



Board of Directors Regular Meeting
February 5, 2018

Frank J. Lichtanski Administrative Building
Board Room, First Floor
19 Upper Ragsdale Dr., Suite 100, Monterey 93940
10:00 a.m.

TRANSPORTATION: Ride Line 8 from Monterey Transit Plaza (Munras Gate) at 9:15 a.m. or Sand City Station at 9:30 a.m. Request a taxi voucher from MST Customer Service at the board meeting for your return trip or a trip to the destination of your choice up to \$17.00.

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 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.

3. CONSENT AGENDA

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

- 3-1. Adopt Resolution 2017-13 recognizing Jeanette Alegar-Rocha, Executive Assistant/Clerk to the Board, as Employee of the Month for January 2018. (Carl Sedoryk) (Page 7)

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

Transit District Members Monterey County • Carmel-by-the-Sea • Del Rey Oaks • Gonzales • Greenfield • King City • Marina • Monterey
Pacific Grove • Salinas • Sand City • Seaside • Soledad **Administrative Offices** 19 Upper Ragsdale Drive, Suite 200 Monterey, CA 93940

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- 3-2. Adopt Resolution 2017-14 recognizing Andrea Williams, General Accounting and Budget Manager, as Employee of the Month for February 2018. (Hunter Harvath) (Page 9)
- 3-3. Adopt Resolution 2018-15 recognizing Kevin Allshouse, Mobility Specialist, as Employee of the Year 2017. (Robert Weber) (Page 11)
- 3-4. Adopt Resolution 2018-16 recognizing Kelly Halcon, Director of Human Resources and Risk Management for MST Management Excellence Award (Carl Sedoryk) (Page 13)
- 3-5. Approve Resolution 2018-17 for Community Development Block Grant (CDBG) Program. (Michelle Overmeyer) (Page 15)
- 3-6. Financial Report – November and December 2017. (Lori Lee) (Page 19)
- 3-7. Claim Rejection – Spallas and Angstadt LLP. (Ben Newman) (Page 35)
- 3-8. Minutes of the Legislative Committee on December 11, 2017. (Jeanette Alegar-Rocha) (Page 37)
- 3-9. Minutes of the MST Board Meeting on December 11, 2017. (Jeanette Alegar-Rocha) (Page 39)
- 3-10. Minutes of the MST Board Corporation Meeting on December 11, 2017. (Jeanette Alegar-Rocha) (Page 45)
- 3-11. Minutes of the MST Board Meeting and Strategic Planning Workshop on January 8, 2018. (Jeanette Alegar-Rocha) (Page 47)
- 3-12. Adopt Resolution 2018-18 Appointing MST Staff to California Transit Indemnity Pool (CalTip) Board of Directors) Carl Sedoryk (Page 51)

End of Consent Agenda

4. RECOGNITION AND SPECIAL PRESENTATIONS

- 4-1. Employee of the Month, January 201–Jeanette Alegar-Rocha, Executive Assistant/Clerk to the Board. (Carl Sedoryk)
- 4-2. Employee of the Month, February 2018 – Andrea Williams, General Accountant and Budget Manager. (Hunter Harvath)
- 4-2. Employee of the Year 2017- Kevin Allshouse, Mobility Specialist. (Robert Weber)
- 4-3. 2017 Management Excellence Award –Kelly Halcon, Director of Human Resources and Risk Management. (Carl Sedoryk)

4-4. 30 Years of Service-Patrick Hilliard, Coach Operator, (Robert Weber)

5. PUBLIC HEARINGS

None

6. ACTION ITEMS

6-1. Adopt Revised Drug and Alcohol Policy-Deanna Smith (Page 55)

6-2. Approve General Manager/CEO Contract- Kelly Halcon (Page 111)

6-3. Award Salinas Valley Express Transit Corridor Planning Study Contract in the amount of \$132,800 to Fehr and Peers. (Lisa Rheinheimer) (Page 119)

6-4. Approve expenditure of up to \$650,000 for safety and security related equipment for the Thomas D. Albert (TDA) Monterey Bay Operations and Maintenance Facility renovation/expansion project at One Ryan Ranch Road. (Hunter Harvath) (Page 121)

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 – November and December 2017 (Page 123)

7-2. Washington, D.C. Lobby Report – January 2018 (Page 165)

7-3. State Legislative Advocacy Update – November and December 2017 (Page 167)

7-4. Staff Trip Reports. (Pages 179-191)

7-5. Correspondence.

8. BOARD REPORTS, COMMENTS, AND REFERRALS

8-1. Reports on meetings attended by board members at MST expense (AB 1234) (Page 193)

8-2. Board member comments and announcements.

a) Monterey Bay Operations and Maintenance Facility Ribbon Cutting Ceremony

b) Receive an ORAL REPORT on PEPRA litigation

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.

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 Legal Counsel – Escalera Claim Settlement, Gov.Code § 54956.95: (K. Halcon) (Enclosure)

10. RETURN TO OPEN SESSION

- 10-1 Report on Closed Session and possible action

11. ATTACHMENTS

- 11-1. The detailed monthly Performance Statistics and Disbursement Journal for November 2017 and December 2017 can be viewed online within the GM Report at <http://mst.org/about-mst/board-of-directors/board-meetings/>

12. ADJOURN

NEXT MEETING DATE: March 12, 2018

19 Upper Ragsdale Dr., Suite 100, Monterey, CA 93940
Boardroom First Floor

10:00 a.m.

NEXT AGENDA DEADLINE: February 27, 2018

**Dates and times are subject to change.*

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

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

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

auxiliary aid or service at least three working days prior to the meeting. Requests should be sent to MST – c/o Clerk to the Board, 19 Upper Ragsdale Dr., Suite 200, Monterey, CA 93940 or clerk@mst.org.



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**JEANETTE ALEGAR-ROCHA
JANUARY 2018
EMPLOYEE OF THE MONTH**

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

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

WHEREAS, Jeanette Alegar-Rocha began her career with Monterey-Salinas Transit District in September of 2016 as an Executive Assistant to the General Manager/CEO and Clerk to the board; and

WHEREAS, Jeanette Alegar-Rocha continues to find ways to improve the process by which MST Board agenda and policies are prepared and help to keep the CEO on time and on track. She also managed and coordinated dozens of trips for travel to training seminars and conferences for all MST staff members; and

WHEREAS, Jeanette Alegar-Rocha has been a key player in helping keep MST staff and board morale high by helping in the planning and organization of a variety of team building luncheons, potlucks and other fun MST events; and

THEREFORE BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit District recognizes Jeanette Alegar-Rocha as Employee of the Month for January 2018; and

BE IT FURTHER RESOLVED that Jeanette Alegar-Rocha is to be congratulated for her excellent work at Monterey-Salinas Transit District.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT
PASSED AND ADOPTED RESOLUTION 2018-13 this 5th day of February 2018.

Tony Barrera
Chairperson

Carl G. Sedoryk
Secretary

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**ANDREA WILLIAMS
FEBRUARY 2018
EMPLOYEE OF THE MONTH**

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

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

WHEREAS, Andrea Williams began her career with Monterey-Salinas Transit District in February of 2014 as a General Accounting and Budget Manager. Her many years of experience and broad knowledge in the private sector helped her successfully take on her day-to-day duties at MST; and

WHEREAS, Andrea Williams is responsible for a number of large projects, including the development of the annual budget and the annual audit, which is incorporated into the MST Comprehensive Annual Financial Report (CAFR); and

WHEREAS, Andrea Williams efforts have ensured that each annual budget has been balanced and developed in a conscientious and conservative manner. She went to extraordinary lengths to work with our auditors this December to ensure that the fiscal year 2017 CAFR was completed before the end of the year deadline; and

THEREFORE BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit District recognizes Andrea Williams as Employee of the Month for February 2018; and

BE IT FURTHER RESOLVED that Andrea Williams is to be congratulated for her excellent work at Monterey-Salinas Transit District.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT
PASSED AND ADOPTED RESOLUTION 2018-14 this 5th day of February 2018.

Tony Barrera
Chairperson

Carl G. Sedoryk
Secretary

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**KEVIN ALLSHOUSE
2017
EMPLOYEE OF THE YEAR**

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

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

WHEREAS, Kevin Allshouse began his career as a Mobility Specialist with Monterey-Salinas Transit District in June of 2011; and

WHEREAS, Kevin Allshouse has successfully administered the Accessible Taxi Lease Program and the Taxi Voucher program for seniors, individuals with disabilities, and Veterans; and

WHEREAS, Kevin Allshouse was involved in establishing the Taxi ADA Certifications Training (TACT) program, which provides training to local tax cab drivers on Department of Transportation ADA service criteria requirements. Over 70 local taxi drivers have received their TACT certification, which has improved the overall taxi services for seniors, individuals with disabilities, and Veterans with our community; and

THEREFORE BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit recognizes Kevin Allshouse. as Employee of the Year for 2017; and

BE IT FURTHER RESOLVED that Kevin Allshouse is to be congratulated for his excellent work and dedication at Monterey-Salinas Transit.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT
PASSED AND ADOPTED RESOLUTION 2018-15 this 5th day of February 2018.

Tony Barrera
Chairperson

Carl G. Sedoryk
Secretary

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KELLY HALCON 2018 MANAGEMENT EXCELLENCE AWARD

WHEREAS, each year the Monterey-Salinas Transit General Manager/CEO recognizes an outstanding member of the management staff to receive the Management Excellence Award.

WHEREAS, the Management Excellence Award recipient is recognized for their positive contribution to MST and to the entire community; and

WHEREAS, Kelly Halcon began her career in June 2002 and was promoted to her position as Director of Human Resources and Risk Management with Monterey-Salinas Transit District in October 2010; and

WHEREAS, Kelly Halcon during 2017 was able to successfully complete labor agreement negotiations with the Amalgamated Transit Union Local 1225, the Monterey-Salinas Transit Association, and the General Manager CEO; and,

WHEREAS, Kelly Halcon during 2017 when faced with a critical shortage of labor that threatened the ability of MST to provide service to the community mounted a recruitment effort that resulted in the processing of 325 job applications resulting in the hiring of 32 new employees; and,

WHEREAS, Kelly Halcon during 2017 Kelly Halcon worked with our health care providers to establish a workplace wellness program that went in to effect in 2018.

THEREFORE BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit recognizes Kelly Halcon as Management Excellence Award recipient for 2017; and

BE IT FURTHER RESOLVED that Kelly Halcon is to be congratulated for her excellent work and dedication at Monterey-Salinas Transit.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT PASSED AND ADOPTED RESOLUTION 2018-16 this 5th day of February 2018.

Tony Barrera
Chairperson

Carl G. Sedoryk
Secretary

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To: Board of Directors

From: Michelle Overmeyer, Grants Analyst

Subject: Resolution 2018-17 Community Development Block Grant (CDBG) Program

RECOMMENDATION:

Approve Resolution 2018-17 authorizing MST's General Manager/CEO to execute all required documents of the Community Development Block Grant (CDBG) Program.

FISCAL IMPACT:

\$300,000 in CDBG grant funds to pay for purchase and installation of two Portland Loos and other improvements to Salinas Transit Center.

POLICY IMPLICATIONS:

Your Board must authorize the filing of the grant application requesting \$300,000 from the City of Salinas CDBG funds.

DISCUSSION:

In December 2017, you received a staff presentation on the need to improve the Salinas Transit Center. The proposed project included demolition of the existing public restrooms, expansion of the customer service window and employee break area, installation of a single Portland Loo public restroom, paint and landscaping. Board direction included revising the proposed project to include two Portland Loo public restrooms.

The City of Salinas has recently released a Notice of Funding Availability for U.S. Department of Housing and Urban Development Community Development Block Grants (CDBG). This program funds community development needs, including public infrastructure. Staff is preparing a grant application requesting CDBG funds to help pay for planned improvements to the Salinas Transit Center. If awarded funding, MST would use CDBG funds for site

work, landscape, painting, and the purchase and installation of two Portland Loo public restrooms.

To receive these funds, your Board must approve the attached resolution which authorizes the General Manager/ CEO to execute all required documents of the CDBG program.

ATTACHMENT: Resolution 2018-17

PREPARED BY  REVIEWED BY 
Michelle Overmeyer Carl G. Sedoryk

RESOLUTION 2018-17

**RESOLUTION OF THE MONTEREY-SALINAS TRANSIT
BOARD OF DIRECTORS AUTHORIZING SUBMITTAL
OF APPLICATION(S) FOR CITY OF SALINAS,
ENTITLEMENT COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) FUNDS**

WHEREAS, the City of Salinas annually receives Entitlement Community Development Block Grant (CDBG) funds from the United States Department of Housing and Urban Development (HUD); and

WHEREAS, in furtherance of this authority the City of Salinas is required to establish necessary procedures governing the application, awarding and management of its CDBG grants; and

WHEREAS, the CDBG program procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the CDBG grants.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit authorizes the submittal of application(s) to City of Salinas Entitlement CDBG program for all grants for which Monterey-Salinas Transit may be eligible.

BE IT FURTHER RESOLVED that the General Manager/CEO, or its designee, is hereby authorized and empowered to execute on behalf of Monterey-Salinas Transit all Grant-related documents, including, but not limited to, Applications, Payment Requests, Funding Agreements, and Amendments necessary to secure grant funds and to implement the approved grant project; and

BE IT FURTHER RESOLVED that these authorizations are effective for two (2) years from the date of adoption of this resolution.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT this 5th day of February 2018 by the following vote:

AYES:

NOES:

ABSENT:

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To: Board of Directors
From: Lori Lee
Subject: Financial Reports – November 2017

RECOMMENDATION:

1. Accept report of November 2017 cash flow presented in Attachment #1
2. Approve November 2017 disbursements listed in Attachment #2
3. Accept report of November 2017 treasury transactions listed in Attachment #3

FISCAL IMPACT:

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

| | |
|------------------------------------|-----------------------------|
| Beginning balance November 1, 2017 | \$12,908,665.81 |
| Revenues | 4,795,726.81 |
| Disbursements | <u><5,039,585.75></u> |
| Ending balance November 30, 2017 | <u>\$12,664,806.87</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:

At the end of the first five months of the fiscal year, the District continues to manage its expenses, resulting with a year-to-date surplus of \$1,707,908 on the fixed-route side of the budget. MST RIDES is also showing a positive variance on revenues, resulting in a \$16,707 surplus year to date.

The following fixed-route expenses have negative variances of greater than 5% or have a monetary value greater than \$5,000 as seen in the October Budget vs. Actual reports contained in Attachment #4:

1. **Benefits** – much of the 8.1% negative variance in this category can be attributed to the fact that there are three paid holidays in November: Veterans Day, Thanksgiving Day, and the day after Thanksgiving.
2. **Leases & Rentals** – The 6.1% negative variance in this category is caused by the rental of temporary restroom facilities.

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

PREPARED BY: _____
Lori Lee

REVIEWED BY: _____
Hunter Harvath

(REVENUES & DISBURSEMENTS)**CASH FLOW**

| | | |
|--------------------------------|--------------|-----------------------------|
| Beginning balance 11/01/17 | | 12,908,665.81 |
| Revenues | | |
| Passenger Revenue | 343,995.31 | |
| DOD Revenue | 460,240.00 | |
| LTF / STA / 5307 | 1,581,027.14 | |
| Sales Tax | 827,800.00 | |
| Grants | 1,542,804.99 | |
| Interest Income | 1,004.03 | |
| Non Transit Revenue | 38,855.34 | |
| Total Revenues | | 4,795,726.81 |
| Disbursements | | |
| Operations (See Attachment #2) | 2,719,044.29 | |
| Capital | 2,320,541.46 | |
| Total Disbursements | | (5,039,585.75) |
| Ending balance 11/30/17 | | <u>12,664,806.87</u> |

COMPOSITION OF ENDING BALANCE

| | |
|---|-----------------------------|
| Checking - Rabo Bank | 398,640.81 |
| Checking(s) - Wells Fargo Bank | - |
| Local Agency Investment Fund (LAIF) | 5,357,948.92 |
| Money Market - Homeland Security | 789,021.42 |
| Money Market - Rabo MM | 3,678,306.65 |
| Money Market - PTMISEA | 815,825.02 |
| Money Market - LCTOP | 586,408.43 |
| Money Market - Rabo Prop. 1 B | 1,019,125.17 |
| Bank of America - Escrow | 8,985.45 |
| Petty cash fund, STC Coin Machine, and 2 change funds | 10,545.00 |
| Total | <u>12,664,806.87</u> |

PAYROLL ACCOUNT

| | | |
|--|--------------|--------------|
| November 9 Payroll & Related Expenses | 573,673.90 | |
| November 24 Payroll & Related Expenses | 620,448.02 | |
| Pers & 457 | 213,885.79 | |
| Garnishments | 5,607.58 | |
| Payroll adj | | |
| | <hr/> | |
| | 1,413,615.29 | 1,413,615.29 |

GENERAL ACCOUNT

| | | |
|-----------------------------------|--------------|--------------|
| Disbursements on Attached Summary | 3,563,897.71 | |
| Paydown loan | 13,342.63 | |
| Workers Comp. Disbursements | 35,857.04 | |
| Interest expense | 5,964.92 | |
| Bank Service Charge | 6,908.16 | |
| | <hr/> | |
| | 3,625,970.46 | 3,625,970.46 |

| | | |
|---------------------|-------|--------------|
| Total Disbursements | <hr/> | 5,039,585.75 |
|---------------------|-------|--------------|

| | | |
|--|-------|----------------|
| Less Capital Disbursements & Transfers | <hr/> | (2,320,541.46) |
|--|-------|----------------|

| | | |
|--------------------------------|-------|----------------------------|
| Operating Disbursements | <hr/> | <u>2,719,044.29</u> |
|--------------------------------|-------|----------------------------|

DISBURSEMENTS SUMMARY
GENERAL ACCOUNT DISBURSEMENTS FOR November 01, 2017 - November 30, 201

| VENDOR / DESCRIPTION | CHECKS | AMOUNT |
|-----------------------------|---------------|----------------------------|
| Accounts Payable 11/03/2017 | 46870 - 46933 | 832,622.67 |
| Accounts Payable 11/07/2017 | 46934 - 46949 | 2,313,780.10 |
| Accounts Payable 11/09/2017 | 46950 - 46058 | 13,523.06 |
| Accounts Payable 11/14/2017 | 46059 - 46973 | 1,023.89 |
| Accounts Payable 11/17/2017 | 46974 - 47093 | 375,507.17 |
| Accounts Payable 11/27/2017 | 47094 - 47100 | 27,440.82 |
| TOTAL | | <u>3,563,897.71</u> |

CHECKS \$100,000 AND OVER

| VENDOR / DESCRIPTION | BOARD APPROVED | CHECK NUMBER | CHECK DATE | AMOUNT |
|--------------------------------|---------------------------------|-------------------------|-----------------------|---------------|
| BLUESCOPE CONSTRUCTION | TDA Rehab September 19, 2016 | 46935 | 11/7/17 | 2,094,232.71 |
| MV TRANSPORTATION SERVICES INC | Recurring Expense | 46910 | 11/3/17 | 694,953.41 |

TREASURY TRANSACTIONS
FOR NOVEMBER 2017

LAIF ACCOUNT

| <u>Date</u> | <u>Account</u> | <u>Bank</u> | <u>Deposit</u> | <u>Withdrawal</u> | <u>Balance</u> |
|---|----------------|------------------------|----------------|-------------------|----------------|
| Balance Forward at 11/01/17 | | | | | 7,357,948.92 |
| 11/8/17 | 687 | to MM Account Rabobank | | 2,000,000.00 | 5,357,948.92 |
| | | | | | 5,357,948.92 |
| Local Agency Investment Fund: Quarterly interest earned - .92% | | | | | - |
| | | | | | 5,357,948.92 |
| LAIF Treasury Balance at 11/30/17 | | | | | 5,357,948.92 |

RABOBANK MM ACCOUNT

| <u>Date</u> | <u>Account</u> | <u>Bank</u> | <u>Deposit</u> | <u>Withdrawal</u> | <u>Balance</u> |
|-----------------------------|----------------|-----------------------|----------------|-------------------|----------------|
| Balance Forward at 11/01/17 | | | | | 1,889,657.95 |
| 11/03/17 | LAIF Trust | from CC Clearing | 481,000.00 | | 2,370,657.95 |
| 11/03/17 | 308 | to AP/Payroll | | 950,000.00 | 1,420,657.95 |
| 11/08/17 | 308 | to AP/Payroll | 2,000,000.00 | | 3,420,657.95 |
| 11/08/17 | 308 | from LAIF Trust | | 2,850,000.00 | 570,657.95 |
| 11/16/17 | 479 | from General Checking | 2,100,000.00 | | 2,670,657.95 |
| 11/17/17 | 308 | LCTOP | 46,262.18 | | 2,716,920.13 |
| 11/21/17 | 308 | LAIF | 1,581,027.14 | | 4,297,947.27 |
| 11/22/17 | 308 | to AP/Payroll | | 720,000.00 | 3,577,947.27 |
| 11/30/17 | 479 | from CC Clearing | 100,000.00 | | 3,677,947.27 |
| 11/30/17 | | Interest @ 0.30% | 359.38 | | 3,678,306.65 |
| RABO MM Balance at 11/30/17 | | | | | 3,678,306.65 |

MONTEREY-SALINAS TRANSIT**Revenue & Expense - Consolidated**

Budget vs Actual

For the Period from November 1, 2017 to November 30, 2017

(Amounts are in USD)

(Includes Fund: 001|004)

(Includes G/L Budget Name: BUDFY18)

| | Cur Mo. Actual | Cur Mo. Budget | Cur Mo. Variance | YTD Actual | YTD Budget | YTD Variance |
|------------------------------------|-------------------|-------------------|------------------|--------------------|--------------------|-------------------|
| Revenue | | | | | | |
| Passenger Fares | -280,987 | -350,659 | 69,672 | -1,657,237 | -1,753,295 | 96,058 |
| Special Transit | -546,182 | -501,121 | -45,061 | -2,984,202 | -2,505,605 | -478,597 |
| Cash Revenue | -27,228 | -26,936 | -292 | -179,268 | -134,680 | -44,588 |
| Cash Grants & Reimbursement | -2,644,194 | -2,616,657 | -27,537 | -13,108,454 | -13,083,285 | -25,169 |
| Total Revenue | -3,498,592 | -3,495,373 | -3,219 | -17,929,161 | -17,476,865 | -452,296 |
| Expenses | | | | | | |
| Labor | 1,189,612 | 1,340,540 | -150,928 | 6,431,260 | 6,702,700 | -271,440 |
| Benefits | 863,088 | 793,407 | 69,681 | 3,889,247 | 3,967,035 | -77,788 |
| Advertising & Marketing | 4,308 | 4,919 | -611 | 27,566 | 24,595 | 2,971 |
| Professional & Technical | 47,475 | 73,361 | -25,886 | 329,838 | 366,805 | -36,967 |
| Outside Services | 22,916 | 35,126 | -12,210 | 141,912 | 175,630 | -33,718 |
| Outside Labor | 83,775 | 106,366 | -22,591 | 437,578 | 531,830 | -94,252 |
| Fuel & Lubricants | 209,596 | 296,927 | -87,331 | 1,028,179 | 1,484,635 | -456,456 |
| Supplies | 55,041 | 82,842 | -27,801 | 350,943 | 414,210 | -63,267 |
| Vehicle Maintenance | 89,222 | 94,334 | -5,112 | 413,178 | 471,670 | -58,492 |
| Marketing Supplies | 871 | 2,876 | -2,005 | 5,052 | 14,380 | -9,328 |
| Utilities | 35,422 | 44,690 | -9,268 | 184,583 | 223,450 | -38,867 |
| Insurance | 53,414 | 61,074 | -7,660 | 272,739 | 305,370 | -32,631 |
| Taxes | 15,520 | 17,387 | -1,867 | 77,257 | 86,935 | -9,678 |
| Purchased Transportation | 375,107 | 443,582 | -68,475 | 2,081,862 | 2,217,910 | -136,048 |
| Miscellaneous Expenses | 45,248 | 51,676 | -6,428 | 310,079 | 258,380 | 51,699 |
| Interfund transfers | | | | | | |
| Pass Thru/Behalf of Others | | 717 | -717 | | 3,585 | -3,585 |
| Interest Expense | 9,358 | 9,250 | 108 | 47,027 | 46,250 | 777 |
| Leases & Rentals | 38,523 | 36,299 | 2,224 | 192,956 | 181,495 | 11,461 |
| Total Operating Expenses | 3,138,497 | 3,495,373 | -356,876 | 16,221,256 | 17,476,865 | -1,255,609 |
| Operating (Surplus) Deficit | -360,095 | | -360,095 | -1,707,906 | | -1,707,906 |

NOTES

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MONTEREY-SALINAS TRANSIT

Revenue & Expense - Consolidated

Budget vs Actual

For the Period from November 1, 2017 to November 30, 2017

(Amounts are in USD)

(Includes Fund: 002)

(Includes G/L Budget Name: BUDFY18)

| | Cur Mo. Actual | Cur Mo. Budget | Cur Mo. Variance | YTD Actual | YTD Budget | YTD Variance |
|------------------------------------|-----------------|-----------------|------------------|-------------------|-------------------|----------------|
| Revenue | | | | | | |
| Passenger Fares | -20,876 | -19,454 | -1,422 | -139,996 | -97,270 | -42,726 |
| Special Transit | | | | | | |
| Cash Revenue | | | | | | |
| Cash Grants & Reimbursement | -363,599 | -363,599 | | -1,817,995 | -1,817,995 | |
| Total Revenue | -384,475 | -383,053 | -1,422 | -1,957,991 | -1,915,265 | -42,726 |
| Expenses | | | | | | |
| Labor | 10,732 | 9,573 | 1,159 | 57,188 | 47,865 | 9,323 |
| Benefits | 10,318 | 4,862 | 5,456 | 31,709 | 24,310 | 7,399 |
| Advertising & Marketing | | | | | | |
| Professional & Technical | 571 | 417 | 154 | 3,986 | 2,085 | 1,901 |
| Outside Services | | | | | | |
| Outside Labor | 3,602 | 7,042 | -3,440 | 17,850 | 35,210 | -17,360 |
| Fuel & Lubricants | 41,260 | 43,378 | -2,118 | 193,586 | 216,890 | -23,304 |
| Supplies | 119 | 2,044 | -1,925 | 1,123 | 10,220 | -9,097 |
| Vehicle Maintenance | | | | | | |
| Marketing Supplies | | | | | | |
| Utilities | 160 | | 160 | 360 | | 360 |
| Insurance | | | | | | |
| Taxes | | | | | | |
| Purchased Transportation | 310,255 | 295,650 | 14,605 | 1,535,841 | 1,478,250 | 57,591 |
| Miscellaneous Expenses | 19,940 | 20,087 | -147 | 99,640 | 100,435 | -795 |
| Interfund transfers | | | | | | |
| Pass Thru/Behalf of Others | | | | | | |
| Interest Expense | | | | | | |
| Leases & Rentals | | | | | | |
| Total Operating Expenses | 396,956 | 383,053 | 13,903 | 1,941,284 | 1,915,265 | 26,019 |
| Operating (Surplus) Deficit | 12,481 | | 12,481 | -16,707 | | -16,707 |

NOTES

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To: Board of Directors
From: Lori Lee
Subject: Financial Reports – December 2017

RECOMMENDATION:

1. Accept report of December 2017 cash flow presented in Attachment #1
2. Approve December 2017 disbursements listed in Attachment #2
3. Accept report of December 2017 treasury transactions listed in Attachment #3

FISCAL IMPACT:

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

| | |
|------------------------------------|-----------------------------|
| Beginning balance December 1, 2017 | \$12,664,806.87 |
| Revenues | 3,413,845.78 |
| Disbursements | <u><5,731,842.03></u> |
| Ending balance December 31, 2017 | <u>\$10,346,810.62</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:

At the end of the first six months of the fiscal year, the District continues to manage its expenses, resulting with a year-to-date surplus of \$2,060,670 on the fixed-route side of the budget. MST RIDES is also showing a positive variance on revenues, resulting in a \$26,102 surplus year to date.

The following fixed-route expenses have negative variances of greater than 5% or have a monetary value greater than \$5,000 as seen in the December Budget vs. Actual reports contained in Attachment #4:

1. **Benefits** – much of the 17.9% negative variance in this category can be attributed to the fact that there are three paid holidays in December: Christmas Eve, Christmas Day, and New Year's Eve. In addition, most MST administrative staff use personal leave during the week between Christmas and New Years when the MST Administrative Offices are closed.

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

PREPARED BY: _____
Lori Lee

REVIEWED BY: _____
Hunter Harvath

PAYROLL ACCOUNT

| | | |
|--|--------------|--------------|
| December 8 Payroll & Related Expenses | 605,252.77 | |
| December 22 Payroll & Related Expenses | 593,065.34 | |
| PERS & 457 | 290,272.29 | |
| Garnishments | 5,794.50 | |
| PERS Health Insurance | 328,955.04 | |
| | <hr/> | |
| | 1,823,339.94 | 1,823,339.94 |

GENERAL ACCOUNT

| | | |
|-----------------------------------|--------------|--------------|
| Disbursements on Attached Summary | 3,839,209.45 | |
| Paydown loan | 13,583.19 | |
| Workers Comp. Disbursements | 30,741.19 | |
| Interest expense | 5,724.36 | |
| Bank Service Charge | 19,243.90 | |
| | <hr/> | |
| | 3,908,502.09 | 3,908,502.09 |

| | | |
|---------------------|-------|--------------|
| Total Disbursements | <hr/> | 5,731,842.03 |
|---------------------|-------|--------------|

| | | |
|--|--|----------------|
| Less Capital Disbursements & Transfers | | (2,674,191.92) |
|--|--|----------------|

| | | |
|--------------------------------|--|----------------------------|
| Operating Disbursements | | <u>3,057,650.11</u> |
|--------------------------------|--|----------------------------|

PAYROLL ACCOUNT

| | | |
|--|--------------|--------------|
| December 8 Payroll & Related Expenses | 605,252.77 | |
| December 22 Payroll & Related Expenses | 593,065.34 | |
| PERS & 457 | 290,272.29 | |
| Garnishments | 5,794.50 | |
| PERS Health Insurance | 328,955.04 | |
| | <hr/> | |
| | 1,823,339.94 | 1,823,339.94 |

GENERAL ACCOUNT

| | | |
|-----------------------------------|--------------|--------------|
| Disbursements on Attached Summary | 3,839,209.45 | |
| Paydown loan | 13,583.19 | |
| Workers Comp. Disbursements | 30,741.19 | |
| Interest expense | 5,724.36 | |
| Bank Service Charge | 19,243.90 | |
| | <hr/> | |
| | 3,908,502.09 | 3,908,502.09 |

| | | |
|---------------------|-------|--------------|
| Total Disbursements | <hr/> | 5,731,842.03 |
|---------------------|-------|--------------|

| | | |
|--|--|----------------|
| Less Capital Disbursements & Transfers | | (2,674,191.92) |
|--|--|----------------|

| | | |
|--------------------------------|--|-----------------------------------|
| Operating Disbursements | | <u><u>3,057,650.11</u></u> |
|--------------------------------|--|-----------------------------------|

DISBURSEMENTS SUMMARY
GENERAL ACCOUNT DISBURSEMENTS FOR November 01, 2017 - November 30, 201

| VENDOR / DESCRIPTION | CHECKS | AMOUNT |
|-----------------------------|---------------|----------------------------|
| Accounts Payable 11/03/2017 | 46870 - 46933 | 832,622.67 |
| Accounts Payable 11/07/2017 | 46934 - 46949 | 2,313,780.10 |
| Accounts Payable 11/09/2017 | 46950 - 46058 | 13,523.06 |
| Accounts Payable 11/14/2017 | 46059 - 46973 | 1,023.89 |
| Accounts Payable 11/17/2017 | 46974 - 47093 | 375,507.17 |
| Accounts Payable 11/27/2017 | 47094 - 47100 | 27,440.82 |
| TOTAL | | <u>3,563,897.71</u> |

CHECKS \$100,000 AND OVER

| VENDOR / DESCRIPTION | BOARD APPROVED | CHECK NUMBER | CHECK DATE | AMOUNT |
|--------------------------------|---------------------------------|-------------------------|-----------------------|---------------|
| BLUESCOPE CONSTRUCTION | TDA Rehab September 19, 2016 | 46935 | 11/7/17 | 2,094,232.71 |
| MV TRANSPORTATION SERVICES INC | Recurring Expense | 46910 | 11/3/17 | 694,953.41 |

TREASURY TRANSACTIONS
FOR DECEMBER 2017**LAIF ACCOUNT**

| <u>Date</u> | <u>Account</u> | <u>Bank</u> | <u>Deposit</u> | <u>Withdrawal</u> | <u>Balance</u> |
|---|----------------|-------------|----------------|-------------------|----------------|
| Balance Forward at 12/01/17 | | | | | 5,357,948.92 |
| Local Agency Investment Fund: Quarterly interest earned - .92% | | | | | |
| | | | 18,822.31 | | 5,376,771.23 |
| LAIF Treasury Balance at 12/31/17 | | | | | 5,376,771.23 |

RABOBANK MM ACCOUNT

| <u>Date</u> | <u>Account</u> | <u>Bank</u> | <u>Deposit</u> | <u>Withdrawal</u> | <u>Balance</u> |
|-----------------------------|----------------|------------------|----------------|-------------------|----------------|
| Balance Forward at 12/01/17 | | | | | 3,678,306.65 |
| 12/01/17 | 308 | to AP/Payroll | | 1,180,000.00 | 2,498,306.65 |
| 12/05/17 | 212 | from CC Clearing | 400,000.00 | | 2,898,306.65 |
| 12/07/17 | 308 | to AP/Payroll | | 720,000.00 | 2,178,306.65 |
| 12/08/17 | 479 | LAIF | 519,750.68 | | 2,698,057.33 |
| 12/13/17 | 308 | to AP/Payroll | | 1,475,000.00 | 1,223,057.33 |
| 12/22/17 | 308 | to AP/Payroll | | 200,000.00 | 1,023,057.33 |
| 12/29/17 | 212 | from CC Clearing | 440,000.00 | | 1,463,057.33 |
| 12/31/17 | | Interest @ 0.30% | 279.95 | | 1,463,337.28 |
| RABO MM Balance at 12/31/17 | | | | | 1,463,337.28 |

MONTEREY-SALINAS TRANSIT**Revenue & Expense - Consolidated**

Budget vs Actual

For the Period from December 1, 2017 to December 31, 2017

(Amounts are in USD)

(Includes Fund: 001|004)

(Includes G/L Budget Name: BUDFY18)

| | Cur Mo. Actual | Cur Mo. Budget | Cur Mo. Variance | YTD Actual | YTD Budget | YTD Variance |
|------------------------------------|-------------------|-------------------|------------------|--------------------|--------------------|-------------------|
| Revenue | | | | | | |
| Passenger Fares | -296,350 | -350,659 | 54,309 | -1,953,587 | -2,103,954 | 150,367 |
| Special Transit | -549,611 | -501,121 | -48,490 | -3,533,814 | -3,006,726 | -527,088 |
| Cash Revenue | -43,878 | -26,936 | -16,942 | -223,146 | -161,616 | -61,530 |
| Cash Grants & Reimbursement | -2,616,065 | -2,616,657 | 592 | -15,724,519 | -15,699,942 | -24,577 |
| Total Revenue | -3,505,904 | -3,495,373 | -10,531 | -21,435,065 | -20,972,238 | -462,827 |
| Expenses | | | | | | |
| Labor | 1,197,880 | 1,340,540 | -142,660 | 7,629,140 | 8,043,240 | -414,100 |
| Benefits | 935,628 | 793,407 | 142,221 | 4,824,875 | 4,760,442 | 64,433 |
| Advertising & Marketing | 7,930 | 4,919 | 3,011 | 35,496 | 29,514 | 5,982 |
| Professional & Technical | 40,097 | 73,361 | -33,264 | 369,935 | 440,166 | -70,231 |
| Outside Services | 29,309 | 35,126 | -5,817 | 171,221 | 210,756 | -39,535 |
| Outside Labor | 51,861 | 106,366 | -54,505 | 489,439 | 638,196 | -148,757 |
| Fuel & Lubricants | 179,881 | 296,927 | -117,046 | 1,208,060 | 1,781,562 | -573,502 |
| Supplies | 59,532 | 82,842 | -23,310 | 410,476 | 497,052 | -86,576 |
| Vehicle Maintenance | 77,833 | 94,334 | -16,501 | 491,011 | 566,004 | -74,993 |
| Marketing Supplies | 587 | 2,876 | -2,289 | 5,639 | 17,256 | -11,617 |
| Utilities | 34,860 | 44,690 | -9,830 | 219,443 | 268,140 | -48,697 |
| Insurance | 53,935 | 61,074 | -7,139 | 326,674 | 366,444 | -39,770 |
| Taxes | 11,900 | 17,387 | -5,487 | 89,156 | 104,322 | -15,166 |
| Purchased Transportation | 391,155 | 443,582 | -52,427 | 2,473,017 | 2,661,492 | -188,475 |
| Miscellaneous Expenses | 48,245 | 51,676 | -3,431 | 358,324 | 310,056 | 48,268 |
| Interfund transfers | | | | | | |
| Pass Thru/Behalf of Others | | 717 | -717 | | 4,302 | -4,302 |
| Interest Expense | 9,104 | 9,250 | -146 | 56,131 | 55,500 | 631 |
| Leases & Rentals | 23,404 | 36,299 | -12,895 | 216,360 | 217,794 | -1,434 |
| Total Operating Expenses | 3,153,139 | 3,495,373 | -342,234 | 19,374,395 | 20,972,238 | -1,597,843 |
| Operating (Surplus) Deficit | -352,765 | | -352,765 | -2,060,670 | | -2,060,670 |

NOTES

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MONTEREY-SALINAS TRANSIT**Revenue & Expense - Consolidated**

Budget vs Actual

For the Period from December 1, 2017 to December 31, 2017

(Amounts are in USD)

(Includes Fund: 002)

(Includes G/L Budget Name: BUDFY18)

| | Cur Mo. Actual | Cur Mo. Budget | Cur Mo. Variance | YTD Actual | YTD Budget | YTD Variance |
|------------------------------------|-----------------|-----------------|------------------|-------------------|-------------------|----------------|
| Revenue | | | | | | |
| Passenger Fares | -32,070 | -19,454 | -12,616 | -172,066 | -116,724 | -55,342 |
| Special Transit | | | | | | |
| Cash Revenue | | | | | | |
| Cash Grants & Reimbursement | -363,599 | -363,599 | | -2,181,594 | -2,181,594 | |
| Total Revenue | -395,669 | -383,053 | -12,616 | -2,353,660 | -2,298,318 | -55,342 |
| Expenses | | | | | | |
| Labor | 13,228 | 9,573 | 3,655 | 70,416 | 57,438 | 12,978 |
| Benefits | 9,555 | 4,862 | 4,693 | 41,264 | 29,172 | 12,092 |
| Advertising & Marketing | | | | | | |
| Professional & Technical | | 417 | -417 | 3,986 | 2,502 | 1,484 |
| Outside Services | | | | | | |
| Outside Labor | 4,634 | 7,042 | -2,408 | 22,484 | 42,252 | -19,768 |
| Fuel & Lubricants | 28,783 | 43,378 | -14,595 | 222,369 | 260,268 | -37,899 |
| Supplies | 3,539 | 2,044 | 1,495 | 4,662 | 12,264 | -7,602 |
| Vehicle Maintenance | | | | | | |
| Marketing Supplies | | | | | | |
| Utilities | 120 | | 120 | 480 | | 480 |
| Insurance | | | | | | |
| Taxes | | | | | | |
| Purchased Transportation | 306,496 | 295,650 | 10,846 | 1,842,337 | 1,773,900 | 68,437 |
| Miscellaneous Expenses | 19,920 | 20,087 | -167 | 119,560 | 120,522 | -962 |
| Interfund transfers | | | | | | |
| Pass Thru/Behalf of Others | | | | | | |
| Interest Expense | | | | | | |
| Leases & Rentals | | | | | | |
| Total Operating Expenses | 386,275 | 383,053 | 3,222 | 2,327,559 | 2,298,318 | 29,241 |
| Operating (Surplus) Deficit | -9,394 | | -9,394 | -26,102 | | -26,102 |

To: Board of Directors
From: Ben Newman, Risk Manager
Subject: Liability Claim Rejection

RECOMMENDATION:

Reject claim by the claimant below.

