



## **MARIN COUNTY TRANSIT DISTRICT BOARD OF DIRECTORS**

Board of Supervisors Chambers, Room 330  
3501 Civic Center Drive, San Rafael, CA 94903

### **AGENDA**

Monday, December 3, 2018

#### **10:00 a.m. Convene as the Marin County Transit District Board of Directors**

1. Open Time for Public Expression (limited to three minutes speaker on items not on the Transit District's agenda)
2. Board of Directors' Matters
3. General Manager's Report
  - a. General Manager's Oral Report
  - b. Monthly Monitoring Reports for August, September, and October
4. Consent Calendar
  - a. Minutes for November 5, 2018
  - b. Draft Board Meeting Calendar for 2019
  - c. Marin Transit First Quarter FY 2018/19 Financial Report
  - d. Marin Transit First Quarter FY 2018/19 Performance Report
  - e. Updated Marin Transit Drug and Alcohol Testing Policy

**Recommended Action: Approve.**

5. Contract with Civic Edge Consulting for On-Call Public Information and Outreach Services

**Recommended Action: Authorize the General Manager to execute an agreement for on-call public information and outreach services for Marin Transit projects and programs through June 30, 2020 at a total cost not to exceed \$75,000 with one option year.**

(continued)

6. Marin Transit FY 2017/18 Comprehensive Annual Financial Report

**Recommended Action: Accept report.**

7. Marin Transit Employee Compensation Framework

**Recommended Action: Adopt an updated employment compensation framework with revised salary ranges.**

8. Update on San Rafael Transit Center Relocation Project

**Recommended Action: Information item only.**

### **Convene in Closed Session**

**Public Employee Performance Evaluation  
California Government Code Section 54957  
Title: General Manager**

### **Report from Closed Session**

### **Adjourn**



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**Material de agenda de última hora puede ser inspeccionado en la oficina de Marin Transit, entre las horas de 8:00 am y 5:00 pm. La oficina está ubicada en 711 Grand Avenue, Suite 110, San Rafael, CA 94901.**



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December 3, 2018

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: General Manager Report – Monthly Report: August 2018**

**board of directors**

Dear Board Members:

stephanie moulton-peters  
president  
city of mill valley

**RECOMMENDATION:** This is a recurring information item.

damon connolly  
vice president  
supervisor district 1

**SUMMARY:** The attached monthly report provides an overview of Marin Transit operations for the monthly period ending August 31, 2018. The monthly reports summarize statistics on the performance of Marin Transit services and customer comments.

dennis rodoni  
2nd vice president  
supervisor district 4

Overall ridership in August 2018 decreased by 0.6 percent compared to August 2017. Ridership on fixed-route services increased 0.1 percent compared to the same month last year. Ridership on Marin Access services decreased by 0.6 percent. Ridership on yellow bus services decreased by 34 percent.

judy arnold  
director  
supervisor district 5

Additional detailed analyses of system performance and trends are provided in separate quarterly and annual reports, including route-level statistics and financials. These reports are available on the District's website at <http://marintransit.org/monitoringreports.html>.

kate colin  
director  
city of san rafael

**FISCAL/STAFFING IMPACT:** None associated with this report.

kathrin sears  
director  
supervisor district 3

Respectfully submitted,

Nancy Whelan  
General Manager

katie rice  
director  
supervisor district 2

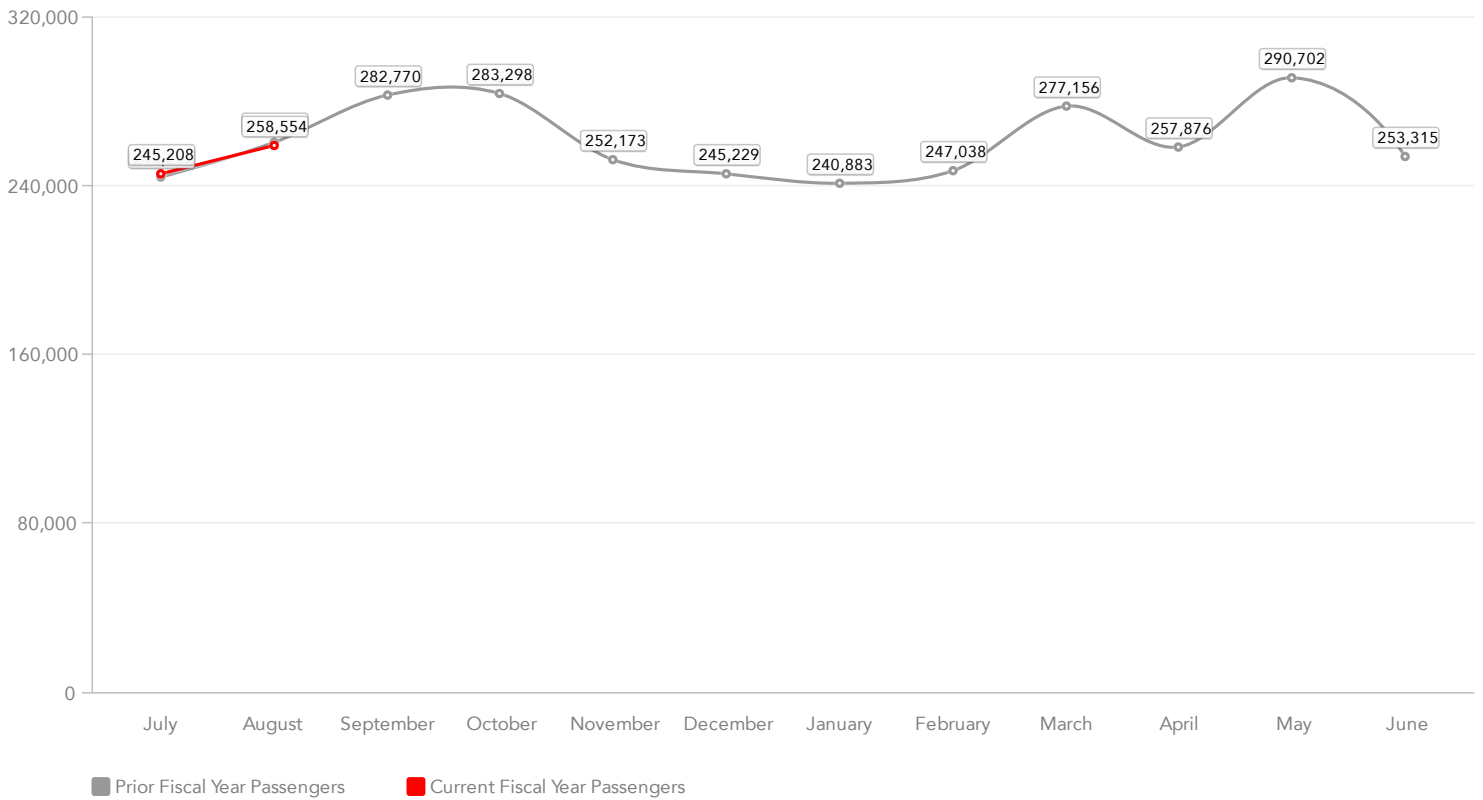
Attachments

FISCAL YEAR

2019

### Year-to-Date Ridership Trends

Fixed-Route Passengers (incl. Yellow Bus) by Month



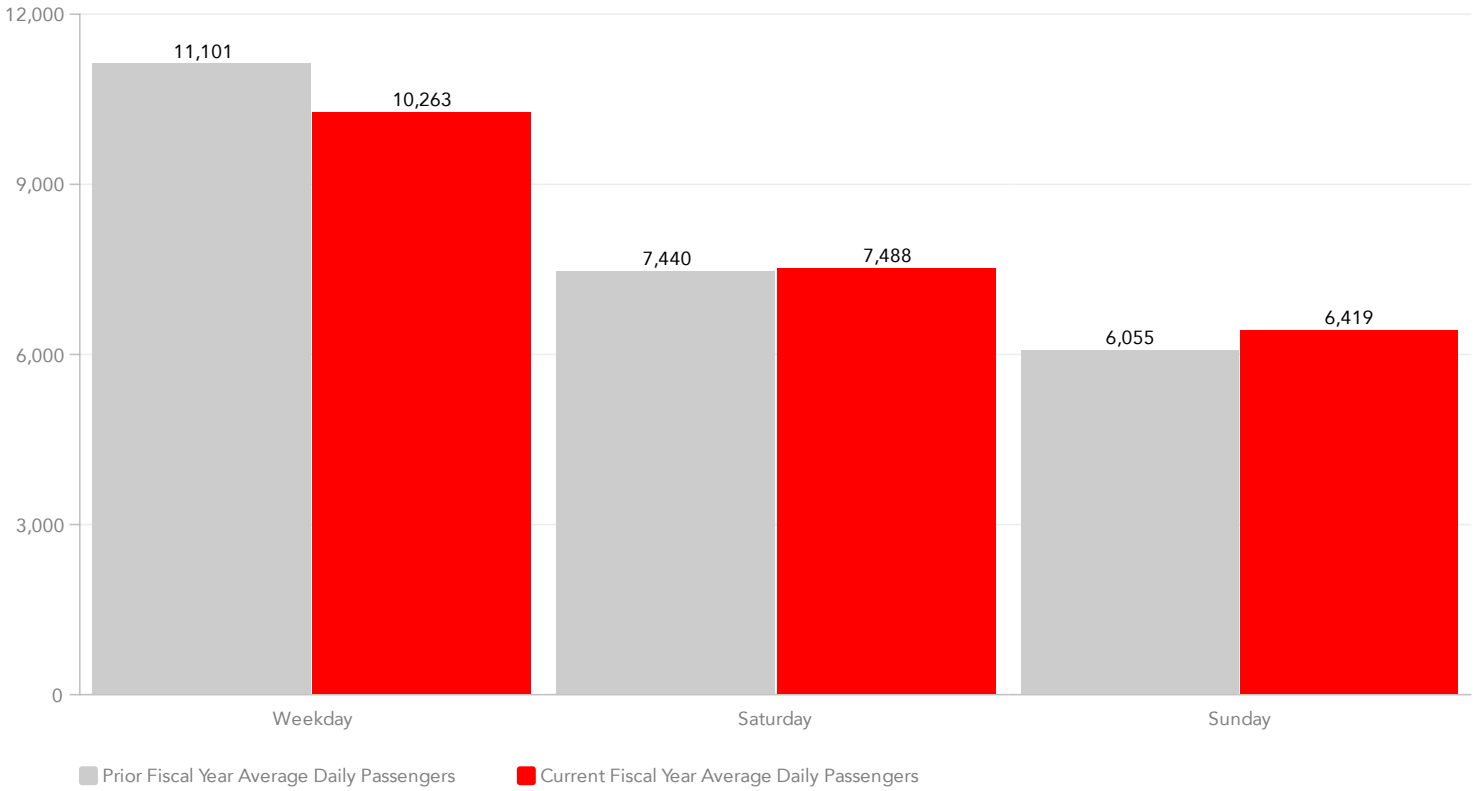
Demand Response Passengers by Month



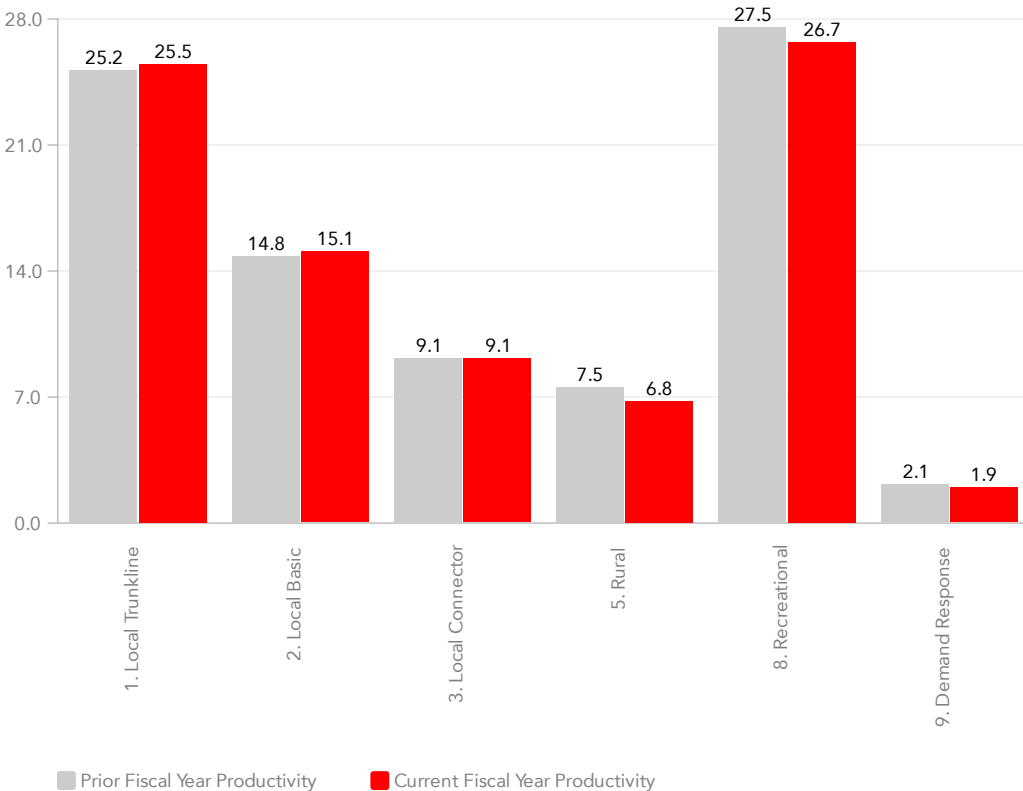
# Monthly Statistics

MONTH  
August

Average Systemwide Daily Passengers



Productivity (pax/hr) by Typology



### Route Typologies

- 1. Local Trunkline:  
Routes 35, 36, 71X
- 2. Local Basic:  
Routes 17, 22, 23, 23X, 29, 49
- 3. Local Connector:  
Routes 219, 228, 233, 245, 251, 257
- 5. Rural:  
Routes 61, 68
- 8. Recreational:  
Routes 66/66F
- 9. Demand Response:  
Local Paratransit, Novato Dial-A-Ride, Rural Dial-A-Ride



Month: August 2018		Program							Total
Category	Fixed-Route Local	Fixed-Route Shuttle	Stagecoach & Muir Woods	Supplemental & Yellow Bus	Demand Response	Mobility Management	Systemwide		
<b>Commendation</b>	1	0	1	0	3	0	0	5	
<b>Service Delivery Complaint</b>	30	5	1	1	1	1	2	41	
Accessibility	2	0	0	0	0	0	0	2	
Driver Conduct Complaint	10	0	0	1	0	0	1	12	
Driving Complaint	3	0	1	0	0	0	1	5	
Early Trip	1	1	0	0	0	0	0	2	
Equipment Issue	1	0	0	0	0	1	0	2	
Farebox	0	0	0	0	0	0	0	0	
Late Trip	1	0	0	0	0	0	0	1	
Missed Connection	0	0	0	0	0	0	0	0	
Missed Trip	0	0	0	0	0	0	0	0	
No-Show	0	1	0	0	1	0	0	2	
Off-Route	0	0	0	0	0	0	0	0	
Pass-Up Complaint	12	3	0	0	0	0	0	15	
<b>Service Structure Complaint</b>	1	1	4	3	6	0	3	18	
Bus Stop Improvement Request	0	0	1	0	0	0	0	1	
Fares	0	0	0	0	0	0	0	0	
Other Complaint	0	0	2	1	0	0	3	6	
Scheduling Complaint	1	1	0	0	6	0	0	8	
Service Improvement Suggestion	0	0	1	2	0	0	0	3	
<b>Safety Complaint</b>	0	0	0	0	0	0	0	0	

<b>Total Service Hours</b>	9,423	3,678	2,225	309	5,816	-	23,089	23,089
Commendations per 1,000 Hours	0.1	0.0	0.4	0.0	0.5	-	0.0	0.2
Complaints per 1,000 Hours	3.3	1.6	2.2	12.9	1.2	-	0.2	2.6

<b>Total Passengers</b>	181,942	33,370	31,355	11,887	11,149	2,329	272,032	272,032
Commendations per 1,000 Passenger:	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0
Complaints per 1,000 Passengers	0.2	0.2	0.2	0.3	0.6	0.4	0.0	0.2



711 grand ave, #110  
san rafael, ca 94901

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fax: 415.226.0856  
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December 3, 2018

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: General Manager Report – Monthly Report:  
September 2018**

**board of directors**

Dear Board Members:

stephanie moulton-peters  
president  
city of mill valley

**RECOMMENDATION:** This is a recurring information item.

damon connolly  
vice president  
supervisor district 1

**SUMMARY:** The attached monthly report provides an overview of Marin Transit operations for the monthly period ending September 30, 2018. The monthly reports summarize statistics on the performance of Marin Transit services and customer comments.

dennis rodoni  
2nd vice president  
supervisor district 4

Overall ridership in September 2018 increased by 0.1 percent compared to September 2017. Ridership on fixed-route services increased 0.8 percent compared to the same month last year. Ridership on Marin Access services decreased by 0.5 percent. Ridership on yellow bus services decreased by 11.6 percent.

judy arnold  
director  
supervisor district 5

Additional detailed analyses of system performance and trends are provided in separate quarterly and annual reports, including route-level statistics and financials. These reports are available on the District's website at <http://marintransit.org/monitoringreports.html>.

kate colin  
director  
city of san rafael

**FISCAL/STAFFING IMPACT:** None associated with this report.

kathrin sears  
director  
supervisor district 3

Respectfully submitted,

katie rice  
director  
supervisor district 2

Nancy Whelan  
General Manager

Attachments



FISCAL YEAR

2019

### Year-to-Date Ridership Trends

Fixed-Route Passengers (incl. Yellow Bus) by Month



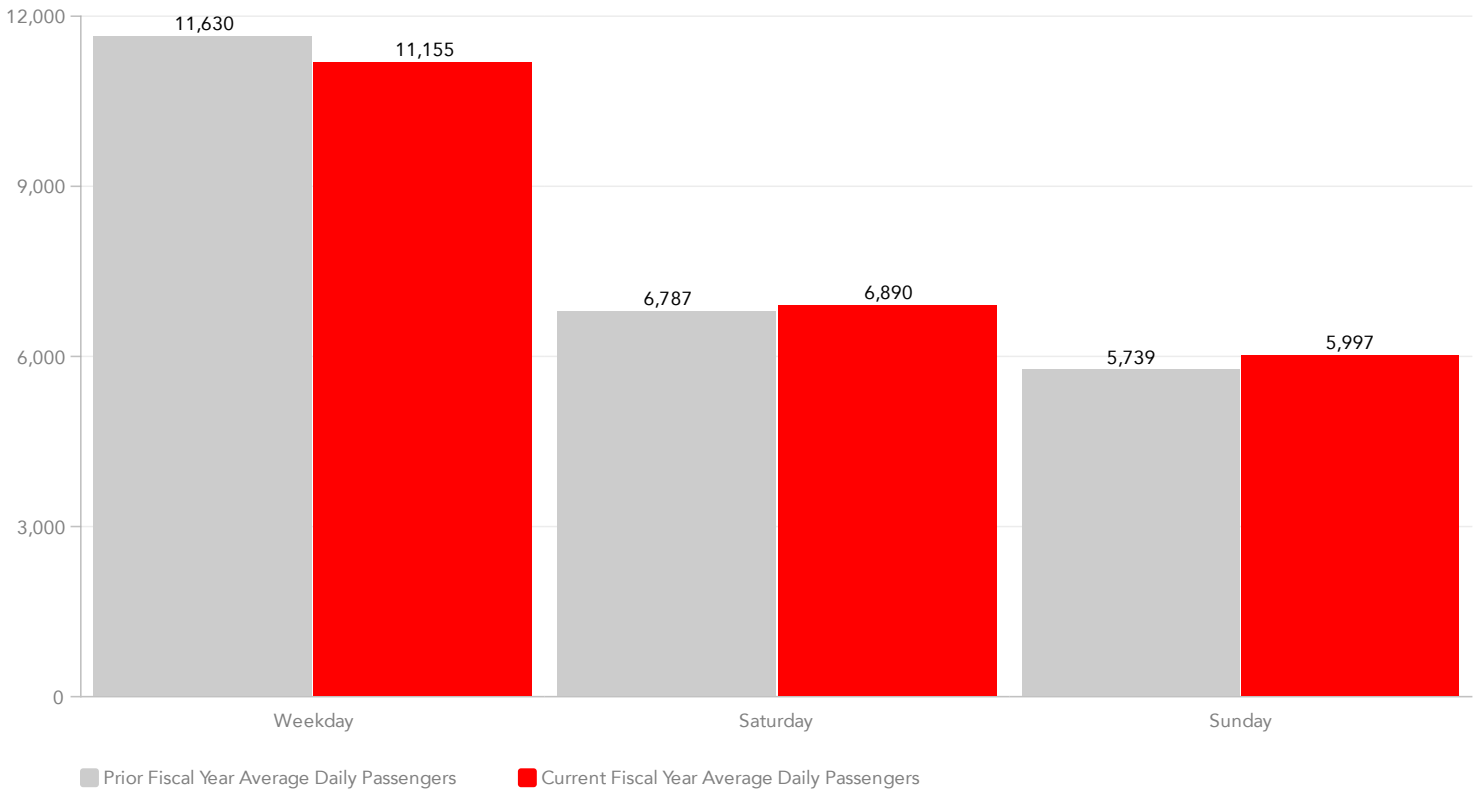
Demand Response Passengers by Month



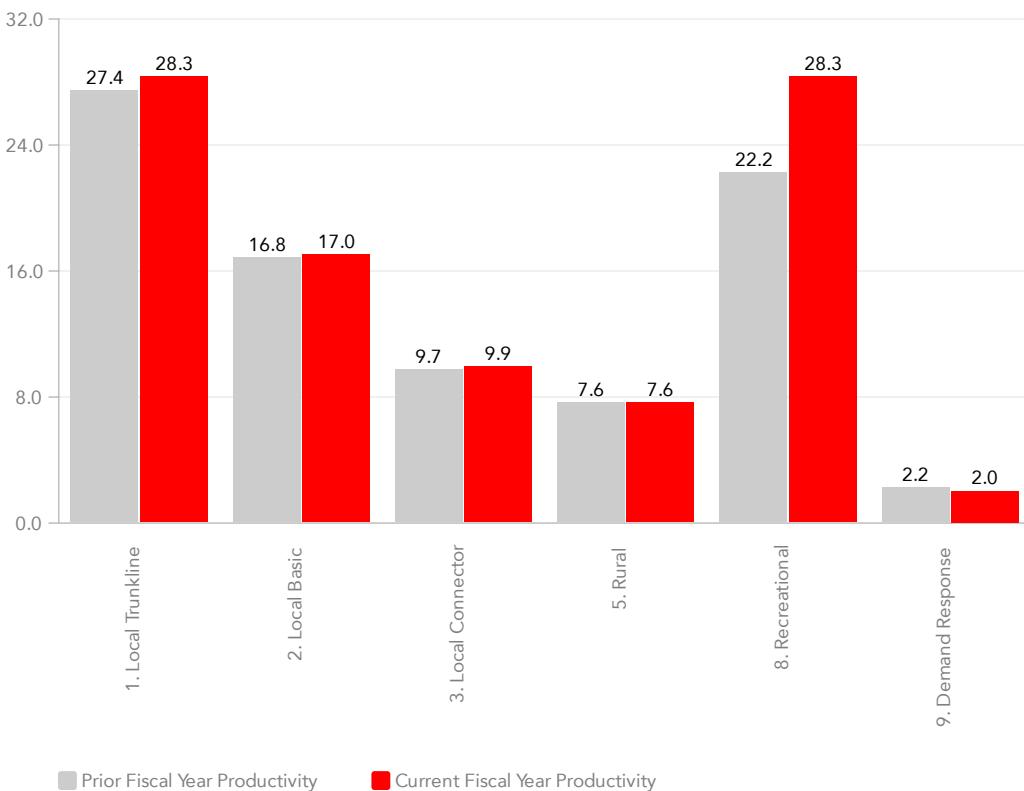
# Monthly Statistics

MONTH  
September

Average Systemwide Daily Passengers



Productivity (pax/hr) by Typology



### Route Typologies

- 1. Local Trunkline:  
Routes 35, 36, 71X
- 2. Local Basic:  
Routes 17, 22, 23, 23X, 29, 49
- 3. Local Connector:  
Routes 219, 228, 233, 245, 251, 257
- 5. Rural:  
Routes 61, 68
- 8. Recreational:  
Routes 66/66F
- 9. Demand Response:  
Local Paratransit, Novato Dial-A-Ride, Rural Dial-A-Ride



Month: September 2018		Program							Total
Category	Fixed-Route Local	Fixed-Route Shuttle	Stagecoach & Muir Woods	Supplemental & Yellow Bus	Demand Response	Mobility Management	Systemwide		
<b>Commendation</b>	0	0	0	0	1	0	0	1	
<b>Service Delivery Complaint</b>	24	8	2	7	3	0	2	46	
Accessibility	0	0	0	0	0	0	0	0	
Driver Conduct Complaint	7	0	0	1	1	0	1	10	
Driving Complaint	7	0	1	1	1	0	1	11	
Early Trip	1	3	0	0	0	0	0	4	
Equipment Issue	1	0	0	0	0	0	0	1	
Farebox	0	0	0	0	0	0	0	0	
Late Trip	1	0	0	1	0	0	0	2	
Missed Connection	0	0	0	0	0	0	0	0	
Missed Trip	0	0	0	0	0	0	0	0	
No-Show	1	3	0	4	0	0	0	8	
Off-Route	0	0	1	0	1	0	0	2	
Pass-Up Complaint	6	2	0	0	0	0	0	8	
<b>Service Structure Complaint</b>	4	3	0	2	6	1	1	17	
Bus Stop Improvement Request	0	0	0	0	0	0	0	0	
Fares	0	1	0	0	1	0	0	2	
Other Complaint	1	0	0	0	0	0	0	1	
Scheduling Complaint	2	0	0	0	4	1	0	7	
Service Improvement Suggestion	1	2	0	2	1	0	1	7	
<b>Safety Complaint</b>	0	0	0	0	0	0	0	0	

<b>Total Service Hours</b>	8,665	3,400	1,985	688	5,612	-	21,907	21,907
Commendations per 1,000 Hours	0.0	0.0	0.0	0.0	0.2	-	0.0	0.0
Complaints per 1,000 Hours	3.2	3.2	1.0	13.1	1.6	-	0.1	2.9

<b>Total Passengers</b>	187,523	33,658	26,497	35,599	10,992	2,362	296,631	296,631
Commendations per 1,000 Passenger:	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Complaints per 1,000 Passengers	0.1	0.3	0.1	0.3	0.8	0.4	0.0	0.2



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December 3, 2018

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**SUBJECT: General Manager Report – Monthly Report: October 2018**

**board of directors**

stephanie moulton-peters  
president  
city of mill valley

damon connolly  
vice president  
supervisor district 1

dennis rodoni  
2nd vice president  
supervisor district 4

judy arnold  
director  
supervisor district 5

kate colin  
director  
city of san rafael

kathrin sears  
director  
supervisor district 3

katie rice  
director  
supervisor district 2

Dear Board Members:

**RECOMMENDATION:** This is a recurring information item.

**SUMMARY:** The attached monthly report provides an overview of Marin Transit operations for the monthly period ending October 31, 2018. The monthly reports summarize statistics on the performance of Marin Transit services and customer comments.

Overall ridership in October 2018 increased by 6.6 percent compared to October 2017. Ridership on fixed-route services increased 6.7 percent compared to the same month last year. Ridership on Marin Access services increased by 10.8 percent. Ridership on yellow bus services decreased by 0.7 percent.

Additional detailed analyses of system performance and trends are provided in separate quarterly and annual reports, including route-level statistics and financials. These reports are available on the District's website at <http://marintransit.org/monitoringreports.html>.

**FISCAL/STAFFING IMPACT:** None associated with this report.

Respectfully submitted,

Nancy Whelan  
General Manager

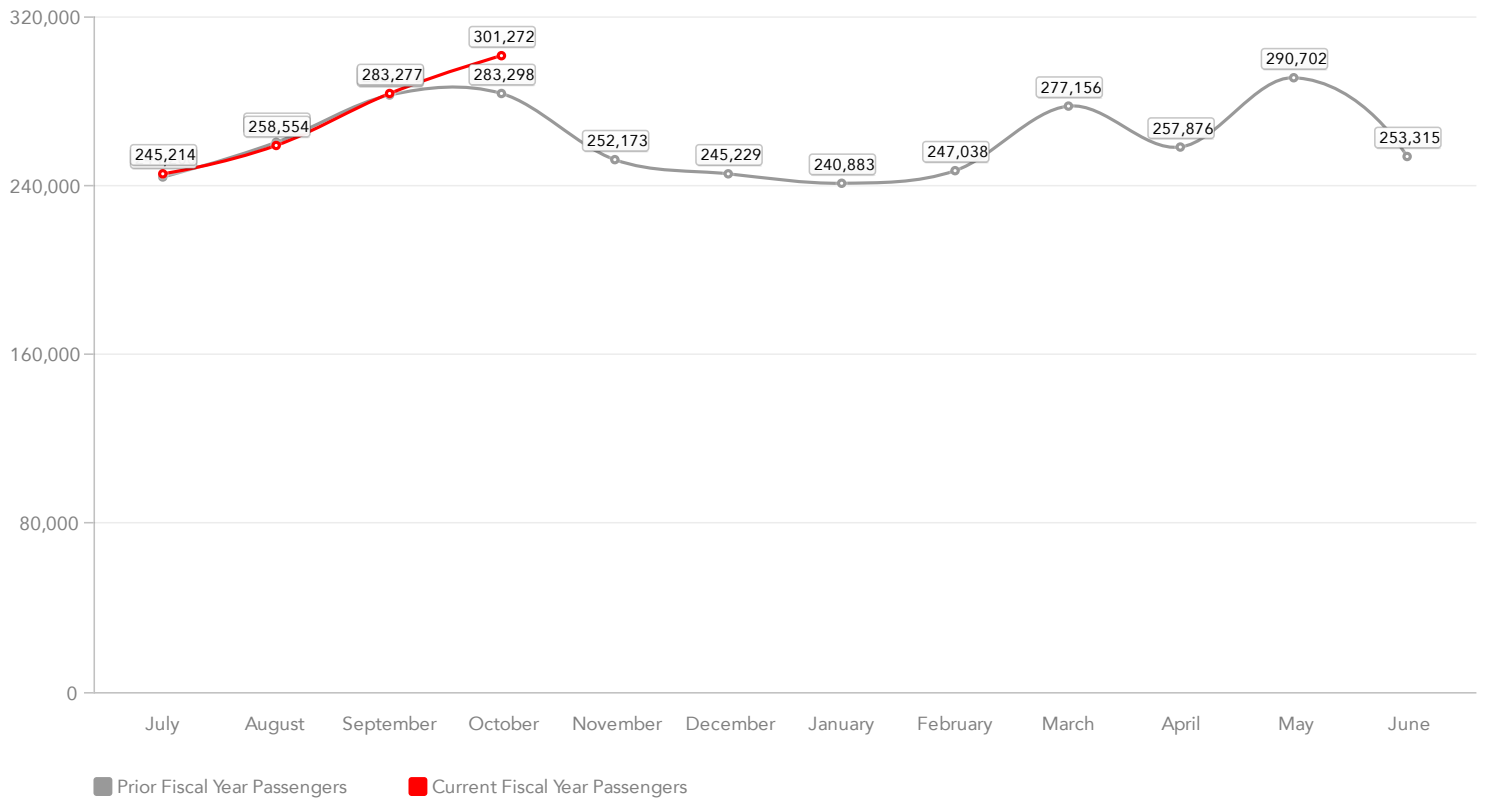
Attachments

FISCAL YEAR

2019

### Year-to-Date Ridership Trends

Fixed-Route Passengers (incl. Yellow Bus) by Month



Demand Response Passengers by Month

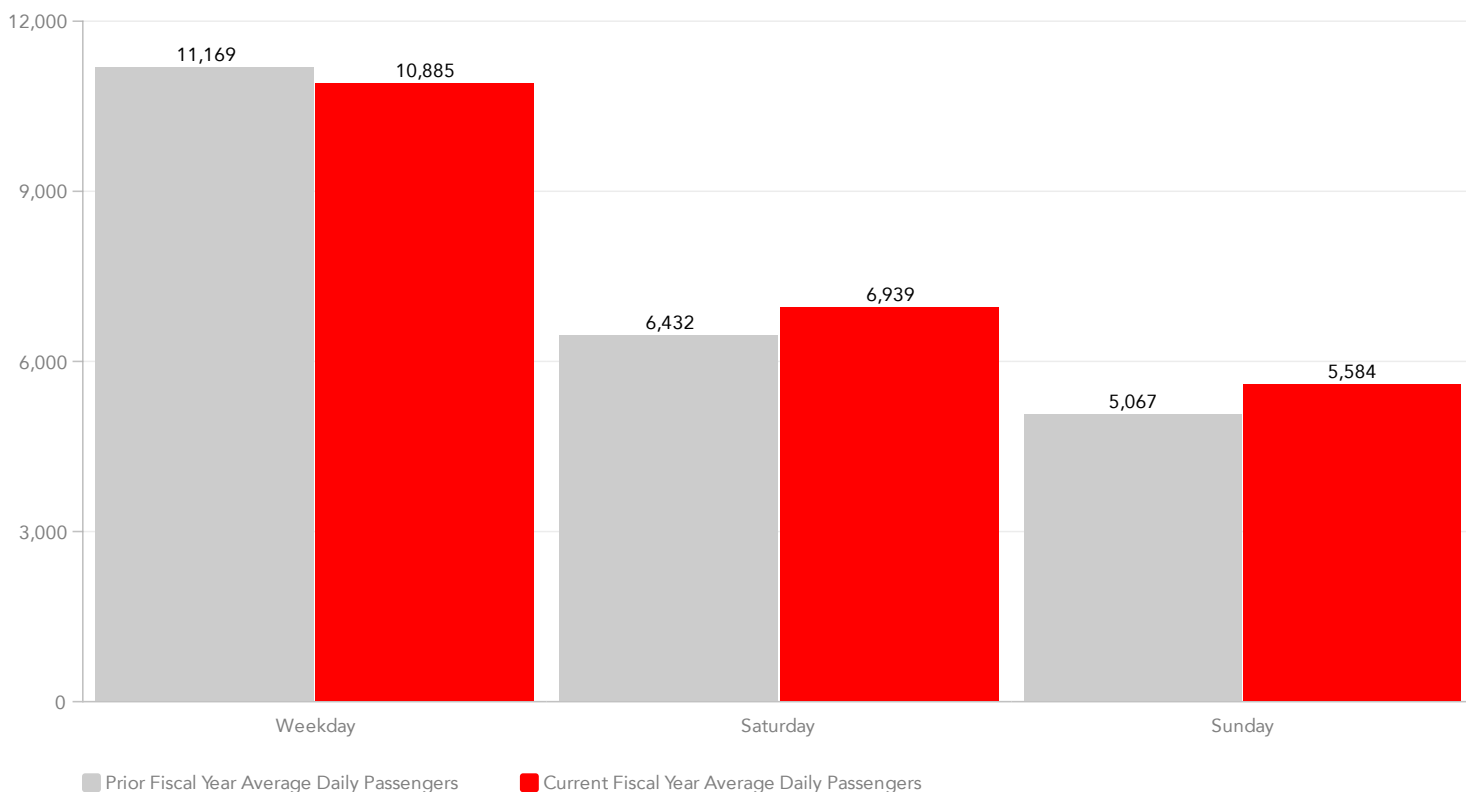


## Monthly Statistics

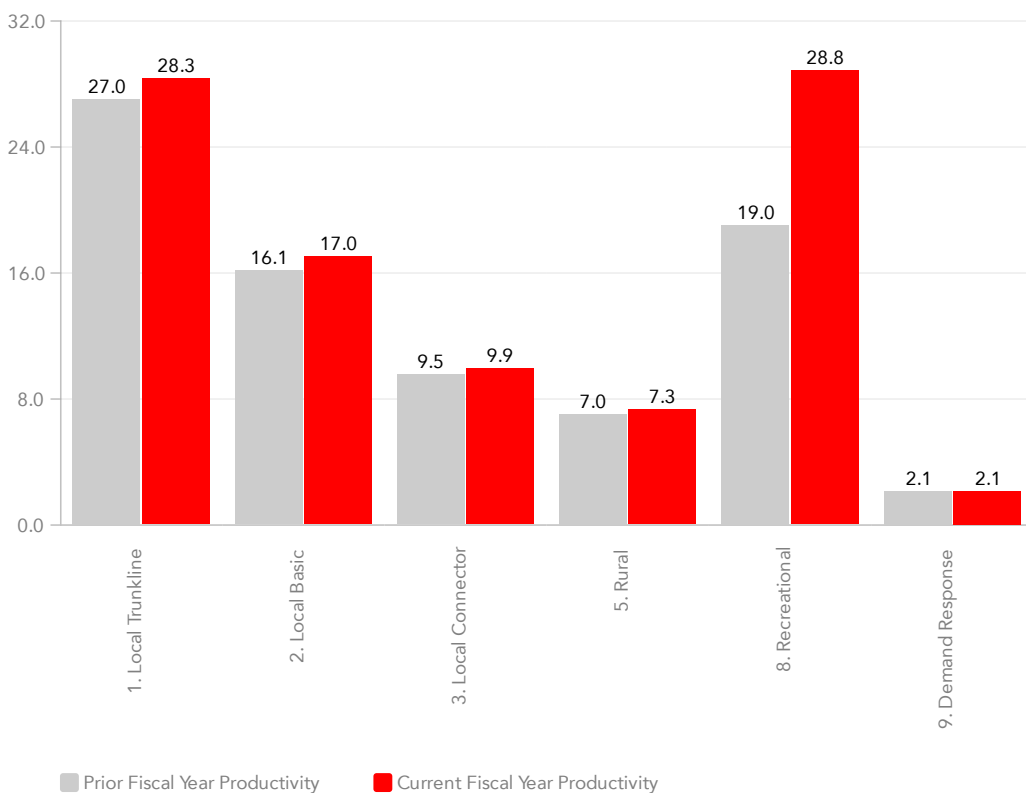
MONTH

October

Average Systemwide Daily Passengers



Productivity (pax/hr) by Typology



### Route Typologies

- 1. Local Trunkline:  
Routes 35, 36, 71X
- 2. Local Basic:  
Routes 17, 22, 23, 23X, 29, 49
- 3. Local Connector:  
Routes 219, 228, 233, 245, 251, 257
- 5. Rural:  
Routes 61, 68
- 8. Recreational:  
Routes 66/66F
- 9. Demand Response:  
Local Paratransit, Novato Dial-A-Ride,  
Rural Dial-A-Ride



Month: October 2018		Program							Total
Category	Fixed-Route Local	Fixed-Route Shuttle	Stagecoach & Muir Woods	Supplemental & Yellow Bus	Demand Response	Mobility Management	Systemwide		
<b>Commendation</b>	0	0	0	0	3	1	0	<b>4</b>	
<b>Service Delivery Complaint</b>	<b>45</b>	<b>7</b>	<b>2</b>	<b>14</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>71</b>	
Accessibility	1	0	0	1	0	0	0	2	
Driver Conduct Complaint	15	2	0	1	0	1	0	19	
Driving Complaint	11	1	1	2	0	0	0	15	
Early Trip	1	1	0	0	0	0	0	2	
Equipment Issue	2	0	0	0	0	0	0	2	
Farebox	0	0	0	0	0	0	0	0	
Late Trip	3	1	0	0	1	0	0	5	
Missed Connection	0	0	0	0	0	0	0	0	
Missed Trip	0	0	0	0	1	0	0	1	
No-Show	1	1	1	2	0	0	0	5	
Off-Route	0	0	0	1	0	0	0	1	
Pass-Up Complaint	11	1	0	7	0	0	0	19	
<b>Service Structure Complaint</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>9</b>	
Bus Stop Improvement Request	0	0	0	0	0	0	3	3	
Fares	0	0	0	0	0	0	0	0	
Other Complaint	0	0	0	0	0	1	0	1	
Scheduling Complaint	1	0	0	0	2	1	0	4	
Service Improvement Suggestion	0	0	1	0	0	0	0	1	
<b>Safety Complaint</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

<b>Total Service Hours</b>	9,420	3,678	1,733	843	6,251	-	23,526	23,526
Commendations per 1,000 Hours	0.0	0.0	0.0	0.0	0.5	-	0.0	0.2
Complaints per 1,000 Hours	4.9	1.9	1.7	16.6	0.6	-	0.1	3.4

<b>Total Passengers</b>	203,289	36,273	19,709	42,001	12,823	2,444	316,539	316,539
Commendations per 1,000 Passenger:	0.0	0.0	0.0	0.0	0.2	0.4	0.0	0.0
Complaints per 1,000 Passengers	0.2	0.2	0.2	0.3	0.3	1.2	0.0	0.3

## **REGULAR MEETING OF THE MARIN COUNTY TRANSIT DISTRICT BOARD OF DIRECTORS**

**Held Monday, November 5, 2018 at 10:00 A.M.**

### **Roll Call**

**Present: President Moulton-Peters, Vice President Connolly, Second Vice President Rodoni, Director Colin, Director Rice, Director Sears**

**Absent: Director Arnold**

**Director Lucan was in attendance as a non-voting member**

**President Moulton-Peters opened the meeting at 10:07 am.**

1. [Open Time for Public Expression \(limited to three minutes per speaker on items not on the Transit District's agenda\)](#)

No one came forward to speak.

2. [Board of Directors' Matters](#)

President Moulton-Peters asked if any member of the Board wished to speak. Seeing none she called for the General Manager's report.

3. [General Manager's Report](#)

- a. [General Manager's Report](#)

General Manager Nancy Whelan reported on the Electric Bus Ribbon Cutting Ceremony, which was very successful and well attended. Two fully electric buses were introduced at the ceremony, and a test ride was offered. The two electric buses are being tested on drives as far as Petaluma to measure the distance they can travel on a charge. Driver training will take place over the next several weeks, and Marin Transit anticipates that the buses will be in regular passenger service by the end of the calendar year.

General Manager Nancy Whelan expressed her gratitude to Board President Stephanie Moulton-Peters and members of the Board that were able to attend the ceremony.

Ms. Whelan reported on the Marin Senior Fair that took place on October 24, 2018 where Marin Transit showcased Marin Access senior services. This year Spanish signage was added, and Marin Transit provided a Spanish speaker to explain our services and distribute materials translated into Spanish.

On October 25<sup>th</sup>, Marin Transit participated in the Sustainable Enterprise



conference in San Rafael. Staff brought a Marin Transit Connect van, gave away postcards with discount codes, provided information, and helped attendees sign up for the Connect service.

Ms. Whelan noted that the November election will have significant financial impacts in 2019-20 and beyond. Marin Transit does not anticipate that the results of the election will have an impact for the current fiscal year. Marin Transit will return later this fiscal year with an analysis of the impacts.

Ms. Whelan noted that there is no monthly monitoring report in this month's Board packet and that the August report will be included in next month's packet.

4. [Consent Calendar](#)

- a. [Minutes for September 6, 2018](#)
- b. [Resolution Authorizing the Filing of an Application with the Metropolitan Transportation Commission for Transportation Development Act/State Transit Assistance Funds for Fiscal year 2018/19](#)
- c. [Marin Transit Fourth Quarter FY 2018/19 Performance](#)

Director Kate Colin requested that the Board pull item 4b for review. Ms. Colin stated that she did not have enough information about the item to vote on it.

General Manager Nancy Whelan noted that this is the fifth cycle of Lifeline Program funds. In Marin County, Lifeline funds are reserved for projects identified in a community-based transportation plan. Community-based plans have been developed in the City of Novato, the Canal neighborhood in San Rafael, and unincorporated Marin City. As the local transit provider, Marin Transit is the primary local transit provider in each of these communities, and over 50 percent of Marin Transit riders live in the Canal. In the past, Marin Transit has used Lifeline funds to significantly increase service frequency and provide better connections to these communities.

General Manager Nancy Whelan noted that the early cycles of the Lifeline program included a variety of funding sources that could be used for transit improvements and other non-transit transportation improvements like street lighting and sidewalks. Ms. Whelan noted that in the last couple of cycles only transit dollars have been available and must be claimed by transit operators for transit-only projects. The Transit Authority of Marin (TAM) issued its Cycle 5 Lifeline call for projects for projects identified in the Community Based Transportation Plans.

TAM approved Lifeline funding for two Marin Transit projects and two projects sponsored by Marin City and San Rafael. Because the Marin City and San Rafael projects were not eligible for the transit funds in this cycle of Lifeline, the TAM Executive Director requested that Marin Transit swap the Lifeline funds for Measure A Local Transit funds.

Director Katie Rice remarked that the item was discussed at the Projects and Programs Executive Committee of the Transportation Authority of Marin (TAM), and that there was an extensive conversation with the understanding that everything was getting funded by redistributing grant funds. Ms. Rice remarked that there was some discomfort, but ultimately the Executive Committee decided to move forward with this proposal for a swap of funds.

Director Sears noted that swaps can provide needed funding flexibility.

{Director Arnold present at 10:19 am}

**Recommended Action: Approve.**

M/s: Director Sears - Director Rice

Ayes: President Moulton-Peters, Vice President Connolly, Second Vice President Rodoni, Director Arnold, Director Colin, Director Rice, Director Sears

Noes: None

Absent: None

5. [Update on East San Rafael Transit Efforts](#)

[Staff Report](#)

Director of Operations and Planning Robert Betts provided an update on the East San Rafael Transit Improvement Study. Mr. Betts noted that in 2015, Marin Transit staff initiated an effort to better understand the transit needs of the eastern area of San Rafael where public transit has been minimal. Staff collected and analyzed demographic data from the US Census as the first step in assessing emerging transit needs in the community. The census data was drawn from currently available at time of study (2013) and historic (2000, 2010) data that summarized statistics regarding population, age, employment status, household size, transportation to work, and auto ownership.

Staff also reached out to Point San Pedro School staff to discuss transit needs with students and parents. Survey responses were collected from 62 parents from the school, and all responses were submitted in Spanish.

Based on analysis of the survey results and demographic data, staff identified the following potential needs and markets for a new transit service in the study area. These include: Senior transportation services for residents, San Francisco commuter services for residents, and transit options for employees and parents.

The second phase of work consisted of additional outreach to the community to vet these service options and identified markets. Nearly 300 people participated in either the online survey or the community meetings.

Staff incorporated this input into the update of the Short-Range Transit Plan to further define the unmet needs for this area. The Marin Transit Board of Directors adopted this updated plan in December 2017.

Since adoption of the Short-Range Transit Plan, District staff have been working internally and with Golden Gate Transit to identify services to address these unmet needs. The following is a summary of the efforts to address the needs of the three primary markets identified in the outreach efforts:

- Weekday, peak hour service through extension of fixed route (Route 31) service between East San Rafael, the San Rafael Transit Center/SMART station, and the Larkspur Ferry Terminal;
- Weekday, midday service through extension of fixed route (Route 122) service between East San Rafael, the San Rafael Transit Center/SMART station, San Anselmo, and the College of Marin; and
- Expansion of the Paratransit Service Area to East San Rafael.

Mr. Betts noted that Marin Transit will monitor these changes to determine whether to make permanent changes to local fixed route and Marin Access services. The Board expressed their appreciation for the study and noted that the data is incredibly valuable for identifying the specific needs of the communities. President Moulton-Peters remarked that she would like to see similar studies conducted in more jurisdictions, especially Mill Valley, Southern Marin, and Central Marin.

**Recommended Action: Approve report.**

M/s: Vice President Connolly - Director Sears

Ayes: President Moulton-Peters, Vice President Connolly, Second Vice President Rodoni, Director Arnold, Director Colin, Director Rice, Director Sears

Noes: None

Absent: None

6. [Summary of Findings from Marin County Bus Stop Conditions Assessment](#)

[Staff Report](#)

Senior Capital Analyst Anna Penoyar presented an information item regarding the Marin Transit bus stops. Ms. Penoyar discussed the condition of Marin Transit bus stops, improvements to stops since 2008, and the process for prioritizing future stop improvements.

Ms. Penoyar noted that there are 666 bus stops in Marin County. Local and regional routes both serve 338 stops, 245 stops are local Marin Transit service only, and 83 are regional-only stops served by Golden Gate Transit (GGT).

Ms. Penoyar noted that over the last five years Marin Transit has completed several bus stop capital improvement projects. These range from updating bus stop signage to the complete redesign of Redwood & Grant, the major transfer stop in Novato.

In 2013 Marin Transit updated Bus Stop Signage throughout the county. This changed the signs from simple "Bus Stop" blades to include route, destination, and frequency information at each stop. The signs also have a Stop ID number that riders can use to obtain real-time information predictions through 511 or Marin Transit's website.

Ms. Penoyar noted that there are three different methods for regular ongoing bus stop maintenance. The City of San Rafael and Golden Gate Bridge and Highway Transportation District (GGBHTD) each contract with an advertising shelter company that owns and maintain shelters in the City of San Rafael and along the 101-Corridor. The City of Novato had a contract with an advertising shelter company for 35 stops that ended earlier this year. The advertiser chose not to renew the contract and Novato city staff is in communication with GGBHTD and the District on possible alternatives.

Regarding future improvements, Ms. Penoyar noted that Marin Transit is planning to install additional Real Time Information Signs in San Rafael in the Canal Area and throughout Novato with funds from a Lifeline grant. These signs will pull real-time data from both GGBHTD regional routes and Marin Transit local routes. Until recently, the District's real-time signs could only read a data feed from one agency at a time. This could be confusing or frustrating for passenger to see real-time information for only some of the routes serving a stop. This deficiency prevented more widespread installation of these signs.

The District's Bus Stop Inventory project included a contract to provide preliminary design work to improve 25 more stops. Marin Transit will prioritize the selected stops based on accessibility, ridership, operational issues, and community requests. Staff will continue to seek funding and grant opportunities for additional prioritized stop improvements throughout Marin.

Director Kate Colin suggested that Marin Transit might consider a program like adopt-a-highway as a bus stop maintenance alternative.

Director Eric Lucan remarked that he was saddened to see the graffiti at the Redwood and Grant station on the graffiti-resistant glass. Director Lucan asked how this will be corrected. Ms. Penoyar responded that the District is replacing the glass and testing a new coating that is more graffiti-resistant. General Manager Nancy Whelan remarked that Marin Transit has contractors

that do improvements and repairs. This graffiti was particularly potent because it was etched with some sort of acidic paint.

**Recommended Action: Information item only.**

7. [Marin Transit FY 2017/18 System Performance Report](#)

[Staff Report](#)

Director of Operations and Planning Robert Betts summarized the operational performance of all Marin Transit local transit services for Fiscal Year 2017/18, and compared the results to the District's route level performance goals adopted by the Marin Transit Board on April 2, 2018.

In FY 2017/18, there was an overall 2.6 percent increase in fixed route ridership compared to the previous fiscal year. This is a positive trend given that bus ridership generally declined nationwide during FY 2017/18. Despite increases in ridership, systemwide passenger revenue experienced a slight decline (-1.4 percent) in FY 2017/18 compared to last year. Overall farebox recovery also decreased from 17.6 percent in FY 2016/17 to 15.7 percent in FY 2017/18.

Mr. Betts summarized the seven service typologies and their respective productivity and subsidy goals. All typologies except one collectively met their productivity goal, and all except two did not meet their subsidy goals. Of the 27 routes in operation that have performance targets, 12 Marin Transit routes continue to operate below their Board-adopted goal for productivity and 18 routes do not meet their cost-effectiveness goal. Marin Transit will continue to monitor these routes to assess whether to make any future adjustments. Marin Transit eliminated a series of underproductive trips on Routes 22, 23x, 29, 228, and 251 in June 2018. Mr. Betts noted that Marin Transit continues to monitor service to identify potential service changes to improve performance and will present these to the Board for consideration as necessary.

