



**AGENDA**

**Meeting**

of the

**BOARD OF DIRECTORS**

of the

**SANTA BARBARA METROPOLITAN TRANSIT DISTRICT**

A Public Agency

**May 27, 2014**

**8:30 AM**

**Santa Barbara MTD Auditorium**

550 Olive Street, Santa Barbara, CA 93101

**1. CALL TO ORDER**

**2. ROLL CALL OF THE BOARD OF DIRECTORS**

Dave Davis, Chair; Chuck McQuary, Vice Chair; Olivia Rodriguez, Secretary; Dick Weinberg, Director; Bill Shelor, Director; Ed Easton, Director; David Tabor, Director

**3. REPORT REGARDING POSTING OF AGENDA**

**CONSENT CALENDAR**

**4. APPROVAL OF PRIOR MINUTES-(ATTACHMENT-ACTION MAY BE TAKEN)**

The Board will be asked to waive the reading of and approve the draft minutes for the meeting of May 13, 2014.

**5. CASH REPORT-(ATTACHMENTS-ACTION MAY BE TAKEN)**

The Board will be asked to review the cash report of May 6, 2014 through May 19, 2014.

**THIS CONCLUDES THE CONSENT CALENDAR**

**6. PUBLIC COMMENT**

Members of the public may address the Board on items within jurisdiction of the Board that are not scheduled for public hearing. The time allotted per speaker will be at the discretion of the Board Chair. If you wish to address the Board under this item number, please complete and deliver to the MTD Board Clerk, a "Request to Speak" form including a description of the subject you wish to address. Additional public comment will be allowed during each agenda item, including closed session items. Please fill out the Request to Speak form and indicate the agenda item number that you wish to comment on.

**7. EARTHQUAKE INSURANCE RENEWAL EFFECTIVE: MAY 27, 2014 THROUGH MAY 23, 2015-(ACTION MAY BE TAKEN)**

Staff recommends that the Board of Directors authorize MTD staff to bind Earthquake Insurance coverage with Rockhill Insurance Company effective May 27, 2014.

**8. FLOOD INSURANCE COVERAGE (ACTION MAY BE TAKEN)**

Staff recommends that the Board of Directors authorize MTD staff to bind Flood Insurance coverage with Wright National Flood Insurance Company effective May 27, 2014.

**9. FISCAL YEAR 2013-14 SINGLE AUDIT – (ATTACHMENT-ACTION MAY BE TAKEN)**

Staff recommends that the Board of Directors accept the Engagement Letter submitted by McGowan Guntermann for professional auditing services.

**10. GOLETA REPRESENTATION ON MTD BOARD-(ACTION MAY BE TAKEN)**

The Board will discuss the City of Goleta's representation on the MTD Board.

**11. GENERAL MANAGER'S REPORT UPDATE-(ACTION MAY BE TAKEN)**

- a) MCI's
- b) Goleta State of the City (May 29<sup>th</sup>)
- c) Transit Center retrofit and Terminal 1 Canopy
- d) Goleta Representation on MTD Board

**12. OTHER BUSINESS AND COMMITTEE REPORTS-(ACTION MAY BE TAKEN)**

The Board will report on other related public transit issues and committee meetings

***RELATED TO EACH CLOSED SESSION; PUBLIC COMMENT WILL BE ALLOWED RELATED TO THE CLOSED SESSION ITEM(S) BEFORE THE RECESS***

**13. RECESS TO CLOSED SESSION- PUBLIC EMPLOYEE APPOINTMENT- (ACTION MAY BE TAKEN)**

The Board will meet in closed session pursuant to Government Code Section 54957

Title: General Manager

**14. ADJOURNMENT**

**AMERICAN WITH DISABILITIES ACT:** If you need special assistance to participate in this meeting, please contact the MTD Administrative Office at 963-3364 at least **48 hours in advance** of the meeting to allow time for MTD to attempt a reasonable accommodation.



**DRAFT MINUTES**

**Meeting**  
of the  
**BOARD OF DIRECTORS**  
of the  
**SANTA BARBARA METROPOLITAN TRANSIT DISTRICT**  
A Public Agency  
**May 13, 2014**  
**8:30 AM**  
**Santa Barbara MTD Auditorium**  
550 Olive Street, Santa Barbara, CA 93101

**1. CALL TO ORDER**

Chair Davis called the meeting to order at 8:30 a.m.

**2. ROLL CALL OF THE BOARD OF DIRECTORS**

Chair Davis reported that all members were present.

**3. REPORT REGARDING POSTING OF AGENDA**

Nancy Alexander, Administrative Services Manager/Marketing Team, reported that the agenda was posted on Thursday, May 8th, 2014 at MTD's Administrative Office, emailed and mailed to those on the agenda minutes list, and posted on MTD's website.

**CONSENT CALENDAR**

**4. APPROVAL OF PRIOR MINUTES- (ATTACHMENT-ACTION MAY BE TAKEN)**

Director Shelor moved to approve the draft minutes for the meeting of April 29, 2014. Director Rodriguez seconded the motion. The motion passed unanimously.