FISCAL IMPACT:

\$11,243,570

POLICY IMPLICATIONS:

None

DISCUSSION:

The claim was submitted on January 18, 2018 from Phillips Spallas & Angstadt LLP who are representing Wal-Mart Stores. The claim is from an alleged accident that occurred on Wal-Mart property on November 15, 2015. The claim alleges an MST bus (operated by MV Transportation) may be involved in this case.

After conducting a preliminary investigation into this matter, it is determined that Monterey-Salinas Transit has no liability in this claim and recommends that it be rejected in its entirety.

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

PREPARED BY:  REVIEWED BY: 
Ben Newman Carl Sedoryk

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Legislative Committee
19 Upper Ragsdale Drive, Suite 200
Monterey, CA 93940

Minutes
December 11, 2017
9:00 a.m.

Present: Directors: Barrera (Chair), Albert, Alejo, Clark, Hardy, Carbone

Absent: None

Staff: Carl Sedoryk, General Manager/CEO; Hunter Harvath, Assistant General Manager; Lisa Rheinheimer, Director of Planning & Marketing, Dave Laredo, De Lay & Laredo; Jeanette Alegar-Rocha, Clerk to the Board, Eva Perez, Office Administrator

Public: Don Parslow

1. Call to Order.

Chairperson Barerra called the meeting to order at 9:00 a.m.

2. Public Comment on Matters Not on the Agenda.

None

3. Presentations

Public Comment- None

3-1. Receive Federal Legislative Update and recommend approval of the proposed MST 2018 Federal Legislative Program to the Board of Directors. (Don Gilchrest and Hunter Harvath)

Director Carbone arrived at 9:02 am

Director Alejo arrived at 9:20 am

Don Gilchrest of Thomas Walters and Associates presented the 2017 year end Federal Legislative Update and Hunter Harvath presented the 2018 Federal Legislative Program to the MST Board of Directors for approval.

Director Alejo moved for recommendation to the board which was seconded by Director Clark. The motion was passed unanimously.

- 3-2. Receive State Legislative Update and recommend approval of the proposed MST 2018 State Legislative Program to the Board of Directors.
(Hunter Harvath)

Director Alejo moved for recommendation to the board which was seconded by Director Carbone. The motion was passed unanimously.

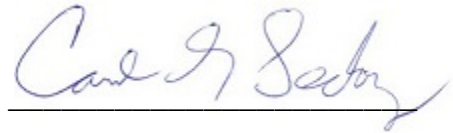
4. Adjourn.

There being no further business, the meeting was adjourned at 9:50 a.m.

Prepared by: _____



Reviewed by: _____



MST BOARD OF DIRECTORS

Frank J. Lichtanski Administrative Building
19 Upper Ragsdale Dr., Suite 100, Monterey 93940

MINUTES
December 11, 2017

1. CALL TO ORDER

1-1. Roll Call.

1-2. Pledge of Allegiance.

Chair Barrera called the meeting to order at 10:00 a.m. Roll call was taken and the pledge of allegiance followed and was led by Director Albert.

1-3. Review Highlights of the agenda.

Mr. Sedoryk reviewed the highlights of the agenda.

| | | |
|-----------------|--------------------|---------------------------|
| Present: | Carolyn Hardy | City of Carmel-by-the-Sea |
| | Kristin Clark | City of Del Rey Oaks |
| | Robert Bonincontri | City of Gonzales |
| | Yanely Martinez | City of Greenfield |
| | Mike LeBarre | City of King |
| | Frank O'Connell | City of Marina |
| | Dan Albert | City of Monterey |
| | Ken Cuneo | City of Pacific Grove |
| | Tony Barrera | City of Salinas |
| | Mary Ann Carbone | City of Sand City |
| | David Pacheco | City of Seaside |
| | Anna Velazquez | City of Soledad |
| | Luis Alejo | County of Monterey |

Absent: None

| | | |
|---------------|------------------|------------------------------------|
| Staff: | Carl Sedoryk | General Manager/CEO |
| | Hunter Harvath | Assistant General Manager |
| | Norman Tuatavuki | Deputy Chief Operating Officer |
| | Kelly Halcon | Director of HR & Risk Management |
| | Mark Eccles | Director of Information Technology |
| | Lisa Rheinheimer | Director of Planning and Marketing |

| | |
|-----------------------|---|
| Jeanette Alegar-Rocha | Executive Assistant /Clerk to the Board |
| Eva Perez | Office Administrator |
| Beronica Carriedo | Community Relations Coordinator |
| Andrea Williams | Accountant and Budget Manager |
| Zöe Shoats | Marketing Manager |
| Alvin Johnson | Contract Transportation Supervisor |
| Cristy Subago | Mobility Services Manager |
| Edwin Marticorena | Mobility Coordinator |
| Dave Laredo | De Lay & Laredo |
| Heidi Quinn | De Lay & Laredo |
| Tiziano Minnelli | Coach Operator |
| Elena Grigorichina | Operations Analyst |

| | | |
|----------------|---------------|-----------------------------|
| Public: | Don Gilchrest | Thomas Walters & Associates |
| | Don Parslow | MV Trans |
| | Javier Gomez | County of Monterey |

Apology is made for any misspelling of a name.

2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

An anonymous speaker representing the Monterey peninsula requested Measure Q Funds be used to create more frequent bus routes to help transport the elderly to medical appointments. Carl Sedoryk informed that MST staff is available meet and discuss this matter.

3. CONSENT AGENDA

- 3-1. Adopt Resolution 2018-10 recognizing Tiziano Minelli, Coach Operator, Employee of the Month for December 2017.
- 3-2. Minutes of the regular meeting of November 13, 2017.
- 3-3. Minutes of the Marketing Committee Meeting of November 13, 2017.
- 3-4. Financial Report – October 2017.
- 3-5. Receive Mobility Advisory Committee Meeting Minutes of September 27, 2017.
- 3-6. Receive 2018 board calendar and conference schedule.
- 3-7. Receive report on MST Mobility Mileage Reimbursement Pilot Program.
- 3-8. Authorize Lease of MST Property for Verizon Wireless communications tower.

Public Comment – none

Chair Barrera pulled item 3-7 for discussion. Director Alejo made the motion to approve all remaining items on the consent agenda and was seconded by Director LeBarre. The motion passed unanimously.

Cristy Subago presented a report on item 3-7 for the MST Mobility Mileage Reimbursement Pilot Program to the board which will reimburse .40 cents per mile up to 250 miles per month to compensate volunteer drivers in underserved and isolated MST service locations.

Director Cuneo made the motion to approve item 3-7 and was seconded by director LeBarre. The motion passed unanimously.

4. RECOGNITION AND SPECIAL PRESENTATIONS

Public Comment – none

4-1. December Employee of the Month

Norman Tuitavuki, Deputy Chief Operations Officer recognized Tiziano Minelli for his outstanding service to MST and the entire community.

5. PUBLIC HEARINGS

None

6. ACTION ITEMS

Public Comment- None

6-1. Approve extension of General Manager/CEO contract.

Public Comment- None

Director Hardy made the motion to approve the contract extension and was seconded by Director Martinez. The motion passed unanimously.

6-2. Receive presentation of Thomas Walters & Associates end of year update and approve 2018 Federal Legislative Program.

Public Comment- None

Director Alejo made the motion to approve the 2018 Federal Legislative Program and was seconded by Director Carbone. The motion passed unanimously.

6-3. Receive and approve 2018 State Legislative Program.

Public Comment- None

Director Alejo made the motion to approve the 2018 State Legislative Program and was seconded by Director LeBarre. The motion passed unanimously.

- 6-4. Approve expenditure of up to \$420,000 to add employee restroom, demolish existing outdated customer restroom and install a modern “Portland Loo” style public restroom at the Salinas Transit Center.

Public Comment- None

Director Albert made the motion to approve the expenditure and was seconded by Clark. The motion passed with a majority vote and a no vote by Director Alejo.

- 6-5. Discuss and approve proposed January 2018 Workshop Agenda.

Public Comment- None

Director Alejo made the motion to approve the January 2018 Workshop Agenda and was seconded by Director LeBarre. The motion passed unanimously.

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 – October 2017.
- 7-2. Washington, D.C. Lobby Report – End of Year 2017.
- 7-3. State Legislative Advocacy Update – October 2017.
- 7-4. Staff Trip Reports.
- 7-5. Correspondence.

8. BOARD REPORTS, COMMENTS, AND REFERRALS

- 8.-1 Reports on meetings attended by board members at MST expense. (AB 1234)
- 8-2. Board member comments and announcements.
- 8-3. Board member referrals for future agendas.

9. CLOSED SESSION

None

10. ATTACHMENTS

10-1. The detailed monthly Performance Statistics and Disbursement Journal for October 2017 can be viewed online within the GM Report at <http://mst.org/about-mst/board-of-directors/board-meetings/>

11. ADJOURN

There being no further business, Chair Barrera adjourned the meeting at 11:34 a.m.

Prepared by:



Jeanette Alegar-Rocha
Clerk to the Board

Reveiwed by:



Carl G. Sedoryk
General Manager/ CEO

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MST CORPORATION BOARD OF DIRECTORS

19 Upper Ragsdale Drive, Suite 100
Monterey, CA 93940

Minutes

December 11, 2017

Immediately Following Regular Meeting of MST Board of Directors

1. CALL TO ORDER

1-1. Roll call

1-2. Pledge of Allegiance

Chair Barrera called the meeting to order at 11:35 a.m. and roll call was taken.

| | | |
|-----------------|--------------------|---------------------------|
| Present: | Carolyn Hardy | City of Carmel-by-the-Sea |
| | Kristin Clark | City of Del Rey Oaks |
| | Robert Bonincontri | City of Gonzales |
| | Yanely Martinez | City of Greenfield |
| | Mike LeBarre | City of King |
| | Frank O'Connell | City of Marina |
| | Dan Albert | City of Monterey |
| | Ken Cuneo | City of Pacific Grove |
| | Tony Barrera | City of Salinas |
| | Mary Ann Carbone | City of Sand City |
| | David Pacheco | City of Seaside |
| | Anna Velazquez | City of Soledad |
| | Luis Alejo | County of Monterey |

Absent: None

| | | |
|---------------|-----------------------|---|
| Staff: | Carl Sedoryk | General Manager/CEO |
| | Hunter Harvath | Assistant General Manager |
| | Norman Tuatavuki | Deputy Chief Operating Officer |
| | Kelly Halcon | Director of HR & Risk Management |
| | Mark Eccles | Director of Information Technology |
| | Lisa Rheinheimer | Director of Planning and Marketing |
| | Jeanette Alegar-Rocha | Executive Assistant /Clerk to the Board |
| | Eva Perez | Office Administrator |
| | Beronica Carriedo | Community Relations Coordinator |
| | Andrea Williams | Accountant and Budget Manager |

Zöe Shoats
Alvin Johnson
Cristy Subago
Edwin Marticorena
Dave Laredo
Heidi Quinn
Tiziano Minnelli
Elena Grigorichina

Marketing Manager
Contract Transportation Supervisor
Mobility Services Manager
Mobility Coordinator
De Lay & Laredo
De Lay & Laredo
Coach Operator
Operations Analyst

Public: Don Gilchrest Thomas Walters & Associates
Don Parslow MV Trans
Javier Gomez County of Monterey

Apology is made for any misspelling of a name.

2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

No public comment.

3. REPORTS AND INFORMATION ITEMS

3-1. General Manager's Report.

Mr. Sedoryk stated that the MST Corporation exists as a holding agency for MST capital assets that are financed. MST is not currently financing any capital assets, but may be doing so during 2018. There is no business for discussion or consideration at this time.

ADJOURN

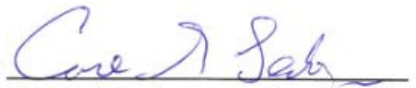
There being no further business, Chair Barrera adjourned the meeting at 11:36 a.m.

Prepared by:



Jeanette Alegar-Rocha, Clerk to the Board

Reviewed by:



Carl G. Sedoryk, General Manager/CEO

MST BOARD OF DIRECTORS

Frank J. Lichtanski Administrative Building
19 Upper Ragsdale Dr., Suite 100, Monterey 93940

MINUTES
January 8, 2018

1. CALL TO ORDER

1-1. Roll Call.

1-2. Pledge of Allegiance.

Chair Barrera called the meeting to order at 10:00 a.m. The pledge of allegiance was led by Director Campbell and roll call was taken.

1-3. Review Highlights of the agenda.

Mr. Sedoryk reviewed the highlights of the agenda.

| | | |
|-----------------|--|---|
| Present: | Carolyn Hardy Kristin Clark Robert Bonincontri Yanely Martinez Mike LeBarre Frank O'Connell Tony Barrera Mary Ann Carbone Jason Campbell Anna Velazquez Luis Alejo | City of Carmel-by-the-Sea City of Del Rey Oaks City of Gonzales City of Greenfield City of King City of Marina City of Salinas City of Sand City City of Seaside City of Soledad County of Monterey |
| Absent: | Dan Albert Ken Cuneo David Pacheco | City of Monterey City of Pacific Grove City of Seaside |
| Staff: | Carl Sedoryk Hunter Harvath Norman Tuatavuki Kelly Halcon Lisa Rheinheimer | General Manager/CEO Assistant General Manager Deputy Chief Operating Officer Director of HR & Risk Management Director of Planning and Marketing |

| | |
|-----------------------|---|
| Scott Taylor | Information Technology Administrator |
| Jeanette Alegar-Rocha | Executive Assistant /Clerk to the Board |
| Eva Perez | Office Administrator |
| Andrea Williams | Accountant and Budget Manager |
| Alvin Johnson | Contract Transportation Supervisor |
| Cristy Subago | Mobility Services Manager |
| Edwin Marticorena | Mobility Coordinator |
| Leslie VanDalen | Mobility Specialist |
| Dave Laredo | De Lay & Laredo |
| Heidi Quinn | De Lay & Laredo |

| | | |
|----------------|---------------|-----------------------|
| Public: | Don Parslow | MV Trans |
| | Hutch Schultz | Progressive Democrats |
| | Debbie Hale | TAMC |

Apology is made for any misspelling of a name.

2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public Comment – Mr. Schultz from Progressive Democrats was present to inform the board of directors that a committee was formed to work with Monterey-Salinas Transit to increase accessibility and ridership.

3. CONSENT AGENDA

- 3-1. SB1 State Transit Assistance/State of Good Repair Grant.
- 3-2. Claim rejection- GEICO-New Flyer Bus.
- 3-3. Claim rejection- Grillo.
- 3-4. Approve revised 2018 Board Meeting Calendar.
- 3-5. Award Contract to Xybix for Special Furniture for Communications Center.
- 3-6. Award Contract to Peninsula Furniture to Furnish TDA Facility.

Public Comment – None

Director Hardy made the motion to approve all items on the consent agenda and was seconded by director Martinez. The motion passed unanimously.

4. ACTION ITEMS

- 4-1. Conduct Strategic Planning Workshop.

Director Alejo arrived at 10:08 a.m.

Public Comment – None

The Strategic Planning Workshop Agenda included the following topics and discussions items of which staff received direction as noted:

- i. YTD Performance Update and Action Plan Updates
- ii. Department Updates
- iii. Consideration of Revised MST Committee Structure
Staff received direction from the board to pursue a bylaw change to move to an alternative board committee structure.
- iv. Discuss Role of Alternates in Closed Session
Staff received direction from the board to continue with current roles and process as is.
- v. Board Agenda Preparation Process
Staff received direction from the board that any last minute additions to the agenda be researched and reviewed by the general manager and board chair for approval.
- vi. Community Outreach and Advocacy
The board of directors requested the following information.
 - a) **Maintenance Curriculum at Hartnell College**
 - b) **List of RealTime Signage**
 - c) **Calendar of Community Events**
- vii. Board Member MST Clothing Allowance
Staff received direction from the board to pursue a MST \$50 clothing allowance policy.

5. 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.

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.

5-1. Approve Extension of General Manager/CEO Contract.

Public Comment – None

6. RETURN TO OPEN SESSION

6-1. Report on Closed Session and possible Action.

Dave Laredo reported that item 5-1 will be added to the February 2018 consent agenda.

7. COMMENTS BY BOARD MEMOBERS

7-1. Board member Comments and Announcements.

7-2. Board member Referrals for future agendas.

8. ADJOURN

There being no further business, Chair Barrera adjourned the meeting at 12:10 p.m.

Prepared by:



Jeanette Alegar-Rocha
Clerk to the Board

Reveiwed by:



Carl G. Sedoryk
General Manager/ CEO

To: Board of Directors

From: C. Sedoryk, General Manager/CEO

Subject: Appointment of MST Staff to the California Transit Indemnity Pool (CalTip)
Board of Directors

RECOMMENDATION:

Adopt Resolution 2018-18 appointing Ben Newman, Risk & Security Manager, as representative and Kelly Halcon, Director of Human Resources and Risk Management, as alternate to the Board of Directors of the California Transit Insurance Pool (CalTip) effective July 1, 2016-June 30, 2018.

FISCAL IMPACT:

None

POLICY IMPLICATIONS:

Your Board appoints staff to serve on a variety of governing boards.

DISCUSSION:

MST is a member of the California Transit Indemnity Pool (CalTip), a joint powers authority providing liability vehicle physical damage coverage programs for its members via a self-funded insurance pool.

Attachment: Resolution 2018-18

Prepared by: 

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RESOLUTION 2018-18

**APPROVING APPOINTMENTS TO THE BOARD OF DIRECTORS
OF THE CALIFORNIA TRANSIT INDEMNITY POOL**

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Monterey- Salinas Transit does hereby approve the appointments of Ben Newman, Risk & Security Manager, as representative; and Kelly Halcon, Director of Human Resources and Risk Management, as alternate to the Board of Directors of the California Transit Indemnity Pool.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT
PASSED AND ADOPTED RESOLUTION 2018-18 this 5th day of February, 2018.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF
MONTEREY-SALINAS TRANSIT this 5th day of February, 2018 by the following
vote:

AYES: Directors: Albert, Alejo, Barrera, Bonincontri, Carbone, Clark, Cuneo,
Hardy, LeBarre, Martinez, Pacheco, O'Connell, Velazquez

NOES:

ABSENT: Directors:

Board Secretary (Deputy)

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To: Board of Directors
From: Deanna Smith, Compliance Analyst/DAPM
Subject: Revised Drug and Alcohol Policy

RECOMMENDATION:

Receive and adopt the revised MST Zero-Tolerance Anti-Drug Abuse and Alcohol Misuse Policy.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

Your Board's approval of this Anti-Drug Abuse and Alcohol Misuse Policy (Policy) complies with Federal Transit Administration (FTA) regulations and enables MST to receive federal funds. FTA requires Monterey-Salinas Transit (MST) to amend its Policy, confirm adoption of the Policy by the Board of Directors, and distribute the Policy to MST employees when any substantive Policy changes are made.

DISCUSSION:

Your Board most recently approved an amended Policy in June 2016, clarifying the definition of a "covered employee," updating job titles, and naming a new Drug and Alcohol Program Manager (DAPM). MST staff is again requesting your Board's approval of a Policy revision triggered by recent changes in the regulations governing MST's Drug and Alcohol Program.

On November 13, 2017, the Department of Transportation (DOT) published a final rule in the Federal Register (82 FR 52229) amending 49 CFR Part 40: Procedures for Transportation Workplace Drug and Alcohol Testing Programs (Part 40). The final rule was effective as of January 1, 2018.

The rule added four semi-synthetic opioids (hydrocodone, oxycodone, hydromorphone, and oxymorphone) to its drug testing panel; added methylenedioxymphetamine (MDA) as an initial test analyte; and removed the testing for methylenedioxyethylamphetamine (MDEA).

Some common names for the added semi-synthetic opioids include:

- OxyContin®
- Percodan®
- Percocet®

- Vicodin®
- Lortab®
- Norco®
- Dilaudid®
- Exalgo®

The rule also clarified certain existing drug testing program provisions and definitions, made technical amendments affecting service agents, and removed the requirement for employers and C/TPAs to submit blind specimens.

Summary of DOT-required Policy changes:

1. Modification of the drug testing panel to include: Marijuana; Cocaine; Phencyclidine; Amphetamines (amphetamine, methamphetamine, MDMA, MDA); and Opioids (codeine, morphine, heroin, hydrocodone, oxycodone, hydromorphone, oxymorphone).
2. Employers or C/TPAs are no longer required to submit blind specimens to laboratories.
3. Service agents are now required to subscribe to the ODAPC list-serve.
4. For MROs, clarified the definition of prescription to mean “a legally valid prescription under the Controlled Substances Act.”
5. MROs will first provide the employee with up to five business days after downgrading a non-negative test to have the prescribing physician contact the MRO to determine if the medication can be changed to one that does not create a substantial safety risk before the MRO reports the result to the employer.

In addition to the Policy changes required by DOT, MST staff has added additional provisions for drug and alcohol testing of non-covered employees who do not perform safety-sensitive functions.

While MST is not required to include testing protocols for non-covered employees within its Policy, it is considered a good practice to do so to maintain a safe work environment free from illegal drug use and alcohol abuse and to ensure that all MST employees, whether they perform safety-sensitive duties or not, understand their obligation to comply with a drug-free workplace.

Summary of MST-proposed Policy changes:

1. Reference to the Drug Free Workplace Act of 1988, including employee responsibilities and the consequences of violating the act, has been explained in more detail throughout the document.
2. 5.1 adds language that “all employees’ are prohibited from reporting to duty or remaining on duty if there is a quantifiable presence of a prohibited drug in the body above the thresholds defined in Part 40.
3. 5.3 adds information on Proposition 64 (medical and recreational use of marijuana).

4. 5.4 adds language that all employees are prohibited from reporting to duty or remaining on duty while having an alcohol concentration of 0.04 or greater.
5. 6.2 includes the consequences for positive drug or alcohol test, violation of the Drug Free Workplace Act, refusal to test, and refusal to complete the self-referral treatment plan.
6. 7 and 7.1 provides details on MST's self-referral program.
7. 8.1 removed the requirement for pre-employment testing of non-covered employees.
8. 8.2 more clearly defines reasonable suspicion testing for non-covered employees.
9. Staff also conducted a thorough stylistic edit of its current Policy to reduce redundancies, update section titles, and to create a generally more user-friendly document.

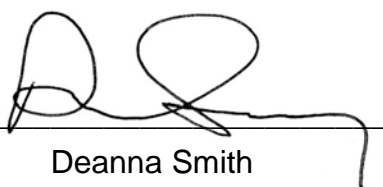
The Part 40 final rule can be viewed in its entirety at the following website:

www.transportation.gov/odapc/frpubs.

All DOT regulated transit agencies were required to begin testing their covered employees for these additional drugs as of January 1, 2018, although a deadline for transit agency Policy revisions has not yet been imposed. In compliance with DOT requirements, MST issued a memo (Attachment 2) informing its employees of the new drug testing panel. Staff also held a Meet and Confer with ATU and MSTEA leadership, summarizing required and proposed Policy amendments and providing a red-line copy of the Draft Policy. A copy of this Draft Zero Tolerance Anti-Drug Use and Alcohol Misuse Policy is attached for your Board's review and approval.

Attachment 1: Draft Zero Tolerance Anti-Drug Use and Alcohol Misuse Policy

Attachment 2: Employee memo announcing revised DOT drug testing panel

Prepared by: 
Deanna Smith

Reviewed by: 
Carl G. Sedoryk



Monterey-Salinas Transit District [Draft] Zero Tolerance Anti-Drug Use and Alcohol Misuse Policy

REVISED: TBD

Monterey-Salinas Transit
19 Upper Ragsdale Dr., Suite 200
Monterey, CA 93940

Drug and Alcohol Program Manager:

Deanna Smith, Compliance Analyst

dsmith@mst.org

831-264-5878

Designated Employer Representative:

Angelina Ruiz, Human Resources Manager

aruiz@mst.org

831-264-5910

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DRAFT

1. POLICY STATEMENT

Monterey-Salinas Transit District (MST) is dedicated to providing safe, dependable, and economical transportation services to our transit system passengers. MST is also dedicated to protecting its most valuable asset, its employees, by providing a healthy and safe working environment. In meeting these goals, it is our policy to:

- Ensure that MST employees are not impaired in their ability to perform assigned duties in a safe, productive, and healthy manner;
- Create a workplace environment that is free from the adverse effects of drug abuse and alcohol misuse;
- Prohibit the unlawful manufacture, distribution, dispensing, possession, or use of controlled substances; and
- Encourage employees to seek professional assistance any time personal problems, including drug or alcohol dependency, adversely affect their ability to perform their assigned duties.

This Anti-Drug and Alcohol Policy strengthens and reaffirms MST's commitment to the safety of our customers and employees and our dedication to maintaining a Drug-Free Workplace by enforcing a **Zero Tolerance** to prohibited drug use and alcohol misuse.

MST's Board of Directors has adopted this **Zero Tolerance Anti-Drug Use and Alcohol Misuse Policy** (Policy).

2. PURPOSE

The purpose of this Policy is to ensure worker fitness for duty and to protect our employees, passengers, and the public from the risks posed by the use of prohibited drugs and the misuse of alcohol. This Policy is also intended to comply with all applicable federal regulations governing workplace anti-drug and alcohol misuse programs in the transit industry.

This Policy complies with *49 CFR Part 655*, as amended, and *49 CFR Part 40*, as amended.

Under *49 CFR Part 655*, the Federal Transit Administration (FTA) of the U.S. Department of Transportation (USDOT, DOT) mandates urine drug testing and breath alcohol testing for individuals in covered positions and prohibits the performance of safety-sensitive functions when there is a positive test result. *49 CFR Part 40*, as amended, sets standards for the collection and testing of urine and breath specimens.

In addition, USDOT has published *49 CFR Part 29*, implementing the Drug-Free Workplace Act of 1988, which requires the establishment of drug-free workplace policies and the reporting of certain drug-related offenses to the FTA.

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Deleted: This policy establishes procedures and processes for the administration of MST's Drug and Alcohol Program in accordance with the Department of Transportation (DOT) and the Federal Transit Administration (FTA) requirements. Based on these requirements, MST requires all employees performing safety-sensitive job functions to submit to testing for the presence of specifically designated drugs and alcohol.¶
MST's Board of Directors has adopted a Zero Tolerance policy regarding drug use and alcohol misuse. All employees must be free of the designated drugs and alcohol when performing a safety-sensitive function.

Deleted: To provide the safest possible transportation for the public and a safe work environment for MST employees through the requirement of a work place free of prohibited drugs and alcohol.

3. APPLICABILITY

Deleted: SCOPE

Any provisions set forth in this Policy that are included under the sole authority of MST and are not provided under the authority of the above named federal regulations are identified throughout this document in underlined text.

All other provisions within this Policy are consistent with requirements specifically set forth in 49 CFR Part 655 or 49 CFR Part 40, as amended.

This Policy applies to all MST covered employees whose position requires the possession of a commercial driver's license (CDL); every employee performing a "safety-sensitive function" as defined below, including any person applying for such positions; and contract employees and contractors when performing any transit-related safety-sensitive business.

Deleted: all MST employees who are incumbents in safety-sensitive positions, to all applicants or employees who may apply for or who may transfer to a safety-sensitive position and to contractors who perform safety-sensitive job functions

Under MST's sole authority, MST employees who do not perform safety-sensitive functions are also subject to reasonable suspicion drug and alcohol testing. This is an MST, but not federal, requirement.

As defined by FTA in 49 CFR Part 655.4, you are a covered employee if you perform any of the following safety-sensitive functions:

- Operating a revenue service vehicle, in or out of revenue service
- Operating a non-revenue vehicle requiring a commercial driver's license
- Controlling the movement or dispatch of a revenue service vehicle
- Maintaining (including repairs, overhaul and rebuilding) of a revenue service vehicle or equipment used in revenue service
- Carrying a firearm for security purposes

A volunteer is considered a covered employee if:

- The volunteer is required to have a commercial driver's license to operate the vehicle;
or
- The volunteer performs a safety-sensitive function and receives remuneration in excess of actual expenses incurred.

MST has evaluated the actual duties performed by employees in all job classifications and has included a list of job titles that require the performance safety-sensitive functions in Addendum A.

Under MST's sole authority, this Policy applies to all MST employees during off-site lunch periods or breaks when the employee is scheduled to return to work. Visitors, vendors, and

contract employees are governed by this Policy while on MST property and will not be permitted to conduct MST-related business if found to violate this Policy.

All MST employees are subject to the provisions of the Drug-Free Workplace Act of 1988:

The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the covered workplace. An employee who is convicted of any criminal drug statute for a violation occurring in the workplace shall notify the Director of Human Resources no later than five days after such conviction.

4. DEFINITIONS

Per 49 CFR Part 40 and CFR Part 655:

"Accident" is an occurrence associated with the operation of a vehicle, if as a result:

- An individual dies; or
- An individual suffers bodily injury and immediately receives medical treatment away from the scene of the accident; or
- With respect to an occurrence in which the mass transit vehicle involved is a bus, electric bus, van, or automobile, one or more vehicles (including non-FTA funded vehicles) incurs disabling damage as the result of the occurrence and such vehicle or vehicles are transported away from the scene by a tow truck or other vehicle.

"Adulterated Specimen" is a specimen that contains a substance that is not expected to be present in human urine, or contains a substance expected to be present but is at a concentration so high that it is not consistent with human urine.

"Alcohol" is the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols, including methyl or isopropyl alcohol.

"Alcohol Concentration" is the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by a breath test.

"Alcohol Confirmation Test" is a subsequent test using an EBT, following a screening test with a result of 0.02 or greater, which provides quantitative data about the alcohol concentration.

"Alcohol Testing Site" is a place selected by the employer where employees present themselves for the purpose of providing breath or saliva for an alcohol test.

"Anti-drug Program" is a program to detect and deter the use of prohibited drugs as required by 49 CFR Part 655.

Moved up [1]: DEFINITIONS¶

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"Alcohol Confirmation Test" is a subsequent test using an EBT, following a screening test with a result of 0.02 or greater, which provides quantitative data about the alcohol concentration.¶

"Alcohol Testing Site" is a place selected by the employer where employees present themselves for the purpose of providing breath or saliva for an alcohol test.¶

"Anti-drug Program" is a program to detect and deter the use of prohibited drugs as required by 49 CFR Part 655.¶

"Blind Specimen or Blind Performance Test Specimen" is a urine specimen submitted to a laboratory for quality control testing purposes, with a fictitious identifier, so that the laboratory cannot distinguish it from employee specimen.¶

"Blood Alcohol Concentration (BAC)" is the concentration of alcohol in the blood, expressed as the weight of alcohol in a fixed volume of blood and used as a measure of the degree of intoxication in an individual.¶

"Breath Alcohol Technician (BAT)" is a person who instructs and assists employees in the alcohol testing process and operates an evidential breath testing (EBT) device.¶

"Cancelled Test" is a drug or alcohol test that has an identified problem that cannot be or has not been corrected, or which otherwise requires to be cancelled. A cancelled test is neither positive nor negative.¶

"Collection Site" is a place designated by the employer where individuals present themselves for the purpose of providing a urine specimen for a drug test.¶

"Contractor" is a person or organization that provides a safety-sensitive service for a recipient, sub-recipient, employer, or operator consistent with a specific understanding or arrangement. The ...

“Blind Specimen or Blind Performance Test Specimen” is a urine specimen submitted to a laboratory for quality control testing purposes, with a fictitious identifier, so that the laboratory cannot distinguish it from employee specimen.

“Blood Alcohol Concentration (BAC)” is the concentration of alcohol in the blood, expressed as the weight of alcohol in a fixed volume of blood and used as a measure of the degree of intoxication in an individual.

