

SAN JOAQUIN REGIONAL TRANSIT DISTRICT
BOARD OF DIRECTORS MEETING – NOTICE AND AGENDA
9:00 A.M. ON TUESDAY, JUNE 16, 2026

The Board of Directors of the San Joaquin Regional Transit District (RTD) will hold a special meeting at 9:00 a.m. on Tuesday, June 16, 2026, in the Boardroom of RTD's Downtown Transit Center, 421 East Weber Avenue, Stockton, California. Please visit <https://sanjoaquinrtd.com/board-of-directors/board-meeting-agendas-and-minutes/> for an electronic copy of this document. Materials related to an item on this agenda packet are available for public inspection at the above address.

Members of the public can attend the RTD Board Meeting by dialing: (669) 444-9171, Meeting ID: 884 0020 2650, or by viewing a live broadcast of the meeting online at <https://sjrtd.zoom.us/j/88400202650?from=addon>.

ACCESSIBLE PUBLIC MEETINGS: RTD is committed to ensuring that all meetings are accessible regardless of an individual's ability or access method. RTD will make all reasonable accommodations for persons with disabilities to participate in this meeting. Upon request to the Chief Executive Office, RTD will provide agenda materials in appropriate alternative formats or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number, and a brief description of the requested materials, preferred alternative format, auxiliary aid, or service, at least three workdays before the meeting. Requests should be sent to RTD by mail at 421 East Weber Avenue, Stockton, CA 95202, by phone at (209) 467-6619, by fax at (209) 948-8516, or by email to BoardSupport@sjRTD.com.

The RTD Board of Directors may take action on each item on the agenda. The action may consist of the recommended action, a related action, or no action. Staff recommendations are subject to action and/or change by the Board of Directors.

For language assistance, interpreter services, please contact (209) 943-1111. Para información en Español, por favor llame al (209) 943-1111.

1. CALL MEETING TO ORDER
2. MOMENT OF SILENCE/REFLECTION
3. SAFETY ANNOUNCEMENT
4. PLEDGE OF ALLEGIANCE TO THE FLAG
5. ROLL CALL

6. PUBLIC HEARING AT 9:00 A.M. OR AS SOON AS POSSIBLE AFTER THE START OF THE BOARD MEETING
 - A. AB 2561 PUBLIC HEARING
Public hearing to gather public comments regarding RTD vacancies and retention and recruitment efforts.
7. INFORMATION ON PUBLIC COMMENTS
The public is encouraged to comment on each Agenda Item as it is presented to the RTD Board of Directors. All public comments on items not on the agenda will occur under Agenda Item 13.
8. SPECIAL PRESENTATION
 - A. STATE LEGISLATIVE PRESENTATION
Legislative and Regulatory Advocate Michael Pimentel of Shaw Yoder Antwih Schmelzer & Lange will discuss current legislation.
9. REPORTS
 - A. INTERIM CHIEF EXECUTIVE OFFICER UPDATE
Interim CEO Bearnard Veasley will provide an oral update on matters of relevance to RTD.
10. INFORMATION ITEMS
Written Reports are provided for information only. Staff will be available to answer any questions.
 - A. MARKETING UPDATE
Monthly marketing report.
 - B. FINANCIAL UPDATE
Monthly financial report.
 - C. STATE LEGISLATIVE UPDATE
Report of State Legislative Updates prepared by Shaw Yoder Antwih Schmelzer & Lange.
 - D. RTD RETIREMENT BOARD ASSIGNMENT
Receive the Chair's appointment to the RTD Retirement Board.
11. CONSENT CALENDAR
 - A. MOTION: APPROVING THE MINUTES OF THE MAY 15, 2026, REGULAR BOARD OF DIRECTORS MEETING
Board approval of minutes.