**5. CASH REPORT-(ATTACHMENTS- (ACTION MAY BE TAKEN)**

Director Shelor moved to approve the cash reports of April 22, 2014 through May 5, 2014. Director Rodriguez seconded the motion. The motion passed unanimously.

**THIS CONCLUDES THE CONSENT CALENDAR**

**6. PUBLIC COMMENT**

There was no public comment made.

**\*\* Director Rodriguez moved to take Agenda Item #9 out of order, for the convenience of the representatives visiting from Vaquero Systems. Director Shelor seconded the motion. The motion passed unanimously.**

**9. RECOMMEND CONTRACT AWARD FOR TRANSIT TECHNICAL CONSULTING SERVICES – (ACTION MAY BE TAKEN)**

Staff recommended that a contract be awarded to Vaquero Systems for on-call transit technical consulting services. With the correction of some minor verbiage, Director Rodriguez moved to approve the contract with Vaquero Systems. Director McQuary seconded the motion. The motion was approved unanimously.

**7. QUARTERLY STAFF REPORTS - (ATTACHMENT- ACTION MAY BE TAKEN)**

The Board reviewed the quarterly reports for the period of January 1, 2014 through March 31, 2014. Discussion ensued regarding possible reasons for the slight (2%) reduction in ridership. No action was taken.

- 8. FINANCE UPDATE & FINANCIAL STATEMENT ANALYSIS FOR THE NINE-MONTH PERIOD ENDING MARCH 31, 2014 – (ACTION MAY BE TAKEN)**  
Staff presented to the Board the Finance Update & Financial Statement Analysis. Operating Revenue was up by 1.5%, while Operating Expenses were down by 4.8%. In addition, Special Event fares exceeded budget by \$36,044. Worker's Compensation claims were under budget, in part due to increased VTT training regarding shoulder injury prevention. TDA/LTF Sales Tax Revenue has increased by 2% over the previous fiscal year. No action was taken.
- 10. PROPERTY INSURANCE RENEWAL EFFECTIVE: MAY 24, 2014 THROUGH MAY 23, 2015 – (ACTION MAY BE TAKEN)**  
Staff recommended that the Board authorize MTD staff to bind Property Insurance and Earthquake coverage with Liberty Mutual Insurance Company. Director Tabor moved to approve the purchase of the coverage. Director McQuary seconded the motion. The motion was approved unanimously.
- 11. GENERAL MANAGER'S REPORT UPDATE-(ACTION MAY BE TAKEN)**  
General Manager Fisher reported on discussions surrounding the future of MTD's MCI over-the-road coaches, taking into account FTA regulations and the possible future needs of Santa Barbara County.
- Assistant General Manager Estrada publicly recognized the combined efforts of many MTD employees who have worked on the AVL project, putting in many hours and offering their expertise to help to see this project through to fruition.
- General Manager Fisher asked for Board members that would like to attend the Goleta State of the City presentation on May 29<sup>th</sup>.
- 12. OTHER BUSINESS AND COMMITTEE REPORTS-(ACTION MAY BE TAKEN)**  
No other items were discussed.

***RELATED TO EACH CLOSED SESSION; PUBLIC COMMENT WILL BE ALLOWED RELATED TO THE CLOSED SESSION ITEM(S) BEFORE THE RECESS***

- 13. RECESS TO CLOSED SESSION- PUBLIC EMPLOYEE APPOINTMENT- (ACTION MAY BE TAKEN)**  
The Board will meet in closed session pursuant to Government Code Section 54957  
Title: General Manager
- Upon returning from closed session Chair Davis reported that no action was taken.
- 14. ADJOURNMENT**  
Director Rodriguez moved to adjourn the meeting at 11:30 a.m. Director Weinberg seconded the motion. The motion passed unanimously.

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**Santa Barbara Metropolitan Transit District**  
**Cash Report**  
**Board Meeting of May 27, 2014**  
**For the Period May 6, 2014 through May 19, 2014**

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**MONEY MARKET**

**Beginning Balance May 6, 2014** **\$7,677,963.16**

FTA Operating Assistance	4,943,999.00
Accounts Receivable	258,022.87
Passenger Fares	161,573.27
Advertising/Prepaid Deposits	119,482.89
UCSB Fares	89,979.89
Miscellaneous/Asset Sales	7,115.83
<b>Total Deposits</b>	<b>5,580,173.75</b>

WC Transfer - May '14	3,951.40
ACH Garn/Escrow	(1,271.58)
ACH Pensions Transfer	(32,689.91)
ACH Tax Deposit	(133,086.60)
Payroll Transfer	(288,764.94)
Operations Transfer	(577,743.71)
<b>Total Disbursements</b>	<b>(1,029,605.34)</b>

**Ending Balance** **\$12,228,531.57**

**CASH INVESTMENTS**

LAIF Account	\$3,329,857.03
Money Market Account	12,228,531.57

**Total Cash Balance** **\$15,558,388.60**

**SELF INSURED LIABILITY ACCOUNTS**

WC / Liability Reserves	(\$2,255,965.05)
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**Working Capital** **\$13,302,423.55**