“Breath Alcohol Technician (BAT)” is a person who instructs and assists employees in the alcohol testing process and operates an evidential breath testing (EBT) device.

“Cancelled Test” is a drug or alcohol test that has an identified problem that cannot be or has not been corrected, or which otherwise requires to be cancelled. A cancelled test is neither positive nor negative.

“Collection Site” is a place designated by the employer where individuals present themselves for the purpose of providing a urine specimen for a drug test.

“Contractor” is a person or organization that provides a safety-sensitive service for a recipient, sub-recipient, employer, or operator consistent with a specific understanding or arrangement. The understanding can be a written contract or an informal arrangement that reflects an ongoing relationship between the parties.

Per 49 CFR Part 655.81, a DOT-covered employer is required to ensure that a subrecipient or contractor who receives 49 U.S.C. 5307, 5309, or 5311 funds directly from the recipient complies with this part. **“Covered Employee”** is a person, including an applicant or transferee, who performs or will perform a “safety-sensitive function” for an entity subject to this part, as defined in Part 655.4. A volunteer is a covered employee if the volunteer is required to hold a commercial driver’s license to operate the vehicle, or the volunteer performs a safety-sensitive function for an entity subject to this part and received remuneration in excess of his or her actual expenses incurred while engaged in the volunteer activity.

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You are a covered employee if you perform any of the following:

- Operating a revenue service vehicle, in or out of revenue service
- Operating a non-revenue vehicle requiring a commercial driver’s license
- Controlling the movement or dispatch of a revenue service vehicle
- Maintaining (including repairs, overhaul and rebuilding) of a revenue service vehicle or equipment used in revenue service
- Carrying a firearm for security purposes

“Designated Employer Representative (DER)” is an employee authorized by the employer to take immediate action(s) to remove employees from safety-sensitive duties, or cause

employees to be removed from these safety-sensitive duties, and to make required decisions in the testing and evaluation processes. The DER also receives test results and other communications for the employer, consistent with the requirements of 49 CFR Part 40. Service agents cannot act as DERs.

"Dilute Specimen" is a urine specimen with creatinine and specific gravity values that are lower than expected for human urine.

"Disabling Damage" is damage that precludes the departure of a motor vehicle from the scene of the accident in its usual manner in daylight after simple repairs. Disabling damage includes damage to a motor vehicle, where the vehicle could have been driven, but would have been damaged further if so operated, but does not include damage that can be remedied temporarily at the scene of the occurrence without special tools or parts. Examples include: tire disablement without damage even if no spare is available; or damage to headlights, taillights, turn signals, horn, or windshield wipers that make them inoperable.

"Drug and Alcohol Program Manager" (DAPM) is an employee authorized by the employer to manage and monitor the drug and alcohol testing program. This person may make required decisions in the testing and evaluation process, maintain required records, update policy and procedures, and monitor contractors and vendors. The DAPM may also receive test results and other communications for the employer, consistent with the requirements of 49 CFR Part 655. The DAPM may act as the DER.

"Drug" is the specific drugs for which tests are required under this part and DOT agency regulations: marijuana, cocaine, amphetamines, phencyclidine (PCP), and opiates.

"Drug Metabolite" is the specific substance produced when the human body metabolizes a given prohibited drug as it passes through the body and is excreted in urine.

"Drug Test" is the laboratory analysis of a urine specimen collected in accordance with 49 CFR Part 40 and analyzed in a Department of Health and Human Services (DHHS) approved laboratory.

"Education" is efforts that include the display and distribution of information materials, a community service hotline telephone number for employee assistance, and the transit entity policy regarding drug use in the workplace.

"Employee" is an individual designated in a DOT agency regulation as subject to drug testing and/or alcohol testing. The term includes individuals currently performing safety-sensitive functions designated in DOT agency regulations and applicants for employment subject to pre-employment testing.

"Employer" is a person or entity employing one or more employees (including an individual who is self-employed) subject to DOT agency regulations requiring compliance with 49 CFR Part 40. The term includes an employer's officers, representatives, and management personnel. Service agents are not employers for purposes of this part.

"Employee Assistance Program (EAP)" is a program provided directly by an employer, or through a contracted service provider, to assist employees in dealing with drug or alcohol dependency and other personal problems.

"Error Correction Training" is training provided to Breath Alcohol Technicians (BAT), collectors, and screening technicians following an error that resulted in the cancellation of a drug or alcohol test. Error collection training must be provided in person or by a means that provides real time observation and interaction between the instructor and trainee.

"Evidential Breath Testing (EBT) Device" is a device approved by the National Highway Traffic Safety Administration (NHTSA) for the evidential testing of breath at the .02 and .04 alcohol concentrations, placed on NHTSA's "Conforming Products List (CPL) as conforming with the model specifications available from NHTSA's Traffic Safety Program.

"FTA" is the Federal Transit Administration, an agency of the U.S. Department of Transportation.

"HHS" is the Department of Health and Human Services or any designee of the Secretary, Department of Health and Human Services.

"Invalid Drug Test" is the result reported by an HHS-certified laboratory in accordance with the criteria established by HHS Mandatory Guidelines when a positive, negative, adulterated, or substituted result cannot be established for a specific drug or specimen validity test.

"Laboratory" is any U.S. laboratory certified by HHS under the National Laboratory Certification Program as meeting the minimum standards of the HHS Mandatory Guidelines for Federal Workplace Drug Testing Programs.

"Medical Review Officer (MRO)" is a licensed physician responsible for receiving and reviewing laboratory results generated by an employer's drug testing program and evaluating medical explanations for certain drug test results.

"Negative Test Result" is a drug test with a verified presence of the identified drug or its metabolite below the minimum levels specified in 49 CFR Part 40, as amended. An alcohol concentration of less than 0.02 Blood Alcohol Concentration (BAC) is a negative test result.

"Non-covered Employee" is a person, including an applicant or transferee, who does not or will not perform a "safety-sensitive function" for an entity subject to this part as defined in 49 CFR Part 655.4. Safety-sensitive functions are defined in this section under "covered employee".

"Non-negative Test" is a test result found to be adulterated, substitute, invalid, or positive for drug/drug metabolites. Non-negative results are considered a positive test or refusal to test if the MRO cannot determine a legitimate explanation.

"Office of Drug and Alcohol Policy and Compliance (ODAPC)" is an office in the Office of the Secretary of DOT that is responsible for coordinating drug and alcohol testing program matters within the Department and providing information concerning the implementation of 49 CFR Part 40.

"On-Call" is defined as being scheduled for specific after-duty hours for which the employee must report to duty when called.

"Performing (a safety-sensitive function)" includes any period in which a safety-sensitive employee is actually performing, ready to perform, or immediately available to perform a safety-sensitive function.

"Positive Result" a result reported by an HHS-certified laboratory when a specimen contains a drug or drug metabolite equal to or greater than the cutoff concentrations specified in 49 CFR Part 40, as amended. A positive alcohol test result means a confirmed alcohol concentration of 0.04 BAC or greater.

"Post-accident Test" is a drug test administered to an employee when an accident (as previously defined) has occurred and the covered employee performed a safety-sensitive function that either contributed to the accident, or cannot be completely discounted as a contributing factor in the accident.

"Pre-employment Test" is a drug test given to an applicant or employee who is being considered for a safety-sensitive position. The test is also administered when transferring an employee from a non-covered position to a covered position. Employers are also required to conduct a pre-employment test when a covered employee or applicant has not performed a safety-sensitive function for 90 consecutive calendar days regardless of the reason, and the employee has not been in the employer's random selection pool during that time. The applicant or employee must be informed of the purpose for the urine collection prior to actual collection.

"Prohibited Drug" is marijuana, cocaine, opioids, amphetamines, or phencyclidine.

"Random Test" is a drug test administered annually to a predetermined percentage of employees who perform safety-sensitive functions and who are selected on a scientifically defensible random and unannounced basis.

"Reasonable Suspicion Test" is a drug test given to an employee who performs in a safety-sensitive position and who is reasonably suspected by one or more trained supervisors or company officials of using a prohibited drug or misusing alcohol. Under MST's sole authority, all employees, whether or not their job requires them to perform a safety-sensitive function, are subject to reasonable suspicion testing.

"Refusal to Test" is a safety-sensitive employee who fails to provide a urine sample as required by 49 CFR Part 40, without a valid medical explanation, after he or she has received notice of the requirement to be tested in accordance with the provisions of this subpart, or engages in conduct that clearly obstructs the testing process. An employee is considered to have refused to test if he/she fails to do the following:

- Appear for any test within a reasonable time, as determined by the employer, after being directed to do so by the employer;
- Remain at the testing site until the testing process is complete;

- Provide a urine or breath specimen for any drug test required by this part or DOT agency regulations;
- In the case of a directly observed or monitored collection in a drug test, fails to permit the observation or monitoring of your provision of a specimen;
- Provide a sufficient amount of urine or breath when directed, and it has been determined, through a required medical evaluation, that there was no adequate medical explanation for the failure;
- Declines to take a second test the employer or collector has directed him/her to take;
- Undergo a medical examination or evaluation, as directed by the MRO as part of the verification process, or as directed by the DER as part of the "shy bladder" or "shy lung" procedures;
- Cooperate with any part of the testing process (e.g., refuse to empty pockets when so directed by the collector, behave in a confrontational way that disrupts the collection process), if the MRO reports that there is verified adulterated, or substituted test result; or
- Sign "Step 2" of the alcohol testing form.

"Revenue Service Vehicle" is a vehicle used to transport passengers, including bus, van, car, railcar, locomotive, trolley car, trolley bus, ferry boat, or a vehicle used on a fixed guideway or incline plane.

"Safety-sensitive Function" is any of the following:

- Operating a revenue service vehicle, including when not in revenue service;
- Operating a non-revenue service vehicle, when required to be operated by a holder of a Commercial Drivers License;
- Controlling the movement or dispatch of a revenue service vehicle;
- Maintaining (including repairs, overhaul and rebuilding) a revenue service vehicle or equipment used in revenue service;
- Carrying a firearm for security purposes.

"Service Agent" is any person or entity, other than an employee of the employer, who provides services to employers and/or employees in connection with DOT drug and alcohol testing requirements. This includes, but is not limited to, collectors, BATs and STTs, laboratories, MROs, substance abuse professionals, and C/TPAs. To act as service agents, persons or organizations must meet DOT qualifications, if applicable. Service agents are not employers.

"Safety-sensitive Position" is a duty position or job category that requires the performance of a safety-sensitive function(s).

"Substance Abuse Professional (SAP)" is a person who evaluates employees who have violated a DOT drug and alcohol regulation and makes recommendations concerning education, treatment, follow-up testing, and aftercare.

"Substituted Specimen" is a urine specimen with creatinine and specific gravity values that are so diminished or so divergent that they are not consistent with normal human urine.

"Training" is providing information about the effects and consequences of drug use on personal health, safety, and the work environment, about the work environment, and about the manifestations and behavioral cues that may indicate drug use and abuse.

"Vehicle" is a bus, electric bus, van, automobile, rail car, trolley car, trolley bus or vessel. A public transportation vehicle is a vehicle used for public transportation or for ancillary services.

"Verified Negative Test" is a urine drug test result reviewed by a MRO and determined to have no evidence of prohibited drug use.

"Verified Positive Test" is a drug test result reviewed by a MRO and determined to have no evidence of prohibited drug use.

"Verified Test" is a urine drug test result or validity testing result from a HHS-certified laboratory that has undergone review and final determination by the MRO.

"Violation Rate" is the number of safety-sensitive employees found during random tests to have an alcohol concentration of 0.04 or greater, plus the number of employees who refuse a random test required, divided by the total reported number of employees in the industry given random alcohol tests plus the total reported number of employees in the industry who refuse a random test.

5. PROHIBITED SUBSTANCES AND CONDUCT

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The use of any illegal drug or any substance identified in Schedules I through V of Section 202 of the Controlled Substances Act 921 U.S.C. 812), as further defined by 21 CFR 1300.11 through 1300.15 is prohibited at all times unless a legal prescription has been written for the substance. Illegal use includes use of any illegal drug, misuse of legal prescribed drugs, and use of illegally obtained prescription drugs.

All covered employees are prohibited from consuming alcohol (including medications with alcoholic content) while performing safety-sensitive functions, or from consuming alcohol while on-call to perform safety-sensitive job functions.

Prohibited substances and conduct addressed by this Policy include the following:

5.1 PROHIBITED DRUGS AND CONDUCT

Prohibited drugs include:

- Marijuana

- Opioids (heroin, codeine, morphine, oxycodone, oxymorphone, hydrocodone, hydromorphone);
- Cocaine
- Amphetamines (amphetamine and methamphetamine, MDMA, MDA)
- Phencyclidine (PCP)

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Under MST's sole authority, all covered and non-covered employees are prohibited from reporting for duty or remaining on duty any time there is a quantifiable presence of a prohibited drug in the body above the minimum thresholds defined in CFR 49 Part 40. (Addendum B)

5.2 ILLEGAL DRUGS UNDER DRUG-FREE WORKPLACE ACT OF 1988

Any drug or any substance identified in Schedule 1 through V of Section 202 of the Controlled Substance Act (21 U.S.C. 812), and as further defined by 21 CFR 1300.11 through 1300.15 is prohibited at all times in the workplace unless a legal prescription has been written for the substance. This includes, but is not limited to, marijuana, opioids, cocaine, amphetamines, and phencyclidine (PCP), as well as any drug not approved for medical use by the U.S. Drug Enforcement Administration or the U.S. Food and Drug Administration. Illegal use includes the use of any illegal drug, misuse of legally prescribed drugs, and the use of illegally obtained prescription drugs. In addition, the medical use of marijuana, or the use of hemp-related products that cause drug or drug metabolites to be present in the body above the minimum thresholds is a violation of this Policy.

Deleted: Under MST's sole authority, MST prohibits the consumption of drugs or alcohol by covered employees anytime the employee is in uniform.¶

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5.3 PROPOSITION 64 APPLICABILITY (MEDICAL AND RECREATIONAL USE OF MARIJUANA)

The passage of Proposition 64 legalized the recreational use of marijuana in the State of California. Proposition 64 also expressly recognizes the right of employers to maintain drug-free workplaces and to prohibit the use of illegal drugs by their employees. Under federal law, marijuana remains classified as a Schedule I drug – a controlled substance with the high potential for abuse – and is therefore illegal to possess or use. MST is a recipient of federal funding through the FTA, an agency of the USDOT and, as such, MST is required to comply with 49 CFR Part 655 and 49 CFR Part 40. MST complies with the Drug-Free Workplace Act of 1988 and the Omnibus Transportation Employee Testing Act of 1991. MST will continue to enforce this Drug and Alcohol Policy and will remain a drug-free workplace. All policies concerning the use of marijuana will remain in force, and **any employee who has a positive drug test for marijuana, regardless of Proposition 64, will be in violation of MST policies and will be subject to termination of employment.**

5.4 PROHIBITED ALCOHOL MISUSE AND CONDUCT

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Per 49 CFR Part 655 Subpart D, all covered employees are prohibited from consuming alcohol (including medications with alcoholic content) while performing safety-sensitive functions or while on-call to perform safety-sensitive job functions. An alcohol test can be performed on a

covered employee just before, during, or just after the performance of safety-sensitive job functions.

On-Duty Use of Alcohol:

All covered employees are prohibited from using alcohol while performing safety-sensitive functions. Under MST's sole authority, all covered and non-covered employees are prohibited from reporting for duty or remaining on duty while having an alcohol concentration of 0.04 or greater.

Deleted: Under MST's sole authority, MST prohibits the consumption of drugs or alcohol by covered employees anytime the employee is in uniform. ¶

Covered employees with an alcohol concentration 0.02 or greater are prohibited from reporting for duty to perform a safety-sensitive function or remaining on duty while performing a safety-sensitive function.

Pre-Duty Use of Alcohol:

All covered employees are prohibited from using alcohol within 4 hours prior to performing safety-sensitive functions.

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Under MST's sole authority, no supervisor having actual knowledge that a covered employee has used alcohol within 8 hours of performing a safety-sensitive function shall permit the employee to perform or continue to perform safety-sensitive functions.

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The consumption of alcohol is prohibited by covered employees during their specified on-call hours (see the definition for "on-call" in Section 4 of this Policy). If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time they are called to report for duty. If the on-call employee claims the ability to perform his or her safety-sensitive function, he or she must take an alcohol test with a result of less than 0.02 prior to performance. MST does not assign employees to on-call status.

If the employee acknowledges the use of alcohol, but claims the ability to perform a safety-sensitive function, an alcohol test must be performed with a breath alcohol test result of less than 0.02 before the employee is permitted to begin work.

Post-Accident Use of Alcohol:

Per 655.34 all covered employees are prohibited from consuming alcohol for eight (8) hours following involvement in an accident or until he or she submits to the post-accident drug and alcohol test, whichever occurs first.

Deleted: Under the sole authority of MST, an unscheduled and an on-call employee who is called to report back to duty may acknowledge the use of alcohol and the inability to perform safety-sensitive functions without disciplinary repercussion. ¶

6. DISCIPLINARY CONSEQUENCES FOR VIOLATIONS OF PROHIBITED USE OR CONDUCT

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Under FTA regulations, unless otherwise stated, discipline for policy violations shall be determined by the employer.

6.1 FTA CONSEQUENCES

Following a positive drug or alcohol (BAC at or above 0.04) test result or test refusal, the covered employee will be immediately removed from safety-sensitive duty and referred to a Substance Abuse Professional.

Following a BAC of 0.02 or greater, but less than 0.04, the covered employee will be immediately removed from safety-sensitive duties for at least eight (8) hours unless a retest results in the employee's alcohol concentration being less than 0.02.

6.2 MST CONSEQUENCES

Positive Alcohol Test Results:

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Under MST's sole authority, when a covered or non-covered employee receives confirmatory alcohol test results within the prohibited time frames, the following disciplinary action will occur:

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- A confirmed BAC of 0.04 or greater: **Immediate Termination**

Deleted: Breath Alcohol Content

The employee will not be permitted to return to service or resume their duties and will be referred to the SAP. The employee will not be permitted to drive their own vehicle, and an alternate means of transportation will be utilized.

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- A confirmed BAC of 0.02 or greater but less than 0.04:

Deleted: Breath Alcohol Content

The employee will be immediately removed from his/her safety-sensitive duties. The employee will remain off duty until their next scheduled duty period, but not less than 8 hours following the administration of the test. Under MST authority, prior to returning to duty, the employee will be retested for alcohol, using non-DOT testing forms. The breath alcohol concentration must be less than 0.02 before the employee may return to duty.

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Positive Prohibited Drug Test Results:

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Under MST's sole authority, following a positive drug test result or refusal to test, the following disciplinary action will occur for covered and non-covered employees:

Deleted: Prohibited drugs are marijuana, cocaine, opiates, phencyclidine and amphetamines. Based on MST's Zero Tolerance Policy.

- Job Applicants (applying for covered positions only): **Not Hired**
- Employee: **Immediate Termination**

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When positive drug results are received from the MRO, the designated DER or DAPM in his/her absence will immediately notify the Director of Human Resources and Risk Management. The employee will not be permitted to return to service or resume their duties and will be referred to the SAP.

Deleted: The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, the use of any substance which carries a warning label that indicates that mental functioning, motor skills, or judgment may be adversely affected must be reported to the DER or DAPM. Medical advice should be sought, as appropriate, while taking such medication and before performing safety-sensitive duties.¶
Disciplinary Consequences For A

Commercial Driver's License Suspension Due To A DUI Conviction:

Under the sole authority of MST, if a covered employee's commercial driver's license (CDL) is suspended for more than 30 days due to a DWI/DUI, whether stemming from the operation of a MST vehicle or a privately owned vehicle the following disciplinary action will occur:

- Employee: Immediate Termination.

Violation of the Drug Free Workplace Act:

Pursuant to the Drug Free Workplace Act, any employee convicted of a drug violation occurring in the MST workplace is required to report the conviction in writing to his/her supervisor and the Director of Human Resources and Risk Management no later than five (5) calendar days following his/her conviction. MST will notify the FTA within ten days of receiving notification from the employee. Compliance with the Drug Free Workplace Act of 1988 is required of all recipients of federal funding and is a condition of employment for all MST employees to abide by its terms.

Under the sole authority of MST, failure by the covered or non-covered employee to report any such conviction will result in the following disciplinary action:

- Employee: Immediate Termination

Refusal to Test:

Per 49 CFR Part 40 Subpart I, an employee is considered to have refused to test if he/she fails to:

1. Appear for any test within a reasonable time, as determined by the employer, after being directed to do so by the employer;
2. Remain at the testing site until the testing process is complete;
3. Provide a urine or breath specimen for any drug test required by this part or DOT agency regulations;
4. In the case of a directly observed or monitored collection in a drug test, fails to permit the observation or monitoring of your provision of a specimen;
5. Provide a sufficient amount of urine or breath when directed, and it has been determined, through a required medical evaluation, that there was no adequate medical explanation for the failure;
6. Declines to take a second test the employer or collector has directed him/her to take;
7. Undergo a medical examination or evaluation, as directed by the MRO as part of the verification process, or as directed by the DER as part of the "shy bladder" or "shy lung" procedures;
8. Cooperate with any part of the testing process (e.g., refuse to empty pockets when so directed by the collector, behave in a confrontational way that disrupts the collection

Deleted: any safety-sensitive employee who has been arrested for DWI/DUI will be suspended for a maximum period of 30 days and will not be permitted to operate any MST vehicle, under any circumstances, until there is a disposition by the courts. If the employee has not settled the charge by the end of 30 days, they will be separated from employment with MST.¶
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Deleted: The Drug Free Workplace Act, Federal Regulation 49 CFR Part 29 requires that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited on MST property. Furthermore, it is a violation of District rules as well as State and local laws. Any employee violating provisions of the Drug Free Workplace Act will be subject to immediate discharge and criminal prosecution.¶

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process), if the MRO reports that there is verified adulterated, or substituted test result; or

9. Sign "Step 2" of the alcohol testing form.

Under MST's sole authority, any refusal to test by covered or non-covered employees will result in the following disciplinary action:

- Employee: **Immediate Termination**

Under MST's sole authority, if a covered or non-covered employee refuses to submit to drug or alcohol testing, the employee will be immediately removed from their position and referred to the SAP.

Under MST's sole authority, any employee who attempts to tamper with or alter a specimen or obstruct the collection procedure will result in the following disciplinary action:

- Employee: **Immediate Termination**

Failure or Refusal to Complete Self-Referral Rehabilitation Program;

Under MST's sole authority, any refusal by a covered or non-covered employee to follow or complete the self-referral treatment plan as recommended by MST or the Addiction Professional will result in the following disciplinary actions

- Employee: **Immediate Termination.**

7. OPPORTUNITIES FOR REHABILITATION

This Policy includes a rehabilitation program that allows all employees to voluntarily come forward to request substance abuse treatment.

Under MST's sole authority, any covered or non-covered employee who has a drug and/or alcohol problem and has not been selected for reasonable suspicion, random, or post-accident testing, and/or has not refused a required test may voluntarily refer her/himself to the DER or DAPM.

The DER or DAPM will provide the individual with information on its Employee Assistance Program (EAP) for referral to an Addiction Professional (AP) for individual evaluation and treatment.

Voluntary self-referral commits the employee to a therapeutic process and the confidentiality of the employee will be protected. The Substance Abuse Professional will evaluate the employee and make specific recommendations regarding appropriate treatment.

When an employee enters voluntary treatment, she/he may be eligible for sick time, FMLA, time off, and benefits as outlined by law and within any Collective Bargaining Agreement (CBA)

Deleted: Verbal or written refusal by any employee to submit to a urine and/or breath test;¶
Refusal to sign the certification in Step 2 of the DOT Alcohol Testing Form (ATF);¶
In the case of a directly observed or monitored collection in a drug test, refuses to permit the direct observation or monitoring the specimen;¶
Failure to follow the observer's instructions during an observed collection, including instructions to raise your clothing above the waist, lower clothing and underpants, and to turn around to permit the observer to determine if you have any type of prosthetic or other device that could be used to interfere with the collection process;¶
Possess or wear a prosthetic or other device that could be used to interfere with the collection process;¶

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or Memorandum of Understanding (MOU). Employees may be permitted to take accumulated vacation time or may be eligible for unpaid time off to participate in any prescribed rehabilitation program. Employees are strongly encouraged to voluntarily seek professional substance abuse assistance before any abuse or dependence affects job performance.

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7.1 WHILE UNDERGOING TREATMENT

Under the sole authority of MST, any covered or non-covered employee who admits having a drug and/or alcohol problem will immediately be removed from their safety-sensitive or non-safety-sensitive function and will not be allowed to perform such function until successful completion of a prescribed rehabilitation program. The employee will be placed on a leave status for a maximum of 60 days to allow for the completion of the treatment/rehabilitation program. Extended periods may be granted by the Director of Human Resources at MST's discretion and as outlined by law and within any CBA, MOU, or Employee Handbook. The employee will be required to call the DER to report his/her status during treatment at intervals to be determined by MST on a case-by-case basis.

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Any refusal to follow or complete the recommended treatment plan will result in immediate termination.

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Covered and non-covered employees will be required to pass a drug and/or alcohol test (non-DOT) before performing any safety-sensitive function or returning to work.

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7.2 COST OF REHABILITATION

Under the sole authority of MST, all associated costs for treatment are the sole responsibility of the employee.

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8. CIRCUMSTANCES FOR TESTING

All employees tested under Department Of Transportation requirements or under MST's sole authority will be notified of the purpose for the testing and under whose authority the test is being conducted.

All DOT drug and alcohol testing must be conducted separately from non-DOT testing. Further, DOT testing will take priority over the non-DOT testing process.

DOT drug testing Custody and Control Forms (CCF) and DOT Alcohol Testing Forms (ATF) will be used for DOT-mandated testing as described in this Policy. Any testing conducted under MST's sole authority will be conducted using non-DOT drug and alcohol testing forms.

No other tests conducted under the drug and alcohol testing requirements set forth in 49 CFR Part 655 will be performed on urine or breath specimens except those specified by 49 CFR Part 40.

A verified positive DOT drug test result cannot be negated by an employee presenting negative results collected under other circumstances.

8.1 PRE-EMPLOYMENT TESTING

A negative pre-employment drug test result is required before an applicant or covered employee can perform safety-sensitive functions. If a pre-employment test is cancelled, the individual will be required to undergo another test and successfully pass with a verified negative result before performing safety-sensitive functions.

Deleted: According to the FTA regulations, all employees performing safety-sensitive functions are required as a condition of employment to submit to drug testing (urine specimen required) and alcohol testing (breath testing required) under the following circumstances:

If a covered employee has not performed a safety-sensitive function for 90 or more consecutive calendar days, and has not been in the random testing pool during that time, the employee must take and pass a pre-employment test before he/she can return to a safety-sensitive function.

Deleted: Employment drug testing after the offer of employment; prior to the transfer of any employee from a non-safety sensitive position to a safety-sensitive position; or following an period of 90 days or more where the employee did not perform safety-sensitive functions and was also removed from the random testing pool;

A covered employee or applicant who has previously failed or refused a DOT pre-employment drug and/or alcohol test must provide proof of having successfully completed a referral, evaluation and treatment plan meeting DOT requirements.

8.2 REASONABLE SUSPICION TESTING

All covered and non-covered employees shall be subject to a drug and/or alcohol test when MST has reasonable suspicion to believe that the employee has used a prohibited drug and/or engaged in alcohol misuse.

Deleted: Under MST's sole authority, applicants who will not perform safety-sensitive functions as a condition of their employment will be required to submit to a non-DOT drug test after a contingent offer of employment. MST must receive a verified negative test result before the applicant may assume their duties with MST. ¶

A reasonable suspicion referral for testing will be made by a trained supervisor or other trained MST official on the basis of specific, contemporaneous, articulable observation concerning the appearance, behavior, speech, or body odors of the safety-sensitive employee.

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When there is a "reasonable suspicion" of an employee's drug/alcohol use;¶
When an employee is involved in a fatal or non-fatal accident as defined by FTA criteria;¶
When an employee is selected for random testing;¶
Following the successful completion of a SAP determined rehabilitation program for return-to-duty testing;¶
When an employee is subject to follow-up testing as specified by a SAP.¶

Covered employees may be subject to reasonable suspicion drug testing any time while on duty. Covered employees may be subject to reasonable suspicion alcohol testing while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions.

Non-covered employees may be subject to reasonable suspicion drug or alcohol testing any time while on duty. Non-DOT CCFs and/or ATFs will be used for non-DOT tests.

Analytical urine drug testing will be conducted as required by 49 CFR Part 40 for the presence of marijuana; opioids; cocaine; amphetamines; phencyclidine; and their metabolites.

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A supervisor trained in making reasonable suspicion testing determinations will evaluate the employee to determine if evidence exists to conduct reasonable suspicion alcohol testing. The supervisor(s) will document the reasons for testing, which are outlined in Section 8.2 of this policy.¶

No supervisor with actual knowledge that a covered employee is using drugs or alcohol shall permit the employee to perform or continue to perform safety-sensitive functions.

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8.3 POST-ACCIDENT TESTING FOR COVERED EMPLOYEES

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Covered employees shall be subject to FTA post-accident drug and alcohol testing under the following circumstances:

Fatal Accidents:

As soon as practicable following an accident involving the loss of human life (fatality), drug and alcohol tests will be conducted on each surviving covered employee operating the public transportation vehicle at the time of the accident. In addition, any other covered employee whose performance could have contributed to the accident, as determined by the onsite Operations Supervisor or other authorized MST employee using the best information available at the time of the decision, will be tested.

Non-Fatal Accidents:

As soon as practicable following an accident not involving the loss of human life, drug and alcohol tests will be conducted on each covered employee operating the public transportation vehicle at the time of the accident if at least one of the following conditions is met:

- 1) An individual suffers bodily injury and immediately receives medical treatment away from the scene of the accident, **unless** the safety-sensitive employee can be completely discounted as a contributing factor to the accident; or
- 2) One or more vehicles (including non-transit vehicles) incur disabling damage as the result of the occurrence **and** the vehicle is transported away from the scene by a tow truck or other vehicle, **unless** the safety-sensitive employee can be completely discounted as a contributing factor to the accident.

A covered employee subject to post-accident testing must remain readily available for eight (8) hours following involvement in an accident or until he or she submits to the post-accident drug and alcohol test, whichever occurs first, or it will be considered a refusal to test.

All operators of any non-revenue service vehicle that are required to hold a CDL for transit purposes will be subject to FTA testing.

8.4 RANDOM TESTING

FTA requires random (unannounced) testing of drugs and alcohol for all covered employees. The selection of covered employees for random drug and alcohol testing will be made using a scientifically valid method that ensures each covered employee will have an equal chance of being selected each time selections are made. Random drug and alcohol tests are unannounced and unpredictable, and the dates for administering random tests are spread throughout the calendar year. Random testing will be conducted on all days and hours during which safety-sensitive functions are performed.

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Testing rates will meet or exceed the minimum annual percentage rate set each year within each DOT agency. The current year testing rates can be viewed online at <http://www.transportation.gov/odapc/random-testing-rates>.

A covered employee may be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions. A covered employee may be randomly tested for prohibited drug use anytime while on duty.

Each covered employee who is notified of selection for random drug or random alcohol testing must immediately proceed to the designated testing site. Under MST's sole authority, any employee who does not proceed immediately to the testing center when notified, or who fails to report to the testing center within the designated arrival time, will be placed on administrative paid leave under the Skelly rule until the DER or DAPM investigates the late report. The DER or DAPM will require a written, signed statement from the employee documenting the circumstances of the employee's situation.

8.5 RETURN-TO-DUTY TESTING

MST has a Zero Tolerance Policy resulting in the termination of employment for any employee who: 1) has refused to test; 2) receives a verified positive drug test result; 3) tests with a breath alcohol concentration of 0.04 or greater; or has been involved in any other activity that violates DOT/FTA regulations including refusal to submit to testing; therefore MST does not conduct Return-to-Duty testing.

8.6 FOLLOW-UP TESTING AFTER SELF-REFERRAL PROGRAM

Under MST's sole authority, covered employees returning to safety-sensitive duty following leave for substance abuse treatment will be required to undergo unannounced follow-up alcohol and/or drug testing for a period of one (1) to five (5) years, at MST's discretion. The duration of testing will be extended to account for any subsequent leaves of absence, as necessary. All testing will be conducted using non-DOT forms.

If testing is not performed as required by MST, the employee will be immediately terminated.

A follow-up test that has been determined by the Medical Review Officer as "cancelled" is not considered a completed follow-up test and must be recollected. Under MST's Zero Tolerance Policy, any employee in the self-referral testing program who subsequently tests positive for either drugs or alcohol will be subject to immediate discharge.

9. TESTING PROCEDURES

9.1 PRE-EMPLOYMENT OR PRE-PLACEMENT TESTING FOR SAFETY-SENSITIVE POSITIONS

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<#>On-duty use of alcohol: All covered employees are prohibited from consuming alcohol, including medications with alcoholic content, while performing safety-sensitive functions. No supervisor with actual knowledge that a covered employee is using alcohol will permit the employee to perform or continue to perform safety sensitive functions.¶
<#>Covered employees with an alcohol concentration 0.02 or greater are prohibited from reporting for duty to perform a safety-sensitive function or remaining on duty while performing a safety-sensitive function.¶
<#>Drug Consumption: Analytical urine drug testing will be conducted as required by 49 CFR Part 40 for the presence of marijuana, cocaine, amphetamines, opiates (heroin 6-AM, codeine, and morphine), phencyclidine and amphetamines (amphetamine and methamphetamine, MDMA, MDA, MDEA) and their metabolites. These substances are prohibited at all times and employees may be tested for these substances at any time while on duty.¶
<#>SPECIFIC TESTING REQUIREMENTS¶
<#>Each employee tested under Federal requirements will be notified of the purpose for the testing and under whose authority the test is being conducted.¶
<#>Federal drug and alcohol testing must be conducted completely separately from non-federal testing. Further, Federal testing will take priority over the non-federal collection process.¶
<#>DOT Federal Drug Testing Custody and Control forms and DOT Alcohol Testing forms will be used for FTA mandated testing as described in this policy. Any testing conducted solely under MST's authority will be conducted using non-DOT drug and alcohol testing forms. ¶
<#>No other tests conducted under the FTA drug and alcohol testing requirements in 49 CFR Part 40.¶

Moved up [2]: <#>Each employee tested requirements will be notified of the purpose for the testing and under whose authority the test is being conducted.¶
<#>Federal drug and alcohol testing must be conducted completely separately from non-federal testing. Further, Federal testing will take priority over the non-federal collection process.¶
<#>DOT Federal Drug Testing Custody and Control forms and DOT Alcohol Testing forms will be used for FTA mandated testing as described in this policy. Any testing conducted solely under MST's authority will be conducted using non-DOT drug and alcohol testing forms. ¶
<#>No other tests conducted under the FTA drug and alcohol testing requirements in 49 CFR Part 655 will be performed on urine or breath specimens except those specified by DOT regulations in 49 CFR Part 40.¶
<#>A verified positive DOT drug test result cannot be negated by an employee presenting...

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The purpose of pre-employment and pre-placement testing is to identify current drug use by applicants or employees who may seek to apply and/or transfer from a non-safety sensitive position to a safety-sensitive position. As part of the employment process, Human Resources will follow the investigative process as outlined in 49 CFR 40.25.

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Applicants and transferees are required (even if ultimately not hired) to provide MST with signed written releases requesting FTA drug and alcohol records from all previous DOT-covered employers that the applicant has worked for within the last two years. Failure to do so will result in the employment offer being rescinded. MST is required to ask all applicants (even if ultimately not hired) if they have tested positive or refused to test on a pre-employment test for a DOT-covered employer within the last two years. If the applicant has tested positive or refused to test on a pre-employment test for a DOT-covered employer, the applicant must provide MST proof of having successfully completed a referral, evaluation, and treatment plan as described in section 655.62 of subpart G and 49 CFR Part 40, Subpart O.