- B. MOTION: AUTHORIZING UPDATED BOARD TRAVEL EXPENSES FOR CALENDAR YEAR 2026
Board authorization of upcoming 2026 Board member travel and estimated travel expenses.
- C. MOTION: ADOPTING THE FISCAL YEAR 2027 STRATEGIC PLAN
Board adoption of the FY 2027 Strategic Plan.
- D. RESOLUTION: AUTHORIZING THE CEO TO PROVIDE A COST-OF-LIVING ADJUSTMENT (COLA) INCREASE TO ALL NON-REPRESENTED EMPLOYEES WHO WERE HIRED OR PROMOTED PRIOR TO JULY 1, 2026, EFFECTIVE JULY 1, 2026
Board approval of COLA increase to all non-represented employees.
- E. RESOLUTION: ADOPTING THE FISCAL YEAR 2027 OPERATING BUDGET IN THE AMOUNT OF \$69,984,705 AND THE CAPITAL BUDGET IN THE AMOUNT OF \$8,720,197
Board adoption of FY 2027 Operating and Capital Budgets.
- F. RESOLUTION: APPROVING THE LIST OF PERSONS AUTHORIZED TO SIGN ON SAN JOAQUIN REGIONAL TRANSIT DISTRICT'S (RTD) BANK OF STOCKTON ACCOUNTS, SAN JOAQUIN COUNTY TREASURY ACCOUNTS, DEFINED BENEFIT RETIREMENT PLAN ACCOUNTS, 457(b) DEFERRED COMPENSATION PLAN, AND 401(a) DEFINED CONTRIBUTION PLAN
Board approval of authorized signatories.
- G. RESOLUTION: ADOPTING MEETING DISRUPTION PROCEDURES IN ACCORDANCE WITH SB 707 MAKING SPECIFIED FINDINGS TO AUTHORIZE REMOTE MEETINGS FOR THE CITIZENS ADVISORY COMMITTEE (CAC)
Board adoption of policy.
- H. RESOLUTION: AUTHORIZING THE EXECUTION OF AN INTERAGENCY AGREEMENT BETWEEN SAN JOAQUIN REGIONAL TRANSIT DISTRICT AND THE CITY OF LATHROP FOR THE DUAL DESIGNATED RECIPIENT ROLE FOR FEDERAL TRANSIT ADMINISTRATION (FTA) FUNDING PROGRAMS FOR THE STOCKTON URBANIZED AREA
Board authorization of an interagency agreement.

12. ACTION ITEMS

- A. MOTION: AUTHORIZING THE INTERIM CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A CONTRACT WITH ELITE PRIVATE SECURITY SERVICES LLC FOR SECURITY GUARD SERVICES PURSUANT TO RFP NO. 26008-S FOR A TOTAL AMOUNT NOT TO EXCEED \$6,000,000 FOR A THREE (3) YEAR TERM CONTRACT, WITH A ONE (1) YEAR TERM AND

TWO (2) OPTIONAL YEARS, AND IN A FORM APPROVED BY LEGAL COUNSEL

Board approval of contract with Elite Security.

13. PUBLIC COMMENT

All public comments shall be limited to no more than THREE MINUTES. In addition, applause, loud noises, or any other outbursts or disruptions from the audience are not allowed during or after public comment. Those who violate this protocol may be removed from the meeting at the presiding officer's discretion.

14. QUESTIONS AND COMMENTS FROM DIRECTORS AND STAFF

15. CLOSED SESSION

- A. Conference with Legal Counsel - Existing Litigation pursuant to Government Code § 54956.9(d)(1): Debra Seeger v. San Joaquin Regional Transit District et al.
- B. Conference with Labor Negotiator (Gov. Code Section 54957.6)
Agency Negotiator: Interim CEO
Employee Organization: Amalgamated Transit Union, Local 256
- C. Public Employee Appointment/Public Employment (Gov. Code Section 54957)
Title: Chief Executive Officer
- D. Conference with Labor Negotiators (Gov. Code Section 54957.6)
Agency Designated Representatives: Chair Graves
Title: Chief Executive Officer

16. OPEN SESSION

- A. Closed Session Report (Legal Counsel)
- B. RATIFICATION OF AN ADDENDUM TO THE LABOR AGREEMENT WITH EMPLOYEE ORGANIZATION: AMALGAMATED TRANSIT UNION, LOCAL 256

17. ADJOURNMENT

NOTE: THE NEXT REGULARLY SCHEDULED BOARD MEETING WILL BE ON FRIDAY, JULY 17, 2026, AT 10:00 A.M.

DATE POSTED: JUNE 12, 2026



LEAD STAFF: THOMAS DEMPSEY, ACTING CFO

REPORT: PUBLIC HEARING – AB 2561 RTD VACANCIES AND RECRUITMENT AND RETENTION EFFORTS

I. SUMMARY

Public agencies are required to report on vacancies and recruitment and retention efforts at a public hearing once each fiscal year. The law entitles employee unions to make a presentation during the public hearing.