**Santa Barbara Metropolitan Transit District  
Accounts Payable**

Check #	Date	Company	Description	Amount	Voids
106578	5/8/2014	ABC BUS COMPANIES INC	BUS PARTS	411.52	
106579	5/8/2014	ACCONTEMPS DBA	PROFESSIONAL SERVICE	1,438.49	
106580	5/8/2014	APPLEONE EMPLOYMENT SERVIC	CONTRACT SERVICES	744.00	
106581	5/8/2014	BIG GREEN CLEANING CO. DBA	JANITORIAL SERV./SUPPLIES	5,749.93	
106582	5/8/2014	CASH - JUAN PEREZ	CASH FOR BILL BREAKER	8,100.00	
106583	5/8/2014	CARQUEST AUTO PARTS	BUS PARTS & SUPPLIES	67.94	
106584	5/8/2014	CEBALLOS, TERESA	DMV-VTT REIMBURSEMENT	51.00	
106585	5/8/2014	CENTRAL CITY ABS, INC.	BUS SUPPLIES	36.51	
106586	5/8/2014	CINTAS CORPORATION NO. 2	FIRST AID SUPPLIES	482.45	
106587	5/8/2014	CIO SOLUTIONS, LP	PROFESSIONAL SERVICES	600.00	
106588	5/8/2014	COAST TRUCK PARTS	BUS PARTS	613.39	
106589	5/8/2014	COX INDUSTRIES	BUS PARTS	328.11	
106590	5/8/2014	COX COMMUNICATIONS, CORP.	INTERNET & CABLE TV	409.44	
106591	5/8/2014	CUMMINS PACIFIC, LLC	BUS PARTS	3,648.58	
106592	5/8/2014	DOWNTOWN ORGANIZATION, INC	TC MAINTENANCE	450.00	
106593	5/8/2014	PABLO GARCIA ESQUER	REIMBURSEMENT	41.00	
106594	5/8/2014	JERRY ESTRADA	REIMBURSEMENT	228.50	
106595	5/8/2014	SHERRIE FISHER	REIMBURSEMENT	60.00	
106596	5/8/2014	4ONE LLC	BUS PARTS	181.13	
106597	5/8/2014	GIBBS INTERNATIONAL INC	BUS PARTS	1,157.27	
106598	5/8/2014	GILLIG LLC	BUS PARTS	1,774.52	
106599	5/8/2014	GOODYEAR TIRE & RUBBER CO	LEASED TIRES	361.05	
106600	5/8/2014	H.G. MAKELIM CO., INC.	BUS PARTS	1,819.27	
106601	5/8/2014	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	35.78	
106602	5/8/2014	INTERCON TECHNOLOGIES DBA	EV/CHARGER REPAIRS	1,440.75	
106603	5/8/2014	IPC (USA), INC.	BUS FUEL	49,233.63	
106604	5/8/2014	JERRY'S PLUMBING & HEATING, I	PLUMBING	560.00	
106605	5/8/2014	JOY EQUIPMENT PROTECTION, IN	SERVICING FIRE EXTINGUISHERS	314.90	
106606	5/8/2014	LUBRICATION ENGINEERS, INC.	LUBRICANTS	179.17	
106607	5/8/2014	ERIC MAAS	REIMBURSEMENT	10.00	
106608	5/8/2014	MARBORG INDUSTRIES (INC)	UTILITIES & RENTAL FEES	1,947.80	
106609	5/8/2014	MCGUCKIE, DAVID	REIMBURSEMENT	51.00	
106610	5/8/2014	MCMaster-CARR SUPPLY CO.	SHOP/B&G SUPPLIES	298.51	
106611	5/8/2014	ANTHONY MENDIBLES	REIMBURSEMENT	51.00	
106612	5/8/2014	MISSION LINEN SUPPLY, INC	UNIFORM & LINEN SERVICE	3,918.52	
106613	5/8/2014	MURPHY ELECTRIC MAINTENANC	ELECTRICAL REPAIRS/INSTALLATION	299.80	
106614	5/8/2014	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	250.67	
106615	5/8/2014	MCI SERVICE PARTS, INC.	BUS PARTS	107.11	