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Each applicant or transferee must undergo drug testing after a contingent offer of employment or transfer. Transferees and applicants may not perform safety-sensitive functions until employment drug testing is administered and MST has received verified negative results. An employee may not transfer to a safety-sensitive position from a non-safety sensitive position until employment drug testing is administered and MST has received verified negative results.

Deleted: When a transferee or applicant has previously failed or refused a DOT drug and/or alcohol test, the individual must present to MST proof of having successfully completed a referral, evaluation and treatment plan under a substance abuse professional in accordance with the requirements in 49 CFR Part 40, Subpart O. ¶

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In the event a drug test is considered a "cancelled test," the transferee or applicant must retake the drug test and receive a verified negative result before being permitted to start a safety-sensitive position.

Applicants who have not been placed in a safety-sensitive position within 90 consecutive calendar days of their initial employment drug test, and who were not included within the random testing pool during that time, will be required to re-take the drug test and receive a verified negative result before starting a safety-sensitive position.

Employment testing will also be performed whenever a covered employee has not performed a safety-sensitive function for 90 consecutive calendar days, regardless of the reason, and has not been in the random selection pool during that time period. The employee may resume safety-sensitive duties after MST receives a verified negative drug test result.

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9.2 RANDOM TESTING

The purpose of random testing is to serve as a strong deterrent to prevent employees from beginning or continuing drug use or alcohol misuse and to assist in protecting the safety of the public, co-workers, and the employee.

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| <p>All <u>covered</u> employees are required to participate in the random testing program for drugs and alcohol. MST will test employees performing safety sensitive functions in accordance with FTA required minimum testing percentages. (Addendum C)</p> | <p>Deleted: covered</p> |
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| <p>Random testing is required by FTA to be conducted during all time periods when safety-sensitive functions are performed and shall be unannounced and unpredictable. MST's random testing will be conducted <u>on all days and hours throughout the year during which safety-sensitive functions are performed</u>.</p> | <p>Deleted: concurrent with safety sensitive duties being performed, seven days a week, and holidays</p> |
| <p>A <u>covered</u> employee shall only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions; just before the employee is to perform safety-sensitive functions; or just after the employee has ceased performing such functions. A <u>covered</u></p> | <p>Deleted: covered</p> |
| <p>employee may be randomly tested for prohibited drug use any time while on duty.</p> | <p>Deleted: covered</p> |
| <p>MST utilizes, through its third party administrator (TPA), a drug and alcohol software Random Number Generator program that is in compliance with FTA regulations. This software program maintains all drug and alcohol selection test records, <u>randomly selects covered employees using the social security number</u>, and notifies the appropriate MST personnel in a secured e-mail system on the first of each month.</p> | |
| <p>Random selection is performed monthly. At the end of each month, the DER supplies the current list of <u>covered</u> employees who are classified as "active" (working with pay) to the TPA. All employees who are on Workers' Compensation, Short & Long Term Disability, Leave of Absence, or extended time off of more than 30 days are removed from the selection process, therefore removing those names from the pool list. The Random Number Generator program performs an automated selection from the "active" pool for the selection period from the first of the next month to the end of that month.</p> | <p>Deleted: safety sensitive</p> |
| <p>The notification process is managed by the <u>DER or the DAPM in his/her absence</u>. The employees selected are then spread out throughout <u>MST's</u> hours of operation. The DER correlates the <u>covered</u> employee's work schedule with the date and time the notification will commence. Notification is handled by the Communications Center and appropriate Transit Supervisors. Employees selected for random testing are identified by employee name, company identification number, and responsibility safety-sensitive code.</p> | <p>Deleted: HR department</p> |
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| <p>To assure that the random program is protected from unofficial entry, only authorized personnel have access to selected monthly random personnel. The integrity and confidentiality of the program is maintained through password protection and limited program access. All passwords for the drug and alcohol program are assigned and maintained solely by the DER and the DAPM. Access to all drug and alcohol records can only be viewed by the staff members listed above. If any of the authorized personnel listed above are in the random pool list, they will be eliminated from the initial TPA notification until such time as the names are verified by the DER and their name(s) are not selected for that month.</p> | <p>Deleted: ny</p> |

As required by FTA regulations, the random testing process occurs throughout the year, workday, and throughout the selection period.

If the employee is available for testing during their work shift, the covered employee will be informed that she/he has been selected for random testing with minimal notice given prior to testing. The employee will be informed of what type of testing is to be performed, will immediately cease performing the safety-sensitive function, and will be required to immediately report to the collection site.

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Every effort will be made to test all individuals that have been selected within each random selection period. Logistical difficulties, operational requirements, or complicating personnel issues that make the testing process more difficult are not acceptable reasons to prevent testing. When an employee is not available for random testing during the selection period, the supervisor will provide written documentation to the DER and/or the DAPM in the DER's absence with the reason testing was not performed.

Random testing may occur anytime an employee is on duty as long as the employee is notified prior to the end of shift. Employees who provide advance, verifiable notice of scheduled medical or child care commitments will be random drug tested no later than three hours before the end of their shift and random alcohol tested no later than 30 minutes before the end of their shift. Verifiable documentation of a previously scheduled medical or child care commitment, for the period immediately following an employee's shift, must be provided to the DER at least four (4) hours before the end of the shift.

9.3 REASONABLE SUSPICION TESTING

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All covered and non-covered employees may be subject to a fitness-for-duty evaluation, and urine and/or breath testing when there are reasons to believe that drug or alcohol use is adversely affecting his/her job performance.

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Reasonable suspicion testing will be performed when a supervisor(s) or other MST official(s) (who has been trained in detecting the signs and symptoms of drug use or alcohol misuse) has a reasonable suspicion that the employee has used a prohibited drug and/or engaged in alcohol misuse. FTA regulations require that all supervisors undergo a minimum of 60 minutes of training on the signs and symptoms of drug use and an additional 60 minutes of training on the signs and symptoms of alcohol misuse before being qualified to make reasonable suspicion determinations.

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The determination that reasonable suspicion exists shall be based on specific, contemporaneous, and articulable observations concerning the appearance, behavior, speech, or body odors of the employee. The supervisor(s) or other MST official(s) will complete a Reasonable Suspicion Checklist to document the observed behavior as justification for testing.

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The employee will be informed of the reason for testing and, under the sole authority of MST, will be transported for testing immediately after the supervisor completes valid documentation.

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Alcohol testing must be based on observations and documented as noted above and testing shall be performed only if the observations were made while the covered employee was performing safety sensitive functions, just before the employee was to perform safety sensitive functions, or just after the employee had ceased performing such functions.

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If alcohol testing is not performed within 2 hours following the determination to test, a written statement will be made on the reasonable suspicion document explaining why the testing could not be performed. This documentation will be sent to, and maintained by, the Wellness Program staff. If a test is not administered within eight (8) hours following the determination to test, the supervisor will cease attempts to administer the test. A statement will be added to the reasonable suspicion document explaining why testing could not be conducted within eight (8) hours.

Under MST' sole authority, non-covered employees are subject to reasonable suspicion testing anytime while on duty, and all testing will be conducted on non-DOT forms.

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Moved down [3]: In the event of a non-fatal accident, according to the FTA, the burden rests with MST to prove that an employee did not contribute to the accident and therefore can be dismissed from testing. ¶

9.4 POST-ACCIDENT TESTING FOR SAFETY-SENSITIVE EMPLOYEES

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FTA regulations require drug and alcohol testing for covered employees who perform safety-sensitive functions in the case of certain accidents.

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In the event of a fatality, all surviving covered employees operating the public transportation vehicle at the time of the incident will be subject to FTA drug and alcohol testing. In addition, all other covered employees whose performance may have contributed to the accident are subject to FTA drug and alcohol testing.

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All covered employees operating the public transportation vehicle will be subject to FTA drug and alcohol testing unless their performance can be completely discounted by MST as a contributing factor based on the best information available at the time of the decision. In addition, all other covered employees whose performance may have contributed to the accident, as determined by MST using the best information available at the time of the decision, are subject to FTA drug and alcohol testing. ¶

The decision to not administer a post-accident drug and alcohol test under FTA requirements shall be based on the investigating person's determination, using the best available information at the time of the determination that the employee's performance could not have contributed to the accident.

In the event of a non-fatal accident, FTA drug and alcohol testing is required when:

- 1) An individual suffers bodily injury and immediately receives medical treatment away from the scene of the accident, unless the safety-sensitive employee can be completely discounted as a contributing factor to the accident; or
- 2) One or more vehicles (including non-transit vehicles) incur disabling damage as the result of the occurrence and the vehicle is transported away from the scene by a tow truck or other vehicle, unless the safety-sensitive employee can be completely discounted as a contributing factor to the accident.

In addition, all other covered employees whose performance may have contributed to the accident are subject to FTA drug and alcohol testing.

In the event of a non-fatal accident, the burden rests with the investigating employee to determine that an employee did not contribute to the accident. The determination must be based on the best information available at the time of the decision. Such a decision must be

documented in detail, including use of the Decision Checklist for Post-Accident Drug and Alcohol Testing Form. The form must be retained and submitted to the DER or DAPM immediately following the accident.

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FTA specifically requires that post-accident testing be administered as soon as practicable following an accident and the employee must remain readily available for testing. If possible, alcohol tests should be performed before drug tests.

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Every attempt should be made to complete **alcohol testing** within two (2) hours of the accident. When it is not possible to perform testing within the two (2) hour limit, the supervisor is required to document the reasons.

Every effort should be made to continue to attempt to perform alcohol testing. When it is not possible to obtain a breath specimen within eight (8) hours, the supervisor will cease attempts and document the reasons. Alcohol use is prohibited by any safety-sensitive employee required to take a post-accident alcohol test for 8 hours or until alcohol testing is performed, whichever occurs first following the accident.

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A post-accident drug test should be performed as soon as possible after the alcohol test. If the drug test is not performed within 32 hours of the accident, all attempts must cease and the supervisor must provide written documentation why the test was unable to be performed.

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A covered employee who is subject to post-accident testing shall remain readily available for testing. If he or she leaves the scene of the accident without notifying the supervisor in charge or is not readily available for testing, it may be considered that the employee has refused to submit to testing.

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The requirements to perform drug and alcohol testing should in no way require the delay of necessary medical attention or interfere with a law enforcement investigation.

MST may use the post-accident test results of a blood, urine, or breath test for the use of prohibited drugs or alcohol conducted by federal, state, or local officials having independent authority for the test, provided that the test conforms to the applicable federal, state, or local testing requirements, and that the test results are obtained by MST. Such test results may be used only when MST is unable to perform a post-accident test within the required period noted in 49 CFR Part 655.44(a) and (b).

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9.5 NEW HIRE "FOLLOWING THE EMPLOYEE" TESTING

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According to 49 CFR Part 40 Subpart O, new hires who have had positive drug and/or alcohol tests at a previous DOT-regulated employer and have successfully completed the return-to-work process as required will continue the return-to-duty and follow-up testing plan as prescribed by the Substance Abuse Professional. This will assure that the requirements of the

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SAP's follow-up plan "follows the employee" to subsequent employers or through breaks in service as noted in §40.307(e).

The previous employer's SAP must present MST's designated DER with any pertinent information regarding the employee's rehabilitation compliance and release to return to duty, including a follow-up testing plan outlining the number and frequency of unannounced testing. Federal regulations mandate at least six (6) follow-up tests in the first twelve (12) months following the employee's return to safety-sensitive duties. However, more testing may be required based on the SAP's assessment. Follow-up testing can be continued for up to sixty (60) months after return to work. The SAP, following the employee's successful completion of the mandatory testing requirements the first year, may terminate follow-up testing. Follow-up testing is in addition to the other required drug and alcohol testing as described in this Policy.

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Follow-up testing must be performed as recommended in the SAP's testing plan. If testing is not performed as outlined, the subjected employee will not be permitted to perform safety-sensitive functions.

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A follow-up test that has been determined by the Medical Review Officer as "cancelled" is not considered a completed follow-up test and must be recollected. Under MST's Zero Tolerance policy, any employee in the follow-up testing program who subsequently tests positive for either drugs or alcohol will be subject to immediate discharge.

10. TESTING PROTOCOLS

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10.1 ALCOHOL TESTING

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Breath alcohol testing will be conducted on covered employees per the procedure outlined in 49 CFR Part 40. In order to protect the integrity of the breath testing process, MST will utilize collection sites that have Evidential Breath Testing Devices (EBT's) that meet National Highway Traffic Safety Administration (NHTSA) approval. The testing equipment must provide triplicate printed results, assign unique and sequential test numbers, and print the manufacturer's name for the device, the device's serial number and the time of the test.

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MST will only utilize certified Breath Alcohol Technicians (BAT) to perform alcohol testing. The BAT will be trained to proficiency in the operation of the EBT and in the alcohol testing procedures in 49 CFR Part 40, Subpart J. To protect the security of the testing site and process, the breath alcohol testing location must afford privacy, not permit unauthorized persons access, and the EBT must be stored in a secure location. The BAT will protect the testing process by testing only one employee at a time, complete the entire alcohol test procedure before starting another process on another employee, and not leave the testing site until the procedure is completed as described in 49 CFR Part 40, Subpart K.

FTA requirements provide authorization for testing for alcohol and taking action on the findings, regardless of whether the alcohol ingested was from beverage alcohol or in a medicinal or other preparation. [\(Addendum D\)](#)

10.2 DRUG TESTING

Following FTA regulations as amended in Part 40, urine drug testing will consist of testing for marijuana, cocaine, phencyclidine, amphetamines, and [opioids](#). Testing procedures will consist of specimen collection, laboratory testing, Medical Review Officer review, and SAP referral, if needed.

MST is committed to ensuring both the accuracy of testing procedures and the confidentiality of test results. Accordingly, MST will employ only laboratories certified by the Department of Health and Human Services (DHHS) that utilize state-of-the-art technology, follow accepted chain of custody procedures, and strictly preserve confidentiality of all test results. MST has contracted with a certified laboratory to perform drug testing and a secondary laboratory to perform split sample testing. The contracted laboratory testing service will meet all the requirements as noted in 49 CFR Part 40, Subpart F. [\(Addendum E\)](#)

MST reserves the right to select other collection sites as warranted for drug and alcohol testing as long as those sites meet DOT 49 CFR Part 40 specimen collection requirements. Collection site personnel will meet the training and qualification standards for drug specimen collection as specified in 49 CFR Part 40 Subpart C. MST will review and authorize any change in its contractor's collection sites.

Collections will be performed in accordance with 49 CFR part 40 Subpart D and E. In order to protect the security and integrity of the urine collection, each site will provide a privacy enclosure for urination, a toilet, a suitable clean writing surface and a water source outside the private enclosure for hand washing. Access to each collection area will be restricted during specimen collection and either secured or visually inspected before specimen collection. A blue dye will be used in each toilet and all other water sources will be inoperable or secured. These procedures will be monitored by DER and/or DAPM on a routine basis to assure integrity of the testing process. [\(Addendum F\)](#)

Medical Review Officer:

In accordance with FTA regulations, when a drug test results in a confirmed positive, adulterated, substituted, or invalid drug test, the employee will be contacted by the Medical Review Officer. The [MRO](#) will interpret the employee's confirmed positive test by the following method:

- Review the individual's medical history;
- Afford the employee an opportunity to discuss the test result;

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The drug collection process is outlined in Addendum E. Laboratory cutoff values are noted in Part 40 as amended. ¶

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- Decide whether there is legitimate medical explanation for the result;
- Inform the employee that she/he has 72 hours in which to request a test of the split sample. (this time period is inclusive of all weekends and holidays);
- Inform the employee how to contact the MRO by providing telephone numbers or other information that will allow this request;
- Inform the employee that if the request is made within this 72-hour timeframe, MST will ensure that the testing will occur;
- Inform the employee that the cost of the testing is not required to be paid by the employee, but MST may request and expect reimbursement;
- Inform the employee that additional testing of the specimen (e.g. DNA/genetic testing) is not authorized.

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The Medical Review Officer's services are provided by contract with a certified physician who meets the qualifications and follows the protocols as defined by 49 CFR Part 40 Subpart G, and H. (See Addendum B)

Observed Collection Procedure:

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Direct observed collection will be performed immediately with no advanced warning under DOT requirements when:

- The collector identifies a donor's attempt to alter or tamper with their specimen;
- A specimen test result is reported as invalid because there is no adequate medical explanation for the result;
- When a positive, adulterated, or substituted test result is reported as a cancelled test because testing on the split specimen could not be performed;
- The temperature of the specimen falls out of the range of 90 – 100° F.

The collection site will immediately notify MST's DER of the occurrence and perform a second collection by direct observation. Every observed collection will be conducted by a person of the same sex as the donor. An observed collection will be performed immediately upon detection, and all specimens collected will be sent for analysis. The reason to perform direct observation collection will be provided to the employee by the collector.

Direct observation will be required for ***all*** return-to-duty or follow-up tests that comply with DOT regulations. Follow up testing for employees returning to work from MST's self-referral program are not subject to direct observation.

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Dilute Specimen Procedure:

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The following procedure will be followed regarding specimens that are reported as "dilute":

When MST is notified by the MRO that a positive drug test is dilute, the test will be treated as a verified positive test. The employee will not be directed to provide another test under a direct observation.

If a MST employee receives a negative, dilute test result with a creatinine concentration greater than or equal to 2 mg/dL, but less than or equal to 5 mg/dL, the MRO will direct MST to do a second collection immediately by OBSERVED collection. The employee will be directed to report for re-testing immediately. The result of the second collection will be the test result of record. If the second collection is also negative and dilute, unless directed by the MRO to perform another observed collection, the test result will stand as negative, dilute.

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If a MST employee receives a negative, dilute test result with a creatinine concentration greater than 5 mg/ml, and the MRO has not directed MST to perform an observed collection, the result will be treated as a verified negative test. The employee will not be directed to provide another test.

If a MST employee declines to take a second test as requested, the employee has refused testing.

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11. PRESCRIPTION, OVER-THE-COUNTER, AND LEGAL DRUG USE

The appropriate use of legally prescribed drugs and non-prescription (over-the-counter) medications is not prohibited. However, employees are advised to report the use of any substance which carries a warning label indicating that mental functioning, motor skills, or judgment may be adversely affected by its use to the DER or DAPM in the absence of the DER.

All covered employees are encouraged to inform their physician or medical professional that their job includes the operation and/or supervision of commercial vehicles and that they are subject to random drug testing under the FTA Drug and Alcohol Program.

Medical advice should be sought, as appropriate, while taking such medication and before performing safety-sensitive duties and covered employees should speak to their physician or medical professional about adjusting dosages to avoid testing positive during a MST drug test.

12. CONFIDENTIALITY AND RELEASE OF INFORMATION

According to [49 CFR Part 40.321](#), [49 CFR Part 40.323](#) and [49 CFR Part 655.73](#), the release of individual test results or medical information is to be limited to those persons who are on a need-to-know basis.

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The DER and/or DAPM are prohibited from releasing test results or medical information about an employee to third parties without the employee's specific written consent.

A “third party” is any person or organization to whom other subparts of this regulation do not explicitly authorize or require the transmission of information in the course of the drug or alcohol testing process.

“Specific written consent” means a statement signed by the employee that he/she agrees to the release of information to a particular, explicitly identified person or organization at a particular time. “Blanket releases” in which an employee agrees to release a category of information (e.g., all test results to all news media) are prohibited under this part.

All positive results will be reported to the designated DER and DAPM. The designated staff member(s), upon notification of positive results for drug and/or alcohol or refusals to test, will notify the authorized facility supervisor only. The authorized supervisor will proceed with the necessary disciplinary action as described in this Policy according to current practices.

Drug and alcohol test information will be released without the employee’s consent in certain legal proceedings as follows:

- A lawsuit such as a wrongful discharge, grievance or arbitration concerning disciplinary action taken by the employer or an administrative proceeding such as an unemployment compensation hearing brought by, or on behalf of, an employee and resulting from a positive DOT drug or alcohol test or a refusal to test.
- Criminal or civil action resulting from an employee’s performance of safety-sensitive duties when a court determines that drug and/or alcohol test information is relevant to the case. The employee will be notified immediately by MST of the information released.

Drug and alcohol information will be released to the employee only by written consent. The employee will send all written requests to the designated DER and/or DAPM, as noted in Addendum B.

Drug and alcohol information will be released without written request from the employee when information is requested by any DOT agency representatives, the National Transportation Safety Board, and any federal, state or local safety agency with regulatory authority over MST.

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13. EMPLOYEE AND SUPERVISOR EDUCATION AND TRAINING

Education and Training:

In compliance with 49 CFR Part 655.14 MST has established an employee education and training program for all covered and non covered employees, including the display and distribution of informational materials and a community service hot-line telephone number for its Employee Assistance Program.

All covered and non-covered employees will receive a minimum of 60 minutes of training on the effects and consequences of prohibited drug use on personal health, safety, and the work environment, and on the signs and symptoms that may indicate prohibited drug use.

Supervisor Training:

Supervisors and/or other company officers authorized by MST to make reasonable suspicion determinations will receive a minimum of 60 minutes of training on the physical, behavioral, and performance indicators of probable drug use and a minimum of 60 minutes of training on the physical, behavioral, speech, and performance indicators of probable alcohol misuse.

14. RECORDS MANAGEMENT

According to 49 CFR Part 40.333 and 49 CFR Part 655.71, the following minimum record retention schedule shall be maintained by MST's Wellness Program staff:

All records associated with the Drug and Alcohol Program will be secured in a locked cabinet within a locked file room in the Human Resources Department. Access to these documents will be limited to the designated Director of Human Resources and Risk Management, the DER, and DAPM. Information will be provided to specific persons within MST, such as Internal Audit personnel, legal personnel, labor relations personnel and worker's compensation personnel for proceedings requiring release of record information. Request for records from an outside source such as news media or outside legal counsel will require adherence to the confidentiality of records portion of this Policy.

RECORDS RETENTION SCHEDULE

| RECORD | RETENTION PERIOD |
|--|------------------|
| <ul style="list-style-type: none">Alcohol test results of 0.02 or greaterVerified Positive drug test resultsDocumentation of refusals to take drug or alcohol testSAP reports of employee evaluation & referralsFollow-up tests & schedulesDocumentation of employee disputesEvidential Breath Device Calibration documentationAnnual MIS reports | 5 year retention |
| RECORD | RETENTION PERIOD |
| <ul style="list-style-type: none">Information obtained from previous employers under §40.25 concerning drug and alcohol test results of employees | 3 year retention |
| RECORD | RETENTION PERIOD |
| <ul style="list-style-type: none">Collection log booksRandom selection recordsDocumentation supporting reasonable suspicion testingDocumentation generated for decisions on post accident testing | 2 year retention |

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|---|-------------------------|
| <ul style="list-style-type: none"> • MRO documents verifying a medical explanation for shy lung or shy bladder • Employee training materials on drug & alcohol including a copy of the policy • Training logs with names, dates & times • Supervisor training for reasonable suspicion • Credentialing documentation from service agents | |
| RECORD | RETENTION PERIOD |
| <ul style="list-style-type: none"> • Records of negative drug & alcohol tests | One year retention |

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15. ATTACHMENTS

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ADDENDUM A.....Safety-Sensitive Job Classifications

ADDENDUM B.....Laboratory Testing Cut-Off Limits

ADDENDUM C.....Annual Random Testing Rates

ADDENDUM DAlcohol Testing Procedure

ADDENDUM EDrug Testing Procedure

ADDENDUM FMRO, SAP, Laboratory, Collection Sites, and Program Staff

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ADDENDUM A

SAFETY-SENSITIVE JOB CLASSIFICATIONS AND POSITIONS

The Human Resources Department has reviewed the job descriptions of all MST employees to identify those who perform safety-sensitive functions as a requirement of their positions. The job titles of each MST position meeting the FTA criteria of a covered employee, and a numeric code identifying the type of safety-sensitive function required to be performed by the employee are listed below:

- Operates a revenue service vehicle whether in or out of service: 001
- Maintains a revenue service vehicle or maintains equipment used in revenue service: 002
- Controls dispatch or movement of a revenue service vehicle: 003
- Operates a non-revenue vehicle requiring a CDL: 004

| Title | SS code |
|---------------------------------------|---------------------------|
| Chief Operating Officer | 001 |
| Coach Operator | 001 |
| Contract Transportation Supervisor | 001 |
| Deputy Chief Operating Officer | 001 |
| Electronic Technician | 001 |
| Maintenance Supervisors | 001 |
| Master Mechanic | 001 |
| Mechanic Advanced | 001 |
| Mechanic Entry | 001 |
| Mechanic Intermediate | 001 |
| Risk and Security Manager | 001 |
| Shop Helper | 001 |
| Trainer | 001 |
| Utility Service Persons | 001 |
| ITS Technician | 002 |
| Communication Systems Manager | 003 |
| Communication Systems Specialists | 003 |
| Operations Supervisor | 004 |
| Senior Operations Supervisor | 004 |
| Total Positions Covered | 19 |

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ADDENDUM B

LABORATORY TESTING CUTOFF LEVELS

Per 49 CFR Part 40, Section 40.87:

- (a) As a laboratory, you must use the cutoff concentrations displayed in the following table for initial and confirmatory drug tests. All cutoff concentrations are expressed in nanograms per milliliter (ng/mL).

| Initial Test Analyte | Initial Test Cutoff ¹ | Confirmatory Test Analyte | Confirmatory Test Cutoff Concentration |
|---|----------------------------------|--------------------------------|--|
| Marijuana metabolites (THCA) ² | 50 ng/mL ³ | THCA | 15 ng/mL. |
| Cocaine metabolite (Benzoylecgonine) | 150 ng/mL ³ | Benzoylecgonine | 100 ng/mL. |
| Codeine/Morphine | 2000 ng/mL | Codeine Morphine | 2000 ng/mL. 2000 ng/mL. |
| Hydrocodone/Hydromorphone | 300 ng/mL | Hydrocodone Hydromorphone | 100 ng/mL. 100 ng/mL. |
| Oxycodone/Oxymorphone | 100 ng/mL | Oxycodone Oxymorphone | 100 ng/mL. 100 ng/mL. |
| 6-Acetylmorphine | 10 ng/mL | 6-Acetylmorphine | 10 ng/mL. |
| Phencyclidine | 25 ng/mL | Phencyclidine | 25 ng/mL. |
| Amphetamine/Methamphetamine | 500 ng/mL | Amphetamine Methamphetamine | 250 ng/mL. 250 ng/mL. |
| MDMA ⁴ /MDA ⁵ | 500 ng/mL | MDMA MDA | 250 ng/mL. 250 ng/mL. |

[65 FR 79526, Dec. 19, 2000, as amended at 75 FR 49862, August 16, 2010; 77 FR 26473, May 4, 2012; 82 FR 52244, November 13, 2017] Updated: Monday, January 1, 2018

¹For grouped analytes (i.e., two or more analytes that are in the same drug class and have the same initial test cutoff):

Immunoassay: The test must be calibrated with one analyte from the group identified as the target analyte. The cross-reactivity of the immunoassay to the other analyte(s) within the group must be 80 percent or greater; if not, separate immunoassays must be used for the analytes within the group.

Alternate technology: Either one analyte or all analytes from the group must be used for calibration, depending on the technology. At least one analyte within the group must have a concentration equal to or greater than the initial test cutoff or, alternatively, the sum of the analytes present (i.e., equal to or greater than the laboratory's validated limit of quantification) must be equal to or greater than the initial test cutoff.

²An immunoassay must be calibrated with the target analyte, Δ -9-tetrahydrocannabinol-9-carboxylic acid (THCA).

³Alternate technology (THCA and Benzoylecgonine): When using an alternate technology initial test for the specific target analytes of THCA and Benzoylecgonine, the laboratory must use the same cutoff for the initial and confirmatory tests (i.e., 15 ng/mL for THCA and 100ng/mL for Benzoylecgonine).

⁴Methylenedioxymethamphetamine (MDMA).

⁵Methylenedioxyamphetamine (MDA).

(b) On an initial drug test, you must report a result below the cutoff concentration as negative. If the result is at or above the cutoff concentration, you must conduct a confirmation test.

(c) On a confirmation drug test, you must report a result below the cutoff concentration as negative and a result at or above the cutoff concentration as confirmed positive.

(d) You must report quantitative values for morphine or codeine at 15,000 ng/mL or above.

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ADDENDUM C

ANNUAL RANDOM TESTING RATES

Required minimum FTA/DOT annual random testing rates are posted in the Federal Register annually and are effective for all FTA/DOT regulated entities for the next year. The rates listed below are the current random drug and alcohol testing rates and will be updated if and when the rates are changed.

| DOT Agency | Current Random Drug Testing Rate | Current Random Alcohol Testing Rate |
|--------------------------------------|----------------------------------|-------------------------------------|
| Federal Transit Administration (FTA) | 25% | 10% |

Current annual random testing rates can be found on the U.S. Department of Transportation website at <https://www.transportation.gov/odapc/random-testing-rates>.

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ADDENDUM D

ALCOHOL TESTING PROCEDURES

Breath Alcohol Collection Process

Breath alcohol testing will adhere strictly with 49 CFR Part 40 Subparts J, K, L, M and N. Outlined below is the testing procedure, however, any technical interpretation will be based on the actual regulation.

- The testing process will begin upon entry to the collection site without undue delay.
- Alcohol testing takes precedence over drug testing and will be performed before the drug screen collection.
- Employee identification will be verified by a photo ID using either a valid California Driver's license or MST Identification card. If the employee does not have identification, the collection site will contact the DER or other authorized Human Resources staff member to verify the identity of the employee. It is MST's policy that the collection site takes a photo for identification purposes. If the employee's identity cannot be verified, a specimen collection cannot be conducted.
- After testing procedures are explained to the employee, the BAT (Breath Alcohol Technician) will complete Step 1 of the Alcohol Testing Form (ATF) and the employee will complete Step 2 and sign the certification. A refusal by the employee to sign Step 2 of the ATF is a refusal to test.
- The employee or BAT will select an individually wrapped disposable mouthpiece. The BAT will insert the mouthpiece into the testing device.
- The employee will be instructed to blow steadily and forcefully into the mouthpiece for at least six seconds or until the device indicates that an adequate amount of breath has been obtained.
- If the employee does not provide a sufficient amount of breath, the employee will be instructed to attempt again to provide a sufficient amount of breath. If the employee fails after this attempt, the BAT may provide a third opportunity and may use manual testing if the BAT believes that results can be obtained. Failure after the third attempt will result in the employee being directed to undergo a medical evaluation for "Shy Lung." The employee will be immediately placed on administrative leave until the shy lung evaluation is complete.
- After successful completion of the testing, the employee will be shown the results.
- When the results of the test are a breath alcohol concentration of less than 0.02, the test will be considered negative. The BAT will sign and date Step 3 on the Alcohol Testing Form and transmit the information to the designated DER in a confidential manner.
- When the results of the test are a breath alcohol concentration 0.02 or greater, a confirmation test must be performed. The confirmation test must be conducted after a waiting period of at least 15 minutes, but not more than 30 minutes, after the completion of the initial test.
- During the waiting period for confirmation testing, the employee will be instructed by the BAT not to eat, drink, smoke or place anything in his or her mouth or belch. The BAT will inform the employee that the test will be conducted at the end of the waiting period even if the employee disregards instructions. The BAT will observe the employee at all times and will document any disregard of instructions in the "remarks" area of the Alcohol Testing Form.
- Before confirmation testing, the BAT shall conduct an air blank test on the EBT. The reading should not be greater than 0.00.
- The employee shall be shown the results of the confirmation test and the BAT will inform the transporting supervisor of the results. Based on the results, the supervisor will take appropriate action based on the criteria outlined in this policy.

- The BAT will immediately notify the DER first, then the DAPM and, if unable to contact either individual, the Director of Human Resources and Risk Management, of results greater or equal to 0.02 BAC and send hard copy confidentially by U.S. Mail or courier.
- In order to confirm that telephoned results are valid when received from the collection site, Medical Services personnel will call the collection site after receiving concentration results over 0.02 to confirm the results and verify the identification of the person reporting the results.

“Shy lung” evaluation will occur when an employee attempts and is unable to provide an adequate amount of breath after following the procedure outlined above. The evaluation procedure will strictly adhere to the requirements as defined in 49 CFR Part 40 Subpart N specifically §40.265. Outlined below is the process that will be utilized; however, any technical interpretation will be based on the actual regulation.

- If the employee fails after two attempts, the BAT may provide a third opportunity and may use manual testing if the BAT believes that results can be obtained. Failure after the third attempt will result in medical evaluation for “Shy Lung”. When the employee has failed to provide adequate breath, the BAT will discontinue the test and note the fact on the “Remarks” line of the Alcohol Testing Form and immediately notify Wellness Program personnel.
- If the employee refuses to make the attempt, the BAT will discontinue the test, note the fact on the “remarks” line of the ATF and immediately notify the designated DER. This is a refusal to test.
- After notification from the BAT, the DER will direct the employee to obtain, within 5 five days, an evaluation from a MST-authorized physician to determine if there is a medical reason for not being able to provide an adequate amount of breath.
- If the examining physician determines that a medical condition exists, the employee will resume working.
- If the examining physician determines that no medical condition exists, it will be considered a “refusal to test”. The employee will be terminated and referred to the SAP.

ADDENDUM E

DRUG TESTING PROCEDURES

Urine Specimen Collection Process

Urine specimen collection will adhere strictly with 49 CFR part 40 Subparts C, D, and E. Outlined below is the collection procedure, however; any technical interpretation will be based on the actual regulation.

- The testing process will begin upon entry to the collection site without undue delay. For pre-employment testing, the testing process is not considered to have begun until the individual has been provided with a specimen collection cup by the collector.
- If an alcohol test is also required in conjunction with the drug test, alcohol testing will be performed prior to the drug screen collection.
- Employee identification will be verified by a photo ID using either a valid Driver's license or MST Identification card. If the employee does not have identification, the collection site will contact the DER to verify the identity of the employee. It is MST's policy that the collection site takes a photo for identification purposes. If the employee's identity cannot be verified, a specimen collection cannot be conducted.
- The collection process will be explained to the employee.
- The employee will be requested to remove outer clothing such as coat, sweater, jacket, hat or coveralls. All clothing and personal items such as a briefcase, cell phone, purse or other items will be placed in a secure location. Although the employee will not be required to remove all clothing, he/she will be directed to display the contents of pockets to ensure that no items are present which could be used to adulterate or tamper with their specimen.
- Prior to collection of the specimen, Step 1 of the custody and control form will be completed by the collector.
- The employee will then be instructed to wash and dry his or her hands.
- The employee will be provided a specimen container and directed to a secured restroom to provide a specimen.
- The minimum specimen amount is 45 ml. If there is insufficient volume, the specimen collected must be discarded. At no time is it permitted to combine urine collected from separate voids to create a sufficient specimen. The employee has up to three (3) hours to provide a single specimen of at least 45 ml and may drink up to 40 ounces of water throughout the waiting period in order to provide a specimen. The employee will be notified when the three (3) hour period begins and when it will end. The three (3) hour period begins with the first unsuccessful attempt to provide a specimen. It is not considered a refusal if the employee chooses not to drink the 40 ounces of water. Failure to provide a specimen within the allotted time period will result in evaluation under the "shy bladder" procedure. The employee will be immediately placed on administrative leave until the shy bladder evaluation is complete.
- The temperature of the specimen will be obtained within 4 minutes after the specimen collection and the acceptable temperature range must be between 90° to 100° F.
- The collector will pour the sample into two collection bottles, one bottle will contain at least 30 ml and the second bottle (the split) will contain at least 15 ml. This process will be performed in front of the employee.
- In the presence of the employee, the collector will seal each bottle and then affix tamper-evident labels over each bottle. The collector will date each tamper-evident label and the employee will initial the bottle labels. With the sealed bottles in view of the employee, the employee will be instructed to wash and dry their hands.
- The Custody and Control Form will be completed with the appropriate signatures, employee printed name, signature, birth date and current date.