II. DISCUSSION/BACKGROUND

AB 2561 requires public agencies to report on the status of vacancies and recruitment and retention efforts at a public hearing once per fiscal year and before adoption of a final budget. During the presentation, agencies must identify any changes to policies, procedures, and recruitment activities that may be necessary to remove obstacles to the hiring process.

Employee unions are entitled to make a presentation at the public hearing, although the stewards for RTD's employee unions have declined the invitation to speak because they are supportive of RTD's recruitment efforts. During the presentation, agencies must identify any changes to policies, procedures, and recruitment activities that may be necessary to remove obstacles to the hiring process.

For the purposes of this report, the vacancy percentage is calculated from June 1st – May 30th. For the purposes of consistency, each annual report will be calculated from the same time period snapshot.

RTD's vacancy percentage is 13%. Vacancies as of May 30th: Facilities 0, Maintenance 2, Transportation 28. No bargaining unit met or exceeded the 20% vacancy threshold during the reporting period.

Staff has not identified any policies, procedures, or recruitment activities that may lead to obstacles in the hiring process. However, we continue to adjust our processes with the goal of finding and retaining top talent. RTD also has one apprenticeship program in maintenance for mechanics.

No Board action is required.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priority 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. CUSTOMER IMPACT

N/A

V. FINANCIAL CONSIDERATIONS/IMPACT

None.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

None as this public hearing is required by law.

VIII. ATTACHMENT

Attachment A PowerPoint: Represented Positions Public Report

Prepared by: Sunny Pannu, HR Administrator



Attachment A
Cover Page



AB 2561

Local Public Employees: Vacant Positions

Board of Directors Meeting
June 16, 2026

Presented by:
Thomas Dempsey
Director of Procurement/Acting CFO

AB 2561

AB 2561 requires public agencies to report on the status of vacancies and recruitment and retention efforts at a public hearing once per fiscal year and before adoption of a final budget.

Employee unions are entitled to make a presentation at the public hearing.

FY26 Average Vacancy for Represented Positions June 1st – May 30th

13%

Vacancies as of May 30th: Facilities 0, Maintenance 2, Transportation 28

RTD Budgeted FTE

FY26 RTD Position Control			
Department	Total Budgeted FTE Count	Represented	Non-Represented
Customer Engagement	6	2	4
Executive Office	6	0	6
Finance	11	0	11
Grants	2	0	2
Human Resources	6	0	6
Information Tech	6	0	6
Marketing	3	0	3
Procurement	9.5	4	5.5
Safety & Risk	3	0	3
Facilities	19	15	4
Maintenance	55	48	7
Mobility	3	0	3
Service Development and Planning	4.5	0	4.5
Transportation	226	201	25
Total	360	270	90

Apprenticeship Program



Maintenance (Mechanic) Apprenticeships

Two New Mechanic Apprentices in 2026

QUESTIONS



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LEAD STAFF: BEARNARD VEASLEY, INTERIM CEO

REPORT: INTERIM CHIEF EXECUTIVE OFFICER UPDATE

MEETINGS SINCE APRIL 17, 2026

RTD participated in meetings of the following committees and organizations:

- **Federal Transit Administration (FTA) Triennial Review:** Interim CEO Bearnard Veasley and RTD staff
- **Finance and Audit Committee Meeting:** Interim CEO Bearnard Veasley, Director Derek Graves, Director Geneva Moorad, Acting CFO Thomas Dempsey, Finance Manager Maria Berberich
- **Meet-and-Greet with Shaw Yoder Antwih Schmelzer & Lange Partner Michael Pimentel:** Interim CEO Bearnard Veasley, Director of Grants and Capital Projects Merab Talamantes
- **Meeting with San Joaquin County Administrator of Veteran Services/County Veteran Service Officer Jose Garcia:** Interim CEO Bearnard Veasley
- **Meeting with San Joaquin Regional Rail Commission (SJRRRC) CEO Chris Orlando:** Interim CEO Bearnard Veasley
- **San Joaquin Council of Governments (SJCOG) Special Management and Finance Committee Meeting:** Interim CEO Bearnard Veasley
- **State of the City:** Interim CEO Bearnard Veasley, Acting CFO Thomas Dempsey, COO Eric Williams, CIO John Hodson, Safety, Security, and Risk Management Chief Curtis Moses, Vice Chair of the Board of Directors Geneva Moorad
- **Stockton Urbanized Area Partner's Meeting:** Interim CEO Bearnard Veasley, Lathrop City Manager Stephen Salvatore, SJCOG Executive Director Diane Nguyen, SJRRRC CEO Chris Orlando
- **Transit Managers Meeting:** Interim CEO Bearnard Veasley, City of Escalon Transit Manager John Andoh, City of Lathrop Deputy City Manager Thomas Hedegard, City of Lodi Transportation Manager Julia Tyack, City of Manteca Public Works Manager – Transit Juan Portillo, City of Tracy Transit Manager Ed Lovell