Check #	Date	Company	Description	Amount	Voids
106616	5/8/2014	NEWEGG, INC	COMPUTER SUPPLIES & REPAIRS	952.63	
106617	5/8/2014	NU-COOL REDI GREEN, INC	COOLANTS & SHOP SUPPLIES	294.62	
106618	5/8/2014	PREVOST CAR INC.- CREDIT DEPT.	BUS PARTS	21.41	
106619	5/8/2014	PITNEY BOWES INC	POSTAGE METER QTRLY CHARGES	145.81	
106620	5/8/2014	PRAXAIR DISTRIBUTION, INC.	SHOP SUPPLIES	45.21	
106621	5/8/2014	PROFORMA COLOR PRESS DBA	MISC. RISK & SAFETY VESTS	3,354.70	
106622	5/8/2014	REPUBLIC ELEVATOR, INC	ELEVATOR MAINTENANCE	153.20	
106623	5/8/2014	SB LOCKSMITHS, INC.	B&G REPAIR & SUPPLIES	97.20	
106624	5/8/2014	SILVAS OIL CO., INC.	LUBRICANTS	554.43	
106625	5/8/2014	SMITTY'S TOWING SERVICE D	TOWING SERVICES	50.00	
106626	5/8/2014	SANTA BARBARA TROPHY	DRIVER NAME PLATES	41.47	
106627	5/8/2014	SM TIRE, CORP.	BUS TIRE MOUNTING	317.50	
106628	5/8/2014	SMARDAN-HATCHER CO., INC	B&G REPAIRS & SUPPLIES	114.79	
106629	5/8/2014	SO. CAL. EDISON CO.	UTILITIES	3,770.28	
106630	5/8/2014	SPECIALTY TOOL & BOLT, LTD	SHOP SUPPLIES	387.99	
106631	5/8/2014	STAPLES INC. & SUBSIDIARIES	OFFICE SUPPLIES	417.44	
106632	5/8/2014	SB CITY OF-REFUSE/WATER	UTILITIES	1,371.89	
106633	5/8/2014	THE MEDCENTER	MEDICAL EXAMS	1,324.00	
106634	5/8/2014	TANK TEAM INC.	TANK TESTS	119.00	
106635	5/8/2014	TRI-COUNTY AUTO GLASS INC	REPLACE BUS WINDOWS	220.00	
106636	5/8/2014	INTERSTATE CAPITAL CORPORAT	UNIFORMS	920.22	
106637	5/8/2014	VALLEY POWER SYSTEMS, INC.	BUS PARTS	446.32	
106638	5/8/2014	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	953.64	
106639	5/16/2014	ABC BUS COMPANIES INC	BUS PARTS	369.18	
106640	5/16/2014	ACCONTEMPS DBA	PROFESSIONAL SERVICE	1,434.00	
106641	5/16/2014	AXLE TECH INTERNATIONAL D	BUS PARTS	524.88	
106642	5/16/2014	BIG BRAND TIRES, BRANDCO BILL	SERVICE VEHICLE MAINTENANCE	225.91	
106643	5/16/2014	BUYNAK, FAUVER, ARCHBALD&S	LEGAL COUNSEL	30,238.75	
106644	5/16/2014	CASH - JUAN PEREZ	CASH FOR BILL BREAKER	500.00	
106645	5/16/2014	CALIFORNIA ELECTRIC SUPPLY, I	SHOP/B&G SUPPLIES	19.37	
106646	5/16/2014	CARQUEST AUTO PARTS	BUS PARTS & SUPPLIES	57.50	
106647	5/16/2014	CITY OF SANTA BARBARA	FIRE INSPECTION FEE	104.00	
106648	5/16/2014	CENTRAL COAST CIRCULATION, L	BUS BOOK DISTRIBUTION	575.00	
106649	5/16/2014	COAST TRUCK PARTS	BUS PARTS	472.43	
106650	5/16/2014	CUMMINS PACIFIC, LLC	BUS PARTS	3,924.50	
106651	5/16/2014	MARY DEAILE	PAYROLL RELATED	106.15	
106652	5/16/2014	DELTA DENTAL OF CALIFORNIA	DENTAL INSURANCE	10,210.00	
106653	5/16/2014	DELTA DENTAL INSURANCE COM	DENTAL INSURANCE	2,461.60	
106654	5/16/2014	DOCUPRODUCTS CORPORATION	COPIER COPIES & SUPPLIES	169.97	
106655	5/16/2014	DONS INDUSTRIAL SUPPLY DBA	BUS PARTS/SHOP SUPPLIES	137.66	
106656	5/16/2014	EASY LIFT TRANSPORTATION, IN	ADA SUBSIDY	52,022.00	

