performance Evaluation

Desired Outcome:

This Policy should encourage growth in ridership, contribute to cost recovery, create a good customer experience, support a shift to contactless fare payments, and reduce administrative overhead.

Attachments

[Transit Fare Table](#)

Related Documents

Related Documents:

Document Type:	Document Name:	Document Number:
Policy	PUBLIC HEARINGS POLICY Adopted: May 12, 2014 Revised: March 6, 2017 Revised: February 4, 2019	MBP-029

Revision Management

Revision History Log:

Revision #:	Date:	Nature of Change:	Recorded By:
v1.0	3/9/2022 11:16 AM	New document	Lisa Rheinheimer

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Monterey-Salinas Transit District

Transit Fare Table

Effective: TBD

	Single Ride/ 2 hours	Daily GoPass (Expires 2:00 AM)	Weekly GoPass (7 Days)	Monthly GoPass (31 Days)	Promotional Fares
Fixed Route Regular Fare	\$2.00	\$6.00	\$20.00	\$70.00	\$35.00
Fixed Route Discount Fare*	\$1.00	\$3.00	\$10.00	\$35.00	\$17.00
Summer Youth Pass (June-August)					\$38.00
Children Under 46"	Free				
ADA RIDES One-Way Fare (2 hours)	\$2.00				
RIDES Booklet of 30, \$2.00, One-Way Trip Tickets	\$2.00/ticket, \$60.00/booklet				
Special Medical Trips (Round Trip)		\$20.00			
Taxi Vouchers For Seniors, Persons with Disabilities, Veteran's	\$3.00 per trip co-pay				
Group Discounts					
25% (5-20 Monthly GoPass)				\$52.00	
35% (21+ Monthly GoPass)				\$45.00	
Vanpool Subsidy				\$450/month/ vanpool**	

* Discounts apply to seniors, persons with disabilities, and Veteran's.

** A vanpool subsidy would be paid for each vanpool group/vehicle each month for up to one year.

Note: Special fares may be established between MST and a partner governed by a contract/agreement to grow ridership.

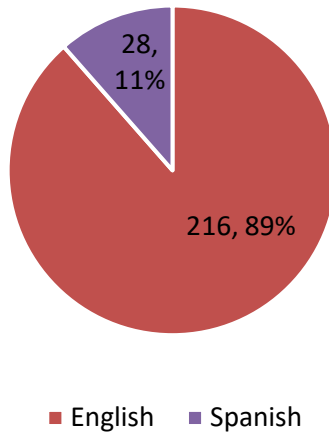
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MST Bus Fare Survey Results

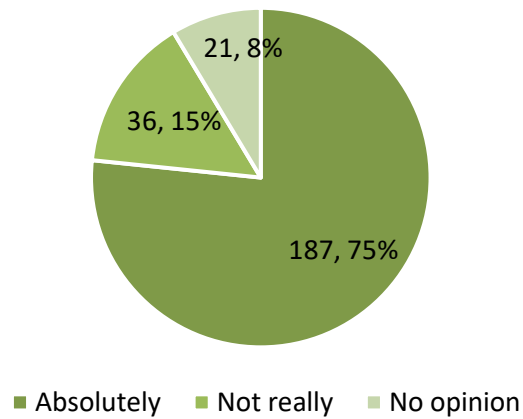
ATTACHMENT 3

May 1 - May 31, 2022

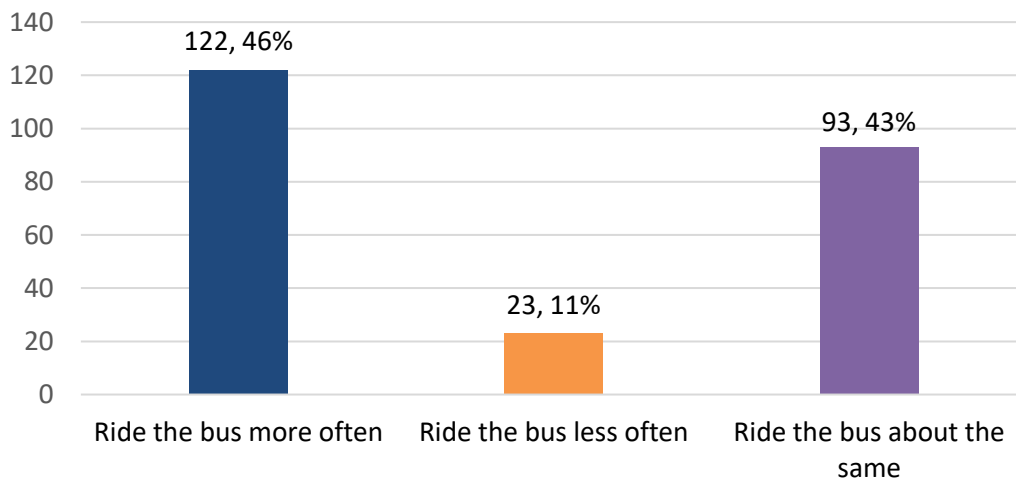
Survey Response Language



Change Regular Fares to \$2 for 2 Hours Agree?



Would the Fare Change Make You



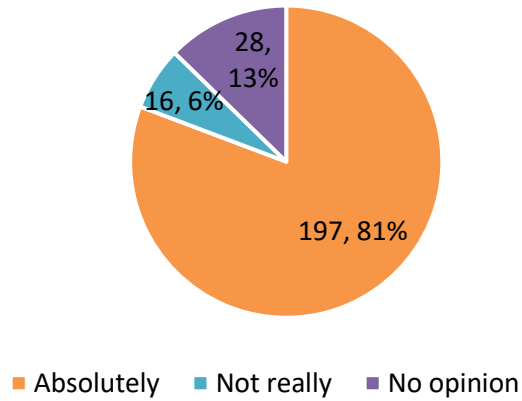
MST Bus Fare Survey Results

ATTACHMENT 3

May 1 - May 31, 2022

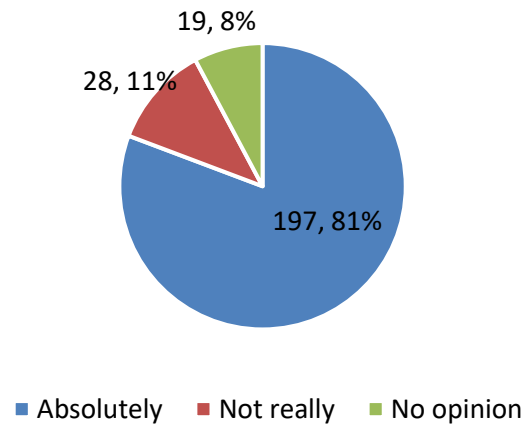
Change the Daily, Weekly, and Monthly Rate to \$6, \$20, and \$70.

Agree?



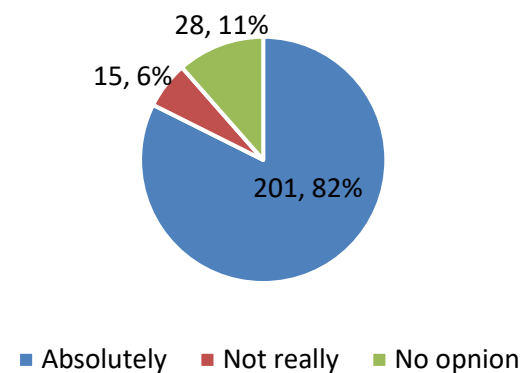
Change **Discount** Fares to \$1 for 2 Hours

Agree?



Change the Daily, Weekly, and Monthly **Discount** Rate to \$3, \$10, and \$35.

Agree?



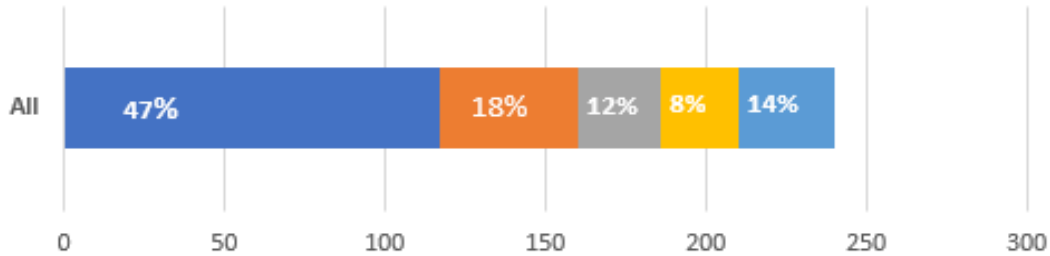
MST Bus Fare Survey Results

ATTACHMENT 3

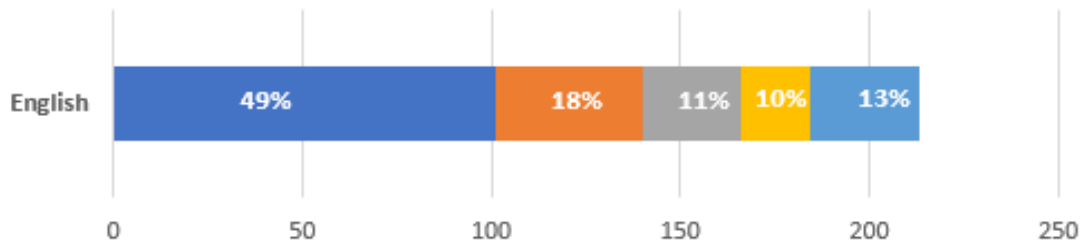
May 1 - May 31, 2022

Ever Paid Your Fare with Contactless Credit/Debit Card?

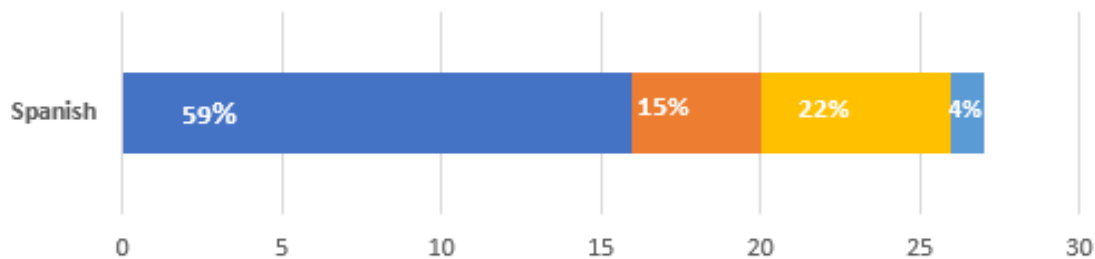
All Responses (240)



English Language Responses (213)



Spanish Language Responses (27)



- Yes, it's really convenient
- No, I didn't know it was available
- No, my credit/debit card does not have a contactless symbol
- No, I don't have a credit/debit card
- No, it's inconvenient to tap on AND off.

May 1 - May 31, 2022

Written Comments:

Todo esta caro y la verdad algunas personas ocupamos de los servicios publicos. Y pues realmente considero que lo que tengan que hacer pues se hace. *Everything is expensive and the truth is that some of us take care of public services. And well, I really consider that what they have to do is done.*

Bus 28 should come every hour not two hours.

Would like service to Monterey from Santa Cruz restored.

Weekend times need to go later especially at del monte center

The bus drivers always charge \$3.75 for my rides no matter what even when I was 16. The drivers do not honor discounts. I've been kicked off busses multiple times in the Monterey county because bus drivers do not want to honor any discounts. Respectfully.

The rate is to high now, Monthly passes are way to much money and day passes are to high for working People and those on Social Security, Wake up MST!

When will new bus network start. Nees trips to San Jose Air bus costb50 dollars

MST has always rated A+ in my experience. The new routes in last couple months were improvements--regular times from King City to Salinas, 7:40am, 8:40am, etc. I especially like the 23X morning and afternoon. While I miss the Pebble Beach bus, I can get to entrance of 17 mile drive on 1 bus. I also miss the San Jose bus (I once took MST from King City to San Jose and Cal Trains to San Francisco for visit and returned THE SAME DAY!), but I can understand financial issues. On time record is excellent. Buses are clean and 4500's are luxurious. Drivers are courteous and helpful. What's not to like?

The rate is to high now, Monthly passes are way to much money and day passes are to high for working People and those on Social Security, Wake up MST!

To: Board of Directors
From: Lisa Rheinheimer, Assistant General Manager
Subject: Procurement Policy

RECOMMENDATION:

Approve Procurement Policy.

FISCAL IMPACT:

The proposed new Procurement Policy supports the FY 2023 and 2024 Board-adopted Budget.

POLICY IMPLICATIONS:

MST is required to adhere to various procurement rules and regulations for the use of public funds. This Policy replaces a 2016 Policy which was a combination of policy and procedure. The attached Procurement Policy has been revised and replaced in order to separate policy from procedure and comply with the latest rules and regulations.

DISCUSSION:

The proposed Procurement Policy, Attachment 2, incorporates changes in federal and state regulations as well as addressing unsolicited proposals, standards of conduct, and purchasing authority. The Policy removes procedures to keep it high level. Upon approval by the Board, MST staff will begin developing a comprehensive Procedures Manual to implement the Board-adopted policy.

ATTACHMENT(S):

1. Procurement Policy and Procedures (April 2016)
2. Procurement Policy (July 2022)

Prepared by: _____


Lisa Rheinheimer

Reviewed by: _____


Carl Sedoryk

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Procurement Policy and Procedures

Effective Date: April 11, 2016

MONTEREY-SALINAS TRANSIT DISTRICT
PROCUREMENT POLICY AND PROCEDURES
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INTRODUCTION

Monterey-Salinas Transit (MST) is a Transit District, formed and operating in accord with the Monterey-Salinas Transit District Act, Section 106000, et seq., of the California Public Utilities Code. Policies and procedures governing MST procurements of supplies, equipment, materials, services and construction contracts are derived from and conform to:

- a. Applicable Federal law including 49 Code of Federal Regulations (CFR) Part 18, specifically Section 18.36
- b. Federal Transit Administration (FTA) Circular 4220.1.E, "Third Party Contracting Requirements"
- c. Applicable State of California laws
- d. California Public Contracts Code
- e. Rules and regulations established by the MST Board of Directors

MST procurement policy and procedures are subject to State and Federal laws, regulations and policies. These are intended as a guide to good procurement practices and are to be used as a supplement to sound business judgment in procurement and contracting.

The procedures herein are designed to implement the fundamental principles of procurement as follows:

- a. Foster maximum open and free competition
- b. Promote the greatest economy and efficiency
- c. Ensure adherence to proper standards of conduct by MST officers and employees
- d. Maintain procurement policies and procedures that comply with applicable federal, state, and local laws, and regulations
- e. Establish and maintain an arm's length relationship with all contractors and suppliers
- f. Treat all prospective contractors, consultants, and suppliers in an equal and equitable manner
- g. Provide opportunities for remedy and resolution of contract claims or disputes

DEFINITIONS

Terms used throughout this document are defined below.

Allowable Costs – Costs determined to be permissible based on reasonableness and generally accepted accounting principles and practices appropriate to the particular circumstances.

Architect / Engineer – Person or entity usually responsible for developing the plans and specification of a building or development and, in some cases, supervising the construction effort.

Bid – The document conveying an offer from a party desiring to provide or procure goods or services in response to an Invitation for Bid.

Bidder – The general term for the entity that submits a response to a Solicitation. Any individual, firm, partnership, corporation, or combination thereof, submitting a Bid for the work contemplated, acting directly or through a duly authorized representative. For the purposes of these Regulations, Bidder may be used interchangeably with Proposer or Offeror.

Bid Guarantee (Bid deposits) – An amount of money determined by MST to be fair and reasonable compensation from a Bidder for MST's costs should that Bidder refuse to honor its bid. The Bid Guarantee, if required, will be a matter of Responsiveness to the Invitation for Bid.

Blanket Contract – Contract for goods or services that is of indefinite quantity during a definite period of time. Blanket contracts are typically recurring contracts.

Bond – A written instrument executed by a Bidder or Contractor (the "principal"), and a second party (the "surety" or "sureties"), to assure fulfillment of the principal's obligations to the obligee identified in the bond. If the principal's obligations are not met, the bond assures payment to the extent stipulated, for any loss sustained by the obligee.

Brand-Name – A commercial product described by brand name and make, model number, or other appropriate nomenclature by which the product is offered for sale to the public by the particular manufacturer, producer, or distributor. The Brand Name is used by MST only for the purpose of establishing identification and general description of the form, fit, function and quality of the items sought by MST.

Capital Expense is a purchase of any fixed asset costing \$1000 or more.

Capital Project is a major procurement involving construction, procurement of materials or services or purchase of rolling stock for which a specific budget is prepared and executed.

Change Order – A written directive and authorization for payment and/or time extension from MST, by its authorized agent, to the Contractor regarding changes in the work under the contract. A Change Order may include future work to be performed under the contract or work performed in accordance with previously authorized Directive Letters or Proceed Orders issued by MST through its authorized agent.

Competitive Bidding – Solicitation through Letters of Interest and Qualifications (LIQ), Requests for Proposals (RFP), or Invitations for Bids (IFB) by MST, under which all individuals or firms are afforded an equal opportunity to compete for award of a contract.

Competitive Range – Those proposals submitted in response to a RFP that, after technical evaluation by MST's selection panel and consideration of the proposed costs/prices, have a reasonable chance of being awarded the contract.

Construction – The act of building, altering, repairing, renovating, improving or maintaining a building or structure.

Contingent Fee – A commission, percentage, brokerage, or other fee that is dependent upon or tied to the success that a person or entity has in securing a MST contract.

Contract – A mutually binding legal relationship obligating the seller to furnish the goods or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the buyer to an expenditure of funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include: contract awards and notices of awards; job orders or task orders issued under basic ordering agreements, requirement contracts, or definite- or indefinite-quantity contracts; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; bilateral (two-party) contract modifications; and various cooperative and interagency agreements. MST may be either the seller or the buyer on a contract.

Contract Amendment – Changes to a contract that either add to, or delete from, the amount of an existing contract scope or that change contract terms, whether accomplished by unilateral action in accordance with a contract provision or by mutual action of the parties to the contract.

Contract Drawings – The official plans, profiles, typical cross-sections, general cross-sections, elevations, and details listed or referenced in the Specifications or amendments thereto, and, supplemental drawings approved by MST which show the locations, characters, dimensions, and details of the work to be performed.

Contractor – The Contractor is the person, entity or authorized representative identified as such in the contract documents and is referred to throughout the contract documents as if singular in number. For the purposes of these Regulations, the term "Contractor" may be used interchangeably with Vendor or Consultant.

Cooperative Purchase Agreement – A procurement whereby MST participates with one or more other governmental or public agencies in a cooperative agreement for the joint purchase of goods, supplies, services, materials, or equipment.

Cost Analysis – A detailed analysis of a Contractor's cost or pricing data and the judgmental factors applied in projecting from the data to the estimated costs in order to form an opinion of the degree to which Contractor's proposed costs represent what reasonable performance of the contract should cost.

Debarment – An action taken by MST to deny participation in MST contracts, or action taken by another government entity to deny a person or entity participation in contracts or financial assistance programs.

Directive Letter – Authority granted to a Contractor to do work prior to the Contractor and MST having reached full agreement on an adjustment to the contract price and/or time.

Emergency – A situation of unusual or compelling urgency requiring immediate action.

Federal Transit Administration (FTA) establishes policies and procedures that must be followed when using federal funding for procurements and capital projects.

Invitation for Bid (IFB) – A request to interested parties to provide or procure specified goods or services. IFBs are not negotiated procurements. IFBs result in a firm fixed-price contract awarded to the lowest responsive and responsible Bidder.

Letter of Interest and Qualification (LIQ) – An LIQ is a qualification-based process where price is not an evaluation factor. LIQs must be used for architectural and engineering services and may be used for other procurements unless prohibited by applicable laws and regulations. LIQs are negotiated procurements.

Major Purchase is any procurement of \$100,000 or more.

Multi-Round Bid – MST solicits offers for the purchase of surplus real estate by IFB. When Bids are reviewed, MST determines if any of the Bids are acceptable. If they are not, MST can continue the procurement by re-soliciting the responding Bidders for further Bids.

Payment Bond – A bond that ensures payment as required by law to all persons supplying labor or material in the performance of the work provided for in the contract.

Piggyback Contract – MST's use of another governmental or public agency's contract for goods, supplies, services, materials, or equipment.

Performance Bond – A bond that secures performance and fulfillment of the Contractor's obligations under the contract.

Price Analysis – The process of examining and evaluating the reasonableness of a Bidder's or Proposer's price without evaluation of the separate cost elements and proposed profit of the Bidder/Proposer.

Proceed Order – Authority granted to the Contractor regarding changes to the work to be performed under a contract.

Procurement Administrator – MST employee authorized to solicit, enter into and/or administer contracts and make related determination and findings. For the purposes of these Regulations, the term includes employees assigned to the Purchasing & Warehousing Department as well as any MST employee assigned and authorized to perform those duties.

Proposal – The submission by a potential Contractor in response to a RFP or LIQ.

Proposer – The general term for the entity that submits a response to a Solicitation. Any individual, firm, partnership, corporation, or combination thereof, submitting a Proposal for the work contemplated, acting directly or through a duly authorized representative. For the purposes of these Regulations, Proposer may be used interchangeable with Bidder or Offeror.

Protest – A written objection or complaint by an interested party to the terms, conditions or form of a proposed procurement or to the proposed or actual award of a contract.

Public Auction – Method of selling assets whereby all prospective buyers are notified through Public Notice of the intent to sell assets and are invited to Bid in an open forum against their competitors.

Public Exigency – Any event or circumstance, not including an Emergency, but nonetheless that requires immediate action.

Public Notice – MST's notice to the general public of purchase or sale solicitations, which must, at a minimum, be in a daily English language newspaper of general circulation.

Purchase Order – Document that formalizes an agreement between MST and a Vendor for the purchase of goods and/or services, which follows an informal competitive process. Emergencies and exigent circumstances purchases may also be documented with purchase orders.

Quotation – The price or cost submitted by a Vendor for a Small Purchase.

Request for Information (RFI) – A means by which to poll the market or ask a series of questions regarding a potential procurement that is of interest to MST.

Request for Proposals (RFP) – An RFP requests that interested parties submit Proposals to perform a specific project or service or to provide goods. Criteria, including price, dictates how RFP proposals will be evaluated. RFPs are negotiated procurements.

Request for Price Quotation (RFPQ) is an informal solicitation. An informal solicitation is one with less stringent requirements. Such less-stringent requirements might include, but are not limited to:

- No formal time or date when quote is due
- No sealed bid requirements
- No bond requirements

In addition, informal bids can generally be awarded by lesser authority than formal bids. That is, the General Manager/CEO approves all expenditures of \$10,000 or more. The Assistant General Managers and Department Heads can award amounts up to \$9,999.

Requisition – A document requesting goods or services. The Requisition initiates the procurement process.

Responsibility – MST will make awards only to Contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Responsiveness – Evaluation for determining whether Bids comply in all material respects with a solicitation document.

Reverse Auction – A real-time bidding process in which multiple pre-approved suppliers can view other bids and bid against one another electronically for a set period of time.

Single Bid – A solicitation response received from only one source. In these instances, the acquisition is handled like a Sole Source procurement or non-competitive negotiation.

Sole Source – Procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined to be inadequate.

Solicitation – The general term for MST's request for offers from potential Bidders/Proposers. A solicitation package generally contains the proposed contract, including contract terms and conditions, instructions to potential Bidders/Proposers regarding the submission of a Bid/Proposal, and any other information needed to prepare a Bid/Proposal.

Surety – A party legally liable for the debt, default, or failure of a principal to satisfy a contractual obligation.

RESPONSIBILITIES

Each organizational element below plays a role and has responsibilities in ensuring that MST complies with applicable laws, rules and regulations.

Board of Directors. Establishes general policy. Approves major contracts. Hears appeals from contractors or potential suppliers.

General Manager/CEO. Ensures Board guidance is implemented. General oversight of the procurement and purchasing functions. The General Manager/CEO shall be responsible for the purchasing of and the issuance of purchase orders for property and services.

Assistant General Manager for Finance & Administration assumes the responsibilities of the General Manager/CEO in his/her absence. The Assistant General Manager for Finance & Administration may delegate authority to issue purchase orders up to \$9,999.

Department Heads. Ensure that procurement actions within their Departments comply with these provisions. Establish both short-term execution and long-range planning of procurements. Ensure that Project Managers they appoint are coordinating procurements with the Purchasing Manager. Each Department Head monitors procurement activities of their respective departments. The Purchasing Manager coordinates with Department Heads and staff to insure they are aware of and follow proper procurement procedures.