Director Eric Lucan asked if there is any evidence that Marin Transit ridership increased during the first full year of SMART.

Mr. Betts responded that Marin Transit is able to see transfer activity between SMART and local transit. He noted that there is not a significant increase, and not likely attributed to SMART.

Director Katie Rice asked how Marin Transit differentiates between the users of the volunteer driver program, the on-demand service, and the dial-a-ride programs.

Mr. Betts answered that the volunteer driver program use was down seven percent last year. Marin Transit supports two volunteer driver programs. The Marin Access Strategic Analysis Study provides detail on who uses each of the Marin Access programs. Riders are using other Marin Access programs in conjunction, combining use of volunteer drivers, paratransit, or catch-a-ride.

Director Katie Rice asked for clarification on subsidy per passenger targets and how they relate to productivity targets.

Mr. Betts responded that Marin Transit has not raised fares in a long time, which corresponds to relatively steady fare revenues from year to year. Low base fares and other types of institutional programs like the Class Pass, College of Marin Pass focus on getting more riders into the service. Mr. Betts noted that the ridership growth Marin Transit has seen has not kept pace with operating costs. Mr. Betts remarked that the District will update the fare policy to encourage riders to use lower cost services, while charging premium prices for the services that are more expensive to provide.

**Recommended Action: Accept Report.**

M/s: Director Sears - Director Rice

Ayes: President Moulton-Peters, Vice President Connolly, Second Vice President Rodoni, Director Arnold, Director Colin, Director Rice, Director Sears

Noes: None

Absent: None

8. [Marin Transit FY 2017/18 Financial Report](#)

[Staff Report](#)

Lauren Gradia, Director of Finance and Capital Programs reported that Marin Transit ended the Fiscal Year 2017/18 in a strong financial position. This was due to continued property tax and sales tax revenue growth combined with new state funding from the State SB1 gas tax. These revenues enabled the District to sustain increased services levels, invest in ten new locally built hybrid electric transit buses, and contribute \$3.7 million to the District's reserves.

Ms. Gradia noted that Between July 1, 2017 and June 30, 2018 (Fiscal Year 2017/18), Marin Transit's total expenditures for Operations and Capital Programs were \$40,127,580. Operation expenses were seven percent higher than the previous year, and expenses were four percent below budget. Operation revenues were six percent higher than the prior year, and two percent below budget.

Marin Transit is actively looking for land to invest in a District-owned maintenance and parking facility. This will enable the District to reduce contracting risk, help ensure sustainability, and invest in electric vehicle charging infrastructure. The November 2018 election and the results of two ballot measures will impact Marin Transit's future funding. Marin Transit staff will work with the Board to review ten-year revenue and expense projections and, if applicable, evaluate options for reinvesting available resources in the future.

**Recommended Action: Accept Report.**

M/s: Director Arnold - Director Sears

Ayes: President Moulton-Peters, Vice President Connolly, Second Vice President Rodoni, Director Arnold, Director Colin, Director Rice, Director Sears

Noes: None

Absent: None

[Adjourn](#) President Moulton-Peters adjourned the meeting at 11:11 am and the Board went into closed session.

**Report from Closed Session**

President Moulton-Peters reported that no action was taken.

SINE DIE

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PRESIDENT

ATTEST:

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CLERK



marin transit

## Marin County Transit District Board Meeting Dates for 2019

711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
[marintransit.org](http://marintransit.org)

January 7 Location: TBD
February 4
March 4
April 1
May 6
June 3
July 1
August 5
September 9*
October 7* Meeting Start Time: 1PM-3PM
November 4
December 2

\*Board meetings are typically at 10 am the first Monday of the month. Alternate dates and times selected due to room availability. All meetings held in the Marin County Board of Supervisors' Chambers, Room 330.





711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
[marintransit.org](http://marintransit.org)

December 3, 2018

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Marin County Transit District First Quarter FY 2018/19  
Financial Report**

**board of directors**

Dear Board Members:

stephanie moulton-peters  
president  
city of mill valley

**RECOMMENDATION:** Accept report and approve associated budget amendments.

damon connolly  
vice president  
supervisor district 1

**SUMMARY:** The quarterly report is an opportunity for your Board to review the District's financial status and to provide fiscal and operational accountability. This report represents all financial transactions for the District through the first quarter of Fiscal Year 2018/19 and requires approval of three associated budget amendments

dennis rodoni  
2nd vice president  
supervisor district 4

Unaudited revenues and expenditures are shown on a full accrual basis consistent with Generally Accepted Accounting Principles (GAAP) for special districts. All known revenues and expenditures for the period are reported even if they have not been received or are awaiting payment. This includes recorded estimates for property tax and other significant transactions.

judy arnold  
director  
supervisor district 5

First quarter operations expenses and revenues were consistent with the Board-adopted budget.

kate colin  
director  
city of san rafael

**Operating Expenses**

FY 2018/19 operating expenditures through the first quarter (Attachment A, Page 1) are \$7,804,059, which is 24 percent of the annual budget of \$32,464,675. With these expenditures, Marin Transit successfully delivered the transit services identified in Table 1.

kathrin sears  
director  
supervisor district 3

**Operating Revenue**

Marin Transit's FY2018/19 operating revenues through the first quarter (Attachment A, Page 1) are \$8,529,364 or 24 percent of the annual budget of \$35,552,323.

katie rice  
director  
supervisor district 2

**Table 1: FY 2018/19 Year to Date (YTD) thru First Quarter Service Operations**

<b>Service</b>	<b>Annual Estimated Revenue Hours</b>	<b>YTD thru Q1 Actual Revenue Hours</b>	<b>% of Annual</b>
Regular Local and Trunk Line	116,000	27,224	23%
Community Shuttles	43,500	10,658	25%
Local Supplemental School1	7,100	997	14%
Muir Woods Shuttle	6,810	2,667	39%
Novato Dial-A-Ride	2,400	539	22%
West Marin Stagecoach Service	16,400	4,278	26%
Rural Dial A Ride	435	81	19%
Transit Connect	10,988	1,710	16%
Local Paratransit Service	62,491	14,891	24%
Regional Paratransit Service	9,500	1,896	20%
Yellow School Bus Service	6 buses	-	-
<b>Service</b>	<b>Annual Estimated Trips</b>	<b>YTD thru Q1 Actual Trips</b>	<b>% of Annual</b>
Catch A Ride	15,000	3,595	24%
Volunteer Driver	14,800	3,755	25%

**Capital Budget**

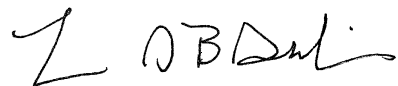
Through the first quarter, Marin Transit's expenditures in the Capital Budget (Attachment A, Page 1) were \$603,538 or four percent of the \$14 million budget. Capital revenues typically tie closely to expenditures as they tend to be on a reimbursement basis. The primary expenditures were three paratransit vehicles and one transit shuttle vehicle. Attachment C includes a complete Capital Report for all major Marin Transit capital projects for the current period.

**FISCAL/STAFFING IMPACT:** This item includes the adoption of three administrative budget amendments (Attachment B). Amendment 2019-01 adjusts the current year capital project budgets based on the final FY2017/18 actuals to retain the total project budgets. This increases the FY2018/19 capital revenue and expenses by \$1.73 million. The shifting of costs between fiscal years does not change the multi-year capital costs for the projects.

In accordance with the multi-year project list your Board adopted on February 26, 2018, Amendment 2018-02 adds the District's FY2018/19 allocation of State Transit Assistance and State of Good Repair funds to the rural vehicle replacement project (XB). This amendment has no impact on the total capital budget and reduced the amount of local funding needed for the vehicle purchase.

Amendment 2018-03 adds equipment budgets for the local and rural programs to allow for the purchase of low value fare collection and other equipment. The net fiscal impact of the budget amendment is to increase the annual operations budget by \$6,352.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L Gradia".

Lauren Gradia  
Director of Finance and Capital Projects

Attachment A: FY2017/18 First Quarter Financial Report

Attachment B: FY2017/18 Budget Amendments

Attachment C: Capital Project Report

Marin Transit  
 FY2018/19 Q1 Budget Report  
 From 7/1/2018 Through 9/30/2018

*Summary*

	<u>FY2017/18 Actual</u>	<u>Total Budget - Original</u>	<u>Total Budget - Revised</u>	<u>Current Period Actual</u>	<u>Percent Total Budget Used</u>
Revenue					
Capital	11,485,678	11,333,301	11,328,301	505,580	4.46%
Vehicle Operations	32,344,147	35,552,323	35,552,323	8,529,364	23.99%
Total Revenue	<u>43,829,824</u>	<u>46,885,624</u>	<u>46,880,624</u>	<u>9,034,944</u>	<u>19.27%</u>
Expenditures					
Capital	11,517,302	14,333,301	14,333,301	603,538	4.21%
Vehicle Operations	28,610,278	32,464,675	32,464,675	7,804,059	24.04%
Total Expenditures	<u>40,127,579</u>	<u>46,797,976</u>	<u>46,797,976</u>	<u>8,407,597</u>	<u>17.97%</u>
Net Revenue Over Expenditures	<u>3,702,245</u>	<u>87,648</u>	<u>82,648</u>	<u>627,347</u>	<u>759.06%</u>

Marin Transit  
 FY2018/19 Q1 Budget Report  
 From 7/1/2018 Through 9/30/2018

***Operations Summary: Admin, Local, Yellow, Rural, Marin Access***

	FY2017/18 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
Fare Revenue	4,044,536	4,227,620	4,227,620	1,023,219	24.20%
Advertising & Other Revenue	424,774	412,206	412,206	107,180	26.00%
Reimbursements (GGBHTD, WSW)	1,943,098	2,026,564	2,026,564	504,641	24.90%
Interest	118,552	70,250	70,250	0	0.00%
Measure A	13,255,076	14,046,064	14,046,065	3,024,343	21.53%
Measure A Interest	85,000	85,000	85,000	85,000	100.00%
Measure B	817,779	1,120,000	1,120,000	145,399	12.98%
Property Taxes	4,294,379	4,436,683	4,436,683	986,803	22.24%
Development Fees	47,832	58,200	58,200	0	0.00%
State Transit Assistance (STA)	1,285,220	1,841,702	1,841,702	449,582	24.41%
Transit Development Act (TDA)	4,614,306	5,109,399	5,109,399	1,277,350	25.00%
Other State	147,950	354,524	354,524	93,737	26.44%
FTA Funds	1,151,839	1,351,823	1,351,823	780,751	57.75%
National Park Service	154,887	458,000	458,000	67,125	14.65%
Transfer to Capital Budget	(41,080)	(45,713)	(45,712)	(15,766)	34.49%
<b>Total Revenue</b>	<b><u>32,344,147</u></b>	<b><u>35,552,321</u></b>	<b><u>35,552,323</u></b>	<b><u>8,529,364</u></b>	<b><u>23.99%</u></b>
Salaries and Benefits	2,025,436	2,556,016	2,556,016	550,850	21.55%
Professional Service	555,159	558,531	558,531	65,001	11.63%
Professional Service - Legal	72,323	150,000	150,000	12,383	8.25%
Security and Maintenance	260,715	296,504	296,504	61,993	20.90%
Customer Service	528,266	783,263	783,263	150,673	19.23%
Indirect County Overhead	2,009	2,575	2,575	0	0.00%
Mobility Management Support Programs	8,363	24,835	24,835	550	2.21%
Office Supplies	193,344	217,536	217,536	96,813	44.50%
General Insurance	27,860	29,870	29,870	36,166	121.07%
Contract Service Operation	22,693,306	25,119,706	25,119,706	6,067,833	24.15%
Membership & Prof Development	20,502	61,800	61,800	6,058	9.80%
Mileage and Travel	15,925	23,690	23,690	2,458	10.37%
Marketing	98,035	243,881	243,881	47,690	19.55%
Communication	171,216	198,436	198,436	112,365	56.62%
Fuel	2,161,544	2,431,546	2,431,546	672,074	27.63%
Misc Services	321	1,044	1,044	0	0.00%
Vehicle and Vehicle Parking Leases	23,280	23,980	23,980	4,796	20.00%
Office - Rental and Overhead	98,832	137,000	137,000	24,888	18.16%
Partner Agency Pass Through	85,000	85,000	85,000	0	0.00%
Transfer to Capital Budget	(431,158)	(480,538)	(480,538)	(108,533)	22.58%
<b>Total Expenses</b>	<b><u>28,610,278</u></b>	<b><u>32,464,675</u></b>	<b><u>32,464,675</u></b>	<b><u>7,804,059</u></b>	<b><u>24.04%</u></b>
<b>Net Revenue Over Expenditures</b>	<b><u>3,733,869</u></b>	<b><u>3,087,647</u></b>	<b><u>3,087,648</u></b>	<b><u>725,305</u></b>	<b><u>23.49%</u></b>

Marin Transit  
 FY2018/19 Q1 Budget Report  
 From 7/1/2018 Through 9/30/2018

**Detail: Administration**

		FY2017/18 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
<b>Revenue</b>						
Interest	4070400	118,552	70,250	70,250	1	0.00%
Development Fees	4079950	19,358	18,200	18,200	0	0.00%
Residual ABX 126	4079954	23,474	40,000	40,000	0	0.00%
PropTax-CurrntSecured	4080101	3,770,414	3,947,211	3,947,211	986,803	24.99%
County Fee-SV2557Admin Basic Tax	4080102	(59,624)	(62,681)	(62,681)	0	0.00%
Property Tax-Unitary	4080103	35,759	35,000	35,000	0	0.00%
PropTax-CurrntUnSecur	4080104	75,311	73,000	73,000	0	0.00%
Educ Rev Augm Fund-Redist	4080105	374,098	350,000	350,000	0	0.00%
PropTax-Supp CY SECR	4080106	91,626	87,685	87,685	0	0.00%
PropTax-Supp Unsecured	4080107	1,311	1,000	1,000	0	0.00%
PropTax-Redemtion	4080108	1,516	1,500	1,500	0	0.00%
Property Tax-Prior Unsecured	4080109	3,969	3,968	3,968	0	0.00%
Other	4090101	151	0	0	0	0.00%
Other State	4119940	<u>334</u>	<u>300</u>	<u>300</u>	<u>0</u>	<u>0.00%</u>
Total Revenue		4,456,249	4,565,433	4,565,433	986,804	21.61%
<b>Transfers</b>						
Property Tax Transfer	4700001	<u>(327,767)</u>	<u>(961,798)</u>	<u>(961,797)</u>	<u>(213,476)</u>	<u>22.20%</u>
Total Transfers		<u>(327,767)</u>	<u>(961,798)</u>	<u>(961,797)</u>	<u>(213,476)</u>	<u>22.20%</u>
Net Revenue		<u>4,128,481</u>	<u>3,603,635</u>	<u>3,603,636</u>	<u>773,328</u>	<u>21.46%</u>
<b>Expense</b>						
Salaries	5010200	1,289,452	1,673,909	1,673,909	401,277	23.97%
Employee Benefits	5020000	735,983	882,107	882,107	149,574	16.95%
Consultant Services	5030301	156,324	175,000	175,000	27,482	15.70%
Prof Svcs - Legal	5030304	72,323	150,000	150,000	12,383	8.25%
Prof Svcs - Accounting and Audit	5030305	31,091	32,561	32,561	0	0.00%
Office Supplies	5049901	7,726	14,000	14,000	2,862	20.44%
Small Furn/Equip	5049902	5,494	13,000	13,000	1,005	7.73%
Software	5049903	57,032	60,000	60,000	44,047	73.41%
Copier Suppl & Srvc	5049904	8,382	9,167	9,167	2,117	23.08%
Postage	5049905	883	3,090	3,090	1,012	32.74%
Computers	5049906	23,077	20,000	20,000	5,970	29.84%
Communication - Phone	5050201	26,028	31,230	31,230	7,422	23.76%
Insurance - Gen Liability	5060301	27,860	29,870	29,870	36,166	121.07%
Membership & Prof Development	5090101	20,502	61,800	61,800	6,058	9.80%
Mileage and Travel	5090202	15,925	23,690	23,690	2,458	10.37%
Marketing	5090801	7,531	12,731	12,731	1,493	11.72%
County Fee - Special District	5100401	2,009	2,575	2,575	0	0.00%
Office Rental	5121200	<u>98,832</u>	<u>137,000</u>	<u>137,000</u>	<u>24,888</u>	<u>18.16%</u>
Total Expense		2,586,453	3,331,730	3,331,730	726,213	21.80%
<b>Transfers</b>						
Salary/Benefit Transfers	5100100	<u>(1,879,313)</u>	<u>(2,341,936)</u>	<u>(2,341,936)</u>	<u>(523,081)</u>	<u>22.33%</u>
Transfer Overhead	5100101	<u>(312,530)</u>	<u>(473,809)</u>	<u>(473,809)</u>	<u>(86,988)</u>	<u>18.35%</u>
Total Transfers		<u>(2,191,843)</u>	<u>(2,815,745)</u>	<u>(2,815,745)</u>	<u>(610,070)</u>	<u>21.67%</u>
Total Expense		<u>394,611</u>	<u>515,985</u>	<u>515,985</u>	<u>116,143</u>	<u>22.50%</u>

Marin Transit  
 FY2018/19 Q1 Budget Report  
 From 7/1/2018 Through 9/30/2018

**Detail: Local Service**

		FY2017/18 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
<b>Revenue</b>						
Special Fares - Paid By Another Agency	4020000	452,559	416,387	416,387	233,394	56.05%
Advertising Revenue	4060301	280,788	245,552	245,552	69,548	28.32%
Lease of Property	4070301	143,986	166,654	166,654	37,632	22.58%
Donations	4070500	5,000	0	0	0	0.00%
Fee For Service	4090101	1,679	0	0	1,725	-
Measure A Sales Tax	4092001	9,759,362	10,173,000	10,173,000	2,393,862	23.53%
Measure A Sales tax - Interest	4092003	85,000	85,000	85,000	85,000	100.00%
State Transit Assistance	4110101	1,224,816	1,744,814	1,744,814	434,582	24.91%
Transit Development Act (TDA)	4110102	4,614,306	5,109,399	5,109,399	1,277,350	25.00%
State- Low Carbon Transit Operations Program	4119904	128,676	335,724	335,724	93,737	27.92%
Fed-FTA 5307 Urbanized Area Formula	4139910	222,210	0	0	0	0.00%
National Park Service	4139951	154,736	458,000	458,000	67,124	14.66%
Fed-FTA 5304 State Planning	4139961	20,000	0	0	0	0.00%
Fare Revenue	4140100	<u>2,661,614</u>	<u>2,773,337</u>	<u>2,773,337</u>	<u>639,510</u>	<u>23.05%</u>
Total Revenue		19,754,732	21,507,867	21,507,867	5,333,464	24.80%
<b>Transfers</b>						
Property Tax Transfer	4700001	23,281	373,760	373,760	33,841	9.05%
Program Revenue Transfer	4700002	<u>85,151</u>	<u>80,000</u>	<u>80,000</u>	<u>0</u>	<u>0.00%</u>
Total Transfers		108,432	453,760	453,760	33,841	7.46%
Net Revenue		<u>19,863,164</u>	<u>21,961,627</u>	<u>21,961,627</u>	<u>5,367,305</u>	<u>24.44%</u>
<b>Expense</b>						
Consultant Services	5030301	233,346	206,000	206,000	9,706	4.71%
Fare Processing Charges	5030310	31,948	14,653	14,653	2,513	17.15%
Customer Service	5030320	267,781	301,393	301,393	75,787	25.14%
Custodial Service	5030602	15,943	21,315	21,315	0	0.00%
Security Services	5030701	243,313	273,389	273,389	61,724	22.57%
Fuel	5040101	1,488,446	1,695,743	1,695,743	449,823	26.52%
Small Furn/Equipment	5049902	0	0	0	2,186	-
Software	5049903	20,750	22,660	22,660	0	0.00%
Communication-AVL	5050205	69,257	91,592	91,592	47,754	52.13%
Communication-Data	5050206	2,311	2,925	2,925	536	18.32%
Purchased Transportation - In Report	5080101	16,119,070	17,539,220	17,539,220	4,279,238	24.39%
Marketing	5090801	61,053	101,065	101,065	28,544	28.24%
Expense Transfer - GGT Pass Through	5100404	85,000	85,000	85,000	0	0.00%
Signs	5122010	321	1,044	1,044	0	0.00%
Total Expense		18,638,538	20,355,999	20,355,999	4,957,811	24.36%
<b>Transfers</b>						
Cost Center Salary/Benefit Transfers	5100100	1,050,010	1,417,739	1,417,739	293,074	20.67%
Cost Center Transfer Overhead	5100101	174,617	187,889	187,889	48,738	25.93%
Total Transfers		1,224,626	1,605,628	1,605,628	341,812	21.29%
Total Expense		<u>19,863,164</u>	<u>21,961,627</u>	<u>21,961,627</u>	<u>5,299,623</u>	<u>24.13%</u>

Marin Transit  
 FY2018/19 Q1 Budget Report  
 From 7/1/2018 Through 9/30/2018

**Detail: Yellow Bus Service**

		FY2017/18 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
<b>Revenue</b>						
Yellow Bus Fares - Paid by other Agency	4030000	145,000	145,000	145,000	0	0.00%
Fee For Service	4090101	121,485	109,910	109,910	31,642	28.78%
Measure A Sales Tax	4092001	201,490	227,000	227,000	81,973	36.11%
Fare Revenue - Yellow Bus	4140105	<u>372,485</u>	<u>402,740</u>	<u>402,740</u>	<u>42,846</u>	<u>10.63%</u>
Total Revenue		840,459	884,650	884,650	156,460	17.69%
Net Revenue		<u>840,459</u>	<u>884,650</u>	<u>884,650</u>	<u>156,460</u>	<u>17.68%</u>
<b>Expense</b>						
Consultant Services	5030301	5,485	3,000	3,000	3,816	127.19%
Fare Processing Charges	5030310	12,215	15,521	15,521	7,950	51.21%
Custodial Service	5030602	1,459	1,800	1,800	269	14.94%
Small Furn/Equip	5049902	0	1,800	1,800	287	37.28%
Software	5049903	690	0	0	78	0.00%
Communication-AVL	5050205	13,180	12,825	12,825	12,825	100.00%
Communication-Data	5050206	8,311	9,270	9,270	2,040	22.00%
Yellow Bus School Service	5080103	616,786	624,240	624,240	93,058	14.90%
Marketing	5090801	2,343	0	0	22	0.00%
Leases and Rentals	5120401	<u>23,280</u>	<u>23,980</u>	<u>23,980</u>	<u>4,796</u>	<u>20.00%</u>
Total Expense		683,749	692,436	692,436	125,141	18.07%
<b>Transfers</b>						
Cost Center Salary/Benefit Transfers	5100100	134,366	147,462	147,462	26,477	17.95%
Cost Center Transfer Overhead	5100101	<u>22,345</u>	<u>44,753</u>	<u>44,753</u>	<u>4,403</u>	<u>9.83%</u>
Total Transfers		156,711	192,215	192,215	30,880	16.07%
Total Expense		<u>840,459</u>	<u>884,651</u>	<u>884,651</u>	<u>156,021</u>	<u>17.64%</u>



Marin Transit  
 FY2018/19 Q1 Budget Report  
 From 7/1/2018 Through 9/30/2018

**Detail: Rural Service**

		FY2017/18 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
<b>Revenue</b>						
Measure A Sales Tax	4092001	1,139,691	988,648	988,648	247,500	25.03%
Fed-FTA 5311 Rural	4139920	208,393	198,750	198,750	51,069	25.69%
Fare Revenue	4140100	<u>119,005</u>	<u>121,794</u>	<u>121,794</u>	<u>30,263</u>	<u>24.84%</u>
Total Revenue		1,467,088	1,309,192	1,309,192	328,832	25.12%
<b>Transfers</b>						
Property Tax Transfer	4700001	0	<u>542,325</u>	<u>542,325</u>	<u>156,619</u>	<u>28.88%</u>
Total Transfers		0	542,325	542,325	156,619	28.88%
Net Revenue		<u>1,467,088</u>	<u>1,851,517</u>	<u>1,851,517</u>	<u>485,451</u>	<u>26.22%</u>
<b>Expense</b>						
Consultant Services	5030301	21,754	16,883	16,883	189	1.12%
Fare Processing Charges	5030310	192,010	203,676	203,676	65,612	32.21%
Fuel	5040101	0	0	0	165	0.00%
Communication-AVL	5050205	15,936	15,931	15,931	15,145	95.06%
Communication-Data	5050206	831	1,030	1,030	208	20.17%
Purchased Transportation - In Report	5080101	1,146,382	1,453,681	1,453,681	372,200	25.60%
Purchased Transportation - Regional	5080102	0	0	0	0	0.00%
Marketing	5090801	<u>11,960</u>	<u>32,173</u>	<u>32,173</u>	<u>2,786</u>	<u>8.65%</u>
Total Expense		1,388,874	1,723,373	1,723,373	456,304	26.48%
<b>Transfers</b>						
Cost Center Salary/Benefit Transfers	5100100	67,062	98,308	98,308	24,991	25.42%
Cost Center Transfer Overhead	5100101	<u>11,152</u>	<u>29,835</u>	<u>29,835</u>	<u>4,156</u>	<u>13.92%</u>
Total Transfers		78,215	128,143	128,143	29,147	22.75%
Total Expense		<u>1,467,089</u>	<u>1,851,517</u>	<u>1,851,517</u>	<u>485,451</u>	<u>26.21%</u>

Marin Transit  
 FY2018/19 Q1 Budget Report  
 From 7/1/2018 Through 9/30/2018

**Detail: Marin Access**

		FY2017/18 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
<b>Revenue</b>						
Measure A Sales Tax	4092001	2,154,534	2,657,416	2,657,417	301,008	11.32%
Measure B	4099950	817,779	1,120,000	1,120,000	145,399	12.98%
State Transit Assistance	4110101	60,404	96,888	96,888	15,000	15.48%
State Prop Tx Relief HOPTR	4119910	18,940	18,500	18,500	0	0.00%
Fed-FTA 5307 Urbanized Area Formula	4139910	701,236	715,573	715,573	479,219	66.96%
Fed-FTA 5310 Mobility	4139915	0	437,500	437,500	250,463	57.24%
Fed-FTA 5317 New Freedom	4139941	0	0	0	0	0.00%
Fare Revenue	4140100	293,873	368,362	368,362	77,206	20.95%
Misc.-Reimbursement	4601001	7,913	9,000	9,000	0	0.00%
GGBHTD Payment for Local Paratransit	4601003	1,039,016	1,051,448	1,051,448	270,315	25.70%
GGBHTD Payment for Regional Paratransit	4601004	<u>773,004</u>	<u>856,206</u>	<u>856,206</u>	<u>200,960</u>	<u>23.47%</u>
Total Revenue		5,866,699	7,330,893	7,330,894	1,739,571	23.73%
<b>Transfers</b>						
Property Tax Transfer	4700001	263,406	0	0	7,250	-
Program Revenue Transfer	4700002	(85,151)	(80,000)	(80,000)	0	0.00%
Total Transfers		178,255	(80,000)	(80,000)	7,250	-9.06%
Net Revenue		<u>6,044,954</u>	<u>7,250,893</u>	<u>7,250,894</u>	<u>1,746,821</u>	<u>24.09%</u>
<b>Expense</b>						
Consultant Services	5030301	62,997	94,913	94,913	13,346	13.96%
Customer Service	5030320	260,485	481,870	481,870	74,886	15.54%
Fuel	5040101	481,088	532,126	532,126	156,639	29.43%
Software	5049903	69,310	73,819	73,819	37,086	50.23%
Communication- Mobile Data Terminal	5050203	4,790	5,000	5,000	0	0.00%
Communication-MERA Radio	5050204	19,178	20,358	20,358	22,089	108.50%
Communication-Data	5050206	11,394	8,275	8,275	4,346	52.51%
Purchased Transportation - In Report	5080101	4,053,344	4,662,727	4,662,727	1,133,573	24.31%
Purchased Transportation - Regional	5080102	757,724	839,839	839,839	189,764	22.59%
Marketing	5090801	15,148	97,913	97,913	14,845	15.16%
Misc-Exp Transit User Training	5098001	4,913	9,835	9,835	0	0.00%
Gap Grant	5098002	<u>3,450</u>	<u>15,000</u>	<u>15,000</u>	<u>550</u>	<u>3.66%</u>
Total Expense		5,743,821	6,841,674	6,841,674	1,647,123	24.07%
<b>Transfers</b>						
Cost Center Salary/Benefit Transfers	5100100	258,196	309,769	309,769	85,482	27.59%
Cost Center Transfer Overhead	5100101	<u>42,938</u>	<u>99,450</u>	<u>99,450</u>	<u>14,216</u>	<u>14.29%</u>
Total Transfers		301,134	409,220	409,220	99,698	24.36%
Total Expense		<u>6,044,955</u>	<u>7,250,894</u>	<u>7,250,894</u>	<u>1,746,821</u>	<u>24.09%</u>

**Detail:Capital Budget**

		Total Project Budget	FY2018/19 Budget	Current Period Actual	Total Project Expenditure
EV	Purchase 2 Electric Vehicles (Replacements)	1,662,022	163,633	8,478	72,122
PA	Purchase Three Paratransit Vehicles	267,000	5,000	266,527	267,856
SA	Purchase One Shuttle (Expansion)	130,000	5,000	97,958	97,958
SB	Purchase 1- Replacement Shuttle	125,000	125,000	-	-
XA	Purchase 2 New XHF Vehiclles	925,000	920,000	159	159
XB	Purchase 4 Replacement Rural Vehicles	1,600,000	1,600,000	-	-
HM	Hybrid Mid-Life Battery Replacements	400,000	400,000	-	-
<b>Subtotal Vehicles</b>		<b>5,109,022</b>	<b>3,218,633</b>	<b>373,122</b>	<b>438,095</b>
BI	Bus Stop Improvements SGR (BI)	2,201,130	691,796.00	11,663	1,529,374
BS	Bus Stop Assessment Update	115,000	14,982	6,790	87,926
BW	Muir Woods Infrastructure Improvements	638,000	217,729	-	425,453
TR	San Rafael Transit Center	100,000	100,000	-	-
<b>Subtotal Bus Stop Improvements</b>		<b>3,054,130</b>	<b>1,024,507</b>	<b>18,453</b>	<b>2,042,753</b>
FC	Facility Peliminary Design & Env	174,418	18,398	-	174,418
FR	Facility ROW Purchase	5,500,000	5,500,000	78,160	138,968
OF	Office Furniture	45,000	45,000	3,454	17,544
YF	Yellow Bus Parking Facility	3,000,000	3,000,000	-	-
<b>Subtotal Facility</b>		<b>8,719,418</b>	<b>8,563,398</b>	<b>81,614</b>	<b>330,930</b>
OA	On Board Equipment - 2016	210,000	65,955	7,677	152,437
TB	Mobility Management Technology Backbone	375,000	155,319	10,571	273,701
ME	MERA	29,000	29,000	2,243	2,243
RD	Radio Communication Upgrade	168,000	121,695	-	47,238
AY	AVL Replacement Equipment	180,000	180,000	-	-
CR	Clipper	400,000	300,000	-	-
<b>Subtotal Technology Projects</b>		<b>782,000</b>	<b>851,969</b>	<b>20,492</b>	<b>475,620</b>
GG	Golden Gate Capital Costs (GG)	-	18,000	4,346	NA
BM	Bus Stop Maintenance (BM)	-	100,000	21,926	NA
VR	Major Vehicle Repairs (VR)	-	200,000	13,475	NA
IF	Infrastructure Support (IF)	-	356,794	70,109	NA
<b>Subtotal Ongoing Capital Expenses</b>		<b>-</b>	<b>674,794</b>	<b>109,856</b>	<b>-</b>
<b>Total Expenditures</b>		<b>17,664,570</b>	<b>14,333,301</b>	<b>603,538</b>	<b>3,287,398</b>

## Attachment B

FY2018/19 Q1  
Budget Amendments

Number	Board Authorization	Description	Function	Program	Project	GL	Original	Change	Final
2018-08	06/04/2018	Moved \$40,000 of the project budget for office furniture for new office space from FY2019 to FY2018	Capital	Capital	OF	5230103 Furniture & Fixtures	\$45,000	(\$40,000)	\$5,000
2019-01	Pending	Roll forward of unspent FY2018 Capital Project budgets; and update all Prior Years and Total Budgets	Capital	Capital	EV	5230101 Vehicles	163,633	1,434,745	1,598,378
					PA	5230101 Vehicles	5,000	260,671	265,671
					SA	5230101 Vehicles	5,000	125,000	130,000
					XA	5230101 Vehicles	920,000	5,000	925,000
					BI	5230101 Bus Stops	691,796	(8,377)	683,419
					BS	5230101 Bus Stops	14,982	18,882	33,864
					BW	5230101 Bus Stops	217,729	(5,182)	212,547
					FC	5230104 Facility	18,398	(18,398)	0
					FR	5230104 Facility	5,500,000	(60,808)	5,439,192
					OF	5230103 Furniture & Fixtures	5,000	25,910	30,910
					OA	5230102 Equipment	65,955	(715)	65,240
					TB	5230102 Equipment	155,319	(43,449)	111,870
RD	5230102 Equipment	121,695	(933)	120,762					
2018-02	Pending	Add SB1 SGR Funding to replacement of four rural transit vehicles	Capital	Capital	XB	4110105 STA SGR SB1	0	211,538	211,538
						4092001 Measure A	1,019,737	(211,538)	808,199
2018-03	Pending	Add Equipment budget to Local and Rural to allow for low value fare collection and other equipment	Operations	Local	NA	5049902 Small Furn/Equip	0	\$5,000	\$5,000
						4700001 Property Tax Transfer	0	\$5,000	\$5,000
				Rural	NA	55049902 Small Furn/Equip	0	\$1,352	\$1,352
						4092001 Measure A	0	\$1,352	\$1,352

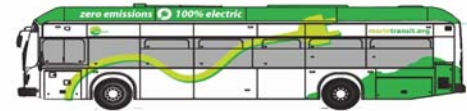
# Capital Projects Report through September

This capital project report provides detail through the First Quarter of FY2018/19. Project descriptions and status are given for all major capital projects. Projects are grouped according to project type as shown below.

	Total Project Budgets	Total Expended FY2019	Total Project Expenditures
Vehicles	\$5,109,022	\$373,122	\$438,095
Bus Stop Improvements	\$3,054,130	\$18,453	\$2,042,753
Facility	\$8,719,418	\$81,614	\$330,722
Technology Projects	\$782,000	\$20,492	\$474,894
Ongoing Capital Expenses	\$674,794	\$109,856	\$109,856 (annual)
	<b>\$18,339,364</b>	<b>\$603,537</b>	<b>\$3,396,320</b>

**Purchase Two Electric Vehicles** **Total Project Budget \$1,662,022**

**Concept:** Purchase Two Electric Vehicles  
**Funding:** \$1,190,640 Federal Section 5307  
 \$135,022 State - BAAQMD  
 \$75,000 TAM - Measure B  
 \$261,360 Measure A



**Description:** Replace two 40 ft vehicles beyond their useful life with battery electric vehicles

**Status:** Board authority to purchase the vehicles was given in November 2016 and the vehicle order has been placed with BYD Motors. The vehicles were delivered in September, 2018.

VEHICLES

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated</u>
		<u>Date</u>	<u>Percent Complete</u>	<u>Completion</u>
EV	\$1,662,022	\$72,122	4%	Dec-18

**Purchase Three Paratransit Vehicles** **Total Project Budget \$267,000**

**Concept:** Purchase three Paratransit cutaway vehicles  
**Funding:** \$218,940 Federal Section 5307  
 \$48,060 Measure A



**Description:** Replace three paratransit vehicles that are beyond their useful life

**Status:** Board authorized purchase of the vehicles in August 2017. The purchase order was submitted in December 2017 with delivery scheduled for May 2018. Vehicle production was delayed and vehicles were delivered in July 2018.

VEHICLES

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated</u>
		<u>Date</u>	<u>Percent Complete</u>	<u>Completion</u>
PA	\$267,000	\$267,856	100%	Jul-18

VEHICLES

**Purchase One Shuttle (Expansion) Total Project Budget \$130,000**

Concept: Purchase One Shuttle  
Funding: \$130,000 State Transit Assistance- SGR



Description: Purchase one shuttle to replace a contractor-owned vehicle beyond its useful life

Status: Board authorized purchase of the vehicle in December 2017 for the Community Shuttle route. Vehicle delivery was completed in August of 2018. Staff is working on purchasing on board equipment.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
SA	\$130,000	\$97,958	100%	Aug-18

VEHICLES

**Purchase One Shuttle (Replacement) Total Project Budget \$125,000**

Concept: Purchase One Shuttle  
Funding: \$102,500 Federal Section 5307  
 \$22,500 Measure A



Description: Replace one shuttle vehicle beyond it's useful life.

Status: Board authorized purchase of the vehicle in December 2017. Vehicle delivery is anticipated in February of 2019.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
SB	\$125,000	\$0	0%	Mar-19

VEHICLES

**Purchase Two 35ft XHF Vehicles (Expansion) Total Project Budget \$925,000**

Concept: Purchase two 35ft XHF vehicles  
Funding: \$920,000 State Transit Assistance  
 \$5,000 Measure A



Description: Purchase of two expansion 35-foot XHFs

Status: The Board authorized the purchase of these vehicles in December 2017 for school service and Muir Woods shuttle routes. Purchase allows retirement of 2 active retirement vehicles. Delivery is anticipated in December 2018.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
XA	\$925,000	\$159	20%	Jan-19

VEHICLES

**Purchase Four 30ft XHF Vehicles (Replacement) Total Project Budget \$1,600,000**

Concept: Purchase two 35ft XHF vehicles  
Funding: \$505,120 Federal Section 5307  
 \$286,651 State Transit Assistance - State of Good Repair  
 \$808,229 Measure A



Description: Purchase of four replacement 30-foot XHFs  
Status: These vehicles will replace 4 cutaway vehicles beyond their useful life. This item will be taken to the board for approval in early 2019.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
XB	\$1,600,000	\$0	0%	Dec-19

VEHICLES

**Hybrid Mid Life Battery Replacements Total Project Budget \$400,000**

Concept: Replace batteries on the 2007 Hybrid Vehicles  
Funding: \$400,000 Measure A

Description: Purchase of two expansion 35-foot XHFs  
Status: As a preventative maintenance measure, under the existing maintenance contract, GGBHTD will replace the batteries on the 2007 Hybrid Vehicles. Local funds will be used unless state or federal funds are identified.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
HM	\$400,000	\$0	0%	Jun-19

BUS STOP IMPROVEMENTS

**Bus Stop Improvements (State of Good Repair) Total Project Budget \$ 2,201,130**

Concept: Improve bus stops in Marin County  
Funding: \$1,600,000 Federal Section 5309  
 \$400,000 PTMISEA  
 \$201,130 Measure A

Description: Phase 1: Install new bus stop signage throughout Marin County. Phase 2: Minor and Major bus stop improvements at 12 locations throughout the County . Phase 3: Additional bus stop improvements of up to 11 stops.

Status: Phase 1 - complete. Phase 2 - complete. Phase 3 - Mark Thomas & Co completed plans and specifications for the final round of the State of Good Repair grant. The improvements support accessibility and passenger amenities. A contract for construction management was approved by the board in February 2018. In September 2018, the Board approved Coastside Concrete as the contractor. Construction will begin in December.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to Date</u>	<u>Percent Complete</u>	<u>Phase 3 Anticipated Completion Date</u>
BI	\$2,201,130	\$1,529,374	69%	Feb-19



**Muir Woods Infrastructure Improvements Total Project Budget \$638,000**

Concept: Improve boarding locations and purchase signage for the Muir Woods Shuttle  
Funding: \$638,000 Federal Transit In the Parks

Description: Project includes funding for permanent changeable message signs and improvements to bus stops related to the Muir Woods Shuttle

Status: Marin Transit continues work with multiple partner agencies to determine needed vehicle, signage, and capital improvements to improve the passenger experience.



BUS STOP IMPROVEMENTS

<u>Project ID</u>	<u>Budget</u>	<u>Expended to Date</u>	<u>Percent Complete</u>	<u>Anticipated Completion Date</u>
BW	\$638,000	\$425,453	67%	Jun-19



BUS STOP IMPROVEMENTS

**Bus Stop Assessments** **Total Project Budget \$100,000**

Concept: Update Bus Stop Assessments

Funding: \$100,000 Measure A

Description: Project to update the District's 2005 bus stop conditions assessment to quantify & prioritize future improvements.

Status: Marin Transit hired a consultant to conduct an inventory of bus stop conditions. Additional work is underway to use the new data to develop preliminary plans for future bus stop improvements.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Completion</u>	
		<u>Date</u>	<u>Percent Complete</u>	<u>Date</u>	<u>Date</u>
BS	\$100,000	\$87,926	88%	Dec-19	

BUS STOP IMPROVEMENTS

**San Rafael Transit Center** **Total Project Budget \$100,000**

Concept: Develop integrated bus and rail operation

Funding: \$ 100,000 Measure A

Description: In preparation for a SMART service extension to Larkspur, Marin Transit is working with the City of San Rafael, GGBHTD and SMART to relocate the transit center. Until a new facility is constructed, efforts are underway to modify the existing center. Local funds will be used for staff time & costs related to design and construction.

Status: The agencies are revisiting and updating the Memorandums of Understanding to reestablish roles and responsibilities for upcoming design and construction work.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Completion</u>	
		<u>Date</u>	<u>Percent Complete</u>	<u>Date</u>	<u>Date</u>
TR	\$100,000	\$0	5%	NA	

ADMIN AND OPERATIONS FACILITY

**Operations and Maintenance Facility** **Total Project Budget \$174,418**

Concept: Develop a maintenance facility

Funding: \$52,169 Measure A  
\$122,249 FTA 5307

Description: Evaluate facility needs and develop plans to acquire a District-owned maintenance facility

Status: Board authority to analyze facility needs was given June 2016. With consultant assistance, the District has been evaluating potential facility locations and space needs for fixed route, paratransit & yellow bus services.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated Completion</u>	
		<u>Date</u>	<u>Percent Complete</u>	<u>Date</u>	<u>Date</u>
FC	\$174,418	\$174,418	100%	NA	

ADMIN AND OPERATIONS FACILITY

**Maintenance Facility - ROW Purchase & Capital Improvements** **Total Project Budget \$5,500,000**

Concept: Acquire property and develop a maintenance facility  
 Funding: \$1,100,000 Measure A  
           \$4,400,000 FTA 5307  
 Description: Purchase land for a new facility.  
 Status: Marin Transit is actively searching for and evaluating available land to purchase in the county.

Project ID	Budget	Expended to		Anticipated
		Date	Percent Complete	Completion
FR	\$5,500,000	\$138,968	3%	NA

ADMIN AND OPERATIONS FACILITY

**Office Furniture** **Total Project Budget \$45,000**

Concept: Expand Administrative Offices for District Staff  
 Funding: \$45,000 Property Tax  
 Description: Furniture and other capital expenses for office expansion  
 Status: Marin Transit is purchasing additional conference room furniture, storage cabinetry, and electronic equipment to be completed by December 2018.

Project ID	Budget	Expended to		Anticipated
		Date	Percent Complete	Completion
OF	\$45,000	\$17,544	39%	Dec-18

ADMIN AND OPERATIONS FACILITY

**Yellow Bus Parking Facility** **Total Project Budget \$3,000,000**

Concept: Identify and purchase propoerty for vehicles  
Funding: \$3,000,000 Capital Reserve  
Description: Replace temporary leased parking with a permanent location  
Status: Marin Transit is evaluating and identifying opportunities for land acquisition

Project ID	Budget	Expended to		Anticipated
		Date	Percent Complete	Completion
YF	\$3,000,000	\$0	0%	NA

TECHNOLOGY PROJECTS

**TECHNOLOGY PROJECTS** **Total Project Budget \$1,194,000**

Concept: District technology projects  
Funding: \$300,000 Federal Job Access Funds (JARC)  
 \$312,000 Federal Section 5307  
 \$582,000 Measure A



<u>Projects:</u>		<u>Total Project</u>	<u>Expended to</u>
		<u>Cost</u>	<u>Date</u>
OA	On Board Equipment 2016	\$210,000	\$152,437
AY	AVL Replacements	\$180,000	\$0
TB	Mobility Technology Backbone	\$375,000	\$273,701
ME	MERA	\$29,000	\$2,243
CL	Clipper	\$400,000	\$0

Description: Marin Transit provides technology acquisitions for vehicle operations, fare collection, and passenger information

Status: Marin Transit will continue the project to pay for fareboxes and on board equipment associated with vehicle replacements.

**Radio Communication Upgrades - Needs Assessment** **Total Project Budget \$168,000**

Concept: Conduct a current Radio Communications Needs Assessment

Funding: \$30,240 Measure A  
 \$137,760 FTA 5307

Description: Evaluate current radio communications practices and determine areas for improvement with action plan

Status: Marin Transit board approved a contract with DeltaWRX in September 2017 to complete a radio assessment at each of Marin Transit's contractors. In December 2017, DeltaWRX presented the assessment to staff. A second phase was initiated to fulfill consultant recommendations. Due to lower than expected needs, funding was moved to the AVL Replacement Equipment project in the FY2019 Capital Budget.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated Completion</u>	
		<u>Date</u>	<u>Percent Complete</u>	<u>Date</u>	
RD	\$168,000	\$47,238	28%	Feb-19	

ONGOING CAPITAL EXPENSES

**Ongoing Capital Expenses** **Annual Budget**    **\$674,794**

Concept: Ongoing capital expenses

Funding:        \$674,794    Measure A

<u>Projects:</u>		<u>Total Project</u> Budgets	<u>Annual Budget</u>	<u>Expended in</u> FY2018
GG	Golden Gate Capital Costs	\$18,000	\$18,000	\$4,346
BM	Bus Stop Maintenance	\$100,000	\$100,000	\$21,926
VR	Major Vehicle Repairs	\$200,000	\$200,000	\$13,475
IF	Infrastructure Support	\$356,794	\$356,791	\$70,109

Description: Ongoing capital costs associated with the Golden Gate operations contract, major vehicle repairs, and other small capital expenses

Status: Capital depreciation expenses for equipment owned by Golden Gate Transit are billed monthly. Major vehicle repairs, such as transmissions, are expended as needed. Infrastructure support includes small capital projects, staff support, and work on partner agency capital projects.



711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
[marintransit.org](http://marintransit.org)

December 3, 2018

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Marin Transit Quarterly Performance Report for the First Quarter of FY 2018/19**

Dear Board Members:

**board of directors**

stephanie moulton-peters  
president  
city of mill valley

damon connolly  
vice president  
supervisor district 1

dennis rodoni  
2nd vice president  
supervisor district 4

judy arnold  
director  
supervisor district 5

kate colin  
director  
city of san rafael

kathrin sears  
director  
supervisor district 3

katie rice  
director  
supervisor district 2

**RECOMMENDATION:** Accept report.

**SUMMARY:**

As part of the District's service monitoring process, staff has prepared a quarterly performance report alongside the quarterly financial report. Attached is the report for the first quarter of FY 2018/19.

The quarterly report provides route-level statistics and performance measures with financial data and an in-depth analysis of trends. The report discusses of any relevant external factors such as service changes.

Additional detailed analyses of system performance and trends are provided in an annual system performance report. This report is available on the District's website at <http://marintransit.org/monitoringreports.html> in addition to the monthly reports,

**FISCAL/STAFFING IMPACT:** None associated with this report.

Respectfully submitted,

Aida Banihashemi  
Planning Manager  
Attachments

## Quarterly Performance Report for FY 2018/19 Q1

This report summarizes the operational performance of Marin Transit services for the first quarter of FY 2018/19 from July 1, 2018 through September 30, 2018. The Quarterly Performance Report provides detailed route-level statistics, analyzes trends, and evaluates performance measures established under Measure A.

### Report Format

The data presented in this report is generated directly from TransTrack, Marin Transit's data management system. TransTrack enables Marin Transit to consolidate and analyze all operational data from the District's transit programs and contractors as one system. In December 2016, the District upgraded the system to provide a new tool to create custom reports including this Quarterly Performance Report. The new report captures all costs associated with service operations and is not limited to contractor costs. This reporting format most accurately represents the District's actual costs of providing service.

Route performance is presented relative to typology-based targets. The Board updated the targets on April 2, 2018, as part of a larger performance monitoring plan update. These typology-based targets aim to match routes and service levels to the markets they are intended to serve. All performance and financial data is consistent with the District's reporting for the National Transit Database.

### Performance Goals

Performance goals at the route level are measured in both productivity (unlinked passengers per hour and per trip) and cost-effectiveness (subsidy per unlinked passenger trip). **Table 1** below summarizes route level performance goals by typology. Note that there are currently no productivity or cost-effectiveness goals identified for the Yellow Bus or Partnership service typologies.

**Table 1: Productivity and Subsidy Goals by Service Typology**

Service Typology	Routes	Unlinked Passenger Trips per Hour (at or above)	Subsidy per Passenger Trip (at or below)
Local Trunkline	35, 36, 71	20	\$4.50
Regular Local	17, 22, 23, 23X, 29, 49	18	\$6.50
Local Connector	219, 228, 233, 245, 251, 257	8	\$9.00
Supplemental	113, 115, 117, 119, 125, 139, 145, 151, 154	20 per trip	\$3.00
Rural	61, 68	6	\$12.00
Recreational	66 (Muir Woods Shuttle)	25	\$3.00
Demand Response	Local DAR, Novato DAR, Dillon Beach/Tomales DAR, Point Reyes DAR	2	\$35.00

### Performance Summary

In the first quarter of FY 2018/19, Marin Transit carried a total of 826,849 passengers systemwide. This represents a relatively consistent ridership compared to the first quarter of the previous fiscal year. On fixed-route transit services including Yellow School Bus, Marin Transit carried 786,311 riders. This is also a 0.1% decrease from the last fiscal year. Marin Access services

carried 40,538 trips on demand response and mobility management programs, an increase of 2.4% compared to last fiscal year. The tables at the end of this report provide a breakdown of all route-level statistics.

#### **Local Trunkline (Routes 35, 36, and 71x)**

In the first quarter of FY 2018/19, Local Trunkline services carried 289,854 passengers. This is a 1.7% increase over the first quarter of the previous fiscal year. Only Routes 35 met the productivity and subsidy target of 20 passengers per hour and \$4.50 per passenger, respectively. Route 36 met the productivity target only, and Route 71x did not meet its targets this quarter.

#### **Local Basic (Routes 17, 22, 23, 23x, 29 and 49)**

Local Basic services carried a total of 279,749 passengers during the first quarter of this fiscal year, a decrease of 1.4% compared to last fiscal year. Except for Route 49 that met its subsidy target of \$6.50 per passenger, none of the six routes met their productivity or subsidy targets this quarter.

#### **Local Connector (Routes 219, 228, 233, 245, 251, and 257)**

During the first quarter of the fiscal year, Local Connector services carried 96,144 total passengers. This is 0.4% less than the previous year. Four of the six routes met the productivity target of 8 passengers per hour (Routes 233, 245, 251, and 257) and three of the six routes met the subsidy target of \$9.00 per passenger (Routes 233, 251 and 245). Only Routes 219 and 228 did not meet either target.

#### **Supplemental (Routes 113, 115, 117, 119, 125, 139, 145, 151, and 154)**

Supplemental school services carried a total of 25,850 passengers during the first quarter of FY 2018/19. This represents 6.2% fewer passengers than the previous year. Seven of the nine routes met the productivity target of 20 passengers per trip: Routes 113, 115, 117, 119, 145, 151, and 154. Routes 119 and 145 are the only routes that met their subsidy target of \$3.00 per passenger.

#### **Rural (West Marin Stagecoach Routes 61 and 68)**

In the first quarter of the fiscal year, the two Stagecoach routes carried 31,340 passengers total. This is about a 4.2% decrease from the prior year. Both Routes 68 and 61 met their productivity goal of 6 passengers per hour. Neither route met the subsidy goal of \$12.00 per passenger.