Check #	Date	Company	Description	Amount	Voids
106657	5/16/2014	JERRY ESTRADA	REIMBURSEMENT	106.40	
106658	5/16/2014	SHERRIE FISHER	REIMBURSEMENT	192.00	
106659	5/16/2014	STATE OF CALIFORNIA/FTB	PAYROLL RELATED	311.45	
106660	5/16/2014	GIBBS INTERNATIONAL INC	BUS PARTS	1,757.42	
106661	5/16/2014	GILLIG LLC	BUS PARTS	2,633.47	
106662	5/16/2014	GOODYEAR TIRE & RUBBER CO	LEASED TIRES	11,277.26	
106663	5/16/2014	GRAINGER, INC.	SHOP/B&G SUPPLIES	203.79	
106664	5/16/2014	GUARDIAN-APPLETON (DENTAL I	DENTAL INSURANCE	4,137.77	
106665	5/16/2014	GUARDIAN-APPLETON (LIFE INS)	LIFE INSURANCE	593.13	
106666	5/16/2014	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	52.27	
106667	5/16/2014	IPC (USA), INC.	BUS FUEL	24,605.22	
106668	5/16/2014	J&A EXPRESS ELECTRIC MOTOR	BUS PARTS REPAIRS	9,129.00	
106669	5/16/2014	JOY EQUIPMENT PROTECTION, IN	SERVICING FIRE EXTINGUISHERS	2,840.00	
106670	5/16/2014	LA CUMBRE FEED, INC.	SOFT WATER SYSTEM SUPPLIES	394.79	
106671	5/16/2014	MARBORG INDUSTRIES (INC)	UTILITIES & RENTAL FEES	99.00	
106672	5/16/2014	MC CORMIX CORP. (OIL)	LUBRICANTS	3,466.72	
106673	5/16/2014	MC CORMIX CORP. (GAS)	FUEL-SERVICE VEHICLES	2,426.34	
106674	5/16/2014	MEDICAL EYE SERVICES, INC.	VISION SERVICES	292.80	
106675	5/16/2014	PREVOST CAR INC.- CREDIT DEPT.	BUS PARTS	384.90	
106676	5/16/2014	OR DEPT OF JUSTICE	PAYROLL RELATED	145.11	
106677	5/16/2014	ANN BRADY OTTIERI	PAYROLL RELATED	277.00	
106678	5/16/2014	PACPROP SERVICE, LLC	PARKING FOR COASTAL EXPRESS BU!	1,500.00	
106679	5/16/2014	PB-RESERVE ACCOUNT	PREPAID POSTAGE	1,500.00	
106680	5/16/2014	SPECIAL DISTRICT RISK MGMT	MEDICAL HEALTH INSURANCE	46,630.32	
106681	5/16/2014	KAREN SEELEY	PAYROLL RELATED	75.69	
106682	5/16/2014	SANTA BARBARA VALET INC	PARKING SPACE FEES	300.00	
106683	5/16/2014	SM TIRE, CORP.	BUS TIRE MOUNTING	160.00	
106684	5/16/2014	SMART & FINAL	OFFICE/MEETING SUPPLIES	422.52	
106685	5/16/2014	SO. CAL. EDISON CO.	UTILITIES	2,056.29	
106686	5/16/2014	SOAP MAN DISTRIBUTIN DBA	CLEANING SUPPLIES	53.46	
106687	5/16/2014	STAPLES INC. & SUBSIDIARIES	OFFICE SUPPLIES	27.86	
106688	5/16/2014	TELCOM, INC.	VENTURA REPEATER SERVICES	1,500.00	
106689	5/16/2014	TEAMSTERS MISC SECURITY TRU	UNION MEDICAL/DENTAL	155,244.00	
106690	5/16/2014	TEAMSTERS PENSION TRUST	UNION PENSION	88,659.16	
106691	5/16/2014	UNITED REFRIGERATION INC.	AIR CONDITIONING SUPPLIES	449.28	
106692	5/16/2014	UNITED PARCEL SERVICE, INC.	FREIGHT CHARGES	521.85	
106693	5/16/2014	VANGUARD PRINTING DBA	PRINTING SERVICES	137.48	
106694	5/16/2014	VALLEY POWER SYSTEMS, INC.	BUS PARTS	2,650.40	
106695	5/16/2014	VERIZON CALIFORNIA	TELEPHONES	2,343.62	
106696	5/16/2014	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	807.31	
106697	5/16/2014	YELLOW (YRC) TRANSPORTATIO	FREIGHT CHARGES	299.24	

Check #	Date	Company	Description	Amount	Voids
				<u>577,743.71</u>	
			Current Cash Report Voided Checks:	0.00	
			Prior Cash Report Voided Checks:	0.00	
			<b>Grand Total:</b>	<b><u>\$577,743.71</u></b>	

**Santa Barbara Metropolitan Transit District  
Cash Receipts of Accounts Receivable**

<b>Date</b>	<b>Company</b>	<b>Description</b>	<b>Amount</b>
5/6/2014	Fritz Creative Marketing	Advertising on Buses	822.80
5/6/2014	Jim Haggerty	Retiree - Vision	12.20
5/6/2014	Union Bank/Eleven Inc.	Advertising on Buses	15,580.50
5/7/2014	City of S.B. Waterfront Department	Waterfront Shuttle Service-Cruise Ship 4/23	4,155.28
5/7/2014	Nationwide AMCO	Accident Collection	2,931.96
5/8/2014	City of S.B. Waterfront Department	Waterfront Shuttle Service-Cruise Ship 4/27	4,155.28
5/8/2014	City of S.B. Waterfront Department	Waterfront Shuttle Service-Cruise Ship 4/20	4,155.28
5/8/2014	Department of Rehabilitation	Passes/Token Sales	20.00
5/8/2014	Department of Rehabilitation	Passes/Token Sales	380.00
5/8/2014	UCSB - Contract Fares	Contract Fares April 2014	89,979.89
5/12/2014	City of SB - Browning Allen	Downtown Shuttle April 2014	85,901.50
5/12/2014	Department of Rehabilitation	Passes/Token Sales	20.00
5/12/2014	Godzilla Graphics	Advertising on Buses	6,917.30
5/12/2014	Montecito Bank & Trust	Advertising on Buses	4,244.00
5/13/2014	Cottage Hospital	Passes/Token Sales	11,500.00
5/13/2014	Cottage Hospital	Passes/Token Sales	20,800.00
5/15/2014	Department of Rehabilitation	Passes/Token Sales	20.00
5/15/2014	Department of Rehabilitation	Passes/Token Sales	20.00
5/15/2014	Department of Rehabilitation	Passes/Token Sales	20.00
5/19/2014	ASTI Holding Company, LLC	Overpass Property Lease May 14 Balance	157.60
5/19/2014	City of S.B. Waterfront Department	Waterfront Shuttle Service-Cruise Ship 4/30	4,155.28
5/19/2014	KCSB - FM	Advertising on Buses	396.00
5/19/2014	Santa Barbara Airport	Advertising on Buses	1,678.00
<b>Total Accounts Receivable Paid During Period</b>			<b>\$258,022.87</b>