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LEAD STAFF: **DÁMARIS GALVAN, PLANNING, MOBILITY, AND CUSTOMER EXPERIENCE DIRECTOR**

REPORT: **MARKETING UPDATE**

Tap N' Ride Launch

RTD successfully launched Tap N' Ride on June 4, providing customers with a new contactless fare payment option using credit cards, debit cards, mobile wallets, and smart devices. The launch followed several months of planning, testing, and coordination involving Operations, Information Technology, Customer Engagement, Marketing, and the vendor team. RTD conducted extensive internal testing, operator training, customer service training, and a two-week soft launch with a rider focus group to help ensure a smooth rollout and identify any potential issues prior to full deployment. Marketing efforts included digital advertising, customer education materials, website updates, social media campaigns, outreach activities, email communications, and multilingual print resources. Following the launch, RTD staff began customer education activities at the Downtown Transit Center (DTC), Hammer Transfer Station (HTS), and Mall Transfer Station (MTS). Initial customer feedback has been positive, and RTD continues to monitor system performance, provide customer support, and gather feedback.

May 31 Service Change

RTD implemented its scheduled service change on May 31, 2026. Marketing and Outreach supported the transition through rider notices, website updates, social media messaging, customer alerts, community outreach, and updated wayfinding materials. Additional signage and customer information were installed at the Downtown Transit Center to assist riders with the transition. Staff monitored operations following implementation and worked closely with Operations and Customer Engagement to address questions and provide assistance.

Customer Information and Community Engagement

Marketing and Outreach continued to expand customer communication and community engagement efforts throughout the reporting period. RTD continued promoting RTD Now and newsletter sign-ups, enhancing rider communication through social media, email communications, website updates, and outreach activities. Tap N' Ride tabling outreach was conducted at three of our hubs, including the Downtown Transit Center, Hammer Transfer Station, and the Mall Transfer Station. Staff also continued planning for upcoming initiatives, including the Student Ride Free Program, and the Vamos Mobility App refresh in coordination with SJCOG and regional partners. These efforts support RTD's commitment to improving customer access to information, enhancing the rider experience, and increasing awareness of available transit programs and services.

Past Events:

- May 29 – AAPI Heritage Celebration
- June 4 – Tap N' Ride Launch Outreach at DTC
- June 5 – Tap N' Ride Launch Outreach at DTC
- June 8 – Tap N' Ride Outreach at HTS
- June 9 – Tap N' Ride Outreach at MTS
- June 13 – Fatherfest at Victory Park



LEAD STAFF: THOMAS DEMPSEY, ACTING CFO

REPORT: FINANCIAL UPDATE

I. SUMMARY

- A brief analysis of San Joaquin RTD’s financial status is prepared monthly to inform the Board of Directors regarding RTD’s actual revenues and expenses in relation to the adopted operating budget for the fiscal year.
- Cash inflows, outflows, and projections are also included.
- Update on FY2025 payroll information reconstruction from Protiviti.

II. DISCUSSION/BACKGROUND

The Operating Revenue and Expense Summary for the fiscal year ending May 31, 2026, is attached. The fiscal year (FY) is 91.67% complete.

Revenues

Passenger fare revenues are lower than the budget due to decrease in bus pass sales. Advertising revenue is lower than the budget because RTD receives a base amount under the contract, and any revenue above the base is paid to RTD at year-end. All other revenue accounts have been accrued for the eleven (11) months of the fiscal year in accordance with the budget. Overall, actual total revenues are below budget due to a revision to the fiscal year’s budget to reflect unrealized revenues. The revision was approved in last month’s board meeting.