#### **Partnership Services (Route 122 – College of Marin Express)**

Route 122 carried a total of 4,833 passengers during the first quarter of the year, an increase of 9.7% compared to the prior year. There are no performance targets established for Partnership services.

#### **Yellow Bus**

Ross Valley School District yellow bus service carried 16,803 passengers during the first quarter of FY 2018/19 for a decrease of approximately 17.5% compared to the prior year. There are no performance targets established for Yellow Bus services.

#### **Recreational (Route 66-Muir Woods Shuttle)**

The Muir Woods service carried a total of 73,438 passengers during the first quarter of FY 2018/19 or 6.2% more passengers compared to the previous year. The service met its productivity target of 25 passengers per hour and its subsidy target of \$3.00 per passenger.

## Marin Access

Mobility Management programs offered by Marin Access include demand response services, Catch-A-Ride, and Volunteer Driver programs.

In the first quarter of FY 2018/19, local paratransit carried 30,637 passengers. The service productivity average of 2.1 passengers per hour met the 2.0 standard. The number of passengers represents a slight 0.5% decrease in ridership compared to the prior fiscal year. The service did not meet the subsidy target of \$35.00 per passenger.

The Novato Dial-a-Ride service carried 1,075 passengers and met its productivity standard at 2.0 passengers per hour. Ridership was 5.3% higher than in the previous fiscal year. The service did not meet the subsidy target of \$35.00 per passenger.

The Dillon Beach/Tomales Dial-a-Ride provides curb-to-curb pick-up and drop-off between Dillon Beach, Tomales, and Petaluma, and operates on Wednesdays only. During the first quarter of the fiscal year, the service carried 120 passengers, a 16.7% decrease compared to last year, and met its productivity target with 2.0 passengers per hour and its subsidy target of less than \$35.00 per passenger.

In July 2016, Marin Transit added a new general public dial-a-ride service between Point Reyes Station and Novato. The service currently runs twice per month on the first and third Monday. In the first quarter of the fiscal year, the service carried 49 passengers, 22.5% more than during the first quarter last year, and met its productivity target with 2.3 passengers per hour. The service also met the subsidy target of less than \$35.00 per passenger trip.

The Volunteer Driver Program completed 3,755 trips in the first quarter of FY 2018/19. This represents an 4.0% decrease compared to the previous fiscal year.

The Catch-a-Ride program provided 3,595 one-way trips. This is a decrease of 2.5% compared to the prior year.

On May 21, 2018, Marin Transit launched a new on-demand microtransit service called Marin Transit Connect. A total of 1,307 passengers rode the service in the first quarter of the fiscal year. Between the start of service and the end of the 2018 fiscal year on June 30, 2018, the service was primarily offered for free while the contractor slowly ramped up service. Operating costs associated with the service during the first quarter capture startup costs and limited fares during this revenue service testing phase. There are currently no performance targets established for the Connect service.

## Ridership Trends

The slight increase in ridership is counter to the trends among bus transit agencies throughout the country and in the Bay Area. According to the National Transit Database, nationwide bus ridership declined 2.4% during the first quarter of FY 2018/19 compared to the prior year. Regionally, Golden Gate Transit also experienced a 7.6% decrease in the first quarter of 2018/19.

There are several factors that can impact ridership. These include the number of weekdays in a month and the weather. In this first quarter, some factors supported growth in ridership while others may have contributed to decreases. Generally, the most significant factors for increasing ridership are the number of days the Muir Woods Shuttle operated and the number of school days compared to a year ago. In FY 2018/19, the number of days in the first quarter were identical to the prior year.



Table 2 below compares these factors, and qualitatively evaluates their potential impact on ridership.

**Table 2: Factors Impacting Ridership Comparison**

Factor		FY 2017/18 Q1	FY 2018/19 Q1	Impact
Calendar	School Days	26	29	--
	Weekdays	63	63	--
	Weekends & Holidays	29	29	--
	Muir Woods Shuttle	58	58	--
Service Disruptions (cancelled/missed service)		100	98	--
Rainfall (inches)		0	0	--
Gas Prices		\$3.66	\$3.58	▼

Compared to the prior year, demand for Marin Access mobility management and demand response programs increased by 2.4% during the first quarter of FY 2018/19. These trends are comparable to growth experienced historically in demand-response programs. Staff will continue to monitor ridership trends on these services.

## Fixed-Route

### Fixed-Route Passenger Statistics by Route

Typology	Route	Passengers	%Change*	Revenue Hours	%Change*	Productivity (pax/hr)	Change*
1. Local Trunkline	35	169,078	▲0.2%	5,790	▼0.1%	29.2	▲0.1
	36	90,141	▲4.3%	3,469	▼0.2%	26.0	▲1.1
	71	30,635	▲2.6%	1,865	▼0.1%	16.4	▲0.4
	<b>Rollup</b>	<b>289,854</b>	<b>▲1.7%</b>	<b>11,124</b>	<b>▼0.1%</b>	<b>26.1</b>	<b>▲0.5</b>
2. Local Basic	17	64,905	▲4.8%	3,748	▲0.4%	17.3	▲0.7
	22	52,934	▼1.1%	4,392	▼2.6%	12.1	▲0.2
	23	49,299	▼5.7%	2,786	▼0.1%	17.7	▼1.1
	23X	10,297	▼18.8%	707	▼17.8%	14.6	▼0.2
	29	9,194	▼2.1%	736	▼11.4%	12.5	▲1.2
	49	61,120	▼0.4%	3,732	▼0.1%	16.4	▼0.0
	<b>Rollup</b>	<b>247,749</b>	<b>▼1.4%</b>	<b>16,100</b>	<b>▼2.2%</b>	<b>15.4</b>	<b>▲0.1</b>
3. Local Connector	219	12,186	▼9.1%	1,628	▼0.2%	7.5	▼0.7
	228	19,797	▲2.6%	2,531	▼0.8%	7.8	▲0.3
	233	11,126	▲4.0%	1,097	-	10.1	▲0.4
	245	12,277	▼0.5%	1,091	▼0.4%	11.3	▼0.0
	251	25,312	▲5.0%	2,402	▼0.8%	10.5	▲0.6
	257	15,446	▼7.4%	1,910	▲0.0%	8.1	▼0.6
	<b>Rollup</b>	<b>96,144</b>	<b>▼0.4%</b>	<b>10,658</b>	<b>▼0.4%</b>	<b>9.0</b>	<b>▲0.0</b>
4. Supplemental	113	2,892	▲13.6%	52	▲6.6%	24.5**	▼8.4
	115	1,935	▲60.2%	50	-	25.5**	▲60.9
	117	3,597	▲12.8%	68	▲1.2%	26.5**	▲4.0
	119	5,435	▲0.9%	83	▼0.1%	35.8**	▲6.5
	125	1,364	▼19.1%	83	▼1.5%	14.3**	▼17.1
	139	568	▼30.6%	45	-	11.7**	▼33.5
	145	2,398	▼10.3%	37	▲19.7%	32.1**	▼27.9
	151	5,842	▼27.1%	108	▼13.9%	32.8**	▼19.9
	154	1,819	▼11.1%	49	▼15.0%	37.5**	▲11.3
	<b>Rollup</b>	<b>25,850</b>	<b>▼6.2%</b>	<b>576</b>	<b>▼2.9%</b>	<b>27.9**</b>	<b>▼5.9</b>
5. Rural	61	11,313	▼4.3%	1,605	▼0.2%	7.0	▼0.3
	68	20,027	▼4.1%	2,673	▼0.6%	7.5	▼0.3
	<b>Rollup</b>	<b>31,340</b>	<b>▼4.2%</b>	<b>4,278</b>	<b>▼0.4%</b>	<b>7.3</b>	<b>▼0.3</b>
6. Partnership Services	122	4,833	▲9.7%	421	▲23.9%	11.5	▼1.5
	<b>Rollup</b>	<b>4,833</b>	<b>▲9.7%</b>	<b>421</b>	<b>▲23.9%</b>	<b>11.5</b>	<b>▼1.5</b>
7. Yellow Bus	Hdn Valley	1,182	▲18.7%	0	▼100.0%		
	White Hill	15,621	▼19.4%	0	▼100.0%		
	<b>Rollup</b>	<b>16,803</b>	<b>▼17.5%</b>	<b>0</b>	<b>▼100.0%</b>		
8. Recreational	66	73,738	▲6.2%	2,667	▲9.7%	27.6	▼0.9
	<b>Rollup</b>	<b>73,738</b>	<b>▲6.2%</b>	<b>2,667</b>	<b>▲9.7%</b>	<b>27.6</b>	<b>▼0.9</b>
<b>Rollup</b>	<b>786,311</b>	<b>▼0.1%</b>	<b>45,825</b>	<b>▼0.7%</b>	<b>17.2</b>	<b>▲0.1</b>	

\* Change compared to same quarter of prior year

\*\* Productivity measured in passengers per hour, except for Supplemental services, which use passengers per trip

## Fixed-Route

### Fixed-Route Financial Statistics by Route

Typology	Route	Operating Cost	%Change*	Passenger Revenue	%Change*	Average Subsidy	Change*	Farebox Recovery	Change*
1. Local Trunkline	35	\$880,276	▲0.2%	\$176,851	▼3.9%	\$4.16	▲\$0.04	20.1%	▼0.9%
	36	\$522,530	▼0.1%	\$92,718	▲0.6%	\$4.77	▼\$0.22	17.7%	▲0.1%
	71	\$297,552	▲2.2%	\$39,110	▼2.6%	\$8.44	▲\$0.03	13.1%	▼0.6%
	<b>Rollup</b>	<b>\$1,700,358</b>	<b>▲0.4%</b>	<b>\$308,679</b>	<b>▼2.4%</b>	<b>\$4.80</b>	<b>▼\$0.03</b>	<b>18.2%</b>	<b>▼0.5%</b>
2. Local Basic	17	\$570,700	▲0.6%	\$78,456	▲2.7%	\$7.58	▼\$0.34	13.7%	▲0.3%
	22	\$439,727	▼4.4%	\$63,866	▼5.2%	\$7.10	▼\$0.24	14.5%	▼0.1%
	23	\$408,464	▼0.4%	\$56,239	▼9.9%	\$7.14	▲\$0.50	13.8%	▼1.4%
	23X	\$104,969	▼17.6%	\$11,621	▼14.1%	\$9.07	▲\$0.08	11.1%	▲0.5%
	29	\$109,206	▼11.4%	\$10,467	▼8.6%	\$10.74	▼\$1.16	9.6%	▲0.3%
	49	\$387,159	▲9.1%	\$62,551	▼5.0%	\$5.31	▲\$0.60	16.2%	▼2.4%
	<b>Rollup</b>	<b>\$2,020,225</b>	<b>▼1.1%</b>	<b>\$283,200</b>	<b>▼4.6%</b>	<b>\$7.01</b>	<b>▲\$0.06</b>	<b>14.0%</b>	<b>▼0.5%</b>
3. Local Connector	219	\$168,897	▲0.1%	\$15,384	▼9.2%	\$12.60	▲\$1.27	9.1%	▼0.9%
	228	\$251,311	▼2.1%	\$25,169	▼3.7%	\$11.42	▼\$0.53	10.0%	▼0.2%
	233	\$111,572	▼0.4%	\$12,249	▲1.8%	\$8.93	▼\$0.42	11.0%	▲0.2%
	245	\$108,410	▼1.7%	\$12,926	▼5.8%	\$7.78	▼\$0.04	11.9%	▼0.5%
	251	\$248,482	▼0.6%	\$24,355	▲1.7%	\$8.85	▼\$0.52	9.8%	▲0.2%
	257	\$193,258	▼0.7%	\$17,613	▼8.1%	\$11.37	▲\$0.86	9.1%	▼0.7%
	<b>Rollup</b>	<b>\$1,081,930</b>	<b>▼0.9%</b>	<b>\$107,696</b>	<b>▼3.8%</b>	<b>\$10.13</b>	<b>▼\$0.02</b>	<b>10.0%</b>	<b>▼0.3%</b>
4. Supplemental	113	\$12,141	▲53.2%	\$1,740	▲13.1%	\$3.60	▲\$1.09	14.3%	▼5.1%
	115	\$11,499	▲43.1%	\$1,018	▲81.4%	\$5.42	▼\$0.77	8.9%	▲1.9%
	117	\$15,503	▲45.5%	\$1,811	▲19.1%	\$3.81	▲\$0.94	11.7%	▼2.6%
	119	\$20,010	▲41.6%	\$3,862	▲6.6%	\$2.97	▲\$1.02	19.3%	▼6.3%
	125	\$17,717	▲42.3%	\$1,237	▼4.2%	\$12.08	▲\$5.46	7.0%	▼3.4%
	139	\$9,960	▲46.9%	\$513	▼20.7%	\$16.63	▲\$9.14	5.1%	▼4.4%
	145	\$8,282	▲69.6%	\$1,236	▲6.4%	\$2.94	▲\$1.55	14.9%	▼8.9%
	151	\$23,261	▲26.3%	\$2,909	▼28.4%	\$3.48	▲\$1.69	12.5%	▼9.5%
	154	\$10,201	▲25.3%	\$1,067	▼5.9%	\$5.02	▲\$1.60	10.5%	▼3.5%
	<b>Rollup</b>	<b>\$128,574</b>	<b>▲40.6%</b>	<b>\$15,392</b>	<b>▼0.9%</b>	<b>\$4.38</b>	<b>▲\$1.63</b>	<b>12.0%</b>	<b>▼5.0%</b>
5. Rural	61	\$182,713	▲21.1%	\$11,943	▼9.7%	\$15.09	▲\$3.45	6.5%	▼2.2%
	68	\$310,487	▲21.0%	\$19,313	▼13.2%	\$14.54	▲\$3.32	6.2%	▼2.5%
	<b>Rollup</b>	<b>\$493,200</b>	<b>▲21.1%</b>	<b>\$31,256</b>	<b>▼11.9%</b>	<b>\$14.74</b>	<b>▲\$3.37</b>	<b>6.3%</b>	<b>▼2.4%</b>
6. Partnership Services	122	\$81,066	▲83.0%	\$21,317	▼14.5%	\$12.36	▲\$7.97	26.3%	▼30.0%
	<b>Rollup</b>	<b>\$81,066</b>	<b>▲83.0%</b>	<b>\$21,317</b>	<b>▼14.5%</b>	<b>\$12.36</b>	<b>▲\$7.97</b>	<b>26.3%</b>	<b>▼30.0%</b>
7. Yellow Bus	Hdn Valley	\$0	▼100.0%	\$2,846	▼29.2%	-\$2.41	▼\$20.24		
	White Hill	\$0	▼100.0%	\$38,620	▼51.0%	-\$2.47	▼\$5.06		
	<b>Rollup</b>	<b>\$0</b>	<b>▼100.0%</b>	<b>\$41,467</b>	<b>▼49.9%</b>	<b>-\$2.47</b>	<b>▼\$5.80</b>		
8. Recreational	66	\$367,912	▲16.6%	\$201,339	▲48.8%	\$2.26	▼\$0.34	54.7%	▲11.9%
	<b>Rollup</b>	<b>\$367,912</b>	<b>▲16.6%</b>	<b>\$201,339</b>	<b>▲48.8%</b>	<b>\$2.26</b>	<b>▼\$0.34</b>	<b>54.7%</b>	<b>▲11.9%</b>
<b>Rollup</b>	<b>\$5,873,265</b>	<b>▲0.6%</b>	<b>\$1,010,345</b>	<b>▼0.9%</b>	<b>\$6.18</b>	<b>▲\$0.06</b>	<b>17.2%</b>	<b>▼0.3%</b>	

\* Change compared to same quarter of prior year

## Marin Access

### Marin Access Passenger Statistics by Service

Typology	Route	Passengers	%Change*	Revenue Hours	%Change*	Productivity (pax/hr)	Change*
<b>9. Demand Response</b>	Dillon DAR	120	▼16.7%	60	▼7.7%	2.0	▼0.2
	Local Para	30,637	▼0.5%	14,891	▲5.1%	2.1	▼0.1
	MTC	1,307		1,710		0.8	
	Novato DAR	1,075	▲5.3%	539	▲12.3%	2.0	▼0.1
	PtReyesDAR	49	▲22.5%	21	▲33.3%	2.3	▼0.2
	<b>Rollup</b>		<b>33,188</b>	<b>▲3.7%</b>	<b>17,221</b>	<b>▲17.0%</b>	<b>1.9</b>
Catch-A-Ride	CAR_Gen	3,069	▲101.6%	0			
	CAR_LowInc	526	▼75.7%	0			
	<b>Rollup</b>	<b>3,595</b>	<b>▼2.5%</b>	<b>0</b>			
Volunteer Driver	VolDvr	2,741	▼1.3%	3,240	▲0.7%	0.8	▼0.0
	VolDvrWM	1,014	▼10.4%	1,652	▼8.9%	0.6	▼0.0
<b>Rollup</b>		<b>40,538</b>	<b>▲2.4%</b>	<b>22,113</b>	<b>▲11.9%</b>	<b>1.8</b>	<b>▼0.2</b>

### Marin Access Financial Statistics by Service

Typology	Route	Operating Cost	%Change*	Passenger Revenue	%Change*	Average Subsidy	Change*	Farebox Recovery	Change*
<b>9. Demand Response</b>	Dillon DAR	\$4,116	▼13.3%	\$252	▲11.7%	\$32.20	▲\$0.81	6.1%	▲1.4%
	Local Para	\$1,365,992	▲6.0%	\$57,124	▲6.0%	\$42.72	▲\$2.62	4.2%	▲0.0%
	MTC	\$224,562		\$1,864		\$170.39		0.8%	
	Novato DAR	\$44,506	▲1.6%	\$1,920	▼2.3%	\$39.61	▼\$1.38	4.3%	▼0.2%
	PtReyesDAR	\$1,422	▲22.9%	\$103	▲61.1%	\$26.90	▼\$0.43	7.3%	▲1.7%
	<b>Rollup</b>	<b>\$1,640,597</b>	<b>▲22.5%</b>	<b>\$61,263</b>	<b>▲9.2%</b>	<b>\$47.59</b>	<b>▲\$7.51</b>	<b>3.7%</b>	<b>▼0.5%</b>
Catch-A-Ride	CAR_Gen	\$55,811	▲51.4%	\$6,290	▲80.3%	\$16.14	▼\$5.80	11.3%	▲1.8%
	CAR_LowInc	\$8,166	▼84.0%	\$1,137	▼77.1%	\$13.36	▼\$7.90	13.9%	▲4.2%
	<b>Rollup</b>	<b>\$63,978</b>	<b>▼27.2%</b>	<b>\$7,427</b>	<b>▼12.2%</b>	<b>\$15.73</b>	<b>▼\$5.81</b>	<b>11.6%</b>	<b>▲2.0%</b>
Volunteer Driver	VolDvr	\$27,134	▼37.6%	\$0		\$9.90	▼\$5.76	0.0%	-
	VolDvrWM	\$16,950	▼40.4%	\$0		\$16.71	▼\$8.39	0.0%	-
<b>Rollup</b>	<b>\$1,748,659</b>	<b>▲16.7%</b>	<b>\$68,690</b>	<b>▲6.4%</b>	<b>\$41.44</b>	<b>▲\$5.23</b>	<b>3.9%</b>	<b>▼0.4%</b>	

\* Change compared to same quarter of prior year

## Systemwide Total

### Systemwide Passenger Statistics Summary

	Passengers	%Change*	Revenue Hours	%Change*	Productivity (pax/hr)	Change*
Values	826,849	▲0.0%	67,938	▲3.1%	12.2	▼0.4

### Systemwide Financial Statistics Summary

	Operating Cost	%Change*	Passenger Revenue	%Change*	Average Subsidy	Change*	Farebox Recovery	Change*
Values	\$7,621,924	▲3.9%	\$1,079,035	▼0.5%	\$7.91	▲\$0.35	14.2%	▼0.6%

\* Change compared to same quarter of prior year

## FY 2018/19 Marin Access Outreach and Travel Training

Events August through October 2018

August 2018

Date	Event	Description
<b>8/8/2018</b>	Travel Navigator Satellite Hours at Pickleweed (Albert J. Boro Community Center)	"Office hours" during regularly scheduled multicultural senior event. Individual counseling and group Q&A available in English, Spanish, and Vietnamese.
<b>8/14/2018</b>	Martin Access Presentation at the Redwoods in Mill Valley	Staff presentation on Marin Access and Marin Transit.
<b>8/16/2018</b>	Travel Navigator Satellite Hours at West Marin Senior Services Dance Palace in Point Reyes	"Office hours" during regularly scheduled social event.
<b>8/23/2018</b>	Marin Access and MT Connect presentation at Nazareth House in Terra Linda	Travel Navigator and Staff presentation on Marin Access and Marin Transit Connect.

September 2018

Date	Event	Description
<b>9/5/2018</b>	Marin Access and MT Connect presentation at Drake Terrace	Travel Navigator and Staff presentation on Marin Access and Marin Transit Connect.
<b>9/11/2018</b>	Travel Navigator Satellite Hours in Mill Valley Community Center	"Office hours" during regularly scheduled social event.
<b>9/12/2018</b>	Travel Navigator Satellite Hours at Pickleweed (Albert J. Boro Community Center)	"Office hours" during regularly scheduled multicultural senior event. Individual counseling and group Q&A available in English and Vietnamese.
<b>9/19/2018</b>	Martin Access Presentation at the Bennett House in Fairfax	Staff presentation on Marin Access and Marin Transit.
<b>9/20/2018</b>	Travel Navigator Satellite Hours at West Marin Senior Services Dance Palace in Point Reyes	"Office hours" during regularly scheduled social event.
<b>9/21/2018</b>	Marin Access and MT Connect presentation at Maria B Freitas Apartments	Travel Navigator and Staff presentation on Marin Access and Marin Transit Connect.

## FY 2018/19 Marin Access Outreach and Travel Training

Events August through October 2018

<b>9/26/2018</b>	Transportation Options for Seniors Workshop at Margaret Todd Senior Center	Staff presentation on Marin Access and Marin Transit.
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October 2018

<b>Date</b>	<b>Event</b>	<b>Description</b>
<b>10/2/2018</b>	AAI Inform & Connect Workshop	Staff presentation on Marin Access and Marin Transit and group discussion focusing on available programs and community needs.
<b>10/10/2018</b>	Travel Navigator Satellite Hours at Pickleweed (Albert J. Boro Community Center)	"Office hours" during regularly scheduled multicultural senior event. Individual counseling and group Q&A available in English and Vietnamese.
<b>10/11/2018</b>	Satellite Hours at Margaret Todd Senior Center	Office hours in main lobby.
<b>10/16/2018</b>	Marin Access and MT Connect Presentation at Parnow House	Staff presentation on Marin Access and Marin Transit Connect.
<b>10/18/2018</b>	Satellite Hours at West Marin Senior Services	"Office hours" during regularly scheduled social event.
<b>10/24/2018</b>	Marin Senior Fair at Civic Center Exhibition Hall	Annual senior information fair. Marin Access booth in the main hall with giveaways and information.
<b>10/29/2018</b>	Marin Access Presentation at College of Marin Student Accessibility Services	Travel Navigator presentation on Marin Access.



711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
[marintransit.org](http://marintransit.org)

December 3, 2018

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT:** Update to Marin Transit Drug and Alcohol Testing Policy

**board of directors**

Dear Board Members:

stephanie moulton-peters  
president  
city of mill valley

**RECOMMENDATION: Information only.**

damon connolly  
vice president  
supervisor district 1

**SUMMARY:** Staff has updated the Marin Transit Drug and Alcohol Testing Policy. The attached policy meets current federal requirements that all grantees maintain a drug-free workplace and have a drug and alcohol testing policy for safety-sensitive employees. This policy will replace the Drug and Alcohol Testing Policy adopted by the Marin Transit Board of Directors on November 17, 2014.

dennis rodoni  
2nd vice president  
supervisor district 4

**BACKGROUND:** Federal grant recipients are required to maintain a drug-free workplace for all employees and to have an ongoing drug-free awareness program (Drug Free Workplace Act of 1988). Grant recipients are also required to have a drug and alcohol testing program in place for all safety sensitive employees (Omnibus Transportation Employee Testing Act of 1991). In general, safety sensitive employees are those employees that drive, dispatch or maintain a bus, or are required to hold a Commercial Driver's License or carry a firearm for security purposes. Marin Transit does not directly employ safety sensitive employees. However, the District is responsible for ensuring that its purchased transportation contractors comply with these same testing requirements.

judy arnold  
director  
supervisor district 5

kate colin  
director  
city of san rafael

kathrin sears  
director  
supervisor district 3

Beginning on January 1, 2019, the Federal Transit Administration will require that transit operators conduct twice as many random drug tests than the current standard. The proportion of random drug tests for safety-sensitive employees will increase from the current 25 percent sampling rate to a minimum of 50 percent. To comply with this change, staff recommends that Marin Transit revise its Drug and Alcohol Testing Policy to comply with this change and remove the reference to the pre-2019 standard.

katie rice  
director  
supervisor district 2

**Revision to the Policy**  
(Deleted text is in italics)

## N. RANDOM TESTING

- 3) The number of employees randomly selected for drug/alcohol testing during the calendar year shall be not less than the percentage rates established by Federal regulations for those safety-sensitive employees subject to random testing by Federal regulations. *The current random testing rate for drugs established by FTA equals twenty-five percent of the number of covered employees in the pool and the random testing rate for alcohol established by FTA equals ten percent of the number of covered employees in the pool.*

Staff is working with the District's operations contractors to ensure that they are prepared to meet the new 50 percent testing rates effective Jan 1, 2019. Only Marin Airporter will need to update their Drug and Alcohol Testing Policy to remove the reference to a specific testing rate.

Marin Transit's Drug and Alcohol Testing Policy sets the procedures that purchased transportation contractors must follow and guidelines for District staff to monitor compliance. After your Board adopts the updated policy, staff will distribute the revisions to Marin Transit's contractors with highlighted text noting the required changes.

**FISCAL/STAFFING IMPACT:** There is no fiscal impact associated with adopting this Drug and Alcohol Testing Policy.

Respectfully submitted,



Amy Van Doren  
Director of Policy and Legislative Programs

Attachment: Drug and Alcohol Testing Policy





**MARIN TRANSIT**

**DRUG AND ALCOHOL TESTING POLICY**

Policy #:	HR-01
Subject:	Drug and Alcohol
Effective Date:	October 15, 2012
Revision Date:	November 15, 2014

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<b>ATTACHMENT A - STAFFING PLAN FOR IMPLEMENTING MARIN TRANSIT'S DRUG &amp; ALCOHOL TESTING PROGRAMS</b>	

**ATTACHMENT B – MARIN TRANSIT DRUG & ALCOHOL TESTING PROGRAM CONTACTS**

## PREAMBLE

Marin County Transit District (Marin Transit) adopts this policy to provide a safe workplace and ensure compliance with all mandated drug and alcohol programs and a standard with respect to Drug and Alcohol testing for all contractors providing service on behalf of the District. Marin Transit will include the following requirements in all of the District's contracts for purchased transportation services:

The Contractor agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Parts 653 and 654, produce any documentation necessary to establish its compliance with Parts 653 and 654, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency of California, or Marin Transit, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Parts 653 and 654 and review the testing process. The Contractor agrees further to certify annually its compliance with Parts 653 and 654 before March 1 and to submit the Management Information System (MIS) reports before March 1 to Marin Transit's General Manager. To certify compliance the Contractor shall use the "Substance Abuse Certifications" in the "Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements," which is published annually in the Federal Register. The Contractor agrees further to submit before contract implementation a copy of the Policy Statement developed to implement its drug and alcohol testing program.

Further, Marin Transit will conduct ongoing oversight of contractors to ensure that their programs remain in compliance and will take whatever actions are necessary and appropriate to ensure contractor compliance. If a contractor is unwilling or unable to comply with the regulations, Marin Transit will discontinue using this contractor for safety-sensitive duties, so as not to jeopardize federal funding. Contractors that bid on safety-sensitive work will be considered non-responsive if they do not have or are not able to establish a Federal Transit Administration-compliant drug and alcohol testing program.

This policy meets Federal Transit Administration (FTA) requirements and will be used as a model for Marin Transit's purchased transportation service providers. To ensure compliance with Federal standards, only underlined passages can be eliminated or revised.

## A. PURPOSE

- 1) The Marin Transit provides public transit and paratransit services for the residents of Marin County. Part of our mission is to ensure that this service is delivered safely, efficiently, and effectively by establishing a drug and alcohol-free work environment, and to ensure that the workplace remains free from the effects of drugs and alcohol in order to promote the health and safety of employees and the general public. In keeping with this mission, Marin Transit declares that the unlawful manufacture, distribution, dispensing, possession, or use of controlled substances or misuse of alcohol is prohibited for all employees.
- 2) Additionally, the purpose of this policy is to establish guidelines to maintain a drug and alcohol-free workplace in compliance with the Drug-Free Workplace Act of 1988, and the Omnibus Transportation Employee Testing Act of 1991. This policy is intended to comply with all applicable Federal regulations governing workplace anti-drug and alcohol programs in the transit industry. Specifically, the Federal Transit Administration (FTA) of the U.S. Department of Transportation has published 49 CFR Part 655, as amended, that mandates urine drug testing and breath alcohol testing for safety-sensitive positions, and prohibits performance of safety-sensitive functions when there is a positive test result. The U. S. Department of Transportation (USDOT) has also published 49 CFR Part 40, as amended, that sets standards for the collection and testing of urine and breath specimens.
- 3) Any provisions set forth in this policy that are included under the sole authority of Marin Transit and are not provided under the authority of the above named Federal regulations are underlined. Tests conducted under the sole authority of Marin Transit will be performed on non-USDOT forms and will be separate from USDOT testing in all respects.

## B. APPLICABILITY

This Drug and Alcohol Testing Policy applies to all safety-sensitive employees (full- or part-time) when performing safety sensitive duties. Marin Transit employees that do not perform safety-sensitive functions are also covered under this policy under the sole authority of Marin Transit. See Attachment A for a list of employees and the authority under which they are included.

A safety-sensitive function is operation of public transit service including the operation of a revenue service vehicle (whether or not the vehicle is in revenue service), maintenance of a revenue service vehicle or equipment used in revenue service, security personnel who carry firearms, dispatchers or person controlling the movement of revenue service vehicles and any transit employee who operates a vehicle that requires a Commercial Driver's License to operate. Maintenance functions include the repair, overhaul, and rebuild of engines, vehicles and/or equipment used in revenue service. A list of safety-sensitive positions that perform one or more of the above mentioned duties is provided in Attachment A. Supervisors are only safety sensitive if they perform one of the above functions. Volunteers are considered safety sensitive and subject to testing if they are required to hold a CDL, or receive remuneration for service in excess of actual expense.

### C. DEFINITIONS

*Accident:* An occurrence associated with the operation of a vehicle even when not in revenue service, if as a result:

- a) An individual dies;
- b) An individual suffers a bodily injury and immediately receives medical treatment away from the scene of the accident; or,
- c) One or more vehicles incur disabling damage as the result of the occurrence and is transported away from the scene by a tow truck or other vehicle. For purposes of this definition, *disabling damage* means damage which precludes departure of any vehicle from the scene of the occurrence in its usual manner in daylight after simple repairs. Disabling damage includes damage to vehicles that could have been operated but would have been further damaged if so operated, but does not include damage which can be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement without other damage even if no spare tire is available, or damage to headlights, taillights, turn signals, horn, mirrors or windshield wipers that makes them inoperative.

*Adulterated specimen:* A specimen that has been altered, as evidence by test results showing either a substance that is not a normal constituent for that type of specimen or showing an abnormal concentration of an endogenous substance.

*Alcohol:* The intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols contained in any beverage, mixture, mouthwash, candy, food, preparation or medication.

*Alcohol Concentration:* Expressed in terms of grams of alcohol per 210 liters of breath as indicated by a breath test under 49 CFR Part 40.

*Aliquot:* A fractional part of a specimen used for testing; it is taken as a sample representing the whole specimen.

*Canceled Test:* A drug or alcohol test that has a problem identified that cannot be or has not been corrected or which is canceled. A canceled test is neither positive nor negative.

*Confirmatory Drug Test:* A second analytical procedure performed on a different aliquot of the original specimen to identify and quantify the presence of a specific drug or metabolite.

*Confirmatory Validity Test:* A second test performed on a different aliquot of the original urine specimen to further support a validity test result.

*Covered Employee Under FTA Authority:* An employee who performs a safety-sensitive function including an applicant or transferee who is being considered for hire into a safety-sensitive function (See Attachment A for a list of covered employees).

*Covered Employee Under Company Authority:* An employee, applicant, or transferee that will not perform a safety-sensitive function as defined by FTA but is included under the company's own authority. (See Attachment A).

*Designated Employer Representative (DER):* An employee authorized by the employer to take immediate action to remove employees from safety-sensitive duties and to make required decisions in testing. The DER also receives test results and other communications for the employer, consistent with the requirements of 49 CFR Parts 40 and 655.

*Department of Transportation (DOT):* For the purposes of Drug and Alcohol regulatory oversight, DOT is the department of the federal government that includes the Federal Transit Administration, Federal Railroad Administration, Federal Aviation Administration, Federal Motor Carriers' Safety Administration, Pipeline & Hazardous Materials Safety Administration, United States Coast Guard, and the Office of the Secretary of Transportation.

*Dilute specimen:* A urine specimen with creatinine and specific gravity values that are lower than expected for human urine.

*Disabling damage:* Damage which precludes departure of any vehicle from the scene of the occurrence in its usual manner in daylight after simple repairs. Disabling damage includes damage to vehicles that could have been operated but would have been further damaged if so operated, but does not include damage which can be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement without other damage even if no spare tire is available, or damage to headlights, taillights, turn signals, horn, or windshield wipers that makes them inoperative.

*Evidentiary Breath Testing Device (EBT):* A Device approved by the NHTSA for the evidential testing of breath at the 0.02 and the 0.04 alcohol concentrations. Approved devices are listed on the National Highway Traffic Safety Administration (NHTSA) conforming products list.

*Initial Drug Test: (Screening Drug Test)* The test used to differentiate a negative specimen from one that requires further testing for drugs or drug metabolites.

*Initial Specimen Validity Test:* The first test used to determine if a urine specimen is adulterated, diluted, substituted, or invalid

*Invalid Result:* The result reported by a Department of Health & Human Services (HHS)-certified laboratory in accordance with the criteria established by the HHS Mandatory Guidelines when a positive, negative, adulterated, or substituted results cannot be established for a specific drug or specimen validity test.

*Laboratory:* Any U.S. laboratory certified by HHS under the National Laboratory Certification program as meeting standards of Subpart C of the HHS Mandatory Guidelines for Federal Workplace Drug Testing Programs; or, in the case of foreign laboratories, a laboratory approved for participation by DOT under this part.

*Limit of Detection (LOD):* The lowest concentration at which a measurand can be identified, but (for quantitative assays) the concentration cannot be accurately calculated.

*Limit of Quantitation:* For quantitative assays, the lowest concentration at which the identity and concentration of the measurand can be accurately established.

*Medical Review Officer (MRO):* A licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory results generated by the drug testing



program who has knowledge of substance abuse disorders, and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result, together with his/her medical history, and any other relevant bio-medical information.

*Negative Dilute:* A drug test result which is negative for the five drug/drug metabolites but has a specific gravity value lower than expected for human urine.

*Negative result:* The result reported by an HHS-certified laboratory to an MRO when a specimen contains no drug or the concentration of the drug is less than the cutoff concentration for the drug or drug class and the specimen is a valid specimen.

*Non-negative test result:* A urine specimen that is reported as adulterated, substituted, invalid, or positive for drug/drug metabolites.

*Oxidizing Adulterant:* A substance that acts alone or in combination with other substances to oxidize drugs or drug metabolites to prevent the detection of the drug or metabolites, or affects the reagents in either the initial or confirmatory drug test.

*Performing (a safety-sensitive function):* A covered employee is considered to be performing a safety-sensitive function and includes any period in which he or she is actually performing, ready to perform, or immediately available to perform such functions.

*Positive result:* The result reported by an HHS- Certified laboratory when a specimen contains a drug or drug metabolite equal or greater to the cutoff concentrations.

*Prohibited drug:* Identified as marijuana, cocaine, opiates, amphetamines (including ecstasy), or phencyclidine at levels above the minimum thresholds specified in 49 CFR Part 40, as amended.

*Reconfirmed:* The result reported for a split specimen when the second laboratory is able to corroborate the original result reported for the primary specimen.

*Rejected for Testing:* The result reported by an HHS- Certified laboratory when no tests are performed for a specimen because of a fatal flaw or a correctable flaw that has not been corrected.

*Revenue Service Vehicles:* All transit vehicles that are used for passenger transportation service.

*Safety-sensitive functions:* Employee duties identified as:

- (1) The operation of a transit revenue service vehicle even when the vehicle is not in revenue service.
- (2) The operation of a non-revenue service vehicle by an employee when the operation of such a vehicle requires the driver to hold a Commercial Driver's License (CDL).
- (3) Maintaining a revenue service vehicle or equipment used in revenue service.
- (4) Controlling the movement of a revenue service vehicle and
- (5) Carrying a firearm for security purposes.

*Split Specimen Collection:* A collection in which the urine collected is divided into two separate bottles, the primary specimen (Bottle A) and the split specimen (Bottle B).

*Substance Abuse Professional (SAP):* A licensed physician (medical doctor or doctor of osteopathy) or licensed or certified psychologist, social worker, employee assistance professional, state-licensed marriage and family therapist, or drug and alcohol counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission or by the International Certification Reciprocity Consortium/Alcohol and other Drug Abuse (ICRC) or by the National Board for Certified Counselors, Inc. and Affiliates/Master Addictions Counselor (NBCC)) with knowledge of and clinical experience in the diagnosis and treatment of drug and alcohol related disorders.

*Substituted specimen:* 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.

*Test Refusal:* The following are considered a refusal to test if the employee:

- (1) Fails to appear for any test (excluding pre-employment) within a reasonable time, as determined by the employer, after being directed to do so by the employer
- (2) Fails to remain at the testing site until the testing process is complete
- (3) Fails to provide a urine or breath specimen for any drug or alcohol test required by Part 40 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) Fails to 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) Fails or declines to take a second test the employer or collector has directed you to take
- (7) Fails to 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) Fails to 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)
- (9) If the MRO reports that there is verified adulterated or substituted test result
- (10) Failure or refusal to sign Step 2 of the alcohol testing form
- (11) 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.
- (12) Possess or wear a prosthetic or other device that could be used to interfere with the collection process
- (13) Admit to the collector or MRO that you adulterated or substituted the specimen.

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

*Verified negative test:* A drug test result reviewed by a medical review officer and determined to have no evidence of prohibited drug use above the minimum cutoff levels established by the Department of Health and Human Services (HHS).

*Verified positive test:* A drug test result reviewed by a medical review officer and determined to have evidence of prohibited drug use above the minimum cutoff levels specified in 49 CFR Part 40 as revised.

*Validity testing:* The evaluation of the specimen to determine if it is consistent with normal human urine. Specimen validity testing will be conducted on all urine specimens provided for testing under DOT authority. The purpose of validity testing is to determine whether certain adulterants or foreign substances were added to the urine, if the urine was diluted, or if the specimen was substituted.

#### **D. EDUCATION AND TRAINING**

- 1) Every covered employee will receive a copy of this policy and will have ready access to the corresponding federal regulations including 49 CFR Parts 655 and 40, as amended. In addition, all covered employees will undergo a minimum of 60 minutes of training on the signs and symptoms of drug use including the effects and consequences of drug use on personal health, safety, and the work environment. The training also includes manifestations and behavioral cues that may indicate prohibited drug use.
- 2) All supervisory personnel or company officials who are in a position to determine employee fitness for duty will receive 60 minutes of reasonable suspicion training on the physical, behavioral, and performance indicators of probable drug use and 60 minutes of additional reasonable suspicion training on the physical, behavioral, speech, and performance indicators of probable alcohol misuse.

#### **E. PROHIBITED SUBSTANCES**

- 1) Prohibited substances addressed by this policy include the following.
  - a. Illegally Used Controlled Substance or Drugs Under the Drug-Free Workplace Act of 1988 any drug or any substance identified in Schedule I 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, amphetamines (including methamphetamine and ecstasy), opiates (including heroin), phencyclidine (PCP), and cocaine, 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 use of any illegal drug, misuse of legally prescribed drugs, and use of illegally obtained prescription drugs. Also, the medical use of marijuana, or the use of hemp related products, which cause drug or drug metabolites to be present in the body above the minimum thresholds is a violation of this policy

Federal Transit Administration drug testing regulations (49 CFR Part 655) require that all employees covered under FTA Authority be tested for

marijuana, cocaine, amphetamines (including methamphetamine and ecstasy), opiates (including heroin), and phencyclidine as described in Section H of this policy. Employees covered under company authority will also be tested for these same substances. Illegal use of these five drugs is prohibited at all times and thus, covered employees may be tested for these drugs anytime that they are on duty.

- b. **Legal Drugs:** 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 a Marin Transit supervisor and the employee is required to provide a written release from his/her doctor or pharmacist indicating that the employee can perform his/her safety-sensitive functions.
- c. **Alcohol:** The use of beverages containing alcohol (including any mouthwash, medication, food, candy) or any other substances such that alcohol is present in the body while performing safety-sensitive job functions is prohibited. A random or reasonable suspicion alcohol test can only be performed on a covered employee under 49 CFR Part 655 just before, during, or just after the performance of safety-sensitive job functions. Under Marin Transit authority, a non-DOT alcohol test can be performed any time an employee is on duty.

## **F. PROHIBITED CONDUCT**

- 1) All 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 49 CFR PART 40, as amended.
- 2) Each covered employee is prohibited from consuming alcohol while performing safety-sensitive job functions or while on-call to perform safety-sensitive job functions. If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time that they are called to report for duty. The covered employee will subsequently be relieved of his/her on-call responsibilities and subject to discipline.

- 3) The Transit Department shall not permit any covered employee to perform or continue to perform safety-sensitive functions if it has actual knowledge that the employee is using alcohol
- 4) Each covered employee is prohibited from reporting to work or remaining on duty requiring the performance of safety-sensitive functions while having an alcohol concentration of 0.02 or greater regardless of when the alcohol was consumed.
- 5) No covered employee shall consume alcohol for eight (8) hours following involvement in an accident or until he/she submits to the post-accident drug/alcohol test, whichever occurs first.
- 6) No covered employee shall consume alcohol within four (4) hours prior to the performance of safety-sensitive job functions.
- 7) Marin Transit under its own authority also prohibits the consumption of alcohol all times employee is on duty, or anytime the employee is in uniform.
- 8) Consistent with the Drug-free Workplace Act of 1988, all Marin Transit employees are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of prohibited substances in the work place including transit system premises and transit vehicles.

#### **G. DRUG STATUTE CONVICTION**

Consistent with the Drug Free Workplace Act of 1998, all employees are required to notify the Marin Transit management of any criminal drug statute conviction for a violation occurring in the workplace within five days after such conviction. Failure to comply with this provision shall result in disciplinary action as defined in Section Q.10 of this policy.

#### **H. TESTING REQUIREMENTS**

- 1) Analytical urine drug testing and breath testing for alcohol will be conducted using the testing methodologies and thresholds defined in 49CFR part 40 as

amended. All employees covered under FTA authority shall be subject to testing prior to performing safety-sensitive duty, for reasonable suspicion, following an accident, and random as defined in Section K, L, M, and N of this policy, and return to duty/follow-up. All employees covered under company authority will also be subject to testing for reasonable suspicion, post-accident, random and return to duty/follow up using non-DOT testing forms

- 2) A drug test can be performed any time a covered employee is on duty. A reasonable suspicion and random alcohol test can be performed just before, during, or after the performance of a safety-sensitive job function. Under Marin Transit authority, a non-DOT alcohol test can be performed any time an employee is on duty.
- 3) All employees will be subject to urine drug testing and breath alcohol testing as a condition of ongoing employment with Marin Transit. Any safety-sensitive employee who refuses to comply with a request for testing shall be removed from duty and subject to discipline as defined in Section Q of this policy.

#### **I. DRUG TESTING PROCEDURES**

- 1) Testing shall be conducted in a manner to assure a high degree of accuracy and reliability and using techniques, equipment, and laboratory facilities which have been approved by the U.S. Department of Health and Human Service (HHS). All testing will be conducted consistent with the procedures set forth in 49 CFR Part 40, as amended. The procedures will be performed in a private, confidential manner and every effort will be made to protect the employee, the integrity of the drug testing procedure, and the validity of the test result.
- 2) The drugs that will be tested for include marijuana, cocaine, opiates (including heroin), amphetamines (including methamphetamine and ecstasy), and phencyclidine. After the identity of the donor is checked using picture identification, a urine specimen will be collected using the split specimen collection method described in 49 CFR Part 40, as amended. Each specimen will be accompanied by a DOT Chain of Custody and Control Form and identified using a unique identification number that attributes the specimen to the correct individual. The specimen analysis will be conducted at a HHS certified laboratory. An initial drug screen and validity test will be conducted on the primary urine specimen. For those specimens that are not negative, a

confirmatory Gas Chromatography/Mass Spectrometry (GC/MS) test will be performed. The test will be considered positive if the amounts of the drug(s) and/or its metabolites identified by the GC/MS test are above the minimum thresholds established in 49 CFR Part 40, as amended.

- 3) The test results from the HHS certified laboratory will be reported to a Medical Review Officer. A Medical Review Officer (MRO) is a licensed physician with detailed knowledge of substance abuse disorders and drug testing. The MRO will review the test results to ensure the scientific validity of the test and to determine whether there is a legitimate medical explanation for a confirmed positive, substitute, or adulterated test result. The MRO will attempt to contact the employee to notify the employee of the non-negative laboratory result, and provide the employee with an opportunity to explain the confirmed laboratory test result. The MRO will subsequently review the employee's medical history/medical records as appropriate to determine whether there is a legitimate medical explanation for a non-negative laboratory result. If no legitimate medical explanation is found, the test will be verified positive or refusal to test and reported to the Marin Transit Drug and Alcohol Program Manager (DAPM). If a legitimate explanation is found, the MRO will report the test result as negative to the DAPM.
- 4) If the test is invalid without a medical explanation, a retest will be conducted under direct observation. Employees do not have access to a test of their split specimen following an invalid result.
- 5) Any covered employee who questions the results of a required drug test under paragraphs L through P of this policy may request that the split sample be tested. The split sample test must be conducted at a second HHS-certified laboratory. The test must be conducted on the split sample that was provided by the employee at the same time as the primary sample. The method of collecting, storing, and testing the split sample will be consistent with the procedures set forth in 49 CFR Part 40, as amended. The employee's request for a split sample test must be made to the Medical Review Officer within 72 hours of notice of the original sample verified test result. Requests after 72 hours will only be accepted at the discretion of the MRO if the delay was due to documentable facts that were beyond the control of the employee. Marin Transit will ensure that the cost for the split specimen are covered in order for a timely analysis of the sample, however Marin Transit will seek reimbursement for the split sample test from the employee.



- 6) If the analysis of the split specimen fails to confirm the presence of the drug(s) detected in the primary specimen, if the split specimen is not able to be analyzed, or if the results of the split specimen are not scientifically adequate, the MRO will declare the original test to be canceled. If the split specimen is not available to analyze the MRO will direct Marin Transit to retest the employee under direct observation.
- 7) The split specimen will be stored at the initial laboratory until the analysis of the primary specimen is completed. If the primary specimen is negative, the split will be discarded. If the primary specimen is positive, it will be retained in frozen storage for one year and the split specimen will also be retained for one year. If the primary is positive, the primary and the split will be retained for longer than one year for testing if so requested by the employee through the Medical Review Officer, or by the employer, by the MRO, or by the relevant DOT agency.
- 8) Observed collections
  - a. Consistent with 49 CFR part 40, as amended, collection under direct observation (by a person of the same gender) with no advance notice will occur if:
    - i. The laboratory reports to the MRO that a specimen is invalid, and the MRO reports to Marin Transit that there was not an adequate medical explanation for the result;
    - ii. The MRO reports to Marin Transit that the original positive, adulterated, or substituted test result had to be cancelled because the test of the split specimen could not be performed;
    - iii. The laboratory reported to the MRO that the specimen was negative-dilute with a creatinine concentration greater than or equal to 2 mg/dL but less than or equal to 5 mg/dL, and the MRO reported the specimen to you as negative-dilute and that a second collection must take place under direct observation (see §40.197(b)(1)).
    - iv. The collector observes materials brought to the collection site or the employee's conduct clearly indicates an attempt to tamper with a specimen;

- v. The temperature on the original specimen was out of range;
- vi. Anytime the employee is directed to provide another specimen because the original specimen appeared to have been tampered with.
- vii. All follow-up-tests; or
- viii. All return-to-duty tests

## **J. ALCOHOL TESTING PROCEDURES**

- 1) Tests for breath alcohol concentration will be conducted utilizing a National Highway Traffic Safety Administration (NHTSA)-approved Evidential Breath Testing device (EBT) operated by a trained Breath Alcohol Technician (BAT). Alcohol screening tests may be performed using a non-evidential testing device which is also approved by NHSTA. If the initial test indicates an alcohol concentration of 0.02 or greater, a second test will be performed to confirm the results of the initial test. The confirmatory test must occur on an EBT. The confirmatory test will be conducted no sooner than fifteen minutes after the completion of the initial test. The confirmatory test will be performed using a NHTSA-approved EBT operated by a trained BAT. The EBT will identify each test by a unique sequential identification number. This number, time, and unit identifier will be provided on each EBT printout. The EBT printout, along with an approved alcohol testing form, will be used to document the test, the subsequent results, and to attribute the test to the correct employee. The test will be performed in a private, confidential manner as required by 49 CFR Part 40, as amended. The procedure will be followed as prescribed to protect the employee and to maintain the integrity of the alcohol testing procedures and validity of the test result.
- 2) An employee who has a confirmed alcohol concentration of 0.04 or greater will be considered a positive alcohol test and in violation of this policy. The consequences of a positive alcohol test are described in Section Q of this policy. Even though an employee who has a confirmed alcohol concentration of 0.02 to 0.039 is not considered positive, the employee shall still be removed from duty for at least eight hours or for the duration of the work day whichever is longer

and will be subject to the consequences described in Section Q of this policy. An alcohol concentration of less than 0.02 will be considered a negative test.

- 3) Marin Transit affirms the need to protect individual dignity, privacy, and confidentiality throughout the testing process. If at any time the integrity of the testing procedures or the validity of the test results is compromised, the test will be canceled. Minor inconsistencies or procedural flaws that do not impact the test result will not result in a cancelled test.
- 4) The alcohol testing form (ATF) required by 49 CFR Part 40 as amended, shall be used for all FTA required testing. Failure of an employee to sign step 2 of the ATF will be considered a refusal to submit to testing.

#### **K. PRE-EMPLOYMENT TESTING**

- 1) All applicants for covered transit positions shall undergo urine drug testing prior to performance of a safety-sensitive function.
  - b. All offers of employment for covered positions shall be extended conditional upon the applicant passing a drug test. An applicant will not be allowed to perform safety-sensitive functions unless the applicant takes a drug test with verified negative results.
  - c. An employee shall not be placed, transferred or promoted into a position covered under FTA or company authority until the employee takes a drug test with verified negative results.
  - d. If an applicant fails a pre-employment drug test, the conditional offer of employment shall be rescinded and the applicant will be referred to a SAP. Failure of a pre-employment drug test will disqualify an applicant for employment for a period of at least one year. Before being considered for future employment the applicant must provide the employer proof of having successfully completed a referral, evaluation and treatment plan as described in section 655.62 of subpart G. The cost for the assessment and any subsequent treatment will be the sole responsibility of the applicant.