- The appropriate portion of the custody and control form along with the primary sample and the split sample will be placed in a single shipping container and placed in secure storage until laboratory pick up.

“Shy Bladder” evaluation will be performed when an employee is unable to provide at least 45 ml of urine within three (3) hours and being provided no more than 40 ounces of water. The procedure that will be utilized will strictly adhere to the requirements as defined in 49 CFR Part 40 Subpart I, specifically §40.193 and §40.195. Outlined below is the process that will be utilized; however, any technical interpretation will be based on the actual regulation.

- All specimens of insufficient quantity that have been collected will be discarded unless the specimen was out of temperature range or it showed evidence of adulteration or tampering.
- The collection procedure will be discontinued after 3 hours and documented on the custody and control form. The collector must notify the DER and the MRO within 24 hours; however, it is expected that each collection site will notify the DER immediately and will send the custody and control form with the documentation within the 24 hour period.
- The MST DER will consult with the MRO, and a licensed physician acceptable to the Third Party Administrator will be selected. The employee must be referred to the selected physician and evaluated by the physician within five (5) days of the occurrence. DER will contact the employee with the selected physician’s name, location and date of the evaluation.
- The employee will be placed on administrative leave pending medical results.
- The MRO shall confer with the evaluating physician and will provide the DER with a written determination as soon as it is made.
- If it has been determined that a medical condition exists, the test will be considered “cancelled” and the employee resumes working.
- If it has been determined that no medical condition exists, the test will be considered a “refusal to test.” The employee will be terminated and referred to the SAP.

ADDENDUM F

SERVICE VENDORS & PROGRAM STAFF

Medical Review Officer (MRO)

Dr. Stephen Kracht
eScreen
7500 W.110th St, Ste 400A
P.O. Box 25903
Overland Park, KS 66225
(888) 382-2281

Substance Abuse Professional (SAP)

srs – SAP Referrals Services, LLC
8441 Belair Road, suite 204
Nottingham, MD 21236
(410)668-8110

Laboratory Drug Testing

Alere
1111 Newton Street
Gretna, LA 70053
(800) 433-3823

Collection Sites

Monterey Locations:

Pre-Employment/Post-Offer, Reasonable Suspicion, Random, and Post Accident Alcohol and Drug Testing:

Monterey Bay Urgent Care

245 Washington Street
Monterey, CA 93940
(831) 372-2273

Hours of operation:

Monday-Friday, 7:30 a.m. - 6:30 p.m.
Saturday, 9:00 a.m. - 5:00 p.m.

Community Hospital Laboratory

23625 WR Holman Highway
Monterey, CA 93940
(831) 625-4811

Hours of operation:

24 hours a day, 7 days a week

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Salinas Locations:

Pre-Employment/Post-Offer, Reasonable Suspicion, Random, and Post Accident Alcohol and Drug Testing as determined by the D&A Administrator:

Pinnacle HealthCare

2 West Rossi Street
Salinas, CA 93907
(831) 920-4168

Hours of operation:

Monday-Friday, 8:00 a.m. - 7:00 p.m.
Saturday, 9:00 a.m. - 4:00 p.m.
Sunday, 9:00 a.m. - 1:00 p.m.

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MST Drug & Alcohol Program Administration**Human Resources Manager, DER**

Monterey-Salinas Transit
19 Upper Ragsdale Drive, Suite 200
Monterey CA 93940-5703
Office: (831) 264-5910

Compliance Analyst – DAPM

Monterey-Salinas Transit
19 Upper Ragsdale Drive, Suite 200
Monterey CA 93940-5703
Office: (831) 264-5878

Employer Assistance Program**WorkLifeMatters – Integrated Behavioral Health (IBH)**

(800) 386-7055
24 hours a day, 7 days a week
www.ibhworklife.com

The Board of Directors approved and adopted this Zero Tolerance Anti-Drug and Alcohol Policy on the 8th day of February, 2018.

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Tony Barrera
Chairman

Date

Carl Sedoryk
General Manager / CEO

Date

Deanna Smith
Compliance Analyst
Drug and Alcohol Program Manager

Date

Angelina Ruiz
Human Resources Manager
Designated Employer Representative

Date

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ATTACHMENT 2

Post Date: 12/06/2017

End Date: 1/30/2018

To: MST Employees

From: Deanna Smith, Compliance Analyst

Subject: Changes to DOT/FTA Drug Testing Panel

The Department of Transportation (DOT) has amended its drug testing program to add four opioids to its drug testing panel: oxycodone, oxymorphone, hydrocodone, and hydromorphone. Some common names for these semi-synthetic opioids include:

- OxyContin®
- Percodan®
- Percocet®
- Vicodin®
- Lortab®
- Norco®
- Dilaudid®
- Exalgo®

Additionally, MST employees will no longer be tested for MDEA.

If you are taking medication requiring a prescription for any of the above-named drugs or other drugs with warnings of potential impairment to your ability to safely perform your duties, you are advised to speak with your physician about adjusting your dosage and/or the time you take your medication to avoid testing positive during an MST drug test.

You should always inform your doctor that your job includes the operation and/or supervision of commercial vehicles and that you are subject to random drug testing under the FTA Drug and Alcohol Program.

If you are struggling with substance abuse, please ask for help. Information about MST's self-referral program can be obtained from MST's DER (Angelina Ruiz) or DAPM (Deanna Smith). You will not be disciplined for self-referral if you come forward before a drug or alcohol test is required.

Beginning January 1, 2018, all random, post-accident, reasonable suspicion, and pre-employment drug testing at MST will include:

Marijuana; cocaine; amphetamines (amphetamine, methamphetamine, MDMA, MDA); Opioids (codeine, heroin, morphine, oxycodone, oxymorphone, hydrocodone, hydromorphone), and phencyclidine.

Deanna Smith
Compliance Analyst / DAPM

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To: Board of Directors

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

Subject: Approve contract for Carl Sedoryk, General Manager/Chief Executive Officer

RECOMMENDATION:

Approve the 4-year employment agreement for the General Manager/CEO.

FISCAL IMPACT:

Wages are included in the approved FY2018 Budget.

POLICY IMPLICATIONS:

Your Board approves the employment agreement with the General Manager/CEO. The Human Resources Committee recommends approval of the contract.

DISCUSSION:

The Human Resources committee reviewed the GM/CEO contract and negotiated with staff changes to the contract. The final draft was reviewed by the HR Committee at its meeting on December 11, 2017. The HR Committee is recommended to the full Board to approve Mr. Sedoryk's contract as negotiated during closed session at the MST Board Meeting on January 8, 2018.

Mr. Sedoryk's contract is for a 4-year contract term with a salary and benefit package that provides compensation competitive to other General Managers of transit or other special districts of similar size and scope of responsibility, and benefits comparable to those granted or paid to members of the MST administrative staff.

An updated draft contract (attachment 1) as recommended by the HR Committee and discussed the MST's Board member during closed session is provided to your Board for final consideration.

Attachment- DRAFT EMPLOYMENT AGREEMENT

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

**DRAFT EMPLOYMENT AGREEMENT
WITH
CARL G. SEDORYK**

WHEREAS, Monterey-Salinas Transit District (MST) desires continuity of management, adequate assurances that the General Manager/Chief Executive Officer will serve for a specified period of time, and

WHEREAS, MST wishes to be assured of the continued services of Carl G. Sedoryk as General Manager/Chief Executive Officer (GM/CEO), and

WHEREAS, Carl G. Sedoryk wishes to be assured of his continued employment as GM/CEO of MST with adequate compensation that is competitive to positions with other comparable districts and agencies of similar scope and size.

IT IS MUTUALLY AGREED AS FOLLOWS:

1. TERM

4 year agreement:

This agreement shall be effective for a period commencing the effective date of this agreement and ending December 31, 2021.

2. ANNUAL SALARY

The base salary in effect at July 1, 2017 shall remain in effect. Salary shall be paid in equal installments in the same time and manner as other management salaries are paid. In no case shall the salary be less than 120 percent of the next highest paid employee of MST.

3. BENEFITS

MST shall provide the GM/CEO the following benefits:

a. Retirement Contribution

MST shall grant comparable PERS retirement benefits as are granted or paid to “Classic” members of the administrative staff.

b. Health Insurance

MST shall provide the same health insurance options and make the same contribution to health insurance premiums under an IRS 125 cafeteria plan as made to other administrative staff members, except that MST shall pay the full cost of such benefit without any charge for dependents coverage.

c. Life Insurance

MST shall provide Sedoryk with a term life insurance policy in an amount \$200,000, or at the employee's option contribute the cost of such coverage into a deferred compensation plan of the employee's choosing. Employee agrees to contribute such mandatory sums as may be required by law.

d. Personal Leave

MST shall provide paid personal leave at the rate granted or paid to members of the administrative staff.

e. Holidays

MST shall provide the same paid holidays as provided to other administrative staff members.

f. Management Leave

MST will provide ten days management leave each year convertible to cash.

h. Vehicle

MST shall provide an automobile for use by the GM/CEO, or an annual amount of 10,000 miles in mileage reimbursement.

i. Professional Development

MST shall continue to support the professional development of the GM/CEO by allowing and encouraging the GM/CEO to participate in activities and conferences that are deemed beneficial to MST.

m. Other Benefits

MST shall grant or pay comparable benefits as are granted or paid to members of the administrative staff.

j. Incentive Pay:

An incentive pay pool equal to 5% of the total base salary of EMPLOYEE shall be established. The incentive pay pool for first year of the contract will use the total base salary of the EMPLOYEE as of July 1, 2017. Years two, three and four of this contract will use the total base salary as of July 1, 2018, July 1, 2019 and July 1, 2020. Said incentive pay shall be paid to EMPLOYEE based upon performance in accordance with achievement of Board adopted goals and objectives. Said payment shall be a one-time payment for each contract year and shall not increase the EMPLOYEE'S base pay.

:

k. Deferred Compensation Match: EMPLOYEE shall be eligible to receive a dollar for dollar matching contribution from MST to an approved deferred compensation program in an annual amount not to exceed 50% of the annual individual contribution allowed under current Internal Revenue Service guidelines.

l. Reasonable Expenses

Reasonable business expenses, when incurred within the course and scope of the professional services rendered pursuant to this Agreement shall be reimbursed in accordance with applicable MST policies.

m. Wage Increase:

MST shall grant or pay comparable wage increases as are granted or paid to members of the administrative staff. Significant changes in job responsibilities or duties may result in an increase in base salary subject to Board approval.

n. Technology Allowance:

MST shall provide a technology allowance of \$1500.00 annually to ensure the GM/CEO has adequate equipment to conduct business and communications on behalf of MST during hours of operations which are 7 days a week/24 hours a day.

o. Cell Phone Allowance:

MST shall provide a cell phone allowance of \$100.00 a month. The GM/CEO will pay for a cell phone, but the allowance shall go toward payment of data usage due to MST business.

4. PERFORMANCE EVALUATION

The Board shall provide an annual performance evaluation of the GM/CEO. The MST Board shall provide the evaluation by October 31st of each year. The MST Board reserves the right to increase the GM/CEO compensation after each evaluation is satisfactorily completed and may take the form of an increase in base salary, one time performance incentive or some combination thereof. The GM/CEO will inform the MST Board of Directors of its obligation

pursuant to this section and keep the Board informed of current trends and industry best practices in executive performance evaluation and compensation.

5. EXCLUSIVE AND OUTSIDE WORK

The GM/CEO agrees to devote his full time and effort to perform the duties of GM/CEO as set forth in MST Policy & Procedures Section 3.2.1 provided he may teach or write for publication without prior approval of MST. GM/CEO may enter into consulting arrangements with public or private entities, but only with the prior written approval of MST provided that such activities do not interfere with the duties of GM/CEO.

6. TERMINATION OF AGREEMENT

This agreement may be terminated at any time in the following manner:

a. Cause

By action of the Board of Directors, MST may terminate this agreement and all rights and benefits hereunder by a finding that the GM/CEO is physically or mentally unable to perform the duties or has committed an act of moral turpitude. Prior to taking any action, the Board shall meet in closed session and give the GM/CEO an opportunity to respond to any allegations. At the close of the session the Board shall announce its decision as required by law, but shall not divulge any further information.

b. Without cause

By action of the Board of Directors, MST may terminate this contract at any time without cause. In said event MST shall pay GM/CEO nine (9) months pay and benefits as the rates set forth in Sections 2 and 3. All other portions of this contract shall be terminated.

7. CONTINUATION AFTER END OF AGREEMENT

Each year the agreement may be extended by one year upon mutual agreement. In the event this agreement is not extended prior to September 1, 2021 each party shall give the other party notice of its intention to continue or discontinue this contract, or the conditions under which they are willing to continue the contract. In the event both parties desire to continue the employment relationship, and a new contract cannot be agreed upon prior to December 31, 2021, this agreement shall continue from month-to-month until terminated by either party by giving 30 days notice in writing of termination.

8. NOTICES

Notices under this Agreement shall be by US mail, postage prepaid, addressed as follows, or such other address as the parties may establish and provide written notice of:

Chair, Board of Directors
Monterey-Salinas Transit
19 Upper Ragsdale Drive, Suite 200

Carl G. Sedoryk
810 Arbor Place
Del Rey Oaks, CA 93940

Executed at Monterey, California this 12th day of February 2018.

For MST:

Tony Barrera, Chair

Carl Sedoryk, CEO

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To: MST Board of Directors

From: Lisa Rheinheimer, Director of Planning and Marketing

Subject: Salinas Valley Express Transit Corridor Planning Study

RECOMMENDATION:

Award Salinas Valley Express Transit Corridor Planning Study to consulting firm Fehr and Peers and authorize the General Manager/CEO to execute the contract.

FISCAL IMPACT:

The contract award is for a total of \$132,800. MST was successful in receiving a grant from Caltrans under their Sustainable Communities grant program in the amount of \$132,800 for this planning study.

POLICY IMPLICATIONS:

In 2017, the MST Board of Directors adopted a Strategic Plan for 2018-2020 which included a goal to provide quality transit and mobility management services. Part of that goal included a tactic to commence the Salinas Valley Express Transit Corridor Planning Study. This Study will further the Board's adopted Strategic Plan and its implementing Action Plan for FY2018.

DISCUSSION:

The population of rural incorporated cities in south Monterey County is currently around 65,000. The same area is expected to see the population increase by over 45% by 2035 (2035 Metropolitan Transportation Plan/Sustainable Communities Strategy, AMBAG 2014). Existing transportation infrastructure is limited and needs to be improved to keep pace with growth in the area.

This study effort will build upon the efforts started in AMBAG's 2014/15 State Strategic Partnerships grant award (Rural Transit Improvement Initiative). That broader initiative looked at the tri-county area of Monterey, Santa Cruz and San Benito counties. Rural areas include south Monterey County, Pajaro, San Lorenzo Valley, and portions of San Benito County. In early discussions within AMBAG's Rural Transportation Task Force, it was determined that expanded fixed-route transit service is needed in the rural areas. This study would further those efforts by focusing specifically in southern Monterey County and analyzing the most vital fixed route in this rural area. It would be the next step to implement a likely recommendation from the Rural Transit Improvement Initiative.

MST's Line 23 is the primary transit bus service connecting rural communities in southern Monterey County to Salinas where passengers can transfer to buses with connections to other parts of the region. The service supports nearly 200,000 passenger boardings annually. The 69-mile route has over 75 bus stops, and it can take over 2.5 hours to travel from one end to the other. Public transportation is a time-consuming means of travel for people who have other options. This study is needed to outline a path to improve transit service in a way that is equitable and will meet the needs of the growing population.

Scope of work: A scope of work was developed as a part of the grant application and was included in a Request for Proposals issued by MST to consulting firms. The scope of work included the following:

- a. Project management
- b. Data collection
 - i. Origin-destination analysis using big data
 - ii. Review existing plans
- c. Public participation
 - i. Outreach to passengers
 - ii. Outreach to jurisdictions
- d. Analysis and concept design
- e. Project advancement
- f. Reporting

Consulting firms were invited to submit a proposal to MST by November 13, 2017, and were evaluated by staff from MST. The following table identifies the consulting firms, their overall score, and cost proposal:

| Consulting Firm | Overall Score | Cost Proposal |
|-----------------|---------------|---------------|
| Fehr and Peers | 85 | \$132,800 |
| Stantec | 79 | \$361,321 |
| Nelson\Nygaard | 74 | \$156,977 |

All proposals were reviewed according to the Request for Proposals evaluation process. Consultants were first evaluated and ranked on their proposed scope of work and technical aspects in meeting the requirements of the Request for Proposal. Subsequently, proposals which were deemed technically acceptable were re-evaluated with cost as a consideration.

All of the consultants met all of the technical criteria of the Request for Proposals. Fehr and Peers scored the highest followed by Stantec and lastly Nelson\Nygaard.

Timeline: After the contract is awarded, the study will take approximately 18 months to complete. The MST Board will have an opportunity to hear about the progress and provide input on the study at key points.

To: Board of Directors

From: Hunter Harvath – Assistant General Manager

Subject: Authorize purchase of safety & security equipment for TDA Renovation

RECOMMENDATIONS:

Approve expenditure of up to \$650,000 for safety and security related equipment for the Thomas D. Albert (TDA) Monterey Bay Operations and Maintenance Facility renovation/expansion project at One Ryan Ranch Road.

FISCAL IMPACT:

Up to \$650,000, to be funded from MST's State of California Proposition 1B Safety & Security bond funds.

POLICY IMPLICATIONS:


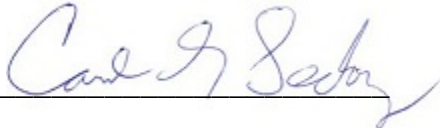
Your Board authorizes expenditures in excess of \$25,000.

DISCUSSION:

MST's TDA Monterey Bay Operations and Maintenance Facility renovation/expansion project is approximately 75% complete. As the vertical building and overall site work nears completion, focus is shifting to securing the property in accordance with the most recent standards and practices recommended by both state and federal homeland security agencies. To that end, staff has set aside funding from its State of California Proposition 1B Safety & Security bond revenues in anticipation of the following expenditures that will protect staff, vehicles and the facility itself from a myriad of natural and manmade vulnerabilities. In that regard, staff has identified the following safety and security-related expenditures that are eligible for funding with the aforementioned Proposition 1B revenues:

| | |
|--|------------------|
| Security Gates and Fencing | \$275,825 |
| Site Security Lighting | \$ 99,000 |
| Fiber Optic Lines for Cameras | \$ 29,720 |
| CCTV Security System - 48 Cameras & 32 Card Access Doors | \$205,486 |
| Project Cost Subtotal | \$610,031 |
| <u>Contingency (Approximately 6.5%)</u> | <u>\$ 39,969</u> |
| PROJECT COST GRAND TOTAL | \$650,000 |

In order to utilize these Proposition 1B funds for the above expenditures, staff has sought and has received approval from the state of California. These funds are currently on-hand in one of MST's interest-bearing accounts in accordance with the regulations of the Proposition 1B Safety and Security program. With your Board's approval, staff will initiate the purchase and installation of this equipment as the TDA renovation/expansion project nears completion.

Prepared by:  Reviewed by: 

To: Board of Directors
From: C. Sedoryk, General Manager/CEO
Subject: Monthly Report – November/December 2017

Attached is a summary of monthly performance statistics for the Transportation, Maintenance, and Administration departments for November / December 2017 and a year to date on achievement of FY 2018 action plan items (Attachments 1-5).

Driven by the successful free weekends in Salinas promotion and increased participation in our military transit partnership year to date passenger boardings on oth MST fixed route and MST RIDES have increased by 3.5%. This is equivalent an additional 81,539 passenger boardings as compared to last year.

With the increase in passenger boardings on time performance has dipped slightly but continues to stay within acceptable range. MST continues to meet or exceed virtually all other performance standards.

November 7 - 10 I attended the California Transit Association annual conference in Riverside, CA. At the conference I attended several workshops on improving transit ridership as well as transit operations management and leadership. At the conference I was elected to be chair of the Association for two years.

Attachment #1 – Dashboard Performance Statistics

Attachment #2 – Operations Dept. Report – November/December 2017

Attachment #3 – Facilities & Maintenance Dept. Report – November/December 2017

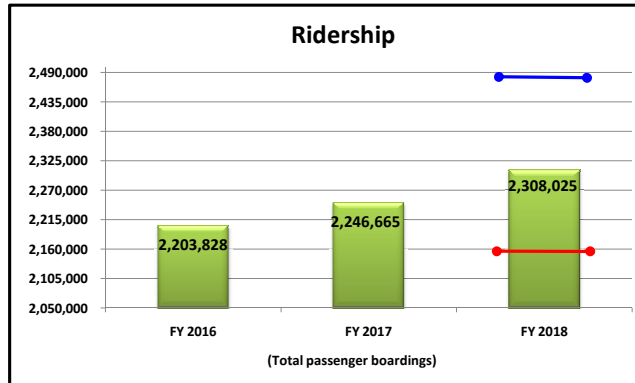
Attachment #4 – Administration Dept. Report – November/December 2017

Attachment # 5 - FY 2018 Action Plan Quarterly Update

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: 

MST Fixed Route
YTD Dashboard Performance Comparative Statistics
July-December
Fiscal Years 2016-2018

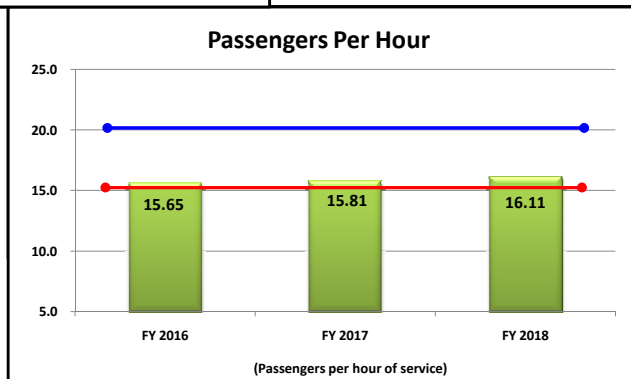


Goal = 2,471,332

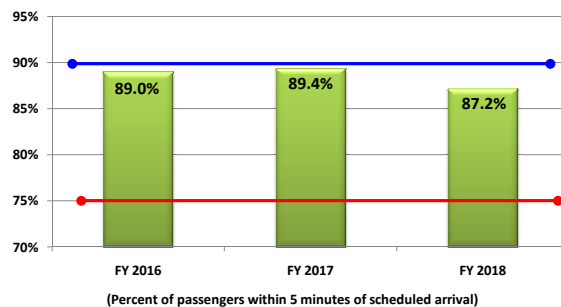
**Minimum = 2,134,332
passengers**

Goal = 20 passengers p/h

Minimum = 15 passengers p/h



On Time Performance

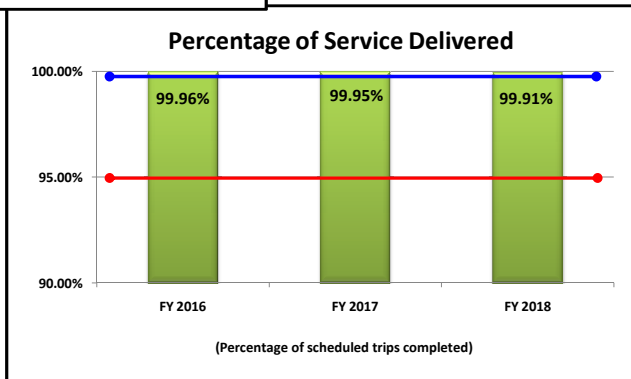


Goal = 90% on time

Minimum = 75% on time

Goal = 99% completed

Minimum = 95% completed

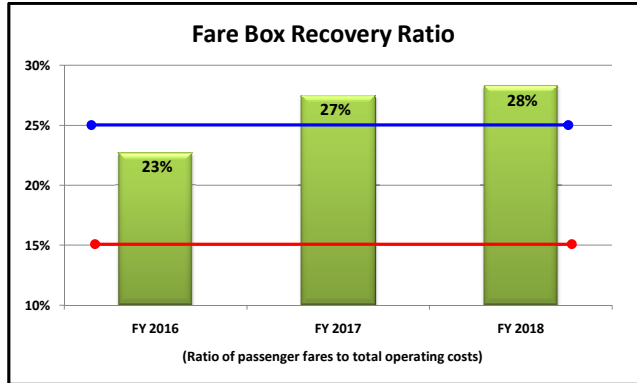


MST Fixed Route

YTD Dashboard Performance Comparative Statistics

July-December

Fiscal Years 2016-2018

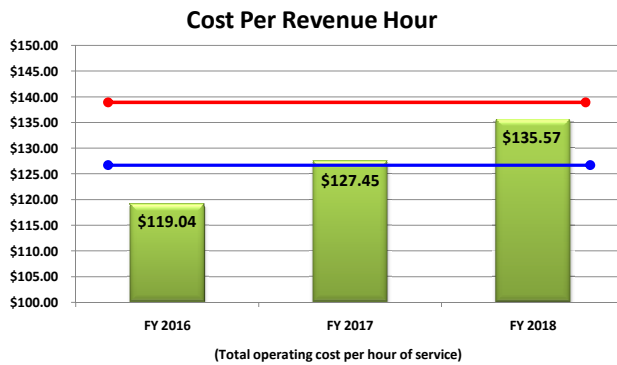


Goal = 25%

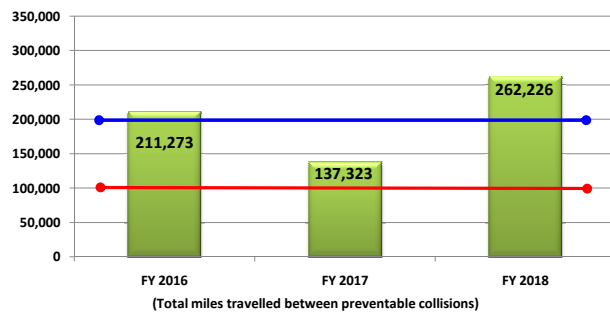
Minimum = 15%

Maximum = \$139.10 per RH

Goal = \$126.43 per RH



Miles Between Preventable Collisions



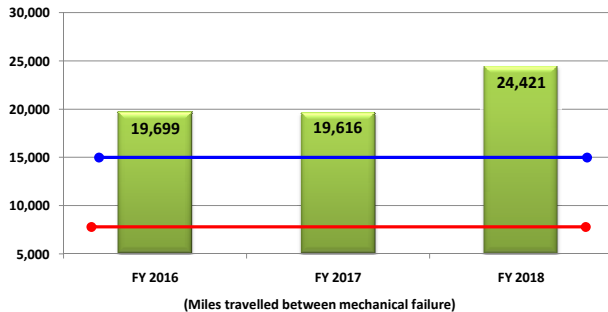
Goal = 200K Miles

Minimum = 100K Miles

Goal = 15K Miles

Minimum = 7K Miles

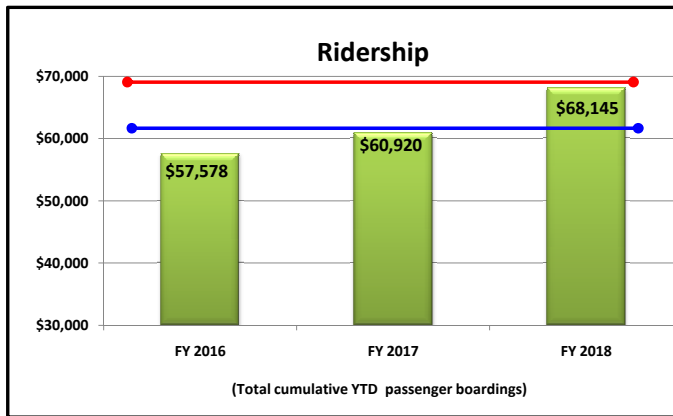
Miles Between Road Calls



MST RIDES

YTD Dashboard Performance Comparative Statistics

July-December FY 2016-2018

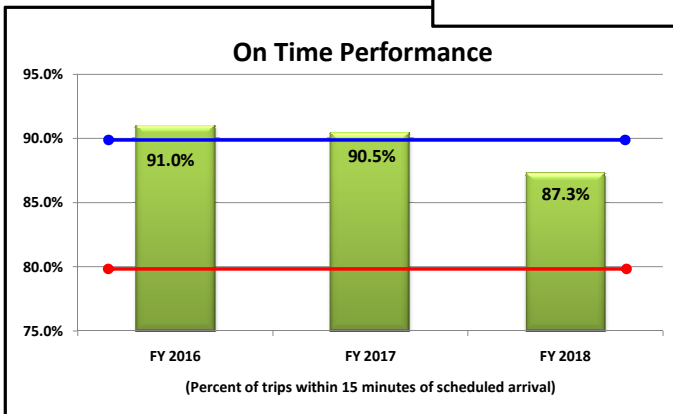
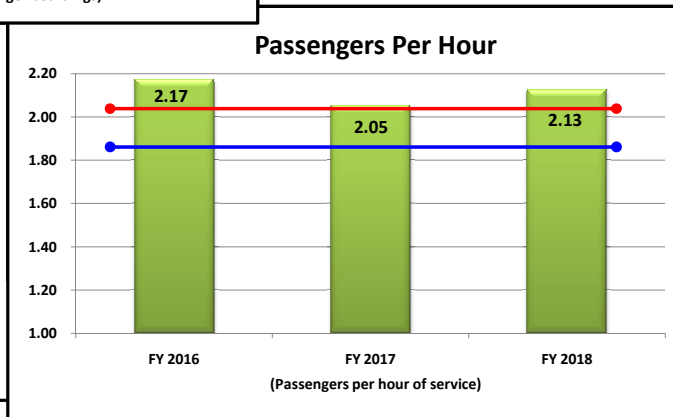


Goal = 62,748 passengers

Maximum = 69,023 passengers

Goal = 1.87 passengers p/h

Maximum = 2.06 passengers p/h

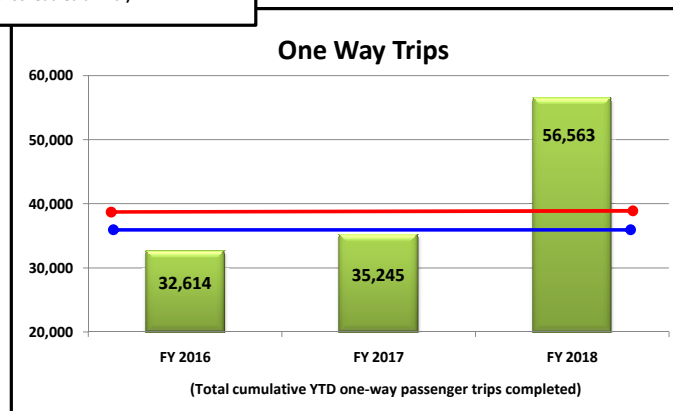


Goal = 90% on time

Minimum = 80% on time

Maximum = 39,933 one-way trips

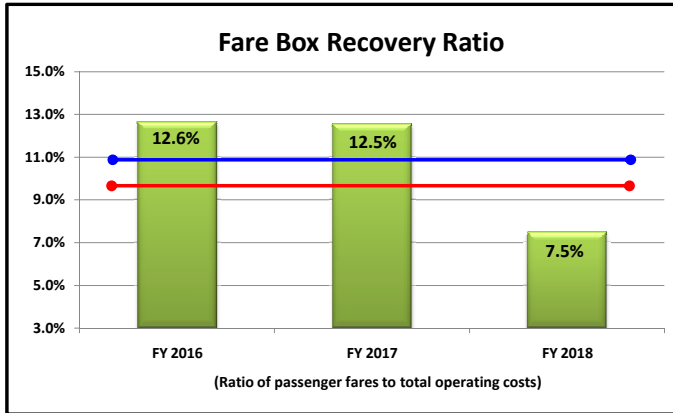
Goal = 36,302 one way trips



MST RIDES

YTD Dashboard Performance Comparative Statistics

July-December FY 2016-2018

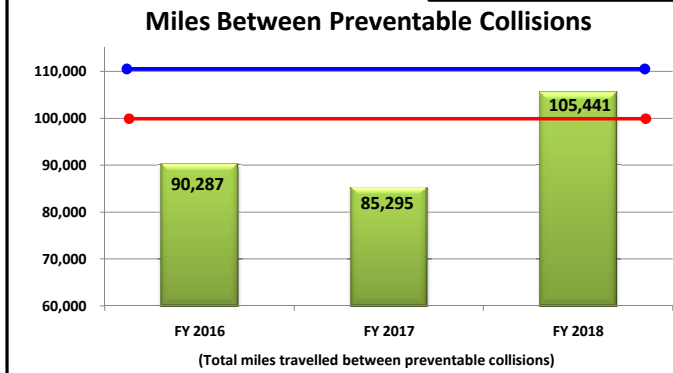
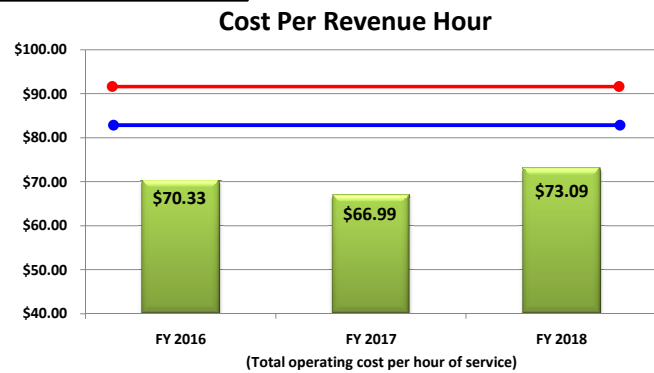


Goal = 11%

Minimum = 10%

Goal = \$82.65

Maximum = \$90.92

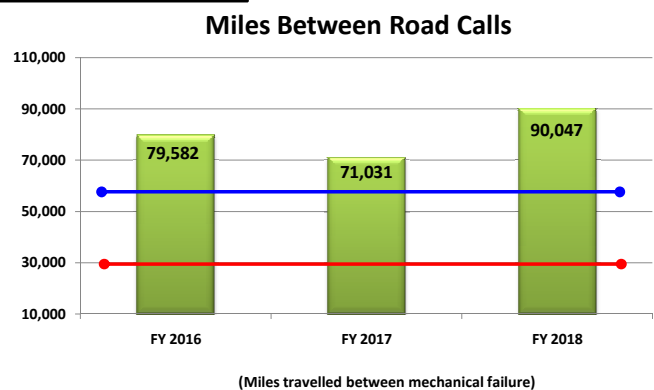


Goal = 110K Miles

Minimum = 100K Miles

Goal = 60,000 miles

Minimum = 30,000 miles

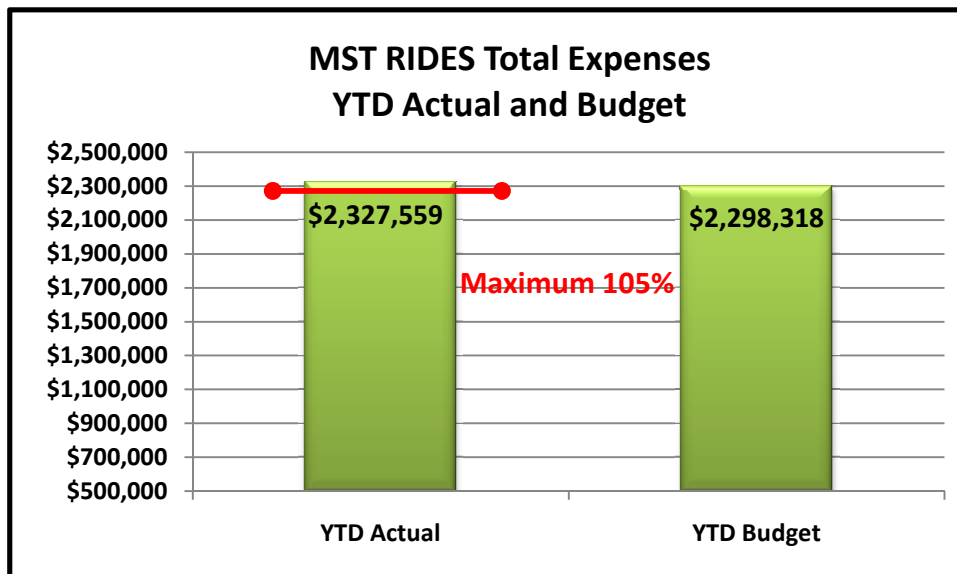
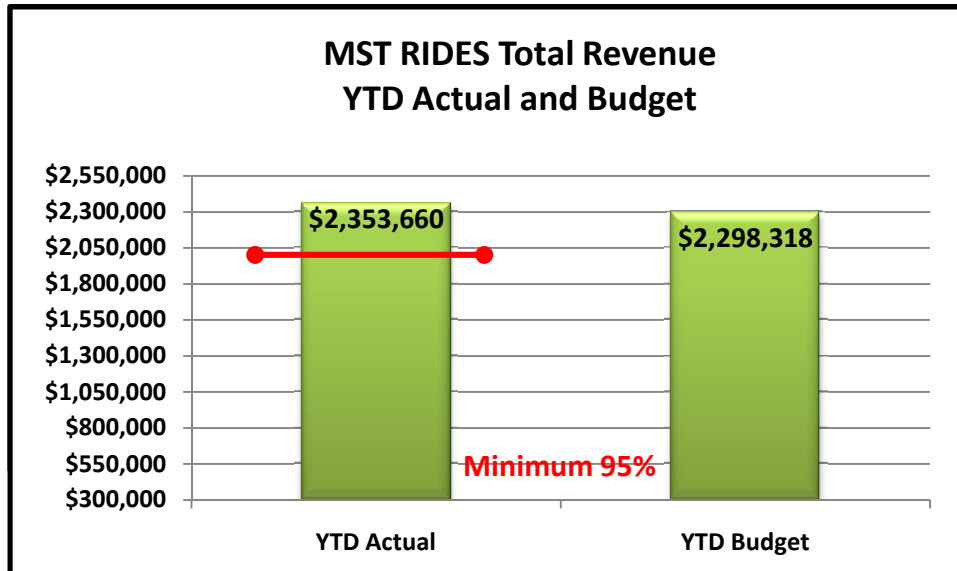