Expenses

Total expenses are under budget, primarily due to savings from reduced labor and fringe costs associated with vacant positions. Utility costs exceeded the budget due to the solar power structure being offline for five (5) months, which increased electricity expenses. The solar system was restored to operation in December. Tax expenses are higher than budgeted because fuel taxes are higher than projected. Expenditures on services, materials and supplies, insurance, purchased transportation, and miscellaneous items were below budget.

Cash Basis

The fiscal year-to-date cash flow is negative because Federal Section 5307 and Section 5311 operating subsidies for FY2026 have not yet been received. Applications for FY2025 section 5307 and FY2026 5311 are currently in progress. The reserves were used to cover the cash shortfall and will be replenished when funding is received.

ERP System Restoration Update

Protiviti, the third-party contractor responsible for restoring RTD's payroll information, has completed the upload of all payroll transactions for FY2024. FY2025 payroll transactions have also been completed. Protiviti is now training RTD staff on the reconstruction process.

RTD Finance staff are now working with the external auditors to close FY2024 and have audited financial statements for the fiscal year. The target completion date for the FY2024 audit is June 30, 2026. The staff will continue reconstructing the transactions for FY2025 and will work with the external auditors to plan the audit schedule.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board's Strategic Priorities 3 and 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. CUSTOMER IMPACT

The financial update affirms that RTD has the necessary resources to complete projects that serve and benefit its customers.

V. FINANCIAL CONSIDERATIONS/IMPACT

The fiscal year-to-date deficit totals \$15,881,485 due to a revenue shortfall. The proposed FY2026 Budget Revision estimates \$20,411,097 in reserves will be used to cover the deficit.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

There are no alternatives to consider as this is a monthly financial report.

VIII. ATTACHMENT

Attachment A: Current month and fiscal year-to-date financial report for the period ending May 31, 2026

Prepared by: Maria Berberich, Finance Manager



Attachment A
Cover Page

**San Joaquin RTD
FY2026 Revenue & Expense Summary
For the Period Ending May 31, 2026**

	Current Month				FYTD				Adopted Fiscal Year Budget
	Actual	Budget	(fav/unfav) Variance \$	(fav/unfav) Variance %	Actual	Budget	(fav/unfav) Variance \$	(fav/unfav) Variance %	
REVENUES									
PASSENGER FARES	\$ 194,836	\$ 231,299	(36,463)	-16%	\$ 2,502,800	\$ 2,544,286	(41,486)	-2%	\$ 2,775,585
NON-TRANSPORTATION REVENUES	225,362	227,703	(2,340)	-1%	2,500,664	2,504,729	(4,065)	0%	2,732,432
FEDERAL GRANTS (5307)	(1,049,096)	883,139	(1,932,235)	-219%	7,782,294	9,714,529	(1,932,235)	-20%	10,597,668
FEDERAL GRANTS (5311)	43,180	43,180	0	0%	474,983	474,983	(0)	0%	518,163
PROPERTY TAXES	133,880	133,880	0	0%	1,472,677	1,472,676	0	0%	1,606,556
TDA - LTF	1,404,774	1,404,774	0	0%	15,452,515	15,452,515	0	0%	16,857,289
TDA - STA	-	-	0	0%	-	-	0	0%	-
LCTOP	144,685	144,685	0	0%	1,591,538	1,591,540	(1)	0%	1,736,225
SB125	(20,501,158)	2,050,116	(22,551,274)	0%	0	22,551,274	(22,551,274)	0%	24,601,390
MEASURE K	475,682	475,770	(89)	0%	5,231,825	5,233,474	(1,649)	0%	5,709,244
TOTAL REVENUES	\$ (18,927,854)	\$ 5,594,546	(24,522,400)	-438%	\$ 37,009,296	\$ 61,540,006	(24,530,710)		\$ 67,134,552
EXPENSES									
WAGES AND FRINGE BENEFITS	3,521,711	3,725,354	203,643	5%	34,777,358	40,978,895	6,201,537	15%	44,704,249
SERVICES	574,312	707,375	133,063	19%	7,005,931	7,781,125	775,194	10%	8,488,500
MATERIALS & SUPPLIES	386,929	396,339	9,410	2%	3,865,055	4,359,729	494,674	11%	4,756,068
UTILITIES	214,929	101,491	(113,438)	-112%	1,340,648	1,116,403	(224,245)	-20%	1,217,894
INSURANCE	184,527	192,675	8,149	4%	1,837,678	2,119,430	281,752	13%	2,312,105
TAXES	21,374	32,341	10,967	34%	380,398	355,748	(24,650)	-7%	388,089
PURCHASED TRANSPORTATION	275,113	279,332	4,219	2%	2,866,035	3,072,647	206,612	7%	3,351,979
MISCELLANEOUS EXPENSES	39,697	117,972	78,276	66%	817,679	1,297,696	480,017	37%	1,415,668
OPERATING CONTINGENCY	-	41,667	41,667	100%	-	458,333	458,333	100%	500,000
TOTAL EXPENSES	\$ 5,218,592	\$ 5,594,546	375,954		\$ 52,890,781	\$ 61,540,006	8,649,225		\$ 67,134,552
Net Surplus (Deficit)	(\$24,146,447)	\$0	(\$24,146,447)		(\$15,881,485)	\$0	(\$15,881,485)		-
Estimated Reserves to Cover the Operating Shortfall	\$24,146,447				\$15,881,485				
Remaining Revenue (Deficit)	-				-				