## BOARD OF DIRECTORS REPORT

**AGENDA DATE:** May 27, 2014

**AGENDA ITEM #: 7**

**DEPARTMENT:** Risk

**TYPE:** Action

**PREPARED BY:** Gabriel Garcia

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*Signature*

**REVIEWED BY:** Sherrie Fisher

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GM Signature

**SUBJECT:** Earthquake Insurance Renewal  
Effective: May 27, 2014 through May 23, 2015

### **RECOMMENDATION:**

Staff recommends that the Board of Directors authorize MTD staff to bind Earthquake Insurance coverage with Rockhill Insurance Company effective May 27, 2014.

### **DISCUSSION:**

At the meeting of May 13, 2014 the Board of Directors authorized staff to bind Earthquake (EQ) coverage with RLI, Mt. Hawley Ins. Co. with a premium of \$20,960. On May 15, 2014, Rockhill offered a quote for identical terms for a premium of \$17,476. Rockhill Insurance Company is A+ rated.

The terms are identical. This coverage fully insures the Administrative building, Maintenance Building, Transit Center and Overpass facilities for buildings and contents in the event of an Earthquake. The Total Insured Value is \$9,711,937 with a 10% deductible per unit, subject to \$50,000 minimum.

### **BUDGET/FINANCIAL INFORMATION**

The cost of binding the EQ insurance with Rockhill Insurance Company offers a savings of \$3,484 over the proposed premium by RLI, Mt. Hawley Insurance Company.



**BOARD OF DIRECTORS REPORT**

**AGENDA DATE:** May 27, 2014  
**DEPARTMENT:** Risk  
**PREPARED BY:** Gabriel Garcia  
**REVIEWED BY:** Sherrie Fisher

**AGENDA ITEM #:** 8  
**TYPE:** Action

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*GM Signature*

**SUBJECT: Flood Insurance coverage**

**RECOMMENDATION:**

Staff recommends that the Board of Directors authorize MTD staff to bind Flood Insurance coverage with Wright National Flood Insurance Company effective May 27, 2014.

**DISCUSSION:**

The Flood Insurance proposal covers Olive and Cota Street buildings and contents as follows: administrative building, maintenance building, fuel service island, bus wash and carport. The table below outlines coverage limit amounts. The cost for coverage is \$21,286 with a set deductible of \$25,000 per unit of insurance (structure & Contents).

Flood coverage is controlled by the National Flood Insurance Program. Insurance companies and other administrators are contracted to underwrite/administer the program. All underwriting rules are established by NIFP.

MTD is in a Flood Zone A category. Staff recently attended the Federal Transit Administration Triennial Review workshop where flood insurance was a topic. The recommended coverage will comply with the FTA requirement that grantees with federally-funded buildings located in a flood zone must purchase flood insurance for those properties.

**BUDGET/FINANCIAL INFORMATION:**

The cost of flood insurance is \$21,286 with a \$25,000 deductible per unit of insurance (structure & Contents).

Flood quotes for each building as follow:

<b>Structure</b>	<b>Coverage Limits</b>	<b>Deductible</b>	<b>Premium</b>
Administrative Bldg	\$500,000 Bldg/\$500,000 Contents	\$25,000 Bldg/\$25,000 Contents	\$5,416
Maintenance Bldg	\$500,000 Bldg/\$500,000Contents	\$25,000 Bldg/\$25,000 Contents	\$5,416
Fuel Service Bldg	\$298,300 Bldg/\$358,000 Contents	\$25,000 Bldg/\$25,000 Contents	\$4,776
Bus Wash Bldg	\$312,800 Bldg/\$0 Contents	\$25,000 Bldg	\$2,698
Car Port	\$500,000 Bldg/\$0 Contents	\$25,000 Bldg	\$2,980
Total Premium			\$21,286

## BOARD OF DIRECTORS REPORT

**MEETING DATE:** MAY 27, 2014

**AGENDA ITEM #:** 9

**TYPE:** ACTION

**PREPARED BY:** JERRY ESTRADA

\_\_\_\_\_  
*Signature*

**SUBJECT: FISCAL YEAR 2013-14 SINGLE AUDIT**

### **RECOMMENDATION:**

Staff recommends that the Board of Directors accept the Engagement Letter submitted by McGowan Guntermann for professional auditing services.

### **DISCUSSION:**

The Santa Barbara Metropolitan Transit District (MTD) has received the annual engagement letter from McGowan Guntermann to provide professional auditing services. The services required are intended to certify MTD's financial statements and to provide the Board with a review of the District's financial position as well as its management practices.