General Accounting & Budget Manager. Provides information on available budget. Processes purchase orders for capital expenditures. The General Accounting & Budget Manager periodically publishes a memorandum showing purchasing agents and the dollar amount they are authorized to approve.

Purchasing Manager is responsible for monitoring all procurements. Points out problem areas to staff members, Assistant General Manager for Finance and Administration and/or Department Heads. The Purchasing Manager will determine the need for and provide training to staff based upon problems noted during continuous

review and observation of on-going purchases and procurements. The Purchasing Manager will also provide training to all new staff members who have authority to commit funds on behalf of MST. The Purchasing Manager is also responsible for the sale of MST surplus property. The Purchasing Manager shall report to the Assistant General Manager for Finance and Administration with respect to all purchasing decisions and activities. The Purchasing Manager also:

- a. Maintains a listing of procurement numbers and tracks issue and due dates
- b. Maintains contract administration files; notifies Project Managers of needed and/or missing documents
- c. Maintains and revises as necessary standard terms and conditions, FTA clauses and generic enclosures necessary to produce a complete procurement document
- d. Organizes and periodically conducts audits of the contract administration system

Duties of the Purchasing Manager make him/her responsible for the following objectives:

- a. Conserve public funds through reductions in cost and improvements in quality of supplies, equipment, materials, services, and construction procured.
- b. Reduce the overhead cost of contracting, buying, and selling to the maximum extent possible.
- c. Achieve and promote cost-effective procurements by:
 - 1. Analyzing alternative approaches for each procurement, such as: purchase, timeshare, lease, intergovernmental and interagency agreements.
 - 2. Structuring each procurement through consolidation of similar products, services and separation of dissimilar ones.
 - 3. Eliminating the purchase of unnecessary or duplicate materials and services.
 - 4. Encouraging price and quality competition among suppliers, contractors and consultants.
- d. Reduce the volume and streamline the flow of paperwork while maintaining accurate documentation of procurements.
- e. Utilize outside competent technical expertise where needed in the initiation, administration and completion of procurements and contracts.
- f. Adhere to participation goals and procedures incident to MST's Disadvantaged Business Enterprise (DBE) Program.
- g. Comply with federal, state, and local procurement laws and regulations.
- h. Comply with applicable standards of conduct and ethics.
- i. Administer contracts and monitor supplier performance to insure that full value is received and desired quality is achieved.

The Project Manager is the staff person designated to take the lead for procurement or otherwise assigned the task of completing the procurement. He or she is responsible for coordinating all aspects of the procurement, which include, as a minimum:

- a. Determining the required quantities, delivery timeframes and other parameters
- b. Developing a scope of work or services
- c. Developing specifications that fully define the product or service desired
- d. Working with the Purchasing Manager to develop a bid form and mailing list
- e. Conducting an Independent Cost Estimate
- f. Coordinating the publication of bid documents, public notices, and posting to the MST web site
- g. Organizing the evaluation committee to review all bids received
- h. Preparing any Memorandum for the MST Board of Directors' approval
- i. Preparing Purchase Orders; processing them through the General Accounting & Budget Manager as necessary
- j. Coordinating with the Purchasing Manager and the Contractor to finalize Contracts
- k. Monitoring contractor performance; documenting any problem areas
- l. Contract close-out

PURCHASING PROCEDURES

Purchases may be made either using an MST-issued credit card or by Purchase Order. The General Accounting & Budget Manager controls the issue and monthly reconciliation of the MST issued credit card. Described herein are procedures for purchases using a purchase order.

In no case will payment be made for any goods or services in advance of their having been received. Purchase orders will be completed in advance of the work being done. In cases where the final amount is not known, Purchasing Agent will follow up with the supplier to complete the purchase order as soon as possible.

All purchases made by purchase order, except for items costing less than \$100, shall have the purchase order issued at the time the order is placed, or after approval by the MST Board.

No purchase order shall be issued for the purchase of any materials or services unless there exists sufficient funds in the current budget to cover the cost of the item(s).

All purchase orders for capital expenditures will be processed through the General Accounting & Budget Manager to ensure that funds are obligated for the intended purchase.

The Accounting Technician verifies that each purchase order is properly executed and the signature authority is correct for the amount of the purchase order.

STANDARDS OF CONDUCT

The procurement business of MST shall be conducted in a manner above reproach and with complete impartiality and without preferential treatment. Any violation of these standards may be cause for disciplinary action, including dismissal, if appropriate. No Board of Director or employee shall:

A. Release to an individual or entity or its representative any knowledge such person may possess or have acquired in any way concerning any proposed or actual procurement that would give an unfair competitive advantage to any potential or actual Bidder.

B. Make any commitment or promise relating to the award of a contract or any representation which could be construed as such a commitment. Staff will not, under any circumstances, advise a business representative that any attempt will be made to influence another person to give preferential treatment to his or her company in the award of a contract.

C. Use his or her position with MST to coerce, or give the appearance of, coercing another person, and/or provide any financial benefit to persons with whom he or she has family, business or financial ties.

D. Accept any gratuity for themselves, members of their families or others, either directly or indirectly, from any source that does or seeks to do business with, or has financial ties of any sort with MST, or has personal interests that may be affected by the performance, or non-performance, of the official duties of MST staff.

E. Participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent, exists.

F. Accept any offer of employment or fees for services from a Contractor for one year following employment with MST if the officer or employee, during the year immediately preceding termination of employment, participated personally and substantially in the award of contracts or the issuance of change orders with a cumulative value of \$25,000 or more to the Contractor, its parent or subsidiary.

DUTY TO DISCLOSE

The Purchasing Manager and other MST managers, supervisors and purchasing agents shall not be involved in any purchasing decisions, tasks, or procedures, (including participation in initiation, award, or administration of a contract) in which they or persons related to them have a real or apparent conflict of interest. In cases where there may be such conflicts of interest, employees have the responsibility to report in

writing such conflicts to the General Manager/CEO. Failure to make such disclosure is subject to disciplinary action.

CONFLICT OF INTEREST

The MST Board of Directors has adopted a Conflict of Interest code, under which certain designated employees are required to disclose economic interests and are prohibited from participating in decisions, which may have an effect on their financial interest. The terms and requirements of the Conflict of Interest Code are incorporated herein by reference.

No employee, officer, or agent of MST shall participate in procedures, tasks, or decisions relative to initiation, award, or administration of a contract if a conflict of interest, real or apparent, exists. Such a conflict of interest arises when any of the following has a financial or other interest in a firm that participates in an MST bidding process or that is selected for a contract award involving:

- a. The employee, officer or agent
- b. Any member of his or her immediate family
- c. Business associate of a and b above
- d. An organization which employs, or which is about to employ a current MST employee

The standards governing the determination as to whether such an interest exists are set forth in Sections 1090, 1091, and 1091.5 of the California Government Code.

GRATUITIES AND CONTINGENT FEES

No Director, officer, employee or agent of MST knowingly shall solicit, accept, or agree to accept gratuities, favors or anything of more than a nominal monetary value in connection with actual or potential procurement and contracting activities. Under this policy, the term "nominal monetary value" shall be defined as a value of fifty dollars (\$50) or less.

CONFIDENTIAL INFORMATION

No employee of MST involved in purchasing shall use confidential information for his or her actual, anticipated, or apparent personal gain, or for the actual, anticipated, or apparent personal gain of any person related to such employee. "Confidential Information" is defined as any proprietary, privileged, or nonpublic information, coming to the employee's attention as a result of employment by MST, the knowledge of which makes financial gain possible.

DISCIPLINE OF VIOLATION

The violation of any of these Standards of Conduct will subject the violator to any

disciplinary proceedings or action deemed appropriate by the MST General Manager/CEO, up to and including dismissal.

CONTRACTS AND PROCUREMENTS NOT REQUIRING FORMAL COMPETITIVE BIDDING

To the extent practicable, the district shall obtain a minimum of three quotations, either written or oral, that permit prices and terms to be compared whenever the expected expenditure required for the purchase of supplies, equipment, or materials exceeds two thousand five hundred dollars (\$2,500), but does not exceed one hundred thousand dollars (\$100,000)."

MST is not required to engage in a formal competitive bid process for procurements that fall under the following categories:

- a. Where the procurement does not equal/exceed three thousand dollars (\$2,500). Informal quotations are not required for items under \$2,500 only one price quote is needed.
- b. Where the procurement equals or exceeds three thousand dollars (\$2,500), but is less than One hundred thousand dollars (\$100,000). At least three quotes are required for items costing \$2,500 to \$100,000 and may be obtained from current price lists, by e-mail, by internet research, by facsimile, or telephone, or in response to a RFPQ.
- c. Where the equipment, materials, supplies, or services are needed on an emergency basis.
- d. Where the procurement qualifies as a sole source procurement as defined in this document.

These procurement categories and the appropriate procedures pertaining to each category are described below:

- a. Purchases less than \$100. These do not require a P. O., unless required by the supplier. Payments are made directly from an invoice once authorized.
- b. Purchases up to \$2,500. These micro-purchases do not require more than one quote. The accounting department has adopted operational procedures for completing and processing purchase orders for micro purchases that exceed one hundred dollars. All micro purchases shall be made with adequate and reasonable competition for the material, or service being purchased.
- c. Purchases of \$2,500 or more, up to \$100,000.

1. These small purchases must have price quotations obtained from a minimum of three potential suppliers. Care must be taken to insure the price quotes compare the costs for the exact same product, service, or material from each of the potential suppliers.
2. A Request for Price Quotation (RFPQ) is a written solicitation to known qualified bidders. It can be used where there is more detail needed to describe the desired products or services, and sets forth the terms of the procurement to potential bidders without formal advertising. MST shall not arbitrarily split contracts or procurements so as to utilize the informal bidding procedures.
3. The RFPQ shall include specifications as to the basic terms and conditions of the procurement sought, a description of the products or services required, FOB point as MST, delivery date and address, components of bid prices, technical specifications, bid form, and the date and time by which informal bids must be submitted. Bonding and insurance requirements shall also be set out in the RFPQ as appropriate.
4. At the time designated in the solicitation, the Purchasing Manager and the end user shall tabulate the bids and review these for accuracy.
5. MST shall award contracts pursuant to the informal bidding process to the lowest responsible, responsive bidder. Evaluation of such bids shall be on the basis of the following criteria:
 - Lowest monetary bid
 - Responsiveness to the specification requirements
 - Responsibility of the bidder

In all cases, the DBE Liaison Officer shall be notified of the bid results.

After review, the successful bidder and any remaining bidders shall be notified of MST's award.

6. Upon selection and notification, a purchase order and/or contract, as appropriate shall be issued to the successful bidder. The terms of the contract shall be those specified in the RFPQ. At no time shall MST accept terms and conditions, or a contract originated by the contractor.

EMERGENCY PROCUREMENTS

- a. MST is not required to engage in either informal or formal competitive bidding making emergency purchases of supplies, equipment, materials or services. "Emergency purchases" are those procurements required to prevent

the immediate interruption or cessation of necessary MST services or to safeguard life, property, or the public health and welfare.

When the intended procurement will be in an amount exceeding \$25,000, the emergency must be so declared and approved by the Board of Directors.

b. Emergency procedures should be made by staff members who have expertise related to the emergency-giving rise to the need for the procurement. Upon approval by the head of the requesting department and the General Manager/CEO or his or her designee, staff may contact one or more suppliers by telephone, and, as expeditiously as possible, determine the best price and quality of product or services available from the supplier(s). The General Manager/CEO may authorize an emergency purchase up to an amount of \$24,999.

c. After having placed the order, staff shall notify the Purchasing Manager:

1. That an emergency procurement has been effected and the nature of the procurement
2. The nature of the emergency
3. That the head of the requesting department has approved the procurement
4. The name and location of the supplier or supplier
5. That the General Manager/CEO has authorized the emergency purchase pursuant to the procedures outlined

d. At the next Board meeting following an emergency purchase in an amount exceeding \$25,000, the Board of Directors shall be presented with the circumstances giving rise to the emergency purchase to declare the emergency and ratify the procurement.

SOLE SOURCE PROCUREMENTS

Procurement of construction, goods and services without competition is authorized under limited conditions and subject to written justification documenting the conditions which preclude competition.

A. The Purchasing Manager is not required to do a competitive procurement if:

- i. The goods or services, including construction, needed by the MST are available from only one responsible source and no other type of goods or services, including construction, will satisfy the needs of the MST; or

- ii. MST's need for the goods or services, including construction, is of such an unusual and compelling urgency that the MST would be seriously injured unless the MST limits the number of sources from which it solicits Bids or Proposals; or
- iii. MST determines that public exigency or emergency for the requirement will not permit a delay resulting from competitive procedures; or
- iv. If after solicitation of a number of sources, competition is determined inadequate. This determination may be made by the Purchasing Manager based upon industry research, and the formal or informal solicitation of potential sources. The file must reflect a documented finding that adequate competition cannot be obtained in the time frame necessary to meet the needs of the MST; or
- v. The FTA authorizes noncompetitive negotiations; or
- vi. To exercise an option that was not awarded as part of the base contract award.

B. The Purchasing Manager may determine that competition is adequate even if a single Bid or Proposal was received in response to a solicitation if after review:

- i. The Purchasing Manager determines that the specifications were not restrictive and
 - ii. That the other identified sources unilaterally chose not to submit a Bid
- or
- proposal. If a single Bid is received under these circumstances, the Purchasing Manager may negotiate the price. The Purchasing Manager will be responsible for determining price reasonableness.

Single Available Source

A. The Purchasing Manager may award a contract by using the noncompetitive negotiation procedures upon making a determination that there is only one reasonably available source for goods or services, including construction. This determination requires a reasonable basis to conclude that MST's minimum needs can only be satisfied by the goods or services, including construction, proposed to be procured, and that the proposed sole source Contractor is the only source reasonably capable of providing the required goods or services, including construction.

B. If the reason for making a procurement on a sole source basis is based on the particular source's ownership or control of limited rights in data, patent rights, copyrights, or trade secrets applicable to the required goods or services, including

construction, the Purchasing Manager shall require that the written findings clearly demonstrate the need for the specific goods or services, including construction, and that one of the following applies:

- i. The requirements cannot be modified to allow a competitive procurement; or
- ii. It is in the best interests of MST to meet its requirements through procurement of the specific goods or services, including construction, and that the proposed Contractor is the only reasonably available source for the specific goods or services, including construction.

C. Sole Source justifications are to be issued by the requesting department and require the approval of the Purchasing Manager prior to contract award. Justification for a sole source procurement shall address all of the goods and/or services, including construction, being procured under a single contract. The justification of the sole source procurement for certain goods or services, including construction, shall not be used to avoid competitive procedures for obtaining other goods or services, including construction, which do not qualify for sole source procurement.

D. Each sole source justification which shall be included in the contract file shall include the following:

- i. Description of the requirement;
- ii. History of prior purchases and its nature (competitive vs. noncompetitive);
- iii. The specific exception to competitive procedures that applies;
- iv. An explanation of the unique nature of the procurement or other factors that qualify the requirement for sole source procurement;
- v. An explanation of the proposed Contractor's unique qualifications or other factors that qualify the proposed Contractor as a sole source for the procurement;
- vi. Cost Analysis – see FTA Circular 4220.1F, Chapter VI, Chapter 6, paragraph a, as amended, for further explanation and discussion of contract modifications and change orders; and
- vii. Any other pertinent facts or reasons supporting the use of a sole source procurement.

Sole Source Solicitation

A. The Purchasing Manager shall not be required to publicize a solicitation for a sole source procurement.

B. The Purchasing Manager shall, in writing, request a Proposal for a sole source procurement. The request to the sole source Contractor shall contain the scope of work and refer to or attach all terms and conditions of the solicitation, including all applicable representations and certifications.

C. The Purchasing Manager shall ensure that each sole source contract contains all of the required clauses, representations, and certifications, in accordance with the requirements of these Regulations.

CHANGE ORDERS

A. Change Orders involve changes within the scope of the contract which require a modification to the contract. In all cases, the Purchasing Manager must review the proposed change orders to verify that the proposed changes are not cardinal changes to the contract. This means that the changed work must be essentially the same as what was originally contracted for, the nature of what is being constructed is not changed and the disruption to the project is not excessive.

B. In the event the change will be a cardinal change to the contract, the work must be publicly solicited as a separate contract and cannot be undertaken as a change to a current contract.

Change Order Procedures

Change Orders result from the following process:

A. The using department determines that a Change Order is necessary and makes a written request to the Contractor for a Change Order proposal.

B. The Contractor responds in writing to the end user's request. Said response will include the Contractor's costs, actual or estimated, and any requests for time extensions;

C. The end user and the Contractor negotiate an acceptable price and, if applicable, a time extension amount, in accordance with the budgetary constraints, if any, as established by the capital budget or department head.

D. The end user prepares a written change order and submits it to the Contractor for execution.

E. Upon the return of the executed Change Order, the end user submits it with supporting documentation and justification, to Procurement for review.

AND/ OR

H. Board authorization is required for change orders greater than \$25,000

CONTRACTS AND PURCHASES REQUIRING FORMAL COMPETITIVE BIDDING

Unless specifically exempted herein, Formal Bids/Proposals (sealed bids and proposals) are required for items costing over \$100,000. The Board of Directors awards contracts costing \$25,000 or more. Contract modifications/change orders for more than \$25,000 must be approved by the MST Board of Directors. Modifications/change orders over \$100,000 must be reported to Federal Transit Administration in regular quarterly financial reports.

- a. Fuel Contracts for a continuing supply with annual cost of \$100,000 or more must be formally bid. Purchases on the spot market of one tank truck or less may be by informal price quote.
- b. Parts, tires and other consumable items – Contracts for a continuing supply that are estimated to be \$100,000 or more during the fiscal year from a single supplier shall be purchased by formal bid.

MST will formally advertise and publicly solicit for the submission of sealed bids, on a competitive basis for contracts for the purchase of supplies, equipment and materials, and for the construction of transit facilities in excess of \$100,000. The contract is awarded to the "lowest responsible bidder," defined as the bidder submitting the bid that conforms with all material terms and conditions of the invitation for bids and that is lowest in price.

The Invitation for Bids (IFB) procedure begins with the public advertisement of the Notice Inviting Bids/Proposals, and includes the Notice Inviting Bids/Proposals, as well as the Technical Specifications, Instructions to Bidders, General Conditions, FTA Provisions, and other documents as may be required by the procurement, such as certificates or proposal documents concerning qualifications, bonding, and compliance with applicable requirements of state and federal laws. The terms and conditions contained in the entire package of Contract Documents constitute the contract, which governs the contractual relationship between the successful bidder and MST.

INITIATION

The requesting department shall provide an independent cost estimate, draft technical specifications, and scope of work, which adequately describes the products or work, required. The requesting department must also verify that, to the best of its knowledge, there are two or more qualified potential bidders to compete effectively for MST's business regarding the procurement, and that sufficient funding is available and/or projected to be available, and that selection of the successful bidder can be made principally on the basis of price.

Also included will be the requesting department's proposed project schedule, including advertising and contract commencement dates. Usual time line from conception to Board action is ninety (90) to one hundred and twenty (120) days.

The Purchasing Manager will assign procurement (IFB, RFP, RFQ, RFPQ) numbers. The procurement number and title shall be listed on all pages of the contract documents and referred to in all communication concerning the procurement and contract.

In all cases the Procurement Documents shall be drafted so as to foster competition and the participation of Disadvantaged Business Enterprises (DBE). The DBE Liaison Officer shall be notified of the existence and the general parameters of the project. The MST supplier database shall be used to generate a list of potential bidders as well as other sources.

Procurement documents must identify all requirements that potential bidders must fulfill, fully define the scope of work, products, materials or services, and factors/criteria to be used in evaluating bids and proposals.

ROLLING STOCK

Purchases of rolling stock (buses, mini-buses, trolleys, etc.) to be used in revenue service require the completion of Pre-Award and Post-Delivery certifications. These may be done by contractors hired for such purpose or by MST staff. In either event, they must meet the requirements below:

- a. Pre-Award. As required by Title 49 of the Code of Federal Regulations (CFR), Part 663, Subpart B, this includes:
 1. Buy America certification
 2. Purchaser's requirements certification
 3. Federal Motor Vehicle Safety Standards (FMVSS) certification
- b. Post-Delivery. As required by Title 49, CFR, Part 663, this includes:
 1. Post-Delivery Buy America Certification
 2. FMVSS certification
 3. Description of final assembly

COOPERATIVE PURCHASING AGREEMENTS

To foster greater economy and efficiency, MST may avail itself of, or participate in, cooperative purchase agreements for the procurement of goods, supplies, services, materials, or equipment, where the administering agency has made its purchase through a competitive bid process. As the recipient of state and federal capital grants and operating assistance grants, which may require the inclusion of certain contractual provisions, MST shall ensure cooperative purchasing agreements contain the required provisions.

PIGGYBACKING

MST may enter into purchase contracts with a supplier, vendor, or contractor for the purchase of goods, supplies, services, materials, or equipment, the pricing and terms of which have been previously established by another public agency, provided the MST Board of Directors determines such purchase is in the MST's best interest by making the following findings:

- 1) The other agency used a solicitation method substantially similar to the method required by this Policy;
- 2) The supplier, vendor, or contractor authorizes MST to utilize the terms, conditions, and prices of the underlying contract;
- 3) The specifications of the goods, supplies, services, materials, or equipment required by MST are not materially different from those specified in the other agency's solicitation;
- 4) The use of the Piggyback Contract provides an overall value to MST versus MST performing its own solicitation.

AWARD OF PIGGYBACK CONTRACT

MST shall enter into a separate contract with the supplier, vendor, or contractor when entering into a Piggyback Contract. MST's contract shall incorporate by reference the terms, conditions and prices of the original solicitation. The contract shall be approved by the same authorization procedures set forth for all other procurements.

PROCUREMENT PROCEDURES

When the need for procurement is determined, a Project Manager will be designated. That person will have the responsibilities noted elsewhere.

Independent Cost Estimate. One of the first steps to be taken in any procurement action is an independent cost or price estimate. This estimate will be completed before receiving bids, proposals, or responses to any procurement action.

Specifications. This describes the material, product, or service being purchased and set forth the minimum essential characteristics and standards to meet MST's needs. They must be of sufficient detail so that suppliers are able to submit a valid bid/proposal that is within the expected range of the independent cost estimate. However, they must not be so restrictive as to limit the number of potential suppliers and thereby hinder open competition. In addition, they must describe the testing, inspection and acceptance criteria MST will use in determining compliance with specifications. Types of specifications include:

- a. Design – Spells out the details of how a contractor will accomplish the work and instructs them on how to complete it. These often include drawings, diagrams, measurements and tolerances describing the finished product.
- b. Performance – Spells out the end result desired by MST but leaves the details to the contractor. These specify the performance of the end result but not how the contractor will do the work.

Care must be taken when hiring outside consultants/contractors to assist with the development of specifications. MST must manage the project so that specifications developed are not particularly biased toward a particular firm or product. Also, consultants developing specifications may not be allowed an unfair competitive advantage when competing for a product or service they helped define. This must be clarified with the consultant when entering into any contract.

Brand Names The use of brand names (specific suppliers, models, or products) may be used only as a basis of establishing a standard of desired material or products. In all cases where brand names are listed, the salient characteristics that define the desired material, product or service will be provided. This allows for full and open competition among all potential suppliers.

Approved Equal(s) If a brand name and salient characteristics are listed for a given product, material, or service, procurement documents must allow for “approved equals.” That is, MST must define under what conditions and terms it will consider materials or services other than those specified.

Required Documentation Information, forms, and technical details required from prospective bidders must be specified so that interested suppliers are fully aware of the requirements they must meet for their bid to be considered responsive, full and complete.

Evaluation Criteria The method and factors by which bids will be evaluated in selecting a contractor must be completely stated so all suppliers have a fair and equal chance to be awarded any contract. Evaluation criteria are tailored to each procurement and will include only those factors affecting the selection decision.

Public Notice Notice of IFB, RFP and/or RFQ procurements will be published in the Monterey and Salinas newspapers and placed on the MST web site, as a minimum. Procurements involving major construction or procurement of rolling stock may be advertised in state or national publications. Procurements involving construction will be mailed to Builders Exchanges.

Evaluation of Responses A cost or price analysis will be conducted for responses received. This will include an element-by-element analysis of proposed costs and a determination of the supplier not achieving an unreasonable profit. An

evaluation committee, will consist of, as a minimum, the Purchasing Manager, the Director of the Department involved in the procurement and the Project Manager.