* The estimated drawdown from the reserves to cover the total deficit for FY26 is \$20,411,097, as approved by SJRTD's board.



LEAD STAFF: **MICHAEL PIMENTEL, PARTNER**
 SHAW YODER ANTWIH SCHMELZER & LANGE
 BRENDAN REPICKY, LEGISLATIVE & REGULATORY
 ADVOCATE

REPORT: **STATE LEGISLATIVE UPDATE**

General Update

Throughout April, the Legislature’s policy committees and budget subcommittees in both houses continued to meet to advance their work in the lead-up to a series of legislative deadlines. The last day for policy committees to hear and report to the appropriations committees fiscal bills introduced in their house was April 24; the last day for policy committees to hear and report to the Floor non-fiscal bills introduced in their house was May 1.

On May 14, the appropriations committees held their suspense hearings, pivotal hearings which decided the fate of most bills with significant fiscal impact to the state. All bills that passed out of these committees were required to pass out of their house of origin by May 29. Policy committees resumed June 1, and bills must move through the second house policy committees by July 2. Following that deadline, Legislators will head home on July 2 for the month-long Summer Recess. They will reconvene on August 3. For information about key legislative and budget deadlines for next year, please see the 2026 Legislative Calendar [here](#).

In this report, we provide an update on the Governor’s May Revise and the Legislature’s Budget Priorities, CARB’s Amendments to the Cap-and-Invest Program, and updates on Bills of Interest.

Potential Impact to RTD: N/A – General Update

Governor Releases May Revise, Legislature Outlines Budget Priorities

On May 14, the Governor released the [May Revise](#), the mid-year update to the proposed Fiscal Year 2026-27 budget. As we reported at the time, the Governor’s January budget projected a relatively small deficit for the coming fiscal year, but sizable *outyear* deficits. Relating to transit, the January budget failed to include the promised \$230 million of SB 125 monies for the Zero Emission Transit Capital Program (ZETCP). The January budget also included \$283 million for the Transit and Intercity Rail Capital Program (TIRCP) and \$141 million for the Low Carbon Transit Operations Program (LCTOP), per the new Cap-and-Invest expenditure plan, approved last year under [SB 840 \(Limón\)](#).

The Governor’s May Revise upgraded the state’s fiscal outlook relative to the initial January budget, with projections of \$16 billion in more-than-expected revenue. However, the Governor has proposed to use this revenue increase to help address the

outyear budget deficits, and as such, does not propose any new ongoing spending, relative to January's budget proposal. The May Revise is also largely silent on public transit. It continues to exclude the scheduled SB 125 appropriation. And, significantly, it provides no update to Greenhouse Gas Reduction Fund (GGRF) revenues and does not mention the California Air Resources Board recently adopted amendments to the Cap-and-Invest program, detailed further below.

The release of the May Revise kicks off final negotiations between the Governor, Senate, and Assembly to finalize the budget agreement.

On June 4, the Senate and Assembly introduced [AB 109 \(Gabriel\)](#) and [SB 109 \(Laird\)](#), respectively. These budget bills present divergent views on state expenditures for the Fiscal Year 2026-27 and represent each house's starting point for the upcoming budget negotiations with Governor Newsom.

AB 109, the Senate's budget bill, includes provisions that directly respond to CARB's action to adopt amendments to the Cap-and-Invest Program.