MST RIDES

Financial Performance Comparative Statistics

July-December

Fiscal Year 2018

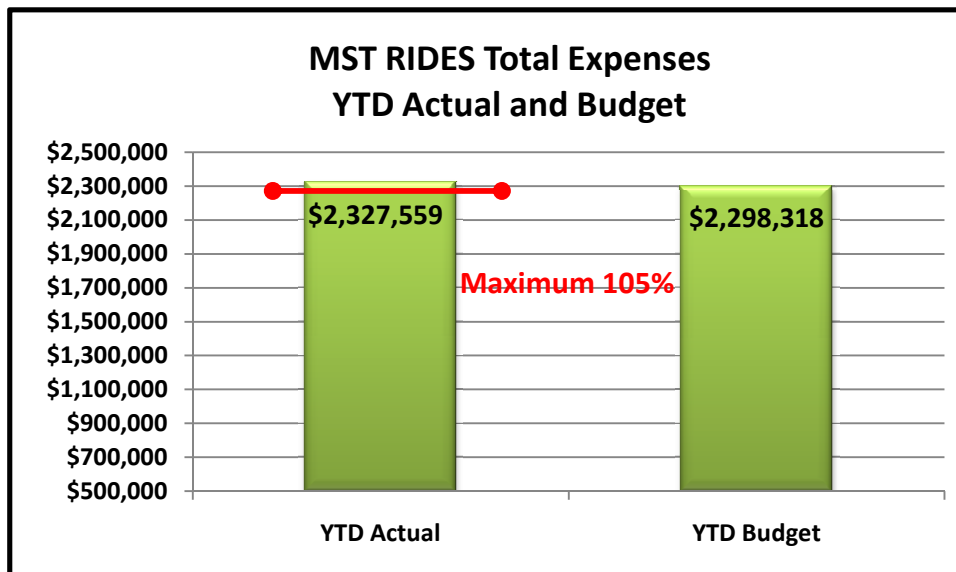
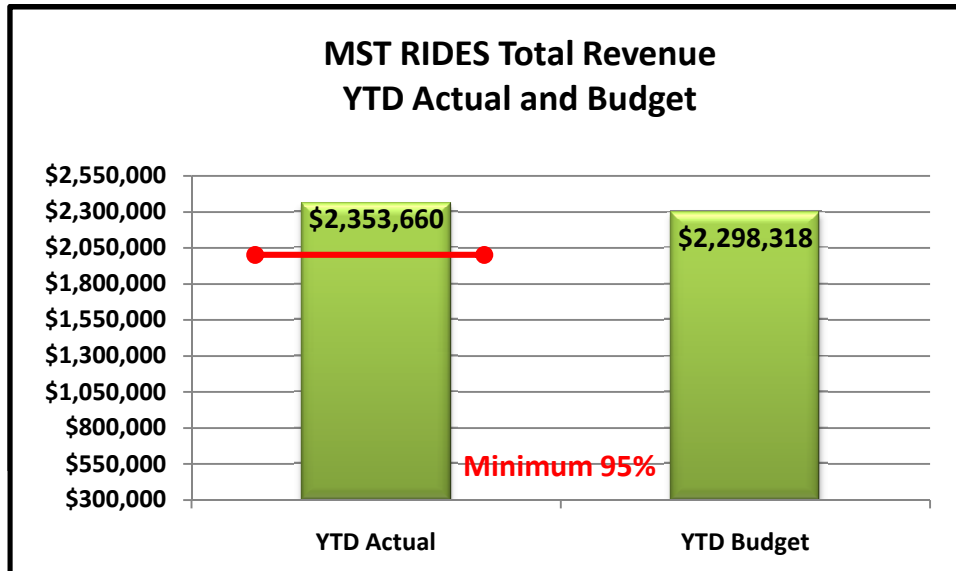


MST RIDES

Financial Performance Comparative Statistics

July-December

Fiscal Year 2018



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January 9, 2018

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

From: Robert Weber, Chief Operating Officer

Cc: MST Board of Directors

Subject: **Transportation Department Monthly Report – November 2017**

FIXED ROUTE BUS OPERATIONS:

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

Preliminary boarding statistics indicate that ridership increased by 7.19% in November 2017, (363,220), as compared to November 2016, (338,846). For the Fiscal year – passenger boardings have increased by 1.77% as compared to last Fiscal year.

Productivity increased from November of last year (15.1) to 16.0 passengers per hour in November of this year.

Supplemental / Special Services:

November 1-2: In support of the Cal Act Conference being held in downtown Monterey, MST deployed the Trolley Service – transporting 59 passengers during the conference.

November 26: In support of the annual Salinas Holiday Parade of Lights, MST deployed supplemental services to transport attendees to / from various venues within the event. The service transported 81 passengers during this one day event.

System Wide Statistics:

- Ridership: 363,220
- Vehicle Revenue Hours: 22,604
- Vehicle Revenue Miles: 368,301
- System Productivity: 16.0 Passengers Per Vehicle Revenue Hour
- One-Way Trips Provided: 31,288

Time Point Adherence: Of 125,109 total time-point crossings sampled for the month of November, the Transit Master™ system recorded 16,966 delayed arrivals to MST's published time-points system-wide. This denotes that **86.44%** of all scheduled arrivals at published time-points were on time. (*See MST Fixed-Route Bus ~ On Time Compliance Chart **FY 2017 - 2018.***)

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

Cancelled Trips: As listed below, there were a total of nine (9) cancelled trips for the month of November for both directly operated and contracted services:

| Total Trips Provided: 31,288 | | | |
|-------------------------------------|------------|-----------|----------------|
| Category | MST | MV | % |
| Collision | 1 | 0 | 11.11% |
| Mechanical Failure | 4 | 1 | 55.56% |
| Staffing Shortage | 1 | 0 | 11.11% |
| Traffic | 1 | 0 | 11.11% |
| Unknown ¹ | 1 | 0 | 11.11% |
| Totals | 8 | 1 | 100.00% |

¹ Insufficient information.

Documented Occurrences: MST Coach Operators are required to complete an occurrence report for any unusual incident that occurs during their work day. The information provided within these reports is used to identify trends, which often drive changes in policy or standard operating procedures. The following is a comparative summary of reported incidents for the month(s) of November 2016 and 2017:

| Occurrence Type | November-16 | November-17 |
|-------------------------|--------------------|--------------------|
| Collision: MST Involved | 5 | 10 |
| Employee Injury | 0 | 0 |
| Medical Emergency | 1 | 1 |
| Object Hits Coach | | 0 |
| Passenger Conflict | 5 | 5 |
| Passenger Fall | 6 | 3 |
| Passenger Injury | 1 | 0 |
| Other | 1 | 2 |
| Near Miss | 0 | 0 |
| Fuel / fluid Spill | 1 | 3 |
| Unreported Damage | 1 | 0 |
| Totals | 21 | 24 |

CONTRACTED TRANSPORTATION SERVICES:

MST RIDES ADA / ST Paratransit Program:

Preliminary boarding statistics for the MST RIDES program reflect that for the month of November there were 11,972 passenger boardings. This denotes a 17.35% increase in passenger boardings from November of 2016, (10,202). For the Fiscal year – passenger boardings have increased by 11.17% as compared to last Fiscal year.

- Productivity for November of this year was at 1.96 passengers per hour, increasing from November of 2016, (1.80).
- For the month of November, 86.93% of all scheduled trips for the MST RIDES program arrived on time, decreasing from 90.78 % in November of 2016.

COMMUNICATIONS CENTER:

In November, MST's Communications Center summoned public safety agencies on twelve (12) separate occasions to MST's transit vehicles and facilities:

| Agency Type | Incident Type | Number Of Responses |
|-------------|---------------------------------------|---------------------|
| Police | Passenger Incident / Other | 8 |
| EMS | Passenger / Employee Illness / Injury | 4 |

Prepared by:  Reviewed by: 
Robert Weber Carl G. Sedoryk

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January 23, 2018

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

From: Robert Weber, Chief Operating Officer

Cc: MST Board of Directors

Subject: **Transportation Department Monthly Report – December 2017**

FIXED ROUTE BUS OPERATIONS:

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

Preliminary boarding statistics indicate that ridership increased by 10.39% in December 2017, (315,615), as compared to December 2016, (285,917). For the Fiscal year – passenger boardings have increased by 2.86% as compared to last Fiscal year.

Productivity increased from December of last year (12.3) to 13.6 passengers per hour in December of this year.

Supplemental / Special Services:

December 31: In support of the annual First Night celebration being held in downtown Monterey, MST deployed the supplemental service – transporting 1,299 passengers during the event.

System Wide Statistics:

- Ridership: 315,615
- Vehicle Revenue Hours: 23,142
- Vehicle Revenue Miles: 376,435
- System Productivity: 13.6 Passengers Per Vehicle Revenue Hour
- One-Way Trips Provided: 31,748

Time Point Adherence: Of 123,629 total time-point crossings sampled for the month of December, the Transit Master™ system recorded 15,585 delayed arrivals to MST's published time-points system-wide. This denotes that **87.39%** of all scheduled arrivals at published time-points were on time. (See *MST Fixed-Route Bus ~~ On Time Compliance Chart FY 2017 - 2018.*)

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

Cancelled Trips: As listed below, there were a total of ten (10) cancelled trips for the month of December for both directly operated and contracted services:

| Total Trips Provided: 31,748 | | | |
|-------------------------------------|------------|-----------|----------------|
| Category | MST | MV | % |
| Collision | 1 | 0 | 10.00% |
| Mechanical Failure | 4 | 0 | 40.00% |
| Staffing Shortage | 1 | 1 | 20.00% |
| Passenger Disturbance | 2 | 0 | 20.00% |
| Unknown ¹ | 0 | 1 | 10.00% |
| Totals | 8 | 2 | 100.00% |

¹ Insufficient information.

Documented Occurrences: MST Coach Operators are required to complete an occurrence report for any unusual incident that occurs during their work day. The information provided within these reports is used to identify trends, which often drive changes in policy or standard operating procedures. The following is a comparative summary of reported incidents for the month(s) of December 2016 and 2017:

| Occurrence Type | December-16 | December-17 |
|-------------------------|--------------------|--------------------|
| Collision: MST Involved | 3 | 7 |
| Employee Injury | 0 | |
| Medical Emergency | 1 | 4 |
| Object Hits Coach | 0 | 1 |
| Passenger Conflict | 4 | 2 |
| Passenger Fall | 4 | 3 |
| Passenger Injury | 0 | 2 |
| Other | 2 | 2 |
| Near Miss | 0 | 0 |
| Fuel / fluid Spill | 0 | 1 |
| Unreported Damage | 0 | 1 |
| Totals | 14 | 23 |

CONTRACTED TRANSPORTATION SERVICES:

MST RIDES ADA / ST Paratransit Program:

Preliminary boarding statistics for the MST RIDES program reflect that for the month of December there were 11,415 passenger boardings. This denotes a 15.44% increase in passenger boardings from December of 2016, (9,888). For the Fiscal year – passenger boardings have increased by 11.86% as compared to last Fiscal year.

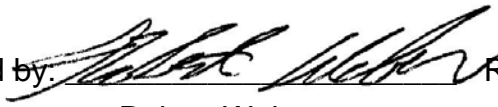
- Productivity for December of this year was at 1.88 passengers per hour, increasing from December of 2016, (1.77).
- For the month of December, 89.49% of all scheduled trips for the MST RIDES program arrived on time, decreasing from 92.62 % in December of 2016.

COMMUNICATIONS CENTER:

In December, MST's Communications Center summoned public safety agencies on fifteen (15) separate occasions to MST's transit vehicles and facilities:

| Agency Type | Incident Type | Number Of Responses |
|-------------|---------------------------------------|---------------------|
| Police | Passenger Incident / Other | 4 |
| EMS | Passenger / Employee Illness / Injury | 11 |

Prepared by:



Robert Weber

Reviewed by:



Carl G. Sedoryk

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December 22, 2017

To: Carl Sedoryk, General Manager/CEO

From: Robert Weber, Chief Operating Officer

Subject: Monthly Maintenance Operations Report: **November 2017**

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

| FY18 Fuel Budget: | Average Fuel Price November 2018: | Average Fuel Price: FY2018 |
|------------------------------|--|---------------------------------------|
| Diesel: \$3.10 | \$2.46 | \$2.28 |
| Gasoline: \$3.20 | \$2.86 | \$2.65 |

| Fiscal Year: | Revenue Fleet: Operating Cost Per Mile: | Revenue Fleet: *Miles Between Major Mechanical Road Calls: |
|-----------------------|--|---|
| November: 2018 | \$0.99 | 36,527 |
| YTD: FY 2018 | \$0.89 | 24,745 |
| FY 2017 | \$0.89 | 18,733 |
| FY 2016 | \$0.93 | 19,862 |

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

Department Activities/Comments:

The MST revenue fleet travelled 36,527 miles between major mechanical road calls during the month of November. The total number of road-call incidents was 20, with 9 for major mechanical failures ¹ and 11 for other mechanical ² issues. The highest number of major mechanical road calls (44%) was attributed to engine system failures. Fiscal year to date, average miles traveled between major mechanical road calls has increased by 25.73% from the same period last year.

¹ These are failures of a mechanical element of the revenue vehicle that prevents the vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip because actual movement is limited or because of safety concerns.

² These are failures of some other mechanical element of the revenue vehicle that, because of local agency policy, prevents the revenue vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip even though the vehicle is physically able to continue in revenue service.

In November, the Deputy Chief Operating Officer attended the regularly scheduled SCRTTC Board meeting held in Culver City. The group discussed the standardization of training curriculum(s), which are to be applied towards electric bus maintenance programs.

In late November, the Maintenance Department took delivery of two (2) Eagle transit tractors. Following final acceptance inspections, all Maintenance personnel will complete their training on operating this new equipment in mid to late December.

In November recruitment efforts continued to hire; three Maintenance Technicians and one Utilities Service Worker.

Prepared by:  Reviewed by: 
Robert Weber Carl G. Sedoryk

To: Carl Sedoryk, General Manager/CEO

From: Robert Weber, Chief Operating Officer

Subject: Monthly Maintenance Operations Report: **December 2017**

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

| FY18 Fuel Budget: | Average Fuel Price December 2018: | Average Fuel Price: FY2018 |
|------------------------------|--|---------------------------------------|
| Diesel: \$3.10 | \$2.37 | \$2.30 |
| Gasoline: \$3.20 | \$2.68 | \$2.65 |

| Fiscal Year: | Revenue Fleet: Operating Cost Per Mile: | Revenue Fleet: *Miles Between Major Mechanical Road Calls: |
|-----------------------|--|---|
| December: 2018 | \$0.87 | 22,799 |
| YTD: FY 2018 | \$0.92 | 24,421 |
| FY 2017 | \$0.89 | 18,733 |
| FY 2016 | \$0.93 | 19,862 |

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

Department Activities/Comments:

The MST revenue fleet travelled 22,799 miles between major mechanical road calls during the month of December. The total number of road-call incidents was 19, with 15 for major mechanical failures ¹ and 4 for other mechanical ² issues. The highest number of major mechanical road calls (40%) was attributed to engine system failures.

¹ These are failures of a mechanical element of the revenue vehicle that prevents the vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip because actual movement is limited or because of safety concerns.

² These are failures of some other mechanical element of the revenue vehicle that, because of local agency policy, prevents the revenue vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip even though the vehicle is physically able to continue in revenue service.

Fiscal year to date, average miles traveled between major mechanical road calls has increased by 21.75% from the same period last year.

In December, the Deputy Chief Operating Officer traveled to New Orleans to attend a five day National Transit Institute (NTI) Maintenance Leadership Workshop. This workshop provides professional development for senior-level public transit maintenance leaders across the nation.

In late December, Creative Bus sales notified MST that they had three new (3) Cut-A-Way buses available for pick up at their Sacramento location. These vehicles were procured to expand the Senior and Veteran shuttle fleets. Following the initial inspection of the vehicles by MST and MV staff, delivery was delayed pending the correction of various factory defects.

In December recruitment efforts continued to hire; four Maintenance Technicians and one Utilities Service Worker.

Prepared by:  Reviewed by: 
Robert Weber Carl G. Sedoryk

Date: November 1, 2017

To: C. Sedoryk, General Manager/CEO

From: Hunter Harvath, Assistant General Manager – Finance & Administration;
Andrea Williams, General Accounting & Budget Manager; Mark Eccles,
Director of Information Technology; Kelly Halcon, Director of Human
Resources/Risk Management; Lisa Rheinheimer, Director of Planning and
Marketing; Sonia Wills, Customer Service Supervisor.

Subject: **Administration Department** Monthly Report –November 2017

The following significant events occurred in Administration work groups for the month of November 2017:

Human Resources – November 2017

A total employment level for November 2017 is summarized as follows:

| Positions | Budget FY18 | Actual | Difference |
|-------------------------------|--------------------|---------------|-------------------|
| Coach Operators F/T | 148 | 137 | -11 |
| Coach Operators Limited Duty | 0 | 0 | 0 |
| CO Occupational Injuries | 1 | 0 | -1 |
| Operations Staff | 33 | 29 | -4 |
| Maintenance & Facilities | 54 | 49 | -5 |
| Administrative (Interns 1 PT) | 30 | 30 | 0 |
| Total | 266 | 245 | -21 |

*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.

| November Worker's Compensation Costs | |
|--|-------------------------|
| <i>Indemnity (paid to employees)</i> | \$8,658.72 |
| <i>Other (includes Legal)</i> | \$22,225.10 |
| <i>Medical includes Case Mgmt, UR, Rx & PT</i> | \$4,880.73 |
| <i>TPA Administration Fee</i> | \$5,000.00 |
| <i>Excess Insurance</i> | \$8,939.66 |
| Total Expenses | \$49,704.21 |
| Reserves | \$1,817,253.18 |
| Excess Reserved | (\$1,130,308.19) |
| # Ending Open Claims | 37 |

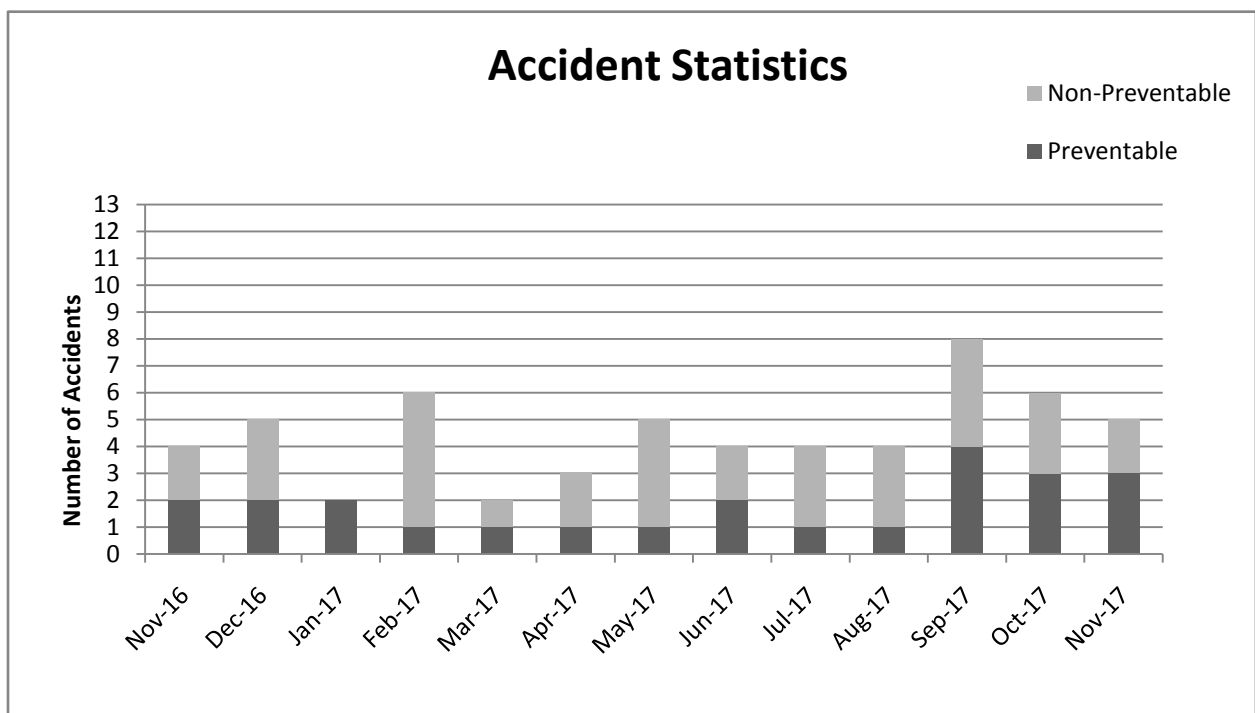
Training

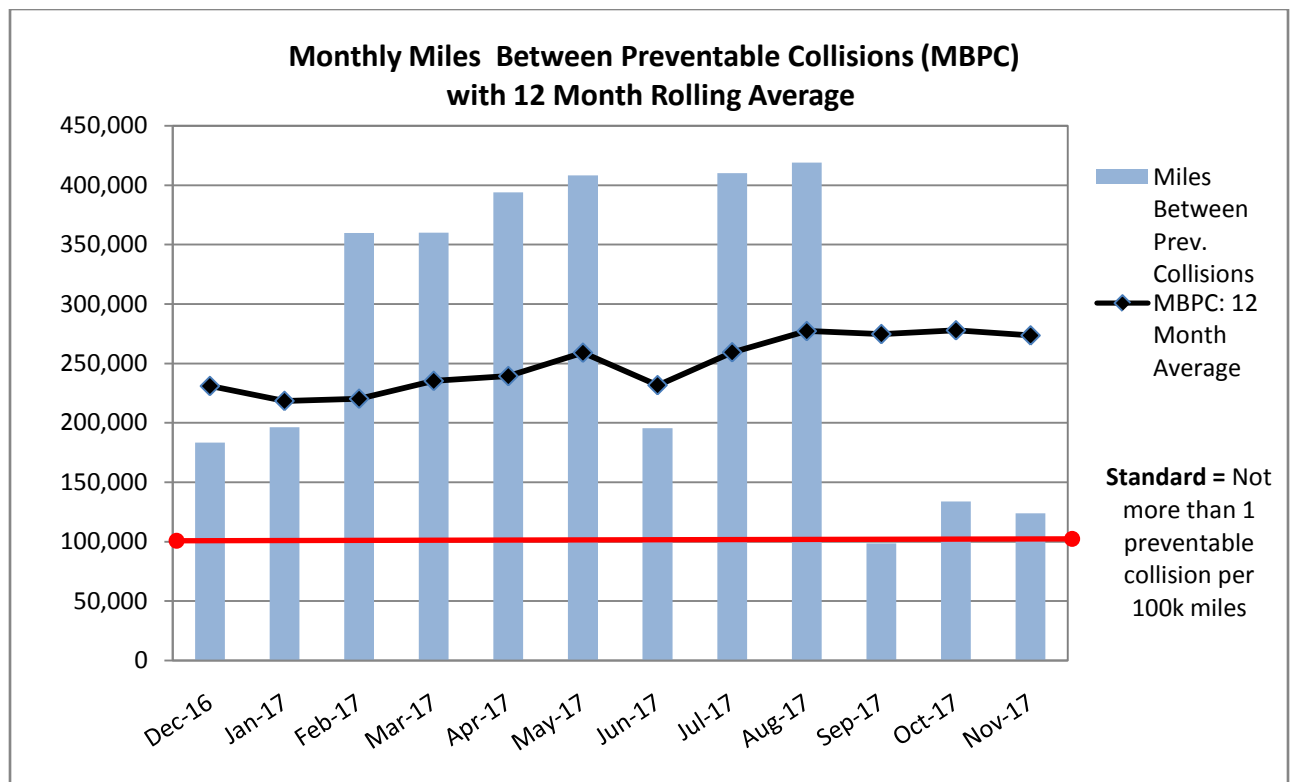
| Description | Attendees |
|---|-----------|
| Annual Coach Operator Verification of Transit Training | 18 |
| Return to Work Re-training | 1 |
| Post Accident/Incident Re-training | 4 |
| Designated Lead Mechanic Standard Operating Procedures Review | 8 |

Risk Management

| Description | November 2017 Preventable | | November 2016 Preventable | |
|-------------------------------|---------------------------|----------|---------------------------|----------|
| | Yes | No | Yes | No |
| POV Vehicle hits MST Vehicle | 0 | 2 | 0 | 2 |
| MST bus hit stationary object | 3 | 0 | 2 | 0 |
| TOTAL | 3 | 2 | 2 | 2 |

During the month of November there were three minor occurrences of the bus making contact with stationary objects.





Customer Service Update – November 2017

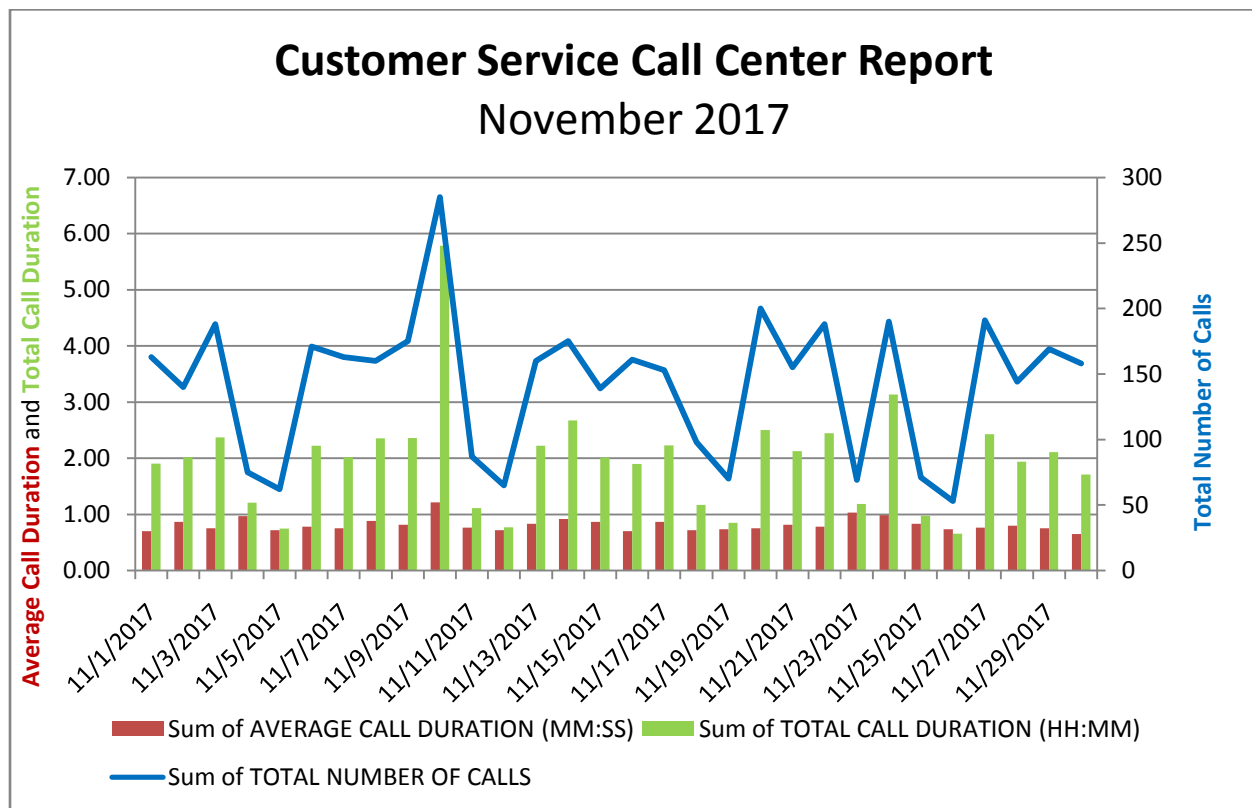
| Service Report Type | MST | Other Provider * | # of valid reports | % of reports received** | November 2016 | % of reports received** |
|--|-----|---------------------|--------------------------|-------------------------------|------------------|-------------------------------|
| ADA Compliance | 0 | 0 | | 0.0% | 1 | 1.8% |
| Agency Policy | 0 | 0 | | 0.0% | 1 | 1.8% |
| Bus Stop Amenities | 3 | 0 | 1 | 3.9% | 2 | 3.5% |
| Carried By | 0 | 0 | | 0.0% | 0 | 0.0% |
| Early Departure | 2 | 1 | | 3.9% | 10 | 17.5% |
| Employee Other | 1 | 1 | 1 | 2.6% | 7 | 12.3% |
| Fare / Transfer Dispute | 3 | 1 | 1 | 5.2% | 1 | 1.8% |
| Harassment by Employee | 0 | 0 | | 0.0% | 1 | 1.8% |
| Improper Driving | 9 | 7 | 2/1* | 20.8% | 10 | 17.5% |
| Improper Employee Conduct | 7 | 1 | 2 | 10.4% | 1 | 1.8% |
| Inaccurate Public Information | 0 | 0 | | 0.0% | 0 | 0.0% |
| Late Arrival | 3 | 4 | | 9.1% | 0 | 0.0% |
| Late Departure | 0 | 0 | | 0.0% | 0 | 0.0% |
| No Show | 3 | 7 | 1 | 13.0% | 1 | 1.8% |
| Off Route | 1 | 0 | | 1.3% | 0 | 0.0% |
| Passed By | 9 | 0 | | 11.7% | 5 | 8.8% |
| Passenger Conduct | 0 | 0 | | 0.0% | 2 | 3.5% |
| Passenger Injury | 1 | 0 | 1 | 1.3% | 0 | 0.0% |
| Request To Add Service | 0 | 0 | | 0.0% | 0 | 0.0% |
| Request To Reduce Service | 0 | 0 | | 0.0% | 0 | 0.0% |
| Routing | 1 | 0 | 1 | 1.3% | 2 | 3.5% |
| Service Animal | 0 | 0 | | 0.0% | 2 | 3.5% |
| Service Other | 7 | 5 | 1* | 15.6% | 6 | 10.5% |
| Service Schedule | 0 | 0 | | 0.0% | 2 | 3.5% |
| Taxi | 0 | 0 | | 0.0% | 1 | 1.8% |
| Title VI Complaint | 0 | 0 | | 0.0% | 1 | 1.8% |
| Unsafe Conditions | 0 | 0 | | 0.0% | 1 | 1.8% |
| Vehicle Maintenance | 0 | 0 | | 0.0% | 0 | 0.0% |
| Total reports MST and *Other Provider | | 77 | | 100.0% | 57 | 100.0% |
| Employee Compliment | 4 | | | | 1 | |
| Service Compliment | | | | | 0 | |

*Operated by MV Transportation or taxi provider

**Numbers may not add up exactly due to rounding

Customer Service Call Center Report:

During the month of November 2017, MST received a total of 4,278 calls which lasted a total of 59 hours and 14 minutes. The average call duration was fifty (50) seconds. MST received the most number of calls on Friday, November 10 at 285. Of the total number of calls, 1,321 were routed to RealTime bus arrival information. Call volume was heaviest during the weekdays and lightest during the weekends, although average call duration spikes on the weekends due to the fact that there are no customer service representatives on duty. Rather, customers are attempting to get information from MST's pre-recorded automated system, which appears to take more time.



Finance Update – November 2017

General Accounting/Accounts Payable

During the month of November, staff processed timely and accurate payments to vendors, recorded appropriate revenues, and prepared monthly financial reporting and analysis.

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 November staff prepared semi-annual and annual reports required by the California Air Resources Board under the Cap and Trade grant programs. The monthly invoice to Caltrans for reimbursement on TDA Construction activities was prepared and submitted.

Purchasing

During the month of November, Parts staff was busy with managing inventory levels and ensuring continued supplies. Inventory levels are at an all time low of \$140K. A concerted effort was made to reduce stock levels in anticipation of the move to JLW. Staff has worked to support Maintenance while dealing with the reduced space available for the storage of parts. Parts staff has also been working with Trapeze to improve our software performance and enhance inventory and work order tracking.

Information Technology Update –November 2017

Staff worked with Operations and Maintenance Department personnel in monitoring the Intelligence Transportation Systems (ITS) equipment installed on the vehicles. These include the hardware and software for the Trapeze Group Automatic Vehicle Location system on the fixed route and Paratransit fleets.

Staff worked with Trapeze Software Group in the post-implementation of the Fixed-Route Interactive Voice Response (IVR) and Short Messaging System (SMS) systems. Staff monitored the Fixed Route RealTime bus arrival system data.

Staff monitored the Trapeze Group Enterprise Asset Management (EAM) vehicle maintenance system. Staff continued to support the users of the Serenic Navision accounting/payroll system. Staff monitored the functionality of the customer service database. Staff monitored and configured the WiFi systems installed on 15 buses used on the commuter routes.

Staff worked with Giro and MST staff in the ongoing implementation of the latest modules in the Hastus system.

Staff worked with vendors and MST departments in relation to the continuing remodel of the TDA Maintenance/Operations site.

Staff liaised with the County of Monterey Information Technology Department and Trapeze Group regarding the maintenance of the radio/data communications in the MST service area. Staff monitored and configured the AT&T-managed Voice Over Internet Protocol (VOIP) telephone system. Staff continued to support other MST staff members as needed, proactively ensuring that all were supported fully with their IT

requirements.

Staff attended the California Transit Association annual conference in Riverside CA.