The Project Manager or Purchasing Manager will coordinate this evaluation to determine if the cost/price is fair and reasonable, allows the contractor a reasonable profit, and determine that the time required to complete the work is acceptable to MST. Care must be taken to insure that any contracts requiring the payment of prevailing wages have those wages for the various trades taken into account when calculating labor costs.

Results of evaluations will be maintained with the contract file.

Basis for Contract Award Supplier selection and resultant contracts will be made as follows:

- a. IFB and RFPQ. Contract will be awarded to the lowest responsive, responsible bidder.
- b. RFP Contract will be awarded to the Proposer offering the best overall value and being the closest in meeting scope of work criteria as designated by the Project Manager. This may or may not be the supplier offering the lowest price. Price, as well as other factors such as quality, will be considered in selecting a contractor. Attempts will be made to negotiate a lower price with potential contractors and results documented.
- c. RFQ. Negotiations will be undertaken with the firm determined to be the best qualified to meet MST's needs. If an acceptable dollar amount can be arrived at, a contract will be awarded. If negotiations with the supplier do not result in an acceptable dollar amount, negotiations will be undertaken with the next best qualified. This process will continue until a supplier and acceptable dollar amount have been arrived at.

Contracts will only be awarded to those suppliers with the ability to successfully perform and provide the specified materials, services and products under the terms and conditions stated in procurement documents. Among factors to be considered in evaluating responses are: supplier integrity, record of past performance, and financial/technical resources.

Procurements will be structured so as to obtain information to be used in determining if potential suppliers are responsible, to include:

- a. Financial resources adequate to perform the contract; or the ability to obtain them.
- b. Ability to meet the required delivery or performance schedule
- c. Satisfactory record of performance
- d. Satisfactory record of integrity and business ethics
- e. Necessary organization, experience, accounting and operational controls and

- technical skills, or the ability to obtain them
- f. Compliance with applicable licensing, tax laws and regulations
- g. Necessary production, construction, technical equipment and facilities, or the ability to obtain them
- h. Compliance with Affirmative Action and Disadvantaged Business Program requirements
- i. Other qualifications and eligibility criteria necessary as determined by MST

For any findings of a potential supplier being determined as not responsible, a Memorandum for File will be placed in the procurement file noting the basis for this determination. Such memorandum will include documents, reports, and analyses to support the determination.

Contracts Whichever type of contract is used, it will contain, as a minimum, the following elements:

- a. Terms and conditions
- b. Price and payment terms
- c. Final statement of work and/or specifications
- d. Delivery schedules
- e. Provisions for: termination for cause; termination for convenience; and the basis for determining settlement costs
- f. Applicable FTA clauses

Sound and Complete Agreement All contracts will include provisions that result in a sound and complete agreement. Contracts and sub-contracts will contain provisions that allow for:

- a. Administrative, contractual or legal remedies in cases where contractors violate or breach contract terms, to include sanctions and penalties.
- b. Termination for cause and termination for convenience provisions as well as the manner in which settlement costs will be determined.

Contract Modification Whenever a change is required to an existing contract, whether determined by MST or a contractor, a cost change proposal will be submitted. The proposal will be in such detail and clarity to be understood by MST as to its impact on: existing scope of work; dollar value of the contract; and time required to complete work.

Exercise of Options If options in contracts are to be exercised, the following must be determined and documented:

- a. Exercise of such option is in accordance with the terms and conditions stated in the initial contract.

- b. The option price is better than prices available in the market, or that the option is the more advantageous at the time the option is exercised.

PROCUREMENT DOCUMENT COMPONENTS

With necessary input from the requesting department, the Purchasing Manager shall prepare the contract documents. Although there exist certain variations in the provisions and requirements to be included in the documents, each set of documents shall, at a minimum, contain the following items:

a. Notice Inviting Bids

1. The Notice Inviting Bids (Notice) is a publicly advertised document, which notifies potential bidders of the title and nature of the contract, and the date, time, and place of the opening of bids. The Notice shall also inform bidders of the applicable DBE requirements and other significant requirements under federal or state laws.
2. The Purchasing Manager designates which publications shall receive the Notice, and it is the responsibility of the Office Administrator to send the notice to the publications. The Notice shall also be posted on the MST web site.
3. If a pre-bid conference is planned, the Notice shall advise of the date, time and location for the conference. The Notice shall refer to and incorporate by reference all the other contract documents and shall designate the method for obtaining copies of the contract documents.

b. General Conditions

a. The General Conditions set forth terms and conditions applicable to all MST contracts, and may vary depending on the type of procurement. The following provisions shall be included in the noted type of procurement:

Clause	Type
Acceptance Period	All
Rights Reserved	All
Prohibited Interests	All
Fair Employment Practices	All
Contract	All
Agreement	All
Statement of Experience and Qualifications	All
Waiver	All
Compliance with Laws	All
Laws Governing Contract	All
Attorney fees	All
Effect of Extension of Time	All
Notification	All
Changes by Contractor	All
Changes by MST	All
Approval by General Manager/CEO	All
Damages	All
Sell or Assign	All
Indemnification	All
Covenant Against Gratuities	All
Rights and Remedies of MST	All
Binding Effect	All
Wage and Price Regulations	All
Documents Deemed Part of the Contract	All
Drug and Alcohol Certification	Transit Operators
Davis-Bacon Act	Construction
Contract Work Hours and Safety Standards Act	Construction

b. The Purchasing Manager, with the assistance of MST's Legal Counsel, shall prepare and maintain the General Conditions necessary for inclusion with all Contract Documents for formal competitive bid procurements. The General Conditions shall be updated from time to time as changes in federal and other bodies of law may require.

c. Standard Terms and Conditions

1. The Standard Terms and Conditions set forth are mandated by the FTA. These terms are applicable to all MST contracts. The following provisions shall be included in the noted type of procurement:

Clause	Type
FTA Funding Requirement	All
Federal Changes	All
Maintenance, Audit and Inspection	All
Disadvantaged Business Enterprises	All
Title VI Compliance	All
Energy Conservation Requirements	All
Environmental Requirements	All
Debarment and Suspension	All
Non-Collusion	All
Penalty for Collusion	All
Restrictions on Lobbying	All
Termination	All
Dispute Resolution	All
Protest Procedures	All
Buy America	As applicable
Cargo Preference	As applicable
Fly America	As applicable
Preference for Recycled Materials	As applicable
Patent Rights	As applicable
Rights in Data and Copyrights	As applicable
Charter Service	Transit Operators
School Transportation Operations	Transit Operators

2. The Purchasing Manager, with the assistance of MST's Legal Counsel, shall prepare and maintain the Standard Conditions necessary for inclusion with all Contract Documents for formal competitive bid procurements. The Standard Terms and Conditions shall be updated from time to time as changes in federal and other bodies of law may require.

d. Special Provisions

1. The Special Provisions prescribe terms and conditions specially tailored to the particular contract sought. The Special Provisions shall include the following, where applicable.

Clause	Type
Coordination of Terms and Conditions	All
Instructions to Bidders	All

Project Schedule	All
Changes to Specifications	All
Warranty	As applicable
Authorized Distributor	As applicable
Correspondence	All
Bid preparation	All
Form of Bids	All
Qualifications of Bidders	As applicable
Required Documentation	All
Method of Award	All
Contract Commencement Date	All
Contract Term	All
Delivery	As applicable
Acceptance of Product or Service	As applicable
Instruction for Bid Form	As applicable
Payment Terms	As applicable
Insurance	As applicable
Time of performance	As applicable
Place of performance	As applicable
Inspection	As applicable
Pre-bid Conference	As applicable
Brand, Manufacturer, or Product Names	As applicable
Approved Equal Procedures	As applicable
Option terms	As applicable
Prevailing Wages	As applicable
Contract Renewal	As applicable
Liquidated Damages (see below)	As applicable
Bonding Requirements (see below)	As applicable

2. Liquidated Damages

The nature of the procurement may call for establishing a timeframe within which the whole or any specified portion of the work called for under the contract shall be completed. Each day completion is delayed beyond the specified time performance, the Contractor shall pay to MST a specified sum of money, to be deducted from any payments due or to become due to the Contractor.

Liquidated damages shall be included in contracts when it would be inconvenient, difficult, or impracticable to otherwise obtain an adequate remedy for the delay, or to prove the losses or to assess the actual quantity of damages. The amount to be established as liquidated damages shall be reasonable in light of the anticipated harm that may be caused by a delay in the contract performance. The Purchasing Manager, with input from the requesting department, shall evaluate these factors, and set a sum as liquidated damages. Liquidated damages shall not be assessed against a Contractor that is terminated for default; nor shall liquidated damages be used as a penalty. The contract files shall contain the justification for liquidated damages and calculations of how the amount was determined.

3. Bonding Requirements

Various bonds may be required for the principal protection of MST's interest in the case of default or other failure to perform by a contractor. As a minimum, the following bonding requirements apply to construction or facilities improvement procurement actions of \$100,000 or more:

- a. A payment bond as well as a performance bond equal to:
 - 1. 50% of the contract price if the price is not more than \$1 million
 - 2. 40% of the contract price if the price is between \$1 million to \$5 million
 - 3. \$2.5 million if the contract is more than \$5 million
- b. A performance bond equal to 20% of the contract price may be included in bus procurement contracts. The necessity for the performance bond shall be documented in the procurement records.
- c. A bidder's security in the amount of 5% of the contract price

4. Pre-Bid Conference

A pre- bid Conference may be held if a procurement is of considerable complexity or scope. If a Pre-Bid Conference is scheduled, the Special Provisions shall advise of the date, time and location of the conference.

5. Qualification of Bidders

In contracts where the nature of the work is such that the qualifications of the bidders is an essential criterion for evaluating the bidders' responsibility, the Special Provisions shall contain a clause setting the required qualifications of bidders. Construction contracts and service contracts shall contain such clauses.

Such provisions shall clearly state the MST may reject bids from any potential supplier that does not meet the requirements stated in the qualification clause. Included in such clause shall be requirements that bidders demonstrate they are regularly engaged in the manufacture, construction, or provision of the work or product called for in the procurement and that they have the necessary resources, facilities and personnel to perform the contract. Finally, bidders may be required to furnish adequate references.

e. Technical Specifications

The technical specifications shall clearly define the nature of the work, materials, products or services to be procured so that bidders may formulate responsive bids. Such descriptions shall not, in competitive procurements, contain features that unduly restrict competition.

Initial responsibility for drafting the technical specifications lies with the requesting department staff having technical expertise relating to the procurement sought. The Purchasing Manager shall review and approve the specifications.

The technical specifications must include detailed descriptions of the qualitative and quantitative nature of the supplies, equipment, materials, services, or construction to be procured. They must also set forth the minimum essential characteristics and standards to which the products, services or work must conform in order to satisfy MST's intended use. Where it would be of assistance in clarifying the specification requirements, the use of blue prints, diagrams, charts and maps will be used.

The technical specifications shall not be drafted so as to restrict competition. Brand names may be used in the technical specifications only when it is impractical or uneconomical to specify clear and adequate descriptions of the technical requirements for a particular product needs. In all cases where brand names are used, bidders must be afforded the opportunity to propose to MST a substitute product of equal quality or value for approval.

6. Other Procurement Documents

a. Bid Form

The bidder's completion of the bid form shall constitute its acceptance of all the terms and conditions contained in the Procurement Documents, and shall also indicate the bidders quoted prices. The Purchasing Manager shall be responsible for development of the bid form, with the assistance from the requesting department. The form shall seek separate cost quotations for all relevant aspects of the procurement, including, where applicable, unit price, extended price, sales or use taxes, and cost of installation and delivery. In all cases, the bid form shall be so structured as to allow MST to make an objective comparison of all bids.

b. Sample Contract

A sample contract form intended for execution by the successful bidder and MST shall be included among the procurement documents.

c. Bond Forms

The bid shall include a form for the bidder's bond when a bidder's security requirement is imposed. Also, when required by the Special Provisions, the document shall include a sample performance bond and a sample payment bond. The amount of these bonds may vary by contract. The terms of the performance bond will vary depending upon whether such bond is to remain in effect during a warranty period, and if so, the length of such period.

ADVERTISEMENT FOR BIDS

The Purchasing Manager shall ensure the Notice Inviting Bids is published in at least one newspaper of general circulation published in Monterey County. The advertisement shall state the time and place for the receiving and opening of sealed bids and shall describe in general terms the work to be done. Where a particular contract involves a trade or expertise for which there are special industry publications, the Purchasing Manager shall advertise the notice in appropriate trade journals if sufficient time permits.

PREPARATION OF ADDENDA

Once the bid has been advertised, all changes necessary to correct any errors in the document, to extend deadlines for the benefit of MST or the bidders, or to otherwise revise the document, shall be accomplished through the issuance of addenda. All addenda shall be drafted by the department requiring such change, and shall be reviewed and approved by the Purchasing Manager. Each addendum shall contain the

bid number and title, the date of issuance, the addendum number, specific reference to the provision of the document that is being amended, and the substance of such amendment. The Purchasing Manager shall issue the addendum to all firms who have received a copy of the procurement documents.

CONTRACT ADMINISTRATION SYSTEM

The intent of the contract administration system is that each procurement file, standing alone and without need of interpretation or augmentation of the contract administrator, program manager or other staff member, demonstrates that the contracting officer and contractor have complied with the terms of the contract. Further this system will fully demonstrate that any contractual or administrative issues in dispute have been addressed and settled.

The contract file, maintained by the Purchasing Manager, is a record detailing the history of procurement. Included in procurement files will be, as a minimum, copies of:

- a. Rationale for the method of procurement
- b. Independent Cost Estimate
- c. Copies of published public notices of proposed contract action
- d. Procurement documents
- e. Cost/Price analysis; record of determination that cost is fair and reasonable
- f. Evaluation of bids received
- g. Written record of selection of suppliers for negotiation and contract award
- h. Summary of cost/price negotiations, as appropriate
- i. Determination of reasonable contract cost compared to independent cost estimate
- j. Justifications, e.g. "sole source," emergency procurement, single bid received, etc.
- k. Staff reports prepared for approval by MST Board of Directors and minutes reflecting approval granted or other direction by the MST Board
- l. Contracts and contract modification documents
- m. Purchase orders
- n. Correspondence between MST and contractor
- o. Supplier evaluation reports, as a minimum once per fiscal year
- p. Contract close-out documents

The Purchasing Manager will conduct random audits of the contract administration system. The intent of the audit is to insure that each procurement file is complete and does not require interpretation or augmentation of the contract administrator, program manager or other staff member. Such audits will be conducted every six months.

The Purchasing Manager will organize and chair review committee to audit

randomly selected documents. Summaries of the audit reviews will be presented to the GM/CEO, Departments Heads and to the contract administrator in charge of the audited procurement.

APPENDIX A

SAMPLE FORMS AND FORMATS

This appendix contains sample forms and formats for use by MST personnel in meeting requirements contained in Procurement Procedures.

Any recommendations for improvement should be submitted to the Purchasing Manager.

**MONTEREY-SALINAS TRANSIT
COST/PRICE ANALYSIS**

Date _____ Analysis/Review done by: _____

IFB/RFP/RFPQ # _____ Project _____

Item(s) reviewed

Cost comparison(s) obtained/source _____

Rationale/Conclusion

Above analysis/review conducted and cost determined reasonable on date noted.

(Signature)

**MONTEREY-SALINAS TRANSIT (MST)
SOLE SOURCE JUSTIFICATION**

Product/Service/ Salient Characteristics

Rationale/Reason for Sole Source (see sole source justification in Procurement Procedures)

Quantity _____

Analysis of labor, direct, overhead costs and profit (see sole source justification)

Other factors

Method of determining fair/reasonable cost:

- _____ Project Manager previous experience
- _____ Company lowest price guarantees (e.g. Home Depot, Circuit City)
- _____ Past purchasing history with same contractor
- _____ Newspaper ads
- _____ Internet
- _____ Price book/catalog
- _____ Marketplace location limitations
- _____ Single source area procurement (e.g. franchise, distribution territories)
- _____ Other _____

Completed by _____ Date _____

**MONTEREY-SALINAS TRANSIT
CONTRACT CLOSEOUT CHECKLIST**

Date _____

Contract Number _____ Contract Value

Effective date of contract

Change order(s) date and dollar amount (if none, so
state) _____

Project Manager
(name/signature) _____

Completion of this Checklist certifies that contractor/supplier/supplier has completed work/services described in the contract and any change orders. Note the status (e.g. "received;" "completed;" "accepted" etc.) and the date for each work item. After completion, form is to be placed into Contract File.

WORK ITEM	STATUS	DATE
1. Resolution of all contract changes		
2. Determination of any liquidated damages		
3. Review of insurance claims. Determination if funds need to be withheld from final payment to cover unsettled claims against Contractor/Supplier		
4. Settlement of all sub-contracts by prime contractor/supplier		
5. Performance of required inspections/tests/etc.		
6. Contractor Performance Report		
7. All submittals/deliverables/services completed: -Reports -Final payroll records/wage rate certifications -Warranties/Guarantees -"As-Built" Drawings, Blueprints -Manuals and publications		
8. Final invoice -Consent of surety to release final payment		

9. Contractor's Affidavit of release of liens (Construction contracts)		
10. Contractor's general release (to MST) from any further claims/liabilities (Construction)		
11. Notification to Surety of release from any performance bonds		
12. Post-Delivery Audit (rolling stock)		

APPENDIX B REFERENCES

These policies and procedures reflect guidance contained in

- a. Federal Acquisition Regulation (FAR)
- b. FTA Circular 4220.1E, Third Party Contracting Requirements
- c. Code of Federal Regulations (CFR) Part 49, Part 663
- d. State of California law
- e. California Public Contracts Code
- f. Policy and Rules established by MST Board of Directors



MST Procurement Policy

DESCRIPTION

This Policy covers procurement activities of the Monterey-Salinas Transit District (District) in compliance with governing federal, state and local laws, and rules and regulations.

PURPOSE

The purpose of this Policy is to ensure the District's procurement activities are conducted in accordance with applicable laws and Federal Transit Administration (FTA) Circular(s). Should the District's policy conflict with FTA compliance or federal law, FTA compliance and/or federal law shall take precedence. The General Manager/CEO shall establish administrative procedures to ensure proper review and budgetary monitoring for all procurement activities.

PERSONS AFFECTED

The persons affected by this policy are all Board members, employees, and independent consultants and contractors.

APPROVALS

Depending on the amount or type of procurement or purchase, the required approvals may be at the supervisor, department head, General Manager/CEO, and/or Board of Directors level.

REGULATORY FRAMEWORK

FTA Procurement Regulations.

Brooks Act Procurement.

MST Transit Act, California Public Utilities Code section 106000 et seq.

Public Contract Code.

District Policies.

TERMS AND DEFINITIONS

“Bid” means the document conveying an offer from a party desiring to provide or procure goods or services in response to an Invitation to Bid.

“Bidder” is the general term for an entity or individual that submits a response to a solicitation. May be used interchangeably with Proposer or Offeror.

“Best Value” means the overall combination of quality, price, and other elements of a proposal that when considered together and in response to the requirements described in the solicitation documents, provides the greatest overall benefit to the District. In a qualitative evaluation, a Best Value analysis may necessitate award to other than the proposer who receives the most points. For example, a Best Value award may be based on determining the firm with the lowest cost per qualitative point. If a Best Value approach is utilized, that approach shall be specifically stated in the solicitation.

“Cardinal Change” means a major deviation from the original purpose of the work or the intended method of achievement, or a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract. (FTA Circular 4220.1F, Ch.I.1.5.c.)

“Competitive Negotiation” means a procurement process used by the District in lieu of a competitive sealed bid process when conditions are not appropriate for the use of sealed bids, and that permits the consideration of price, technical experience, past performance, management, or other factors in selecting the most cost-effective proposal for the manufacture and delivery of specified goods, rolling stock, or equipment.

“Debar or Debarment” means an action taken by the District to exclude a contractor, service provider or provider of goods or rolling stock, from any of the following: bidding or proposing on a District contract; being awarded a District contract; or performing work on a District contract for a defined period of time. A contractor or subcontractor so excluded is “debarred.”

“Goods” means the purchase of materials, supplies, and equipment, including rolling stock.

“Independent Cost Estimate (ICE)” means the cost or price analysis performed by the requesting District department in connection with every procurement action, including contract modifications. Ideally, the ICE should be prepared prior to issuance of solicitation(s). At the very least, it needs to be prepared and in possession of District staff prior to receipt of financial bids or proposals and retained per retention schedule.

“Invitation For Bid (IFB)” means a procurement done by sealed bid.

“Joint Procurement” is a method of contracting in which two or more purchasers agree from the outset to use a Sole Source solicitation and enter into a Sole Source contract with a vendor.

“Micro-Purchase” means purchases of ten thousand dollars (\$10,000) or less.

“Piggybacking” is the post-award use of a contractual document/process that allows someone or another public agency who was not contemplated in the original procurement to purchase the same supplies/equipment/services through that original document/process.

“Request For Proposals (RFP)” means a formal competitive procurement method that is appropriate when:

- 1) performance or functional Specifications are utilized;
- 2) there are an uncertain number of sources;
- 3) price alone is not determinative, or deemed to be a secondary factor in consideration of award; and
- 4) discussions with potential vendors are expected. (FTA Circular 4220.1F, Ch. VI. 3.d.(1)(d).)

“Request For Qualifications (RFQ)” (a.k.a. Brooks Act Procurement, 40 U.S.C. §§ 1101-1104) means a formal method for procurements of two thousand dollars (\$2,000) or more that are limited to professional Architectural/Engineering (A/E) services, and are also for program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying and mapping related services. The nature of the work to be performed and its relationship to construction, not the nature of the prospective contractor, determine whether qualifications-based procurement procedures may be used as described above. (FTA Circular 4220.1F, Ch. VI.3.f.)

“Rolling Stock” means transit vehicles such as buses, vans, cars, railcars, locomotives, trolley cars and buses, and ferry boats, as well as vehicles used for support services. (49 CFR 661.3)

“Small Purchase” means purchases over ten thousand dollars (\$10,000) but not more than one hundred thousand dollars (\$100,000). (2 CFR, Part 200.320)

“Sole Source” means there is only one known person or entity that can provide the contractual services required.

“Specifications” describes the material, product, or service being purchased and sets forth the minimum essential characteristics to meet the District’s needs. They must be of sufficient detail so that suppliers are able to submit a valid Bid/proposal that is within the expected range of the ICE. Types of Specifications include design and performance.

“Vendor Performance Management (VPM)” means the District’s responsiveness and responsibility for monitoring and analyzing the reliability, quality and performance of the

District's Vendors. It allows the District to help ensure contract compliance and, in severe cases, to debar a Vendor from doing further work with the District.

POLICY PROVISIONS

A. Policy Goals

1. Buy America: Federally-funded procurements are primarily governed by FTA's Buy America requirements. (49 CFR Part 661). Projects with multiple Department of Transportation (DOT) funding sources require careful evaluation as the applicable policies may differ.
2. Disadvantaged Business Enterprise Participation: The District shall administer its Disadvantaged Business Enterprise (DBE) Program in accordance with DOT FTA regulations found at 49 CFR Part 26 and as authorized by the Board's DBE Policy Statement dated June 10, 2019. Formal advertisements shall explicitly state the District's commitment to using DBEs. DBE outreach may be carried out in each federally-funded procurement and, whenever practicable, procurement strategies shall be implemented pursuant to applicable laws and regulations that provide maximum opportunities for DBEs to participate in the District's DOT-assisted procurements.
3. Small and Small Local Business Enterprise Participation: The DOT's FTA Small Business Enterprise (SBE) regulations and provisions shall apply to all DOT-assisted procurements. A list of qualified Small Businesses, if available from the California Unified Certification Program (CUCP), the District's vendor database, and/or other public agency Small, Local and Emerging Business Program database shall be prepared, and such firms notified via email upon the release of a formal solicitation. The use of SBE goals, set-asides, or, in the case of non-federally funded procurements, bid preferences shall be applied on a case-by-case basis and supported by an availability analysis or other reasonable means for warranting such actions.
4. Transparency and Fairness: District procurements shall be conducted in a manner that is open, transparent, fair, and equitable to all parties.
5. Efficient and Cost-Effective: District procurements shall be conducted in an efficient and cost-effective manner.

B. Standards of Conduct

District procurement shall be conducted with impartiality and without preferential treatment. Any violation of these standards may be cause for disciplinary action, including dismissal, if appropriate.