- e. When an employee being placed, transferred, or promoted from a non-covered position to a position covered under FTA or company authority submits a drug test with a verified positive result, the employee shall be subject to disciplinary action in accordance with Section Q herein.
- f. If a pre-employment test is canceled, Marin Transit will require the applicant to take and pass another pre-employment drug test.
- g. In instances where an FTA-covered employee does not perform a safety-sensitive function for a period of 90 consecutive days or more regardless of reason and during that period is not in the random testing pool, the employee will be required to take a pre-employment drug test under 49 CFR Part 655 and have negative test results prior to the conduct of safety-sensitive job functions.
- h. Following a negative dilute the employee will be required to undergo another test. Should this second test result in a negative dilute result, the test will be considered a negative and no additional testing will be required unless directed to do so by the MRO.
- i. Applicants are required (even if ultimately not hired) to provide *Marin Transit* 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. *Marin Transit* 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 Marin Transit proof of having successfully completed a referral, evaluation and treatment plan as described in section 655.62 of subpart G.

#### **L. REASONABLE SUSPICION TESTING**

- 1) All Marin Transit FTA covered employees will be subject to a reasonable suspicion drug and/or alcohol test when the employer has reasonable suspicion to believe that the covered employee has used a prohibited drug and/or

engaged in alcohol misuse. Reasonable suspicion shall mean that there is objective evidence, based upon specific, contemporaneous, articulable observations of the employee's appearance, behavior, speech or body odor that are consistent with possible drug use and/or alcohol misuse. Reasonable suspicion referrals must be made by one or more supervisors who are trained to detect the signs and symptoms of drug and alcohol use, and who reasonably concludes that an employee may be adversely affected or impaired in his/her work performance due to possible prohibited substance abuse or alcohol misuse. A reasonable suspicion alcohol test can only be conducted just before, during, or just after the performance of a safety-sensitive job function. However, under Marin Transit's authority, a non-DOT reasonable suspicion alcohol test may be performed any time the covered employee is on duty. A reasonable suspicion drug test can be performed any time the covered employee is on duty. All employees covered under the sole authority of Marin Transit will also be subject to non-USDOT reasonable suspicion testing procedures modeled off the provisions in 49 CFR Part 40.

- 2) Marin Transit shall be responsible for transporting the employee to the testing site. Supervisors should avoid placing themselves and/or others into a situation which might endanger the physical safety of those present. The employee shall be placed on administrative leave pending disciplinary action described in Section Q of this policy. An employee who refuses an instruction to submit to a drug/alcohol test shall not be permitted to finish his or her shift and shall immediately be placed on administrative leave pending disciplinary action as specified in Section Q of this policy.
- 3) A written record of the observations which led to a drug/alcohol test based on reasonable suspicion shall be prepared and signed by the supervisor making the observation. This written record shall be submitted to the Marin Transit
- 4) When there are no specific, contemporaneous, articulable objective facts that indicate current drug or alcohol use, but the employee (who is not already a participant in a treatment program) admits the abuse of alcohol or other substances to a supervisor in his/her chain of command, the employee shall be referred for assessment and treatment consistent with Section Q of this policy. Marin Transit shall place the employee on administrative leave in accordance with the provisions set forth under Section Q of this policy. Testing in this circumstance would be performed under the direct authority of the Marin Transit. **Since the employee self-referred to management, testing under this circumstance would not be considered a violation of this policy or a positive**

**test result under Federal authority.** However, self-referral does not exempt the covered employee from testing under Federal authority as specified in Sections L through N of this policy or the associated consequences as specified in Section Q.

#### **M. POST-ACCIDENT TESTING**

- 1) **FATAL ACCIDENTS** - All employees covered under FTA authority will be required to undergo urine and breath testing if they are involved in an accident with a transit vehicle regardless of whether or not the vehicle is in revenue service that results in a fatality. This includes all surviving covered employees that are operating the vehicle at the time of the accident and any other whose performance could have contributed to the accident.
  
- 2) **NON-FATAL ACCIDENTS** - A post-accident test of the operator will be conducted if an accident results in injuries requiring immediate transportation to a medical treatment facility; or one or more vehicles incurs disabling damage, unless the operator's performance can be completely discounted as a contributing factor to the accident.
  - a. As soon as practicable following an accident, as defined in this policy, the transit supervisor investigating the accident will notify the transit employee operating the transit vehicle and all other covered employees whose performance could have contributed to the accident of the need for the test. The supervisor will make the determination using the best information available at the time of the decision.
  
  - b. The appropriate transit supervisor shall ensure that an employee, required to be tested under this section, is tested as soon as practicable, but no longer than eight (8) hours of the accident for alcohol, and no longer than 32 hours for drugs. If an alcohol test is not performed within two hours of the accident, the Supervisor will document the reason(s) for the delay. If the alcohol test is not conducted within (8) eight hours, or the drug test within 32 hours, attempts to conduct the test must cease and the reasons for the failure to test documented.
  
  - c. Any covered employee involved in an accident must refrain from alcohol use for eight (8) hours following the accident or until he/she undergoes a post-accident alcohol test.

- d. An employee who is subject to post-accident testing who fails to remain readily available for such testing, including notifying a supervisor of his or her location if he or she leaves the scene of the accident prior to submission to such test, may be deemed to have refused to submit to testing.
- e. Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident, or to prohibit an employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident, or to obtain necessary emergency medical care.
- f. In the rare event that Marin Transit is unable to perform an FTA drug and alcohol test (i.e., employee is unconscious, employee is detained by law enforcement agency), Marin Transit may use drug and alcohol post-accident test results administered by local law enforcement officials in lieu of the FTA test. The local law enforcement officials must have independent authority for the test and the employer must obtain the results in conformance with local law.

#### **N. RANDOM TESTING**

- 1) All covered employees will be subjected to random, unannounced testing. Employees covered under FTA authority will be selected from a pool of DOT-covered safety-sensitive employees. Employees covered under company authority will be selected from a pool of non-DOT-covered employees. The selection of employees shall be made by a scientifically valid method of randomly generating an employee identifier from the appropriate pool of employees.
- 2) The dates for administering unannounced testing of randomly selected employees shall be spread reasonably throughout the calendar year, day of the week and hours of the day.
- 3) The number of employees randomly selected for drug/alcohol testing during the calendar year shall be not less than the percentage rates established by Federal regulations for those safety-sensitive employees subject to random testing by

Federal regulations. The current random testing rate for drugs established by FTA equals twenty-five percent of the number of covered employees in the pool and the random testing rate for alcohol established by FTA equals ten percent of the number of covered employees in the pool.

- 4) Each covered employee shall be in a pool from which the random selection is made. Each covered employee in the pool shall have an equal chance of selection each time the selections are made. Employees will remain in the pool and subject to selection, whether or not the employee has been previously tested. There is no discretion on the part of management in the selection.
- 5) Covered transit employees that fall under the Federal Transit Administration regulations will be included in one random pool maintained separately from the testing pool of non-safety-sensitive employees that are included solely under Marin Transit authority.
- 6) Random tests can be conducted at any time during an employee's shift for drug testing. Alcohol random tests can be performed just before, during, or just after the performance of a safety sensitive duty. However, under Marin Transit's authority, a non-DOT random alcohol test may be performed any time the employee is on duty. Testing can occur during the beginning, middle, or end of an employee's shift.
- 7) Employees are required to proceed immediately to the collection site upon notification of their random selection.

#### **O. RETURN-TO-DUTY TESTING**

All covered employees who previously tested positive on a drug or alcohol test or refused a test, must test negative for drugs, alcohol (below 0.02 for alcohol), or both and be evaluated and released by the Substance Abuse Professional before returning to work. For an initial positive drug test a Return-to-Duty drug test is required and an alcohol test is allowed. For an initial positive alcohol test a Return-to-Duty alcohol test is required and a drug test is allowed. Following the initial assessment, the SAP will recommend a course of rehabilitation unique to the individual. The SAP will recommend the return-to-duty test only when the employee has successfully completed the treatment requirement and is known to be drug and alcohol-free and there are no undo concerns for public safety.



## **P. FOLLOW-UP TESTING**

Covered employees will be required to undergo frequent, unannounced drug and/or alcohol testing following their return-to-duty. The follow-up testing will be performed for a period of one to five years with a minimum of six tests to be performed the first year. The frequency and duration of the follow-up tests (beyond the minimums) will be determined by the SAP reflecting the SAP's assessment of the employee's unique situation and recovery progress. Follow-up testing should be frequent enough to deter and/or detect a relapse. Follow-up testing is separate and in addition to the random, post-accident, reasonable suspicion and return-to-duty testing.

In the instance of a self-referral or a management referral, the employee will be subject to non-USDOT follow-up tests and follow-up testing plans modeled using the process described in 49 CFR Part 40. However, all non-USDOT follow-up tests and all paperwork associated with an employee's return-to-work agreement that was not precipitated by a positive test result (or refusal to test) does not constitute a violation of the Federal regulations will be conducted under company authority and will be performed using non-DOT testing forms.

## **Q. RESULT OF DRUG/ALCOHOL TEST**

- a. Any covered employee that has a verified positive drug or alcohol test, or test refusal, will be removed from his/her safety-sensitive position, informed of educational and rehabilitation programs available, and referred to a Substance Abuse Professional (SAP) for assessment. No employee will be allowed to return to duty requiring the performance of safety-sensitive job functions without the approval of the SAP and the employer.
- b. Following a negative dilute the employee will be required to undergo another test. Should this second test result in a negative dilute result, the test will be considered a negative and no additional testing will be required unless directed to do so by the MRO.

### **Q.1 Marin Transit**

- c. Refusal to submit to a drug/alcohol test shall be considered a positive test result and a direct act of insubordination and shall result in termination and referral to an SAP. A test refusal includes the following circumstances:
- a. Fails to appear for any test (excluding pre-employment) within a reasonable time, as determined by the employer, after being directed to do so by the employer
  - b. Fails to remain at the testing site until the testing process is complete
  - c. Fails to provide a urine or breath specimen for any drug or alcohol test required by Part 40 or DOT agency regulations
  - d. 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
  - e. Fails to 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
  - f. Fails or declines to take a second test the employer or collector has directed you to take
  - g. Fails to 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
  - h. Fails to 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)
  - i. If the MRO reports that there is verified adulterated or substituted test result
  - j. Failure or refusal to sign Step 2 of the alcohol testing form
  - k. 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.
  - l. Possess or wear a prosthetic or other device that could be used to interfere with the collection process
  - m. Admit to the collector or MRO that you adulterated or substituted the specimen
- d. For the first instance of a verified positive test from a sample submitted as the result of a random, drug/alcohol test ( $\geq 0.04$  BAC), disciplinary action against the employee shall include:

- a. Mandatory referral to Substance Abuse Professional for assessment, formulation of a treatment plan, and execution of a return to duty agreement;
  - b. Failure to execute, or remain compliant with the return-to-duty agreement shall result in termination from Marin Transit employment.
    - i. Compliance with the return-to-duty agreement means that the employee has submitted to a drug/alcohol test immediately prior to returning to work; the result of that test is negative; in the judgment of the SAP the employee is cooperating with his/her SAP recommended treatment program; and, the employee has agreed to periodic unannounced follow-up testing as defined in Section P of this policy.
  - c. Refusal to submit to a periodic unannounced follow-up drug/alcohol test shall be considered a direct act of insubordination and shall result in termination.
  - d. A periodic unannounced follow-up drug/alcohol test which results in a verified positive shall result in termination from Marin Transit employment.
- e. The second instance of a verified positive drug or alcohol ( $\geq 0.04$  BAC) test result including a sample submitted under the random, reasonable suspicion, return-to-duty, or follow-up drug/alcohol test provisions herein shall result in termination from Marin Transit employment.
- f. A verified positive post-accident, or reasonable suspicion drug and/or alcohol ( $\geq 0.04$ ) test shall result in termination.
- g. An alcohol test result of  $\geq 0.02$  to  $\leq 0.039$  BAC shall result in the removal of the employee from duty for eight hours or the remainder of the work day whichever is longer. The employee will not be allowed to return to safety-sensitive duty for his/her next shift until he/she submits to an alcohol test with a result of less than 0.02 BAC
- h. The cost of any treatment or rehabilitation services will be paid directly by the employee or their insurance provider. The employee will be permitted to take accrued sick leave or administrative leave to participate in the prescribed treatment program. If the employee has insufficient accrued leave, the employee shall be placed on leave without pay until the employee has successfully completed the required treatment program and has been released

to return-to-duty. Any leave taken, either paid or unpaid, shall be considered leave taken under the Family and Medical Leave Act.

- i. In the instance of a self-referral or a management referral, disciplinary action against the employee shall include:
  - a. Mandatory referral for an assessment by an employer approved counseling professional, formulation of a treatment plan, and execution of a return to work agreement;
  - b. Failure to execute, or remain compliant with the return-to-work agreement shall result in termination from Marin Transit \_employment.
    - i. Compliance with the return-to-work agreement means that the employee has submitted to a drug/alcohol test immediately prior to returning to work; the result of that test is negative; the employee is cooperating with his/her recommended treatment program; and, the employee has agreed to periodic unannounced follow-up testing as described in Section P of this policy; however, all follow-up testing performed as part of a return-to-work agreement required under section Q of this policy is under the sole authority of Marin Transit and will be performed using non-DOT testing forms.
  - c. Refusal to submit to a periodic unannounced follow-up drug/alcohol test shall be considered a direct act of insubordination and shall result in termination. **All tests conducted as part of the return to work agreement will be conducted under company authority and will be performed using non-DOT testing forms.**
  - d. **A self-referral or management referral to the employer's approved counseling professional that was not precipitated by a positive test result does not constitute a violation of the Federal regulations and will not be considered as a positive test result in relation to the progressive discipline defined in Section Q of this policy.**
  - e. Periodic unannounced follow-up drug/alcohol test conducted as a result of a self-referral or management referral which results in a verified positive shall be considered a positive test result in relation to the progressive discipline defined in Section Q of this policy.
  - f. A Voluntary Referral does not shield an employee from disciplinary action or guarantee employment with Marin Transit.
  - g. A Voluntary Referral does not shield an employee from the requirement to comply with drug and alcohol testing.

- 10) Failure of an employee to report within five days a criminal drug statute conviction for a violation occurring in the workplace shall result in termination.

## **R. GRIEVANCE AND APPEAL**

The consequences specified by 49 CFR Part 40.149 (c) for a positive test or test refusal is not subject to arbitration.

## **S. PROPER APPLICATION OF THE POLICY**

Marin Transit is dedicated to assuring fair and equitable application of this substance abuse policy. Therefore, supervisors/managers are required to use and apply all aspects of this policy in an unbiased and impartial manner. Any supervisor/manager who knowingly disregards the requirements of this policy, or who is found to deliberately misuse the policy in regard to subordinates, shall be subject to disciplinary action, up to and including termination.

## **T. INFORMATION DISCLOSURE**

- 1) Drug/alcohol testing records shall be maintained by the Marin Transit Drug and Alcohol Program Manager and, except as provided below or by law, the results of any drug/alcohol test shall not be disclosed without express written consent of the tested employee.
- 2) The employee, upon written request, is entitled to obtain copies of any records pertaining to their use of prohibited drugs or misuse of alcohol including any drug or alcohol testing records. Covered employees have the right to gain access to any pertinent records such as equipment calibration records, and records of laboratory certifications. Employees may not have access to SAP follow-up testing plans.
- 3) Records of a verified positive drug/alcohol test result shall be released to the Drug and Alcohol Program Manager, and other transit system management personnel on a need to know basis.

- 4) Records will be released to a subsequent employer only upon receipt of a written request from the employee.
- 5) Records of an employee's drug/alcohol tests shall be released to the adjudicator in a grievance, lawsuit, or other proceeding initiated by or on behalf of the tested individual arising from the results of the drug/alcohol test. The records will be released to the decision maker in the proceeding.
- 6) Records will be released to the National Transportation Safety Board during an accident investigation.
- 7) Information will be released in a criminal or civil action resulting from an employee's performance of safety-sensitive duties, in which a court of competent jurisdiction determines that the drug or alcohol test information is relevant to the case and issues an order to the employer to release the information. The employer will release the information to the decision maker in the proceeding with a binding stipulation that it will only be released to parties of the proceeding.
- 8) Records will be released to the DOT or any DOT agency with regulatory authority over the employer or any of its employees.
- 9) Records will be released if requested by a Federal, state, or local safety agency with regulatory authority over Marin Transit or the employee.
- 10) If a party seeks a court order to release a specimen or part of a specimen contrary to any provision of Part 40 as amended, necessary legal steps to contest the issuance of the order will be taken.
- 11) In cases of a contractor or sub-recipient of a state department of transportation, records will be released when requested by such agencies that must certify compliance with the regulation to the FTA.

This Policy was adopted by the Marin Transit Board of Directors on November 15, 2014.

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Judy Arnold  
 President, Board of Directors  
 Marin Transit

**Attachment A - Staffing Plan for Implementing Marin Transit’s Drug & Alcohol Testing Programs**

Marin Transit does not directly employ safety sensitive employees who are subject to drug and alcohol testing. Instead, it will monitor the implementation of purchased transportation contractor programs

**This form will be filled out and maintained as a component of Marin Transit required policies for its purchased transportation service contractors.**

**Job Title**

**Job Duties**

**Testing Authority**

## **Attachment B – Marin Transit Drug & Alcohol Testing Program Contacts**

Any questions regarding this policy or any other aspect of the substance abuse policy should be directed to the following individual(s)

### **Marin Transit’s Drug and Alcohol Program Manager**

Name: Amy Van Doren  
 Title: Director of Policy & Legislative Programs  
 Address: 711 Grand Avenue, Suite 110  
 San Rafael, CA 94901  
 Telephone Number: 415-226-0859

Marin Transit’s purchased transportation service contractors will fill out and maintain this staffing plan as a component of Marin Transit’s requirements for their Drug and Alcohol Test Programs.

### **Purchased Transportation Contractor Contacts (required under each contract)**

Drug and Alcohol Program Manager

Name:  
 Title:  
 Address:  
 Telephone Number:

Medical Review Officer

Name:  
 Title:  
 Address:  
 Telephone Number:

Substance Abuse Professional

Name:  
 Title:  
 Address:  
 Telephone Number:

HHS Certified Laboratory Primary Specimen

Name:  
 Address:  
 Telephone Number:

HHS Certified Laboratory Split Specimen

Name:  
 Address:  
 Telephone Number:





711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
[marintransit.org](http://marintransit.org)

**board of directors**

stephanie moulton-peters  
president  
city of mill valley

damon connolly  
vice president  
supervisor district 1

dennis rodoni  
2nd vice president  
supervisor district 4

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director  
supervisor district 5

kate colin  
director  
city of san rafael

kathrin sears  
director  
supervisor district 3

katie rice  
director  
supervisor district 2

December 3, 2018

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Contract with Civic Edge Consulting for On-Call Public Information and Outreach Services**

Dear Board Members:

**RECOMMENDATION:** Authorize the General Manager to execute an agreement for on-call public information and outreach services for Marin Transit projects and programs through June 30, 2020 at a total cost not to exceed \$75,000 with one option year.

**BACKGROUND:**

On September 11, 2018, Marin Transit issued a Request for Qualifications (RFQ) to provide on-call public information and outreach services for Marin Transit projects and programs. Tasks include providing messaging and strategic planning support, on-going public outreach activities, and marketing and media relations support and managing ribbon-cutting ceremonies.

The goals of the services requested in this Request for Qualifications are to educate residents and voters about the value of public transit and maintain a positive public perception, inform the community about Marin Transit's new services, innovative projects, fleet upgrades, and other updates as applicable.

The work under this agreement will be established on an individual task order basis with a not to exceed amount that will be set for each task order.

Marin Transit posted the RFQ on the District's website and sent copies to several firms with relevant experience and qualifications. Responses were due October 3, 2018. Marin Transit received two proposals in response to the RFQ: Civic Edge Consulting and Artemia Communications Inc. Both proposers have previously worked with Marin Transit, and Marin Transit's prior experience with these teams is consistent with their responses to the RFQ. The evaluation committee consisted of four Marin Transit staff including those who have worked directly with the proposers. The evaluation committee reviewed and discussed the proposals in depth and scored them on the criteria identified in the RFP. These included their relevant

experience and project staff, project approach, examples of previous work, references, and cost.

Based on the evaluation committee's scoring and the District's prior positive experience with the firm's performance, staff recommends Civic Edge Consulting for contract award. Staff requests that your Board authorize the General Manager to execute an on-call contract with Civic Edge Consulting.

**FISCAL/STAFFING IMPACT:**

The total cost of the agreement over the 1.5-year timeframe will not exceed \$75,000. This cost includes consultant costs for requested tasks under the agreement and direct costs for associated services and supplies. Direct costs may include translation services, printed materials, and costs associated with hosting a ribbon-cutting ceremony. This agreement will be funded from District's local and rural transit marketing budgets, and is within the District's approved budget for FY 2018/19. Funding in subsequent fiscal years will be subject to the Board's approval of Marin Transit annual budget.

Respectfully submitted,



Aida Banihashemi  
Planning Manager

Attachment: Professional Services Contract

Contract Log #181930

**MARIN COUNTY TRANSIT DISTRICT  
PROFESSIONAL SERVICES CONTRACT**

**THIS CONTRACT** is made and entered into this 3rd day of December 2018, by and between the MARIN COUNTY TRANSIT DISTRICT, hereinafter referred to as "District" and Civic Edge Consulting, hereinafter referred to as "Consultant."

**RECITALS:**

**WHEREAS**, District desires to retain a person or firm to provide the following service: Public Information Consulting Services; and

**WHEREAS**, Consultant warrants that it is qualified and competent to render the aforesaid services;

**NOW, THEREFORE**, for and in consideration of the Contract made, and the payments to be made by District, the parties agree to the following:

**1. SCOPE OF SERVICES:**

Consultant agrees to provide all of the services described in **Exhibit A** attached hereto and by this reference made a part hereof.

**2. FURNISHED SERVICES:**

The District agrees to:

- A. Guarantee access to and make provisions for the Consultant to enter upon public and private lands as required to perform their work.
- B. Make available all pertinent data and records for review.
- C. Provide general bid and Contract forms and special provisions format when needed.

**3. FEES AND PAYMENT SCHEDULE:**

The fees and payment schedule for furnishing services under this Contract shall be based on the rate schedule which is attached hereto as **Exhibit B** and by this reference incorporated herein. Said fees shall remain in effect for the entire term of the Contract. Consultant shall provide District with his/her/its Federal Tax I. D. number prior to submitting the first invoice.

**4. TASK ORDER PROCEDURE:**

This is a task order contract. Each task order issued hereunder shall be identified by number, issued consecutively by the time of District's approval of the task. All work hereunder will be performed in accordance with the following:

- a. Each task hereunder will be initiated by a request from District for the Consultant to propose an approach to the specified task. Consultant's proposal will include the personnel to be employed, the estimated hours for each, and a firm fixed price. If personnel nominated for a task are outside the categories and hourly rates contained herein, Consultant shall identify the hourly rate and explain the reason for employing such personnel. Each such proposal may be negotiated regarding any matters other than the hourly rates established in the base contract.
- b. The approved amounts per task order will be consistent with the annual budget as approved by the District Board of Directors. Upon acceptance of Consultant's proposal, District shall issue a task order and notice to proceed to Consultant. Consultant shall promptly perform the services included in the task to District's satisfaction.
- c. Payment for each task shall be generally in accordance with the payments Section above. Consultant shall invoice separately for each task; each invoice shall be identified by the contract and task number. Consultant may invoice monthly on the basis specified in the task order for specified deliverables.

As set forth in section 14 of this Contract, should the funding source for this Contract be reduced, Consultant agrees that this maximum cost to District may be amended by written notice from District to reflect that reduction.

**5. TIME OF CONTRACT:**

This Contract shall commence on 3rd day of December 2018, and shall terminate on 30th day of June, 2020. The District may award up to one option year at the price stated in **Exhibit "B"**. Certificate(s) of Insurance must be current on day Contract commences and if scheduled to lapse prior to termination date, must be automatically updated before final payment may be made to Consultant. The final invoice must be submitted within 30 days of completion of the stated scope of services.

**6. INSURANCE:**

Commercial General Liability:

The Consultant shall maintain a commercial general liability insurance policy in the amount of \$1,000,000 (\$2,000,000 aggregate). The District shall be named as an additional insured on the commercial general liability policy.

Commercial Automobile Liability:

Where the services to be provided under this Contract involve or require the use of any type of vehicle by Consultant, Consultant shall provide comprehensive business or commercial automobile liability coverage, including non-owned and hired automobile liability, in the amount of \$1,000,000. 00.

Workers' Compensation:

The Consultant acknowledges the State of California requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code. If Consultant has employees, a copy of the certificate evidencing such insurance, a letter of self-insurance, or a copy of the Certificate of Consent to Self-Insure shall be provided to the District prior to commencement of work.

Errors and Omissions, Professional Liability or Malpractice Insurance.

Consultant may be required to carry errors and omissions, professional liability or malpractice insurance.

All policies shall remain in force through the life of this Contract and shall be payable on a "per occurrence" basis unless District specifically consents to a "claims made" basis. The insurer shall supply District adequate proof of insurance and/or a certificate of insurance evidencing coverages and limits prior to commencement of work. Should any of the required insurance policies in this Contract be cancelled or non-renewed, it is the Consultant's duty to notify the District immediately upon receipt of the notice of cancellation or non-renewal.

If Consultant does not carry a required insurance coverage and/or does not meet the required limits, the coverage limits and deductibles shall be set forth on a waiver, **Exhibit C**, attached hereto.

Failure to provide and maintain the insurance required by this Contract will constitute a material breach of this Contract. In addition to any other available remedies, District may suspend payment to the Consultant for any services provided during any time that insurance was not in effect and until such time as the Consultant provides adequate evidence that Consultant has obtained the required coverage.

**7. ANTI DISCRIMINATION AND ANTI HARASSMENT:**

Consultant and/or any subcontractor shall not unlawfully discriminate against or harass any individual including, but not limited to, any employee or volunteer of the Marin County Transit District based on race, color, religion, nationality, sex, sexual orientation, age or condition of disability. Consultant and/or any subcontractor understands and agrees that Consultant and/or any subcontractor is bound by and will comply with the anti-discrimination and anti-harassment mandates of all Federal, State and local statutes, regulations and ordinances.

**8. SUBCONTRACTING:**

The Consultant shall not subcontract nor assign any portion of the work required by this Contract without prior written approval of the District except for any subcontract work identified herein. If Consultant hires a subcontractor under this Contract, Consultant shall require subcontractor to provide and maintain insurance coverage(s) identical to what is required of Consultant under this Contract and shall require subcontractor to name Consultant and Marin County Transit District as an additional insured under this Contract for general liability. It shall be Consultant's responsibility to collect and maintain current evidence of insurance provided by its subcontractors and shall forward to the District evidence of same.

**9. ASSIGNMENT:**

The rights, responsibilities and duties under this Contract are personal to the Consultant and may not be transferred or assigned without the express prior written consent of the District.

**10. LICENSING AND PERMITS:**

The Consultant shall maintain the appropriate licenses throughout the life of this Contract. Consultant shall also obtain any and all permits which might be required by the work to be performed herein.

**11. BOOKS OF RECORD AND AUDIT PROVISION:**

Consultant shall maintain on a current basis complete books and records relating to this Contract. Such records shall include, but not be limited to, documents supporting all bids, all income and all expenditures. The books and records shall be original entry books with a general ledger itemizing all debits and credits for the work on this Contract. In addition, Consultant shall maintain detailed payroll records including all subsistence, travel and field expenses, and canceled checks, receipts and invoices for all items. These documents and records shall be retained for at least five years from the completion of this Contract. Consultant will permit District to audit all books, accounts or records relating to this Contract or all books, accounts or records of any business entities controlled by Consultant who participated in this Contract in any way. Any audit may be conducted on Consultant's premises or, at District's option, Consultant shall provide all books and records within a maximum of fifteen (15) days upon receipt of written notice from District. Consultant shall refund any monies erroneously charged.

**12. WORK PRODUCT/PRE-EXISTING WORK PRODUCT OF CONSULTANT:**

Any and all final documents, reports, and plans and drawings concerning this project prepared by the Consultant, shall become the property of the District at the completion of a task order or upon termination of a task order. The Consultant may retain reproducible copies of drawings and copies of other documents. In the event of the termination of this Contract, for any reason whatsoever, Consultant shall promptly turn over all information, writing, and documents to District without exception or reservation.

**13. TERMINATION:**

- A. If the Consultant fails to provide in any manner the services required under this Contract or otherwise fails to comply with the terms of this Contract or violates any ordinance, regulation or other law which applies to its performance herein, the District may terminate this Contract by giving five (5) calendar days written notice to the party involved.
- B. The Consultant shall be excused for failure to perform services herein if such services are prevented by acts of God, strikes, labor disputes or other forces over which the Consultant has no control.
- C. Either party hereto may terminate this Contract for any reason by giving thirty (30) calendar days written notice to the other parties. Notice of termination shall be by written notice to the other parties and be sent by registered mail.
- D. In the event of termination not the fault of the Consultant, the Consultant shall be paid for services performed to the date of termination in accordance with the terms of this Contract

so long as proof of required insurance is provided for the periods covered in the Contract or Amendment(s).

**14. APPROPRIATIONS:**

The District's performance and obligation to pay under this Contract is contingent upon an annual appropriation by the Marin County Transit District Board of Directors, the State of California or other third party. Should the funds not be appropriated District may terminate this Contract with respect to those payments for which such funds are not appropriated. District will give Consultant thirty (30) days' written notice of such termination. All obligations of District to make payments after the termination date will cease.

Where the funding source for this Contract is contingent upon an annual appropriation or grant from the Marin County Transit District Board of Directors, the State of California or other third party, District's performance and obligation to pay under this Contract is limited by the availability of those funds. Should the funding source for this Contract be eliminated or reduced, upon written notice to Consultant, District may reduce the Maximum Cost to District identified in section 4 to reflect that elimination or reduction.

**15. RELATIONSHIP BETWEEN THE PARTIES:**

It is expressly understood that in the performance of the services herein, the Consultant, and the agents and employees thereof, shall act in an independent capacity and as an independent Consultant and not as officers, employees or agents of the District. Consultant shall be solely responsible to pay all required taxes, including but not limited to, all withholding social security, and workers' compensation.

**16. AMENDMENT:**

This Contract may be amended or modified only by written Contract of all parties.

**17. ASSIGNMENT OF PERSONNEL:**

The Consultant shall not substitute any personnel for those specifically named in its proposal unless personnel with substantially equal or better qualifications and experience are provided, acceptable to District, as is evidenced in writing.

**18. JURISDICTION AND VENUE:**

This Contract shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in Marin County, California.

**19. INDEMNIFICATION:**

To the extent permitted by law (including, without limitation, California Civil Code section 2782.8), Consultant agrees to indemnify, defend, and hold harmless District, its employees and officers from any and all claims, demands, actions, causes of action, losses, damages, liabilities, known or unknown, and all costs and expenses, including reasonable attorney's fees in connection with any injury or damage to persons or property to the extent caused by the negligence, recklessness or willful misconduct of Consultant, its officers, employees, agents, Consultant, subcontractors or any officer, agency or employee thereof in relation to Consultant's performance under this Contract.

**20. COMPLIANCE WITH APPLICABLE LAWS:**

The Consultant shall comply with any and all Federal, State and local laws and resolutions: including, but not limited to the County of Marin Nuclear Free Zone and Living Wage Ordinance Copies of any of the above-referenced local laws and resolutions may be secured from the Contract Manager referenced in section 21. In addition, the following NOTICES may apply:

- 1. Pursuant to California Franchise Tax Board regulations, District will automatically withhold 7% from all payments made to vendors who are non-residents of California.**

2. **Consultant agrees to meet all applicable program access and physical accessibility requirements under State and Federal laws as may apply to services, programs or activities for the benefit of the public.**
3. **For Contracts involving any Federal Transit Administration grant funds, Exhibit D must be attached. Exhibit D provides all Federal Transit Administration Contract Provisions relevant to this Contract.**
4. **For Contracts involving any State or Federal grant funds, Exhibit E must be attached. Exhibit E shall consist of the printout results obtained by search of the System for Award Management at [www.sam.gov](http://www.sam.gov).**

#### **Exhibit E - Debarment Certification**

**By signing and submitting this Contract, the Consultant is agreeing to abide by the debarment requirements as set out below.**

- The certification in this clause is a material representation of fact relied upon by District.
- The Consultant shall provide immediate written notice to District if at any time the Consultant learns that its certification was erroneous or has become erroneous by reason of changed circumstances.
- Consultant certifies that none of its principals, affiliates, agents, representatives or Consultants are excluded, disqualified or ineligible for the award of Contracts by any Federal agency and Consultant further certifies to the best of its knowledge and belief, that it and its principals:
  - re not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal Department or Agency;
  - Have not been convicted within the preceding three-years of any of the offenses listed in 2 CFR 180. 800(a) or had a civil judgment rendered against it for one of those offenses within that time period;
  - Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or Local) with commission of any of the offenses listed in 2 CFR 180. 800(a);
  - Have not had one or more public transactions (Federal, State, or Local) terminated within the preceding three-years for cause or default.
- The Consultant agrees by signing this Contract that it will not knowingly enter into any subcontract or covered transaction with a person who is proposed for debarment, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
- Any subcontractor will provide a debarment certification that includes the debarment clause as noted in preceding bullets above, without modification.

#### **21. NOTICES:**

This Contract shall be managed and administered on District's behalf by the Department Contract Manager named below. All invoices shall be submitted and approved by this Department and all notices shall be given to District at the following location:

Contract Manager: Aida Banihashemi

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Dept. /Location: Planning

---

Telephone No.: (415) 226-0878

---

Notices shall be given to Consultant at the following address:

Consultant: Civic Edge Consulting

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Address: 25 Taylor Street, SF 94102

---

Telephone No.: (415) 915-0511

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**22. ACKNOWLEDGEMENT OF EXHIBITS**

	<input checked="" type="checkbox"/> <u>Check applicable Exhibits</u>	<u>CONSULTANT'S INITIALS</u>
<u>EXHIBIT A.</u>	<input checked="" type="checkbox"/> Scope of Services	
<u>EXHIBIT B.</u>	<input checked="" type="checkbox"/> Fees and Payment	
<u>EXHIBIT C.</u>	<input type="checkbox"/> Insurance Reduction/Waiver	
<u>EXHIBIT D.</u>	<input type="checkbox"/> Federal Transit Administration Contract Provisions	
<u>EXHIBIT E.</u>	<input checked="" type="checkbox"/> Consultant's Debarment Certification	Included with proposal
<u>EXHIBIT F.</u>	<input checked="" type="checkbox"/> Subcontractor's Debarment Certification	Included with proposal

IN WITNESS WHEREOF, the parties have executed this Contract on the date first above written.

**CONSULTANT**  
 By: \_\_\_\_\_  
 Name: Lisbet Sunshine  
 Title: President, Civic Edge Consulting

**APPROVED BY**  
**MARIN COUNTY TRANSIT DISTRICT:**  
 By: \_\_\_\_\_

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**COUNTY COUNSEL REVIEW AND APPROVAL (required if template content has been modified)**

County Counsel: \_\_\_\_\_ Date: \_\_\_\_\_

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## EXHIBIT “A”

### SCOPE OF SERVICES

The Consultant scope of services is to provide public information and outreach services for Marin Transit projects and programs. This is an on-call contract to be executed by task order. The services are divided into the following six overall task areas:

- Task 1: Messaging and Strategic Planning
- Task 2: Public Outreach and Marketing
- Task 3: Media Relations
- Task 4: Collateral Materials
- Task 5: Ribbon Cutting Ceremony
- Task 6: Other outreach services

The goals of the services requested in this Request for Qualifications are to:

- Educate residents and voters about the value of public transit and maintain a positive public perception
- Inform community about Marin Transit’s new services, innovative projects, fleet upgrades, and other updates as applicable
- Educate residents about Marin Transit’s contribution to the county
- Educate residents about funding for Marin Transit, and the benefits of investing in public transit
- Elevate Marin Transit rider’s voices so that residents and voters hear from those who benefit from their investment

The sub-tasks and activities under each task area are listed as follows:

#### Task 1: Messaging and Strategic Planning

1. Work with Marin Transit to develop or expand key messages to share with residents and voters. Examples include:
  - Muir Woods Shuttle reservation system launched in January 2018
  - Impacts of voter-approved changes to transportation funding on Marin Transit
  - Marin Access information – technology classes, office hours, other senior services
  - Aging in place in Marin County – how Marin Transit helps make it possible
  - Two years since service expansion – how riders are using Marin Transit’s improved services
  - Marin Transit is a lifeline – how public transit connects communities to critical services
  - San Rafael Transit Center study launch
  - Marin Transit Connect pilot program
  - Fleet upgrade and launch of electric buses
2. Create a **Strategic Communications Plan** to disseminate messaging to residents. The plan will: identify key segments of the population to target for outreach effort; provide effective communication specifically tailored to each population; and use new and traditional communications technologies to deliver regular timely updates and, where appropriate, receive public feedback and comments.

Specific plan components will:

- Identify stakeholders and their organizational roles and responsibilities
- Develop specific project messaging
- Propose method and frequency for communicating with the general public (e. g. in person vs. print and social media, existing board and council meetings vs. special meetings and providing a method for comment), recognizing that much of Marin Transit’s ridership is Spanish-speaking
- Provide a schedule of meetings

- Include a timeline and milestones for all actions in the plan with press releases, public meetings, and notifications as applicable

Marin Transit expects that the Consultant will complete the **Strategic Communications Plan** within two weeks of receiving a Notice to Proceed on each Task Order.

Monthly activity reports are expected to describe the Consultant's progress in implementing the community outreach plan and identify the activity plan for the upcoming month.

## **Task 2: Public Outreach and Marketing**

1. Lead marketing efforts, staff events, and provide on-site outreach to promote Marin Transit's new services and programs

2. Facilitate forums for Marin Transit to employ its messaging. Examples of possible forums are:

- Meetings with Community Based Organization (CBO) leaders that include Marin Transit staff and Board members to strengthen relationships between Marin Transit and CBO leaders, identify ways to better support of community needs, and facilitate CBO leader engagement around common goals of supporting transit. Community Based Organizations may include Canal Alliance, Canal Welcome Center, Next Generations Scholars, and others. Shared outreach efforts with CBOs and other public agencies as applicable
- Periodic email blast to Marin Transit subscribers. Potential email content may include press hits, service updates, infographics, and Marin County news
- Take advantage of Marin Transit's recent website launch to explore tools and opportunities for directing traffic to the new website and engaging riders and members of the public to communicate with Marin Transit

## **Task 3: Media Relations**

Lead media outreach to ensure coverage of Marin Transit's messaging and outreach:

- Provide media kits, news releases, and presentations
- Seek positive publicity for Marin Transit through featured news stories, media releases and letters to the editor
- Provide basic media training to help the District answer questions and engage with the media and the public
- Coordinate meetings with editorial boards
- Coordinate ad placements
- Develop social media messaging
- Place radio ads
- Develop Marin Transit messaging guide for the District's Board of Directors

## **Task 4: Collateral Materials**

Bring Marin Transit's story to life through eye-catching design. New graphics may be used for:

- Brochures
- Banners
- Email blasts
- Printed advertisements
- Inside bus advertisements
- Website
- Presentations

## **Task 5: Ribbon Cutting Ceremony**

Plan and manage ribbon-cutting ceremonies within a pre-defined event budget. The consultant will be expected to provide staffing, coordinate and develop notifications and event promotion through social media, e-newsletters, and collaterals, coordinate photography, develop and promote press releases and media coverage, etc.

**Task 6: Other Outreach Services**

Marin Transit may request other types of outreach services through this contract.

**Task Orders**

Marin Transit will establish work under the Agreement as needed on an individual task order basis. There is no guaranteed minimum level of compensation. Marin Transit reserves the right to procure the services described in these solicitation documents from other firms at its sole discretion. The District may issue task orders under the Agreement any time during the base term or option years. A not to exceed amount will be set for each task order.

The availability of key personnel must be flexible to meet the needs of the project. Marin Transit expects all individuals identified in the proposal as key personnel to remain on the Public Information and Outreach team for the duration of the contract, unless the District agrees upon a replacement.

**EXHIBIT "B"****FEES AND PAYMENT SCHEDULE**

The parties hereto agree that the rates contained below are those currently charged by Consultant for the categories of labor designated, and will be used in pricing each specific task order. In the event that additional categories of specialized labor are required for a specific task, the rate quoted shall be subject to review and approval by the District.

The total cost of the agreement over the 1.5-year timeframe will not exceed \$75,000. This cost includes consultant costs for requested tasks under the agreement and direct costs for associated services and supplies. Direct costs may include translation services, printed materials, and costs associated with hosting a ribbon-cutting ceremony.

Civic Edge Consulting hourly rates are as follows; President \$250/hour, Senior Project Manager \$175/hour, Senior Strategic Advisor \$215/hour and Graphics Manager \$125/hour.

Civic Edge team does not charge for travel time or administrative costs. Direct costs such as printing, purchasing food and supplies for events, will be billed directly to Marin Transit with no additional mark up.

**EXHIBIT "C"**  
**to Short Form Contract**

**INSURANCE REDUCTION/WAIVER (if applicable)**

CONSULTANT: \_\_\_\_\_

CONTRACT TITLE: \_\_\_\_\_

Consultant's professional liability insurance may be provided, in part, by self-insurance or large deductible as long as Consultant provides: (1) evidence to the District that Consultant has segregated amounts in a special insurance reserve fund meeting the Contract's insurance requirements and restricted specifically to this project or (2) Consultant's general insurance reserves are adequate to provide the necessary coverage and the Marin County Transit District may conclusively rely thereon.

This statement shall accompany all requests for a reduction/waiver of insurance requirements. Please check the box

if a waiver is requested or fill in the reduced coverage(s) where indicated below:

	<i>Check Where Applicable</i>	<i>Requested Limit Amount</i>	<i>CAO Use Only</i>
<b>General Liability Insurance</b>	<input type="checkbox"/>	\$	
<b>Automobile Liability Insurance</b>	<input type="checkbox"/>	\$	
<b>Workers' Compensation Insurance</b>	<input type="checkbox"/>		
<b>Professional Liability Deductible</b>	<input type="checkbox"/>	\$	

Please set forth the reasons for the requested reductions or waiver.


Contract Manager Signature:

---

Date:

---

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**EXHIBIT "D"****FTA GRANT CONTRACT PROVISIONS PROFESSIONAL SERVICES****1) FEDERAL OBLIGATION**

- a) Marin Transit and the Consultant acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to the contract and shall not be subject to any obligations or liabilities to Marin Transit, the Consultant, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.
- b) The Consultant agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified except to identify the subcontractor who will be subject to its provisions.

**2) PROGRAM FRAUD, FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS**

- a) The Consultant acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Consultant certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this Contract work is being performed. In addition to other penalties that may be applicable, the Consultant further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Consultant to the extent the Federal Government deems appropriate.
- b) The Consultant also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the Marin Transit of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Consultant, to the extent the Federal Government deems appropriate.
- c) The Consultant agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

**3) ACCESS TO RECORDS AND REPORTS**

Consultant shall provide all authorized representatives of Marin Transit, the FTA Administrator, and the Comptroller General of the United States access to any books, documents, papers and records of the Consultant that are directly pertinent to this Contract for the purposes of making audits, copies, examinations, excerpts and transcriptions. The Consultant agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. Consultant also agrees to maintain all books, records, accounts and reports required under this Contract

for a period of not less than three years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case Consultant agrees to maintain the same until Marin Transit, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto.

#### 4) FEDERAL CHANGES

Consultant shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the [Master Agreement](#) between Marin Transit and FTA, as they may be amended or promulgated from time to time during the term of this contract. Consultant's failure to so comply shall constitute a material breach of this contract.

#### 5) TERMINATION

- a) Termination for Convenience - Marin Transit, by written notice, may terminate this contract, in whole or in part, when it is in the Government's interest. If this contract is terminated, Marin Transit shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.
- b) Termination for Default [Breach or Cause] - If the Consultant does not deliver supplies in accordance with the contract delivery schedule, or, if the contract is for services, the Consultant fails to perform in the manner called for in the contract, or if the Consultant fails to comply with any other provisions of the contract, Marin Transit may terminate this contract for default. Termination shall be effected by serving a notice of termination on the Consultant setting forth the manner in which the Consultant is in default. The Consultant will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract.

If it is later determined by Marin Transit that the Consultant had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Consultant, Marin Transit, after setting up a new delivery or performance schedule, may allow the Consultant to continue work, or treat the termination as a termination for convenience.

- c) Opportunity to Cure - Marin Transit in its sole discretion may, in the case of a termination for breach or default, allow the Consultant an appropriately short period of time in which to cure the defect. In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions

If Consultant fails to remedy to Marin Transit's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within the stated time period after receipt by Consultant of written notice from Marin Transit setting forth the nature of said breach or default, Marin Transit shall have the right to terminate the Contract without any further obligation to Consultant. Any such termination for default shall not in any way operate to preclude Marin Transit from also pursuing all available remedies against Consultant and its sureties for said breach or default.

- d) Waiver of Remedies for any Breach - In the event that Marin Transit elects to waive its remedies for any breach by Consultant of any covenant, term or condition of this Contract, such waiver by



Marin Transit shall not limit Marin Transit's remedies for any succeeding breach of that or of any other term, covenant, or condition of this Contract.

6) CIVIL RIGHTS

- a) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Consultant agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Consultant agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
- b) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:
- i) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Consultant agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Consultant agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Consultant agrees to comply with any implementing requirements FTA may issue.
- ii) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, the Consultant agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Consultant agrees to comply with any implementing requirements FTA may issue.
- iii) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Consultant agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Consultant agrees to comply with any implementing requirements FTA may issue.
- c) The Consultant also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

7) DISADVANTAGED BUSINESS ENTERPRISE

- a) This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, *Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. The agency's overall goal for DBE participation is 6%. A separate contract goal has not been established for this procurement.
- b) The Consultant shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Consultant shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the Consultant to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Marin Transit deems appropriate. Each subcontract the Consultant signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).
- c) The successful Consultant will be required to report its DBE participation obtained through race-neutral means throughout the period of performance. The Consultant will be required to report its DBE participation obtained through race-neutral means throughout the period of performance.
- d) The Consultant is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the Consultant's receipt of payment for that work from Marin Transit. In addition, the Consultant may not hold retainage from its subcontractors.
- e) The Consultant must promptly notify Marin Transit, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The Consultant may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of Marin Transit.

#### 8) INCORPORATION OF FTA TERMS

The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1F are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The Consultant shall not perform any act, fail to perform any act, or refuse to comply with any of Marin Transit's requests which would cause Marin Transit to be in violation of the FTA terms and conditions.

#### 9) SUSPENSION AND DEBARMENT

The Consultant, including any of its officers or holders of a controlling interest, and its subcontractors are obligated to inform Marin Transit whether or not they are or have been debarred, suspended, ineligible or voluntarily excluded from participation in federally funded contracts and pursuant to Executive Order Nos. 12549 and 12689, "Debarment and Suspension", 31 U.S.C. §6106 note and U.S. DOT regulations 49 CFR Part 29. Should Consultant or a subcontractor be included on such a list or determined ineligible during the performance of this Contract, the Consultant shall so inform Marin Transit. The Consultant is required to include this provision in any lower tiered subcontract where the contract amount is over \$25,000.

#### 10) RESOLUTION OF DISPUTES, BREACHES, OR OTHER LITIGATION (for contracts over \$100,000)

- a) Disputes - Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of Marin Transit's General Manager. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, the Consultant mails or otherwise furnishes a written appeal to the General Manager. In connection with any such appeal, the Consultant shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the General Manager shall be binding upon the Consultant and the Consultant shall abide by the decision.
- b) Performance During Dispute - Unless otherwise directed by Marin Transit, Consultant shall continue performance under this Contract while matters in dispute are being resolved.
- c) Claims for Damages - Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.
- d) Remedies - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between Marin Transit and the Consultant arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which Marin Transit is located.
- e) Rights and Remedies - The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the Marin Transit, or Consultant shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

#### 11) LOBBYING RESTRICTIONS

**Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. § 1601, et seq.]** - Consultants who apply or bid for an award of \$100,000 or more shall file the certification required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

#### 12) CLEAN AIR

- a) The Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. The Consultant agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in

turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

- b) The Consultant also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

### 13) CLEAN WATER

- a) The Consultant agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The Consultant agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.
- b) The Consultant also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

### 14) ENERGY CONSERVATION

Consultant shall comply with mandatory standards and policies relating to energy efficiency that are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act, 42 U.S.C. §6321 et seq. and 49 CFR Part 18.

### 15) PRIVACY ACT

The following requirements apply to the Consultant and its employees that administer any system of records on behalf of the Federal Government under any contract:

- a) The Consultant agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the Consultant agrees to obtain the express consent of the Federal Government before the Consultant or its employees operate a system of records on behalf of the Federal Government. The Consultant understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract.
- b) The Consultant also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.



711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
[marintransit.org](http://marintransit.org)

December 3, 2018

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Marin Transit Comprehensive Annual Financial Report for Fiscal Year 2017/18**

Dear Board Members:

**board of directors**

stephanie moulton-peters  
president  
city of mill valley

damon connolly  
vice president  
supervisor district 1

dennis rodoni  
2nd vice president  
supervisor district 4

judy arnold  
director  
supervisor district 5

kate colin  
director  
city of san rafael

kathrin sears  
director  
supervisor district 3

katie rice  
director  
supervisor district 2

**RECOMMENDATION:** Accept report.

**SUMMARY:** Brown Armstrong Accountancy Corporation has completed the annual financial audit of the Marin County Transit District for the fiscal year ended June 30, 2018. The audit includes a detailed *single* audit as required when the expenditure of federal funds in a fiscal year exceeds \$500,000. Staff has incorporated the annual financial audit into the attached Comprehensive Annual Financial Report (CAFR). The auditor presented the CAFR to the ad hoc Audit Subcommittee of your Board for review on November 20, 2018. With your acceptance of this report, the District will be up-to-date with all independent audits and will submit the required federal audit well within the required deadline of March 30, 2019.

This is the third year the District has published a Comprehensive Annual Financial Report. The report is designed to ensure that users of the financial statements have the information and context needed to assess the financial health of the District.

The CAFR has four main components:

- Introductory Section
- Financial Section
- Statistical Section
- Single Audit Section governed

The **Introductory Section** gives the reader an introduction to the report, including the District's governing structure, staff structure, and service area map.

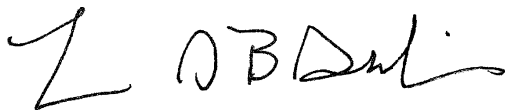
The **Statistical Section** compiles data from the District's prior financial statements and Short Range Transit Plans, along with County-wide statistics from the County of Marin and other sources. This section is designed to provide information about trends and the

local economy that will provide context for the reader to assess the District's financial condition.

The **Financial** and **Single Audit Sections** contain the District's audited financial statements and the results of the federal single audit. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The audit team found no deficiencies in internal control over financial reporting or in compliance that they considered to be material weaknesses. Similarly, the audit team found no material weaknesses or significant deficiencies in internal control over major federal award programs.

**FISCAL/STAFFING IMPACT:** None associated with this report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'L Gradia', written in a cursive style.

Lauren Gradia  
Director of Finance and Capital Programs

Attachments: Marin County Transit District FY2017/18 Comprehensive Annual Financial Report  
Letter to the Board from Brown Armstrong Accountancy Corporation



## MARIN COUNTY TRANSIT DISTRICT

San Rafael, California

A Component Unit of the County of Marin, California

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Years Ended June 30, 2018 and 2017

**MARIN COUNTY TRANSIT DISTRICT  
(A COMPONENT UNIT OF THE COUNTY OF MARIN, CALIFORNIA)  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**



**MARIN COUNTY TRANSIT DISTRICT  
JUNE 30, 2018 AND 2017**

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711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
[marintransit.org](http://marintransit.org)

November 28, 2018

The Board of Directors  
Marin County Transit District

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Marin County Transit District (the District) for the fiscal years ended June 30, 2018 and 2017.