McGowan Guntermann has performed these services for the District for a number of years. MTD solicited proposals for these services a number of years ago and the Board determined that it was in the best interest of the District to maintain the existing relationship. McGowan Guntermann has estimated that the cost to conduct the annual Single Audit will be equal to last year's amount of \$42,000, plus additional fees associated with additional procedures/fees required for the audit due to the fact that an actuarial study of the workers compensation reserve was conducted late last year and not reflected in the financial reports.



CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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111 E. Victoria Street 2<sup>nd</sup> Floor, Santa Barbara, CA 93101, (805) 962-9175, Fax: (805) 962-8925, www.mcgowan.com

May 15, 2014

Ms. Sherrie Fisher, General Manager  
Santa Barbara Metropolitan Transit District  
550 Olive Street  
Santa Barbara, CA 93101

Dear Sherrie:

This letter is to confirm our understanding of the terms and objectives of our engagement and to clarify the nature and limitations of our services to Santa Barbara Metropolitan Transit District (the District). You should read it carefully in its entirety.

We will audit the financial statements of the District as of the year ended June 30, 2014. Also, the document we submit to you will include the schedule of expenditures of federal awards that will be subjected to the auditing procedures applied in our audit of the financial statements.

Enclosed are the following attachments expanding on issues related to the above services and firm policies:

Audit - pages 3 - 10  
Timeframe - page 10  
Billing and Fee Policies - page 11

If your needs change during the year, the nature of our services can be adjusted appropriately. This agreement may be altered by either party with advanced written notice.

If you have any questions, please call me. If this agreement fairly sets forth your understanding, please sign the "acknowledgment copy" of this letter and return it all to us.



### **Audit Objectives**

The objective of our audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements taken as a whole. The objective also includes reporting on -

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*
- State Compliance on Transportation Development Act Requirements
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The State Compliance report will state that the purpose of the report on compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the TDA. The OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. All three reports will state that the report is not suitable for any other purpose.

Sherrie Fisher, General Manager  
Santa Barbara Metropolitan Transit District  
May 15, 2014  
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Our audit will be conducted in accordance with generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. If our opinion on the financial statements or the Single Audit compliance opinion is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

### **Management Responsibilities**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will prepare a draft of your financial statements and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any nonaudit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Sherrie Fisher, General Manager  
Santa Barbara Metropolitan Transit District  
May 15, 2014  
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**Management Responsibilities (continued)**

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

You are responsible for preparation of the schedule of expenditures of federal awards in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) the methods of measurement or presentation have not changed from those used in the prior period and (4) you have disclosed to us any significant assumptions..

**Management Responsibilities (continued)**

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

**Audit Procedures - General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

**Audit Procedures – General (continued)**

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matter in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

**Audit Procedures - Internal Controls**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

Sherrie Fisher, General Manager  
Santa Barbara Metropolitan Transit District  
May 15, 2014  
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### **Audit Procedures - Internal Controls (continued)**

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*, and OMB Circular A-133.

### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the OMB Circular A-133 Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. The purpose of these procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

### **Audit Administration and Other**

We understand that your employees will prepare all confirmations we request and will locate documentation selected by us for testing.

Sherrie Fisher, General Manager  
Santa Barbara Metropolitan Transit District  
May 15, 2014  
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**Audit Administration and Other (continued)**

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to the Santa Barbara Metropolitan Transit District; however, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of thirty days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of McGowan Guntermann and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the Federal Transit Administration or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of McGowan Guntermann personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for seven years after the date the auditor's report is issued or for any additional period requested by the Federal Transit Administration or your pass through entities. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation. Upon the expiration of the seven-year period you agree that we shall be free to destroy (shred) our files unless we receive written notice from you. We do not keep any original client records.

*Government Auditing Standards* require that we provide you with a copy of our most recent quality control review report, which we have provided for you previously. Our last review was done in January 2014 and we expect to have the report in May, 2014, which we will provide to you when we receive it. Our firm prepares annual inspections of our accounting work.

**Audit Administration and Other (continued)**

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A) and the Schedule of Funding Progress of Postemployment Healthcare Plan, to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The MD&A and Schedule of Funding Progress of Postemployment Healthcare Plan are required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited.

We have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements, which is the schedule of expenditures of federal awards. We will subject this supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole.

Scott Davis is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

**TIMEFRAME**

We expect to begin preliminary testing in late June, 2014. If we receive the items we will request by August 1, 2014, we plan to begin our audit on August 4, 2014. After your approval of the draft financial statements, we will issue the final report within three days. If the planned field work date is delayed by you, or expected information is incomplete at the start of fieldwork, this will extend receiving the draft financial statements.

Sherrie Fisher, General Manager  
Santa Barbara Metropolitan Transit District  
May 15, 2014  
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### **BILLING AND FEE POLICIES**

Our fees for these services will be based upon the time taken, costs incurred including computer costs, and the difficulty of the work. Based on our estimate, the audit fee will be \$42,000. This year there will be additional procedures/fees required for the audit due to the fact that we have been made aware of an actuarial study of the workers compensation reserve for the year ended June 30, 2013. The amount of the reserve has increased significantly from the study which will require a restatement of the June 30, 2013 financial statements, as well as audit procedures related to the reserve study.