1. Prohibitions

No District Director, officer, employee, or agent shall:

- a. Release to an individual, entity, or its representative any knowledge such person may possess or have acquired in any way concerning any proposed or actual procurement that would provide an unfair competitive advantage to any potential or actual Bidder.
- b. Make any commitment or promise relating to the award of a contract or any representation that could be construed as such a commitment. Under no circumstance shall any business representative be advised that an attempt will be made to influence preferential treatment in the award of a contract.
- c. Use their position to coerce, or give the appearance of coercing, another person, and/or provide any financial benefit to persons with whom they have family, business, or financial ties.
- d. Accept any gratuity for themselves, their family members, or others, either directly or indirectly, from any source that does or seeks to do business with, or has financial ties of any sort with, the District, or has personal interests that may be affected by the performance, or non-performance, of the official duties of District staff.
- e. Participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent, exists.
- f. Accept any offer of employment or fees for services from a contractor for one year following their employment with the District if the officer or employee, during the year immediately preceding termination of employment, participated personally and substantially in the award of contracts or the issuance of change orders with a cumulative value of twenty-five thousand dollars \$25,000 or more to the contractor, its parent, or subsidiary.

2. Duty to Disclose

District purchasing agents shall not be involved in any purchasing decisions, tasks, or procedures (including participation in initiation, award, or administration of a contract) in which they or persons related to them have a real or apparent conflict of interest. In cases where there may be such conflicts of interest, employees shall report such conflicts in writing to the General Manager/CEO.

3. Conflicts of Interest

The District's Conflict of Interest Code requires Directors and certain designated employees to disclose economic interests and prohibits them from participating in decisions that may have an effect on their financial interests. The terms and requirements of the Conflict of Interest Code are incorporated herein by reference.

No person shall participate in procedures, tasks, or decisions relative to initiation, award, or administration of a contract if a conflict of interest, real or apparent,

exists. Such a conflict of interest arises when any of the following has a financial or other interest in an entity that participates in a District bidding process or is selected for a contract award involving:

- a. The Director, officer, employee, or agent;
- b. Immediate family of a., above;
- c. A business associate of a. or b., above; or
- d. An organization that employs, or is about to employ, a current District employee.

The standards governing the determination as to whether such an interest exists are set forth in Government Code section 1090 et. seq., as may be amended.

4. Gratuities and Contingent Fees

No District Director, officer, employee or agent shall knowingly solicit, accept, or agree to accept gratuities, favors, or anything of more than a nominal monetary value in connection with actual or potential procurement and contracting activities. Under this policy, the term "nominal monetary value" shall be defined as a value of fifty dollars (\$50) or less.

5. Confidential Information

No District Director, officer, employee or agent involved in purchasing shall use confidential information for their actual, anticipated, or apparent personal gain, or for the actual, anticipated, or apparent personal gain of any person's immediate family. "Confidential Information" is defined as any proprietary, privileged, or nonpublic information coming to the employee's attention as a result of their employment, the knowledge of which makes financial gain possible.

C. Procurement Standards

District Procurement Standards are intended to ensure all federally and non-federally-funded procurements meet the minimum basic requirements outlined in Appendix A of this Policy for the following types of procurements:

- Materials, Supplies, and Equipment
- Professional Services
- Construction Services (including repairs or remodeling of District facilities)
- Architectural and Engineering Services

1. Informal Procurements Not Requiring Competitive Bidding

To the extent practicable, the District shall obtain quotations, which permit prices and terms to be compared, for expected expenditures for the purchase of

supplies, equipment, or materials in accord with applicable federal and state laws.

2. Competitive Bidding

The District shall formally advertise and publicly solicit the submission of sealed bids or proposals, on a competitive basis, for contracts for the purchase of materials, supplies, and equipment, services, or the construction of transit facilities in accord with applicable federal and state laws.

The procurement documents shall be drafted so as to foster competition and the participation of DBE, SBE, MSBE and SLBE utilization. The DBE Liaison Officer shall be notified of the existence and the general parameters of the project. Procurement documents must identify all requirements that potential bidders or proposers must fulfill, fully define the scope of work, products, materials or services, and factors/criteria to be used in evaluating bids and proposals.

The District may contract upon the terms and conditions the District finds in its best interest for the procurement of engineering, project management, and contract management services. The purchase of supplies, equipment and materials shall be awarded to the lowest responsible bidder or, in the District's discretion, the responsible bidder that provides the Best Value as determined by the District.

3. Negotiated Procurement of Rolling Stock and Other Technology

- a. Notwithstanding the Procurement Standards outlined in Appendix A of this Policy, the procurement of computers, telecommunications equipment, fare collection equipment, radio and microwave equipment, and other related electronic equipment and apparatus used in transit operations, and buses may be made using competitive negotiations in accordance with California Public Contract Code Sections 20216 and 20217.
- b. As an FTA grant recipient, the District shall require and include 49 CFR Part 26 procedures in all federally-funded contract actions.
- c. The Board of Directors may direct the purchase by competitive negotiation upon a finding by two-thirds vote of all members of the Board that the purchase of the above-described items by competitive sealed bid does not constitute a method of procurement adequate for the District's needs.
- d. Procurement under this section will be by formal advertisement requesting proposals and take into consideration any established DBE participation goals.
- e. Joint procurements or piggybacking may be used in accordance with FTA regulations.

- f. In accordance with the Government Code section 12410.6, as may be amended, audit contracts for Certified Public Accountants (CPAs) shall be competitively bid at least every five (5) years, or sooner as desired by the Board. Staff will present the process and the results of its screening and selection process of the external auditor to the Board Finance and Audit Committee and any actions relating to the annual renewal of audit contracts requiring Board approval.
- g. Should the then-independent audit firm of CPAs for the District wish to bid on the subsequent five-year audit contract, it will be necessary for them to specifically identify how they will address the requirements under State of California Government Code section 12410.6(b) for change out of the lead partner and/or coordinating/review partner in the timeframe allowed, in their RFP response to the District.

4. Cooperative Purchasing Agreements

To foster greater economy and efficiency, the District may participate in cooperative purchase agreements for the procurement of goods, supplies, services, materials, or equipment, where the administering agency has made its purchase through a competitive bid process. As the recipient of state and federal capital grants and operating assistance grants, which may require the inclusion of certain contractual provisions, the District shall ensure cooperative purchasing agreements contain the required provisions.

5. Piggybacking

The District may enter into purchase contracts with a supplier, vendor, or contractor for the purchase of goods, supplies, services, materials, or equipment, the pricing and terms of which have been previously established by another public agency, provided the District Board determines such purchase is in the District's best interest by making the following findings:

- a. The other agency used a solicitation method substantially similar to the method required by this Policy;
- b. The supplier, vendor, or contractor authorizes the District to utilize the terms, conditions, and prices of the underlying contract;
- c. The Specifications of the goods, supplies, services, materials, or equipment required by the District are not materially different from those specified in the other agency's solicitation; and
- d. The use of the Piggyback contract provides an overall value to the District versus the District performing its own solicitation.

The District shall enter into a separate contract with the supplier, vendor, or contractor and incorporate by reference the terms, conditions, and prices of the original solicitation. The contract shall be approved by the same authorization procedures set forth for all other District procurements.

6. Procurement by Non-Competitive Proposals (Sole Source)

- a. Sole Source procurement is utilized when the award of a contract is infeasible and the goods or services are available from only one source for a required proprietary need of the District, for compatibility purposes, or for reasons of continuity with previously-delivered services or products. A Sole Source procurement is accomplished through solicitation or acceptance of a proposal from a single source. A contract amendment or change order or subsequent maintenance agreement that is not within the scope of the original contract is considered a Sole Source procurement.
- b. Sole Source procurement is a limited exception to the procurement process and may be used only where the award of a contract is infeasible or impracticable under competitive procedures and at least one of the following circumstances applies, supported by written justification and documentation. The item is available only from a single responsible source and:
 - i. The product or services provide a unique capability or availability (unique or innovative concept, patents or restricted data rights, substantial duplication costs, or unacceptable delay);
 - ii. There exists an unusual and urgent need for services (not including delays in planning or in initiating the procurement) that will not permit the delay accompanying competitive solicitation;
 - iii. If, after solicitation of a number of resources, competition is determined inadequate. This determination may be made by the Purchasing Manager based upon industry research, and the formal or informal solicitation of potential sources; or
 - iv. The procurement is FTA funded, and Sole Source procurement is authorized under FTA Third Party Contracting Guidelines (FTA C. 4220 1F), and/or the use of a specific firm is contained within a grant.
- c. In the appropriate case, where supported by case law or statutory authority, District staff may recommend to the General Manager/CEO the authorization of this exception to the District's competitive bidding requirements.
- d. When evaluating vendors for a formal competitive process, the District shall use "Best Efforts" to include an outside evaluation member to assist with scoring solicitations.

6. Unsolicited Proposals

The District may enter into a third-party contract based on an Unsolicited Proposal, as defined in Chapter I of FTA 4220.1F, when authorized by applicable state or local law or regulation. Receipt of an Unsolicited Proposal does not, by itself, justify a contract award without providing for full and open competition. To satisfy the requirement for full and open competition, prior to entering into a contract resulting from an Unsolicited Proposal, the District shall:

- a. Publicize its receipt of the Unsolicited Proposal;
- b. Publicize an adequate description of the property or services offered without improperly disclosing proprietary information or the originality of thought or innovativeness of the property or services sought;
- c. Publicize its interest in acquiring the property or services described in the proposal;
- d. Provide an adequate opportunity for interested parties to comment or submit competing proposals; and
- e. Publicize its intention to award a contract based on the Unsolicited Proposal or another proposal submitted in response to the publication.

If it is impossible to describe the property or services offered without revealing proprietary information or disclosing the originality of thought or innovativeness of the property or services sought, the District may make a Sole Source award to the offeror. A Sole Source award may not be based solely on the unique capability of the offeror to provide the specific property or services proposed.

AUTHORITY

A. Board of Directors Authority

1. Establish general policy
2. Award Contracts

Except as indicated below, the Board of Directors shall have the sole authority to approve the award of any contract where the cost is one hundred thousand dollars (\$100,000) or more per contract year for goods, equipment, materials, architect and engineering (A&E), revenue and professional services, or construction. At the time of approval, Board members shall report any ex parte communications with a bidder, or representative of a bidder, during the procurement process. Copies of said written communication shall be provided to the District Clerk to the Board and made part of the record of the meeting. The following items are exempted from Board approval:

- a. fuel and/or parts for revenue vehicles exceeding one hundred thousand dollars (\$100,000) either in aggregate or individually that impact delivery of service;
- b. emergency procurements up to two hundred fifty thousand dollars (\$250,000) to avoid impacts to the health, welfare, or safety of an employee or the public;* and
- c. any procurement action taken to prevent a violation of law or a fine by another political jurisdiction.¹

3. Assess Vendor Performance and Debarment

The District Project Manager, or individual assigned as the point of contact for the contract, shall communicate with the vendor to discuss and agree on specific vendor performance criteria upon which to be rated.

- a. Procurement staff will incorporate into the contract assessment criteria matching the scope of services, tasks, key performance indicators, or other contractual deliverables. Such information may be in the form of narrative, quantitative, or qualitative information.
- b. Corrective action(s) will be documented and followed up on, as a result of the vendor performance communications and/or meeting(s). Failure of a vendor to adequately respond to corrective action(s) may result in any of the following actions:
 - i. Anticipatory breach of contract notice; or
 - ii. Termination of the contract or purchase order.
- c. Vendors may be debarred from doing business at any time, and at the District's sole discretion, when a vendor is found to be in debarment through the Federal Procurement System, SAMS (System for Award Management).
- d. Vendors may be debarred from doing business at any time, and at the District's sole discretion, when a vendor is found to be out of compliance through registration with the Department of Industrial Relations (DIR) and/or found to be out of compliance under the California State Licensing Board.

4. Amend Contracts

¹ Any procurement of this nature will come to the Board for ratification at the earliest possible date.

The Board of Directors shall approve all amendments to Board-approved contracts in excess of one hundred thousand dollars (\$100,000) of the original contract value, or any Cardinal Change in the terms and conditions of the original contract.

5. Assign Contracts

The Board of Directors shall approve the assignment of any contract that was originally approved by the Board.

6. Hear appeals from contractors or potential suppliers.

B. General Manager/CEO's Authority

1. Ensure Board guidance is implemented

2. Solicit and Award Contracts

With the exception of the items identified in the Section (above) of this Policy (Board of Directors Approval), the General Manager/CEO has the authority to approve all formal solicitations and the award of any contract where the services, materials, or supplies are in the approved annual District Operating or Capital Budget or as funds may become available. The General Manager's authority is set by the Board, and the General Manager/CEO has the authority to approve all informal solicitations under that threshold without Board approval. Approval of contracts by the General Manager/CEO less than the established threshold may be reported in the monthly financial report to the Board.

The General Manager/CEO, at their discretion, may forward any contract within their authority outlined above that they deem to be of significant importance to the Board of Directors for action.

3. The General Manager/CEO has the authority to execute contract extensions tied to options previously addressed in the solicitation, provided that such extension(s) is/are within the General Manager/CEO's authority and subject to all of the following conditions:
- a. There is a continued need for the services performed under the contract;
 - b. Sufficient funds are available in the Board-approved Budget;
 - c. The contractor's performance has been satisfactory; and
 - d. The General Manager/CEO, Assistant General Manager, and the respective Executive staff member agree the contract extension or the exercise of an option to extend the contract is in the best operational and financial interest of the District.

4. The General Manager/CEO has the authority to enter into agreements including, but not limited to, agreements for professional, technical, architectural, engineering, construction, and construction management services; agreements for repair or remodeling of District facilities; and lease or license agreements for District use of real property, facilities, equipment and software, provided that the General Manager/CEO or their designee first determines that the work or subject matter of the agreement cannot satisfactorily be performed by District. The General Manager/CEO also has the authority to enter into leases, including revenue leases, to third parties of District property provided the annual amount of the lease does not exceed one hundred thousand dollars (\$100,000) and the term of the lease does not exceed five (5) years. Any leases entered into by the General Manager/CEO that exceed their authority shall be submitted to the Board for approval.

C. Miscellaneous

1. Electronic Signatures: The use of DocuSign, AdobeSign, or similar e-signatures on purchase orders, contracts, MOUs, agreements, etc. is authorized if the purchase order is within the delegated signature authority or if the District Board has authorized the contract or purchase.
2. Periodic Review: This Policy may be reviewed and amended as necessary to comply with new or changing procurement regulations.
3. Procurement Manual: This Policy necessitates the preparation of a Procurement Manual for the consistent implementation of these policies.

APPENDIX A
Procurement Policy

Solicitation Threshold		Signature Authority
\$100,000 to \$250,000		Board Authorized during Declared Emergency, General Manager/CEO
All Amounts Above \$100,000 per Contract or Contract Year		Board Authorized, General Manager/CEO
Above \$25,000		General Manager/CEO
Below \$25,000		Assistant General Manager, Chief Operating Officer
Below \$10,000		Delegated MST Staff

Solicitation Requirements					
Procurement of Materials, Supplies and Equipment, and Professional Services (Non-Construction)					
Amount Non-Federal Funds	Amount Federal Funds	Procurement Requirements	DBE/SLBE (SBE-Fed)	Basis for Award	Secured By
\$10,000 or less	\$10,000 or less	Informal. Three (3) price quotes to extent practicable.		For federally-funded projects, determine and document that the price is fair and reasonable and how this determination was derived.	PO
\$10,000 to \$100,000	\$10,000 to \$100,000	Informal. To the extent practicable, at least 3 quotes required. Fair and reasonable price determination must be made for each procurement.	All opportunities shall be reviewed with the Civil Rights Officer for DBE, SBE, MSBE, or SLBE utilization per MST Board DBE Policy.	Lowest price if an Invitation for Bids (IFB) or Request for Proposal/Quotations (RFP/RFQ) was employed. For federally-funded projects, determine and document that the price is fair and reasonable and how this determination was derived.	PO and/or Written Contract
\$100,000 or more	\$100,000 or more	Formal advertisement: IFB or RFP. Sealed bids. Fair and reasonable	Solicitations shall be reviewed with the Civil Rights Officer for DBE, SBE, MSBE, or SLBE	Lowest responsible bidder or in District's discretion, responsible bidder that provides the Best Value.	Written Contract

		price determination must be made for each procurement.	utilization per MST Board DBE Policy.		
\$250,000 or more	\$250,000 or more	Emergency declaration: Invitation for Bids or Request for Proposals. Sealed bids. Fair and reasonable price determination must be made for each procurement.	Solicitations shall be reviewed with the Civil Rights Officer for DBE, SBE, MSBE, or SLBE utilization per MST Board DBE Policy.	Lowest responsible bidder or in the District's discretion, responsible bidder that provides Best Value.	Written Contract

Procurement of Architectural and Engineering Services (Including Construction Management Services, Repair or Remodeling of District Facilities)					
Amount Federal and Non-Federal Funds	Procurement Requirements	DBE/SLBE	Basis for Award	Secured By	
\$10,000 - \$100,000	Minimum of three (3) price quotes. A fair and reasonable price determination must be made for each procurement.	Requests for quotes shall be reviewed by the Civil Rights Officer.	Negotiations are conducted with the most qualified offeror. Only after failing to agree with the most qualified offeror will negotiations with successive offerors in descending order be conducted until a contract award can be made.	PO or written contract	
\$100,000 or more	Qualifications Based – Formal RFP. A fair and reasonable price determination must be made for each procurement.	Solicitations shall be reviewed by the Civil Rights Officer. Formal advertisement for the solicitation explicitly states the District's commitment to using DBE's and SLBE's in all procurements.		Written contract	

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To: Board of Directors

From: Lisa Rheinheimer, Assistant General Manager

Subject: Salinas Operations and Maintenance Facility

RECOMMENDATION:

Authorize the General Manager/CEO to enter into contract with Stantec Architecture Inc. in an amount not to exceed \$1,591,627 for a Fixed Facility Analysis, Preliminary Architectural, Planning, Design, and Environmental Services for the Salinas Operations and Maintenance Facility.

FISCAL IMPACT:

The proposed project is contemplated in the FY 2023/24 Budget with \$1.5 M in funding from the Measure X program under the category of Commuter Bus, Salinas Valley Transit Center(s) & Vanpools where \$25M is identified in the funding plan and administered by the Transportation Agency for Monterey County. MST staff is working with TAMC staff on a funding arrangement to support this project.

POLICY IMPLICATIONS:

The Board's FY 2023 Action Plan includes "Begin fixed facility review for location of new/rehabilitated Salinas Operations and Maintenance Facility and review of MST excess properties. June 2023."

DISCUSSION:

Serving the City of Salinas and its surrounds, MST operates from an operations and maintenance facility originally built in the early 1980s when Monterey Peninsula Transit and Salinas Transit merged to form Monterey-Salinas Transit. The facility located at 443 Victor Way on the west side of Salinas has outgrown its original space needs.

Serving MST's paratransit and some fixed-route, contracted services operate from a leased Army-owned property in the former Fort Ord at Joe Lloyd Way. The site is not ideal, and the Presidio base commander has communicated its desire to see MST vacate the property in 2 years.

With these two concerns in mind along with the Board's Action Plan priority, MST issued a Request for Proposals (RFP) to begin the planning process to review options for combining the two operations (MST and contracted services) on one larger property.

Two proposals were received in mid-May from qualified teams and a cross-departmental team reviewed the proposals. The results of the scoring are shown below:

Firm	Stantec	STV
Total Score (100 possible)	92.7	84.0

Based on the results above, staff recommends the Board authorize the General Manager/CEO to enter into a contract with Stantec Architecture Inc. in an amount not to exceed \$1,591,627 for a Fixed Facility Analysis, Preliminary Architectural, Planning, Design, and Environmental Services for the Salinas Operations and Maintenance Facility.

ATTACHMENT(S):

None

Prepared by:  Reviewed by: 
Lisa Rheinheimer Carl Sedoryk

To: Board of Directors
From: C. Sedoryk, General Manager/CEO
Subject: Monthly Report – May 2022

Attached is a summary of monthly performance statistics for the Transportation, Maintenance, and Administration departments for May 2022 (Attachments 1 – 4).

May 1 – 3. I travelled to Columbus, OH to attend the American Public Transportation Association Mobility Conference. At the conference I was invited to participate on a panel to describe the various ways innovation is being applied to improve network performance and service to customers. I was able to participate in specialty workshops related to current state of autonomous vehicle technology and new metrics to measure transit performance. I was also able to see the latest industry offerings at APTA's Bus Display, the Products and Services Showcase as well as take a self-guided tour of the Columbus MAX Bus Rapid transit system.

May 17 – 18, I travelled to Sacramento, to attend the California Transit Association Spring Legislative Conference where we discussed everything from bringing riders back, free fares, transition to zero-emission technologies, to the Association's top state legislative and budgetary priorities. Among our speakers were state transportation leaders, including California State Transportation Agency Secretary Toks Omishakin and California High-Speed Rail Authority CEO Brian Kelly. While in the Capitol I was able to meet personally with Assemblymember Robert Rivas, and State Senator John Laird to discuss MST specific legislative priorities and a request for a budget appropriation.