**board of directors**

The District's enabling legislation requires an annual audit of the District's financial statements. This report is published to fulfill that requirement for the fiscal years ended June 30, 2018 and 2017.

stephanie moulton-peters  
president  
city of mill valley

Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

damon connolly  
vice president  
supervisor district 1

dennis rodoni  
2nd vice president  
supervisor district 4

- (1) the cost of a control should not exceed the benefits likely to be derived; and,
- (2) the valuation of costs and benefits requires estimates and judgments by management. Management believes internal controls in place are adequate to ensure the financial data provided herein is materially accurate.

judy arnold  
director  
supervisor district 5

Brown Armstrong Accountancy Corporation has issued an unmodified ("clean") opinion on the District's financial statements for the fiscal year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of this report. This report has been prepared by the Finance Department following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA) and is in conformance with generally accepted accounting principles for state and local governmental entities established by the Governmental Accounting Standards Board (GASB). Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors. Responsibility for the accuracy, completeness and fairness of the presented data and the clarity of presentation, including all disclosures, rests with the management of the District.

kate colin  
director  
city of san rafael

kathrin sears  
director  
supervisor district 3

katie rice  
director  
supervisor district 2

In accordance with the above-mentioned guidelines, the accompanying report consists of four sections:

1. The INTRODUCTORY SECTION contains this letter of transmittal, a list of principal officials, the District's organizational chart, and service area map.
2. The FINANCIAL SECTION begins with the Independent Auditor's Reports and Financial Statements. The notes, an integral part of the Financial Statements, are intended to further enhance an understanding of the District's current financial status.
3. The STATISTICAL SECTION provides information that is useful for understanding the District's financial condition and depicting the past 10 years of history and financial and operational trends of the District.
4. The OTHER REPORTS include the Auditor's reports required under the federal Single Audit Act, the Public Transportation Modernization Improvement and Services Enhancement Account (PTMISEA) guidelines, and it provides assurance of the District's compliance with those laws and related regulations.

The following provides an overview of the District's history, services, local economy, planning initiatives and policies.

## **PROFILE OF THE GOVERNMENT**

### **History**

The Marin County Transit District ("Marin Transit" or the "District") was formed by a vote of the people of Marin County (the County) in 1964 and was given the responsibility for providing local transit service within the County. Marin Transit is a component unit of the County of Marin, California. Although Marin Transit has responsibility for local transit services, it does not own any facilities and does not employ its own drivers. Instead, Marin Transit contracts with other providers, including Golden Gate Transit, Marin Airporter, MV Transportation, Michael's Transportation, and the Senior Coordinating Council (Whistlestop Transportation), for local bus and paratransit services.

Prior to a major fixed route service restructuring by Golden Gate Transit in November 2003, the primary responsibility of Marin Transit was to manage and administer the paratransit contract for both local and regional paratransit services in the County. For fixed route services, Marin Transit was historically a "pass through" agency, providing funds for local services managed by Golden Gate Transit. With the 2003 service restructuring, Marin Transit took on increased responsibility for the planning, outreach, oversight, and management of local fixed route transit services throughout the County.

The passing of Measure A, the County's ½ cent sales tax increase, in 2004 further propelled the responsibility of Marin Transit under a 20-year expenditure plan providing a dedicated local funding source for public transit within the County. This new funding source allowed the District to fund its local big bus fixed route services, expand the rural Stagecoach service, and introduce the community shuttle program.

The Muir Woods Shuttle program was inaugurated in 2005 and became the responsibility of Marin Transit in 2009. Although the County started the program as a demonstration project, its success in reducing transportation impacts on the National Monument and surrounding areas has led to a formal partnership between the District and the National Park Service.

Internal growth within the District has also occurred as responsibility for local service has increased. Staffing levels prior to the passage of Measure A included one full-time and one part-time employee. With the passage of Measure A, the number of full-time employees grew from 1.5 to 3.5 in 2006 and then to 5 employees in 2008. As of June 30, 2018, the District has 16.3 authorized full time equivalent employees.

## Services

### *Fixed Route*

Marin Transit operates transit service on 28 routes within Marin County. Over three million trips were made on the local fixed route network in fiscal year 2018.

Fixed route services are organized within the District based on route typologies. Typologies define the primary function of that route and its intended market. There are currently seven typologies Local Trunkline, Local Basic, Local Connector, Supplemental School, Rural, Partnership, and Recreational. Below is a brief summary of each typology.

#### Local Trunkline

- Description: Services that operate along the highest ridership corridors and often the most densely populated areas of the County. These services provide the backbone for the transit system and connect with Local Basic and Local Connector services at key transfer locations. Along Highway 101, Trunkline service supplements the Golden Gate Transit regional services that continue to San Francisco and Sonoma Counties.
- Operational Focus: Capacity, frequency, and speed.
- Routes: 35, 36, 71x
- Program: Local Bus
- Typical Vehicle: 40' heavy duty or 60' articulated

#### Local Basic

- Description: Services that operate along many of the County's arterial corridors with transit-supportive land use patterns with an emphasis on providing the more extensive coverage of transit services.
- Operational Focus: Frequency, accessibility, and speed.
- Routes: 17, 22, 23, 23x, 29, 49
- Program: Local Bus
- Typical Vehicle: 35' or 40' heavy duty

#### Local Connector

- Description: Services to lower density areas with less supportive transit land use patterns or areas where larger bus capacity is not warranted. These services rely on good transfer opportunities to the Local Trunkline and Local Basic Services for travel outside the community.
- Operational Focus: Accessibility.
- Routes: 219, 228, 233, 245, 251, 257
- Program: Community Shuttles
- Typical Vehicle: 24' cutaways

#### Supplemental School

- Description: Services that are provided to address the transportation needs of schools, primarily middle and high schools, within the County. These services provide additional capacity on Marin Transit routes for this purpose and are not designed for transfer opportunities.
- Operational Focus: Capacity.
- Routes: 113, 115, 117, 119, 125, 139, 145, 151, 154
- Program: Local Bus
- Typical Vehicle: 35' or 40' heavy duty

### Rural

- Description: Services to the rural areas of West Marin that provide community mobility and reduce congestion in the rural areas. Topography is challenging on these routes and requires specific attributes for the fleet used to deliver these services.
- Operational Focus: Accessibility.
- Routes: 61, 68
- Program: Rural and Recreational
- Typical Vehicle: 28'-32' cutaways

### Recreational

- Description: Services that support recreational or tourist-based travel within the County. Major attractions include the Muir Woods National Monument within the Golden Gate National Recreational Area.
- Operational Focus: Accessibility.
- Routes: 66/66F

### Partnership

- Description: Services that are provided in partnership to address specific needs within a certain community or certain rider type, such as students.
- Operational Focus: Depends on partnership goals.
- Routes: 122
- Program: Partnership
- Typical Vehicle: 35' heavy duty

### *Yellow Bus*

Marin Transit provides yellow school bus service to two schools in the Ross Valley School District: White Hill Middle School and Hidden Valley Elementary School. In fiscal year 2018, this service carried over 133,000 passengers. Marin Transit handles all logistics of the program including contract management, website development, pass sales and production, customer service, and daily monitoring of the buses via GPS technology. Staff at White Hill Middle School and Hidden Valley Elementary School support the program by distributing passes and managing student loading on the buses in the afternoon. Marin Transit also provide planning and management support to Mill Valley School District and a Joint Powers Authority for Reed Union School District.

### *Demand Response*

In addition to fixed-route services, the District provides a suite of programs named "Marin Access" to serve the aging and disabled population in Marin County. A total of five programs provide a variety of mobility options to these users and all services are coordinated by a team of Travel Navigators. These programs include local paratransit, dial-a-ride, volunteer driver, and subsidized taxi (Catch-A-Ride). Marin Transit launched a new on-demand, micro-transit service, Marin Transit Connect on May 22, 2018. Travel Navigators provide trip planning and technical assistance to riders to empower the user to select from available travel options to best meet their mobility need.

### **LOCAL ECONOMY**

The District operates within Marin County, one of the nine counties in the San Francisco-Oakland Bay Area. The county includes 11 incorporated cities and towns: Belvedere, Corte Madera, Fairfax, Larkspur, Mill Valley, Novato, Ross, San Anselmo, San Rafael, Sausalito, and Tiburon.

The local economy in 2018 continued to be strong after a period of economic recovery starting in 2011. The County's unemployment rate has dropped from 7.9% in 2009 to 2.7% in June 2018 and continues to be lower than the state of California's average of 4.5%. Contractors have reported increasing difficulties hiring and retaining drivers and other front line staff. These challenges may be increasing due to the sustained low unemployment rate combined with high housing costs.

A significant portion of the District's operating funds are derived from sales tax revenues. Marin County had six years of sales tax growth, averaging 5.2% per year, that ended in fiscal year 2016. After almost no growth in fiscal year 2017, taxable sales grew 6.8% in fiscal year 2019. In future years, the District projects modest growth of 2.2% per year consistent with projections by the Transportation Authority of Marin.

## **LONG TERM PLANNING AND MAJOR INITIATIVES**

### Short Range Transit Plan

The District's Short Range Transit Plan (SRTP) is the primary service and financial planning document for the District and includes ten years of financial projections for operations and capital programs. The 2017-2027 SRTP was adopted by the Board of Directors (the Board) on December 17, 2017.

### Operating Plan

Successful contract renegotiations with Golden Gate Bridge Highway & Transportation District (GGBHTD) in 2015 resulted in a new operations contract that was reflected in the fiscal year 2016 budget. This contract provides a reduction in the costs of Local Fixed Route service and provides additional revenues for Local Paratransit. The remaining fixed route service contracts expired June 30, 2018, and the District competitively bid the services in November 2017 and awarded contracts in March and April 2018. Overall, these two contracts resulted in combined rate increase of 10%. A new competitively bid Local Paratransit contract was effective January 1, 2016 and has also resulted in lower purchased transportation costs.

The District has restored reserves and implemented a 19% service expansion on June 12, 2016 as approved by the Board on March 28, 2016 and outlined in the District's SRTP. Even with this service expansion, fiscal years 2017 and 2018 had revenue surplus from increasing property tax, lower fuel costs, lower contract service rates, and carryforward of prior year Measure A funds. The District identified unfunded needs in the adopted SRTP that will be the basis for prioritizing expenditures.

### Capital Plan

The District's Capital Improvement and Funding Plan has expanded as the District has taken increasing responsibility for transit service in Marin County. The District's primary capital responsibilities and priorities are to:

1. Maintain a sufficient fleet of clean fueled vehicles for local transit service,
2. Improve and maintain the amenities and accessibility of Marin County bus stops,
3. Improve major bus transfer locations,
4. Provide passenger information, and Improvement Program, and
5. Provide needed operations equipment and infrastructure.

The District's baseline capital resources limit the Capital Plan to primarily maintaining a state of good repair for existing assets and making the minimal level of investment required to maintain and operate the local bus system. The 10-year Capital Plan includes expenditures of \$69 million of which 78% is for purchasing transit vehicles. Other major capital expenditures included in the funded plan are major vehicle repairs, bus stop improvements, and small capital.

To ensure stable operations and allow for future expansion, the District needs to find a permanent location for contract maintenance and transit vehicle parking. In fiscal year 2018, the District added \$2.1 million to a capital reserve to give a total balance of \$8.2 million.

## **RELEVANT FINANCIAL POLICIES**

### Budget Process

Marin Transit's budget uses full accrual basis of accounting to record annual revenue and expenses consistent with Generally Accepted Accounting Principles (GAAP) for special districts and the District's annual audited financial reports. All known revenues and expenditures are recorded in the period they are earned or expended.

The Marin Transit Board adopts an annual budget for the District's fiscal year starting July 1 and ending June 30. Under the direction of the Director of Finance, staff develops a balanced budget for the Board that provides sufficient and sustainable funding for local transit service needs using the following guidelines:

1. Maintain adopted reserve levels;
2. Preserve a balance of revenues and expenditures over a ten-year horizon;
3. Provide for SRTP-adopted service levels; and
4. Allow for innovative growth.

#### Reserve Policy

Marin Transit's Board-adopted policy designates an Emergency Reserve equivalent to two months of operating expenses and a Contingency Reserve equivalent to an additional two to four months. When the emergency reserve is fully funded and the reserve is funded with the equivalent of at least two months of operations funds, the District may fund a capital reserve through the budgeting process. The reserve is designed to reduce the District's future needs for borrowing or bonding for large capital projects.

If the reserve balance exceeds six months of operating expenditures for a prolonged period, the policy advises the Board to consider options such as, but not limited to, expanding transit service or decreasing fares in an effort to provide the optimal level of transit service and benefits to Marin County residents.

Consistent with the fiscal year 2018 budget, the District added \$2.1 million to the capital reserve in fiscal year 2018, for a total capital reserve of \$8.2 million. The District also maintained the equivalent of 6.5 months operating expenses in the combined Emergency and Contingency Reserves.

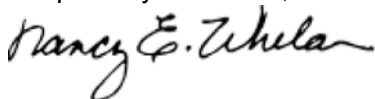
#### **AWARDS AND ACKNOWLEDGEMENTS**

We are pleased that the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Reports (CAFR) for the fiscal years ended June 30, 2016 and June 30, 2017. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state or local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The report must satisfy both GAAP and applicable legal requirements.

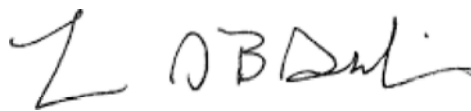
A Certificate of Achievement is valid for a period of only one year. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report required the dedicated efforts of the District's staff. We also gratefully recognize Brown Armstrong Accountancy Corporation for their timely audit and expertise on the preparation of this CAFR. Finally, we would like to thank the Board for its commitment and support in the development of a strong financial system.

Respectfully Submitted,



Nancy Whelan  
General Manager



Lauren Gradia  
Director of Finance and Capital Programs



**MARIN COUNTY TRANSIT DISTRICT  
INTRODUCTORY SECTION  
PRINCIPAL OFFICIALS**

**Damon Connolly** District 1

**Katie Rice** District 2

**Kathrin Sears** District 3

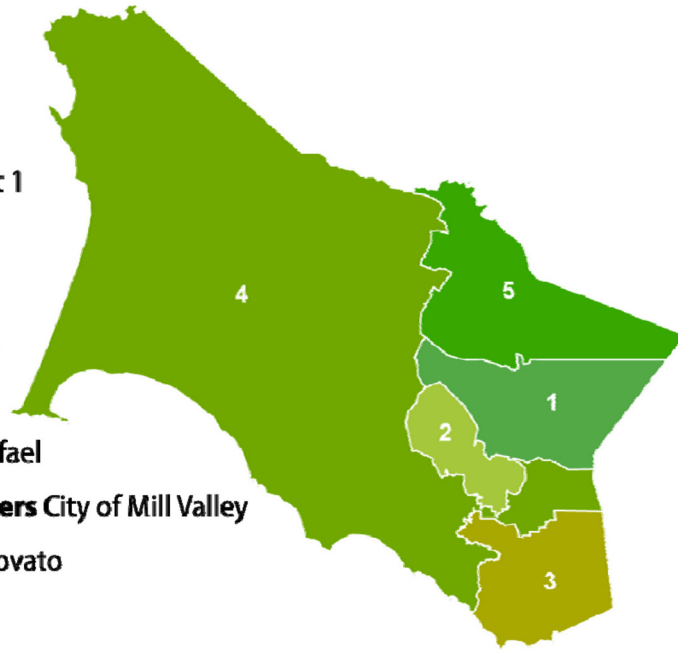
**Dennis Rodoni** District 4

**Judy Arnold** District 5

**Kate Colin** City of San Rafael

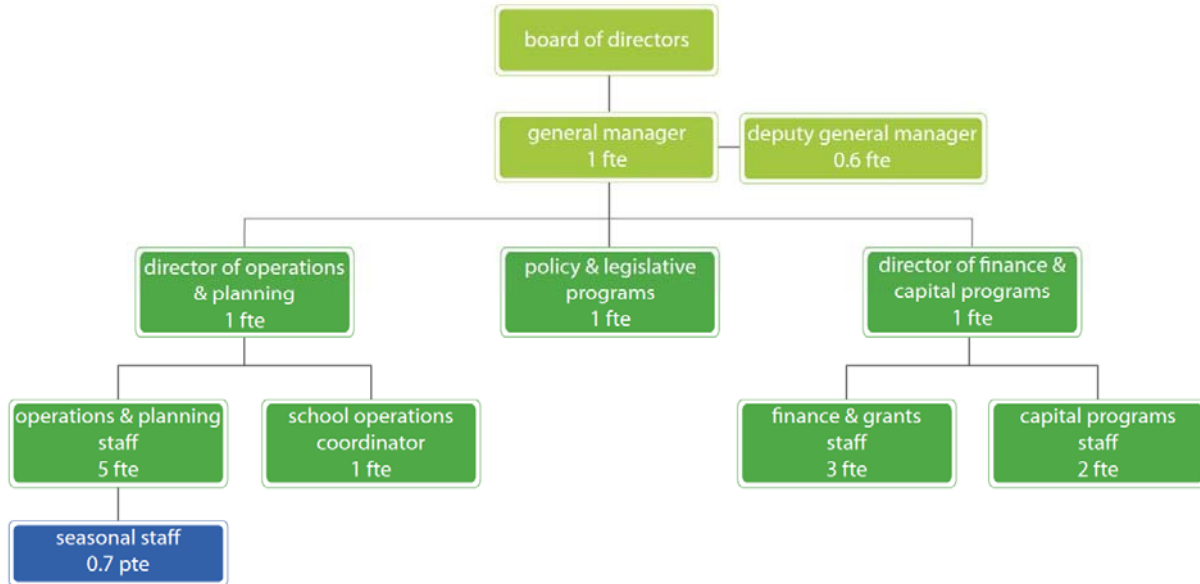
**Stephanie Moulton-Peters** City of Mill Valley

**Eric Lucan (alt)** City of Novato



Board Member	District or City	Current Term Ends
Damon Connolly	District 1	January 1, 2023
Katie Rice	District 2	January 1, 2021
Kathrin Sears	District 3	January 1, 2021
Dennis Rodoni	District 4	January 1, 2021
Judy Arnold	District 5	January 1, 2023
Stephanie Moulton-Peters	City of Mill Valley	January 2020
Kate Colin	City of San Rafael	January 2019
Eric Lucan (City Alternate)	City of Novato	January 2019

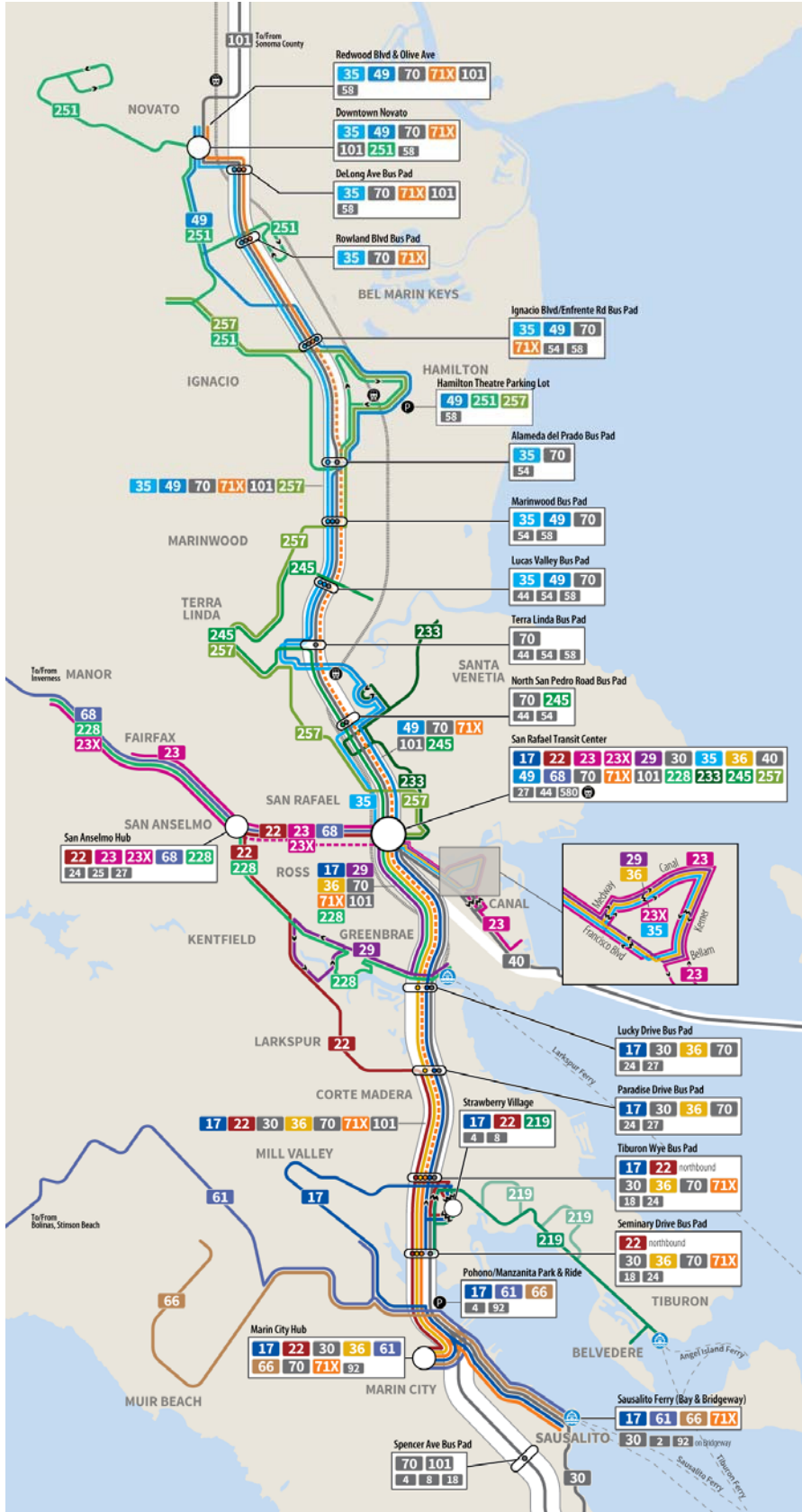
**MARIN COUNTY TRANSIT DISTRICT  
INTRODUCTORY SECTION  
ORGANIZATIONAL CHART**



**Note:**

- Total authorized FTE 16.3
- Vacancies at 6/30/18 equal 1 FTE

### MARIN COUNTY TRANSIT DISTRICT INTRODUCTORY SECTION SERVICE AREA MAP





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Marin Transit  
California**

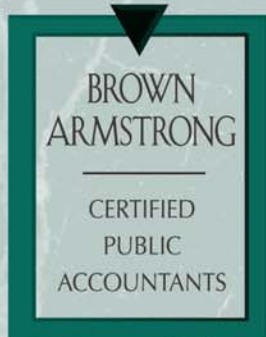
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morrell*

Executive Director/CEO

**FINANCIAL SECTION**



# BROWN ARMSTRONG

*Certified Public Accountants*

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
of the Marin County Transit District  
San Rafael, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Marin County Transit District, a component of the County of Marin (the District) as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### BAKERSFIELD OFFICE (MAIN OFFICE)

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

#### FRESNO OFFICE

10 RIVER PARK PLACE EAST  
SUITE 208  
FRESNO, CA 93720  
TEL 559.476.3592

#### LAGUNA HILLS OFFICE

23272 MILL CREEK DRIVE  
SUITE 255  
LAGUNA HILLS, CA 92653  
TEL 949.652.5422

#### STOCKTON OFFICE

1919 GRAND CANAL BLVD  
SUITE C6  
STOCKTON, CA 95207  
TEL 888.565.1040

[WWW.BACPAS.COM](http://WWW.BACPAS.COM)

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of June 30, 2018, and the respective changes in financial position, and cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section, supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The Statements of Fiduciary Net Position – Retirement Plan, Statements of Changes in Fiduciary Net Position – Retirement Plan and Budgetary Comparison Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Statements of Fiduciary Net Position – Retirement Plan, Statements of Changes in Fiduciary Net Position – Retirement Plan and Budgetary Comparison Schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

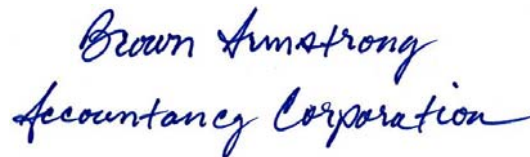
**Report on Summarized Comparative Information**

The financial statements of the District as of June 30, 2017, were audited by other auditors who expressed an unmodified opinion on those financial statements in their report dated November 13, 2017. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts and grant agreements and other matters, the Transportation Development Act and other state program guidelines. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California  
November 28, 2018



**MARIN COUNTY TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018 AND 2017**

As management of the Marin County Transit District (Marin Transit or the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal years ended June 30, 2018 and June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i to vii of this report.

**FINANCIAL HIGHLIGHTS**

- The assets of the District exceeded its liabilities at June 30, 2018 and 2017 by \$52,222,268 and \$40,284,026 (net position), respectively. Of this amount, \$29,085,919 and \$20,849,921, respectively, is net investment in capital assets, \$0 and \$31,624, respectively, is restricted, and \$23,136,349 and \$19,402,481, respectively, is unrestricted.
- The District's total net position increased for the fiscal year ended June 30, 2018 by \$11,938,242 compared to the fiscal year ended June 30, 2017. The District's total net position increased for the year ended June 30, 2017 by 5,388,915 compared to the year ended June 30, 2016. The increases are due to increased intergovernmental operating revenue including Federal, State and local Measure A sales tax.
- The District claimed \$16,708,511 in fiscal year 2018 from the Transportation Authority of Marin as part of a voter approved sales tax, plus \$85,000 in pass-through Measure A interest, plus recognition of \$6,555 in prior year revenue, for a total of \$16,800,066 recognized in fiscal year 2018. The District claimed \$13,216,547 in fiscal year 2017 in Measure A sales tax, plus \$85,000 in pass-through Measure A interest, and recognition of \$6,555 in prior year revenue, for a total of \$13,308,102 recognized in fiscal year 2017.
- The District's emergency reserve and contingency reserve are fully-funded, with a total value equivalent to six months operating funds. The District also added \$2,139,861 to a capital reserve, for a total capital reserve of \$8,160,238.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis provided here are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of two components: (1) government-wide financial statements and (2) notes to the financial statements. This report also contains supplementary information intended to furnish additional detail to support to the basic financial statements.

**Government-wide Financial Statements**

The District is a single-purpose entity that is required to account for its activity as a proprietary fund type under governmental accounting standards. Accordingly, the District presents only government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, similar to a private-sector business.

The balance sheets present information on all of the District's assets and liabilities, with the difference between assets and liabilities reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of revenues and expenses and changes in net position presents information showing how the District's net position changed during the fiscal year. All changes in net position are recognized on the date the underlying event that gives rise to the change occurs, regardless of the timing of the related cash flows.

The basic financial statements can be found on pages 10-29 of this report.

#### Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide statements. The notes to the financial statements can be found on pages 14-29 of this report.

### OVERALL FINANCIAL ANALYSIS

The financial statements provide both short-term and long-term information about the District's overall financial condition. This analysis addresses the financial statements of the District as a whole.

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the case of the District, assets exceeded liabilities by \$52,222,268 and \$40,284,026 at June 30, 2018 and 2017, respectively.

### STATEMENTS OF NET POSITION

As stated earlier, increases or decreases in net position over time may serve as a useful indicator of the District's financial position. A summary of the Statements of Net Position during the fiscal years ended June 30, 2018, 2017 and 2016 are shown below. The focus is on Net Position (Note 1):

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>2018 - 2017 Increase (Decrease)</u>	<u>June 30, 2016</u>	<u>2017 - 2016 Increase (Decrease)</u>
Cash	\$ 16,670,506	\$ 15,068,929	\$ 1,601,577	\$ 12,041,572	\$ 3,027,357
Receivables	8,685,524	8,059,567	625,957	6,227,682	1,831,885
Prepaid expenses	40,442	148,269	(107,827)	20,696	127,573
Restricted cash and receivables	-	31,624	(31,624)	307,037	(275,413)
Capital assets	<u>29,085,919</u>	<u>20,849,921</u>	<u>8,235,998</u>	<u>19,166,232</u>	<u>1,683,689</u>
<b>Total Assets</b>	<u>54,482,391</u>	<u>44,158,310</u>	<u>10,324,081</u>	<u>37,763,219</u>	<u>6,395,091</u>
Current liabilities	2,221,028	3,847,040	(1,626,012)	2,853,909	993,131
Noncurrent liabilities	<u>39,095</u>	<u>27,244</u>	<u>11,851</u>	<u>14,199</u>	<u>13,045</u>
<b>Total Liabilities</b>	<u>2,260,123</u>	<u>3,874,284</u>	<u>(1,614,161)</u>	<u>2,868,108</u>	<u>1,006,176</u>
Net investment in capital assets	29,085,919	20,849,921	8,235,998	19,166,232	1,683,689
Restricted net position	-	31,624	(31,624)	307,037	(275,413)
Unrestricted net position	<u>23,136,349</u>	<u>19,402,481</u>	<u>3,733,868</u>	<u>15,421,842</u>	<u>3,980,639</u>
<b>Total Net Position</b>	<u>\$ 52,222,268</u>	<u>\$ 40,284,026</u>	<u>\$ 11,938,242</u>	<u>\$ 34,895,111</u>	<u>\$ 5,388,915</u>

A substantial portion of the District's total net position reflects investment in capital assets. These capital assets are used to provide bus services to Marin County residents and visitors. Consequently, these assets are not available for future spending. An additional portion of the District's net position represents resources that are subject to external restrictions imposed by grantors, contributors, or laws or regulations of other governments or constraints imposed by laws through constitutional provisions or enabling legislation, that restrict the use of net position. The remainder of the District's net position is unrestricted, and represents the District's reserve account. This reserve continues to meet the requirements of the Board adopted reserve policy.

## STATEMENTS OF ACTIVITIES AND CHANGES IN NET POSITION

The Statements of Activities and Changes in Net Position provides information regarding the District's revenues and expenses. The table below reflects a summary of the District's Statements of Activities and Changes in Net Position during the fiscal years ended June 30, 2018, 2017 and 2016.

	June 30, 2018	June 30, 2017	2018-2017 Increase (Decrease)	June 30, 2016	2017-2016 Increase (Decrease)
<b>Operating revenues</b>					
Transit fares	\$ 3,570,143	\$ 3,528,289	\$ 41,854	\$ 3,586,587	\$ (58,298)
Contractual compensation	1,830,716	1,765,230	65,486	2,028,796	(263,566)
Special fares and school bus revenue	410,509	414,244	(3,735)	380,798	33,446
<b>Total operating revenues</b>	<b>5,811,368</b>	<b>5,707,763</b>	<b>103,605</b>	<b>5,996,181</b>	<b>(288,418)</b>
<b>Operating expenses</b>					
Purchased transportation services	22,698,220	21,422,651	1,275,569	20,461,632	961,019
Depreciation	2,908,165	2,387,889	520,276	1,753,960	633,929
Salary and benefits	1,881,194	1,973,470	(92,276)	1,631,669	341,801
Fuel	2,161,545	1,818,940	342,605	1,619,444	199,496
Professional Services	1,440,732	1,177,446	263,286	1,003,065	174,381
General & administrative	416,675	383,926	32,749	397,707	(13,781)
Leases and rentals	98,832	96,668	2,164	94,469	2,199
Maintenance and facility costs	201,222	136,111	65,111	232,303	(96,192)
<b>Total expenses</b>	<b>31,806,585</b>	<b>29,397,101</b>	<b>2,409,484</b>	<b>27,194,249</b>	<b>2,202,852</b>
<b>Operating Loss</b>	<b>(25,995,217)</b>	<b>(23,689,338)</b>	<b>(2,305,879)</b>	<b>(21,198,068)</b>	<b>(2,491,270)</b>
<b>Nonoperating revenues (expenses)</b>					
Intergovernmental	22,142,502	20,529,158	1,613,344	19,069,595	1,459,563
Property taxes	4,321,194	4,111,657	209,537	3,848,219	263,438
Advertising and rentals	439,044	397,790	41,254	386,914	10,876
Gain on disposal of capital assets	2,093	1,102	991	88,571	(87,469)
Other revenues (expenses)	33,552	(33,032)	66,584	(70,956)	37,924
<b>Total nonoperating revenues</b>	<b>26,938,385</b>	<b>25,006,675</b>	<b>1,931,710</b>	<b>23,322,343</b>	<b>1,684,332</b>
<b>Income Before Capital Contributions</b>	<b>943,168</b>	<b>1,317,337</b>	<b>(374,169)</b>	<b>2,124,275</b>	<b>(806,938)</b>
<b>Capital contributions (grants)</b>					
Intergovernmental	10,979,056	4,038,739	6,940,317	12,250,751	(8,212,012)
Other revenue	16,018	32,839	(16,821)	7,711	25,128
<b>Total capital contributions (grants)</b>	<b>10,995,074</b>	<b>4,071,578</b>	<b>6,923,496</b>	<b>12,258,462</b>	<b>(8,186,884)</b>
<b>Change in Net Position</b>	<b>11,938,242</b>	<b>5,388,915</b>	<b>6,549,327</b>	<b>14,382,737</b>	<b>(8,993,822)</b>
<b>Net Position at Beginning of Year</b>	<b>40,284,026</b>	<b>34,895,111</b>	<b>5,388,915</b>	<b>20,512,374</b>	<b>14,382,737</b>
<b>Net Position at End of Year</b>	<b>\$ 52,222,268</b>	<b>\$ 40,284,026</b>	<b>\$ 11,938,242</b>	<b>\$ 34,895,111</b>	<b>\$ 5,388,915</b>

## Revenues

Operating revenues increased to \$5.8 million in the fiscal year ended June 30, 2018 as compared to \$5.7 million in the fiscal year ended June 30, 2017. This increase is was due to modest increases in fare revenue and contractual compensation.

The District has seen growth in nonoperating revenues for the fiscal years ended June 30, 2018 and June 30, 2017. The significant increase in the fiscal year ended June 30, 2017 is primarily due to an increase in Federal revenue for operations, an increase in local sales tax funding expended on for local fixed route operations and an increase in property tax revenue. The increase in the fiscal year ended June 30, 2018 is primarily due to claiming \$1.2 million of additional local Measure A sales tax funding for service expansions that started in June 2016.

The majority of construction and vehicle acquisitions are funded with capital contributions from other governmental units such as federal, state, and local agencies. Therefore, capital contribution revenue is tied to the District's capital purchases, which naturally fluctuate over time. In the fiscal years ended June 30, 2018 and June 30, 2016, the District procured and received a large number of vehicles, resulting in large spikes in capital contributions.

## Expenses

Operating expenses increased in fiscal year ended June 30, 2018 due to increased purchased transportation costs from increases contract rates, increased fuel expense from price increases, and increased paratransit service demand. Depreciation also increased due to the purchase of additional vehicles in the prior year. During the fiscal year ended June 30, 2017, operating expenses increased due to the expanded fixed route transit service.

In the fiscal year ended June 30, 2018, Marin Transit spent more staff time on capital projects resulting in lower salary and benefit costs for operations.

In the fiscal year ended June 30, 2017, Marin Transit operated 145 more hours of fixed route service. As a result, purchased transportation, fuel and other related expenses increased significantly.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

Summary of Capital Assets (net of depreciation)

	<u>Balance at June 30, 2018</u>	<u>Balance at June 30, 2017</u>	<u>Balance at June 30, 2016</u>	<u>Balance June 30, 2015</u>
Nondepreciable				
Work in progress	\$ 748,556	\$ 3,610,173	\$ 1,746,405	\$ 2,176,497
				-
Capital assets being depreciated:				
Revenue vehicles	19,429,714	13,922,452	14,256,941	4,399,104
Facilities & stops	2,626,559	2,649,945	2,725,709	1,463,946
Communication and data equipment	518,862	522,064	286,197	427,533
Fare revenue collection equipment	5,402,625	134,881	137,372	181,258
Furniture and fixtures	359,603	10,406	13,608	16,810
	<u>39,797,073</u>	<u>20,249,741</u>	<u>21,425,827</u>	<u>8,494,651</u>
Capital assets, net	<u>\$ 29,085,919</u>	<u>\$ 20,849,921</u>	<u>\$ 19,166,232</u>	<u>\$ 8,665,148</u>

The District's investment in capital assets amounts to \$29,085,919 and \$20,849,921 and as of June 30, 2018 and June 30, 2017, respectively (net of accumulated depreciation). This investment in capital assets includes vehicles, facilities and stops, communication and data equipment, fare revenue collection equipment, and furniture and fixtures. The total increase in capital assets for fiscal years 2018 and 2017 was approximately 39% and 8%, respectively.

The most significant additions to the District's capital costs in the year end June 30, 2018 were ten 40ft-hybrid transit vehicles and a new transit facility in downtown Novato. In the fiscal year ended June 30, 2017, the District did not have significant vehicle replacements and the increase in assets was primarily due to work in progress on the downtown Novato transit facility.

### **Debt Administration**

Pursuant to the enabling legislation (Marin County Transit District Act of 1964, § 70225), the District has the authority to issue debt. Currently, the District has no outstanding debt.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Steady economic growth combined with significant new service contracts have improved Marin Transit's financial outlook, and allowed Marin Transit to expand fixed route transit service hours by 19% in June 2016. The associated increase in expenses was anticipated and within the District's available intergovernmental revenue. The District is now monitoring the service changes implemented in June 2016.

The November 6, 2018 ballot includes a local transportation measure and a statewide proposition that will significantly impact Marin Transit's future intergovernmental revenues. Since the close of the fiscal year and prior to the publication of this audit, the elections results on both the County measure and the statewide proposition were favorable to the District. The local sales tax was extended with 55% of revenue continuing to go to public transit and the prior year increase in State gas taxes will continue to bring additional revenue to transit.

Marin Transit will continue to operate a similar level of service in fiscal year end June 30, 2019 and will work with the Marin Transit Board of Directors to review updated ten-year revenue and expense projections and, if applicable, evaluate options to expand service and reinvest available resources starting in fiscal year end June 30, 2019.

Marin Transit's contract service operations expenses are 70% of operations costs. Continued low unemployment (2.7%) and high housing costs directly impact contractor's ability to hire and retain qualified transit operators and other front-line staff. The Marin Transit board approved contract amendments to increase wages for three contractors in fiscal year end June 30, 2018. Marin Transit competitively re-bid 50% of the District's fixed route service in fiscal year June 30, 2018 and two new service contracts are effective July 1, 2018 and are available to the District through fiscal year end June 30, 2023. Marin Transit's financial projections included an allowance for rate increases of ten percent for the new contracts to account for increased labor costs and increasing facility costs. Overall the new contracts are within the financial projections with one contract significantly below the projections and the other contract, for the seasonal and rural operations, above the projection. Both contracts include annual rate increases around three percent.

The District does not own its own transit vehicle parking and maintenance facility. Marin Transit has identified this an ongoing challenge for contract operations and a risk for future operations contracts. To reduce this risk and challenge, Marin Transit has been working to purchase a facility and has established a capital reserve and received a \$4.4 million discretionary grant for this purpose. Marin County has limited land suitable for a facility and without additional transit vehicle parking, increasing bus service levels will be constrained and it will be difficult to invest in electric bus charging infrastructure.

The District continues to fully funded reserve, and has increased transit service to ensure the District continues to provide the highest levels of local bus service possible while ensuring financial stability.

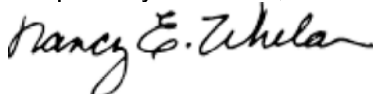
The District adopted an update to Marin Transit's Short Range Transit Plan (SRTP) on December 20, 2017. The 2018-2027 SRTP provides a framework for service and capital planning for the next ten years. Financial projections are updated and a financially constrained plan and priorities for services and projects are established for potential future new revenues. The SRTP financial plan guides financial decision-making for the agency and is the basis for analyzing longer range financial impacts of changes in costs and revenues. The SRTP is updated every two to four years. As outlined in the District's SRTP, the District will continue to evaluate all services provided with an emphasis on continuing to improve the efficiency and convenience of the transit system for riders.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide our residents, taxpayers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the funds under its stewardship.

Please address any questions about this report or requests for additional financial information to our office at 711 Grand Avenue, Suite 110, San Rafael, California 94901.

Respectfully submitted,



Nancy Whelan  
General Manager

**BASIC FINANCIAL STATEMENTS**

**MARIN COUNTY TRANSIT DISTRICT  
BALANCE SHEETS  
JUNE 30, 2018 AND 2017**

<b>ASSETS</b>	<u>2018</u>	<u>2017</u>
<b>CURRENT ASSETS:</b>		
Cash, cash equivalents	\$ 16,670,506	\$ 15,068,929
Accounts receivable:		
State grants	269,039	2,858,866
Transportation Authority of Marin	6,685,049	3,834,054
Federal grants	883,454	703,008
Golden Gate Bridge Highway and Transit District	662,302	515,456
Other receivables	185,680	148,183
Prepaid expenses	40,442	148,269
<b>Total Current Assets</b>	<u>25,396,472</u>	<u>23,276,765</u>
<b>NONCURRENT ASSETS:</b>		
Restricted cash and cash equivalents	-	31,624
Capital assets:		
Not depreciated	748,556	3,610,173
Depreciated, net	28,337,363	17,239,748
<b>Total capital assets</b>	<u>29,085,919</u>	<u>20,849,921</u>
<b>Total Noncurrent Assets</b>	<u>29,085,919</u>	<u>20,881,545</u>
<b>Total Assets</b>	<u>\$ 54,482,391</u>	<u>\$ 44,158,310</u>
<b>LIABILITIES AND NET POSITION</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 2,062,500	\$ 1,951,084
Accrued payroll and benefits	83,029	79,767
Due to other governments	-	1,491,850
Unearned revenue	15,267	251,884
Compensated absences - current portion	60,232	72,455
<b>Total Current Liabilities</b>	<u>2,221,028</u>	<u>3,847,040</u>
<b>NONCURRENT LIABILITIES:</b>		
Compensated absences - noncurrent portion	39,095	27,244
<b>Total Noncurrent Liabilities</b>	<u>39,095</u>	<u>27,244</u>
<b>Total Liabilities</b>	<u>2,260,123</u>	<u>3,874,284</u>
<b>NET POSITION</b>		
<b>NET POSITION:</b>		
Net investment in capital assets	29,085,919	20,849,921
Restricted for LCTOP approved operating costs	-	-
Restricted for bus acquisitions	-	31,624
Unrestricted	23,136,349	19,402,481
<b>Total Net Position</b>	<u>\$ 52,222,268</u>	<u>\$ 40,284,026</u>

The accompanying notes are an integral part of these financial statements.



**MARIN COUNTY TRANSIT DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
<b>OPERATING REVENUES:</b>		
Transit fares	\$ 3,570,143	\$ 3,528,289
Contractual compensation	1,830,716	1,765,230
Special fares	265,509	269,244
School bus services revenues	145,000	145,000
	5,811,368	5,707,763
<b>OPERATING EXPENSES:</b>		
Purchased transportation services	22,698,220	21,422,651
Depreciation	2,908,165	2,387,889
Salaries and benefits	1,881,194	1,973,470
Fuel	2,161,545	1,818,940
Professional services	1,440,732	1,177,446
General and administrative	244,554	199,985
Utilities	150,501	116,578
Marketing	98,034	114,823
Leases and rentals	98,832	96,668
Other services	47,873	51,035
Casualty and liability costs	26,214	18,083
Maintenance costs	31,526	10,448
Capital costs	19,195	9,085
	31,806,585	29,397,101
<b>OPERATING LOSS</b>	<b>(25,995,217)</b>	<b>(23,689,338)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Intergovernmental revenue	22,142,502	20,529,158
Property tax revenue	4,321,194	4,111,657
Advertising	280,788	245,018
Rental income	158,256	152,772
Interest income	118,552	51,968
Gain on disposal of capital assets	2,093	1,102
Pass through of Measure A to Golden Gate Transit	(85,000)	(85,000)
	26,938,385	25,006,675
Total nonoperating revenues (expenses)		
Capital contributions:		
Intergovernmental revenue	10,979,056	4,038,739
Other revenue	16,018	32,839
	10,995,074	4,071,578
Total capital contributions		
<b>Change in Net Position</b>	<b>11,938,242</b>	<b>5,388,915</b>
<b>NET POSITION:</b>		
Beginning of year	40,284,026	34,895,111
End of year	\$ 52,222,268	\$ 40,284,026

The accompanying notes are an integral part of these financial statements.

**MARIN COUNTY TRANSIT DISTRICT  
STATEMENTS OF CASH FLOWS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 3,744,035	\$ 3,831,917
Cash receipts from contracts	1,830,716	1,910,230
Cash receipts from rent and leases	158,256	152,772
Cash paid for purchased transportation service	(22,695,330)	(21,341,809)
Cash paid to suppliers for goods and services	(4,319,006)	(3,811,906)
Cash paid to employees for services	(1,661,951)	(1,934,876)
	<b>(22,943,280)</b>	<b>(21,193,672)</b>
<b>Net Cash Used by Operating Activities</b>		
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Property taxes received	3,695,237	4,111,657
Other noncapital revenues received	280,788	
Intergovernmental revenues received	20,565,652	19,828,168
	<b>24,541,677</b>	<b>23,939,825</b>
<b>Net Cash Provided by Noncapital Financing Activities</b>		
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds from sale of capital assets	2,093	26,902
Acquisition of capital assets	(11,144,163)	(3,157,884)
Capital contribution revenues received	10,995,074	3,105,410
	<b>(146,996)</b>	<b>(25,572)</b>
<b>Net Cash Used by Capital and Related Financing Activities</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest income received	118,552	51,968
	<b>118,552</b>	<b>51,968</b>
<b>Net Cash Provided by Investing Activities</b>		
<b>Net Increase in Cash, Cash Equivalents, and Investments</b>	<b>1,569,953</b>	<b>2,772,549</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning balance	15,100,553	12,328,004
Ending balance	<b>\$ 16,670,506</b>	<b>\$ 15,100,553</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEETS</b>		
Cash, cash equivalents, and investments	\$ 16,670,506	\$ 15,068,929
Restricted cash and investments held by fiscal agent	-	31,624
<b>Total Cash and Cash Equivalents</b>	<b>\$ 16,670,506</b>	<b>\$ 15,100,553</b>

The accompanying notes are an integral part of these financial statements.

**MARIN COUNTY TRANSIT DISTRICT  
STATEMENT OF CASH FLOWS (Continued)  
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
<b>RECONCILIATION OF NET LOSS TO NET CASH USED BY OPERATING ACTIVITIES:</b>		
Net loss from operations	\$ (25,995,217)	\$ (23,689,338)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation	2,908,165	2,387,889
Rent and lease receipts	158,256	152,772
(Increase) decrease in accounts receivable	-	(16,459)
(Increase) decrease in prepaid expenses	107,827	(127,573)
Increase (decrease) in accounts payable	111,416	(29,207)
Increase (decrease) in accrued payroll and benefits	3,262	13,743
Increase (decrease) in due to other governments	-	38,807
Increase (decrease) in unearned revenue	(236,617)	50,843
Increase (decrease) in compensated absences	(372)	24,851
	<b>\$ (22,943,280)</b>	<b>\$ (21,193,672)</b>

The accompanying notes are an integral part of these financial statements.

**MARIN COUNTY TRANSIT DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Marin County Transit District (the District) are in conformity with accounting principles generally accepted in the United States of America applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the significant accounting policies:

**A. *Reporting Entity***

The District is a special district created by the authority of the Marin County Transit District Act of 1964. The District's purpose is to develop, finance, organize, and provide local Marin County transit service. Revenues are derived principally from property taxes, aid from other governmental entities, transportation contract revenue, and transit fare revenue.

The District is governed by a seven-member Board of Directors (the Board) comprised of the members of the Board of Supervisors of the County of Marin (the County) and two members chosen from city council persons or mayors of cities within the county. The District is a component unit of the County because the County controls the District's Board and may impose its will on the District.

The District contracts with five transit providers to operate transit services in Marin County:

Golden Gate Bridge Highway and Transportation District (Golden Gate): Since 1971, the District has contracted with Golden Gate to provide local transit services. In May of 2015, the District and Golden Gate entered into an agreement for transit services for the period July 1, 2015 through June 30, 2020 that contains options to extend the contract for two additional one-year periods. The contract specifies a rate per revenue hour and range of minimum and maximum revenue hours to be incurred each fiscal year for the term of the agreement and the two option years. The contract provides for a 2.7% increase in the rate per revenue hour annually. Fuel, capital costs, customer service as well as San Rafael Transit Center security, maintenance, and utilities are separately compensated under the agreement in addition to the rate per revenue hour. The District sets the fare structure and rates, and establishes the service levels and the frequency of local transit services. Golden Gate collects passenger fares for the District's routes and the District's portion of State funding and applies them toward the District's obligation to Golden Gate.

Under the terms of the yearly agreements in place for the years ended June 30, 2018 and 2017, Golden Gate operated seven local fixed routes. The total cost of local bus transit service under these agreements during the years ended June 30, 2018 and 2017 was \$9,434,193 and \$10,370,761, respectively. Related fare, revenue, advertising revenue, and other revenue earned for the fiscal years ended June 30, 2018 and 2017 was \$2,980,425 and \$3,255,200, respectively. Golden Gate was compensated for operating costs based on revenue hours incurred multiplied by a rate per hour specified in the contract as well as the District's share of capital costs of Golden Gate buses used. The agreement allowed the District the option of assuming ownership of revenue vehicles purchased with the District's capital contribution to Golden Gate. Ownership of all seventeen buses for which this provision applied was assumed during the fiscal year ended June 30, 2016. The remaining capital costs paid by the District to Golden Gate are related to the use of Golden Gate assets, including vehicles, facilities, and other assets, for which ownership may not be assumed by the District.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**A. Reporting Entity** (Continued)

Under the local paratransit agreement, the District contracts for local and inter-county (regional) paratransit service on behalf of Golden Gate. With the implementation of the Americans with Disabilities Act (ADA), Golden Gate was required to provide complementary local and inter-county paratransit services. Golden Gate contracted with the District to be the primary public entity responsible to provide these inter-county paratransit services. The District, in turn, contracted with Marin Senior Coordinating Council to provide the actual services, with the understanding that the District would be adequately compensated by Golden Gate.

Marin Senior Coordinating Council, Inc.: The District has contracted with Marin Senior Coordinating Council, Inc, (MSCC, also known as “Whistlestop”) since 2009 to provide local paratransit services. The contract was competitively bid, with a most recent contract start date of January 1, 2016. The contract has a 4 ½ year term with two one-year options. Paratransit services consist of demand responsive services for the disabled, which meets the requirements of the ADA and other federal provisions. Under the contract, MSCC provides the paratransit services and collects all the fare revenues. MSCC bills the District monthly for the net cost of services on an agreed-upon hourly basis. The District receives reimbursement from Golden Gate for the actual cost of the inter-county (regional) portion of this service and a portion of the local paratransit services.

MV Transportation, Inc.: In November 2011, operation of the Muir Woods Shuttle, along with the rural transit service on the West Marin Stagecoach was awarded to MV Transportation, Inc. for a three-year term with two optional one-year extensions. An additional six month extension was granted to align the contract with the fiscal year. MV Transportation, Inc. now operates turn-key service on the Muir Woods Shuttle along with two rural routes established by the District and paid for in part by Federal Section 5311 Rural funding. MV Transportation also provides ten school routes and four local fixed routes. Fare revenue on the service is collected through the District's GFI fare box system and is deposited directly into the District's account. The National Park Service pays for 50% of the Muir Woods Shuttle program.

Marin Airporter: The District contracts with a Marin County private company, Marin Airporter, to provide a local shuttle service on six routes called the Community Shuttle program and one local fixed route. Marin Airporter has operated this service since 2006, and won a competitive bid process for a new contract for the period July 1, 2013 through June 30, 2016 with up to two extensions through June 30, 2018. Fare revenue on this service is collected through the District's GFI fare box system and is deposited directly into the District's account.