We will bill you on a semimonthly basis as our efforts are incurred. Our bills are due when you receive them.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its rules for professional accounting and related services disputes, before resorting to litigation. Costs of any mediation proceeding shall be shared equally by all parties. Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the AAA rules for professional accounting and related services disputes. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that in the event of a dispute over fees, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution.

To: MTD Board of Directors  
From: Sherrie Fisher, General Manager  
Date: May 23, 2014  
Subject: General Manager's Report

UCSB is planning on seeking approval of the 2010 Long Range Development Plan from the California Coastal Commission (CCC) potentially as early as July. UCSB is subsequently planning on seeking approval of the Coastal Development Permit for the 1,000 student bed San Joaquin housing project from the CCC in the late Summer or Fall. To help offset the demand that will be created from this project, MTD and UCSB signed an agreement earlier this year to provide enhanced transit service to Lines 24x and 12x beginning in August 2015 and a new Line 38 beginning in August 2016, all funded by UCSB.

Final preparations are being made for the May 28<sup>th</sup> "Active Shooter Drill" at Santa Barbara City College, in which MTD will be participating in this drill.

Bus service for the Memorial Day holiday will run on a Sunday service schedule on Monday, May 26<sup>th</sup>. This driver's holiday bid was successfully completed a few weeks ago.

The Amgen Bike Tour graced Santa Barbara on May 15<sup>th</sup> arriving at the crest of San Marcos Pass mid afternoon, and taking no more than 13 minutes to get to the finish line at Cabrillo Blvd. Two extra Road Supervisors were added that day to direct and advise Operators. When the hard street closures were initiated, affected lines were either detoured or instructed to stay online until blocked roads were opened. Lines were delayed no more than approximately 15 minutes, and units were placed back on scheduled time points later on in the early evening. Traffic was very heavy before, during and after the tour raced through town.

On May 17<sup>th</sup> the 14<sup>th</sup> annual State Street National car show closed State Street downtown. Cross streets remained open; Downtown Shuttles were detoured as in previous similar events.

The Transit Center Express Zone sidewalk was repaired by the City the week of May 12<sup>th</sup>. Extra supervision was implemented to help and assist passengers and Operators while that specific area was closed.

Our newest Operator in training – Brad Sousa passed his DMV test on May 20<sup>th</sup> demonstrating proficiency to the examiner, a pre-trip, skills and over the road test. Brad still has a few weeks of training before he will be released to bid service.

HR & Risk provided documents and reports in preparation of the FTA Triennial Review. The documents that HR & Risk provided were in the areas of Safety & Security, Drug & Alcohol program management & EEOC compliance.

HR & Operations are currently interviewing driver trainee applicant. HR & Operations are monitoring staffing levels and will adjust the number of drivers as needed.

May has been a busy month for marketing and community outreach, starting with the Downtown Organization's 1<sup>st</sup> Thursday. MTD had a "Poetry in Motion" booth, where attendees wrote Haiku poetry for display on the interior of the buses.

The Elementary School Outreach Program (ESOP) is in full swing, with Nancy Alexander visiting 5 sixth grade classes this month, talking to students about bus riding safety & etiquette. Many of these students will be first time bus riders in junior high this fall.

Nancy Alexander and Steve Maas attended the "Business to Business Expo" hosted by the Santa Barbara Chamber on May 15<sup>th</sup> to provide information to businesses that may wish to apply for certification as a Disadvantaged Business Enterprise (DBE). Certified DBE firms must be small businesses that are majority-owned by a woman or a member of a minority community. MTD must annually attempt to meet our DBE goal for contracting opportunities. MTD is not a certifying agency, but offers assistance to qualified firms in applying for DBE certification.

Marketing sent out packets to the four language schools in the area (EF, ELC, ELS and KAPLAN), with information for host families and students on utilizing the MTD bus system.

Work continues on the Market Assessment for MTD, to determine the current status and upcoming marketing needs for the FY2014-2015 Marketing Plan.

Staff attended the Visit Santa Barbara Annual Meeting. Topic of discussion was customer service skills & tips for front line personnel in our local businesses.

As required by the FTA, staff submitted MTD's April Safety & Security Report and Ridership Report to the National Transit Database (NTD). At the direction of FTA, MTD no longer submits NTD reports for Easy Lift.

MTD's Triennial Review by the Federal Transit Administration (FTA) is underway. The Triennial Review is one of FTA's management tools for examining grantee performance and adherence to current FTA requirements and policies. The Triennial Review site visit is scheduled for June 19 & 20. Staff has submitted all documents and information requested by the reviewer prior to the site visit.

Invitations went out for the Sherrie Fisher Retirement Reception. Plans are coming along smoothly.

Gilligs #620 and #621 have returned from Cummins Pacific.

A replacement DPF element is needed for Gillig #901. The purchase from Cummins Pacific has been approved and the DPF element is now on order.

Multiple crates of salvage Ni-Cd batteries are being prepared for shipment to Saft in Valdosta, GA for recycling.

The tires for the tree new artics have been delivered by Goodyear to the Nova Plattsburgh, NY plant.

Mowing of the vegetation on the Calle Real property was completed May 7th.

At the Transit Center an electrical outlet was installed for relocation of the smaller bill changer.