Attachment #1 – Dashboard Performance Statistics May 2022

Attachment #2 – Operations Dept. Report – May 2022

Attachment #3 – Facilities & Maintenance Dept. Report May 2022

Attachment #4 – Administration Dept. Report – May 2022

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

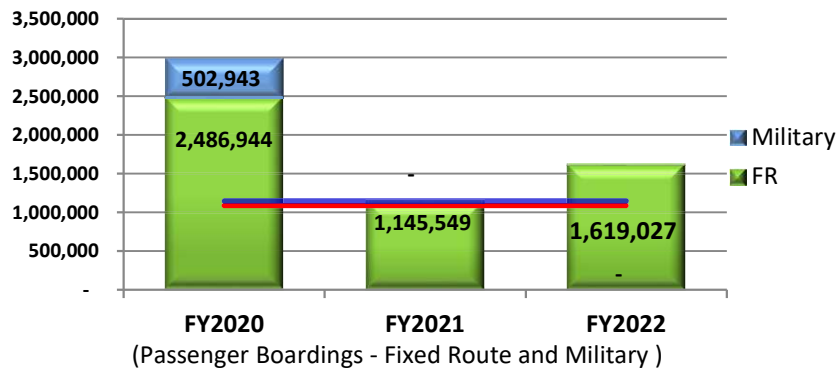
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YTD Dashboard Performance Comparative Statistics

July - May

Fiscal Years 2020-2022

Ridership



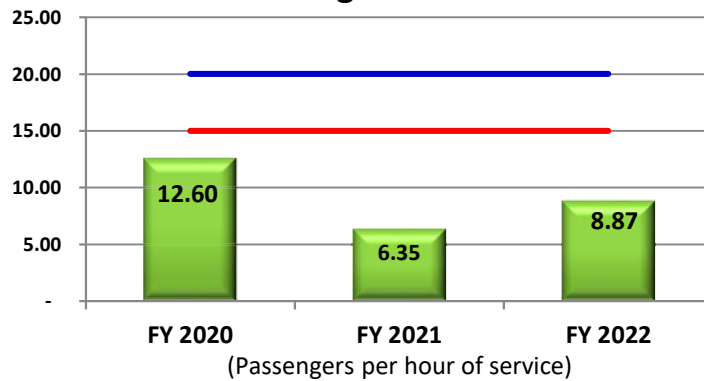
Goal = 1,145,549
passengers

Minimum = 1,088,272
passengers

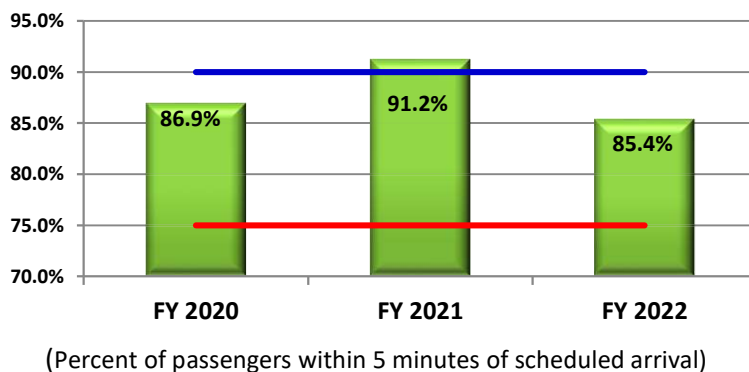
Goal = 20 passengers p/h

Minimum = 15 passengers p/h

Passengers Per Hour



On Time Performance



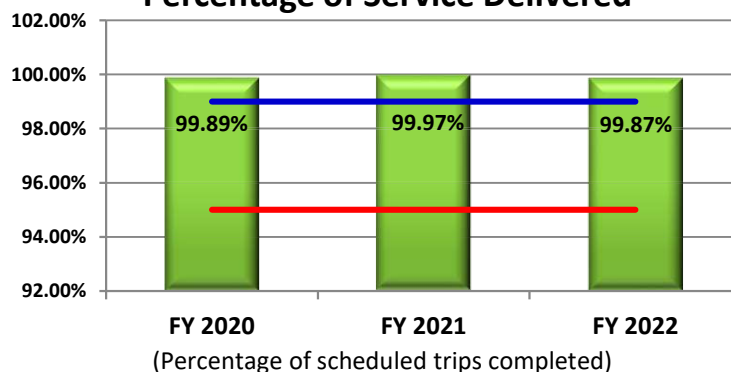
Goal = 90% on time

Minimum = 75% on time

Goal = 99% completed

Minimum = 95% completed

Percentage of Service Delivered

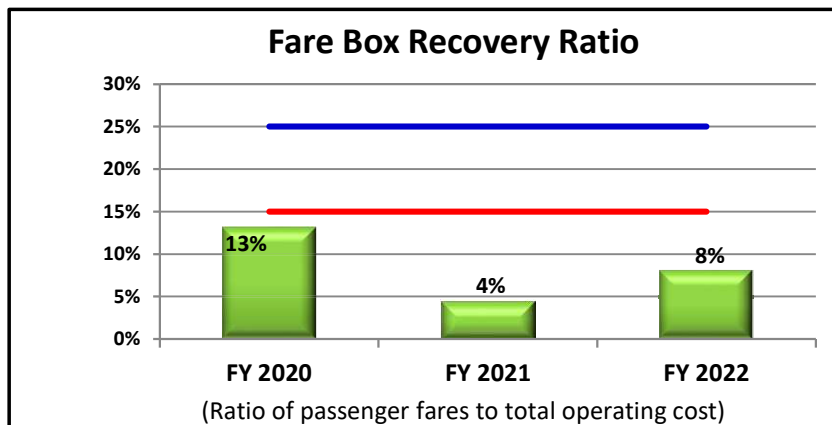


MST Fixed Route

YTD Dashboard Performance Comparative Statistics

July - May

Fiscal Years 2020-2022

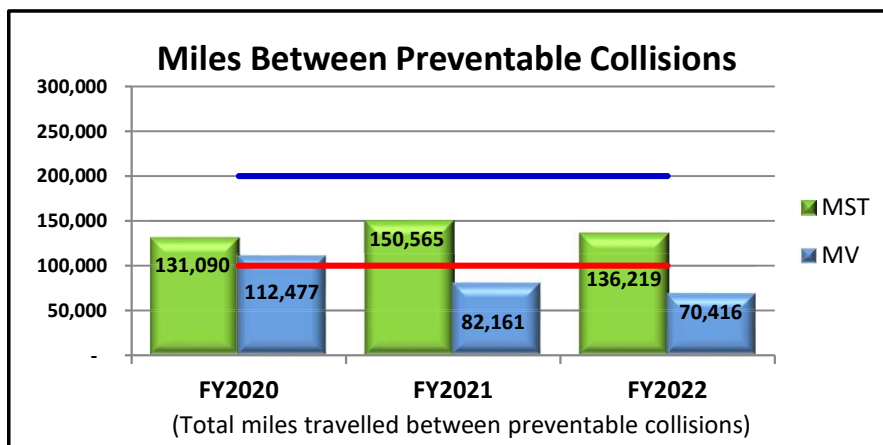
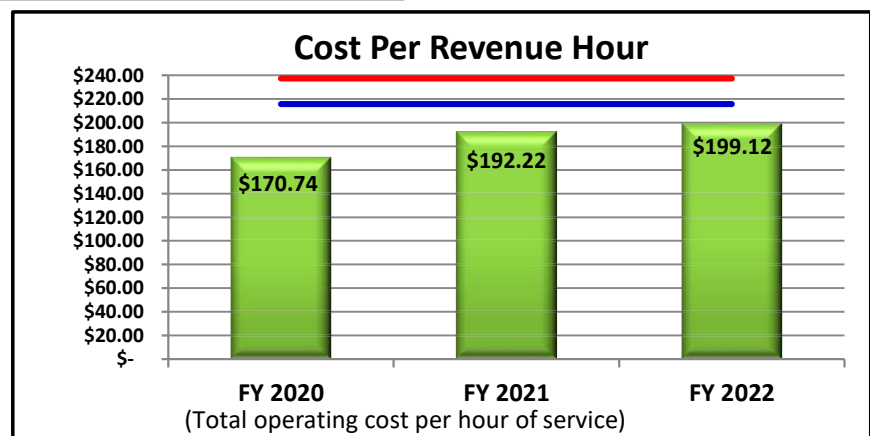


Goal = 25%

Minimum = 15%

Goal = \$215.79 per RH

Maximum = \$237.36 per RH

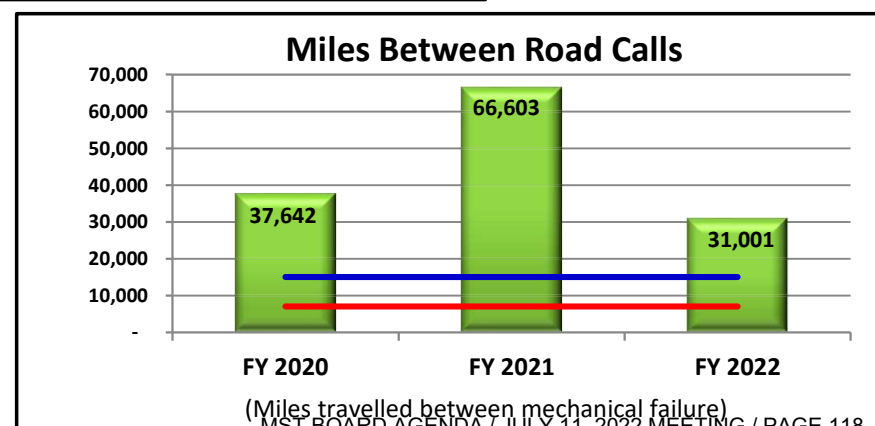


Goal = 200,000 Miles

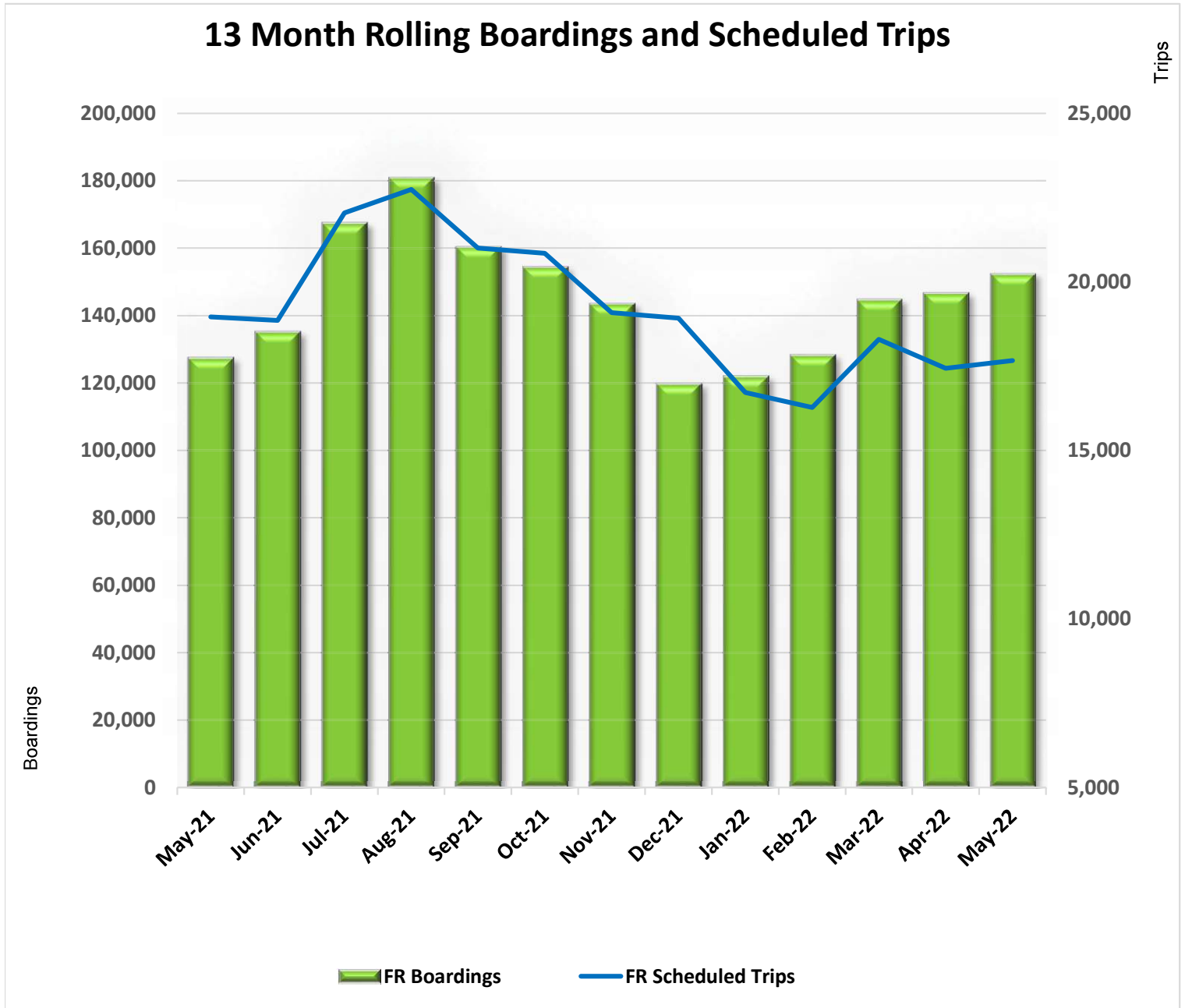
Minimum = 100,000 Miles

Goal = 15,000 Miles

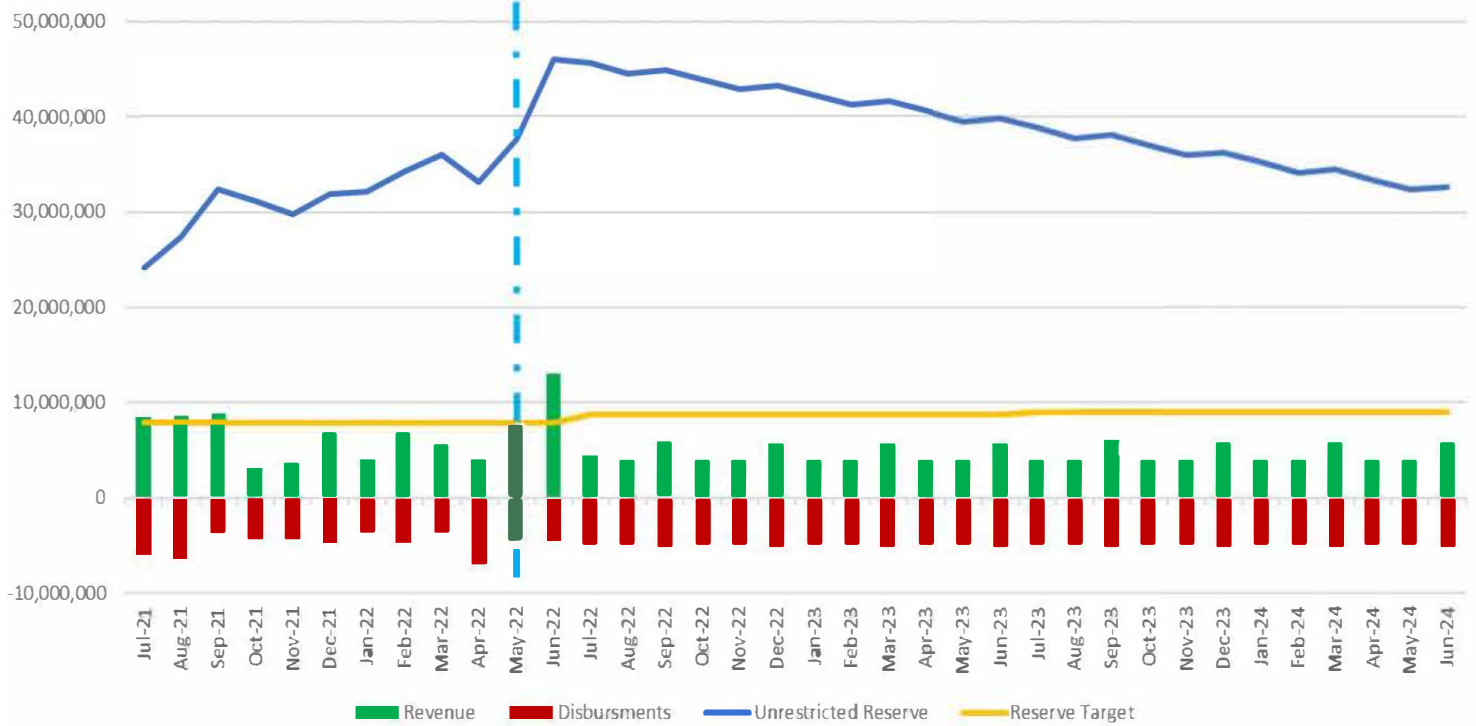
Minimum = 7,000 Miles



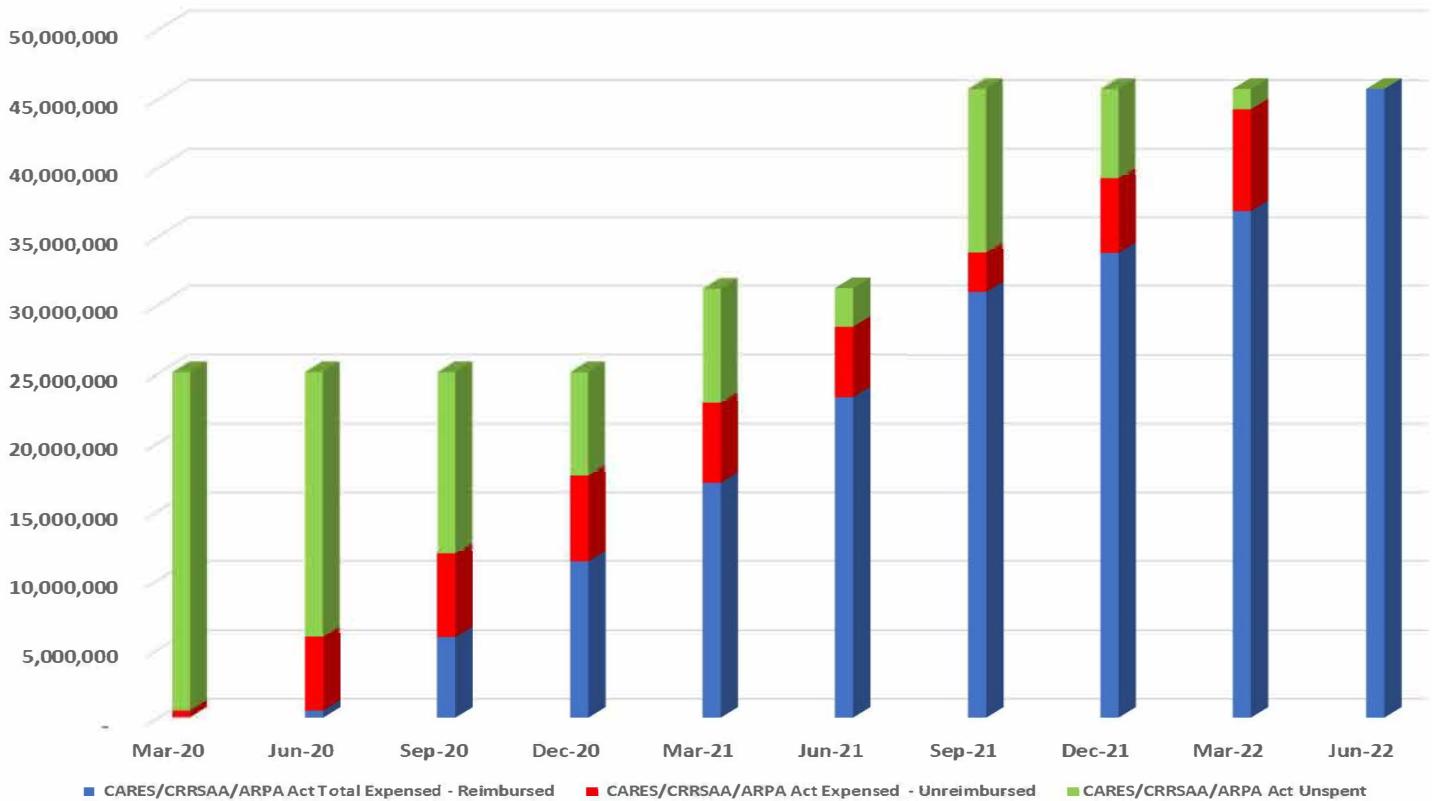
COVID-19 MST Statistics and Projections



Cash Flow Projections July 2021 - June 2024



CARES/CRRSAA/ARPA Act Funds

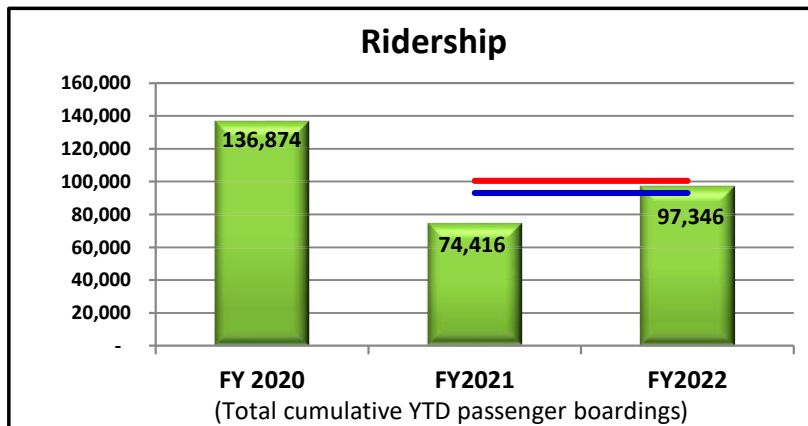


MST RIDES

YTD Dashboard Performance Comparative Statistics

July - May

Fiscal Years 2020-2022

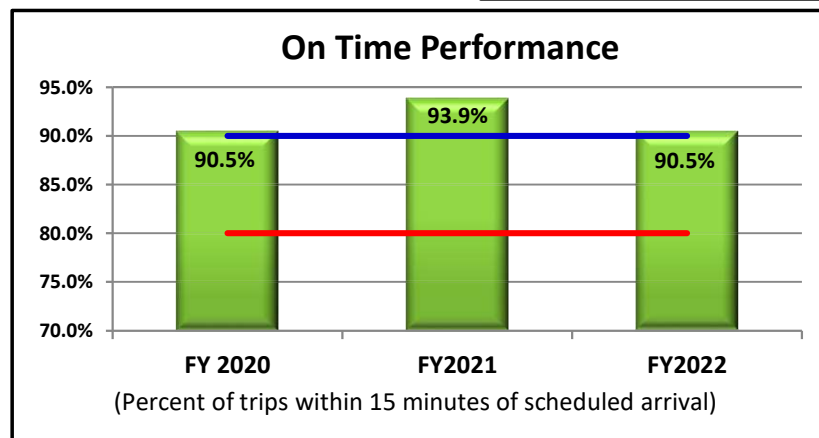
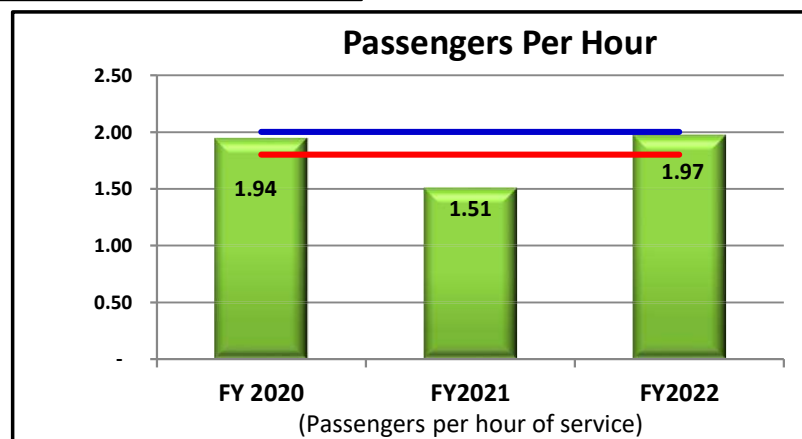