Michael's Transportation Services: In 2015, the District awarded a one-year contract , with two option years, to Michael's Transportation Services to provide a six-yellow bus service to the Ross Valley School District. The District has exercised both option years to continue the service through the Spring of 2018.

**B. Joint Ventures**

The District participates in two joint ventures. One joint venture is for risk management as disclosed in Note 10. The second joint venture is the Marin Emergency Radio Authority (the Authority). The Authority is responsible for acquiring, constructing, improving, and operating a countywide emergency radio system. During the fiscal year ended June 30, 1999, the Authority issued Revenue Bonds to be used for the acquisition of the radio system. The District is responsible for 1.18% share of the annual contributions to the Authority for operations, which also covers debt payments. The amount of the contribution is disclosed in Note 12. The District is not directly responsible for liabilities of the Authority and only has a residual equity interest in the Authority that would result in the District's proportional share of residual assets being distributed to the District, if any, if the members vote to terminate the Authority. The Authority issues separate financial statements, which are available at: Marin Emergency Radio Authority, c/o Novato Fire Protection District, 95 Rowland Way, Novato, California 94945 or [www.meraonline.org/](http://www.meraonline.org/) contact.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**C. Basis of Presentation**

The basic financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District applies all applicable GASB pronouncements in its accounting and financial reporting. The more significant of the District's accounting policies are described below.

The District's resources are allocated to and accounted for in these financial statements as an enterprise fund type of the proprietary fund group. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other policies. Net position for the enterprise fund represents the amount available for future operations.

**D. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of this fund are included on the balance sheet. Net position is segregated into the net investment in capital assets, amounts restricted, and amounts unrestricted. Enterprise fund operating statements present increases (i.e., revenue) and decreases (i.e., expenses) in net position.

The District uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Grant revenue is recognized when program expenditures are incurred in accordance with program guidelines. When such funds are received they are recorded as unearned revenues until earned. TDA revenues are recorded when all eligibility requirements have been met.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District are charges to customers for transportation services, contractual compensation and advertising. Operating expenses include the cost of purchased transportation services, contract labor, fuel, depreciation, professional services, leases and rentals, general and administrative, direct labor, marketing, utilities, and other operating expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**E. Cash and Cash Equivalents**

The District defines cash and cash equivalents as cash on hand, demand deposits, and short-term investments, including the investment in the County investment pool. For the purposes of reporting cash flows, the District considers all cash and highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Additionally, one contractor who provides transportation services offsets certain types of revenue and expenses against monthly transportation service charges. Only the actual cash transactions are shown on the statement of cash flows.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**F. Restricted Assets**

Restricted assets consisted of the following at June 30:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Unexpended cash proceeds from FTA funded bus sales	\$ -	\$ 31,624
Unexpended LCTOP grant proceeds	<u>-</u>	<u>-</u>
Restricted cash and investments	-	31,624
Proceeds receivable from FTA funded bus sales	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 31,624</u>

The proceeds from Federal Transit Administration (FTA) funded bus sales are required to be spent on future bus acquisitions. The proceeds receivable from the FTA funded bus sales at June 30, 2017 were received during the year ended June 30, 2018. The unexpended Low Carbon Transit Operations Program (LCTOP) grant proceeds at June 30, 2017 were spent during the fiscal year ended June 30, 2018.

**G. Prepaid Expenses**

Prepaid expenses are costs paid as of the balance sheet date that are related to future accounting periods. Prepaid expenses at June 30, 2018 and 2017 consisted mainly of prepaid software maintenance costs.

**H. Capital Assets**

Capital assets are valued at historical cost. Donated capital assets are reported at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The District's policy defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Provision is made for depreciation on the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Revenue vehicles	3 – 12 years
Facilities and stops	5- 30 years
Communication and data equipment	3 – 5 years
Fare revenue and collection equipment	5 years
Furniture and fixtures	8 years
Non-revenue vehicles	2 years

Maintenance and repairs are expensed as operating expenses when incurred. Betterments that increase the useful lives or capacity of existing capital assets are capitalized when incurred. Costs of assets sold or retired (and the related amounts of accumulated depreciation) are eliminated from the capital asset accounts in the year of sale or retirement and the resulting gain or loss is included in nonoperating revenues (expenses).

Occasionally the District reimburses other organizations for the purchases of vehicles, facilities, and other assets. For the reimbursements in which the District does not own the assets, the transaction is recorded as capital costs within operating expenses on the statement of revenues, expenses, and changes in fund net position.

**I. Unearned Revenue**

Unearned revenue at June 30, 2018 was Measure A funds expended on pre-paid software maintenance and unearned revenue at June 30, 2017 consisted mainly of bus passes sold in advance of services.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**J. *Compensated Absences***

At June 30, 2018 and 2017, the District's employment policy allows employees to accumulate earned, but unused vacation leave time. Vacation accrues at a rate of 80 hours per year until the third consecutive year of employment when an additional 40 hours are earned. Administrative leave and sick leave is provided to employees, but is not payable at separation or retirement and is not accrued as part of compensated absences. The current portion of the long-term liability is estimated based on historical trends.

**K. *Property Taxes***

The County levies taxes and places liens on real property as of January 1 on behalf of the District. Property taxes are due the following November 1 and March 1 and become delinquent December 10 and April 10, for the first and second installments, respectively. Unsecured property taxes are levied throughout the year.

In 1993, the District entered into an agreement (commonly known as the Teeter Plan) with the County. The Teeter Plan calls for the County to advance the District its share of the annual gross levy of secured property taxes and special assessments. In consideration, the District gives the County of Marin its rights to penalties and interest on delinquent secured property tax receivables and actual proceeds collected. The other receivables line on the balance sheet refers mainly to unsecured property taxes.

**L. *Measure A***

The County's voters passed a ½ cent sales tax measure (Measure A) in 2004 to provide local funding and investment for transportation infrastructure and programs. The tax went into effect on April 1, 2005 and lasts for a period of 20 years. Under the sales tax expenditure plan, fifty-five percent (55%) of Measure A is available for Local Transit service. The Transportation Authority of Marin (TAM) is the transportation sales tax authority in the County. TAM makes Measure A funding available to the District based on projections, and adjusts future years balances to account for actual receipts. The District requests Measure A funds on a reimbursement basis and does not carry an unspent balance of these funds.

**M. *Measure B***

In 2010, the County's voters approved Measure B, the Vehicle Registration Fee Initiative that collects \$10 annually for each vehicle registered in the County for the purpose of improving transportation within the County. The TAM board adopted the Measure B Expenditure Plan on July 28, 2011 and is effective for 10 years. The Measure B Expenditure Plan designates 35% of the funds generated to be used to fund senior and disabled transportation services in the County, and Marin Transit is the designated agency to manage this component. The District requests Measure B funds on a reimbursement basis and does not carry an unspent balance of these funds.

**N. *Net Position***

Net position is categorized as the net investment in capital assets, restricted, and unrestricted as follows:

Net Investment in Capital Assets – The net investment in capital assets groups all capital assets into one category of net position, which is reduced by accumulated depreciation.

Restricted Net Position – Restrictions of net position represent amounts that are legally restricted for specific uses. The amount reported as restricted for capital additions represents a gain on sale of FTA funded buses that must be used for future bus acquisitions.

Unrestricted Net Position – Unrestricted net position represents amounts not restricted for any other project.



**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**N. Net Position** (Continued)

The District's Board approved a reserve policy for unrestricted net position allowing for a minimum of two months and maximum of six months of operating expenses to be reserved. An emergency reserve of two months of operating expenses and contingency reserve of more than two months but less than four months of operating expenses were approved under the policy. The emergency reserve is available for one-time, unanticipated expenditures or to offset unanticipated revenue fluctuations. The contingency reserve is available to maintain current transit service levels during revenue declines or slower than anticipated revenue growth. During the fiscal year ended June 30, 2018, a capital reserve was approved by the Board. Reserves were as follows at June 30:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Emergency reserve	\$ 4,992,037	\$ 4,886,753
Contingency reserve	9,984,074	9,773,507
Capital reserve	<u>8,160,238</u>	<u>4,742,221</u>
	<u>\$ 23,136,349</u>	<u>\$ 19,402,481</u>

**O. Use of Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**P. Reclassifications**

Certain amounts in 2017 have been reclassified to conform to the 2018 financial statement presentation. The reclassifications had no effect on total net position or change in net position.

**NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS**

Cash, cash equivalents, and investments as of June 30, 2018 and 2017 consist of the following:

	<u>2018</u>	<u>2017</u>
Cash on hand	\$ 25	\$ 205
Bank deposits	1,310,043	1,409,634
County of Marin investment pool	<u>15,360,438</u>	<u>13,690,714</u>
Total Cash, Cash Equivalents, and Investments	<u>\$ 16,670,506</u>	<u>\$ 15,100,553</u>

**NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS** (Continued)Investment in the County of Marin Investment Pool

The District's Financial Management Policies indicates the District will invest excess funds in the County's investment pool. The County's investment pool is monitored and reviewed by a Treasury Oversight Committee (Committee). The Committee and County Board of Supervisors review and approve the County's investment policy yearly. The County's investment pool is not registered by the Securities and Exchange Commission. Interest earned on the pool is allocated to participants quarterly using the average daily cash balance of each fund. Investments held in the County's investment pool are available on demand to the District and are stated at amortized cost, which approximates fair value. The investment in the County pool is withdrawn on the amortized cost basis, which is different than the fair value of the District's investment in the pool. More information about the County's investment pool can be found in the notes to the County's basic financial statements at <https://www.marincounty.org>.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2018 and 2017, the weighted average maturity of the investments contained in the County's investment pool was approximately 211 and 231 days, respectively.

Credit risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's investment pool has maintained the highest rating of AAA by Fitch Ratings, a nationally recognized statistical rating organization, since 1994.

Custodial credit risk

Custodial risk is the risk that the government will not be able to recover its deposits or the value of its investments that are in the possession of an outside party. Custodial credit risk does not apply to a local government's indirect deposits or investment in securities through the use of government investment pools (such as the County's investment pool). At June 30, 2018 and 2017, the carrying amount of the District's deposits was \$1,310,043 and \$1,409,634 and the balance in the financial institutions was \$1,377,465 and \$1,600,673, respectively. Of the balances in financial institutions, \$250,000 at June 30, 2018 and 2017 was covered by federal depository insurance and the remaining amount at was secured by a pledge of securities by the financial institution, but not in the name of the District.

**NOTE 3 – CAPITAL ASSETS**

Capital asset activity was as follows for the fiscal years ended June 30:

	Balance July 1, 2017	Additions	Deletions	Transfers	Balance June 30, 2018
Nondepreciable:					
Work in progress	\$ 3,610,173	\$ 558,648	\$ -	\$ (3,420,265)	\$ 748,556
Capital Assets, Being Depreciated/Amortized:					
Revenue vehicles	19,108,821	7,862,632	(30,766)	17,196	26,957,883
Facilities and stops	2,943,526	2,189,163	-	3,338,486	8,471,175
Communication and data equipment	1,634,293	146,966	-	40,108	1,821,367
Fare revenue collection equipment	459,532	14,485	(9,155)	-	464,862
Furniture and fixtures	88,351	-	-	24,475	112,826
Non-revenue vehicles	6,300	372,269	-	-	378,569
Total Capital Assets, Being Depreciated	<u>24,240,823</u>	<u>10,585,515</u>	<u>(39,921)</u>	<u>3,420,265</u>	<u>38,206,682</u>
Less Accumulated Depreciation/Amortization:					
Revenue vehicles	(5,186,369)	(2,372,566)	30,766	-	(7,528,169)
Facilities and stops	(293,581)	(259,905)	-	-	(553,486)
Communication and data equipment	(1,112,229)	(210,460)	-	-	(1,322,689)
Fare revenue collection equipment	(324,651)	(43,747)	9,155	-	(359,243)
Furniture and fixtures	(77,945)	(3,202)	-	-	(81,147)
Non-revenue vehicles	(6,300)	(18,285)	-	-	(24,585)
Total Accumulated Depreciation	<u>(7,001,075)</u>	<u>(2,908,165)</u>	<u>39,921</u>	<u>-</u>	<u>(9,869,319)</u>
Total Capital Assets, Being Depreciated, Net	<u>17,239,748</u>	<u>7,677,350</u>	<u>-</u>	<u>3,420,265</u>	<u>28,337,363</u>
Total Capital Assets, Net	<u>\$ 20,849,921</u>	<u>\$ 8,235,998</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,085,919</u>
	Balance July 1, 2016	Additions	Deletions	Transfers	Balance June 30, 2017
Nondepreciable:					
Work in progress	\$ 1,746,405	\$ 2,804,403	\$ -	\$ (940,635)	\$ 3,610,173
Capital Assets, Being Depreciated/Amortized:					
Revenue vehicles	17,466,010	977,254	(104,897)	770,454	19,108,821
Facilities and stops	2,913,267	11,723	-	18,536	2,943,526
Communication and data equipment	1,251,626	268,958	-	113,709	1,634,293
Fare revenue collection equipment	412,356	9,240	-	37,936	459,532
Furniture and fixtures	88,351	-	-	-	88,351
Non-revenue vehicles	6,300	-	-	-	6,300
Total Capital Assets, Being Depreciated	<u>22,137,910</u>	<u>1,267,175</u>	<u>(104,897)</u>	<u>940,635</u>	<u>24,240,823</u>
Less Accumulated Depreciation/Amortization:					
Revenue vehicles	(3,209,069)	(2,082,197)	104,897	-	(5,186,369)
Facilities and stops	(187,558)	(106,023)	-	-	(293,581)
Communication and data equipment	(965,429)	(146,800)	-	-	(1,112,229)
Fare revenue collection equipment	(274,984)	(49,667)	-	-	(324,651)
Furniture and fixtures	(74,743)	(3,202)	-	-	(77,945)
Non-revenue vehicles	(6,300)	-	-	-	(6,300)
Total Accumulated Depreciation	<u>(4,718,083)</u>	<u>(2,387,899)</u>	<u>-</u>	<u>-</u>	<u>(7,001,075)</u>
Total Capital Assets, Being Depreciated, Net	<u>17,419,827</u>	<u>(1,120,714)</u>	<u>-</u>	<u>940,635</u>	<u>17,239,748</u>
Total Capital Assets, Net	<u>\$ 19,166,232</u>	<u>\$ 1,683,689</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,849,921</u>

**NOTE 4 – COMPENSATED ABSENCES**

Compensated absences activity was as follows for the fiscal years ended June 30, 2018 and 2017:

	<u>Balance at July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2018</u>	<u>One Year</u>
Compensated absences	\$ 99,699	\$ 83,216	\$ (83,588)	\$ 99,327	\$ 60,232

	<u>Balance at July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2017</u>	<u>One Year</u>
Compensated absences	\$ 74,848	\$ 81,396	\$ (56,545)	\$ 99,699	\$ 72,455

**NOTE 5 – INTERGOVERNMENTAL REVENUE**

The following is the detail of intergovernmental revenues for the years ended June 30:

	2018		
	Non-operating	Capital	Total
Federal revenue:			
FTA			
Section 5303 (State Planning)	\$ 20,000	\$ -	\$ 20,000
Section 5307 (ADA Set-Aside)	701,236	-	701,236
Section 5307 (Vehicle/Equipment purchase)	-	6,391,631	6,391,631
Section 5307 (Lifeline Operations)	222,210	-	222,210
Section 5307 (STIP)	-	69,699	69,699
Section 5309 (State of Good Repair)	-	86,702	86,702
Section 5310 (Mobility Management)	-	-	-
Section 5311 grant (Stagecoach operating)	207,225	-	207,225
Section 5311 grant (RTAP scholarship)	1,168	-	1,168
Section 5316 JARC (Mobility Tech)	-	178,706	178,706
Section 5317 (New Freedom Cycle 4 Funding)	-	-	-
Section 5320 (Transit in the Parks)	-	330,181	330,181
United States Department of the Interior			
National Parks Service	154,736	-	154,736
National Parks Service - Fare Revenue	187,050	-	187,050
Total federal revenue	<u>1,493,625</u>	<u>7,056,919</u>	<u>8,550,544</u>
State revenue:			
TDA	4,614,306	-	4,614,306
STA	-	-	-
STA (Operations - Revenue Based)	900,000	-	900,000
STA (Operations - Population Based)	324,816	-	324,816
Paratransit	60,404	-	60,404
STIP	-	-	-
Active Transportation Program	-	259,693	259,693
Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA)	-	177,963	177,963
Home Owner Property Tax Relief	18,940	-	18,940
LCTOP	128,676	-	128,676
Caltrans	334	-	334
Total state revenue	<u>6,047,476</u>	<u>437,656</u>	<u>6,485,132</u>
Local revenue:			
Measure A			
Strategy 1.1 (Local)	9,960,852	-	9,960,852
Strategy 1.2 (Rural)	1,139,691	-	1,139,691
Strategy 1.3 (Special)	2,154,534	-	2,154,534
Strategy 1.4 (Capital)	286,508	2,053,481	2,339,989
Reserve Fund	-	1,120,000	1,120,000
Interest	85,000	-	85,000
Measure B	974,816	-	974,816
Miscellaneous	-	311,000	311,000
Total local revenue	<u>14,601,401</u>	<u>3,484,481</u>	<u>18,085,882</u>
Total intergovernmental revenue	<u>\$ 22,142,502</u>	<u>\$ 10,979,056</u>	<u>\$ 33,121,558</u>

**NOTE 5 – INTERGOVERNMENTAL REVENUE** (Continued)

	2017		
	Non-operating	Capital	Total
Federal revenue:			
FTA			
Section 5307 (ADA Set-Aside)	\$ 627,012	\$ -	\$ 627,012
Section 5307 (Vehicle Purchase)	-	797,041	797,041
FTA Section 5307 (STIP)	123,080	-	123,080
Section 5309 (State of Good Repair)	-	14,629	14,629
Section 5310 (Mobility Management)	49,157	-	49,157
Section 5311 grant (Stagecoach Operating)	206,437	-	206,437
Section 5316 JARC (Mobility Tech)	-	20,233	20,233
Section 5317 (New Freedom Cycle 4 Funding)	59,661	-	59,661
Section 5320 (Transit in the Parks)	-	10,976	10,976
United States Department of the Interior -	-	-	-
National Parks Service	89,009	-	89,009
	<u>1,154,356</u>	<u>842,879</u>	<u>1,997,235</u>
Total federal revenue			
State revenue:			
TDA	4,440,516	-	4,440,516
STA	-	-	-
STA (Fixed Route Service Operations)	800,000	-	800,000
STA lifeline	502,218	-	502,218
Operating	221,043	-	221,043
Paratransit	53,429	-	53,429
STIP	-	-	-
Active Transportation Program	-	(17,248)	(17,248)
Home Owner Property Tax Relief	18,953	729,307	748,260
PTMISEA	-	1,798,723	1,798,723
Caltrans	320	-	320
	<u>6,036,479</u>	<u>2,510,782</u>	<u>8,547,261</u>
Total state revenue			
Local revenue:			
Measure A	9,024,035	-	9,024,035
Strategy 1.1 (Local)	1,061,315	-	1,061,315
Strategy 1.2 (Rural)	2,180,396	-	2,180,396
Strategy 1.3 (Special)	276,805	680,551	957,356
Strategy 1.4 (Capital)	85,000	-	85,000
Measure B	627,198	-	627,198
Miscellaneous	83,574	4,527	88,101
	<u>13,338,323</u>	<u>685,078</u>	<u>14,023,401</u>
Total local revenue			
Total intergovernmental revenue	<u>\$ 20,529,158</u>	<u>\$ 4,038,739</u>	<u>\$ 24,567,897</u>

**NOTE 6 – OPERATING LEASE**

The District leases its office space under a non-cancellable operating lease. In July 2012, the District entered into a three-year lease, with one three-year option to renew at market rates. In June 2015, the District exercised its option to renew the lease for three additional years to October 31, 2018. As of June 30, 2018, future minimum lease payments under the operating lease were as follows:

Fiscal Year <u>Ending June 30:</u>	
2019	\$ 136,684
2020	139,400
2021	142,116
2022	144,832
2023	<u>97,761</u>
Total minimum lease commitments	<u>\$ 660,793</u>

Lease expense for the fiscal years ended June 30, 2018 and 2017 totaled \$98,832 and \$96,668, respectively.

**NOTE 7 – RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS**

The District contributes to the Marin County Transit District Governmental 401(a) single employer defined contribution pension plan (the Plan), for its employees who have attained twenty-one years of age and have more than 1,000 hours of service. The Plan is administered by the District.

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the District's Board of Directors. For each employee in the pension plan at the end of the plan year, the District is required to contribute 10% to 15% of annual salary, exclusive of overtime, to an individual employee account. Employees are not permitted to make contributions to the Plan. For the fiscal years ended June 30, 2018 and 2017, the District recognized pension expense of \$185,692 and \$196,355, respectively.

Employees are fully vested in employer contributions after six months of service. Non-vested District contributions are forfeited upon termination. Such forfeitures are first used to pay plan administrative expenses and any remaining forfeitures are used to reduce the required future employer contribution. There were forfeitures of \$2,151 during fiscal the year ended June 30, 2018 and no forfeitures during the fiscal year ended June 30, 2017.

The District provides a Section 457 deferred compensation plan (Section 457 Plan) to its employees. Employees are allowed to contribute to the Section 457 plan, but the District does not contribute to the Section 457 plan. The District does not currently provide other postemployment benefits (OPEB) to employees.

The District also contracted with the County and an independent entity called Local Government Services (LGS) for staffing until all contract employees were hired by the District during the fiscal year ended June 30, 2014. Pension and OPEB benefits were available to County and LGS contract employees. The District does not currently have a contract with the County that defines responsibility for any unfunded retirement and OPEB benefits for County employees used by the District that may be payable upon separation. However, all former County employees retired or left the County's and District's service and the District does not believe a separation liability is applicable to the District. The contract with LGS stated that LGS is responsible for retirement and OPEB benefits for its employees used by the District.

**NOTE 8 – COMMITMENTS AND CONTINGENCIES**Commitments

The District has the following commitments as of June 30:

Contractor	Purpose	2018	2017
Golden Gate Bridge Highway and Transportation District	Local fixed route service	\$ 12,717,289	\$ 21,943,672
Whistlestop	Paratransit service	11,252,374	14,985,688
Gillig	Hybrid buses	-	7,355,696
Marin Airporter	Shuttle & Fixed Route Services	17,817,611	4,501,200
MV Transportation, Inc.	Rural and seasonal transit service	9,381,767	3,006,153
Thompson Builders	RGTIP construction	-	1,994,366
BYD	Electric buses	1,368,590	1,368,590
Michael's Transportation Services	Yellow bus service	1,929,463	624,456
MV Transportation, Inc.	Catch a ride	-	418,850
Trapeze TripSpark	Paratransit scheduling software	-	304,807
Farber specialty vehicles	Mobile information kiosk	-	297,501
Whistlestop	Travel Navigator, Volunteer Driver	871,194	289,230
Dikita	Passenger ride check	-	234,174
Blink Tag	Website redesign	-	108,903
Creative Bus Sales	Paratransit and stage replacements	1,178,000	-
Syncromatics	Hardware replacement	143,024	-
		\$ 56,659,312	\$ 57,433,286

Contingencies

The District receives grants from federal and state agencies that are subject to compliance audits by the awarding agency. No such audits occurred during the fiscal year and the District's management does not believe that any such audits would result in material disallowed costs. However, it is possible that ineligible costs could be identified during any such audits in the future.

Marin Transit contracted with LGS (LGS, a Joint Powers Authority) for employees from May 1, 2010 through October 15, 2013. The contract required LGS to take responsibility for any pension benefits of LGS employees used by Marin Transit and LGS made contributions to the California Public Employees Retirement System (CalPERS) on their behalf. In June 2017, Marin Transit was made aware that CalPERS found that LGS incorrectly enrolled six of the individuals employed by LGS and used by Marin Transit into CalPERS membership. Due to this determination, it is unknown whether the employees will be allowed to retain CalPERS service credits and the status of previously made pension contributions/responsibility for any unfunded pension liability for the employees is in question. Marin Transit is working with LGS and CalPERS to explore options for retaining CalPERS service credits and other alternatives for the six current and/or former employees. The ultimate resolution of this matter is currently unknown.

The District is a party to claims arising in the normal course of business. The District's management and legal counsel are of the opinion that the ultimate liability, if any, arising from these claims will not have a material adverse impact of the financial position of the District.

Concentrations

A significant portion of the District's contracted transit services are provided by three transit contractors. A change in these relationships could have a significant impact on the District.

The District receives a substantial percentage of its revenue from sales tax, fuel tax, and property tax, including TDA, STA, and Measure A revenue. A significant change in these revenue sources could have a significant impact on the District's operations.



**NOTE 9 – OTHER STATE GRANTS**PTMISEA

In November 2006, California Voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Of the \$19.25 billion of State general obligation bonds authorized, \$4 billion was set aside by the State as instructed by the statute as the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or for rolling stock procurement, rehabilitation, or replacement.

As of June 30, 2018 and 2017, the District was awarded \$2,421,363 from the State's PTMISEA account for the projects listed in the tables below. The tables below disclose the PTMISEA amounts received, expended, and unexpended for each approved project that was verified during the course of the audit as of June 30:

<u>Project Name</u>	<u>Grant Amount</u>	<u>Received through June 30, 2018</u>	<u>Expended through June 30, 2018</u>	<u>Unexpended at June 30, 2018</u>
Local bus stop revitalization	\$ 400,000	\$ 254,437	\$ 264,910	\$ 135,090
Bus stop improvements	2,021,363	2,021,363	2,021,363	-
<b>Total</b>	<b>\$ 2,421,363</b>	<b>\$ 2,275,800</b>	<b>\$ 2,286,273</b>	<b>\$ 135,090</b>

<u>Project Name</u>	<u>Grant Amount</u>	<u>Received through June 30, 2017</u>	<u>Expended through June 30, 2017</u>	<u>Unexpended at June 30, 2017</u>
Local bus stop revitalization	\$ 400,000	\$ 247,311	\$ 249,301	\$ 150,699
Bus stop improvements	1,993,340	96,954	1,859,009	134,331
Purchase fourteen buses	1,157,651	1,157,651	1,157,651	-
Purchase four thirty foot buses	300,000	300,000	300,000	-
Paratransit vehicles	271,810	243,787	243,787	28,023
Paratransit vehicles expansion	547,687	547,687	547,687	-
Stage upgrade to XHF	111,267	111,267	111,267	-
<b>Total</b>	<b>\$ 4,781,755</b>	<b>\$ 2,704,657</b>	<b>\$ 4,468,702</b>	<b>\$ 313,053</b>

LCTOP

The LCTOP was established by the California Legislature in 2014 by Senate Bill 862. The LCTOP provides funds to transit agencies to reduce greenhouse gas emission and improve mobility through operating and capital grants. Projects approved for LCTOP will support bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance, and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions.

As of June 30, 2018, LCTOP funds of \$128,676 were allocated to the District. All this amount, was received for transit operations on Route 23 and was spent during the fiscal year ended June 30, 2018.

**NOTE 10 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; and natural disasters. The risk of loss is managed by requiring contract operators to indemnify and hold harmless the District as well as maintain minimum specified levels of coverage. Additional coverage is provided by the County for errors and omissions, injuries to employees, and natural disaster. The District's insurance coverage is carried through CSAC (California State Association of Counties) Excess Insurance Authority (CSAC) in pooled programs and through a commercial insurance carrier.

CSAC is a public entity risk pool currently operating as a common risk management and insurance program for counties located throughout California. The purpose of CSAC is to spread the adverse effects of losses among the member entities and to purchase excess insurance as a group. The District's general liability insurance limit through CSAC was \$25,000,000 with a \$25,000 deductible at June 30, 2018 and 2017, respectively. The District's claims have not exceeded the maximum insurance coverage and there have been no reductions in insurance limits during the past three fiscal years.

The District is not directly responsible for liabilities of CSAC and only has a residual equity interest in CSAC that would result in the District's proportional share of residual assets being distributed to the District or its proportional share of additional premiums being required to be paid to CSAC if assets are not adequate to satisfy liabilities, if any, if the members vote to terminate CSAC. The financial statements of CSAC are available at CSAC's office at: 75 Iron Point Circle, Folsom, California 95630 or at [www.csac-eia.org](http://www.csac-eia.org).

**NOTE 11 – TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS**

Transit operators are required to either meet a TDA funding limit of 50% of total expenses or maintain a minimum required fare revenue to operating expenses ratio in order to be eligible for TDA funding. The District's direct allocation of STA revenue meets the 50% expenditure limitation under TDA Section 99268, thereby making the District exempt from fare revenue ratio requirements.

**NOTE 12 – RELATED PARTY TRANSACTIONS**

The District's Board includes members of the governing bodies of the County, the City of Novato, the City of Mill Valley, and City of San Rafael (the Cities). The District has various transactions with the County, Cities, and other agencies that have City and County governing body representatives on their governing bodies.

Receivables from Golden Gate Bridge and Highway, and Transportation District (Golden Gate) and Transportation Authority of Marin (TAM) are listed on the face of the balance sheet. TDA and STA revenues listed in Note E are received from Golden Gate as well as various FTA and State grants. Measure A and Measure B revenues listed in Note E are received from TAM.

**NOTE 12 – RELATED PARTY TRANSACTIONS** (Continued)

The following table represents revenues, expenses, accounts payable, and unearned revenue to related agencies not separately reported in the balance sheets and statements of revenues, expenses, and changes in net position or Note 5:

	<u>2018</u>	<u>2017</u>
Revenues from related parties:		
Golden Gate Bridge Highway, and Transportation District:		
Fares	\$ 1,511,170	\$ 1,841,252
Paratransit contribution	1,044,481	1,016,178
Advertising	250,152	237,395
Other revenues	<u>174,622</u>	<u>160,395</u>
Total revenues from related parties not separately reported	<u>\$ 2,980,425</u>	<u>\$ 3,255,220</u>
Expenses to related parties:		
Golden Gate Bridge Highway, and Transportation District - transit contract		
Local transit service operations	\$ 9,284,733	\$ 10,266,187
Vehicle repairs	130,266	83,914
Capital costs	19,194	20,660
County of Marin - fuel	890,683	763,645
Marin Emergency Radio Authority - emergency radio system payments	46,474	46,138
County of Marin - other expenses	46,306	34,049
Metropolitan Transportation Commission - clipper	<u>16,595</u>	<u>13,812</u>
Total expenses to related parties	<u>\$ 10,434,251</u>	<u>\$ 11,228,405</u>
Accounts payable to related parties:		
Golden Gate Bridge Highway, and Transportation District:		
Transit contract	\$ 737,398	\$ 1,417,870
County of Marin - miscellaneous	<u>186,398</u>	<u>73,980</u>
Total accounts payable to related parties	<u>\$ 923,796</u>	<u>\$ 1,491,850</u>
Unearned revenue from related parties:		
Transportation Authority of Marin - Measure A	<u>\$ 3,824</u>	<u>\$ 10,379</u>
Total unearned revenue from related parties	<u>\$ 3,824</u>	<u>\$ 10,379</u>

**NOTE 13 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through November 28, 2018, the date these financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**MARIN COUNTY TRANSIT DISTRICT  
SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

**STATEMENTS OF FIDUCIARY NET POSITION – RETIREMENT PLAN**

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 23,072	\$ 52,523
Contributions receivable	13,456	8,167
Investments		
Fixed income	51,271	38,145
Target date funds	576,797	434,621
Stock mutual funds	221,980	134,964
	<u>886,576</u>	<u>607,730</u>
Total Investments		
	<u>886,576</u>	<u>668,420</u>
TOTAL ASSETS		
	<u>886,576</u>	<u>668,420</u>
TOTAL NET POSITION RESTRICTED FOR RETIREMENT BENEFITS	<u>\$ 886,576</u>	<u>\$ 668,420</u>

**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION – RETIREMENT PLAN**

	<u>2018</u>	<u>2017</u>
ADDITIONS		
Contributions - employer	\$ 187,842	\$ 196,355
Increase in investments*	55,411	66,088
	<u>243,253</u>	<u>262,443</u>
TOTAL ADDITIONS		
	<u>243,253</u>	<u>262,443</u>
DEDUCTIONS		
Forfeitures	2,151	-
Withdrawals	22,946	46,092
	<u>25,097</u>	<u>46,092</u>
TOTAL DEDUCTIONS		
	<u>25,097</u>	<u>46,092</u>
NET INCREASE IN NET POSITION	218,156	216,351
Net position restricted for retirement benefits - beginning of year	<u>668,420</u>	<u>452,069</u>
NET POSITION RESTRICTED FOR RETIREMENT BENEFITS - END OF YEAR	<u>\$ 886,576</u>	<u>\$ 668,420</u>

\* Includes plan administrative fee of .70% and .95% for mutual funds

**MARIN COUNTY TRANSIT DISTRICT  
BUDGETARY COMPARISON SCHEDULE – OPERATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Revised Budget	Actual	Variance with Revised Budget
<b>REVENUES</b>				
Fares	\$ 4,276,928	\$ 4,276,928	\$ 4,044,538	\$ (232,390)
Advertising and other revenues	400,200	400,200	424,774	24,574
Fees for service	2,102,476	2,102,476	1,963,097	(139,379)
Interest	55,000	55,000	118,552	63,552
Measure A	13,342,614	13,342,614	13,255,077	(87,537)
Measure A interest	85,000	85,000	85,000	-
Measure B	1,045,000	1,045,000	817,778	(227,222)
Property taxes	4,180,831	4,180,831	4,294,380	113,549
Redevelopment aread (RDA) fees	52,032	52,032	47,832	(4,200)
State Transit Assistance (STA)	1,274,981	1,274,981	1,285,220	10,239
Transportation Development Act (TDA)	4,453,555	4,453,555	4,614,306	160,751
Other state revenue	148,114	148,114	147,950	(164)
FTA funds	1,366,509	1,366,509	1,131,839	(234,670)
National Park Service grant	91,540	91,540	154,887	63,347
Cost center transfers	-	-	(41,080)	(41,080)
	<u>32,874,780</u>	<u>32,874,780</u>	<u>32,344,150</u>	<u>(530,630)</u>
<b>Total revenues</b>				
<b>EXPENDITURES</b>				
Salaries and benefits	2,411,546	2,411,546	2,025,436	(386,110)
Consultant services	523,363	523,363	555,160	31,797
Professional services - legal	100,000	100,000	72,323	(27,677)
Security and maintenance	286,326	286,326	260,715	(25,611)
Customer service	604,384	604,384	528,266	(76,118)
Indirect county overhead	2,500	2,500	2,009	(491)
Mobility management support programs	59,548	59,548	8,363	(51,185)
Office supplies	193,520	193,520	193,344	(176)
General insurance	29,000	29,000	27,860	(1,140)
Contract service operation	23,306,597	23,306,597	22,693,306	(613,291)
Membership & professional development	60,000	60,000	20,502	(39,498)
Mileage and travel	23,000	23,000	15,925	(7,075)
Marketing	231,157	231,157	98,035	(133,122)
Communication	178,400	178,400	171,216	(7,184)
Fuel	2,126,218	2,126,218	2,161,544	35,326
Miscellaneous services	-	-	321	321
Vehicle leases and vehicle parking	23,625	23,625	23,280	(345)
Office - rental and overhead	100,940	113,440	98,832	(14,608)
Partner agency pass through	85,000	85,000	85,000	-
Cost center transfers	(405,401)	(405,401)	(431,158)	(25,757)
	<u>29,939,723</u>	<u>29,952,223</u>	<u>28,610,279</u>	<u>(1,341,944)</u>
<b>Total expenditures</b>				
Excess of revenues over (under) expenditures	<u>\$ 2,935,057</u>	<u>\$ 2,922,557</u>	<u>\$ 3,733,871</u>	<u>\$ 811,314</u>

**MARIN COUNTY TRANSIT DISTRICT  
BUDGETARY COMPARISON SCHEDULE – CAPITAL PROGRAM  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Revised Budget	Actual	Variance with Revised Budget
<b>REVENUES</b>				
Fees for service	\$ -	\$ 12,600	\$ -	\$ (12,600)
Other Local	-	311,000	320,270	9,270
Measure A sales tax	695,862	692,344	286,508	(405,836)
Measure A sales tax - capitalized	4,632,838	4,903,681	3,173,479	(1,730,202)
Measure B	-	-	157,038	157,038
STA	-	130,000	-	(130,000)
Proposition 1B	262,217	424,090	177,963	(246,127)
State Active Transportation Program	336,260	259,693	259,693	-
FTA 5309 State of Good Repair	512,805	505,082	86,702	(418,380)
FTA 5307 Urbanized Area Formula	8,116,015	8,072,555	6,461,330	(1,611,225)
FTA 5316 JARC	285,200	268,202	178,706	(89,496)
FTA 5339 Discretionary	4,400,000	4,400,000	-	(4,400,000)
FTA 5320 Transit in the Parks	512,729	531,753	330,181	(201,572)
GGBHTD Payment for Local Paratransit	5,997	5,997	5,465	(532)
GGBHTD Payment for Regional Paratransit	5,641	5,641	5,167	(474)
Sale of assets	-	-	2,093	2,093
Property tax transfer	-	-	41,080	41,080
<b>Total revenues</b>	<b>19,765,564</b>	<b>20,522,638</b>	<b>11,485,675</b>	<b>(9,036,963)</b>
<b>EXPENDITURES</b>				
<i>Vehicles</i>				
Purchase Two Electric Vehicles (Replacements)	1,622,022	1,626,292	27,914	(1,598,378)
Purchase Ten 40ft Hybrid Vehicles (Replacements)	7,695,047	7,692,803	7,483,443	(209,360)
Non Revenue Van	40,750	40,750	42,086	1,336
Purchase Three Paratransit Vehicles (Replacements)	267,000	267,000	1,329	(265,671)
Purchase Four Accessible Vans	102,780	245,000	223,919	(21,081)
Purchase One Shuttle Vehicle	-	130,000	-	(130,000)
Purchase Two 35ft XHF Vehicles	-	10,000	-	(10,000)
<i>Facilities &amp; Stops</i>				
Bus Stop Improvements SGR (BI)	600,000	631,796	108,377	(523,419)
Bus Stop Assessment Update	80,000	89,982	71,118	(18,864)
Downtown Novato Hub (NH) Construction	1,637,663	2,129,675	2,118,045	(11,630)
Muir Woods Infrastructure Improvements	512,729	531,753	330,182	(201,571)
San Rafael Transit Center	100,000	100,000	-	(100,000)
<i>Facility</i>				
Facility Preliminary Design & Env	102,881	78,660	78,592	(68)
Facility ROW Purchase & Capital Improvements	5,500,000	5,500,000	60,808	(5,439,192)
Office Furniture	-	40,000	14,090	(25,910)
<i>Technology projects</i>				
On board equipment 2016	164,956	160,908	95,668	(65,240)
On board equipment 2015	105,860	65,784	65,784	-
Mobility management technology backbone	356,500	335,253	223,383	(111,870)
MERA	29,000	29,000	27,297	(1,703)
Radio communication upgrade	75,000	71,917	44,155	(27,762)
<i>Ongoing capital expenses</i>				
Golden Gate capital costs (GG)	20,000	20,000	19,194	(806)
Bus stop maintenance (BM)	100,000	100,000	48,283	(51,717)
Major vehicle repairs (VR)	300,000	300,000	155,271	(144,729)
Infrastructure support (IF)	385,000	397,600	278,364	(119,236)
<b>Total expenditures</b>	<b>19,797,188</b>	<b>20,594,173</b>	<b>11,517,302</b>	<b>(9,076,871)</b>
<b>Excess of revenues over (under) expenditures</b>	<b>\$ (31,624)</b>	<b>\$ (71,535)</b>	<b>\$ (31,627)</b>	<b>\$ 39,908</b>

**MARIN COUNTY TRANSIT DISTRICT  
BUDGETARY COMPARISON SCHEDULE –  
RECONCILIATION TO STATEMENTS OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Excess of revenues over (under) expenditures - budgetary basis (operations)	\$ 3,733,871
Excess of revenues over (under) expenditures - budgetary basis (capital program)	(31,627)
Amounts not budgeted:	
Capital asset additions	11,144,163
Net book value of capital asset disposals	-
Depreciation expense	<u>(2,908,165)</u>
Increase (decrease) in net position	<u>\$ 11,938,242</u>



**STATISTICAL SECTION**

## STATISTICAL SECTION

This section of the District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall health.

Contents	<u>Pages</u>
<u>Financial Trends</u>	
This segment contains trend information to help the reader understand how the District's financial performance and well-being have changed over time.....	35-37
<u>Revenue Capacity</u>	
This segment includes information to help the reader assess the District's most significant own-source revenues: passenger fares and property taxes. ....	38-43
<u>Debt Capacity</u>	
This segment presents information intended to assist the reader in understanding and assessing the District's current level of outstanding debt and its ability to issue additional debt in the future. ....	44
<u>Economic and Demographic Information</u>	
This segment depicts county-wide demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. ....	45-46
<u>Operating Information</u>	
These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.....	47-51

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
FINANCIAL TRENDS  
SCHEDULE OF NET POSITION  
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net investment in capital assets	\$ 1,751,461	\$ 2,520,630	\$ 2,249,366	\$ 3,595,152	\$ 6,113,707	\$ 7,201,252	\$ 8,665,148	\$ 19,166,232	\$ 20,849,921	\$ 29,085,919
Restricted net position	-	-	-	-	-	-	-	307,027	31,624	-
Unrestricted net position	9,427,959	7,821,246	7,376,283	5,794,532	7,341,199	9,236,575	11,847,226	15,421,852	19,402,481	23,136,349
<b>Total net position</b>	<b>\$ 11,179,420</b>	<b>\$ 10,341,876</b>	<b>\$ 9,625,649</b>	<b>\$ 9,389,684</b>	<b>\$ 13,454,906</b>	<b>\$ 16,437,827</b>	<b>\$ 20,512,374</b>	<b>\$ 34,895,111</b>	<b>\$ 40,284,026</b>	<b>\$ 52,222,268</b>

Source: MCTD Audited Financial Statements

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
FINANCIAL TRENDS  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>OPERATING REVENUES</b>										
Transit fares	\$ 3,736,314	\$ 3,643,582	\$ 3,640,913	\$ 3,610,175	\$ 3,720,004	\$ 3,731,205	\$ 3,669,514	\$ 3,586,587	\$ 3,528,289	\$ 3,570,143
Contractual compensation	1,615,247	1,590,378	1,760,645	1,779,524	1,734,847	1,906,714	1,950,099	2,028,796	1,765,230	1,830,716
Special fares	-	-	-	-	-	20,000	-	250,798	269,244	285,509
School bus revenues	-	-	-	-	-	-	-	130,000	145,000	145,000
Advertising <sup>1</sup>	533,082	505,672	452,219	464,309	-	-	-	-	-	-
Miscellaneous	-	-	45,637	-	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>5,884,643</b>	<b>5,739,632</b>	<b>5,899,414</b>	<b>5,854,008</b>	<b>5,454,851</b>	<b>5,657,919</b>	<b>5,619,613</b>	<b>5,996,181</b>	<b>5,707,763</b>	<b>5,811,368</b>
<b>OPERATING EXPENSES</b>										
Purchased transportation services	19,858,355	21,871,971	20,826,032	21,839,008	20,517,322	21,720,736	21,888,029	20,461,632	21,422,651	22,698,220
Depreciation	315,942	496,948	511,521	651,343	715,867	937,139	917,002	1,753,960	2,387,889	2,908,165
Salaries and benefits	-	-	-	-	143,364	964,311	1,327,913	1,631,669	1,973,470	1,881,194
Fuel	591,192	575,873	567,028	704,196	953,177	1,355,476	1,291,857	1,619,444	1,818,940	2,161,545
Professional services	397,877	171,180	368,026	354,714	351,732	486,242	554,304	1,003,065	1,177,446	1,440,732
General and administrative	305,862	420,216	262,693	285,601	188,549	165,775	129,360	179,181	199,985	244,554
Utilities	-	-	30,326	30,703	43,021	73,940	91,016	106,949	116,578	98,832
Marketing	63,078	92,336	91,248	121,743	72,424	136,455	114,660	127,154	114,823	150,501
Leases and rentals	-	-	523,283	539,051	155,728	100,975	92,236	94,469	96,668	47,873
Other services	-	-	10,638	26,626	70,615	66,750	66,654	61,792	51,035	26,214
Casualty and liability costs	-	-	15,491	17,819	25,433	25,738	29,444	29,580	18,083	31,526
Maintenance costs	-	-	33,979	72,752	734	53,439	89,988	15,961	10,448	19,195
Capital costs	-	-	58,140	2,250	197,002	383,848	330,949	109,393	9,085	98,034
Contract labor <sup>2</sup>	674,057	1,014,604	1,013,098	1,358,638	1,324,074	469,169	-	-	-	-
Interest expense	1,547	-	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING EXPENSE</b>	<b>22,207,910</b>	<b>24,643,128</b>	<b>24,311,503</b>	<b>26,004,444</b>	<b>24,759,042</b>	<b>26,939,993</b>	<b>26,923,412</b>	<b>27,194,249</b>	<b>29,397,101</b>	<b>31,806,585</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (16,323,267)</b>	<b>\$ (18,903,496)</b>	<b>\$ (18,412,089)</b>	<b>\$ (20,150,436)</b>	<b>\$ (19,304,191)</b>	<b>\$ (21,282,074)</b>	<b>\$ (21,303,799)</b>	<b>\$ (21,198,068)</b>	<b>\$ (23,689,338)</b>	<b>\$ (25,985,217)</b>

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
FINANCIAL TRENDS  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (Continued)  
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>NON OPERATING REVENUES (EXPENSES)</b>										
Intergovernmental revenue	\$ 15,447,894	\$ 13,186,223	\$ 14,289,797	\$ 15,113,612	\$ 16,623,069	\$ 18,559,479	\$ 19,097,503	\$ 19,069,595	\$ 20,529,158	\$ 22,142,502
Property tax revenue	3,225,851	3,258,947	3,141,177	3,164,121	3,229,758	3,447,835	3,611,357	3,848,219	4,111,657	4,321,194
Advertising <sup>1</sup>	-	-	-	-	334,864	344,516	283,443	229,202	245,018	280,788
Rental income	-	-	-	-	-	-	-	157,712	152,772	158,256
Interest income	107,374	70,762	23,628	6,472	2,575	5,399	9,816	14,044	51,968	118,552
Miscellaneous income	-	-	-	-	-	-	2,134	-	-	-
Marin Community Foundation	-	-	-	-	-	-	-	-	-	-
Other revenues/Gain on disposal of capital assets	-	-	-	2,844	(21,696)	30,171	-	88,571	1,102	2,093
Pass through of Measure A to Golden Gate Transit	-	-	-	-	-	(85,000)	-	(85,000)	(85,000)	(85,000)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>18,781,119</b>	<b>16,515,932</b>	<b>17,454,602</b>	<b>18,287,049</b>	<b>20,168,570</b>	<b>22,302,400</b>	<b>23,004,253</b>	<b>23,322,343</b>	<b>25,006,675</b>	<b>26,938,385</b>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	<b>2,457,852</b>	<b>(2,387,564)</b>	<b>(956,487)</b>	<b>(1,863,387)</b>	<b>864,379</b>	<b>1,020,326</b>	<b>1,700,454</b>	<b>2,124,275</b>	<b>1,317,337</b>	<b>943,168</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>2,099,797</b>	<b>1,550,020</b>	<b>240,260</b>	<b>1,627,422</b>	<b>3,200,843</b>	<b>1,962,595</b>	<b>2,374,093</b>	<b>12,250,751</b>	<b>4,038,739</b>	<b>10,979,056</b>
Intergovernmental revenue	-	-	-	-	-	-	-	7,711	32,839	16,018
Other revenue	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>2,099,797</b>	<b>1,550,020</b>	<b>240,260</b>	<b>1,627,422</b>	<b>3,200,843</b>	<b>1,962,595</b>	<b>2,374,093</b>	<b>12,258,462</b>	<b>4,071,578</b>	<b>10,995,074</b>
<b>CHANGE IN NET POSITION</b>	<b>4,557,649</b>	<b>(837,544)</b>	<b>(716,227)</b>	<b>(235,965)</b>	<b>4,065,222</b>	<b>2,982,921</b>	<b>4,074,547</b>	<b>14,382,737</b>	<b>5,388,915</b>	<b>11,938,242</b>
Net position at beginning of year	7,134,969	11,179,420	10,341,876	9,625,649	9,389,684	13,454,906	16,437,827	20,512,374	34,895,111	40,284,026
Prior period adjustment	(513,198)	-	-	-	-	-	-	-	-	-
Net position at beginning of year, as restated	6,621,771	11,179,420	10,341,876	9,625,649	9,389,684	13,454,906	16,437,827	20,512,374	34,895,111	40,284,026
<b>NET POSITION AT END OF YEAR</b>	<b>\$ 11,179,420</b>	<b>\$ 10,341,876</b>	<b>\$ 9,625,649</b>	<b>\$ 9,389,684</b>	<b>\$ 13,454,906</b>	<b>\$ 16,437,827</b>	<b>\$ 20,512,374</b>	<b>\$ 34,895,111</b>	<b>\$ 40,284,026</b>	<b>\$ 52,222,268</b>

<sup>1</sup> Advertising revenue re-classified from Operating to Nonoperating revenue beginning FY 13

<sup>2</sup> Labeled "Staff Compensation" from FY09 to FY12

Source: MCTD Audited Financial Statements

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
REVENUE CAPACITY  
PASSENGER AND FARE DATA  
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fare Revenue <sup>1,3</sup>	\$ 3,736,314	\$ 3,643,582	\$ 3,640,913	\$ 3,610,175	\$ 3,720,004	\$ 3,751,205	\$ 3,669,514	\$ 3,837,385	\$ 3,797,533	\$ 4,044,536
Passengers <sup>2</sup>	3,406,115	3,299,287	3,382,802	3,426,845	3,432,469	3,546,112	3,464,628	3,332,265	3,216,894	3,293,385
Average fare per passenger	\$ 1.10	\$ 1.10	\$ 1.08	\$ 1.05	\$ 1.08	\$ 1.06	\$ 1.07	\$ 1.15	\$ 1.18	\$ 1.23

<sup>1</sup> Source: Marin Transit Audited Financial Statements. Includes Fares and Special Fares

<sup>2</sup> Sources: Marin Transit Short Range Transit Plans, Monthly Monitoring & Performance Statistic Reports

<sup>3</sup> Includes National Park fare payments in 2018

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
REVENUE CAPACITY  
FARE STRUCTURE  
AS OF JUNE 30, 2018**

<u>Category</u>	<u>Cash Price</u>	<u>Clipper</u>	<u>6 Month Pass<sup>1</sup></u>	<u>1-Day Pass</u>	<u>7-Day Pass</u>	<u>31-Day Pass</u>
Adult	\$2.00	\$1.80	-	\$5.00	\$20.00	\$80.00
Youth (5-18)	\$1.00	\$1.00	\$175.00 <sup>1</sup>	\$2.50	\$10.00	\$40.00
Children Under 5			Free when accompanied by an adult			
Seniors (65+)	\$1.00	\$1.00	-	\$2.50	\$10.00	\$25.00
Persons with Disabilities	\$1.00	\$1.00	-	\$2.50	\$10.00	\$25.00
ASA Mandated Service <sup>2</sup>	\$2.00	-	-	-	-	-
ADA Non-Mandated Service <sup>3</sup>	\$2.50	-	-	-	-	-

<sup>1</sup> Free to low income youth. \$325 for a year.

<sup>2</sup> ADA Regulations permit fares for ADA Mandated trips to be as high as \$4.00.

<sup>3</sup> ADA Regulations set no maximum for Non-Mandated ADA trips.