Marketing Update – November 2017

RealTime Usage:

| 2017 | Text | Phone | App Sessions | App Users |
|-------------|-------------|--------------|---------------------|------------------|
| August | 3,959 | 1,332 | 70,282 | 4,552 |
| September | 5,297 | 1,379 | 99,289 | 4,919 |
| October | 6,168 | 1,306 | 112,114 | 5,381 |
| November | 5,805 | 1,321 | 107,642 | 4,932 |

Published news stories include: “Monterey Bay Aquarium: Free admission for veterans” (NBC Bay Area, 11/8/17); “Robert Jurado: A veteran’s story: How a bus pass saved my life” (Monterey County Herald, 11/9/17); “Robert Jurado: A veteran’s story: How a bus pass saved my life” (Santa Cruz Sentinel, 11/9/17); “Free bus passes for veterans” (The Californian, 11/9/17); “MST honors outstanding veterans with free bus rides” (Monterey County Business Council Friday Facts, 11/10/17); “A veteran’s story: How a bus pass saved my life” (Monterey County Herald); “A fresh start, thanks to public transit” (Passenger Transport Express, 11/10/17); “Monterey Bay Aquarium to admit locals for free during annual event” (Monterey Herald, 11/15/17); “As the Fort Ord Reuse Authority considers its future, there are more questions than answers” (Monterey County Weekly, 11/19/17); “A veteran’s story: How a bus pass saved my life” (Monterey County Business Council Friday Facts, 11/17/17); “The Weekly Tally” (Monterey County Weekly); “California Transit Association Announces Carl Sedoryk as 2017-2019 Chair” (California Transit Association, 11/20/17); Implementing red light cameras requires further study” (The Californian, 11/24/17); “Coast Line students back Cabrillo bus pass program” (Santa Cruz Sentinel 11/29/17);

Press releases sent include: “MST Bus Service on Veterans Day” (11/6/17); “Monterey-Salinas Transit Honors Outstanding Veterans with Free Bus Passes” (11/7/17); “MST Provides Limited Bus Service Thanksgiving Day, Saturday Schedule Day After Thanksgiving” (11/17/17); “Monterey-Salinas Transit Job Fair Tuesday, December 5” (11/30/17).

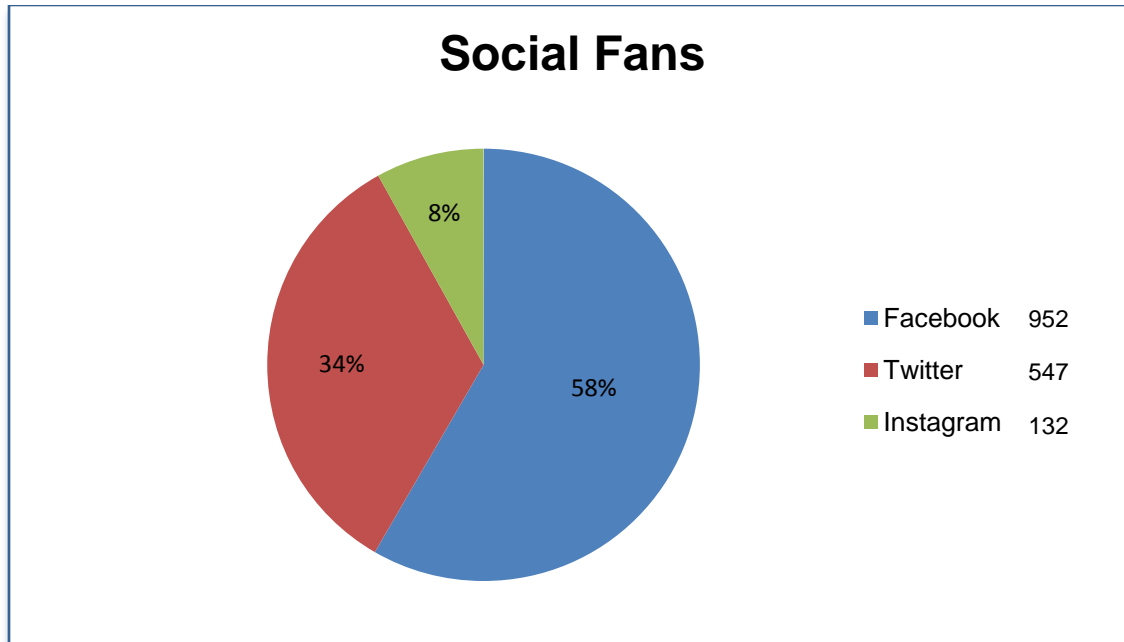
Marketing activities: Staff began working on the 2017 Annual Report; staff coordinated with APTA staff on a story about how an MST bus pass helped a veteran turn his life around and gain meaningful employment; staff began working on signs for the parking lot on MST-owned property at 8th Street and Gigling Road; staff managed MST’s website content, Facebook page, Twitter account, and Instagram page.

Community outreach: staffed an information booth at Firehouse in Salinas; staffed an information booth at Expanding Your Horizons event at Hartnell College in Salinas;

decorated the Trolley with Christmas lights for the Parade of Lights in Salinas.

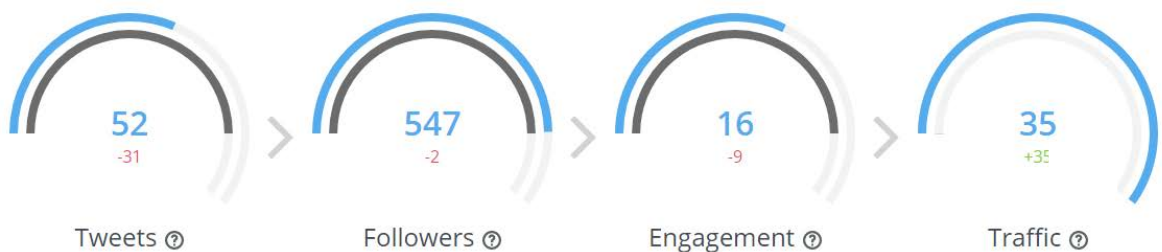
Presentations: Parents from Everett Alvarez High School in Salinas; staff from SVMH Cancer Program in Salinas.

Collaborative/Meeting/Committee's: attended SCORE Collaboration meeting in Camphora; attended the Alisal Vibrancy Community meeting; attended ACOMI collaboration meeting in Salinas.



Overview by Social Media Platform:

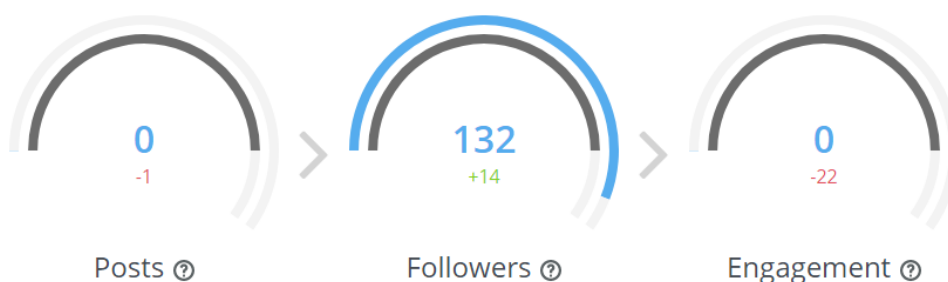
Twitter



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 – November 2017

During the month of November, staff continued to monitor the revenues and expenses for the military partnerships and visited the Presidio approximately one day each week to assist with the program. Revenues received from the federal transit benefit have stabilized and increased during recent months so that revenues are matching expenses and have fully made up for previous losses. Staff has been actively advocating for this program during its Congressional visits to ensure that it continues in case a comprehensive tax reform bill is passed that could reduce or eliminate a number of tax breaks and benefits. As such, staff will continue discussions with the Presidio to reevaluate the program with some expansions possible for the future. Staff also worked with the Presidio on identifying locations for new bus stop shelters, which have been

delivered from the supplier. MST is waiting for the Presidio staff to do the required site work to allow installation of the shelters.

In November, staff continued a bi-weekly check-in meeting with the consultant and Santa Cruz METRO for the Bus Operations on Highway 1 Shoulders and the Monterey Branch Line Feasibility Study. Staff conducted an internal planning effort in October to identify alternative routes along the Highway 1 corridor and met with the consultant for consideration during the cost-benefit analysis.

Staff continued planning efforts in support of National Environmental Policy Act (NEPA) for the South County Operations and Maintenance Facility. A draft NEPA document was submitted to the US Department of Agriculture and Federal Transit Administration for review and comment in August. Since August, US Department of Agriculture and the Federal Transit Administration have had multiple comments requiring additional work. The federal environmental document submitted was under the category of Categorical Exclusion.

Throughout the month, staff continued participating in meetings with various local agencies, including the Transportation Agency for Monterey County, Association of Monterey Bay Area Governments, Salinas Valley Chamber of Commerce Government Relations Committee, Monterey County Business Council, and the Fort Ord Reuse Authority.

Date: February 5, 2017

To: C. Sedoryk, General Manager/CEO

From: Hunter Harvath, Assistant General Manager – Finance & Administration;
Andrea Williams, General Accounting & Budget Manager; Mark Eccles,
Director of Information Technology; Kelly Halcon, Director of Human
Resources/Risk Management; Lisa Rheinheimer, Director of Planning and
Marketing; Sonia Wills, Customer Service Supervisor.

Subject: **Administration Department** Monthly Report –December 2017

The following significant events occurred in Administration work groups for the month of December 2017:

Human Resources – December 2017

A total employment level for December 2017 is summarized as follows:

| Positions | Budget FY18 | Actual | Difference |
|-------------------------------|--------------------|---------------|-------------------|
| Coach Operators F/T | 148 | 137 | -11 |
| Coach Operators Limited Duty | 0 | 0 | 0 |
| CO Occupational Injuries | 1 | 0 | -1 |
| Operations Staff | 33 | 29 | -4 |
| Maintenance & Facilities | 54 | 49 | -5 |
| Administrative (Interns 1 PT) | 30 | 30 | 0 |
| Total | 266 | 245 | -21 |

*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>December Worker's Compensation Costs</i> | |
|--|--------------------------------|
| <i>Indemnity (paid to employees)</i> | \$20,990.71 |
| <i>Other (includes Legal)</i> | \$4,739.51 |
| <i>Medical includes Case Mgmt, UR, Rx & PT</i> | \$5,010.97 |
| <i>TPA Administration Fee</i> | \$5,000.00 |
| <i>Excess Insurance</i> | \$8,939.66 |
| <i>Total Expenses</i> | <i>\$44,680.85</i> |
| <i>Reserves</i> | <i>\$1,860,971.47</i> |
| <i>Excess Reserved</i> | <i>(\$1,128,182.26)</i> |
| <i># Ending Open Claims</i> | <i>38</i> |

Training

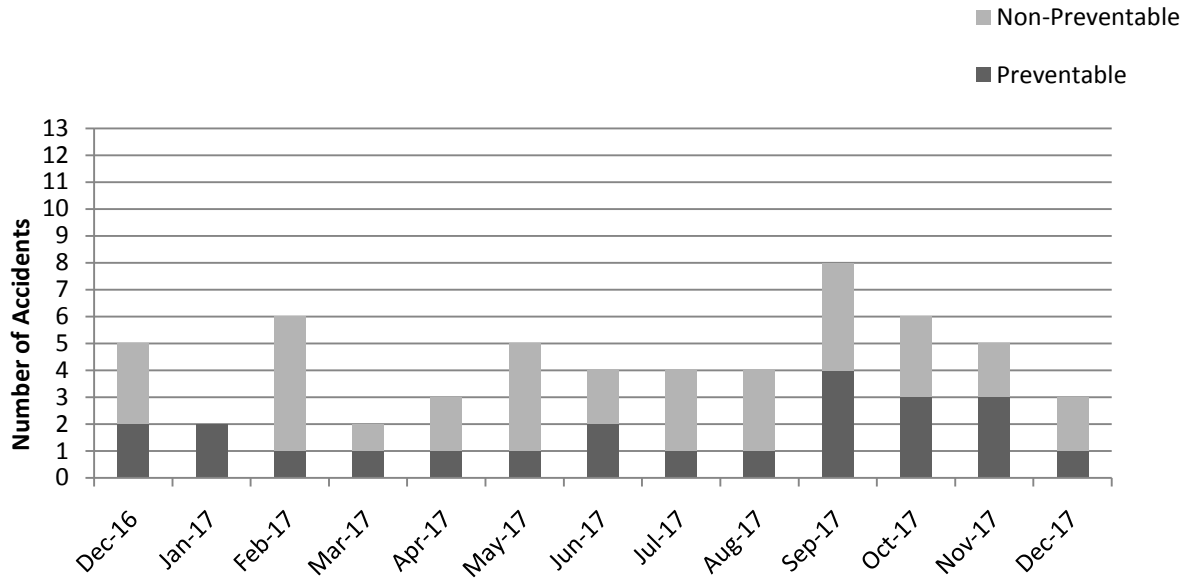
| Description | Attendees |
|---|------------------|
| Annual Coach Operator Verification of Transit Training | 13 |
| Eagle Tug Certification Training | 22 |
| Post Accident/Incident Re-training | 9 |
| Radiator Fill and Drain Standard Operating Procedures Review | 19 |
| Sam Trans Training: Steering and Suspension Systems | 1 |
| Maintenance Utility Daily Service Standard Operating Procedures Review | 4 |
| In-service training: Situational Awareness and maintaining sufficient clearance | 1 |

Risk Management

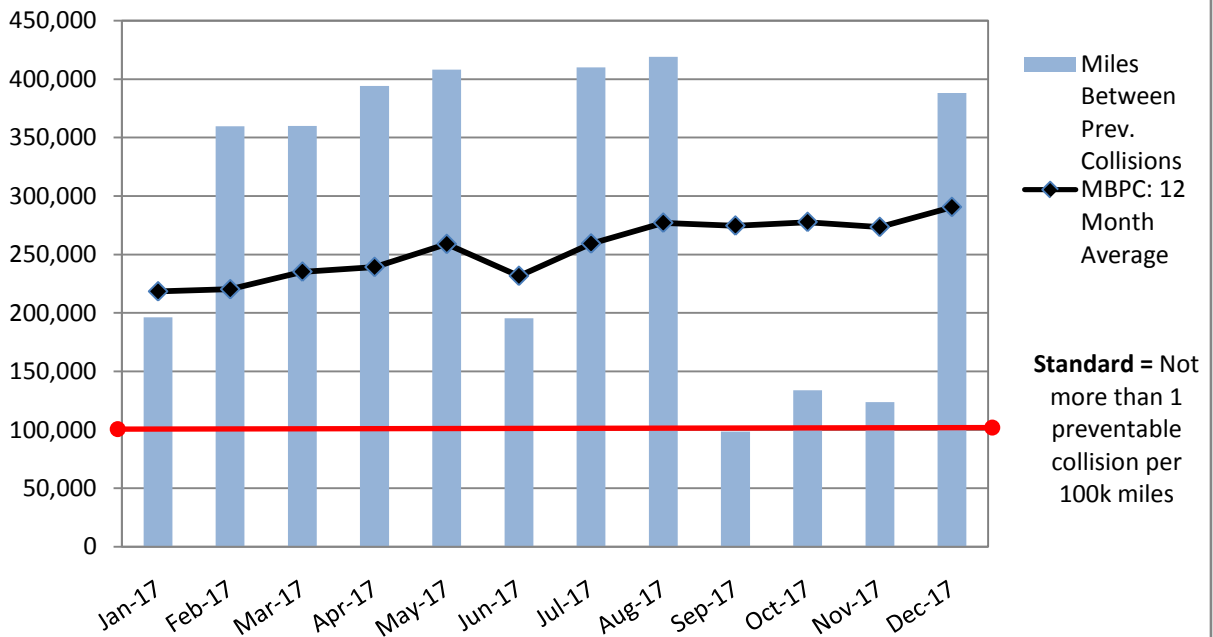
| | November 2017 Preventable | | November 2016 Preventable | |
|--------------------------------------|----------------------------------|-----------|----------------------------------|-----------|
| Description | Yes | No | Yes | No |
| POV Vehicle hits MST Vehicle | 0 | 2 | 0 | 3 |
| MST bus hit stationary object | 1 | 0 | 2 | 0 |
| TOTAL | 1 | 2 | 2 | 3 |

During the month of December there was one minor occurrences of the bus making contact with a stationary object.

Accident Statistics



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



Customer Service Update – December 2017

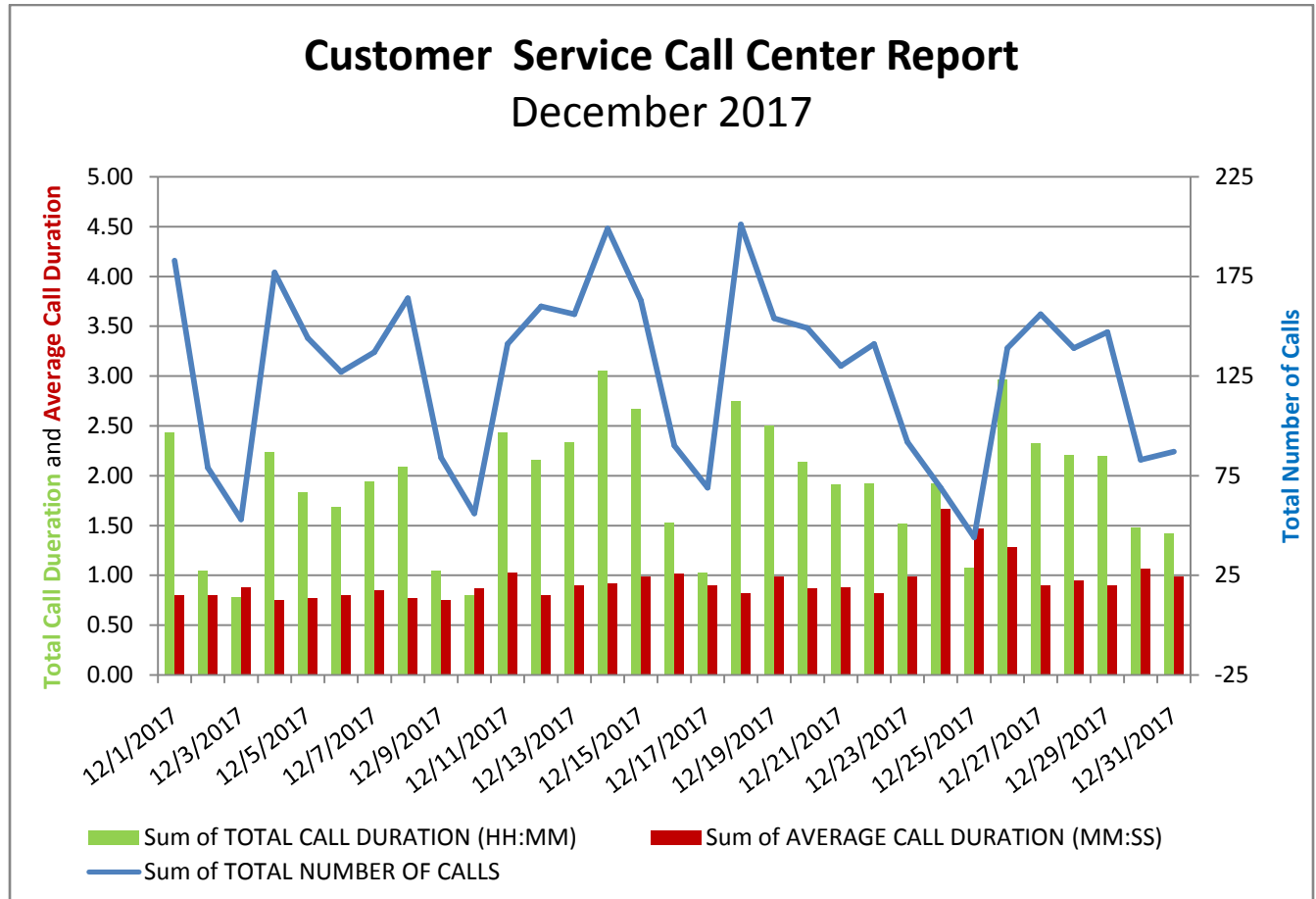
| Service Report Type | MST | Other Provider * | # of valid reports | % of reports received** | December 2016 | % of reports received** |
|---------------------------------------|-----|------------------|--------------------|-------------------------|---------------|-------------------------|
| ADA Compliance | 0 | 0 | | 0.0% | 1 | 1.8% |
| Agency Policy | 0 | 0 | | 0.0% | 1 | 1.8% |
| Bus Stop Amenities | 1 | 0 | | 1.9% | 2 | 3.5% |
| Carried By | 0 | 0 | | 0.0% | 0 | 0.0% |
| Early Departure | 1 | 1 | | 3.8% | 10 | 17.5% |
| Employee Other | 1 | 1 | 1 | 3.8% | 7 | 12.3% |
| Fare / Transfer Dispute | 1 | 0 | | 1.9% | 1 | 1.8% |
| Harassment by Employee | 0 | 0 | | 0.0% | 1 | 1.8% |
| Improper Driving | 3 | 1 | 1 | 7.5% | 10 | 17.5% |
| Improper Employee Conduct | 8 | 0 | 1 | 15.1% | 1 | 1.8% |
| Inaccurate Public Information | 0 | 0 | | 0.0% | 0 | 0.0% |
| Late Arrival | 5 | 1 | | 11.3% | 0 | 0.0% |
| Late Departure | 0 | 0 | | 0.0% | 0 | 0.0% |
| No Show | 2 | 6 | | 15.1% | 1 | 1.8% |
| Off Route | 0 | 0 | | 0.0% | 0 | 0.0% |
| Passed By | 6 | 0 | | 11.3% | 5 | 8.8% |
| Passenger Conduct | 0 | 0 | | 0.0% | 2 | 3.5% |
| Passenger Injury | 1 | 0 | 1 | 1.9% | 0 | 0.0% |
| Request To Add Service | 0 | 0 | | 0.0% | 0 | 0.0% |
| Request To Reduce Service | 0 | 0 | | 0.0% | 0 | 0.0% |
| Routing | 1 | 0 | | 1.9% | 2 | 3.5% |
| Service Animal | 0 | 0 | | 0.0% | 2 | 3.5% |
| Service Other | 3 | 9 | 1* | 22.6% | 6 | 10.5% |
| Service Schedule | 0 | 0 | | 0.0% | 2 | 3.5% |
| Taxi | 1 | 0 | | 1.9% | 1 | 1.8% |
| Title VI Complaint | 0 | 0 | | 0.0% | 1 | 1.8% |
| Unsafe Conditions | 0 | 0 | | 0.0% | 1 | 1.8% |
| Vehicle Maintenance | 0 | 0 | | 0.0% | 0 | 0.0% |
| Total reports MST and *Other Provider | | 53 | | 100.0% | 57 | 100.0% |
| Employee Compliment | 2 | | | | 1 | |
| Service Compliment | 1 | 1 | | | 0 | |

*Operated by MV Transportation or taxi provider

**Numbers may not add up exactly due to rounding

Customer Service Call Center Report:

During the month of December 2017, MST received a total of 3,913 calls which lasted a total of 59 hours and 27 minutes. The average call duration was fifty-five (55) seconds. MST received the most number of calls on Monday, December 18 at 201. Of the total number of calls, 1,174 were routed to RealTime bus arrival information. Call volume was heaviest during the weekdays and lightest during the weekends, although average call duration spikes on the weekends due to the fact that there are no customer service representatives on duty. Rather, customers are attempting to get information from MST's pre-recorded automated system, which appears to take more time.



Finance Update – December 2017

General Accounting/Accounts Payable

During the month of December, staff processed timely and accurate payments to vendors, recorded appropriate revenues, and prepared monthly financial reporting and analysis. Staff worked with our external auditors, Vavrinek, Trine, Day & Co., LLP, to complete our Comprehensive Annual Financial Report for FY2017.

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

The monthly invoice to Caltrans for reimbursement on TDA Construction activities was prepared and submitted. Update meetings with internal staff were ongoing to address the status of various grants. Staff prepared and submitted a grant application to the state Local Partnership Program.

Purchasing

During the month of December, staff worked on a number of procurement and inventory management objectives. Parts staff worked diligently placing orders and managing inventory levels at both CJW and JLW locations. Our inventory value has been on a steady decrease. The space constraints of JLW and the new buses added to the fleet in 2016 have created a downward pressure on our inventory value. The inventory value for December was \$156,000. Procurement has also been working on large projects such as the Design and Build procurement of our future South County Maintenance Facility located in King City.

Information Technology Update –December 2017

Staff worked with Operations and Maintenance Department personnel in monitoring the Intelligence Transportation Systems (ITS) equipment installed on the vehicles. These include the hardware and software for the Trapeze Group Automatic Vehicle Location system on the fixed route and Paratransit fleets.

Staff worked with Trapeze Software Group in the post-implementation of the Fixed-Route Interactive Voice Response (IVR) and Short Messaging System (SMS) systems. Staff monitored the Fixed Route RealTime bus arrival system data.

Staff monitored the Trapeze Group Enterprise Asset Management (EAM) vehicle maintenance system. Staff continued to support the users of the Serenic Navision accounting/payroll system. Staff monitored the functionality of the customer service database. Staff monitored and configured the WiFi systems installed on 15 buses used on the commuter routes.

Staff worked with Giro and MST staff in the ongoing implementation of the latest modules in the Hastus system.

Staff worked with vendors and MST departments in relation to the continuing remodel of the TDA Maintenance/Operations site.

Staff liaised with the County of Monterey Information Technology Department and Trapeze Group regarding the maintenance of the radio/data communications in the MST service area. Staff monitored and configured the AT&T-managed Voice Over

Internet Protocol (VOIP) telephone system. Staff continued to support other MST staff members as needed, proactively ensuring that all were supported fully with their IT requirements.

Marketing Update – December 2017

RealTime Usage:

| 2017 | Text | Phone | App Sessions | App Users |
|-------------|-------------|--------------|---------------------|------------------|
| August | 3,959 | 1,332 | 70,282 | 4,552 |
| September | 5,297 | 1,379 | 99,289 | 4,919 |
| October | 6,168 | 1,306 | 112,114 | 5,381 |
| November | 5,805 | 1,321 | 107,642 | 4,932 |
| December | 5,956 | 1,212 | 86,928 | 4,615 |

Published news stories include: “Proposed tax bill would undermine transportation” (The Californian, 12/6/17); “Draft broad map for Monterey County transportation through 2040 released” (Monterey County Herald, 12/15/17); “Highlights of the Year in public transportation” (Passenger Transport, 12/15/17); “Alisal Street to lose 2 lanes: Locals split on lane change” (The Californian, 12/20/17); “Alisal Street to lose 2 lanes: Locals split on lane change” (The Californian, 12/21/17); “Traveling this New Year’s Eve? It is safest on an airplane, train or bus” (The Californian, 12/27/17)

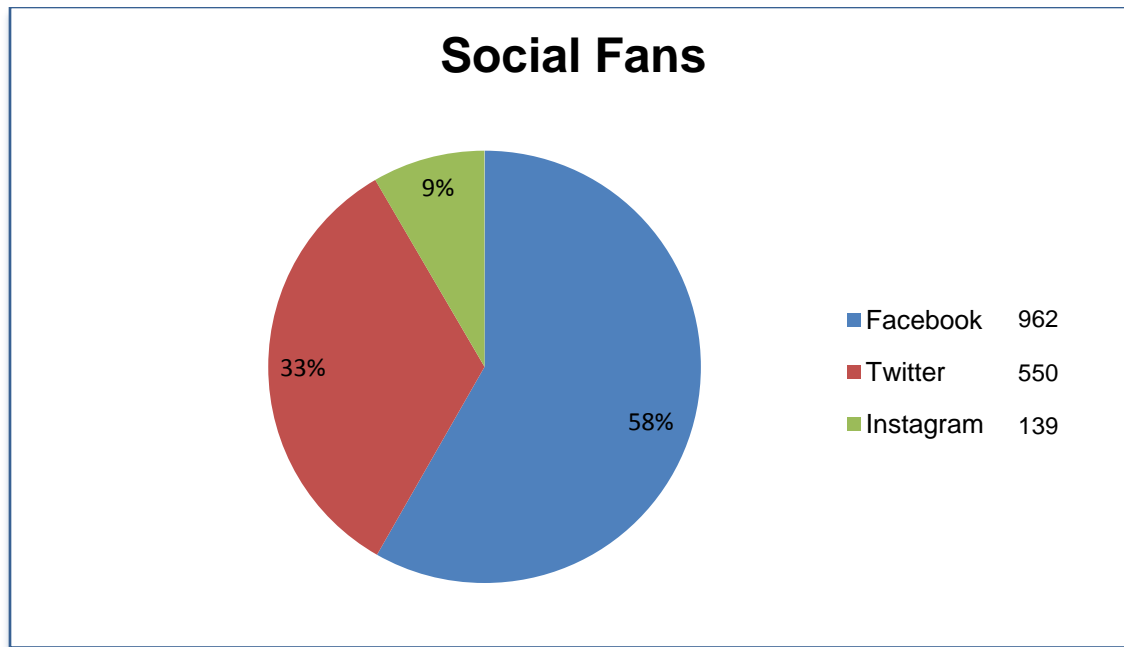
Press releases sent include: “MST to provide limited bus service for the holidays” (12/20/17); “Free MST Bus Service to First Night Monterey” (12/26/17).

Marketing activities: Staff continued work on the 2017 Annual Report; staff continued work on signs for the parking lot on MST-owned property at 8th Street and Gigling Road; staff managed MST’s website content, Facebook page, Twitter account, and Instagram page.

Community outreach: staffed an information booth at Adelante Mujer Imigrant in Salinas; staffed an information booth at Walgreens in Seaside with CHOMP mobile health clinic; staffed an information booth at SVSP in Soledad.

Presentations: seniors from Age Well Drive Smart workshop in Monterey; as well as, presented to 5th graders for Career Day at Mary Chapa Literacy and Technology Academy in Greenfield.

Collaborative/Meeting/Committee's: attended the MCCVA in Sand City; meeting with mobility staff and staff from the City of Salinas at the Firehouse in Salinas; attended a planning meeting for Senior Day at the County Fair in Seaside.



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 – December 2017

During the month of December, staff continued to monitor the revenues and expenses for the military partnerships and visited the Presidio approximately one day each week to assist with the program. Revenues received from the federal transit benefit have stabilized and increased during recent months so that revenues are matching expenses and have fully made up for previous losses. Staff has been actively advocating for this program during its Congressional visits to ensure that it continues in case a comprehensive tax reform bill is passed that could reduce or eliminate a number of tax breaks and benefits. As such, staff will continue discussions with the Presidio to reevaluate the program with some expansions possible for the future. Staff also worked with the Presidio on identifying locations for new bus stop shelters, which have been delivered from the supplier. The Presidio staff was waiting until after the beginning of the federal fiscal year (October 1, 2017) to do the required site work to allow installation of the shelters. As of December, one new bus stop shelter had been installed.

At the request of Kings Area Regional Transit and Leemore Naval Air Station, staff began sharing information about how MST initiated a transit partnership with our local military base.

In December, staff continued a bi-weekly check-in meeting with the consultant and Santa Cruz METRO for the Bus Operations on Highway 1 Shoulders and the Monterey Branch Line Feasibility Study.

Staff continued planning efforts in support of National Environmental Policy Act (NEPA) for the South County Operations and Maintenance Facility. A draft NEPA document was submitted to the US Department of Agriculture and Federal Transit Administration for review and comment in August. Since August, US Department of Agriculture and the Federal Transit Administration have had multiple comments requiring additional work. The federal environmental document submitted was under the category of Categorical Exclusion. As of December, no concurrence was made by our federal partners with respect to NEPA. Staff met with our consulting team who are working on the design and site layout in preparation for submitting a conditional use permit application to King City.

Throughout the month, staff continued participating in meetings with various local agencies, including the Transportation Agency for Monterey County, Association of Monterey Bay Area Governments, Salinas Valley Chamber of Commerce Government Relations Committee, Monterey County Business Council, and the Fort Ord Reuse Authority.

ATTACHMENT 5

FY 2018 Project Action Plan Status Update December 31, 2017

1. Complete construction of Monterey Bay Operations and Maintenance Facility and begin operations. March 2018

Status: Project is on time and on budget. Ribbon cutting planned for March 12, 2018 with site fully operational by March 17, 2018 weather permitting.

2. Execute grants, complete environmental documentation, begin procurement for design/build, permitting, and construction of South County maintenance facility. June 2018

Status: Your board approved CEQA environmental documents and staff is waiting for approval of NEPA documentation from federal regulators.

3. Implement new Measure Q projects including intelligent voice recording, enhanced out-of-area medical trips, volunteer mileage reimbursement program, ADA emergency rapid response module, and begin planning effort for the Flex Voucher Pilot Program. June 2018

Status: English Intelligent voice recording is active with Spanish language undergoing testing. Enhanced out-of-area medical trips implemented; executed lease for Salinas Mobility Center at 25 Lincoln Avenue. Volunteer driver reimbursement program started.

4. Accept delivery and place in to service new buses, trolleys, mini buses, service and support vehicles .Ongoing .

Status: Procurements for new buses, trolleys and support vehicles are proceeding on a timely basis.

5. Complete feasibility study of Bus Operations on State Route 1 Shoulders and Monterey Branch Line in coordination with Santa Cruz Metro. June 2018

Status: Administrative draft to be received January 2018 and then shared with stakeholders.

6. Commence Salinas Valley express transit corridor planning study.

Status: Staff will present a recommended consultant to conduct study at February 2018 Board meeting.

7. Develop facilities and fleet maintenance workforce development program. March 2018

Status: Preliminary work has been done to identify ways to better incentivize training and workforce development within the maintenance department.

8. Install updated point of sale system at customer service locations. June 2018

Status: Staff met with several potential vendors at the APTA Expo and will continue to develop specifications for a formal Request For Proposals.

9. Begin rehabilitation of Salinas Transit Center.

Status: Board approved a budget with work scheduled to begin April 2018

10. Implement MST RealTime traveler information system and marketing campaign. Sept. 2018

Status: Complete. Customers have responded favorably to the new service.

11. Procure consulting services to develop 5-year program of major projects and identify resources required to implement including, but not limited to:

- a. Identify locations for necessary facilities expansion including Salinas. Maintenance and Operations Facility and Salinas Mobility Center.
- b. Develop plan for potential continued use of Joe Lloyd Way facilities.
- c. Develop strategy for future of contracted services.
- d. Develop a plan for short- and long-term use of Suite 110 of Lichtanski Administration Building.
- e. Develop strategy for operation and maintenance of zero emission fleet
- f. Conduct comprehensive operational analysis of service area.
- g. Develop recommendations for uses/disposition of undeveloped MST property.

Status: Preliminary discussions have been had with a variety of consultants to identify projects where assistance is needed. A consultant has been hired to assist with Salinas Transit Center improvements.

Thomas Walters & Associates, Inc.
Washington, D.C.

January 23, 2018

TO: Carl Sedoryk

FROM: Don Gilchrest

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

Budget

The failure to enact fiscal year 2018 appropriations legislation last year means that Congress must now complete the current year funding legislation while also beginning the process for fiscal year 2019. After the recent shutdown of the Federal government, a fourth FY 2018 Continuing Resolution was signed into law on January 22 that provides short-term funding through February 8. Although Senate Majority Leader McConnell (R-KY) agreed to bring up immigration legislation as a concession to Democratic Senators, the underlying disagreements that brought about the funding impasse remain in place and will be difficult to resolve before the CR expires. One possible deal that was earlier broached by Congressional Republicans would increase the current discretionary spending caps by \$250 billion over the next two years, with about 62 percent going to defense programs.

Although none of the twelve annual appropriations bills to fund the Federal government in FY 2018 have been enacted, the House passed an omnibus package of all twelve bills in September, including the version of the *FY 2018 Transportation, Housing and Urban Agencies Appropriations Act (THUD)* that was reported by the House Appropriations Committee in July. The House Omnibus package would provide funding for FTA's Transit Formula programs at the \$9.733 billion level authorized by the FAST Act and would reduce funding for New Starts from \$2.3 billion to \$1.753 billion. The Senate THUD bill, reported by the Appropriations Committee on July 17, would also fully fund the Transit Formula Programs and would provide \$2.133 billion for New Starts.

Infrastructure Initiative

The President's proposed Infrastructure Initiative was side-tracked in 2017 by the lack of a defined funding mechanism and the crowded legislative calendar of bills, including health care, appropriations and tax restructuring legislation. The White House has been indicating that a detailed plan will be released in late January, with the goal of enacting the proposal in 2018.

Once the White House releases its plan, Congress will review it and provide additional input before drafting the actual legislation.