**Goal = 93,020
passengers**

**Maximum = 100,462
passengers**

**Goal = 2.0
passengers p/h**

**Minimum = 1.8
passengers p/h**

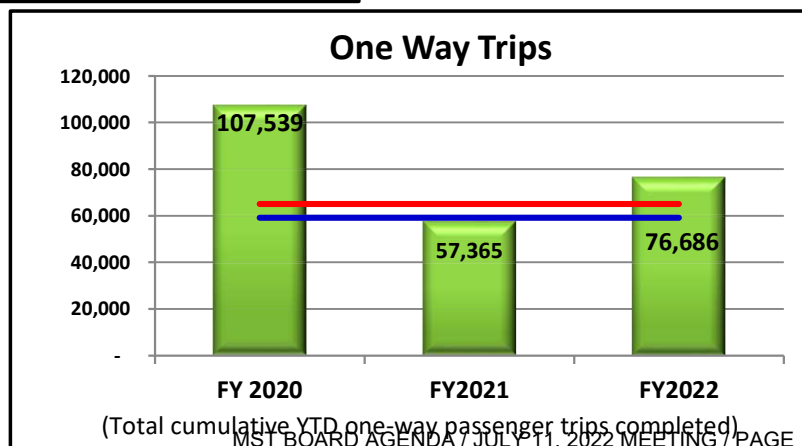


Goal = 90% on time

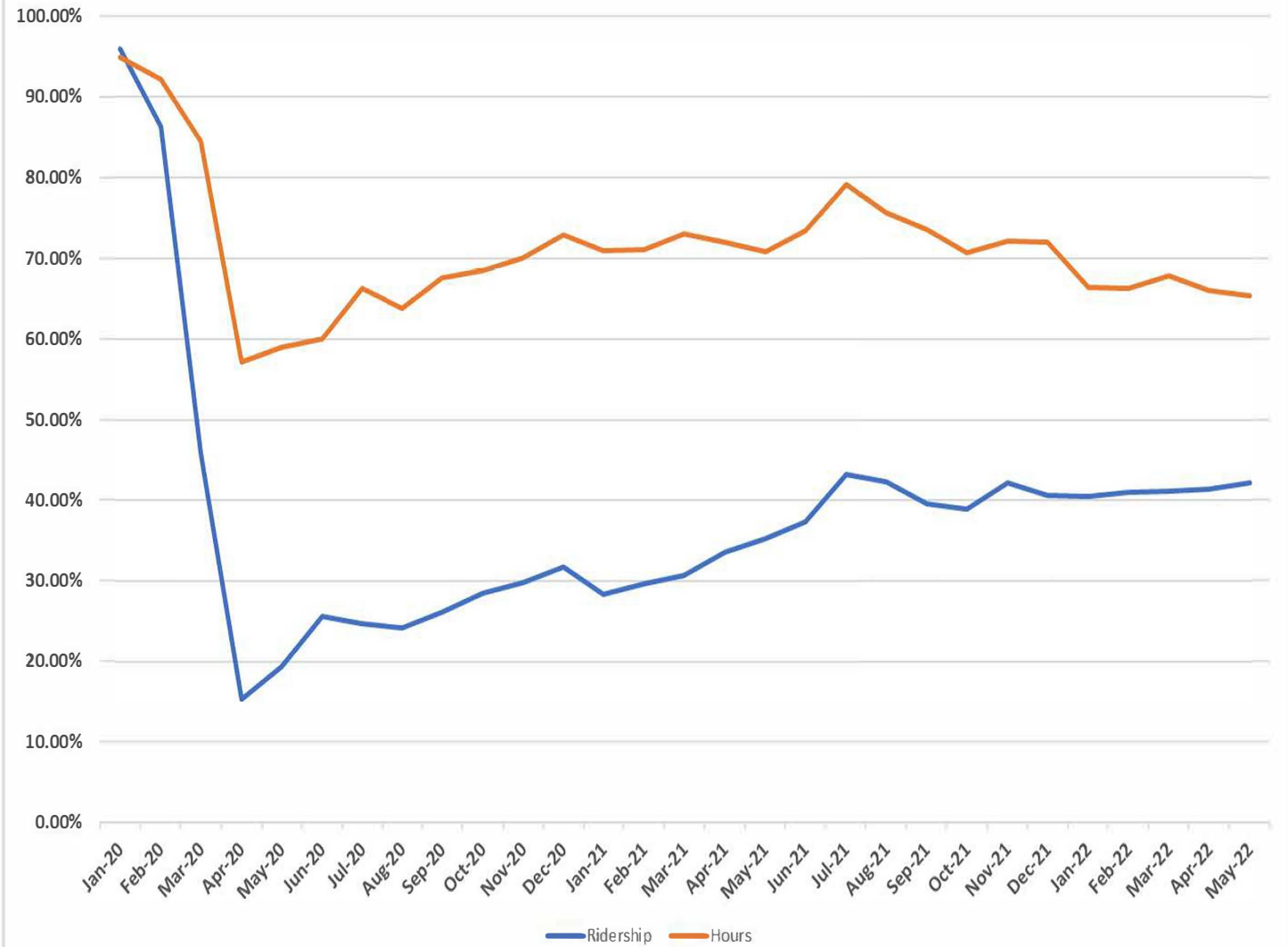
Minimum = 80% on time

**Maximum = 64,995
one-way trips**

**Goal = 59,086
one-way trips**



Percent of Monthly Ridership and Revenue Hours from CY17-19 Average

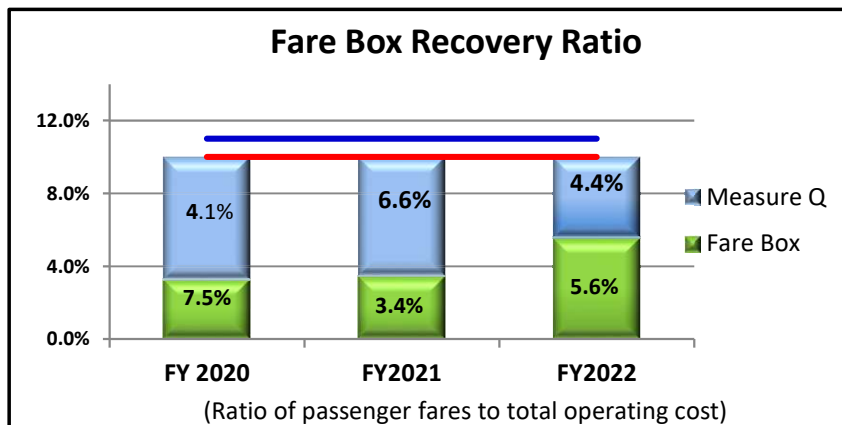


MST RIDES

YTD Dashboard Performance Comparative Statistics

July - May

Fiscal Years 2020-2022

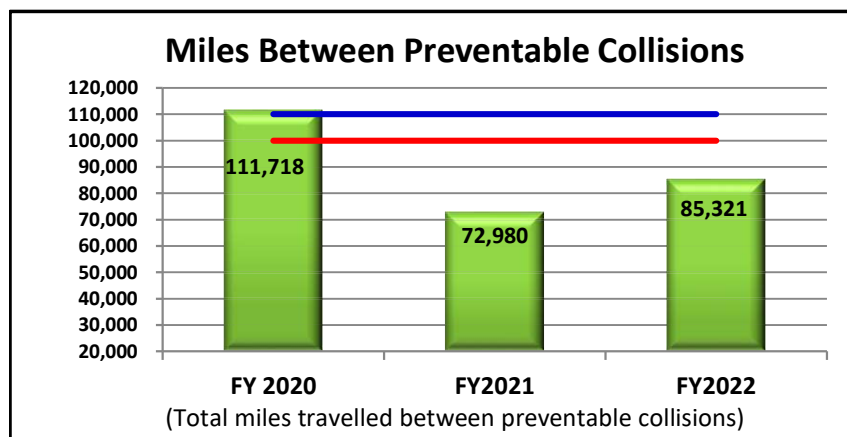
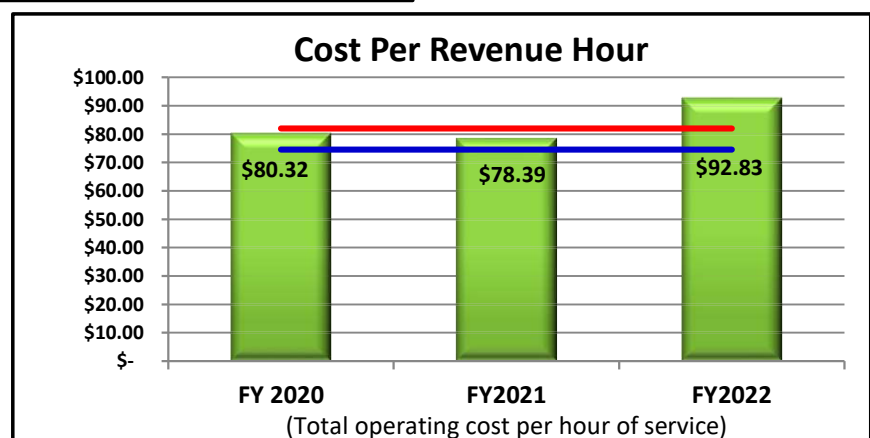


Goal = 11%

Minimum = 10%

Goal = \$74.53 per RH

Maximum = \$81.98 per RH

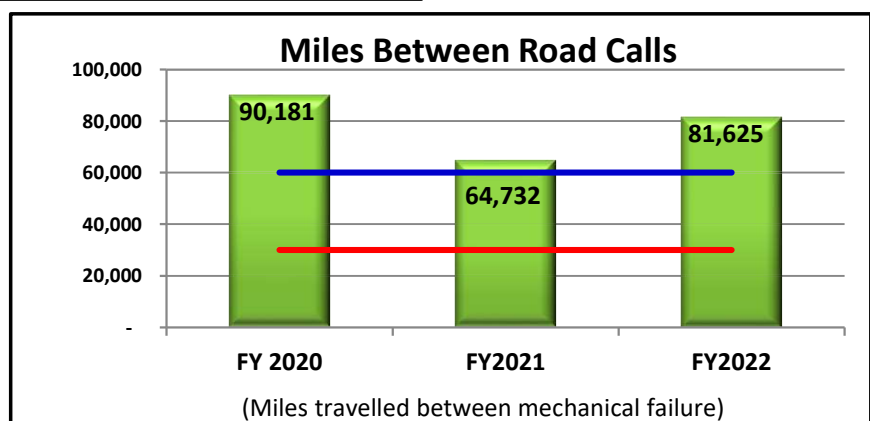


Goal = 110,000 Miles

Minimum = 100,000 Miles

Goal = 60,000 Miles

Minimum = 30,000 Miles

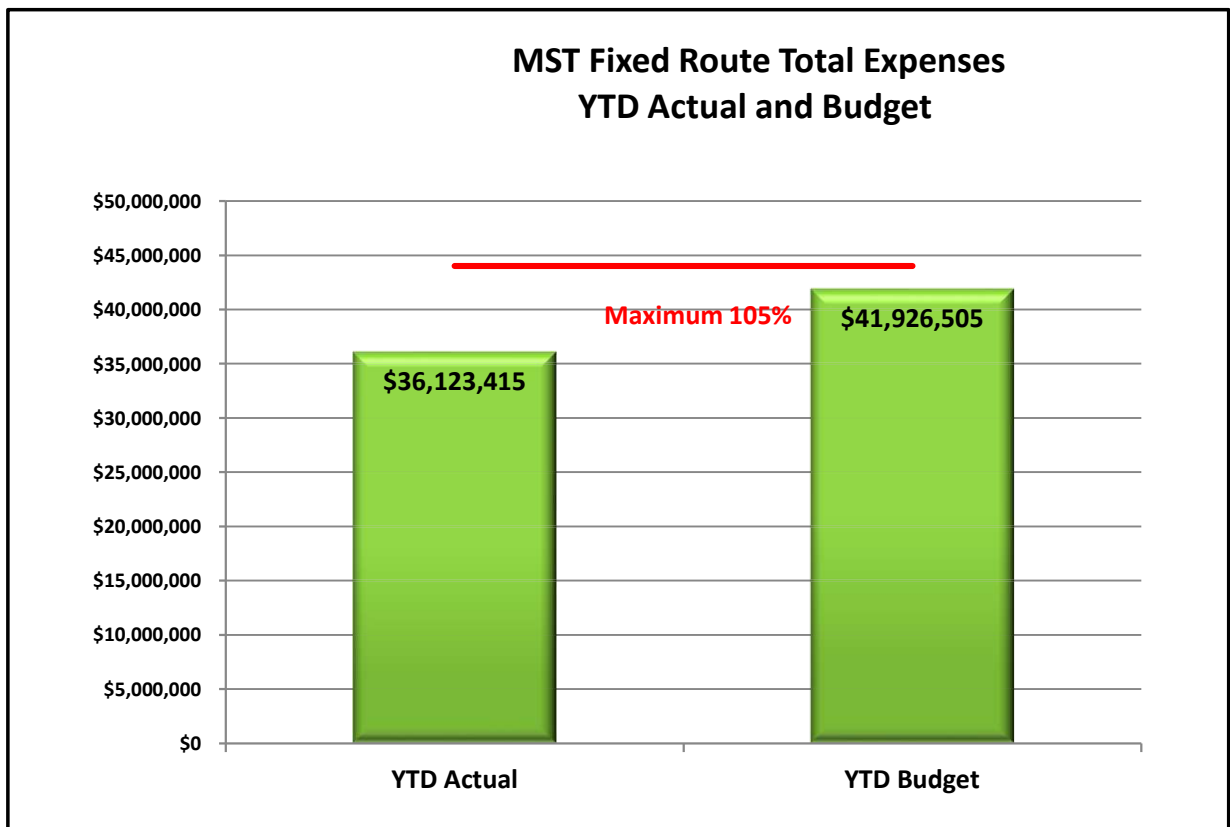
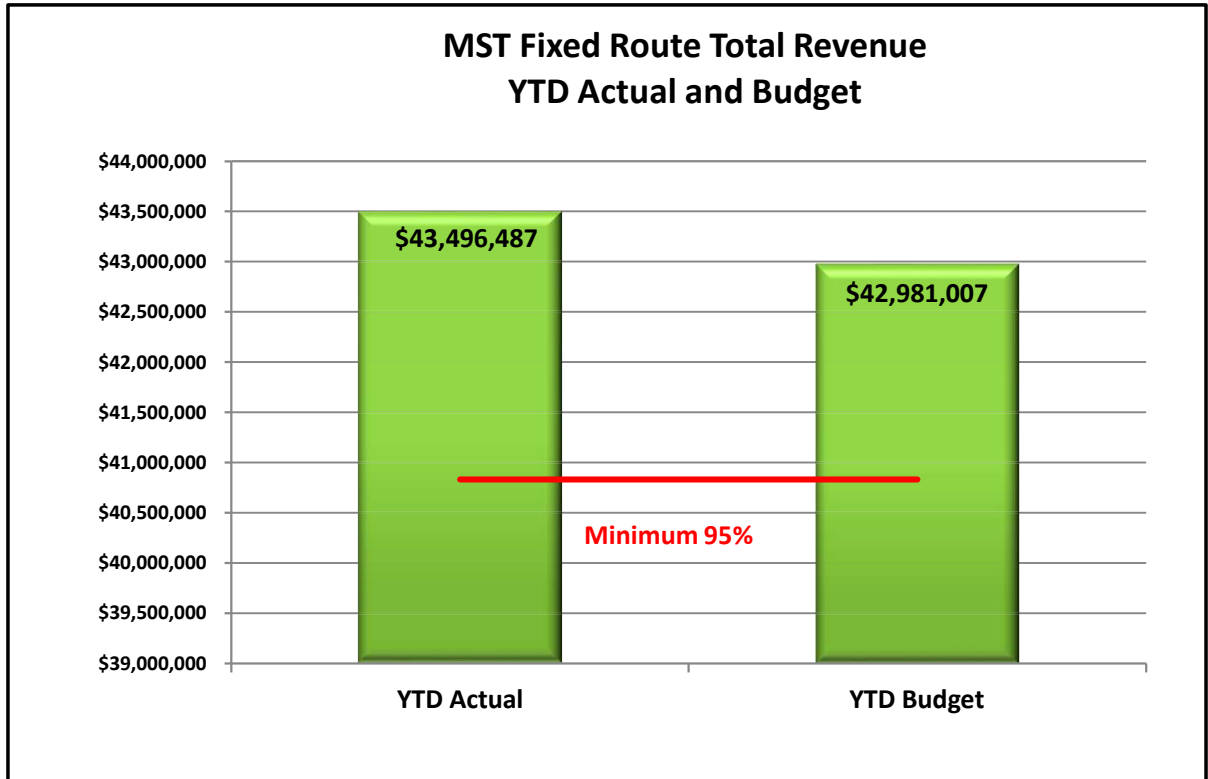


MST Fixed Route

Financial Performance Comparative Statistics

July - May

Fiscal Year 2022

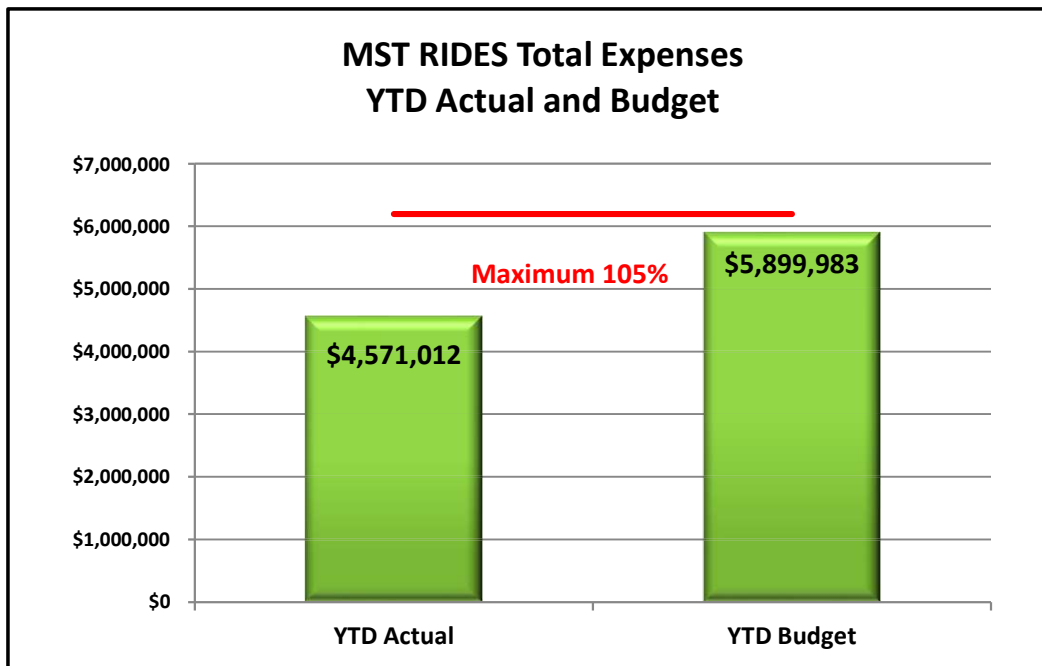
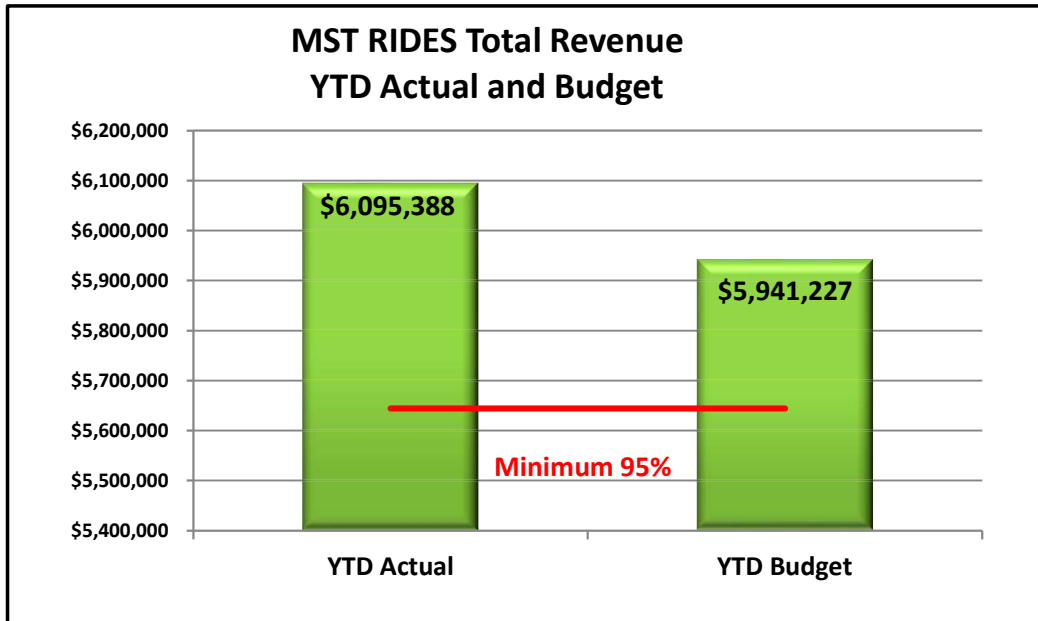


MST RIDES

Financial Performance Comparative Statistics

July - May


Fiscal Year 2022



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Date: June 24, 2022

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

From:  Norman K. Tuitavuki, Chief Operating Officer

Subject: **Transportation Department Monthly Report – May 2022**

FIXED ROUTE BUS OPERATIONS:

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

MST's preliminary boarding statistics indicate ridership was 152,164 in May 2022, which represents a 19.4% increase compared to May 2021's ridership of 127,422. For the fiscal year to date, passenger boardings continue to increase overall; however, this positive ridership trend could change as we continue with our COVID-19 recovery efforts.

Month over month, MST's productivity continues to improve. MST's productivity increased from 7.4 passengers per hour in May 2021, to 9.5 passengers per hour in May of this year. This represents a 29.4% improvement compared to the same month, the previous year.

Supplemental / Special Services:

- No Service

System-Wide Statistics:

- Ridership: 152,164
- Vehicle Revenue Hours: 15,995
- Vehicle Revenue Miles: 242,122
- System Productivity: 9.3 Passengers Per Vehicle Revenue Hour
- One-Way Trips Provided: 17,666

On-Time Performance (OTP): Of 87,491 total time-point crossings sampled for May, the Transit Master™ system recorded 14,949 delayed arrivals to MST's published time-points system-wide. As a result, **83%** of all scheduled arrivals arrived on time. (See *MST Fixed-Route Bus ~ On Time Compliance Chart FY 2021 - 2022.*)

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 of the total number of reported time-point crossings.

Service Canceled: As listed below, there were a total of four (4) service cancellations in May for both directly operated and contracted services. This was a decrease of ten (10) compared to the previous month, April 2022.

Total Revenue Trips Completed: 17,666		
Reason for Service Cancellation	MST	MV
Accident (Non-MST)	1	0
Mechanical Failure	1	0
Other	1	0
Staff Shortage	0	1
Totals	3	1

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 May 2021 and 2022:

Occurrence Type	May-21	May-22
Collision: MST Involved	1	4
Employee Injury	1	1
Medical Emergency	0	0
Other	2	4
Passenger Conflict	2	2
Passenger Fall	3	6
Passenger Injury	1	1
Fuel / Fluid Spill	1	0
Unreported Damage	1	1
Totals	12	19

CONTRACTED TRANSPORTATION SERVICES:

MST RIDES ADA / MST Paratransit Program:

Preliminary boarding statistics for the MST RIDES program reflect that for May 2022 there were 10,415 passenger boardings. This is a 49% increase in passenger boardings compared to May of 2021, (6,959). For the Fiscal year – passenger boardings have increased by 31% compared to FY 2021.

- Productivity for May 2022 was 1.78 passengers per hour, decreasing from 1.79 passengers per hour compared to the previous month (April 2022).
- For May 2022, 91% of all scheduled trips for the MST RIDES program arrived on time, exceeding the expected on-time performance standard.

COMMUNICATIONS CENTER:

In May, MST's Communications Center summoned public safety agencies on seven (7) separate occasions to MST's transit vehicles and facilities:

Agency Type	Incident Type	Number of Responses
Police	Vehicle Accident / Passenger Disturbance / Other	2
Medical	Employee Request / Passenger Request / Other	5
Fire	Employee Request / Passenger Request / Other	0
Totals		7

DEPARTMENT ACTIVITIES:

In May, several Operations Department management employees traveled to Columbus, Ohio to attend the American Public Transportation Association's (APTA's) annual Mobility Conference. Staff participated in training and learning sessions mostly focused on Zero Emission Bus (ZEB) management, maintenance, and infrastructure. These sessions increased employee knowledge and have helped to prepare staff for implementing a ZEB fleet. Additionally, employees met in-person with many MST vendors to learn more about new offerings and to discuss and receive feedback on issues faced at the agency.

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ATTACHMENT 3

Date: June 23, 2022

To: Carl Sedoryk, General Manager/CEO

From:  Norman K. Tuitavuki, Chief Operating Officer

Subject: **Maintenance Department Monthly Report – May 2022**

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

Fuel Budget FY2022	Average Fuel Price May 2022	Average Fuel Price FY2022
Diesel: \$3.40	\$5.23	\$3.76
Gasoline: \$3.40	\$5.28	\$4.24

Period	Revenue Fleet Operating Cost Per Mile	Revenue Fleet Miles Between Major Mechanical Road Calls: ¹
May 2022	\$1.40	34,021
YTD FY 2022	\$1.28	24,291
FY 2021	\$1.23	54,756
FY 2020	\$1.05	30,571

¹ **Minimum:** 7,000 Miles; **Goal:** 15,000 Miles

Department Activities/Comments:

May 2022's cost per gallon for gasoline **decreased .38%, a 2 cent decrease**, and the cost per gallon for diesel **increased 7%, a 34 cent increase** compared to the previous month, April 2022. Fuel prices continue to fluctuate unpredictably. Staff continues to monitor all movement of vehicles to minimize unnecessary fuel usage.

In May, MST traveled 34,021 miles between major mechanical failures – exceeding the 15,000-mile goal. MST has continued to meet or exceed the stated goal within this area of performance. It should be noted that MST has dramatically reduced the overall number of revenue miles traveled to conform with current ridership demands and other factors resulting from the COVID-19 pandemic. MST's operating cost per mile for May 2022, decreased to \$1.37 per mile from \$1.40 per mile in April 2022.

In May, two staff members and I attended the American Public Transportation Association's (APTA) Mobility Conference in Columbus, Ohio. We attended sessions directly related to operating, maintaining, and managing public transportation services. We participated in several Zero-Emission Bus (ZEB) sessions to increase our knowledge of ZEBs and ZEB infrastructure.

MST's Maintenance Manager attended the Advanced Clean Transportation (ACT) Expo in Long Beach. The Manager reported attending ZEB and ZEB infrastructure sessions where he received valuable insight and information on this technology. Additionally, the EXPO provided a hands-on opportunity to get in and behind the wheel of ZEBs that are available for purchase today as well as ZEBs that are still in the "concept" and "design" phases.

Staff continues seeking training opportunities for our frontline maintenance employees regarding ZEBs. Both conferences allowed MST to communicate directly with ZEB manufacturers about this important issue.

Prepared by: Norman K. Tuitavuki Reviewed by: Carl G. Sedoryk
Norman Tuitavuki Carl G. Sedoryk

ATTACHMENT 4

Date: June 28, 2022

To: C. Sedoryk, General Manager/CEO

From: Lisa Rheinheimer, Assistant General Manager; Michelle Overmeyer, Director of Planning /Innovation, Andrea Williams, General Accounting & Budget Manager; Michael Kohlman, Chief Information Officer; Kelly Halcon, Director of Human Resources/Risk Management; Ikuyo Yoneda-Lopez, Marketing and Customer Service Manager; Sonia Wills, Customer Service Supervisor and Beronica Carriedo, Community Relations Coordinator.