<u>Muir Woods Fare Category<sup>1</sup></u>	<u>Current Fare</u>
Adult	\$3.00
Youth (16-18)	\$3.00
Youth (under 16)	Free
Senior/Disabled (without NPS Pass)	\$3.00
Senior/Disabled and up to three party membes (with NPS Pass)	Free

<sup>1</sup> NPS pays additional \$2 per passenger

Source: Marin Transit 2018-2027 Short Range Transit Plan

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
REVENUE CAPACITY  
COUNTY SALES TAX REVENUE  
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 <sup>2</sup>
Local Measure A half cent sales tax revenue	\$ 19,320,196	\$ 18,984,492	\$ 20,259,801	\$ 21,265,462	\$ 23,619,507	\$ 24,086,678	\$ 25,265,790	\$ 25,702,937	\$ 25,755,761	\$ 27,507,852
Annual growth	-13.9%	-1.7%	6.7%	5.0%	11.1%	2.0%	4.9%	1.7%	0.2%	6.8%
Sales tax revenue available to Marin Transit <sup>1</sup>	\$ 8,920,033	\$ 8,761,972	\$ 10,043,678	\$ 10,614,815	\$ 11,944,532	\$ 12,208,421	\$ 12,874,175	\$ 13,117,917	\$ 13,144,538	\$ 13,720,162
Percent of measure revenue	46%	46%	50%	50%	51%	51%	51%	51%	51%	50%
Annual growth	-15.8%	-1.8%	14.6%	5.7%	12.5%	2.2%	5.5%	1.9%	0.2%	4.4%
Sales tax reserve funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000

<sup>1</sup> 55% of Sales Tax Receipts after administrative reductions

<sup>2</sup> Preliminary numbers

Source: Transportation Authority of Marin (TAM) Annual Financial Report, TAM Measure A Programming Workbook



**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
REVENUE CAPACITY  
PROPERTY TAX REVENUE  
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Property Tax and Development Fee Revenue	\$ 3,225,851	\$ 3,258,947	\$ 3,141,177	\$ 3,164,121	\$ 3,229,758	\$ 3,447,835	\$ 3,611,357	\$ 3,855,930	\$ 4,144,496	\$ 4,337,212
Expended on operations	3,225,851	3,258,947	3,141,177	3,164,121	3,229,758	3,447,835	3,611,357	3,848,219	4,111,657	4,321,194
Expended on capital	-	-	-	-	-	-	-	7,711	32,839	16,018
Annual growth	-0.2%	1.0%	-3.6%	0.7%	2.1%	6.8%	4.7%	6.8%	7.5%	4.6%

Source: MCTD Audited Financial Statements, Budgetary Comparison Schedule

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
REVENUE CAPACITY  
ASSESSED VALUATION OF TAXABLE PROPERTY IN MARIN COUNTY  
LAST TEN FISCAL YEARS (IN THOUSANDS)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Secured <sup>1</sup>	\$ 55,451,069	\$ 56,421,874	\$ 55,762,678	\$ 56,212,206	\$ 56,725,179	\$ 58,938,343	\$ 62,341,701	\$ 66,718,112	\$ 70,952,207	\$ 74,715,394
Unsecured <sup>2</sup>	1,449,359	1,488,475	1,467,396	1,462,190	1,470,366	1,480,668	1,530,991	15,556,521	1,566,336	1,610,799
Exempt <sup>3</sup>	1,731,004	1,825,610	1,850,867	1,906,079	1,958,091	2,013,902	2,037,580	2,067,204	2,079,024	2,157,806
Total Taxable Assessed Value	\$ 55,169,424	\$ 56,084,739	\$ 55,379,207	\$ 55,768,317	\$ 56,237,454	\$ 58,405,109	\$ 61,835,112	\$ 66,207,429	\$ 70,439,520	\$ 74,168,387
Total Direct Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Growth Rate	5.8%	1.7%	-1.3%	0.7%	0.8%	3.9%	5.9%	7.1%	6.4%	5.3%

<sup>1</sup> Secured property is generally real property, defined as land, mines, minerals, timber, and improvements such as buildings, structures, crops, trees, and vines.

<sup>2</sup> Unsecured property is generally personal property including machinery, equipment, office tools, and supplies.

<sup>3</sup> Exempt properties include numerous full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain tax payers from the burden of paying property taxes.

\* Unavailable

Source: Department of Finance – County of Marin, California

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
REVENUE CAPACITY  
DIRECT AND OVERLAPPING PROPERTY TAX RATES <sup>1</sup> IN MARIN COUNTY  
LAST TEN FISCAL YEARS (RATE PER \$100 OF ASSESSED VALUE)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
County Direct Rate	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Local Special Districts	0.7121%	0.6741%	0.7677%	0.8093%	0.7721%	0.2876%	0.8156%	0.8200%	0.9221%	0.9041%
Schools	0.5836%	0.6468%	0.7423%	0.7808%	0.7884%	0.7775%	0.8000%	0.8114%	0.8506%	0.8381%
Cities	0.2734%	0.2757%	0.2860%	0.2523%	0.2522%	0.2601%	0.2519%	0.2510%	0.2394%	0.2353%
Total Direct and Overlapping <sup>2</sup>	2.5691%	2.5966%	2.7960%	2.8424%	2.8127%	2.3252%	2.8675%	2.8824%	3.0121%	2.9775%

<sup>1</sup> On June 6, 1978, California voters approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the taxing power of California public agencies. Legislation enacted by the California Legislature to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that notwithstanding any other law, local agencies may not levy property tax except to pay debt service on indebtedness approved by votes prior to July 1, 1978 and that each County will levy the maximum tax permitted by Article XIII A of \$1 per \$100 of full cash value. Full cash value is equivalent to assessed value, pursuant to Senate Bill 1656, Statutes of 1978. The rates shown above are percentages of assessed value.

<sup>2</sup> These rates represent the maximum rate charged to taxpayers if all rates applied to them. In reality, the rates applicable to tax rate areas will vary at amounts lower than these totals.

\* Unavailable

Source: Department of Finance – County of Marin, California

**MARIN COUNTY TRANSIT DISTRICT  
 STATISTICAL SECTION  
 DEBT CAPACITY  
 OUTSTANDING DEBT BALANCES  
 LAST TEN FISCAL YEARS**

Lender	Original Loan Amount	Date of Loan	Purpose	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Source: MCTD Audited Financial Statements

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
ECONOMIC AND DEMOGRAPHIC INFORMATION  
ECONOMIC AND DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Population <sup>1</sup>	250,862	252,946	255,457	256,064	258,506	260,516	261,054	260,651	*	*
Personal Income (in thousands) <sup>1</sup>	\$ 20,810,155	\$ 21,049,598	\$ 23,009,440	\$ 24,619,594	\$ 25,045,431	\$ 27,176,774	\$ 29,227,230	\$ 30,222,883	*	*
Per Capita Personal Income <sup>1</sup>	\$ 82,955	\$ 83,218	\$ 90,072	\$ 96,146	\$ 96,885	\$ 104,319	\$ 111,959	\$ 115,952	*	*
School Enrollment <sup>2</sup>	29,615	30,140	30,574	31,107	31,868	32,793	33,207	33,638	33,633	33,741
Unemployment Rate <sup>3</sup>	7.90%	7.80%	7.50%	6.60%	5.50%	4.30%	3.60%	3.40%	3.00%	2.70%

**Sources:**

<sup>1</sup> US Department of Commerce, Bureau of Economic Analysis – [www.bea.gov](http://www.bea.gov)

<sup>2</sup> California Department of Education, Educational Demographics Office – [www.ed-data.org/county/Marin](http://www.ed-data.org/county/Marin)

<sup>3</sup> Employment Development Department, Labor Market Information – [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
ECONOMIC AND DEMOGRAPHIC INFORMATION  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

2018			2009		
Employer	Employees	Percentage of Total County Employment	Employer	Employees	Percentage of Total County Employment
County of Marin	2,282	1.62% *	County of Marin	2,195 *	1.73%
Kaiser Permanente Medical Center	2,092	1.48%	San Quentin State Prison	1,718 *	1.35%
San Quentin State Prison	1,662	1.18% *	Kaiser Permanente Medical Center	1,380	1.09%
Marin General Hospital	1,602	1.13%	Fireman's Fund Insurance Co.	1,150	0.90%
BioMarin	1,153	0.82% *	Novato School District	1,000	0.79%
Novato Unified School District	800	0.57% *	Autodesk, Inc	988	0.78%
Glassdoor	750	0.53%	Marin General Hospital	867	0.68%
Marin Community Clinics	375	0.27%	Safeway, Inc.	636	0.50%
San Rafael City Schools	700	0.50% *	Green Point Mortgage	589	0.46%
Dominican University	319	0.23%	Macy's	535	0.42%
<b>Total</b>	<b>11,735</b>	<b>8.31%</b>		<b>11,058</b>	<b>8.70%</b>
<b>Total County Employment</b>	<b>141,300</b>			<b>127,100</b>	

Note: When information is not available, periods that are available are provided as an alternative.

\*Based on 2016 data

*Sources:*

*Community Profile, County of Marin*

*Employment Development Department, Labor Market Information - [www.Labormarketinfo.edd.ca.gov](http://www.Labormarketinfo.edd.ca.gov)*

*NorthBay Business Journal - Book of Lists 2018*

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
OPERATING INFORMATION  
DISTRICT PROFILE  
AS OF JUNE 30, 2018**

Date the District was Formed	1964
Form of Governance	Board of Directors, with General Manager
Total Employees	16.1
Service Area	All of Marin County
Area of District (in square miles)	Approximately 520
Population of Service Area <sup>1</sup>	260,651
Local Financial Support	Measure A Sales Tax Revenue
Number of Fixed Route Bus Routes	28
Revenue Service Hours	243,825
Average Passenger Trips per Revenue Hour	13.4
Number of Vehicles in Service	105
Bus Stops	600+

<sup>1</sup>As of 2016

*Source: MCTD Finance Department, FY 2018 System Performance Report*

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
OPERATING INFORMATION  
NON-OPERATING INTERGOVERNMENTAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Federal Revenue										
Federal Transit Administration	\$ 1,876,373	\$ 1,020,762	\$ 652,055	\$ 741,773	\$ 1,070,210	\$ 1,375,087	\$ 1,317,128	\$ 901,433	\$ 1,065,347	\$ 1,151,839
United States Department of the Interior - National Parks Service	-	-	133,852	152,465	126,276	159,028	168,665	150,865	89,009	154,736
United States Department of the Interior - NPS Fare Reimbursement	-	-	-	-	-	-	-	-	-	187,050
<b>Total Federal Revenue</b>	<b>1,876,373</b>	<b>1,020,762</b>	<b>785,907</b>	<b>894,238</b>	<b>1,196,486</b>	<b>1,534,115</b>	<b>1,485,793</b>	<b>1,052,298</b>	<b>1,154,356</b>	<b>1,493,625</b>
State Revenue										
Transportation Development Act	3,355,758	3,236,081	3,293,393	3,451,219	3,591,333	4,015,345	4,542,050	4,562,778	4,440,516	4,614,306
State Transit Assistance	505,240	184,275	1,324,574	1,390,390	1,602,754	1,360,737	1,310,912	1,316,134	1,576,690	1,285,220
Public Transportation Modernization Improvement	-	600,526	-	-	-	-	-	-	-	-
STIP	31,397	60,259	-	-	-	-	-	-	-	-
Home Owner Property Tax Relief	20,347	20,054	19,951	19,999	19,661	19,500	19,326	19,138	18,953	18,940
Low Carbon Transit Operations Program	-	-	-	-	-	-	-	275,413	-	128,676
Caltrans	370	263	252	207	232	253	208	283	320	334
<b>Total State Revenue</b>	<b>3,913,112</b>	<b>4,101,458</b>	<b>4,638,170</b>	<b>4,861,815</b>	<b>5,213,980</b>	<b>5,395,835</b>	<b>5,872,496</b>	<b>6,173,746</b>	<b>6,036,479</b>	<b>6,047,476</b>
Local Revenue										
Measure A	9,604,266	8,063,215	8,865,720	9,063,903	9,671,912	10,849,462	10,860,313	10,998,120	12,542,551	13,541,585
Measure A Interest	-	-	-	-	-	85,000	-	85,000	85,000	85,000
Measure B	-	-	-	276,677	534,025	671,308	863,617	730,335	627,198	974,816
Metropolitan Transportation Commission	-	-	-	13,334	6,666	-	-	-	-	-
Golden Gate Bridge Highway and Transportation District	45,143	-	-	-	-	-	-	-	-	-
County of Marin	9,000	788	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	3,645	-	-	15,284	30,096	83,574	-
<b>Total Local Revenue</b>	<b>9,658,409</b>	<b>8,064,003</b>	<b>8,865,720</b>	<b>9,357,559</b>	<b>10,212,603</b>	<b>11,629,529</b>	<b>11,739,214</b>	<b>11,843,551</b>	<b>13,338,323</b>	<b>14,601,401</b>
<b>Total Intergovernmental Revenue</b>	<b>\$ 15,447,894</b>	<b>\$ 13,186,223</b>	<b>\$ 14,289,797</b>	<b>\$ 15,113,612</b>	<b>\$ 16,623,069</b>	<b>\$ 18,559,479</b>	<b>\$ 19,097,503</b>	<b>\$ 19,069,595</b>	<b>\$ 20,529,158</b>	<b>\$ 22,142,502</b>

Source: MCTD Audited Financial Statements



**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
OPERATING INFORMATION  
SUMMARY OF SERVICE PROVIDER CONTRACTS  
AS OF JUNE 30, 2018**

Contract Type	Services Provided	Contractor	Current Term
Intergovernmental agreement	Local Fixed Route	Golden Gate Transit	July 1, 2015 – June 30, 2020
Competitively bid	Community Shuttles and Fixed Route Service	Marin Airporter	July 1, 2018 – June 30, 2021
Competitively bid	Rural and Seasonal Services	MV Transportation	July 1, 2018 – June 30, 2021
Competitively bid	Local Paratransit and Novato Dial-A-Ride	Marin Senior Coordinating Council	January 1, 2016 – June 30, 2020
Competitively bid	Travel Navigator	Marin Senior Coordinating Council	July 1, 2016 – June 30, 2018
Competitively bid	Catch-A-Ride	MV Transportation	July 1, 2013 – June 30, 2018
Competitively bid	Volunteer Driver and Travel Navigators	Marin Senior Coordinating Council	July 1, 2018 – June 30, 2019
Competitively bid	Volunteer Driver	West Marin Senior Services	July 1, 2018 – June 30, 2019
Sole Source after receiving no bids	Yellow Bus Service	Michael's Transportation	July 1, 2015 – June 30, 2018

Source: Finance Department

**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
OPERATING INFORMATION  
SUMMARY OF CAPITAL ASSETS  
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of buses owned	49	49	50	51	55	58	66	90	95	105
Cost of assets:										
Work in progress	\$ -	\$ -	\$ 196,851	\$ 515,919	\$ 701,902	\$ 1,024,112	\$ 2,176,497	\$ 1,746,405	\$ 3,610,173	\$ 748,556
Revenue vehicles	2,690,715	3,206,347	3,292,294	4,600,270	6,987,949	6,758,552	7,597,033	17,466,010	19,108,821	26,957,885
Facilities and stops	-	-	-	-	-	1,495,243	1,553,706	2,913,267	2,943,526	8,471,174
Communication and data equipment	23,482	674,407	631,867	680,264	984,560	1,065,948	1,251,626	1,251,626	1,634,293	1,821,367
Fare revenue collection equipment	193,708	193,708	193,708	193,708	257,913	266,465	412,356	412,356	459,532	464,862
Furniture and fixtures	62,735	62,735	62,735	62,735	88,351	88,351	88,351	88,351	88,351	88,351
Non-revenue vehicles					6,300	6,300	6,300	6,300	6,300	403,044
Total cost	<u>2,970,640</u>	<u>4,137,197</u>	<u>4,377,455</u>	<u>6,052,896</u>	<u>9,026,975</u>	<u>10,704,971</u>	<u>13,085,869</u>	<u>23,884,315</u>	<u>27,850,996</u>	<u>38,955,239</u>
Less: accumulated depreciation	<u>1,219,179</u>	<u>1,616,567</u>	<u>2,128,089</u>	<u>2,457,744</u>	<u>2,913,268</u>	<u>3,503,719</u>	<u>4,420,721</u>	<u>4,718,083</u>	<u>7,001,075</u>	<u>9,869,320</u>
Net capital assets	<u>\$ 1,751,461</u>	<u>\$ 2,520,630</u>	<u>\$ 2,249,366</u>	<u>\$ 3,595,152</u>	<u>\$ 6,113,707</u>	<u>\$ 7,201,252</u>	<u>\$ 8,665,148</u>	<u>\$ 19,166,232</u>	<u>\$ 20,849,921</u>	<u>\$ 29,085,919</u>

*Source: MCTD Audited Financial Statements*

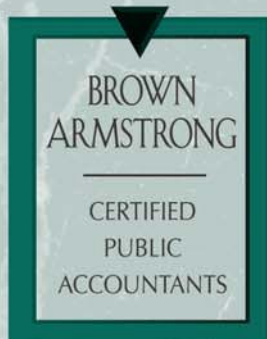
**MARIN COUNTY TRANSIT DISTRICT  
STATISTICAL SECTION  
OPERATING INFORMATION  
VEHICLE OPERATING STATISTICS  
LAST FOUR FISCAL YEARS**

	2015	2016	2017	2018
<b>Motorbus:</b>				
Vehicles Operated in Annual Maximum Service (VOMS)	69	53	55	54
Vehicles Available for Annual Maximum Service	85	82	74	71
Total Actual Vehicle Revenue Miles	2,133,375	2,166,258	2,307,555	2,300,458
Total Actual Vehicle Revenue Hours	152,799	156,803	178,049	180,238
Unlinked Passenger Trips	3,252,116	3,031,450	2,926	3,001,619
Passenger Miles Traveled (PMT)	13,209,269	12,312,979	11,970,345	12,281,711
Days Operated	365	366	365	365
<b>Demand Response:</b>				
Vehicles Operated in Annual Maximum Service (VOMS)	38	27	26	31
Vehicles Available for Annual Maximum Service	39	34	46	39
Total Actual Vehicle Revenue Miles	927,058	688,072	617,199	704,224
Total Actual Vehicle Revenue Hours	60,417	44,764	42,806	47,569
Unlinked Passenger Trips	137,131	98,483	93,410	98,068
ADA Unlinked Passenger Trips (UPT)	132,138	98,236	93,174	97,832
Passenger Miles Traveled (PMT)	1,039,975	811,798	757,048	772,059
Days Operated	365	366	365	365

Note: Fiscal year 2015 was the first year the District reported its own information to the National Transit Database (NTD). Information will be added prospectively until ten years is available.

Source: *National Transit Database Reports*

## OTHER REPORTS



# BROWN ARMSTRONG

*Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH THE STATUTES, RULES, AND REGULATIONS OF THE CALIFORNIA TRANSPORTATION DEVELOPMENT ACT AND THE ALLOCATION INSTRUCTIONS AND RESOLUTIONS OF THE METROPOLITAN TRANSPORTATION COMMISSION**

**BAKERSFIELD OFFICE  
(MAIN OFFICE)**

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

**FRESNO OFFICE**

10 RIVER PARK PLACE EAST  
SUITE 208  
FRESNO, CA 93720  
TEL 559.476.3592

**LAGUNA HILLS OFFICE**

23272 MILL CREEK DRIVE  
SUITE 255  
LAGUNA HILLS, CA 92653  
TEL 949.652.5422

**STOCKTON OFFICE**

1919 GRAND CANAL BLVD  
SUITE C6  
STOCKTON, CA 95207  
TEL 888.565.1040

[WWW.BACPAS.COM](http://WWW.BACPAS.COM)

To the Board of Directors  
Marin County Transit District  
San Rafael, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the Marin County Transit District, a component unit of the County of Marin, California (the District), as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 28, 2018.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Additionally, we performed tests to determine that allocations made and expenditures paid by the District were made in accordance with the allocation instructions and resolutions of the Metropolitan Transportation Commission and in conformance with the California Transportation Development Act. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Sections 6666 and 6667 that are applicable to the District. Also as part of our audit, we performed tests of compliance to determine whether certain state funds were received and expended in accordance with the applicable bond act and state accounting requirements. In connection with our audit, nothing came to our attention that caused us to believe the District failed to comply with the statutes, rules, and regulations of the California Transportation Development Act or the allocation instructions and resolutions of the Metropolitan Transportation Commission. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

## Purpose of this Report

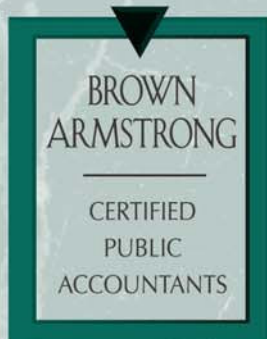
The purpose of this report is solely to describe the scope of our testing of the District's internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. Accordingly, this report is not suitable for any other purpose.

The report is intended for the information of management, the Board of Directors, the State Controller's Office, the U.S. Department of Transportation, and officials of applicable grantor agencies. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
November 28, 2018



# BROWN ARMSTRONG

*Certified Public Accountants*

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors  
Marin County Transit District  
San Rafael, California

### BAKERSFIELD OFFICE (MAIN OFFICE)

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

### FRESNO OFFICE

10 RIVER PARK PLACE EAST  
SUITE 208  
FRESNO, CA 93720  
TEL 559.476.3592

### LAGUNA HILLS OFFICE

23272 MILL CREEK DRIVE  
SUITE 255  
LAGUNA HILLS, CA 92653  
TEL 949.652.5422

### STOCKTON OFFICE

1919 GRAND CANAL BLVD  
SUITE C6  
STOCKTON, CA 95207  
TEL 888.565.1040

[WWW.BACPAS.COM](http://WWW.BACPAS.COM)

### Report on Compliance for Each Major Federal Program

We have audited the Marin County Transit District's, a component unit of the County of Marin, California (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for year ended June 30, 2018. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2018.

## Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

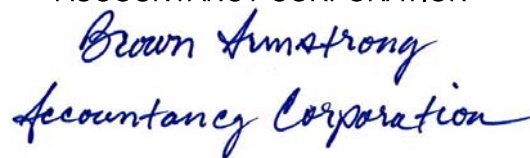
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented and, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Purpose of Report

The purpose of this report on internal control over 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive style.

Bakersfield, California  
November 28, 2018



**MARIN COUNTY TRANSIT DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**A. SUMMARY OF AUDITOR'S RESULTS**

Financial Statements

- |   |            |
|---|------------|
| 1. Type of auditor's report issued  | Unmodified |
| 2. Internal controls over financial reporting:  | No         |
| a. Material weakness identified   | No         |
| b. Significant deficiencies identified not to be considered material weaknesses?                    | No         |
| 3. Noncompliance material to financial statements under <i>Government Auditing Standards</i> noted? | No         |

Federal Awards

- |   |            |
|---|------------|
| 1. Internal control over major programs:  |            |
| a. Material weaknesses identified?  | No         |
| b. Significant deficiencies identified not to be considered material weaknesses?  | No         |
| 2. Type of auditor's report issued on compliance for major programs:  | Unmodified |
| 3. Any audit findings disclosed that were are required to be reported in accordance with Circular 2 CFR Section 200.516(a)? | No         |

4. Identification of major programs:

CFDA Number

20.500 and 20.507

Name of Federal Program

U.S Department of Transportation,  
Federal Transit Administration  
Federal Transit Cluster: Federal Transit Capital  
Investment Grants, 20.500,  
Federal Transit Formula Grants, 20.507

- |   |           |
|---|-----------|
| 5. Dollar Threshold used to distinguish between Type A and Type B Programs? | \$750,000 |
| 6. Auditee qualified as a low-risk auditee under 2 CFR Section 200.516(a)   | Yes       |

**MARIN COUNTY TRANSIT DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**B. CURRENT YEAR FINDINGS – FINANCIAL STATEMENTS**

None.

**C. CURRENT YEAR FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS**

None.

**D. PRIOR YEAR FINDINGS – FINANCIAL STATEMENTS**

None

**E. PRIOR YEAR FINDINGS AND QUESTIONED COSTS – FEDERAL AWARD PROGRAMS**

None.

**MARIN COUNTY TRANSIT DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Federal Grantor/Pass-through Grantor, if Applicable/ Program Title/Grant or Pass-through Number	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
<b>U.S. Department of the Interior, National Park Service</b>			
National Resource Stewardship - Direct Program (Muir Woods Shuttle)	15.954	P12AC10481	\$ 268,897
National Park Service Conservation, Protection, Outreach, and Education - Direct Program (Marin Headlands)	15.954	P12AC10481	<u>72,889</u>
Total U.S. Department of the Interior Direct Programs			<u>341,786</u>
<b>U.S. Department of Transportation, Federal Transit Administration</b>			
Federal Transit Cluster - 20.500 and 20.507 Passed-through Golden Gate Bridge, Highway and Transportation District Federal Transit Capital Investment Grants (State of Good Repair Bus Stop Improvement)			
	20.500	CA-04-0187	86,702
Federal Transit Formula Grants - Direct Program			
(5307 - Equipment)	20.507	CA-90-Z190-02	46,163
(5307 - Equipment)	20.507	CA-2016-055	78,448
(5307 - Emergency Radio System)	20.507	CA-2016-055	36,207
(5307 - Hybrid Vehicles)	20.507	CA-2016-055	6,136,423
(5307 - Electric Vehicles)	20.507	CA-2016-055	8,292
(5307 - Maintenance Facility)	20.507	CA-2017-041	69,699
(5307 - Americans with Disabilities Act - Set-Aside)	20.507	CA-2017-069	701,236
(5307 - Paratransit Vehicles)	20.507	CA-2017-069	818
(5307 - Accessible Vans)	20.507	CA-2017-069	84,280
(5307 - Non-Revenue Vehicle)	20.507	CA-2017-069	1,000
(5307 - Lifeline Route)	20.507	CA-2017-069	<u>222,210</u>
Total Federal Transit Formula Grants			<u>7,384,776</u>
Total Federal Transit Cluster - 20.500 and 20.507			<u>7,471,478</u>
Passed-through California State Transportation Agency, Department of Transportation			
Formula Grants for Rural Areas			
(5311 - Stagecoach Rural Operating Service)	20.509	64BO17-00527	207,225
(5311 - CalACT Scholarship Program)	20.509	N/A	<u>1,168</u>
Total Formula Grants for Rural Areas			<u>208,393</u>
Total Passed-through California State Transportation Agency, Department of Transportation			<u>208,393</u>

The accompanying notes to the schedule of expenditures of  
federal awards are an integral part of this schedule.

**MARIN COUNTY TRANSIT DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Federal Grantor/Pass-through Grantor, if Applicable/ Program Title/Grant or Pass-through Number	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
Passed-through the Metropolitan Transportation Commission			
Metropolitan Transportation Planning (Short Range Transit Plan)	20.505	N/A	20,000
Job Access Reverse Commute Program (Mobility Management Technology)	20.516	CA-37-X164-00	<u>178,706</u>
Total Passed-through the Metropolitan Transportation Commission			<u>198,706</u>
Paul S. Sarbanes Transit in the Parks - Direct Program (Muir Woods Vehicle/Infrastructure)	20.520	CA-57X013-00	<u>330,181</u>
Total U.S. Department of Transportation, Federal Transit Administration			<u>8,208,758</u>
<b>TOTAL FEDERAL AWARDS</b>			<b><u>\$ 8,550,544</u></b>

The accompanying notes to the schedule of expenditures of  
federal awards are an integral part of this schedule.

**MARIN COUNTY TRANSIT DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Marin County Transit District under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the District's operations, it is not intended to be and does not present the financial position, changes in net position, or cash flows of the District.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenses reported on the Schedule are reported on the accrual basis of accounting. Such expenses are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, wherein certain types of expenses are not allowable or are limited as to reimbursement.

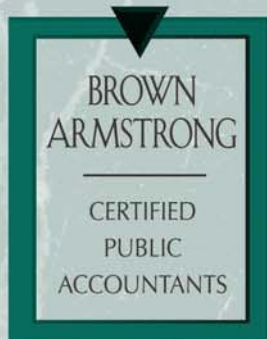
**NOTE 3 – INDIRECT COST ALLOCATION PLAN**

The District has an indirect cost allocation plan (ICAP) approved by the United States Department of Transportation, Federal Transit Administration (FTA) that is charged to programs where allowed under the related agreements. The ICAP during the fiscal year ended June 30, 2018 included an ICAP rate of 21.20% and a fringe benefit rate of 56.04% of total direct salaries and wages.

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4 – SUBRECIPIENTS**

There were no subrecipients of the District's programs during the fiscal year ended June 30, 2018.



# BROWN ARMSTRONG

*Certified Public Accountants*

To the Board of Directors  
Marin County Transit District  
San Rafael, California

We have audited the financial statements of Marin County Transit District (the District) for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 23, 2018. Professional standards also require that we communicate to you the following information related to our audit.

## **Significant Audit Matters**

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the District's financial statements was:

Management's estimate of the useful lives of capital assets for purposes of calculating annual depreciation expense. Estimated useful lives range from two to thirty years. We evaluated the key factors and assumptions used to develop the estimates of the useful lives of assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of capital assets as described above.

The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### **BAKERSFIELD OFFICE (MAIN OFFICE)**

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

#### **FRESNO OFFICE**

10 RIVER PARK PLACE EAST  
SUITE 208  
FRESNO, CA 93720  
TEL 559.476.3592

#### **LAGUNA HILLS OFFICE**

23272 MILL CREEK DRIVE  
SUITE 255  
LAGUNA HILLS, CA 92653  
TEL 949.652.5422

#### **STOCKTON OFFICE**

1919 GRAND CANAL BLVD  
SUITE C6  
STOCKTON, CA 95207  
TEL 888.565.1040

[WWW.BACPAS.COM](http://WWW.BACPAS.COM)

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements occurred during the course of our audit.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 28, 2018.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**Other Matters**

We applied certain limited procedures to Management's Discussion and Analysis, which are is required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Expenditures of Federal Awards, Statement of Fiduciary Net Position – Retirement Plan, Statement of Changes in Fiduciary Net Position – Retirement Plan, Budgetary Comparison Schedule – Operations, Budgetary Comparison Schedule – Capital, and Budgetary Comparison Schedule – Reconciliation to Statements of Revenues, Expenses and Changes in Net Position, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Restriction on Use**

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

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
November 28, 2018

**ALG-CL-5.2**  
(Continued)





711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
[marintransit.org](http://marintransit.org)

**board of directors**

stephanie moulton-peters  
president  
city of mill valley

damon connolly  
vice president  
supervisor district 1

dennis rodoni  
2nd vice president  
supervisor district 4

judy arnold  
director  
supervisor district 5

kate colin  
director  
city of san rafael

kathrin sears  
director  
supervisor district 3

katie rice  
director  
supervisor district 2

December 3, 2018

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Marin Transit Employee Compensation Framework**

Dear Board Members:

**RECOMMENDATION:** Adopt an updated employment compensation framework with revised salary ranges.

**SUMMARY:**

Marin Transit established the current salary structure and framework for direct employment in 2013. The District has experienced significant changes since that time. Marin Transit has 16 job positions and in fiscal year 2018 several employees left Marin Transit for jobs at similar agencies in the Bay Area.

Marin Transit initiated a consultant-led study to review and update the District's employment compensation framework with two primary goals:

1. Confirm or recommend adjustments to Marin Transit's salary ranges to ensure the District is offering and providing competitive compensation; and
2. Determine if the current salary classifications are sufficient or if they should be adjusted.

The study was completed by Koff & Associates. Based on the results, Marin Transit staff brought an updated employee compensation framework to your Board for consideration in July 2018. Due to the complexity of the materials, your Board formed a subcommittee to review the report and recommended framework in more detail. Staff subsequently worked with Koff & Associates to provide additional detail to compare total compensation between agencies with different types of retirement benefits.

The Board's Employee Compensation Ad Hoc Committee met on September 7, 2018. The Ad Hoc Committee reviewed the

background information, salary survey data, and report recommendations, and recommended that full Board consider the revised framework for adoption.

### **BACKGROUND:**

The employment framework provides for five employee classifications that are applied across all disciplines (finance, planning operations, administration, etc.). The classifications are:

- Administrative
- Analyst
- Senior Analyst
- Manager
- Director

The District's current framework includes a provision that allows top salary levels for each range to increase annually by no more than the Consumer Price Index (CPI). These increases are authorized by your Board as part of the annual budget process. The lower end of the ranges has remained fixed at the 2013 levels. The District does not provide Cost of Living Adjustments (COLA). Individual salary increases are merit-based and subject to the outcome of the annual performance review process.

Marin Transit currently employs 15 full-time employees, one part-time employee, and one part-time seasonal employee with one vacant full-time position. The Board-adopted FY2018/19 budget authorizes 16.4 FTE staff plus additional seasonal staff.

### **Salary Survey**

The District issued a Request for Proposals (RFP) for Human Resources Consultant Services on December 21, 2017 in an effort to establish competitive compensation that will attract and retain talented staff. Marin Transit awarded a contract to Koff & Associates, a Bay Area firm that is focused on classification and compensation studies with prior experience in the Bay Area transportation sector. Their team worked with staff to review positions and job classifications and identify comparable agencies and positions.

Marin Transit worked with Koff & Associates to select comparators for the study: agencies that compete with Marin Transit for new staff and where current staff might look for new opportunities. The comparator agencies (Table 1) were also selected based on organizational type, similarity of population, staff and operational budgets, scope of services provided, and the local labor market.

**Table 1: Comparator Agencies**

Alameda-Contra Costa Transit District
Golden Gate Bridge, Highway and Transportation District
Metropolitan Transportation Commission
San Francisco Bay Area Water Emergency Transportation Authority

San Francisco Municipal Transportation Agency
Sonoma County Transportation Authority - Regional Climate Protection Authority
Sonoma Marin Area Rail Transit
Transportation Authority of Marin
Western Contra Costa Transit Authority

Based on data collected from the comparator agencies, Koff & Associates identified matching classifications at the comparator agencies and compared salary and total compensation for these classifications. The study made several key assumptions that are important to understand in evaluating their data analysis and conclusions. These include:

- At least four comparator agencies with matching classifications to the benchmark classification are required to ensure that no one classification has undue influence on the calculations;
- Defined benefit and defined compensation retirement plans were compared based on agency contributions and not based on projected future retirement benefits to employees;
- The median (middle value) is a better comparator than the mean (average) when comparing salaries and/or total compensation;
- Salaries and/or total compensation for employment classifications falling within 5 percent of the median are considered market competitive; and
- Agencies should adjust salaries based on the factor - Base Salaries or Total Compensation - for which the agency is closer to the median. For the purposes of this study, Marin Transit's base factor is salaries.

### **Study Results**

Marin Transit current base salaries were found to be 8.5 percent below the market median. Table 2 provides the results by classification, and these are sorted from least different to most different from the market median. On average, the Marin Transit's monthly base salaries were about the same percentage below market as total compensation and total compensation was significantly below market for several higher-level classifications. The differences in total compensation are due to lower employer contributions to medical insurance and lower levels of paid-time off.

The Koff & Associates study provided four recommendations that Marin Transit staff reviewed and considered for incorporation into the updated employment compensation framework.

**Koff Recommendation 1** - Retain current number of salary bands and consider additional bands in the future. Additional bands would allow for more consistent differentials between each salary band.

**Action** – The proposed framework retains the existing five classifications. Staff will consider recommending additional classification levels and salary bands as needed in the future.

**Koff Recommendation 2** - Modify the salary structure to maintain reasonable separation (~35%) between minimum and maximum salaries for each band.

**Action** – The proposed framework includes 1) Raising the minimum salary levels from the 2013 levels to achieve approximately 35 percent separation between minimum and maximum salaries for each band, and 2) Increasing both the minimum and maximum salaries with any future annual increases.

**Table 2: Summary of Koff & Associates Compensation Study Results**

Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
Director of Policy and Legislative Programs	4	1.5%	-2.9%
Administrative Assistant/ Board Secretary	9	-2.1%	-3.6%
Transit Planning Analyst	9	-3.4%	-8.6%
Capital Analyst	4	-3.5%	-13.1%
Mobility Analyst	5	-3.7%	-6.5%
Capital Projects Manager	5	-7.8%	-6.9%
General Manager	6	-8.5%	-7.2%
Operations Manager	4	-9.5%	-5.8%
Accounting Analyst	5	-9.8%	-14.3%
Transit Planning Manager	5	-11.2%	-14.7%
Director of Operations and Planning	6	-12.1%	-17.6%
Director of Finance and Capital Programs	8	-13.5%	-15.5%
Capital Projects Manager (Engineering)	5	-18.2%	-18.3%
Administrative Analyst	3	Insufficient Data	Insufficient Data
Operations Analyst	3	Insufficient Data	Insufficient Data
<b>All Classifications</b>		<b>-8.5%</b>	<b>-8.6%</b>

**Koff Recommendation 3** - Salary ranges for all classifications should be 10-15 percent above the lower classification.

**Action** – The proposed framework established ranges to maintain this separation where possible. Marin Transit has fewer classifications and fewer salary ranges than larger agencies. To retain flexibility with a smaller number of salary ranges, the proposed framework includes a greater difference between the maximum salaries for four of the five classifications. This difference is more than the 15 percent recommended by Koff. Even with the greater separation of the maximum salaries, there is still sufficient overlap in salary ranges between the different classifications.

**Koff Recommendation 4** - Move one existing position to a new salary band based on placement at comparable agencies.

**Action** – Based on discussion with the Ad Hoc Committee, the proposed framework does not include this change.

**Summary Recommendation:**

Staff recommends adjusting the base salary ranges to increase the low end in each classification range to a competitive level. Staff further recommends increasing the high end of the Director/Deputy General Manager, the Manager Classification and the Part Time classification to be consistent with the surveyed market for this position. Under new range proposal, both the lower and upper end of each classification salary range will increase by the CPI through the annual budget process.

Staff is not recommending significant changes to employee benefits. The framework has been updated to include the employee-funded dependent care assistance plan and health flexible spending account, and, an employer paid employee assistance program that can provide specialized support to staff experiencing periodic life challenges or changes that are now available to staff.

Table 3: Recommended Salary Ranges by Classification						
Classification (number of current positions) <sup>1</sup>	FY2019 Monthly Salary Range <sup>2</sup>		Proposed FY2019 Monthly Salary Range		% Change	% Change
	Low	High	Low	High	Low	High
Director/Deputy (3.4)	\$9,167	\$13,016	\$10,556	\$14,250	15%	9%
Manager (2)	\$7,917	\$11,570	\$9,111	\$12,300	15%	6%
Senior (4)	\$6,667	\$10,123	\$7,498	\$10,123	12%	0%
Analyst (5)	\$5,000	\$8,195	\$6,070	\$8,195	21%	0%

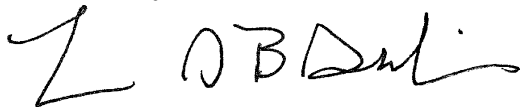
Administrative (1)	\$3,333	\$6,377	\$4724	\$6,377	42%	0%
Part Time (Muir Woods greeters, interns, outreach)	Minimum wage	\$27.81/hour	Minimum wage	\$29/hour	0%	4%

- 1) Staffing levels and classifications are approved by the Board annually through the budget process. The number of staff in each classification may change though will remain consistent with the current year budget and will not exceed the total number of positions authorized to the General Manager.
- 2) Under the current salary framework, top salary ranges may not increase annually by more than the consumer price index (CPI, Feb 2018 = 3.6 percent). Individual salary increases are subject to outcome of annual performance.

**FISCAL/STAFFING IMPACT:**

The new compensation framework increases the maximum salary for three position classifications. This change will allow for future salary increases for employees in these classifications and does not guarantee them. For the current fiscal year, two employees were recommended for annual merit-based salary increases that exceeded the maximum salary in the existing framework. The new framework will allow for these employees to receive retroactive pay to July 1, 2018. This adjustment will increase annual District expenses by \$17,527 for the additional salary and associated salary-based retirement benefits. All salary and benefits costs are within the existing FY2018/19 Budget, and no budget amendments are needed. In addition, these changes do not significantly affect the District's ten-year financial projections.

Respectfully submitted,



Lauren Gradia  
 Director of Finance and Capital Programs

Attachment: Policy # HR-3 Revised *Marin Transit Employment Compensation Framework*



## **MARIN TRANSIT**

### **Employment Compensation Framework**

Policy #:	HR-3
Subject:	Finance
Effective Date:	08/19/2013
Revision Date (1):	12/3/2018 (pending)

## Table of Contents

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DRAFT



## 1 Summary of Marin Transit Staff Benefits

### HEALTH & WELLNESS BENEFITS

Medical Insurance	:	<i>Employer pays up to 95% of employee+1 premium for base HMO plan towards Employee and Employee +1 premiums; up to 95% of employee+2 premium for base HMO plan for Employee +2; or with proof of coverage, a cash payment equal to the employee only premium for the base HMO plan.</i>
Dental Insurance	:	<i>Employer paid</i>
Vision Insurance	:	<i>Employer paid</i>
Short-Term Disability Insurance	:	<i>1% premium (state) Employer paid</i>
Long-Term Disability Insurance	:	<i>Employer Paid Basic</i>
Transit Commute Benefit	:	<i>Free Marin Local Transit plus free transit to work up to the federal taxable limit</i>
Dependent Care Assistance Plan	:	<i>Available, employee funded, enrollment starting Jan. 1 of each year</i>
Health Flexible Spending Account	:	<i>Available, employee funded, enrollment starting Jan. 1 of each year</i>
Employee Assistance Program	:	<i>Employer paid</i>

Vacation	:	<i>10 days (80 hours) vacation balances in excess of two times the annual accrual will be cashed out on June 30th. Upon commencement of third consecutive year of employment, employee accrues 15 vacation days annually.</i>
Sick Leave	:	<i>12 days (96 hours) annually in Year 1 and 2 of employment, 9 days annually thereafter, unlimited accrual</i>
Holidays	:	<i>10 fixed days (8 hours each) annually (New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, 4th of July, Labor Day, Veteran's Day, Thanksgiving Day &amp; Friday after Thanksgiving, Christmas Day); 1/2 day for Christmas Eve</i>
Jury Duty	:	<i>If needed and employee meets criteria</i>
Bereavement Leave	:	<i>If needed, up to 3 days (24 hours) per occurrence which meets criteria</i>
Administrative Leave	:	<i>2 days (16 hours) annually on July 1, does not accrue.</i>

### POST-EMPLOYMENT BENEFITS

Defined Contribution Retirement	:	<i>401(a) Employer paid 10% 0-2 years; 13% &gt;2 years; 15% &gt;4 years; vesting after 6 months</i>
Social Security	:	<i>Employee/Employer Paid (currently 6.2%/6.2%)</i>
Life Insurance	:	<i>1x Salary employer paid, supplemental coverage available</i>
Deferred Compensation	:	<i>457 Plan available</i>

## 2 Summary of Management Benefits

<b>HEALTH &amp; WELLNESS BENEFITS</b>	
Medical Insurance	: <i>Employer pays up to 95% of employee+1 premium for base HMO plan towards Employee and Employee +1 premiums; up to 95% of employee+2 premium for base HMO plan for Employee +2; or with proof of coverage, a cash payment equal to the employee only premium for the base HMO plan.</i>
Dental Insurance	: <i>Employer paid</i>
Vision Insurance	: <i>Employer paid</i>
Short-Term Disability Insurance	: <i>1% premium (state) Employer paid</i>
Long-Term Disability Insurance	: <i>Employer Paid Basic</i>
Transit Commute Benefit	: <i>Free Marin Local Transit plus free transit to work up to the federal taxable limit</i>
Dependent Care Assistance Plan	: <i>Available, employee funded</i>
Health Flexible Spending Account	: <i>Available, employee funded</i>
Employee Assistance Program	: <i>Employer paid</i>
<b>PAID LEAVE BENEFITS</b>	
Vacation	: <i>10 days (80 hours) vacation balances in excess of two times the annual accrual will be cashed out on June 30th. Upon commencement of third consecutive year of employment, employee accrues 15 vacation days annually.</i>
Sick Leave	: <i>12 days (96 hours) annually in Year 1 and 2 of employment, 9 days annually thereafter, unlimited accrual</i>
Holidays	: <i>10 fixed days (8 hours each) annually (New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, 4th of July, Labor Day, Veteran's Day, Thanksgiving Day &amp; Friday after Thanksgiving, Christmas Day), 1/2 day for Christmas Eve</i>
Jury Duty	: <i>If needed and employee meets criteria</i>
Bereavement Leave	: <i>If needed, up to 3 days (24 hours) per occurrence which meets criteria</i>
Management Administrative Leave	: <i>5 additional days (40 hours) annually on July 1, does not accrue.</i>
<b>POST-EMPLOYMENT BENEFITS</b>	
Defined Contribution Retirement	: <i>401(a) Employer paid 10% 0-2 years; 13% &gt;2 years; 15% &gt;4 years; vesting after 6 months</i>
Social Security	: <i>Employee/Employer Paid (currently 6.2%/6.2%)</i>
Life Insurance	: <i>1x Salary employer paid, supplemental coverage available</i>
Deferred Compensation	: <i>457 Plan available</i>

### 3 Job Classification Characteristics

The following table includes jobs classifications and characteristics. Characteristics and abilities in each classification may be further targeted for specific departments and functions such as Administration, Finance, Operations, Planning and Capital.

Class	General Class Characteristics
Admin	<p>An Admin level position is an entry level position that does not require a college degree and may require little or no experience. An employee in this class would have the following characteristics and abilities:</p> <ul style="list-style-type: none"> <li>• Performs routine tasks and functions</li> <li>• Performs new task with direct supervision and training</li> <li>• Shows initiative to identify job related problems and solutions</li> </ul>
Analyst	<p>An Analyst level employee typically has a college degree or equivalent level relevant experience. An employee in this class typically has 1-5 years of experience and the following characteristics abilities:</p> <ul style="list-style-type: none"> <li>• Perform job specific duties</li> <li>• Research and solve problems with direct supervision</li> <li>• Maintain project budgets, tasks, and timelines</li> <li>• Exercise sound judgement</li> <li>• Maintain clear written and verbal communication</li> <li>• Recognize roadblocks</li> </ul>
Senior	<p>Senior level employees typically have a college degree and 5 to 15 years of experience. Senior level employees have all characteristics listed at the Analyst level along with the following abilities:</p> <ul style="list-style-type: none"> <li>• Develop and maintain project budgets, tasks, and timelines</li> <li>• Research and solve problems with general supervision</li> <li>• Present solutions for roadblocks</li> <li>• Use independent judgement</li> <li>• Take ownership of projects and programs</li> <li>• Demonstrate advanced skills in job specific tasks</li> <li>• Formally or informally provides direction and leadership for coworkers or other contractors</li> <li>• With minimal direction, represent agency to outside stakeholders</li> </ul>
Manager	<p>A Manager level employee typically has significant experience and has demonstrated sustained leadership and job-related expertise. Manager level employees have all characteristics listed at the Senior level along with the following abilities:</p> <ul style="list-style-type: none"> <li>• Develop projects and programs</li> <li>• Give clear direction and guidance to other staff and contractors</li> <li>• Expertise in job related topics (Professional certification, professional committee leadership etc.)</li> <li>• Act as a resource to Marin Transit staff</li> <li>• Conceptualize new project the improve or sustain the District</li> <li>• Track and manage multiple project budgets, tasks, and timelines</li> </ul>
Director	<p>A Director level position reports directly to the General Manager and is typically responsible for significant division or unit of the District. A Director has all the characteristics listed at the manager level along with:</p> <ul style="list-style-type: none"> <li>• Provides leadership at the District level</li> <li>• Identifies employees' strengths and identifies development paths</li> </ul>

## 4 Advancement Process

### **Moving from Analyst to the Senior Level**

Staff must demonstrate a sustained ability to operate at a senior level (see class characteristics). Managers will work with Analyst employees that have the relevant experience and qualifications to develop a path to Senior. This plan should include specific steps including technical and soft skills that employee will need to take/demonstrate to be considered for a promotion to the Senior level. The plan should be reviewed by the General Manager. Performance will be monitored by the manager at the annual review, unless an interim review cycle is warranted. Completion of all items listed in the plan is not a guarantee of promotion, employee must also demonstrate the independence and leadership needed for a senior level position. All Analysts are eligible for a promotion to the senior level, however there is no guarantee of promotion or a specific timeline for promotion (there is no cap on the number of Senior level employees), and promotions are at the General Manager's discretion.

### **Moving from Senior to the Manager Level**

There are a limited number of Manager level positions at Marin Transit. In addition to demonstrating the ability to perform at the Manager level, there needs to be an Agency need for a new manager or an open manager level position. In most cases, a formal recruitment will be made for a Manager level position and internal candidates may apply or be asked to interview as part of this process.

### **Moving from Manager to the Director Level**

There are a limited number of Director level positions at Marin Transit. In addition to demonstrating the ability to perform at the Director level, there needs to be an Agency need for an open Director-level position. In most cases, a formal recruitment will be made for a Director-level position and internal candidates can be considered as part of this process.

## 5 Salary Ranges by Job Classification

### **Classification**

*(number of current positions)<sup>1</sup>*

### **FY2019 Monthly Salary Range<sup>2</sup>**

	<b>Low</b>	<b>High</b>
Director/Deputy (3.4)	\$10,556	\$14,250
Manager (2)	\$9,111	\$12,300
Senior (4)	\$7,498	\$10,123
Analyst (5)	\$6,070	\$8,195
Administrative (1)	\$4,724	\$6,377
Part Time (Muir Woods greeters, interns, outreach)	Minimum wage	\$29/hour

- 1) Staffing levels and classifications are approved by the Board annually through the budget process. The number of staff in each classification may change but will be consistent with the current year budget and will not exceed the total number of positions authorized to the General Manager.
- 2) Top salary ranges may not increase annually by more than the consumer price index (CPI, Feb 2018 3.6%). Individual salary increases subject to outcome of annual performance.



711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
[marintransit.org](http://marintransit.org)

December 3, 2018

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Update on the San Rafael Transit Center Relocation Project**

**board of directors**

Dear Board Members:

stephanie moulton-peters  
president  
city of mill valley

damon connolly  
vice president  
supervisor district 1

dennis rodoni  
2nd vice president  
supervisor district 4

judy arnold  
director  
supervisor district 5

kate colin  
director  
city of san rafael

kathrin sears  
director  
supervisor district 3

katie rice  
director  
supervisor district 2

**RECOMMENDATION:** Information item only.

**SUMMARY:**

Marin Transit, Golden Gate Bridge, Highway and Transportation District (GGBHTD), the City of San Rafael, the Transportation Authority of Marin, and SMART initiated an effort to evaluate relocation of the bus transfer facility in Downtown San Rafael in 2005. This effort anticipated the upcoming extension of SMART rail service through the San Rafael Transit Center (SRTC), growth in transit services, and ongoing changes in the surrounding downtown. GGBHTD is leading the current phase that includes relocation analysis, environmental review, and preliminary engineering with support from a consultant team.

The initial stage of this phase has focused on outreach and community engagement. The team has held three community workshops on March 20, June 12, and October 30, 2018. These meetings introduced the project to the community, described the purpose and need, and solicited input on preliminary facility locations and designs. Feedback has been captured at these events and through online surveys that will help inform the process.

Staff provided an update on the SRTC to your Board on July 9, 2018. At that time four alternatives were under consideration. With additional input from the City of San Rafael and through the public process one more alternative has been added. The fifth alternative, the North of 4th Street Concept, would occupy the entire block bounded by 5th Avenue to the north, Irwin Street to the east, 4th Street to the South, and Hetherton Street to the west. It is generally located beneath US-101. The five alternatives are described in the attached Notice of Preparation of a Draft Environmental Impact Report (DEIR).

Golden Gate Transit requested comments on the Notice of Preparation of a DEIR. Marin Transit staff's response is attached. Staff commented on the advantages and disadvantages of each of the alternatives, and noted the importance of creating a safe and welcoming environment for all transit riders.

Since staff's last update to your Board in July, the GGBHTD team has:

- Conducted the third community workshop on October 30;
- Convened meetings of the Technical Advisory Committee, the executive management of the partner agencies, and policy makers from the partner agencies to review the alternatives and the public outreach efforts to date; and
- Released the Notice of Preparation of the DEIR on October 16 and received comments from several entities.