MST has been working with the local Congressional Delegation and the Committees of jurisdiction in Congress to advocate for new, direct Federal spending for transit projects in the Infrastructure Initiative, rather than only relying on public-private partnerships or tax incentives. In addition, MST staff have been lobbying in coordination with the Bus Coalition for inclusion of \$2.85 billion for bus programs. Early indications are that the White House proposal will include \$200 billion in new Federal funding, with at least part of that total available for transit projects. The Administration is stressing the development of new funding sources, and that will reportedly be used to weight the review of projects.

Lobbying Strategies & Opportunities

The President will present his State of the Union Address on January 30 and the FY 2019 Budget Proposal will be released in early February. These are typically utilized to set out the goals and vision for the Administration and the beginning of the annual appropriations process. We will be carefully monitoring these steps for any impacts on MST or opportunities to advocate your 2018 Federal agenda. We will also recommend additional lobbying actions based on emerging issues, including scheduling meetings to coincide with APTA's Legislative Conference in March.

TPW:dwg

To: Board of Directors

From: Carl Sedoryk, General Manager/CEO

Subject: State Legislative Update

During the last weeks of December 2017, the California Air Resources Board formally unveiled the Innovative Clean Transit regulation, the proposed rule for compelling the purchase of zero-emission buses in the state beginning in 2020. The details of that rule are as follows:

- Beginning in 2020: 25% of new bus procurements at transit agencies of 100 buses or more would be required to be zero-emission (battery electric or hydrogen fuel cell); 100% of new CNG bus procurements must include low NOx engine, if available.
- In 2022: A midterm review to evaluate, among other things, the operational performance of zero-emission buses, funding availability, costs and limitations that arise in scaling up ZEB deployment.
- Beginning in 2023: 50% of new bus procurements at transit agencies of 30 buses or more would be required to be zero-emission.
- Beginning in 2026: 75% of new bus procurements at all transit agencies would be required to be zero-emission.
- By 2029: 100% of new bus procurements would be required to be zero-emission.

To encourage early adoption, the regulation would award credit to transit agencies that have ZEBs on the road in 2018, and would allow transit agencies to earn and bank credit for ZEB deployment in advance of target setting (e.g., if you purchased 10 ZEBs in 2021, in excess of your 25% purchase requirement, those 10 buses would count toward your 2023 50% purchase requirement).

ARB staff will be seeking adoption of the rule in June 2018.

MST staff along with members and staff of the California Transit Association members continue to express significant concerns with the cost, timeline and appropriateness of the proposed rule. Staff has worked with the Association's Zero-Emission Bus Task Force to develop a comment letter, which will be filed with ARB and is attached. We also expect to restart our direct lobbying of the ARB to express concerns with the aggressive requirements for the transit industry now being pursued.

In early January, supporters of SB 1 formed a ballot committee – the Coalition to Protect Local Transportation Improvements – to oppose the repeal effort and promote the benefits of SB 1 throughout California. The Committee is led by the California Alliance

for Jobs, the California State Association of Counties, and the League of California Cities, as well as several other transportation, labor, business, and local government agencies, formally known as the Fix Our Roads Coalition. The Committee will also support passage of ACA 5 (Frazier), the constitutional amendment passed by the legislature to protect new SB 1 revenues; the measure will be before the voters this June.

Attachment- Letter to California Air Resources Board

Submitted by _____

ATTACHMENT 1

January 22, 2018

California Air Resources Board, Members
1001 I Street, Suite
Sacramento, CA 95814

RE: Proposed Innovative Clean Transit Regulation

Chair Nichols and Members of the California Air Resources Board:

On behalf of the California Transit Association, I write to you today to express our **significant** concerns with your body's regulatory approach to electrifying California's public transit bus fleet. This approach, first presented to us in December 2017 as the proposed Innovative Clean Transit (ICT) regulation and now being offered for adoption in June 2018, would compel transit agencies with more than 100 vehicles to purchase zero-emission buses (ZEBs) upon their next procurement, beginning 2020. This "purchase mandate" would initially require that a quarter of new buses procured by these larger agencies be zero-emission, and would increase every three years until all buses procured by an agency, no matter its size, are zero-emission, beginning 2029. We know the proposed ICT regulation, like the proposed Advanced Clean Transit (ACT) regulation that preceded it, will be costly, yet it is being pushed by ARB staff without a validated account of its total costs to the state or to individual transit agencies, and without regard to the various funding and/or operational constraints these agencies face.

As we have expressed to you in written communications dating back to 2015, countless public workshops, and one-on-one conversations with you and your staff, we support an incentive-based approach to integrating additional ZEB technology into transit fleets; we believe a purchase mandate is the wrong approach for an industry such as ours, which has limited resources and a primary objective of providing mobility. With that in mind, we have taken various steps to bolster demand for ZEB technology and to reduce the cost of ZEB deployment for transit agencies. More specifically, we have successfully advocated for increased state and federal funding to offset the upfront capital costs of ZEBs, become an active party to a proceeding at the Public Utilities Commission to advocate for investments in heavy-duty charging infrastructure, and are funding research on a new electricity rate structure that would be truly supportive of widespread transit electrification.

We believe that to be successful and to avoid predictable impacts, such as cuts to transit service, as well as currently unknowable impacts to transit operations, any shift to ZEB technology must be done:

- **Methodically**, with full consideration of, and clear solutions to, barriers outside the control of transit agencies (e.g. the high upfront capital costs of zero-emission buses and

charging infrastructure, the excessive costs of electricity relative to conventional fuels, and the untallied costs of retraining maintenance workers and bus operators);

- **Iteratively**, evaluating cost and operational data as it is collected from real-world ZEB deployments as well as changing funding landscapes, and allowing for adjustments to long-term targets based on budgetary, operational and technology feasibility; and,
- **In a Manner That Retains Local Decision-Making** to allow the public servants who manage and operate our transit agencies to make operational investments and procurement decisions that avoid the operational impacts that could result from an overly-prescriptive and forced transition to ZEB technology.

With the introduction of the proposed ICT regulation, you are ignoring these recommendations, which represent the collective thinking of Chief Executive Officers, General Managers and Chief Operating Officers of public transit agencies across the state and which have been shared with you in various communications and forums, in favor of a framework developed by ARB staff and supported by environmental organizations who, respectfully, lack the depth of our members' knowledge and experience in transit operations.

We believe strongly that proceeding with the ICT regulation, as currently proposed, would: prove to be costlier and more onerous than is suggested by your staff; undermine efficient transit operations, possibly leading to service cuts; and/or, require the diversion of existing transit funding, such as the recently-enacted funding from Senate Bill 1 (Beall and Frazier) from its intended purpose. Additionally, due to the inclusion of several poorly thought-out and new provisions, the proposed regulation could harm ADA-compliant service to elderly and disabled populations, and limit the effectiveness of transit agencies in responding to natural disasters and emergencies. Moreover, at a time when vehicle miles traveled is rising, transit funding is being threatened with repeal and transit agencies are losing ridership to upstart transportation companies, the notion that the state would elect to saddle transit agencies with added capital and operational costs that detract from funding transit frequency, reliability and safety is counterproductive and wildly out-of-step with the state's objective of inciting mode shift. We posit that, while investments in cleaner vehicle technologies are vital to reducing emissions and improving air quality, our communities and our air are better served by transit improvements that expand mobility options and encourage Californians to forego single-occupancy car travel.

The comments that follow, while not an exhaustive account of all the questions and concerns that our membership has about the proposed regulation, are intended to demonstrate the significant flaws in staff's proposal. Because these comments require different forms of response and/or corrective action, we separate our comments between those pertaining to the presentation of facts in the Discussion Document and those related to the design of the proposed regulation.

The following comments pertain to the presentation of facts in the Discussion Document.

The Discussion Document Misleads on the Total Cost of Ownership of ZEBs: In December 2015, the ARB-convened Transit Agency Subcommittee established a Lifecycle Cost Modeling Subgroup (LCMSG), comprised of members of the subcommittee, to research and estimate the costs of the then-proposed Advanced Clean Transit regulation. The goal of the subgroup was to develop objective, data-driven estimates of the regulation's costs to inform a

cost/benefit analysis of the regulation in comparison to alternative strategies. To that end, the subgroup was populated with transit professionals representing a broad swath of industry expertise ranging from small to large transit agencies and agencies that have experience with a variety of vehicle fuel strategies – natural gas, diesel, diesel-electric hybrid, hydrogen fuel cell, and both slow and fast charge battery-electric.

Although the Subgroup worked closely with ARB staff for two years to estimate the total cost of a statewide transition to ZEB technology, **ARB staff chooses to ignore the Subgroup's findings which suggest a required investment of \$3.2 billion to \$6.5 billion to achieve full electrification by 2040. It should also be noted that, if hydrogen fuel cell technologies are pursued, the cost of electrification could be higher. These finding are broadly substantiated and corroborated by independent scientific study and empirical data collection by entities such as the National Renewable Energy Laboratory (NREL) and the University of California Institute of Transportation Studies (ITS), among others.**

Rather than affix a total cost to the regulation, the Discussion Document evaluates the cost of ZEB technology over conventional technologies on a per-vehicle-basis. In doing so, the Discussion Document misleadingly makes the case that total cost of ownership (TCO) of battery-electric buses is less than that of the conventionally powered fleets currently in service by consistently understating the values for the primary cost drivers of transit electrification. For example, fuel and maintenance are primary cost drivers for any transit fleet, regardless of propulsion strategy. The most recent empirical study by NREL¹ indicates that maintenance costs are 4.5% lower for electric versus compressed natural gas (CNG) buses and a recently released ITS study² indicates that maintenance costs for electric buses could be as much as 10% lower in some circumstances, but equal to conventional technologies in others. Page 9 of the ARB Discussion Document claims a \$10,000 per year savings in maintenance cost for electric buses. This figure, normalized to a bus that costs \$0.85 per mile to maintain and travels 40,000 miles per year, indicates that the Discussion Document assumes a 29.4% maintenance cost savings by switching to electric over CNG, even though all evidence contradicts such wildly optimistic assertions.

The Discussion Document similarly understates the cost of electricity as fuel, a key component of transit bus TCO. In the NREL study², the per mile cost for electricity was \$0.41 per mile, compared to \$0.25 per mile fuel cost for the CNG control fleet, yet the Discussion Document claims a \$5,000 per year savings in fuel costs *before fuel subsidies (LCFS) are accounted for*. The Subgroup's work found that, while operation and maintenance costs may be lower for electric buses in some cases and higher in others depending on local utility rate structures and usage patterns, they are not significantly low enough in any case to offset the upfront capital investment in more expensive buses, more buses to meet service needs, and costly infrastructure.

As we have suggested previously, we strongly urge ARB to retain an independent third party to evaluate and reconcile the wildly divergent TCO conclusions reached by ARB

¹ NREL Technical Report 5400-67698 June 2017

² *Exploring the Costs of Electrification for California's Transit Agencies*, Ambrose, et. al., University of California Institute of Transportation Studies, October 2017

staff and the Subgroup. This analysis must be completed before ARB institutes a ZEB purchase mandate.

The Discussion Document Misleads on Potential Funding and Incentive Opportunities:

Pages 7, 8 and 9 of the Discussion Document present potential funding and incentive opportunities that support ZEB deployment.

The breadth of this section is intended to demonstrate that funding to support the proposed purchase mandate is readily available. A reader who tallied the funding available in the programs listed, could be left with the impression that approximately \$4.4 billion is available in Fiscal Year 2017-18 for the purchase of ZEBs and charging infrastructure.

In actuality, \$2.4 billion of the \$4.4 billion total is dedicated to a competitive grant program that heavily favors rail and other fixed guideway projects (Transit and Intercity Rail Capital Projects); \$250 million is dedicated to a competitive grant program that is designed to relieve congestion (Solutions for Congested Corridors); \$250 million is overseen by air quality management districts to fund projects, at their discretion, that reduce air contaminants and criteria pollutants (AB 617); and, \$120 million is dedicated to a formula program designed to increase transit service (Low Carbon Transit Operations program).

A clear majority of the remaining funding opportunities identified, inclusive of the \$750 million for the SB 350 transportation electrification proceedings and the \$423 million in the Volkswagen Environmental Mitigation Trust do not yet clearly support ZEB deployment. As noted in the Discussion Document, the \$750 million earmarked for charging infrastructure must first be approved by the PUC and then transit agencies would need to be selected, among competing heavy-duty applications, by the investor-owned utilities for investment. None of the \$750 million is specifically set aside for transit electrification. Additionally, while transit electrification is an eligible use for the \$423 million in the VW Mitigation Trust, ARB has not yet released its funding plan for the Mitigation Trust.³

Only the \$188 million in the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program (HVIP), with a minimum required investment of \$35 million in zero- and near-zero buses, specifically supports ZEB deployment. Importantly, funding for HVIP fluctuates wildly year-over-year and is subject to an annual appropriation by the State Legislature.

We recommend that ARB staff revise this section to separate the funding that is earmarked specifically for ZEB deployment, the funding for which ZEB projects can apply, and funding on the horizon that has not yet been appropriated or directed.

The Discussion Document Misleads on Transit Agencies' Commitments to ZEBs: Page 5 of the Discussion Document states the following: "Seven transit agencies with over 3,400 buses, representing 25 percent of all buses in California, have committed to fully electrify their fleets. Six of these agencies have set a goal of making the transition long before 2040."

The inclusion of this language is intended to suggest to you and the public that ZEB technologies are ready for deployment in most contexts, and that transit agencies that have failed to commit to electrifying are doing so despite evidence of the viability of ZEB

³ The California Transit Association has formally requested that 75% of funding in the VW Mitigation Trust be invested in the deployment of zero-emission buses and trucks. To date, we have heard only that a priority for this Board is investment in zero-emission school buses.

technologies. We believe it is important to clarify that at least two of the agencies cited, representing 2,555 of the 3,411 ZEB commitment, have stated plainly that their commitments communicate long-term and aspirational targets, and do not detail specific plans to electrify. One of these agencies, the Los Angeles County Metropolitan Transportation Authority (LA Metro), will begin testing ZEB technology on two fixed-guideway routes in 2020, and will decide on the appropriateness of electrifying their other 160 routes, following an evaluation of the operational performance of ZEBs and based on a ZEB technology assessment completed in 2020. LA Metro has made clear that complicating their long-term plans are a lack of charging infrastructure, the need to negotiate with utility companies and the PUC an electricity rate structure supportive of ZEB deployment, the absence of battery ranges that meet, on average, a range of at least 250 miles, and the lack of clear funding and/or financing for the project.

We recommend that ARB staff revise this section of the Discussion Document to better represent the status of transit agencies' commitments to ZEBs, and acknowledge that nothing in the proposed regulation addresses the barriers to electrification identified by the agencies most committed to ZEB technology.

The following comments pertain to the design of the proposed regulation in the Discussion Document.

The Proposed Regulation's Purchase Mandate Begins Too Soon After the Proposed Adoption of the Regulation: Page 12 of the Discussion Document outlines the purchase mandate schedule that would be instituted if the regulation is adopted. It is as follows:

| Starting January 1 | Percent of Bus Purchases | Fleet Size as of 2019 |
|--------------------|--------------------------|-----------------------|
| 2020 | 25% | >100 buses |
| 2023 | 50% | >30 buses |
| 2026 | 75% | All Fleets |
| 2029 | 100% | All Fleets |

Because the purchase mandate would begin in 2020, just 18 months after the proposed adoption date of the regulation, an agency that has already begun a procurement that is scheduled to be executed in 2020, would be forced to abandon or rescope it, if it does not include an adequate ZEB component. This process would waste limited staff resources, and would require the agency to identify new funding to support ZEB deployment, including for the purchase of the ZEB, charging infrastructure, electricity demand management technologies, and workforce development and training. For some agencies, ZEB deployment will require the diversion of existing federal, state and local funding from its intended purposes, such as capital replacement, maintenance and rehabilitation and operations. The inability to identify such funding because of a lack of availability or access (see below) would delay procurements, impacting the provision of transit service.

We recommend that ARB staff further engage with transit agencies on establishing a more appropriate mechanism and timeline for encouraging the deployment of ZEBs.

The Proposed Regulation Would Prohibit the Use of Incentives to Meet Compliance: Page 12 of the Discussion Document, in outlining various procurement paths that a transit agency could take to comply with the purchase mandate, states unequivocally that HVIP and "other

incentive programs,” which ARB controls, would not be available to agencies to purchase buses that meet only baseline ZEB purchase targets. In other words, if an agency is procuring four buses and is required to purchase one ZEB as part of that procurement (under the 25% purchase mandate that begins 2020), the agency would have to bear the full cost of the ZEB and would be disallowed from using incentives to offset the incremental cost of the more expensive technology.

ARB staff has stated that this provision to bar the use of incentives to meet regulatory compliance is consistent with ARB policy, and has stated that incentive programs will remain available to agencies that take early actions on ZEB deployments or that exceed their baseline ZEB purchase targets. That is, the agency in the scenario we presented above could access incentives to purchase a second, third or fourth ZEB, or to purchase ZEBs before the 2020 requirement.

We fully understand that this provision is intended to encourage early and/or more aggressive ZEB deployment, while still adhering to ARB’s policy of not using incentives to fund compliance. However, its fatal flaw is that it presumes flexibility in the procurement timelines and decisions of a transit agency. In truth, these timelines and decisions are dictated by factor such as the useful life of an agency’s transit fleet – per Federal Transit Administration guidelines, buses purchased with federal funding must remain on the road for twelve years – and funding availability. If this provision remains, we foresee a possible complication where a transit agency is unable to begin a procurement until, for example, 2024 as is the case with one of our members, County Connection, and they are precluded from accessing incentive funding to comply with any aspect of the purchase mandate. In this scenario, the agency’s late procurement date occurs due to forces beyond the transit agency’s control, and they are penalized arbitrarily by the state. This may mean that the transit agency will find itself either out of compliance with the purchase mandate, or forced to redirect the limited fungible resources they have from other worthwhile purposes.

Beyond this complication, we have concerns that ARB’s policy on the use of incentives to meet regulatory compliance may undermine transit agencies’ access to other state funding sources, like those outline on pages 7, 8 and 9 that fall outside the control of ARB.

We recommend that ARB staff strike this provision, recognizing the importance of maintaining incentive funding for transit agencies to avoid the diversion of limited transit funding from their intended purposes. Regardless of ARB staff’s ultimate position on our recommendation, we request that ARB staff clarify in writing – and with input from the administering agencies – what, if any, impacts the purchase mandate and ARB’s policy on incentives would have on access to state funding sources outside of ARB’s control.

The Proposed Regulation’s Applicability to Cutaway Buses and Discounting of Electric Trolley Buses is Problematic: Page 11 of the Discussion Document states the following: “The regulation would apply to all public transit agencies that own, lease or operate buses with a gross vehicle weight rating greater than 14,000 lbs. Buses subject to the regulation include cutaway buses, transit buses (including rapid transit buses), articulated buses, double-deckers, commuter coaches, trolley buses and vintage trolley buses.”

While we have myriad concerns about the purchase mandate at the center of the proposed regulation, its applicability to cutaway buses is surprising and problematic. Battery-electric cutaway buses are a nascent technology and, to the best of our knowledge, have not yet been

approved for purchase with federal funding. Cutaway buses are critical to providing service in low-density rural areas and to persons who qualify for paratransit service under the Americans with Disabilities Act. Additionally, unlike fixed route operations, FTA regulates the paratransit operating environment providing explicit requirements for pick up windows, denial of service as well as acceptable travel times. In the dynamic operating environment of paratransit services these unproven new buses could result in unintended violations of ADA law. Therefore, if the regulation is adopted as proposed, ARB risks undermining service to vulnerable populations.

Additionally, we will note that the applicability of the regulation to cutaways is a new feature, which was not previously discussed between ARB and transit agencies in the more than two years of meetings, discussions and workshops we have engaged in.

Finally, a footnote on page 12 of the Discussion Document states the following: “Trolley buses operated on fixed guideway are ZEBs but would not be counted towards ZEB purchase requirements.” While this issue impacts few of our transit agency members, we see no justifiable reason for ARB staff to take this position. The use of electric trolley buses clearly and unequivocally advances ARB’s goal of reducing GHG emissions and improving air quality, and help navigate difficult topography, which cannot yet be managed by battery-electric technology.

We recommend that ARB staff eliminate the proposed regulation’s applicability to cutaway buses and engage in a larger conversation with transit agencies about the types of buses that would be subject to the regulation.

The Proposed Regulation’s Must Institute an Initial Review of Technology Readiness and Funding Availability and Establish a Schedule for Constructive Periodic Reviews: The Executive Summary of the Discussion Document states that ARB would “...conduct periodic informational updates to the Board. The first informational update to the Board would be around 2022 to assess zero emission technology, fleet experiences, costs, and to evaluate the regulatory structure for achieving mobility improves and a complete transition to a zero-emission future. The informational updates to the Board would provide an opportunity to discuss any needed adjustments.”

We have long-stated that data collection and review should be the hallmark of any regulatory action on ZEBs. We stand by this assessment, and believe that an initial review of technology readiness and funding availability is necessary – before the purchase mandate goes into effect – to determine the appropriateness of proceeding with the regulation. Additionally, we believe the schedule for period reviews must be established alongside transit agencies, so that these events provide useful insight into the continued viability of the regulation. For example, the proposed date of 2022 for an informational update to the Board may be too early to give an accurate and complete picture of transit agencies’ experience with ZEBs. At that point in time, few, if any, ZEBs procured because of the purchase mandate will be delivered and on the road, and the data that will be in hand would provide only limited utility. Finally, we believe each period review must also examine any changes to the funding landscape.

We recommend that ARB staff further engage with transit agencies on establishing an appropriate timeline for an initial review of technology readiness and subsequent informational updates to the Board.

The Proposed Regulation's Off-Ramp Provision Requires Further Development: Pages 13 and 14 of the Discussion Document outline conditions faced by a transit agency that could result in a temporary delay of the purchase mandate. These conditions broadly speak to challenges, outside of an agency's control, related to electrical power, hydrogen refueling infrastructure, local permitting and vehicle availability.

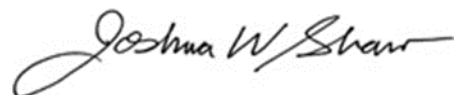
We have long-supported off-ramp provisions that provide relief for transit agencies facing extraordinary circumstances. We, therefore, maintain our general support for this provision, while arguing that, if the proposed regulation is implemented, there are likely to be other circumstances that require administrative intervention and clemency. These circumstances may include a transit agency's financial position, the unavailability of cost-effective ZEB technology to meet service needs, and space constraints for charging infrastructure. The last of these is, for example, dismissed by ARB staff on page 14 of the Discussion Document with the statement that "concerns about space constraints for charging infrastructure in the depot may not be an issue for smaller or larger deployments because of overhead charging solutions that have minimal impact on congested yards." At this time, overhead charging solutions are a *theoretical concept* that transit agency representatives have discussed as a potential solution to the daunting and yet unanswered question of how to manage the footprint of the sizable electrical infrastructure required for broader deployments. To our knowledge, no one has performed a feasibility study, much less designed or built an overhead charging system for electric bus charging, yet, we see it offered in this document as a ready solution.

We recommend that ARB staff further engage with transit agencies on identifying circumstances that may need to exercise the off-ramp provision. Additionally, we believe that the off-ramp process must be clearly defined, with input from transit agencies, before any regulatory action is taken.

Given the absence of validated total cost for the proposed Innovative Clean Transit regulation, the precarious nature of funding to support the transition to ZEBs, and myriad issues with ARB staff's proposal, we respectfully request that this body table consideration of the proposed regulation in June 2018. As we have done before, we will emphasize that a purchase mandate is not an appropriate mechanism for encouraging ZEB deployment, and will invite ARB to work with us on identifying, and advocating for solutions to, the barriers to transit electrification. Should ARB proceed with the ICT regulation against our advisement, it should do so only after validating its costs and working through the issues we have identified as well as the various issues that our individual member agencies bring forward.

Please contact Legislative and Regulatory Advocate Michael Pimentel at 916-446-4656 or at michael@caltransit.org, if you have any questions or comments about the Association's position on this regulation.

Sincerely,



Joshua W. Shaw
Executive Director

cc: Alice Reynolds, Senior Advisor, Office of Governor Edmund G. Brown, Jr.
Richard Corey, Executive Officer, California Air Resources Board
Steve Cliff, Deputy Executive Office, California Air Resources Board
Jack Kitowski, Chief, Mobile Source Control Division, California Air Resources Board
Tony Brasil, Branch Chief, Heavy Duty Diesel Implementation Branch, California Air Resources Board
Shirin Barfjani, Air Pollution Specialist, Mobile Source Control Division, California Air Resources Board
Yachun Chow, Manager, Zero Emission Bus Truck and Bus Section, California Air Resources Board
Jennifer Lee, Mobile Source Control Division, California Air Resources Board
Members, Executive Committee, California Transit Association
Members, Zero Emission Bus Task Force, California Transit Association

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November 27, 2017

To: Carl Sedoryk, General Manager - CEO

From: Robert Weber – Chief Operating Officer

Subject: CTA TRIP REPORT – November 2017

From November 7th through 10th, I traveled to the Riverside, California to attend the annual California Transit Association Conference. While at the conference I attended several break out and general sessions relevant to public transit operations, planning, and administration which included;

CTA Operations Committee Meeting: Topics discussed included; DMV Licensing issues, AB 17 (Holden: Pass Programs for low income students) SB 649 (Hueos: 5G wireless tech on public lands, ARB's Innovative Clean Transit Regulation, & DMV's AV Regulations.)

General Session: Keynote Speaker Dennis Snow: With over 20 years of experience with Walt Disney World, Mr. Snow provided an overview of "How to deliver outstanding customer service.

Technical Tour: University of California at Riverside College of Engineering Center for Environmental Research and Technology: Leading research institution for the exploration of environmental sustainability, which includes; eco-friendly intelligent transpiration systems & population solutions, eco-driving applications, advanced vehicle integration, and solar production and storage.

Driving Organization Change: Interactive session to identify the participants' engagement styles and how to effectively align each style to relate to one another.

Multiple Sessions: Implementation, challenges, and performance of Near Zero and Zero emission buses: Various operators and vendors discussed the implementation and challenges of deploying both near zero and zero emission buses.

EXPO: Visited with several vendors at the annual bus and equipment Expo.

General Session: Carey Lohenz: Navy's first female jet fighter pilot provided her perspective on leadership and team development.

Prepared by:  Reviewed by: 
Robert Weber Carl G. Sedroyk



November 28, 2017

To: Carl Sedoryk, General Manager/CEO

From: Cristy Sugabo, Mobility Services Manager

Subject: California Transit Association Conference Trip Report

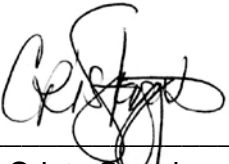
I attended the California Transit Association's 52nd Annual Fall Conference & Expo in Riverside, CA from November 8 – November 10, 2017 along with other MST staff and transit professionals.

I had the opportunity to participate in a site tour of the UC Riverside College of Engineering-Center for Environmental Research and Technology. Also, I attend four (4) sessions that focused on various topics in transportation. These sessions were:

- Shared Mobility: Going Beyond Traditional Public Transportation
- The Future of Workplace Drug Testing, Federal Funding and Legalized Marijuana
- Building Trust: Managing Community Perception and Public Participation
- Creative Recruitment and Employee Development

Moreover, the conference had three (3) amazing keynote speakers: David Bragdon, Executive Director of TransitCenter, who presented national findings on what transit riders want, and how transit agencies and local governments work together to provide reliable service; Dennis Snow, former executive with Walt Disney World who presented on how to lead a culture of service excellence; and Carey Lohrenz, the Navy's first female jet fighter pilot, who shared life lessons in leadership.

The experience was very resourceful and provided me with the opportunity to network with other transit professional that I will continue to connect with for years to come. I appreciate the opportunity to attend the conference.

Prepared by: 
Cristy Sugabo

Reviewed by: 
Carl G. Sedoryk



November 30, 2017

To: Carl Sedoryk, General Manager/CEO

From: Lisa Rheinheimer, Director of Planning and Marketing

Subject: TRIP REPORT – November 2017

Between November 7-11, 2017, I attended the California Transportation Association's 52nd Annual Fall Conference and EXPO in Riverside, CA. I attended the following sessions along with 3 general sessions:

1. #Trending – Connecting with Transit Riders in a Digital World
2. Manage Things, Lead People
3. Building Trust: Managing Community Perception and Public Participation
4. Defining Crisis Communications

Overall, the CTA conference was very useful in gaining knowledge and understanding of issues facing MST and the transit industry.

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

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December 11, 2017

To: Robert Weber – Chief Operating Officer (COO)

From: Norman K. Tuitavuki –Deputy COO

Subject: Transit Maintenance Leadership Workshop – December 2017

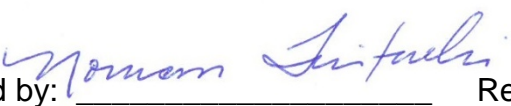
I attended the Transit Maintenance Leadership Workshop from December 4 through December 8 in New Orleans. The National Transit Institute (NTI) delivered this workshop, which provided professional development for senior-level public transit maintenance leaders across the nation.

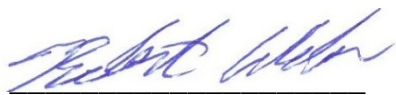
This was an excellent opportunity to learn about maintenance specific industry challenges in the following areas:

- Leadership Development for Transit Maintenance
- Strategic Maintenance Planning and Workforce Management
- Industry “Best Practices”

The Workshop also allowed me to learn how other professionals are actively resolving challenges and issues with the workforce, existing technology, and new technology – such as, Zero Emissions Buses (ZEB).

Additionally, the professionals who attended this Workshop created a communications portal to discuss the challenges we face and to create solutions we can all use. The attendees also hold a monthly conference call to support this effort.

Prepared by: 
Norman Tuitavuki

Reviewed by: 
Robert Weber



January 11, 2018

To: Carl Sedoryk, General Manager/CEO

From: Mark Eccles –Director of Information Technology

Subject: TRIP REPORT – California Transit Association (CTA) Conference November 2017

I attended the CTA conference on the 7th – 10th November, 2017 in Riverside, CA. I am the current chairperson of the CTA Information Technology Committee and chaired the on-site meeting on 8th November. The CTA IT Committee represents the CTA member state transit agencies, by facilitating a formal structure to determine the types and uses of the Intelligent Transportation Systems (ITS) that are in place within California.

I attended several sessions pertaining to the users of current, new and emerging technologies for internal and external customers.

Prepared by: 
Mark Eccles

Reviewed by: 
Carl G. Sedoryk

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January 19, 2018

To: Carl Sedoryk, General Manager/CEO

From: Deanna Smith, Compliance Analyst/Title VI Coordinator

Subject: TRIP REPORT – December 2017

On December 4, 2017, I took part in a Region IX Title VI Conference in San Francisco. The conference was sponsored by the Metropolitan Transportation Commission (MTC), AC Transit, and Hanson Bridgett.

Session topics included: 1) Title VI Challenges at Small, Medium, and Large Transit Agencies; 2) Title VI Challenges with Mobility on Demand; 3) Beyond Procedures: Title VI Complaints and Investigations; and 4) Next Generation Fare Payment Methods and Title VI Challenges. Each session topic included presentations from several transit agencies, FTA attorneys and staff, and consultants, providing a broad range of perspectives and insight into meeting FTA Title VI requirements.

I led a presentation on Title VI Challenges from the perspective of a small transit agency which provided a case study on preparing MST's 2016 Title VI Program Update. I discussed the challenges of creating and implementing an enhanced Language Assistance Plan to address the needs of an additional three Limited English Proficient (LEP) populations (Tagalog, Vietnamese, and Korean); an enhanced Public Participation Plan to ensure that MST has systems in place to provide adequate public outreach for major transportation projects and other transit-related decisions directly affecting MST's ridership; and internal efforts such as staff training to ensure that MST staff is knowledgeable and responsive to the needs of its LEP populations.

Session 2 included a case study on the Go Dublin Pilot Project and a presentation from DOT FHA comparing shared mobility models, statistics on current and potential shared mobility users, equity issues for seniors and low-income individuals, and upcoming research. Presentations on next generation fare payment

methods included an analysis of the equity issues associated with implementing many of these payment options. Session 4 offered unique insight from FTA attorney and advisor, Bonnie Graves, regarding the potential equity challenges of implementing next generation fare payment methods.

The Region IX Workgroup is a proactive group of Title VI transit personnel who meet quarterly via teleconference to discuss shared concerns and solutions and to offer advice and support to their peers specific to implementing Title VI within their agencies. Conferences are generally held every two years.

Prepared by :  Deanna Smith

Reviewed by:  Carl G. Sedoryk



January 24, 2018

To: Carl Sedoryk, General Manager/CEO

From: Hunter Harvath – Assistant General Manager

Subject: TRIP REPORT – November & December 2017

From November 7 – 10, I traveled to Riverside, California, to participate in the 52nd Annual Fall Conference & Expo of the California Transit Association. While at the conference I attended general sessions, topic-specific sessions, as well as the outdoors bus expo and the indoors product showcase. Topics included the following:

- Leading a Culture of Service Excellence – presented by Dennis Snow, a former employee of the Walt Disney Company
- Fearless Leadership: Carey Lohrenz – First female US Navy F-14 Tomcat Fighter Pilot
- Shared Mobility: Going Beyond Traditional Public Transportation
- Funding Transportation Projects in the New Federal Era: Focus on Self-Funding, State and Regional Measures (presenter)

From November 28 – December 1, I traveled to Washington, DC, to conduct legislative advocacy meetings on Capitol Hill as well as to attend the American Public Transportation Association's winter committee meetings event. During my visit, Congress was actively voting on the major tax overhaul bill, which may have included changes to the federal transit benefit that funds MST's military partnership programs. As such, it was a timely visit and allowed me to raise the profile of MST's military partnerships and the funding mechanism that supports them among staff to various Senators and Congresspersons.

While in Washington, I participated in the following meetings:

- APTA Small Operations Committee
- APTA Legislative Committee
- Professional staff to US Senator Dianne Feinstein, US Congressman Jimmy Panetta, US Senator Ben Cardin, US Congresswoman Barbara Comstock, and

US Congressman Gerry Connolly as well as to the US House Committee on Transportation and Infrastructure – Subcommittee on Highways and Transit.

Prepared by:  Reviewed by: 
Hunter Harvath Carl G. Sedoryk

November 12, 2017

To: Carl Sedoryk, General Manager/CEO; MST Board of Directors

From: Mike LeBarre, City of King

Subject: Trip Report: California Transit Association (CTA) Annual conference, Riverside, CA

I attended the California Transit Associations (CTA) 52nd annual conference in Riverside, California from November 7th to 10th.

The conference theme this year was “Service, Above and Beyond”. The focus this year was on providing exceptional service that meets our customers changing needs and effectively utilizing advances in technology and innovation.

I attended the following meetings, sessions, and workshops:

- **Welcome and Opening General Session**
- **Shared Mobility:** Going Beyond Traditional Public Transportation
- **The Future of Workplace Drug Testing, Federal Funding and Legalized Marijuana**
- **Integrating Autonomous Vehicles in the Transportation Ecosystem**
- **Keynote Presentation: Carey Lohrenz** (Navy’s first female jet fighter pilot, Lessons in Leadership that will challenge, inform, and inspire leaders and their teams to move to higher levels of performance.)
- **Keynote Presentation: David Bragdon** (TransitCenter Executive Director, national data on what riders want, and how transit agencies and local governments can work together to provide more reliable service.)
- **Keynote Presentation: Dennis Snow** (Walt Disney World and international consultant, a “how-to” program for delivering outstanding customer experiences.)

This was a positive and informative conference that focused on the importance of the meeting our customer’s mobility needs, effective customer service, as well as innovative and technological trends in the industry. I found all of the sessions to be valuable and gave me better insight to issues facing transit agencies.

Additionally I would like to share great news for MST. Our general manager Carl Sedoryk was elected Chair of the California Transit Association for the next 2 years.

Submitted by: Mike LeBarre, Vice Chair

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