Subject: **Administration Department Monthly Report – May 2022**

The following significant events occurred in Administration work groups for the month of May 2022:

Human Resources

A total employment level for May 2022 is summarized as follows:

Positions	Budget FY22	Actual	Difference
Coach Operators F/T	126	120	-6
Coach Operators Limited Duty	0	0	0
CO Occupational Injuries	(1)	(0)	(-1)
Operations Staff	33	25	-8
Maintenance & Facilities	55	49	-6
Administrative (Interns 1 PT)	36	28	-6
Total	251	222	-29

Note: 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.

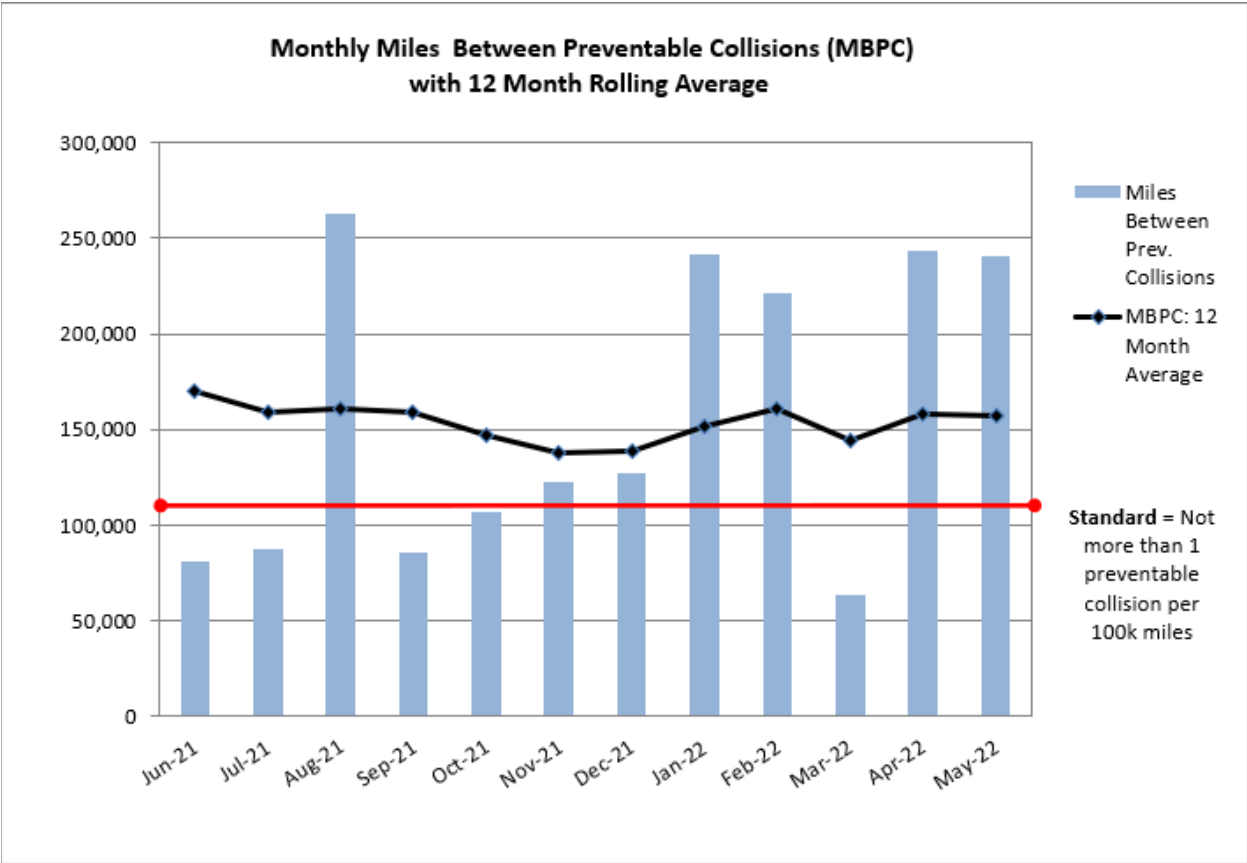
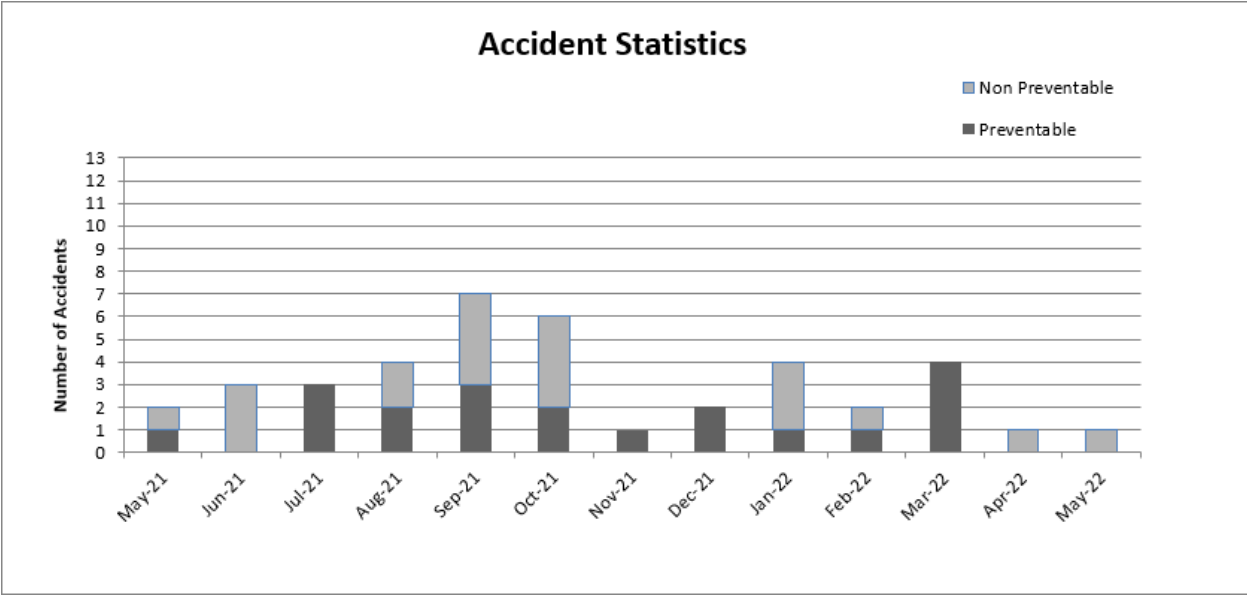
<i>May Worker's Compensation Costs</i>	
<i>Indemnity (paid to employees)</i>	\$23,564.71
<i>Other (includes Legal)</i>	\$15,166.31
<i>Medical includes Case Mgmt, UR, Rx & PT</i>	\$8,608.79
<i>TPA Administration Fee</i>	\$5,708.33
<i>Excess Insurance</i>	\$8,917.75
<i>Total Expenses</i>	<i>\$61,965.89</i>
<i>Reserves</i>	<i>\$717,129.54</i>
<i>Excess Reserved</i>	<i>(\$55,358.96)</i>
<i># Ending Open Claims</i>	<i>42</i>

Training

Description	Attendees
Annual Coach Operator Verification of Transit Training	7
Post-Accident/Incident Re-training	1
In-Service Training: 2021 Gillig Zeb Low Floor Familiarization Training	11
In-Service Training: Salinas Street @ W. Alisal Street Right hand turn	6
In-Service Training: BYD Zero Emission Low Floor Familiarization Training	8
In-Service Training: 4500 MCI Familiarization Training	1
Human Trafficking Prevention and Awareness for Transit Employees	1
TSI-Assault Awareness for Transit Employees	1
In-Service Training: 2021 Gillig Diesel 40' Low Floor Familiarization Training	2
In-Service Training: Giro Self Service Bid Web Training	1
In-Service Training: Personal Protective Equipment Protocol for Essential Workers	1
In-Service Training: VISA contactless Fare Payment System Training	1
In-Service Training: Hometown Trolley Familiarization Training	1
In-Service Training: 2018 Model Gillig Low Floor Model	1
In-Service Training: 1700 Series Gillig Low Floor Model Familiarization Training	1
TAPTCO ELDT Curriculum CDL Preparation Training	6
In-Service Training: 2000 Series Gillig Low Floor Model Familiarization	1
Harassment Prevention and Anti-Bullying Training	6
Liebert Cassidy Whitmore: Maximizing Supervisory Skills for the First Line Supervisor Part 1	11
Title VI and EEO training for New Hires	6
Drug and Alcohol Training for Safety Sensitive Employees	6

Risk Management

	May 2022 Preventable		May 2021 Preventable	
Description	Yes	No	Yes	No
POV Vehicle hits MST Vehicle	0	1	1	0
MST Preventable Accidents	0	0	0	1
TOTAL	0	1	1	1



Customer Service Update

Service Report Type	MST	Other Provider*	# of valid reports	% of reports received**	May 2021	% of reports received**
ADA Compliance	0	0		0.0%	0	0.0%
ADA/RM Request	1	0	1	2.3%		0.0%
Agency Policy	1	0	1	2.3%	0	0.0%
Bus Stop Amenities	1	0		2.3%	0	0.0%
Carried By	0	0		0.0%	0	0.0%
Civil Rights Violation	0	0		0.0%	1	3.2%
Discriminatory behavior by employee	0	0		0.0%	0	0.0%
Early Departure	0	0		0.0%	0	0.0%
Employee Other	6	2	3/1*	18.2%	1	3.2%
Facilities Vandalism	0	0		0.0%	0	0.0%
Fare / Transfer Dispute	2	1	2	6.8%	3	9.7%
Full Bus / Left Behind	1	1	1/1*	4.5%	0	0.0%
Harassment by Employee	0	0		0.0%	0	0.0%
Improper Driving	5	1	2	13.6%	1	3.2%
Improper Employee Conduct	1	2	2*	6.8%	5	16.1%
Inaccurate Public Information	0	0		0.0%	1	3.2%
Late Arrival	0	2	1*	4.5%	1	3.2%
Late Departure	0	0		0.0%	0	0.0%
No Show	0	1	1*	2.3%	0	0.0%
Off Route	0	0		0.0%	0	0.0%
Overcrowding	0	0		0.0%	0	0.0%
Passed By	4	0	2	9.1%	4	12.9%
Passenger Conduct	0	0		0.0%	0	0.0%
Passenger Injury	2	0	1	4.5%	0	0.0%
Reasonable Modification	0	0		0.0%	0	0.0%
Request To Add Service	3	2	2/2*	11.4%	4	12.9%
Request To Reduce Service	0	0		0.0%	0	0.0%
Routing	0	0		0.0%	0	0.0%
Service Animal	0	0		0.0%	0	0.0%
Service Other	3	2	2/1*	11.4%	8	25.8%
Service Schedule	0	0		0.0%	2	6.5%
Taxi	0	0		0.0%	0	0.0%
Title VI Complaint	0	0		0.0%	0	0.0%
Unsafe Conditions	0	0		0.0%	0	0.0%
Vehicle Maintenance	0	0		0.0%	0	0.0%
Sub total reports	30	14				

Grand Total MST and *Other Provider	44	100.0%	31	100.0%
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Employee Compliment

Service Compliment

*Operated by MV Transportation or taxi provider

**Numbers may not add up exactly due to rounding

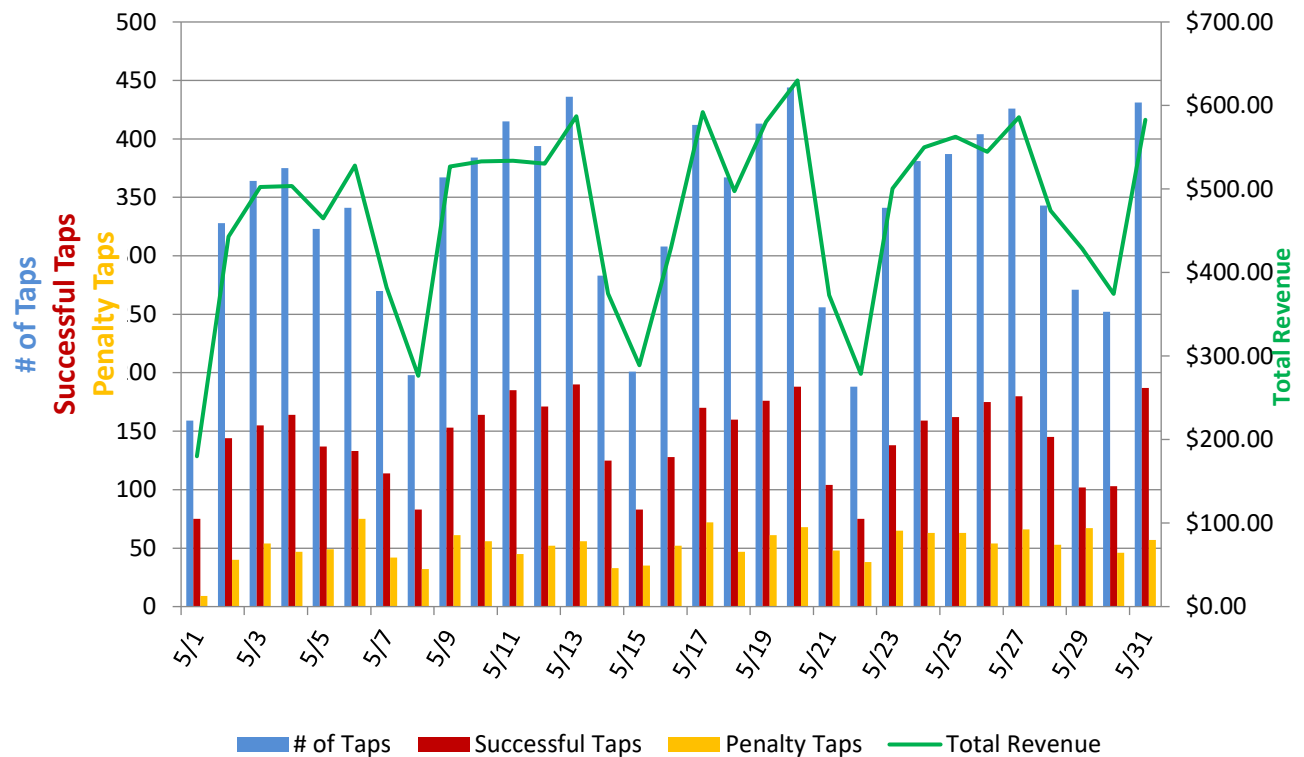
Contactless Tap to Pay:

During the month of May, MST received a total of 10,462 taps, an increase of 4.8% from April. There were 4,428 successful journeys where the passenger tapped on when they boarded and again when they got off. There were 1,606 penalty taps where the customer only tapped on and did not tap off, resulting in a \$3.50 penalty fare being assessed.

Since launching the demonstration project on May 11, 2021, there have been a total of 82,947 taps, of which 35,266 trips were successful. Total revenue collected to the end of May from passengers using contactless payment was \$119,517. It appears that passengers are getting comfortable with the new technology, and it is staff's hope that this will be their preferred method of payment.

Contactless Tap to Pay Report

May 2022



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. Additionally, staff continues to make progress with the new accounting system called Microsoft Dynamics 365 Business Central (BC) implementation with the Time and Attendance module within the NEOGOV Human Resources Information and Payroll System. Throughout the month, staff gathered the information necessary to complete the FY2023-24 draft budget compilations to present to the MST Board at the June meeting.

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 drafted, followed up on, responded to, and submitted pending applications, requests for reimbursement, and program reporting under the following programs:

- Federal 5307 Traditional
- Federal 5339 Bus and Bus Facilities / Low or No Emissions Vehicle
- Transportation Infrastructure Finance and Innovation Act
- Federal Covid relief funding (CARES, CRRSAA, ARPA)
- Low Carbon Fuel Standard
- Low Carbon Transit Operations Program
- Transit and Intercity Rail Capital Program (TIRCP)
- Caltrans Consolidated Grant Application
- Environmental Enhancement Mitigation Program

In addition to attending a few webinars for future grant opportunities, staff also participated in several meetings regarding current and future projects and bus procurements. During the month of May staff attended a site visit at the Marina Dunes Preserve with Monterey Regional Park District to prepare for the grant application to the Environmental Enhancement Mitigation Program. Update meetings with internal staff were ongoing to address status changes to various active or pending grants and requests for reimbursements.

Grants Summary	
Active Grant Funding	\$62,567,899
Grant Funds Pending Award	\$55,815,107

Procurements and Purchasing

Procurement efforts during the month included reviewing invoices, approving purchase orders, and tracking miscellaneous products and services. Staff received Proposals from consulting firms for the following projects: Transit Oriented Development Planning Study, Salinas Operations and Maintenance Facility, Market Research Surveys and Website Re-design. MST is also participating in a joint procurement for vanpooling services with Kings County Area Public Transit Area and Tulare Transit.

Information Technology Update

Governance:

- **I.T. Steering Committee:** The inaugural ITSC meeting was held on May 25th, with all members present. During this initial meeting, a verbal review of the Committee goals was conducted, followed by a round-table discussion of what the departmental goals and objectives were from each representative. During that discussion, it was evident that a number of common areas of improvement shared by all departments existed that should be a part of the overall I.T, Strategic and Operational Plans being developed.

The next meetings are scheduled for June 8th and June 22nd. During those meetings, the Committee will continue to identify, refine, and prioritize MST's technology needs as a part of the formation of those Strategic and Operational Plans.

- **Technology Infrastructure Review and Mapping Project:** As part of an overall effort to build a comprehensive set of documentation of the current state of the MST technology systems, I.T. is working with our technology partners to review and "map" our ecosystem, beginning with the hardware, (or infrastructure) topology. Work on this project is in an active phase, with I.T. staff coordinating with Alvarez Technology to submit a draft set of documents for CIO review the week of June 20th.

Administrative Technology:

- **Tangicloud:** With the successful migration to the Tangicloud/Microsoft Dynamics Accounting System, focus has moved towards post-deployment clean-up, training, and identifying areas of improvement. During the 1st full month of deployment, trouble-ticket issues are generally a combination of cleaning up entries from the migration process, identifying processes and workflows that will need to be adjusted due to differences in the new system, and learning new features.

Operations Technology:

- **TransitMaster Upgrade:** MST successfully migrated to version 21 over the weekend of June 4th/5th, bringing MST current and fully patched on this platform. Thanks goes to all of the staff in Operations and I.T. who assisted with this project, the Vontas team who provided on-site support during the upgrade, and

our MST I.T. Manager, Scott Taylor, who was our lead project manager for this.

- **HASTUS Upgrade:** With the completion of the TransitMaster system upgrade, I.T. Planning and Innovation, and Operations will be focusing on upgrading the HASTUS planning and scheduling system. Discussions have begun with the vendor and scope and training needs will be identified over the summer.
- **Lead times on various operations technology items:** *(carried over from the May report as the concern remains elevated and ongoing)* I.T. is continuing to see long lead times with obtaining replacement or updated technology items that impact our overall operations. This appears to be spanning not just physical replacement equipment (which is rooted in the lack of manufacturing capacity and world-wide logistics challenges) but digital items as well (software license renewals, software updates, support and replacement projects that are being delayed due to a shortage of personnel on the vendor side. While the physical items issue can be somewhat mitigated by increasing stock-on-hand of certain items (at a short-term budget impact), projects impacted due to a lack of human resources on the part of our vendors and outsourced services will continue to be difficult to predict and plan for in FY 2022/23.
- **Contactless Fare System:** I.T. did not see any significant issues with the Contactless Fare System in May. MST did receive additional Contactless Payment units in mid-April, and preparations for deployment has begun.

Cybersecurity:

- **Ukraine/Russia Conflict:** *(carried over from the May report as the concern remains elevated and ongoing)* CISA (Federal Cybersecurity & Infrastructure Agency) continues to advise that they are seeing an elevated level of reconnaissance activity against U.S. Infrastructure, including transportation. However, as of this Board Report, there are no indications of any increased or coordinated attacks. I.T. is continuing to monitor these and other reports as a part of our overall cybersecurity posture.
- **May Advisories:** Overall, the MS-ISAC (Multi-State Information Sharing and Analysis Center) issued approximately 20 cybersecurity advisories in May of 2022 that were considered potentially critical to Public Agencies. Ransomware attacks continue to be the most prevalent issue.

Marketing Update

MST RealTime Usage:

2021	Text	RealTime Phone	CSR Phone	App Sessions	App Users
May	2,349	164*	2,379	65,897	1,770
June	2,671	598	N/A	62,839	1,699
July	3,344	550	N/A	69,264	1,895
August	4,477	580	N/A	104,216	2,616
September	4,330	448	N/A	117,301	2,630
October	3,635	472	N/A	113,472	2,554
November	3,884	522	N/A	94,267	2,274
December	3,776	485	N/A	87,553	2,113
2022					
January	3,460	455	N/A	91,708	2,281
February	3,539	484	N/A	102,577	2,237
March	3,460	664	N/A	117,212	2,529
April	3,869	567	N/A	116,347	2,579
May	4,311	766	N/A	112,898	2,736

**For the period between May 5-26, MST was in the process of upgrading the telephone system, and therefore, no calls were reported.*

Transit App: For the month of May, there were a total of 294 downloads for the Transit App. The top three most popular routes that users tapped from the home screen were JAZZ B with 6,084 taps, Line 18 with 5,354 taps, and Line 41 with 5,244 taps.

Published news stories include the following: “Business Roundtable - Transportation” (Chamber Connection, 5/10/22); “Despite a return to semi-normalcy, public transit ridership remains well below 2019 levels” (Monterey County Weekly, 5/19/22); “June 1-August 31: Summer Youth GoPass from Monterey-Salinas Transit – Plus tips for taking your bike aboard MST” (bikemonterey.org, 5/19/22).

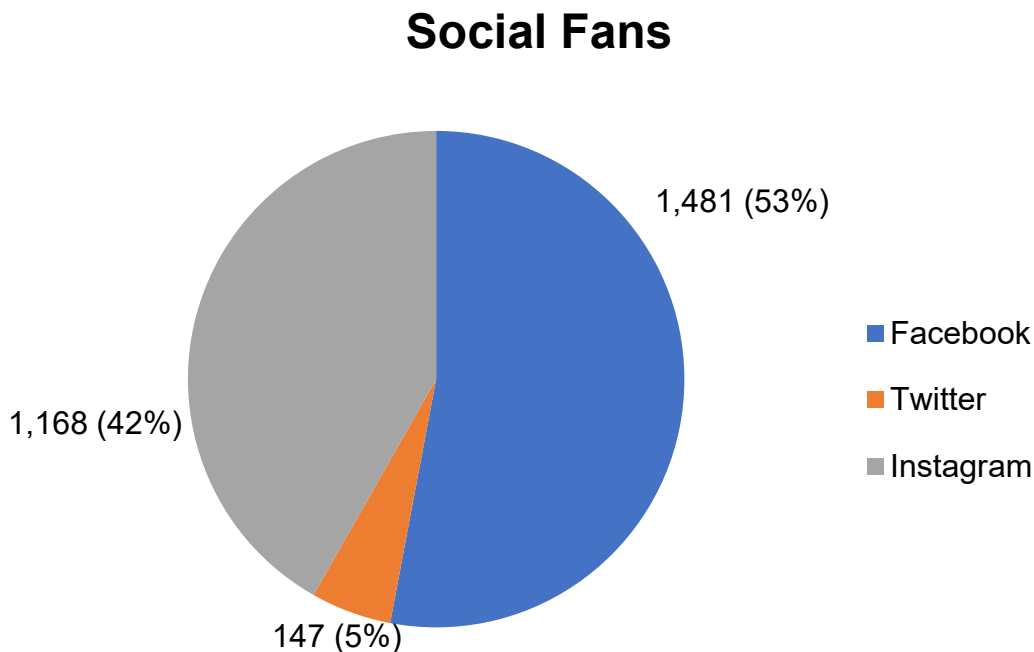
Press releases sent include: “Monterey-Salinas Transit Celebrates Senior Transit Day (Wednesday, May 11th) With Free Fares on All Senior Shuttle Lines” (5/5/22); “Monterey-Salinas Transit Suspends Lines 25 and 47 As School Year Ends at Hartnell College and CSUMB” (5/16/22); “Monterey-Salinas Transit Discounted Summer Youth Pass On Sale Now” (5/18/22); “MST Bus Service on Memorial Day” (5/23/22).