The next step in the process is to continue to evaluate alternatives and prepare the environmental document. The Draft Environmental Impact Report is scheduled to be complete in Fall 2019. The Final EIR and Preliminary Design are currently scheduled for completion in Fall 2020. A copy of the project fact sheet with a timeline is attached.

**FISCAL/STAFFING IMPACT:** There is no fiscal impact associated with this item.

Respectfully submitted,



Robert Betts  
Director of Operations and Planning

Attachments: Notice of Preparation of a Draft Environmental Impact Report for the SRTC Relocation Project  
Marin Transit letter commenting on the Notice of Preparation of a DEIR  
GGBHTD Fact Sheet and timeline on the SRTC Relocation Project



## NOTICE OF PREPARATION

October 16, 2018

**To:**

Reviewing Agencies and Organizations

**From:**

Golden Gate Bridge, Highway and Transportation District  
1011 Andersen Drive  
San Rafael, CA 94901-5318

**SUBJECT: Notice of Preparation of a Draft Environmental Impact Report for the San Rafael Transit Center Replacement Project and Notice of Scoping Meeting**

The Golden Gate Bridge, Highway and Transportation District (District), as the lead agency under the California Environmental Quality Act (CEQA), will prepare an Environmental Impact Report (EIR) for the proposed San Rafael Transit Center Replacement Project (project). We are interested in your agency's views regarding the scope and content of the environmental documentation that is germane to your statutory responsibilities in connection with the proposed project. The project description, location, overview, EIR scope, and potential environmental effects are provided in the attached materials.

Comments focusing on your area of expertise, your agency's area of jurisdiction, or issues relative to the environmental analysis should be addressed to Raymond Santiago, Principal Planner, Golden Gate Bridge, Highway and Transportation District, at the address shown above, or email to [SRTC@goldengate.org](mailto:SRTC@goldengate.org). Requests to be included on the project mailing list and receive additional information about the project should also be directed to [SRTC@goldengate.org](mailto:SRTC@goldengate.org). Because of time limits mandated by state law, your written response must be sent at the earliest possible date, but no later than the later of 30 days after this notice or November 19, 2018. Please include a name and phone number of a contact person in your organization.

The District will hold a scoping meeting in an open-house format to discuss the proposed project and review environmental issues to be addressed in the draft EIR on Tuesday, October 30, 2018, from 5:30–7:00 p.m. at Whistlestop, 930 Tamalpais Avenue, San Rafael, CA. Persons with disabilities will be able to access the buildings used for the scoping meeting. Any individual who requires special assistance, such as a sign language interpreter, to participate in a scoping meeting should contact the dedicated project line at (415) 257-4444 by 5:00 p.m. no later than October 25, 2018. A Spanish interpreter will be available at the meeting.



If the project receives federal funding, it is anticipated that a joint EIR/National Environmental Policy Act document would be prepared and the Federal Transit Administration (FTA) will serve as the federal lead agency.

Date: 10/16/18

Signature: 

Name: Raymond A. Santiago

Title: Principal Planner

Telephone: (415) 257-4443

Email: [SRTC@goldengate.org](mailto:SRTC@goldengate.org)

*Reference:* California Code of Regulations, Title 14, (State CEQA Guidelines) Sections 15082(a), 15103, 15375.

**GOLDEN GATE BRIDGE, HIGHWAY AND TRANSIT DISTRICT**  
**1011 Andersen Drive, San Rafael, CA 94901-5318**

**NOTICE OF PREPARATION**  
**ATTACHMENT**

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**Project Title**

*San Rafael Transit Center Replacement Project*

---

**California Environmental Quality Act (CEQA) Lead Agency**

Golden Gate Bridge, Highway and Transportation District

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**Project Information available at:**

1011 Andersen Drive  
 San Rafael, CA 94901-5318

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**or via website:**

<http://goldengate.org/SRTC/>

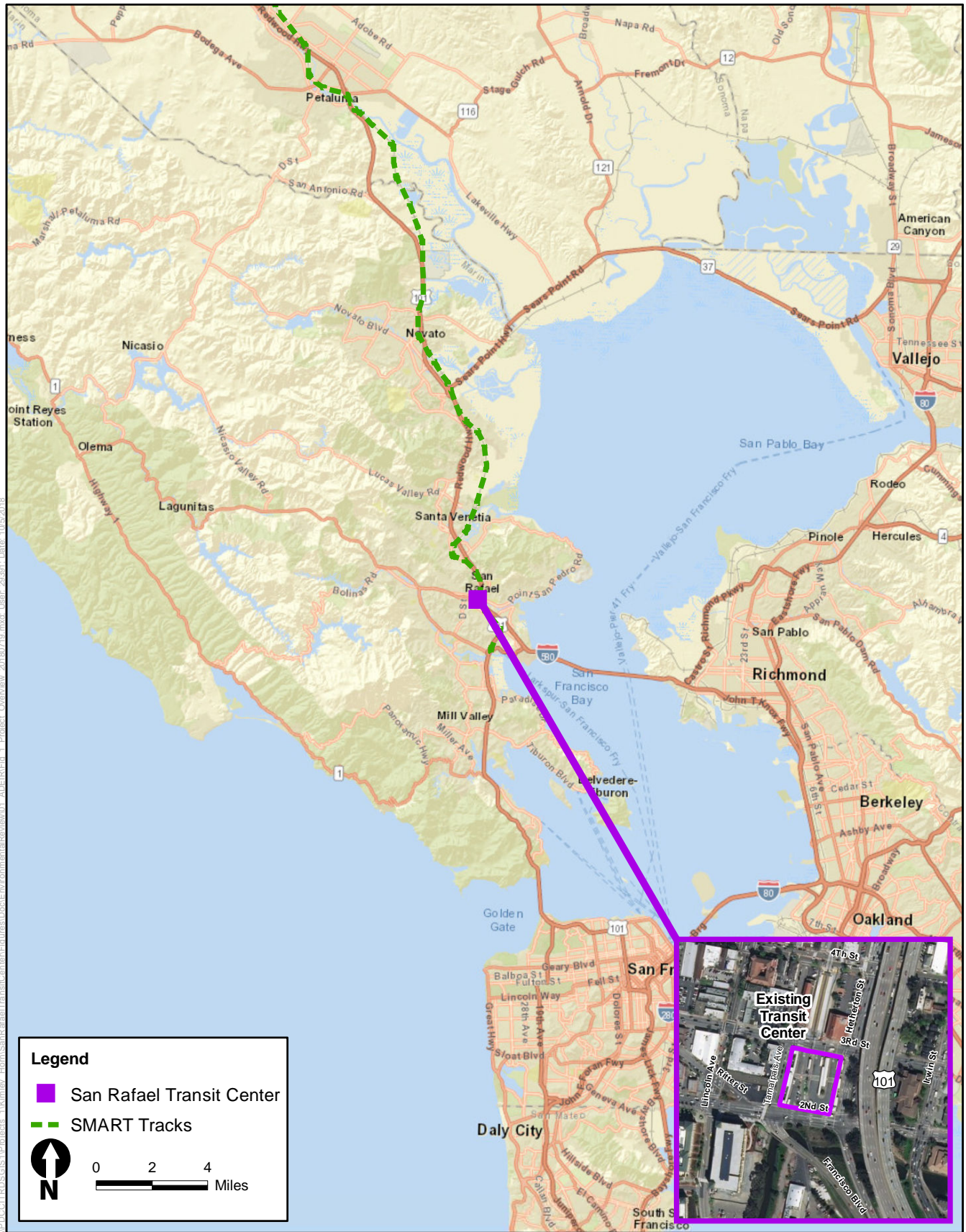
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**Project Location and Background**

The San Rafael Transit Center, also known as the C. Paul Bettini Transit Center, is owned by the Golden Gate Bridge, Highway and Transportation District (District), which operates Golden Gate Transit regional and inter-county bus transit services. The transit center is located in downtown San Rafael at the intersection of 3<sup>rd</sup> Street and Hetherton Street (see Figure 1). With more than 500 bus trips daily and 17 operating bus bays, the transit center is the largest regional transit hub in Marin County, providing access to the regional transportation network for area residents and a key transfer point for employees, visitors, and students in San Rafael and the greater North Bay region. The transit center primarily serves bus routes operated by Golden Gate Transit and Marin Transit, but it is also served by Sonoma County Transit, Sonoma County Airport Express, Marin Airporter, Greyhound, and paratransit services. On weekdays, nearly 9,000 people board or alight buses at the transit center to make their necessary transportation connections. Downtown San Rafael is an important destination, with nearly half of the passengers travelling to or from downtown, and the remaining riders making transfers to other destinations. The 17 bus bays are well-utilized during most peak-period pulse times, leaving little room for growth in bus service.

In August 2017, the Sonoma-Marin Area Rail Transit (SMART) District commenced passenger rail service on its initial corridor, consisting of 43 miles of rail and 10 stations (Phase 1) in Sonoma and Marin Counties. SMART's Phase 1 corridor parallels U.S. Highway 101 (US-101) beginning at the Sonoma County Airport and terminating in downtown San Rafael just north of the transit center. SMART riders transferring from the downtown San Rafael SMART station—located north of 3<sup>rd</sup> Street—to access the current transit center south of 3<sup>rd</sup> Street, as well as riders originating from downtown San Rafael, must navigate congested vehicle traffic passing through local intersections and accessing the US-101 on-ramps adjacent to the transit center.

# San Rafael Transit Center Replacement Project



\\PDC\CTD\GIS\IP\Projects\_11\Kml\Map\SanRafaelTransitCenter\Figures\Doc\EnvironmentalReview\01\_ADEIR\Fig\_1\_Regional\_Location.mxd; User: 29391; Date: 10/5/2018



Figure 1  
Regional Location

In addition, Phase 2 of the SMART project, which was approved in 2015 and began construction in early 2018, will extend passenger rail service from its current downtown San Rafael terminus to Larkspur. The southward extension of SMART will require the construction of two sets of tracks through the middle of the existing transit center site south of 3<sup>rd</sup> Street. The SMART Phase 2 line will bisect the existing transit center, reconfigure Platforms C and B, negatively impact bus circulation and bus bay flexibility within and around the transit center, and disrupt pedestrian access and transfer activity among the remaining platforms at the site. This change will affect how buses and people access and travel through the transit center as well as the reduction in the amount of space available for buses and riders, which will be detrimental to bus, vehicle, and pedestrian access and safety. As a result, the transit center must be relocated to another location in downtown San Rafael.

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## **Project Objectives**

The District, in coordination with the City of San Rafael, Marin Transit, Transportation Authority of Marin (TAM), and SMART, plans to replace the transit center in downtown San Rafael. The proposed San Rafael Transit Center Replacement Project (project) is needed primarily to preserve and enhance the functionality and effectiveness of the transit center following the implementation of the SMART Phase 2 line to Larkspur and the resulting loss of some of the transit center facilities. Specifically, the purpose of the project is to:

- Provide improved transit connectivity and ease of use in and around downtown San Rafael.
- Enhance local and regional transit use by bringing together multiple modes of the transportation network—including the SMART-bus connection—into a hub that affords transit users the safest, most efficient means of using bus and rail services.
- Efficiently accommodate transit users and services and optimize operating costs and improve transit desirability.
- Design a functional, attractive, cost-effective facility that can meet long-term projected service levels and be implemented in an expeditious manner, so as to minimize the period of use of the interim facility.
- Provide a transit facility that is readily accessible to individuals with disabilities, transit users, and transit-dependent populations, including those with low incomes.
- Provide a secure, safe, and inviting space for transit patrons.
- Create a more accessible transit facility for all users by reducing vehicular, rail, bicycle, and pedestrian conflicts and improving safety.
- Provide convenient, pedestrian connections to surrounding land uses.

A new transit center solution in downtown San Rafael would address near-term and long-term transit needs while improving the desirability and usability of transit for both local residents and regional commuters. It would also, to the extent feasible, minimize traffic congestion and facilitate smooth transit operations while also promoting pedestrian safety.

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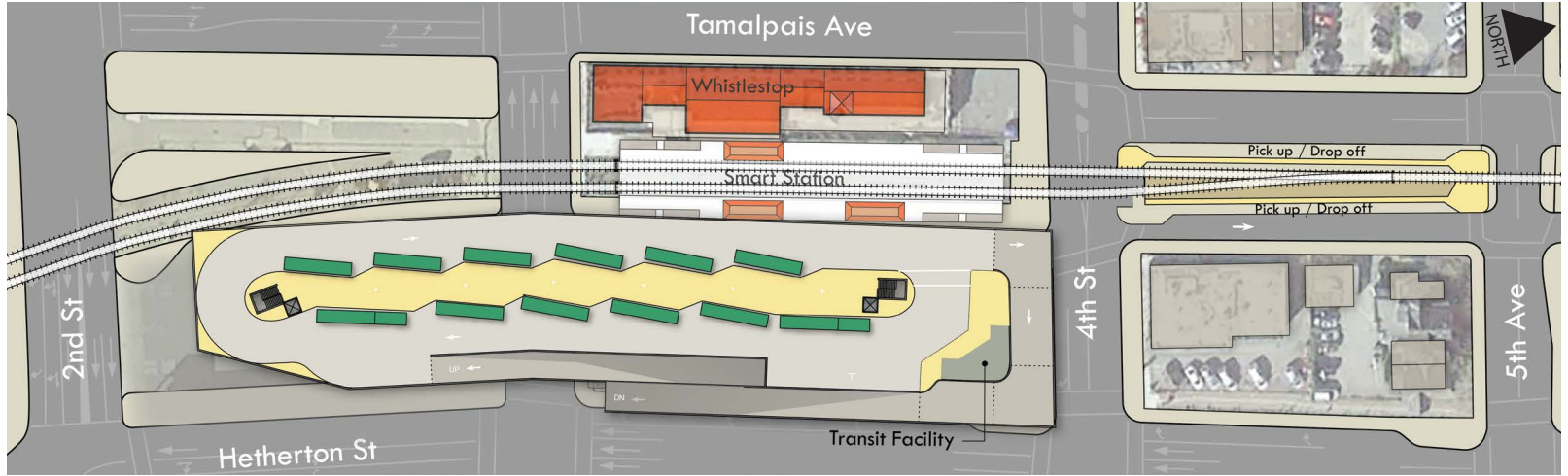
## Preliminary Project Alternatives to Be Analyzed in the Draft Environmental Impact Report

The District has identified five preliminary alternatives. The alternatives are described below and the conceptual design for each alternative is shown in Figures 2, 3, 4, 5, and 6, respectively. The District also will study a No Project Alternative pursuant to CEQA requirements. These preliminary alternatives will be further refined and screened based on agency and public input.

- ***Two-Story Concept*** is bounded by 4<sup>th</sup> Street to the north, Hetherton Street to the east, 2<sup>nd</sup> Street to the south, and Tamalpais Avenue to the west (Figure 2). This concept includes the parcel to the east of the SMART station as the ground-level of a proposed two-story transit center. This alternative includes 6 bus bays on the ground level and 12 bus bays on the upper level. This alternative has the smallest footprint, only requiring the acquisition of one parcel, but also would cost more due to the two-story construction.
- ***Across-the-Freeway Concept*** is bounded by 5<sup>th</sup> Avenue to the north, Irwin and Hetherton Streets to the east, 3<sup>rd</sup> Street to the south, and Tamalpais Avenue to the west (Figure 3). This alternative has two options: the first would include a three-bay transit island on Hetherton Street between 3<sup>rd</sup> and 4<sup>th</sup> Streets, and the second would shift Hetherton Street to the west to allow for on-street bays on the east side of Hetherton Street between 3<sup>rd</sup> and 4<sup>th</sup> Streets. This concept incorporates the area underneath US-101, which would eliminate some existing California Department of Transportation (Caltrans) Park and Ride lot parking stalls and require covering Erwin Creek (a tributary of San Rafael Creek), across a portion of the block.
- ***4<sup>th</sup> Street Gateway Concept*** is bounded by 5<sup>th</sup> Avenue to the north, Hetherton Street to the east, 3<sup>rd</sup> Street to the south, and the SMART tracks to the west (Figure 4). In order to accommodate three curbside bus bays, southbound right-turn movements from Hetherton Street to 4<sup>th</sup> Street would be precluded.
- ***Whistlestop Block Concept*** is bounded by 4<sup>th</sup> Street to the north, Hetherton Street to the east, 3<sup>rd</sup> Street to the south, and Lincoln and Tamalpais Avenues to the west (Figure 5). This concept co-locates the proposed transit center on the same block as the existing SMART station. The Whistlestop building would either be relocated, reconfigured, or restored and used for customer service functions with the proposed transit center.
- ***North of 4<sup>th</sup> Street Concept*** would occupy the entire block bounded by 5<sup>th</sup> Avenue to the north, Irwin Street to the east, 4<sup>th</sup> Street to the South, and Hetherton Street to the west. It is generally located beneath US-101 (Figure 6) and would eliminate some existing parking stalls in the Caltrans Park and Ride lot, and require covering Erwin Creek (a tributary of San Rafael Creek), across the full length of the block. While this concept would accommodate 17 bus bays within this block, it would require customer service, restrooms, and pick-up/drop-off functions to be located off site.

Features common to all five alternatives include the provision of at least 17 bus bays, pick-up/drop-off areas for passenger vehicles or taxis, bicycle parking, customer service and security space, bus operator restrooms, and parking for operations staff. Some of these facilities could be provided at locations outside of the extents of the concepts shown in Figures 2 through 6 below. The project website provides more detailed information on the project and the public outreach conducted to date: <http://goldengate.org/SRTC/>.

Upper Level



Lower Level

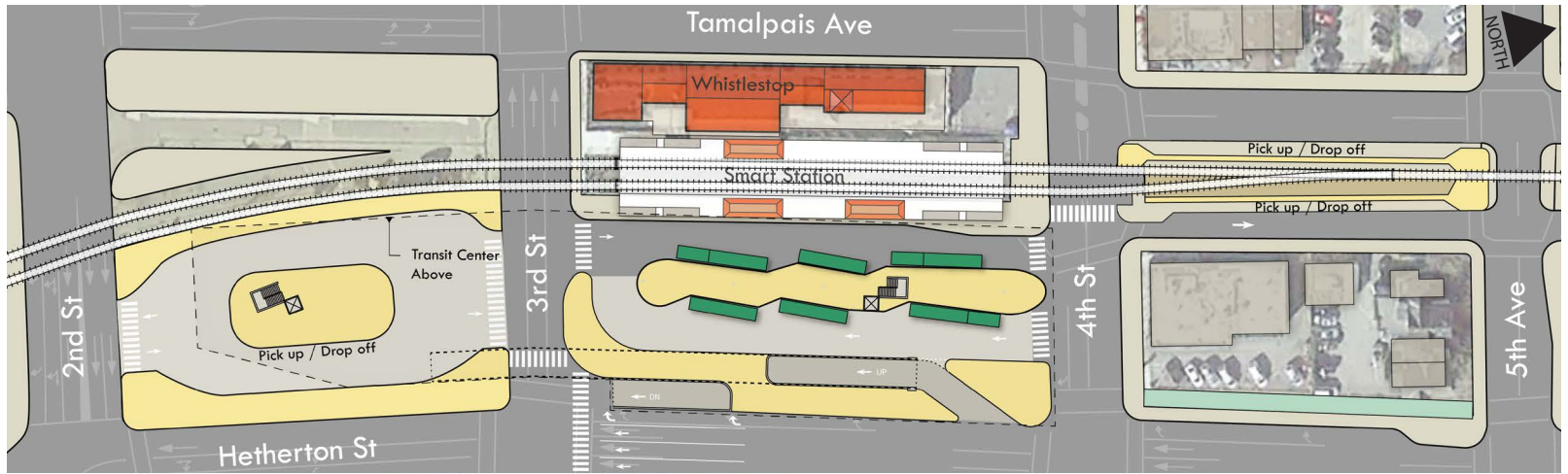


Figure 2  
Two-Story Concept

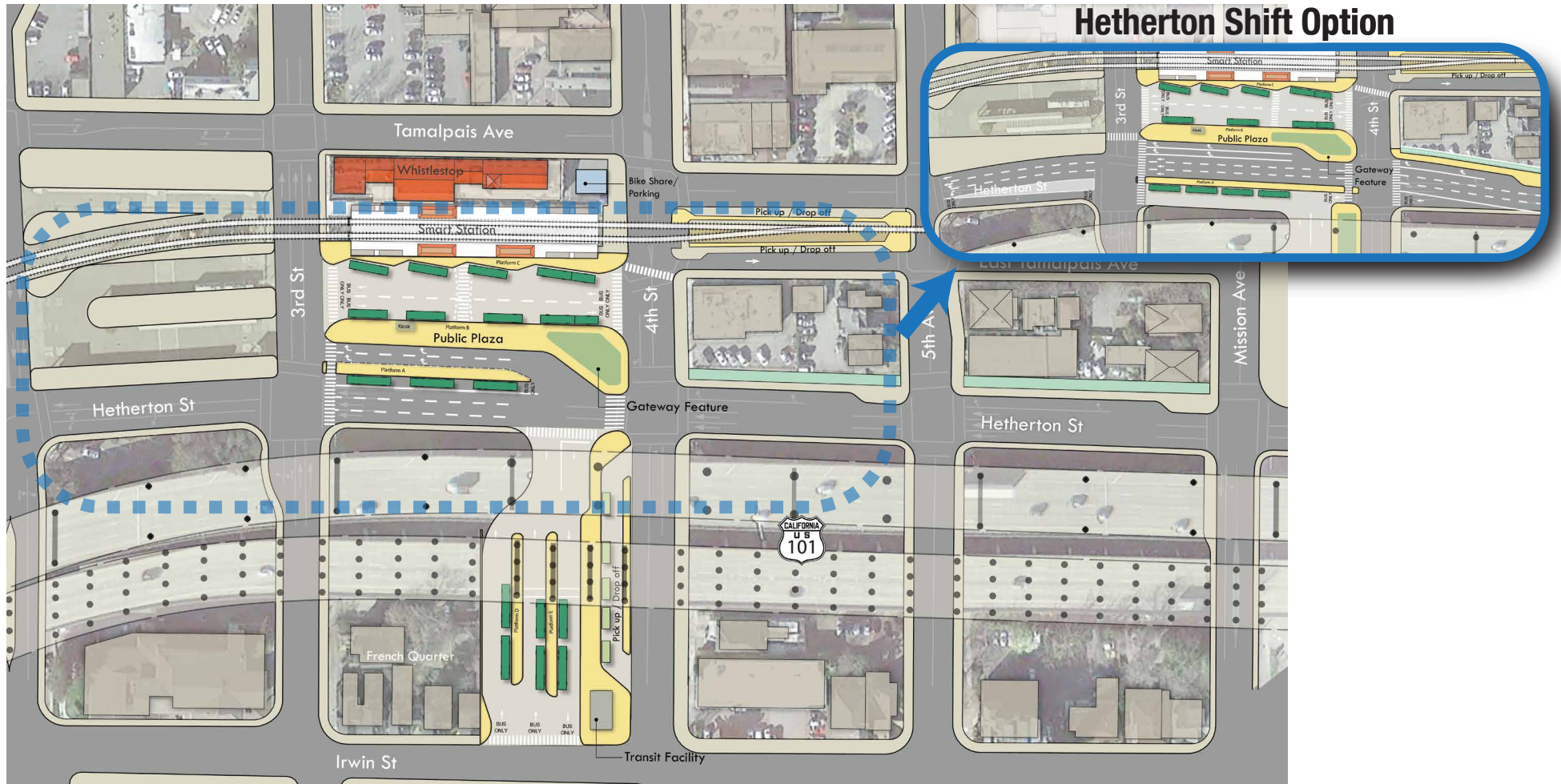


Figure 3  
Across the Freeway Concept

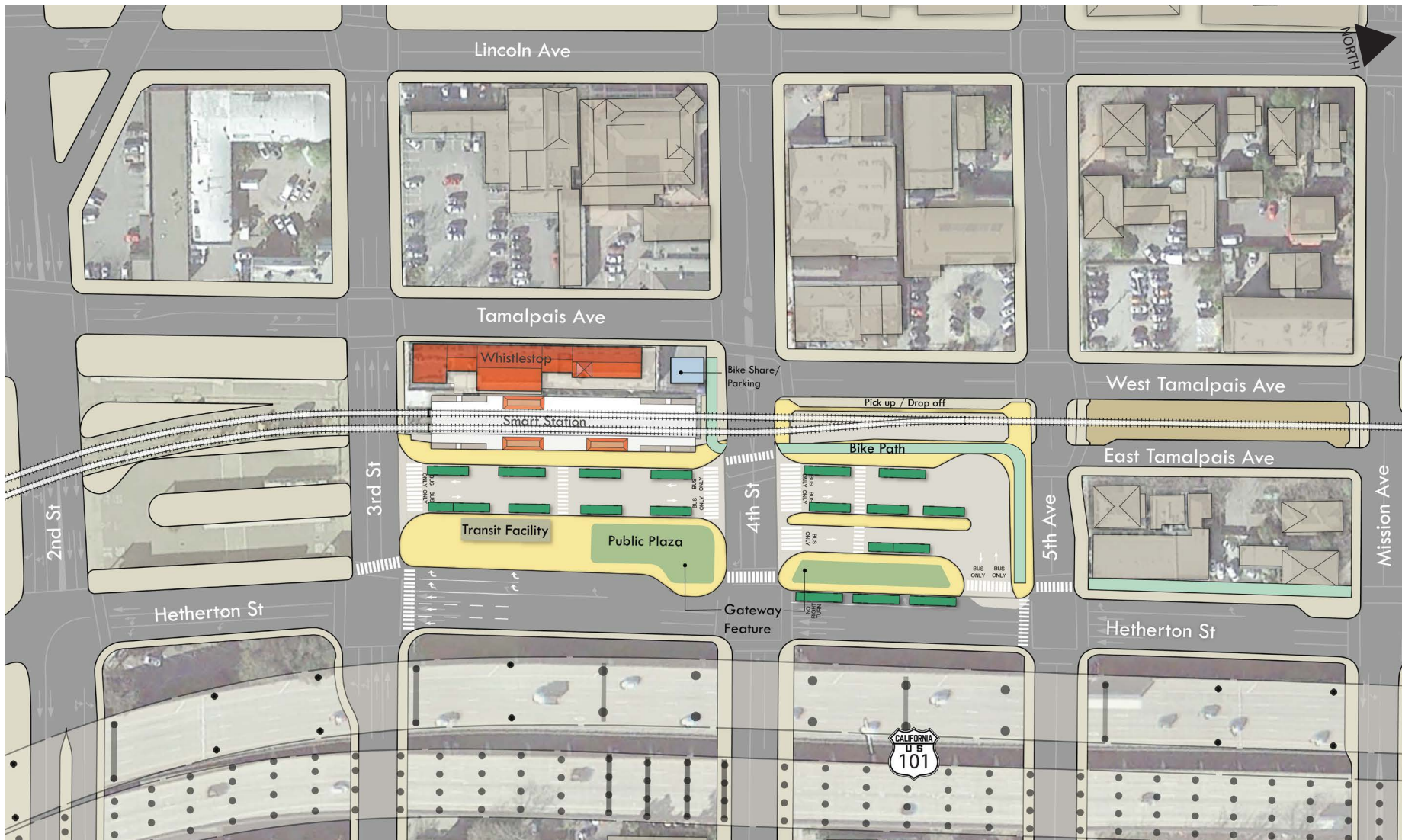


Figure 4  
4th Street Gateway Concept



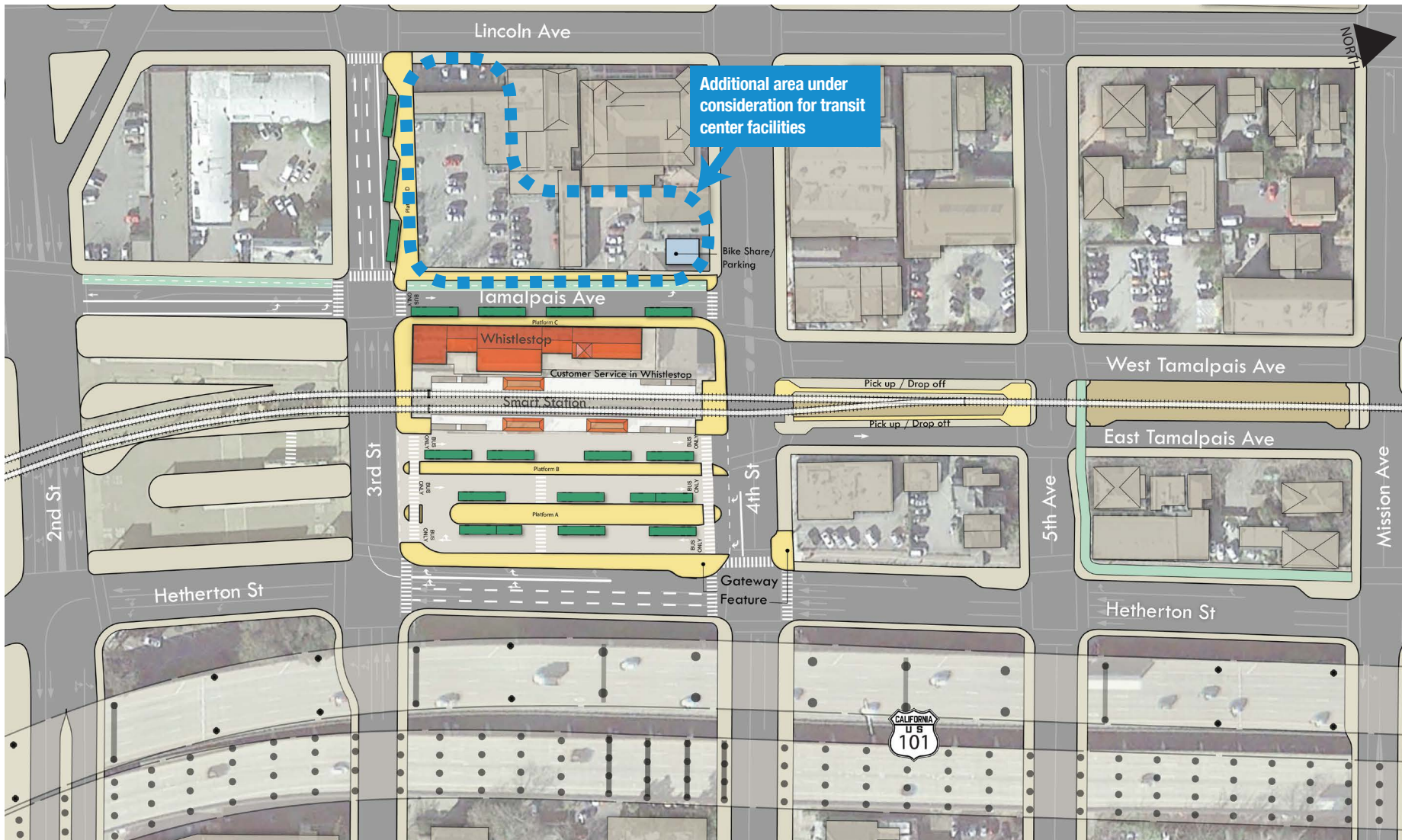


Figure 5  
Whistlestop Block Concept



Figure 6  
North of 4th Street Concept

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## **Project Schedule**

The District expects to complete the environmental review process by early 2020, and preliminary project design (30%) by the Fall of 2020; the final design, permitting, and construction would commence thereafter.

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## **EIR Scope and Potential Environmental Effects**

The purpose of the EIR will be to disclose the environmental impacts of the project. Potential environmental effects to be examined in the EIR are those related to aesthetics, air quality and greenhouse gas emissions; biological resources; cultural resources; geology, soils, and seismicity; hazards and hazardous materials; hydrology and water quality; land use and planning; noise and vibration; population and housing; transportation and transit; and utilities and public services (including recreation). Cumulative impacts, alternatives to the project, and growth-inducing impacts will also be analyzed. Impacts resulting from both short-term construction and long-term operation of the project will be identified. A brief discussion of the anticipated environmental impacts and what will be examined in the EIR is presented below. Mitigation measures will be identified for significant impacts, as appropriate.

### *Aesthetics*

The project is located in downtown San Rafael. The EIR will describe the existing visual character of the project site and surrounding areas, and identify key visual resources and scenic views. The EIR will analyze impacts on these key visual resources and scenic views as a result of the proposed project. Lighting and glare impacts on any sensitive viewers/viewsheds will also be addressed.

### *Air Quality and Greenhouse Gas Emissions*

The EIR will describe the existing air quality conditions in the San Francisco Bay Area basin and evaluate the impacts of the project, in accordance with current Bay Area Air Quality Management District (BAAQMD) CEQA Guidelines. The construction and operational greenhouse gas (GHG) emissions in the project vicinity related to implementation of the project will be quantified. Potential impacts related to climate change will be addressed consistent with the BAAQMD's current guidance. The project's consistency with the City of San Rafael's Climate Action Plan will also be discussed.

### *Biological Resources*

The EIR will describe the existing biological resources on the site, discuss the impacts of the project on biological resources (plants, wildlife, and waters), and identify any conflicts with local policies and ordinances protecting biological resources, such as impacts on protected or heritage trees.

### *Cultural Resources*

The EIR will evaluate potential impacts on historical, archaeological, and paleontological resources. The Native American Heritage Commission (NAHC) and any tribes it identifies will be contacted and consulted about the presence of traditional lands or cultural places in the project vicinity.

### *Geology, Soils and Seismicity*

The EIR will describe the geologic and soil constraints that may affect the project design, including seismicity, landslide, lateral spreading, subsidence, liquefaction, or potential for expansive soils.

### *Hazards and Hazardous Materials*

The EIR will describe the existing conditions on and adjacent to the project site—including the potential for existing soil and/or groundwater contamination near the site to affect future uses on the site—and will identify hazardous impacts from both construction and operations.

### *Hydrology and Water Quality*

The EIR will discuss the potential for project-related flooding on the project site, and will describe construction and operational impacts related to stormwater runoff and drainage infrastructure, and water quality.

### *Land Use and Planning*

The EIR will evaluate the compatibility of the project with neighboring areas, change to or displacement of existing uses, compliance with zoning regulations, and consistency of the project with relevant local land use policies that have been adopted in the City of San Rafael General Plan 2020 and the 2012 Downtown Station Area Plan.

### *Noise and Vibration*

The EIR will identify sensitive noise receptors and sources of noise and vibration in the project area and analyze short-term construction and long-term operational noise and vibration impacts associated with moving the transit center to a new location. Noise from changes in traffic patterns associated with operations at the new location would also be evaluated.

### *Population and Housing*

The EIR will address the project's potential for inducing population growth and displacing people and housing.

### *Transportation and Transit*

A transportation impact analysis will be prepared for the EIR to describe the existing local and regional transportation network and to evaluate the proposed project's construction- and operations-related traffic impacts for vehicular, transit, bike, and pedestrian circulation.

*Utilities and Public Services (including Recreation)*

The EIR will describe the existing utilities at the project site and will address the ability of existing and planned public facilities and service systems to meet demands generated by the project. Physical impacts on public utilities—including sanitary sewers, storm drains, and solid waste—will be identified, as will any need to construct new facilities. The EIR will describe the existing water supply serving the project site and evaluate the impacts of the project on water supply.

*Cumulative Impacts*

Consistent with CEQA, this section will address the impacts of implementing the project in combination with other past, present, and reasonably foreseeable future projects in the project vicinity.

*Alternatives to the Project*

Alternatives to the project will be evaluated, including the No Project Alternative. Other alternatives analyzed in the EIR will be identified based on their ability to reduce or avoid environmental impacts.

*Growth-Inducing Impacts*

The EIR will discuss the ways in which the project could foster growth in the surrounding environment, including potential for growth from enhanced transit facilities and land use development surrounding the project site; growth-related secondary impacts also will be discussed.

*Other CEQA-Required Analysis*

The EIR will include other issues required by CEQA, including Significant Unavoidable Impacts, Significant Irreversible Environmental Change, Persons Consulted and List of Preparers, References, and technical appendices.



711 grand ave, #110  
san rafael, ca 94901

ph: 415.226.0855  
fax: 415.226.0856  
marintransit.org

November 19, 2018

Raymond Santiago  
Principal Planner  
Golden Gate Bridge, Highway and Transportation District  
1011 Andersen Drive  
San Rafael, CA 94901-5318

**RE: Notice of Preparation of Draft Environmental Impact Report  
for the San Rafael Transit Center Replacement Project**

**board of directors**

Dear Mr. Santiago,

stephanie moulton-peters  
president  
city of mill valley

As partner agencies, Marin Transit and GGBTHD have worked hard to anticipate and plan for SMART's extension through the San Rafael Transit Center (SRTC). The SRTC is a vitally important transfer hub for local transit riders traveling within Marin County and regional transit riders connecting to San Francisco and Sonoma. It is the busiest transit hub in the North Bay with service by Marin Transit, Golden Gate Transit, SMART, Sonoma County Transit, Greyhound, and Marin and Sonoma Airporter services. We commend GGBHTD for your emphasis on public outreach and consensus building efforts to plan for a new SRTC.

damon connolly  
vice president  
supervisor district 1

dennis rodoni  
2nd vice president  
supervisor district 4

Marin Transit has provided input on proposed conceptual designs for replacing the Transit Center through every step of the planning process. Based on our experience and on behalf of our passengers, we offer the following comments to assist GGBHTD in developing the Draft Environmental Impact Review for alternatives to replace the SRTC.

judy arnold  
director  
supervisor district 5

kate colin  
director  
city of san rafael

Our riders deserve a transit facility that meets their needs for safe access, timed transfers, and effective bus operations that minimize travel times. Over 70 percent of all transit bus operations using the current SRTC are Marin Transit services, and over 60 percent of transit passengers that rely on the SRTC are local Marin Transit passengers. Most Marin Transit riders are low-income. Over 60 percent have annual incomes below \$50,000 and 24 percent have incomes below \$25,000. Nearly 40 percent of Marin Transit riders speak Spanish at home, and 70 percent are minority.

kathrin sears  
director  
supervisor district 3

katie rice  
director  
supervisor district 2

Marin Transit local services, Golden Gate Transit regional services, and SMART rail service operate on a pulse structure to facilitate timed transit connections and passenger transfers. A new design for

the SRTC must ensure that this pulse operation functions safely and efficiently for transferring passengers and those walking to and from their ride. The new design should attract and retain new and current transit riders, which will assist in minimizing traffic congestion in the area. Bus operations should also be optimized for this purpose and to support efficient circulation. Finally, the selected alternative should enhance the walkability and vibrancy of Downtown San Rafael for pedestrians and cyclists.

We have organized our comments on the five proposed alternatives into two categories based on their location to identify their potential opportunities and issues/concerns.

### **Design Concepts for Alternatives West of US 101**

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**Two-Story Concept** - Bounded by 4th Street, Hetheron Street, 2<sup>nd</sup> Street, and Tamalpais Avenue. This concept includes the parcel east of the SMART station as the ground-level of a proposed two-story transit center.

**4th Street Gateway Concept** - Bounded by 5th Avenue, Hetheron Street, 3rd Street, and the SMART tracks. To accommodate three curbside bus bays, this concept precludes southbound right-turn movements from Hetheron Street to 4<sup>th</sup> Street.

**Whistlestop Block Concept** - Bounded by 4th Street, Hetheron Street, 3rd Street, and Lincoln and Tamalpais Avenues. This concept co-locates the proposed transit center on the same block as the existing SMART station.

#### ***Potential Opportunities***

- All concepts located west of Hetheron provide for better transfer opportunities between bus and SMART services at the Downtown San Rafael Station
- Concepts located west of Hetheron Street, especially the Whistlestop Block and 4<sup>th</sup> Street Gateway concepts, offer better connectivity to Downtown San Rafael and provide a safer connection for these pedestrians by not asking them to cross this busy roadway (Hetheron Street).
- (Whistlestop and 4<sup>th</sup> Street) Concepts located along 4<sup>th</sup> street offer an opportunity to activate this area as more of a gateway to the Downtown. The transit hub could function as a nice anchor and visual element for the Downtown as it transitions east of the freeway.
- (Whistlestop) This concept offers the only truly integrated transit center that would allow bus and rail passengers to transfer without crossing a city street. The integrated facility minimizes transit's footprint on the downtown and increase legibility for transit riders.

#### ***Issues and Concerns:***

- (Two Story) Splitting a transit center vertically offers a number of challenges including ADA access, legibility for transferring passengers, safety concerns of passenger waiting areas above street level, and operations of buses including grade climbing and maneuverability within the facility.

## **Design Concepts for Alternatives Under US 101**

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**Across-the-Freeway Concept** - Bounded by 5th Avenue, Irwin and Hetherton Streets, 3rd Street, and Tamalpais Avenue. This concept incorporates the area underneath US-101, which would eliminate the Caltrans Park and Ride lot parking stalls and require covering Erwin Creek (a tributary of San Rafael Creek).

**North of 4<sup>th</sup> Street Concept** - Generally located beneath US-101, eliminates some existing parking stalls in the Caltrans Park and Ride lot, and requires covering Erwin Creek (a tributary of San Rafael Creek). While this concept would accommodate 17 bus bays within this block, it requires customer service, restrooms, and pick-up/drop-off functions to be located off-site.

### ***Potential Opportunities***

- If designed properly, these concepts could be a catalyst for connecting the Downtown to areas east of the freeway. The location would be closer to San Rafael High School, a major afternoon trip generator, and eliminate the need for students to cross Hetherton Street.
- If bus circulation can be safely accommodated within the new facility, bus movements on/off US 101 would have minimal deviation from their current routing and will not have to cross the SMART tracks.
- (4<sup>th</sup>-5<sup>th</sup> Concept) All bus operations and transfers would be consolidated to one block, no crossing of streets to make connections except to access the SMART train.

### ***Issues and Concerns:***

- Caltrans is the primary landowner for most of these options. It seems questionable whether they would support a major bus hub in their right of way. There is uncertainty regarding ownership and maintenance responsibilities, including air space rights. These questions should be explored with Caltrans *before these concepts are further developed*.
- The physical location of a passenger facility under the freeway is less than desirable due to the lack of natural light and the tunnel effect noise below the structure.
- The freeway columns and structure will introduce blind spots that could present safety issues for drivers and/or waiting passengers. The design would be constrained by the location of these columns.
- A transit facility under the freeway will be vulnerable to impacts related to the freeway operation overhead (reconstruction of the roadway, accidents/debris, etc.) and the sensitive environment below (watershed and exposed creek)
- While the location north of 3rd street will reduce the need for pedestrians to cross 3<sup>rd</sup> Street, it introduces a new crossing of Hetherton for many passengers wanting to access Downtown or SMART.
- Buses entering/exiting on Irwin/Hetherton would be subject to traffic conditions on these streets. During peak hours, these roads are typically congested. This makes it challenging to get into and out of the transit facility, especially if the driveways are close to signalized intersections. Local and regional buses using these streets need to get to/from 101, which requires access the center lanes before Mission/2<sup>nd</sup>. This is a potentially challenging maneuver for drivers.
- Passengers transferring between SMART and most buses are required to walk further than currently required. If the desire is to maintain a timed connection between bus and rail, these options would require a change to the timing of the pulse and added transit operating costs.
- (3<sup>rd</sup> – 4<sup>th</sup> Concept) Passengers making connections between buses may have to cross Hetherton Street.



We truly value our partnership with GGBHTD and appreciate this opportunity to comment on these alternatives to develop an optimal solution for replacing the SRTC. Please do not hesitate to contact me or our Director of Planning and Operations, Robert Betts, if you have any questions.

Sincerely,

  
Nancy Whelan  
General Manager



# SAN RAFAEL TRANSPORTATION CENTER



Relocation Analysis, Environmental Clearance, and Preliminary Design

## PROJECT FACT SHEET

The Golden Gate Bridge, Highway and Transportation District, in coordination with the City of San Rafael, Marin Transit, Transportation Authority of Marin (TAM), and Sonoma-Marín Area Rail Transit (SMART), is working on a project to replace the San Rafael Transportation Center (SRTC). This project will include analysis and identification of potential sites for the transit center in downtown San Rafael, an environmental review process, and preliminary design.

### What makes an effective transit center?

Transit centers are places where transit users can easily begin their travels, transfer between transportation services, access local destinations, and obtain information about their transportation options. An effective transit center is easy to access for all users, is safe and secure, and provides flexibility for current and future needs.

### Why does the transit center need to be replaced?

As the SMART system is extended further south to Larkspur, the tracks bisect the site where SRTC is currently located. This change will impact how buses and people access and travel through the site as well as the amount of space available for buses and riders. As a result, the transit center needs to be replaced in another location in downtown San Rafael.

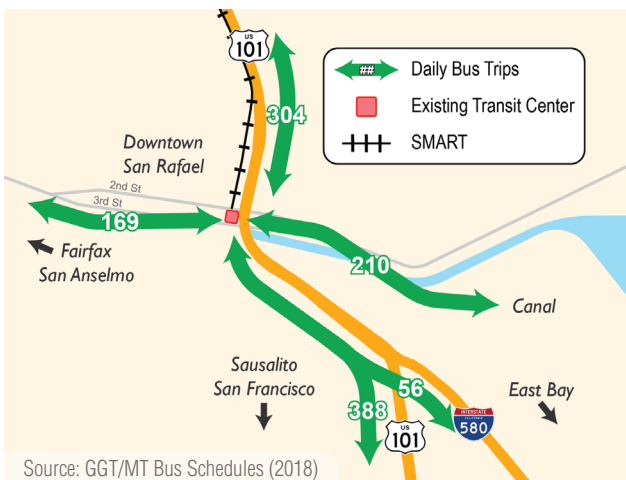
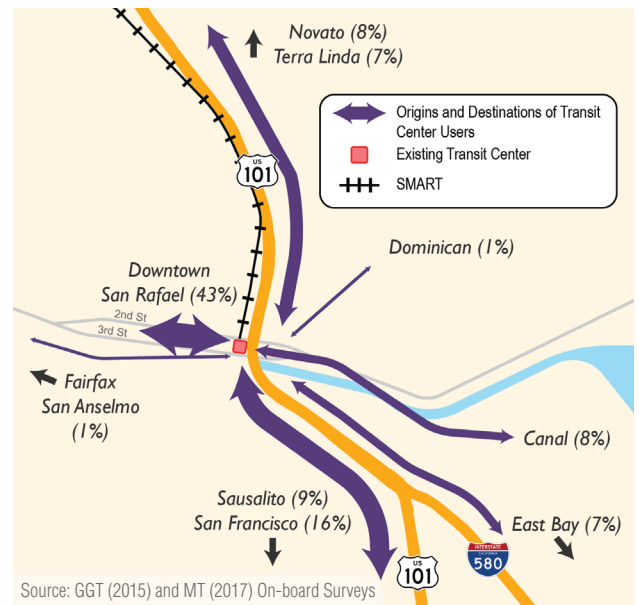
### Why does the transit center function best in downtown San Rafael?

Downtown San Rafael is the location at which several major north-south and east-west bus routes intersect (see graphic below). It is the ideal location to reduce riders' travel time, reduce operating costs, and reduce the amount of time buses spend on City streets. In addition, many people use the services at the transit center to travel to and from destinations in San Rafael.

### What services does the transit center provide?

- Golden Gate Transit
- Marin Transit
- Ride Hailing/Taxi Services
- Bicycle Parking
- Airport Shuttles
- Greyhound
- SMART
- Pick-up/Drop-off
- Customer Service
- Retail

### Where are people using the transit center going to and coming from?



### Did You Know?

People get on and off buses at the transit center **9,000** times a day

**4,500** people start or end their trips in downtown San Rafael

Over **500** buses pass through the transit center daily



# SAN RAFAEL TRANSPORTATION CENTER



Relocation Analysis, Environmental Clearance, and Preliminary Design

## PROJECT DEVELOPMENT PROCESS

The project includes the following primary phases:

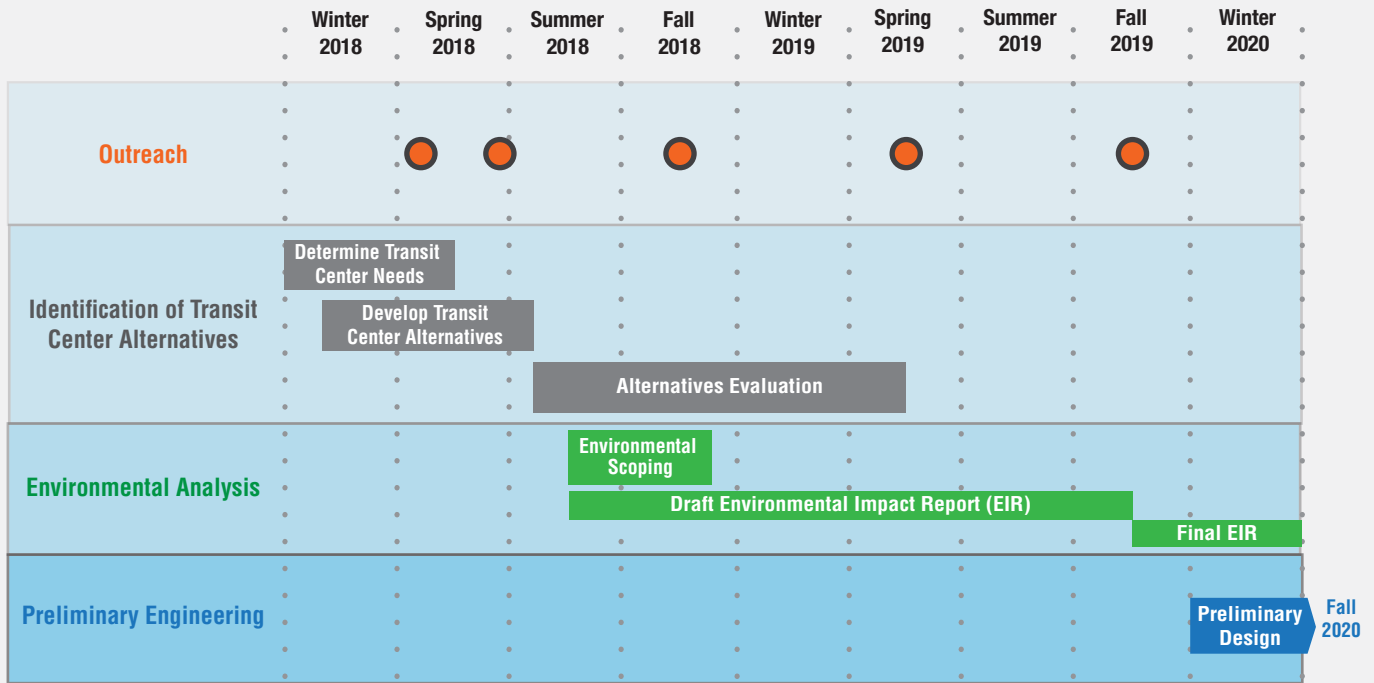
1. *Identification of Transit Center Alternatives* - Build on previous planning efforts, such as the *Downtown Station Area Plan* and the *Relocation Study*, and identify potential transit center sites and configurations.
2. *Environmental Analysis* - Identify potential environmental impacts associated with the project.
3. *Preliminary Engineering* - Prepare initial designs for the transit center.

A preferred transit center location and configuration is anticipated to be selected in 2018. Environmental analysis and preliminary design is anticipated to be completed in 2020. Subsequent project efforts after 2020 will include final design and construction.

The project may be funded by a combination of federal, state and local funds.

The Golden Gate Bridge, Highway & Transportation District will serve as the lead environmental agency for the project. Marin Transit, TAM, the City of San Rafael, and SMART are all partners in the project.

## SCHEDULE



● Community engagement activities include: Meetings, presentations, online surveys and in-person engagement at the transit center

### STAY CONNECTED

View our website at:  
[goldengate.org/SRTC](http://goldengate.org/SRTC)

### Contact:

Golden Gate Bridge, Highway and Transportation District  
Email: [SRTC@goldengate.org](mailto:SRTC@goldengate.org)  
TEL: (415) 257-4444

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