Projects: Staffed information booth at Good Old Days in Pacific Grove; assisted Mobility staff with informational booths at Regency Court and Montecito in Salinas for Senior Transit Day; continued to support Human Resources with recruitment efforts at events and on social media; continued to post local vaccination clinics and testing sites; continued outreach to school districts and youth organizations regarding School Pass Pilot Program opportunities; continued to work with CSUMB staff to coordinate outreach dates on campus; continued support of marketing and performance management of

Contactless Fare Demonstration Project; continued work on internal and external execution of Brand Vision; continued participation in EOC and subcommittee meetings and activities; continued support of outreach activities related to SURF! project, and Fare Change Analysis; supported Visa and BBC team in production of video; and, continued planning of 50th Anniversary celebration.

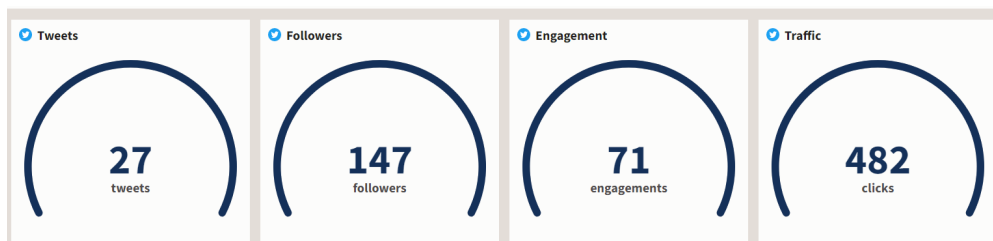
Collaborative/Meeting/Committees: Attended 2022 Senior Transit Day Planning Meeting; Marketing Outreach and Customer Service Team Meeting; Mobility Outreach Weekly; CAL-ITP/MST Customer Service Weekly Check-In; Brand Vision Development Meetings; SURF! Outreach Coordination meetings; MST 50th Anniversary Celebration Committee Meeting; MST Service Implementation Team Meeting; MST Mini MOCS Team Meeting; Square Registration Training; and, COVID EOC Meeting.

Social Media Performance:



Overview by Social Media Platform:

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

College Partnerships

Staff began working with CSUMB, MPC and Hartnell to prepare contracts for the College EcoSmart Pass Program to continue free fares for college students.

Preparation for Summer Service Bid

Throughout the month, planning staff monitored coach operator staffing levels and prepared for the June 25th service change to begin summer trolley service.

Automatic Passenger Counters (APCs)

Once a support contract was executed with the APC contractor, staff directed the vendor to begin required maintenance to ensure data collection meets the standards of the National Transit Database.

Regional Planning

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

Thomas Walters & Associates, Inc.
Washington, DC

June 28, 2022

TO: Carl Sedoryk

FROM: Don Gilchrest

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

MST Community Project Funding

We are continuing to work with Representative Panetta, Senator Feinstein, and Senator Padilla to advocate for funding for MST projects through House Community Project Funding and Senate Congressionally Directed Spending in the FY 2023 appropriations bills.

Last week, the House Appropriations Committee announced initial decisions about transit projects that would be included in the *FY 2023 Transportation, HUD Appropriations* (THUD) bill when it was marked up by the THUD Appropriations Subcommittee on June 23. We were pleased to learn that the Subcommittee included Representative Panetta's request for \$3 million for the Monterey-Salinas Transit District Zero Emission Bus and Microgrid Project.

This is a significant step in the process and the full House is expected to pass the THUD appropriations bills during July. The Senate Appropriations Committee is hoping to begin drafting its versions of the bills during the summer and final decisions on the level of funding for each project will be decided when the final versions of the legislation are enacted later in the year.

FY23 Appropriations

When the House Transportation, HUD Appropriations Subcommittee marked up the DOT funding bill for FY 2023 on June 23, several MST priorities were included in the legislation:

- FTA formula programs are funded at \$13.63 billion, a \$279 million increase over last year. This continues the large funding increase enacted in the Bipartisan Infrastructure law.
- General fund supplementary appropriations of \$200 million will be added to the bus and bus facilities competitive grant program and \$75 million added to the competitive grant program for low- and no-emission buses.
- Capital Investment Grants are funded at \$3.012 billion, which is \$764 million more than last year. This will be combined with \$1.6 billion provided by the infrastructure law.

- RAISE Grants, a multimodal program that can be used for transit projects, is funded at \$775 million, which will be combined with \$1.5 billion enacted for the program in the infrastructure package.

Markup of the DOT bill by the full House Appropriations Committee is scheduled for June 30 and passage by the full House is expected in July. We are continuing to work in coordination with APTA, the Bus Coalition, the California Transit Association, and other public transportation stakeholders to advocate for MST's priority programs in the FY 2023 appropriations process as the Senate Appropriations Committee prepares to draft its version of the legislation sometime this summer.

Lobbying Strategies & Opportunities

We are continuing to consult with you regarding additional opportunities to advocate MST's 2022 federal agenda through virtual or in-person meetings. These areas for possible future action include the Bipartisan Infrastructure Legislation implementation, the FY 2023 Appropriations process, and indications that behind-the-scenes discussions are happening on the Build Back Better Plan.

To: Board of Directors

From: Michelle Overmeyer, Director of Planning and Innovation

Subject: State Legislative Update

We are nearing the end of the second year in a two-year legislative session. Over 2,000 bills were introduced for consideration in 2022. A summary of bills of interest to MST are provided in the table below.

Legislation	Discussion	Position
SB 1161 (Min)	Seeks to address harassment on transit vehicles/facilities.	Support
AB 1919 (Holden)	Upon the appropriation of moneys by the Legislature, this bill would create the Youth Transit Pass Pilot Program, administered by the Department of Transportation, for purposes of awarding grants to transit agencies for the costs of creating, designing, developing, advertising, distributing, and implementing free youth transit passes to persons attending certain educational institutions, providing free transit service to holders of those passes, and administering and participating in the program.	Support
AB 2441 (Kalra)	This bill would prescribe requirements for public transit employers in connection with the introduction of new technologies for public transit services that introduce new products, services, or type of operation, as specified, or that eliminate jobs or job functions of the workforce to which they apply. The bill would require a public transit employer to provide notice to the applicable exclusive employee representative of its intention to begin any procurement process or a plan to acquire or deploy to new technologies for public transit services, not less than 12 months before commencing the process, plan, or deployment.	Oppose unless amended
AB 2622 (Mullin)	An extension of AB 784 (Mullin 2019) This bill would extend the sales tax exemption for	Support

	specified zero-emission technology transit buses from January 1, 2024 until January 1, 2034.	
SB 922 (Wiener)	This bill would provide expanded CEQA statutory exemptions for certain active transportation and transit projects.	Support
SB 942 (Newman)	Provides flexibility to transit operators to use Low Carbon Transit Operations grant program funds for reduced or free fare transit programs, continuously.	Support

Late in June, Governor Newsom and legislative leaders announced the details of a multiyear transportation funding package. It contains significant investments in public transit and clean transportation projects but does not include funding for transit operations. At the time of this writing, the budget bills do not contain funding to advance the free transit proposals introduced in AB 1919 (Holden) and by Governor Newsom, nor do they include targeted funding to address street harassment on public transit as contemplated by SB 1161 (Min).

Investments included in the funding package that benefit public transit or clean transportation projects include:

1. \$3.65 billion starting in FY 2021-22 for transit capital projects to be administered through the Transit and Intercity Rail Capital Program.
2. \$4 billion in FYs 2023-24 and 2024-25 for transit capital projects statewide, allocated via population-based formula.
3. \$1.049 billion starting in FY 2021-22 for the Active Transportation Program.
4. \$198 million starting in FY 2021-22 for local climate adaptation projects.
5. \$350 million starting in FY 2021-22 for grade separation projects.

Separate from these investments, the budget agreement provides \$3.53 billion in FY 2022-23 for zero-emission vehicle deployment and charging/refueling infrastructure, \$100 million of which is earmarked for zero-emission transit buses and supporting infrastructure.

Additionally, Revenue and Taxation trailer bills, will institute a partial sale and use tax exemption for diesel fuel from October 1, 2022 to October 1, 2023, impacting only revenues collected by the State and deposited into the General Fund. The partial sales and use tax exemption would not impact revenues that support transportation programs.

Prepared by:  Reviewed by: 
Michelle Overmeyer Carl G. Sedoryk

Date: June 28, 2022

To: Carl Sedoryk, General Manager/CEO

From: Lisa Rheinheimer, Assistant General Manager,

Subject: **TRIP REPORT** APTA Mobility Conference, April 30- May 4, 2022

SUMMARY:

I attended the above conference April 30-May 4 in Columbus, OH.

GOAL/PURPOSE:

The conference was a great opportunity to learn about the latest thinking about transit's role in communities, best practices, recovery from COVID-19 and networking with other transit professionals.

AGENDA:

I attended the following sessions:

- FTA/NCMM Listening Session: Strategic Plan Update for The Federal Coordinating Council On Access And Mobility
- Opening General Session and Keynote Speaker: Wesley Hamilton
- Repurposing Streets for Vibrant Communities and Universal Mobility
- Bus Display
- Embracing Automation to Improve Mobility Options and Enhance the Customer Experience
- General Session: Federal Transit Administration Update
- Bus Rapid Transit Workshop and Committee Meeting
- Products & Services Showcase
- Fireside Chat on Equity and Fares and Beyond
- Extending Transit's Reach: Lessons from Mobility Hubs and Bike-Transit Integration
- Closing General Session: Searching for the New Normal: Trends in Travel Behavior, Resiliency and Network Design
- Green Mobility

ATTENDEES:

I attended the conference with another 5 MST employees.

Submitted by: 
Lisa Rheinheimer

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Date: May 9, 2022

To: Carl Sedoryk, General Manager/CEO

From: Norman K. Tuitavuki, Chief Operating Officer

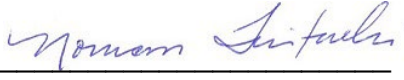
Subject: 2022 APTA MOBILITY CONFERENCE

I attended the APTA Mobility Conference (enhanced Bus & Paratransit Conference) on May 1-4, in Columbus, Ohio. The following summarizes some of the various sessions I participated in:

- **Entry-Level Driver Training (ELDT)** – this session provided an in-depth review and discussions on the new ELDT rule, effective February 7, 2022. The ELDT regulation set Federal standards for mandatory training. I attended to learn more about the rule update and to bring back any new/relevant information MST staff may not be aware of.
- **Battery Bus Energy Management: Charging Strategies to Optimize Energy Use** – This session provided experiences from two larger transit agencies (Texas and Maryland) on their efforts to effectively charge/fuel their ZEBs. One agency has fully committed to battery electric bus (BEB) technology only; however, this agency has the available land/resources that enabled them to commit to BEB now. The other agency has committed to BEB now and will look at hydrogen fuel cell in the next 5-10 years. A “phased” approach is the more likely path to zero emissions for MST and our ZEB Rollout Plan discusses/provides that pathway forward.
- **How to Think About Long-Term Transition to ZEB** – was another session highly focused on transitioning from internal combustion powered buses to ZEBs. This session provided some new information and specifically focused some discussions on the FTA LoNo funding program and other funding sources available now. I learned about long-term transition plans and the various ZEB technologies being considered.
- **Partnering with TNCs and Private Mobility Services Part 2** – was a great session that shed light on how Uber (and possibly Lyft) has shifted towards partnerships with public transit and taxis. In addition, bikes, scooters, and other TNCs are collaborating more often with public transit agencies to provide first/last mile connections and in some instances – to provide full trips that might not otherwise be provided by a public transit agency.

In addition to the valuable learning sessions, my staff and I made new contacts with industry colleagues from across the United States. We discussed the various challenges faced within the industry and collected valuable insight and information. I connected with a transit agency in the California East Bay that is operating inductive charging infrastructure with their ZEBs. I am in contact with this agency and plan to continue collaborating to continue learning more about the challenges and opportunities they experience. Inductive charging is a technology that MST is considering as we transition towards a zero-emission fleet.

We attended APTA's Bus display and EXPO while at the conference. Staff was excited to attend the display and the EXPO. We interacted with many of our current vendors to learn about new technology and solutions. We also asked and interacted with our vendors to discuss and resolve issues experienced recently. The new ZEBs that were on display allowed staff to see and experience this new technology. We interacted with the Gillig, NovaBus, Arboc, New Flyer, and BYD ZEBs and their representatives who were on site.

Prepared by: 
Norman Tuitavuki

Date: June 21, 2022

To: Carl Sedoryk, General Manager/CEO

From: Marzette Henderson, Transportation Manager

Subject: TRIP REPORT: APTA MOBILITY CONFERENCE 2022

I attended the APTA Mobility Conference (enhanced Bus & Paratransit Conference) on May 1-4, in Columbus, Ohio. The following summarizes some of the various sessions I participated in:

- **Smart Data, Smart Mobility and Smart Cities** – This session discussed the various ways innovation is being applied to improve transit network performance and service to customers. I attended to learn more about how smart technologies are bringing new opportunities for making public transportation more convenient for riders and more efficient for transit providers and how MST might utilize these technologies, including the ITxPT communications protocol developed to standardize onboard equipment communication links across GPS, broadband, video data, and processors. Also discussed were ZEB batteries and the developments in ultracapacitors and field regeneration.
- **Data Governance, Challenges and Best Practices** – This session discussed the challenges of managing data from all modes and all aspects of transit as well as best practices, tips and tricks to help maintain visibility of operations. It is common for organizations to keep their data departmentalized; ideas were shared for developing data management plans and removing silos to improve data integration.
- **Beyond Ridership: Metrics for Measuring Transit's Value** – This session focused on looking beyond traditionally valued metrics in transit, such as, ridership, and rethinking transit's broader value to the community, business, and political leaders in the post-pandemic landscape. COTA detailed how their agency is using societal metrics, operational metrics, local economic, employment, public health, and environmental metrics for legislative advocacy.

- **Partnering with TNCs and Private Mobility Services, Part II** – This was sponsored by Uber and included panelists from agencies and organizations that have recently been working with Uber as Uber’s organizational mission shifts from being a transportation company to being a company that provides a platform for agencies to facilitate improving transit users’ experience in public transit/mobility. Notably, CUNY’s Transportation Research Technology Chair Matthew Daus discussed how Uber’s relationship with NYC Taxi transformed from being hostile under Uber’s previous leadership to a collaborative partnership as Uber, under new leadership, integrates NYC Taxi into its local platform. Pinellas County discussed how they’ve integrated TNCs into their mobility options for paratransit users.
- **Extending Transit’s Reach: Lessons from Mobility Hubs and Bike-Transit Integration** – The discussion in this session centered on the concept of transforming transportation networks through the seamless integration between transit and biking. Transit agencies are increasingly considering bike-share programs as part of their portfolio, and this trend is poised to continue. People without cars often use both public transportation and bicycles, and agencies are well-positioned to provide valuable first-mile/last-mile connections to transit services.
- **Managing and Guiding your Operations Teams to Success: The Essentials and New Technologies** – This session showcased the Transit Cooperative Research Program Project [The Impacts of Automation on the Public Transportation Workforce \(2022\)](#), which discusses identifying likely transit automation use cases and the potential effects of those use cases on the workforce. The use case for bus automation for maintenance and yard operations was described as the most likely operational model to be adopted by agencies in the near-term. Panelists also discussed the strategies their agencies have implemented to manage, recruit, and retain operator workforces, including driving mentorship programs, temporary workforce housing (up to 18 months), developing strategies for engaging under-represented recruitment candidates, and performing assessments for new-hire candidate qualifications via the web.

I also attended listening and Q&A sessions for an FTA update on transitioning fleets to zero emissions, reducing stigma and encouraging compassion and tolerance with mental health struggles, and adjusting transit services to a post-pandemic landscape as public demands evolve.

Prepared by:  _____

Marzette Henderson

Date: May 14, 2022
To: Norman K. Tuitavuki, Chief Operating Officer
From: Pat Lewis, Fleet Superintendent
Subject: **2022 APTA MOBILITY CONFERENCE**

I attended the APTA Mobility Conference on May 1ST– 4TH, in Columbus, Ohio. The following are some of the sessions I participated in:

- **Battery Bus Energy Management: Charging Strategies to Optimize Energy Use** – This learning session provided experiences from two larger transit agencies on their efforts to effectively charge or fuel their ZEBs. One agency has fully committed to battery-electric buses, but they were all set with the infrastructure to do so. The next 5 years will more than likely be many advancements in both electric and hydrogen fuel cell technologies. I am excited to be a part of these changes occurring in our industry.
- **Deconstructing Stigma: Changing Attitudes about Mental Health**
This was a topic of interest to me personally. I can always use a refresher on encouragement and compassion towards others as you do not know what issues each person you encounter during your daily activities could be dealing with and how to recognize signs of others needing assistance be it on a personal level or through employer-provided programs.
- **How to Think About Long-Term Transition to ZEB**
This session was highly focused on transitioning diesel and compressed natural gas (CNG) buses to ZEBs. This session provided some new information and specifically focused some discussions on the FTA Low to No funding and other funding sources currently available. I spoke with several folks about long-term transition plans and the various ZEB technologies and brands being considered across the industry.
- **Partnering with TNCs and Private Mobility Services Part**
This was as a great session that shed light on how TNCs have started to shift their focus to creating partnerships with public transit and taxis. In addition, bikes, scooters, and other TNCs are collaborating more often with public transit

agencies to provide first/last mile connections and in some instances – to provide full trips that might not otherwise be provided by a public transit agency.

- **Maintenance Managers Workshop**

This is always a topic of interest to me to learn new techniques and any updates on alternative fuels or battery electric power. It was very interesting to learn how the Central Ohio Transit Authority (COTA) changed its structure and improved its facilities for CNG and battery electric buses – which was quite an undertaking. This session really put Electric Vehicle (EV) training into perspective as the need for training our employees as training technologies immerse and continue to grow.

- **Entry-Level Driver Training (ELDT)**

This session provided an in-depth review and discussions on the new ELDT rule, effective February 7, 2022. The ELDT regulation set Federal standards for mandatory training. I attended to learn more about the rule update and how it was going to affect future and current MST staff.

In addition to these great sessions, I made new contacts with industry counterparts from across the States. We discussed the challenges we are facing within the industry and collaborated with others in the industry regarding ZEB.

We attended APTA's Bus display and EXPO while at the conference. We interacted with many of our current vendors to learn about new technology tricks of the trade and fixes for common problems. I interacted with Allison Transmissions to discuss and hopefully resolve issues experienced at our shops; this has brought a meeting to fruition with Allison upcoming 5/17/21 at 5:00 PM. I was able to see the Nova Bus, New Flyer, and BYD ZEBs and all their representatives. It was a great experience to have all the different bus manufacturers all in one place at the same time to do a side-by-side comparison and get feedback from other agencies.

Date: May 12, 2022

To: Norman K. Tuitavuki, Chief Operating Officer

From: Paul Lopez, Facilities Manager

Subject: 2022 APTA MOBILITY CONFERENCE

I attended the APTA Mobility Conference (enhanced Bus & Paratransit Conference) on May 1-4, in Columbus, Ohio. The following are some of the sessions I attended:



- **Repurposing Streets for Vibrant Communities and Universal Mobility**- this session provided information on pedestrian-friendly, transit-friendly streets from accommodating automobile traffic and toward people-focused streets. Jan Chan Transportation Planning Management Analyst of Culver City Bus spoke about her experience with the changes they made to their streets. The changes Culver city made were very impressive and seemed to work for their agency. I felt there were safety concerns at the bus stops to unload passengers in the bike lane seen in the pictures above. The bus would be pulling up to the stop on a ramp that bicycles would ride over while a bus would be unloading passengers. I learned that it takes

good planning and collaboration with cities to make these kinds of changes for People-Focused Streets.

- **Battery Bus Energy Management: Charging Strategies to Optimize Energy** – This session provided experiences from two larger transit agencies (Texas and Maryland) as Cap Metro TX and MTA Maryland have moved forward to battery-electric buses and have the infrastructure to support charging capacity. The agencies must consider how to manage their charging schedules so they can meet service requirements and keep energy costs down using their modeling and software systems. As both agencies are committed to battery-electric buses Maryland will look at hydrogen fuel cell buses in the future.
- **Resiliency for Battery Bus Fleet** – this session provided an overview on how Public Utilities are working with transit agencies to ensure an energy resilient bus fleet with Battery storage and Microgrid projects that will help manage energy. This would allow vehicles to charge from battery storage in case of a power outage. This system could also be used to lower demand charges and costs for charging during On-Peak hours. This is something our agency will have to start thinking about in the near future as we transition to zero emissions.
- **Battery and Fuel-cell Electric Buses Enter the Ring**– this session provided information on Comparing Battery Electric Buses to Hydrogen Fuel Cell Buses. This was a debate over the pros and cons of the two available zero-emissions technology. A key operating difference between batteries and fuel cells is batteries have a charge and discharge cycle, while fuel cell electricity is continuously charging a smaller battery inside the bus. When comparing them both it all came down to how you were going to get your power source, On the Grid charging infrastructure or Hydrogen infrastructure, and as well as the mileage range that each bus could provide. Very informative on comparing Battery Electric and Hydrogen Fuel Cell.

Thank you, Carl, for allowing me to attend this conference.

Date: May 14, 2022

To: Norman K. Tuitavuki, Chief Operating Officer

From: Frank Marcos, Maintenance Manager

Subject: 2022 Advanced Clean Transportation (ACT) Expo

I attended the ACT Expo on May 9th – 12th, in Long Beach, California. The following are some of the sessions I participated in:

- **May 9th Hydrogen Workshop. The discussion for this session included:**

- Key operational and performance characteristics of hydrogen and fuel cell technologies
- The differences in various onboard hydrogen fuel storage options
- Critical path issues for commercialization and scaling of hydrogen fuel cell vehicles in commercial fleet applications
- Hydrogen fuel safety and training considerations
- Using on-site hydrogen storage for fleet and facility resiliency

- **May 9th Expo Hall Grand Opening:**

- This was the kick-off for the Expo Hall and an opportunity to meet other industry leaders and make connections
- See and experience the latest zero-emission vehicle technology firsthand

- **May 10th Executive Round Table: The Future of Clean Fleets:**

- Industry and fleet leaders discussed exciting ideas coming to the market at blistering speeds.
- This executive panel discussed the rapidly changing landscape for zero-emission fleets, offered insight and ideas on how fleets can successfully adopt and adapt to such change, and shared their thoughts on what they believe tomorrow will bring.

- **May 10th Ride and Drive Event:**

- Fleet attendees were offered first priority during this year's two-day Ride or Drive event, giving us hands-on access to the latest and greatest clean-tech vehicles.

- **May 11th Renewable Low Carbon Fuels for Increased Fleet Sustainability:**
 - We were given an overview of the most exciting and widely utilized renewable low carbon biofuels in the market today
 - The emissions and operational benefits of renewable fuels to meet operational goals, and economic and environmental sustainability objectives
 - Why investment in renewable fuels has reached record levels and how energy majors are betting big on this solution
- **May 12th Maximizing Federal EV Infrastructure Funding:**
 - This session included the EV charging infrastructure incentive programs being implemented and what opportunities they bring to communities, cities, states, and industry.
 - The roundtable discussions also provided an opportunity for industry, aligned fleets, and other interested businesses to inform state funding plans.
 - These discussions enabled the EC to author a whitepaper to help inform state DOTs and their deployment plans to ensure grant funding can effectively scale charging infrastructure across the U.S.

Along with gaining more knowledge about the future of EV vehicles, I was also able to make connections with leaders within the industry that will help guide MST into the future of an all zero-emissions fleet.

Date: June 25, 2022
To: Carl Sedoryk, General Manager/CEO
From: Michelle Overmeyer, Director of Planning and Innovation
Subject: Trip Report for CTA Spring Legislative Conference May 18, 2022

SUMMARY:

The California Transit Association's Spring Legislative Conference was held in Sacramento on May 18, 2022.

GOAL/PURPOSE:

Attendance at this conference helped me stay informed on the latest developments in Sacramento. I was able to reconnect with colleagues from peer transit agencies across the state. The conference sessions and networking opportunity provided me with information and professional contacts that I will use in my day-to-day duties leading the planning and grants programs at MST.

ATTENDEES:

Transit operators from across California.

AGENDA:

- Exploring various legislative approaches to providing free transit services to riders, as well as the experience several transit agencies have had with fare-free pilot programs across the state;
- Status of the California High-Speed Rail Authority;
- Reviewing Governor Newsom's proposed \$6.1 billion investment in zero-emission vehicles and infrastructure, and near-term funding opportunities for transit agencies; and
- CTA's 2022 legislative and budgetary priorities.

Prepared by: 
Michelle Overmeyer

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