Specifically, AB 109:

- Implements the Senate's "Deal is a Deal" framework for GGRF expenditures. Among other things, it restructures last year's SB 840 (Limon) to protect the Legislature's \$1 billion for discretionary GGRF investments as well as full funding for the Tier 3 priority programs, including, but not limited to the Affordable Housing and Sustainable Communities Program, Transit and Intercity Rail Capital Program, Low Carbon Transit Operations Program, and AB 617 program.
- Appropriates \$250 million for the Transit and Intercity Rail Capital Program and Zero-Emission Transit Capital Program.

SB 109, the Assembly's budget bill, is silent on CARB's actions and maintains the structure of last year's SB 840 (Limon). Relative to transit, SB 109 appropriates \$15 million from the GGRF for the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program.

The budget must be passed by June 15, in advance of the new fiscal year, which begins on July 1. However, the Legislature often delays decisions on major expenditures until the end of session. As noted below, we are likely to see delayed action on GGRF expenditures. In 2026, the last day that the Legislature will be in session is August 31.

Potential Impact to RTD: Unless the Governor and Legislature reach agreement to protect the funding, CARB's adoption of the amendments to the Cap-and-Invest program will zero out through 2030 funding for the Transit and Intercity Rail Capital Program, a capital-focused competitive grant program, and Low Carbon Transit Operations Program, an operations-focused formula program.

While RTD is not currently pursuing funding from TIRCP for the current grant cycle, the amendments will likely foreclose the opportunity for RTD to pursue state capital funding

in future grant cycles. Additionally, the proposed amendments would result in RTD losing its formula share of LCTOP.

Finally, the amendments are likely to undermine the efforts of the California Transit Association and RTD to secure the remaining \$690 million for the Zero-Emission Transit Capital Program, as the fund source is GGRF.

The uncertainty around this ongoing and on-time funding for transit agencies makes the outcome of the FY 2026-27 budget highly consequential to RTD.

CARB Adopts Amendments to Cap-and-Invest Program

On May 29, the California Air Resources Board voted 10-3 to adopt the [Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms](#).

As we reported last month, the amendments aim to implement the technical changes made to the Cap-and-Invest Program by [AB 1207 \(Irwin\) \[Chapter 117, Statutes of 2025\]](#), which largely focus on addressing industry leakage from California and the program's cost impacts to Californians. Specifically, the amendments significantly expand the number of free allowances provided by the state to regulated entities, including refineries and utility companies, to assist them in meeting their regulatory obligations under the Cap-and-Invest Program. Additionally, the amendments establish a new allowance bank, known as the manufacturing decarbonization incentive (MDI), which may be accessed by regulated entities that elect to introduce technologies that decarbonize their operations.

Taken together, these proposals will reduce the Greenhouse Gas Reduction Fund (GGRF) revenues by approximately \$2 billion annually.

Given the changes to the GGRF Expenditure Plan approved last year in [SB 840 \(Limon\) \[Chapter 121, Statutes of 2026\]](#), this reduction means that the state will not have sufficient GGRF to fund Tier 3 programs (i.e. Affordable Housing and Sustainable Communities, Transit and Intercity Rail Capital Program, Low Carbon Transit Operations Program, etc.).

As we reported previously, the California Transit Association (the trade organization to which RTD belongs) established, mobilized, and led a coalition of over 120 statewide and regional stakeholder organizations, including transit agencies, metropolitan planning organizations, regional transportation planning agencies, other transportation stakeholders, affordable housing advocates, and more, to oppose the amendments. This included broader and more significant legislative engagement and advocacy over the past month, leading up to the CARB meeting last week.

Despite the vote, and ongoing budget negotiations, it is likely that decisions over the uses of the remaining GGRF will remain unsettled in June. We expect further discussions and advocacy to continue through the summer.

Potential Impact to RTD: See update "Potential Impact to RTD" for "Governor Releases May Revise, Legislature Outlines Budget Priorities" above.

Senate and Assembly Transit Champions Submit Letter to Protect Transit Funding

In the lead-up to the upcoming budget negotiations between Governor Newsom and legislative leaders, Senate and Assembly transit champions submitted a letter to Governor Newsom, Senate President pro Tempore Limon, and Assembly Speaker Rivas that calls for the appropriation of critical transit funding.

Led by Senators Scott Wiener and Jesse Arreguin, and Assembly Member Mark Gonzalez, the letter is signed by 29 legislators and specifically calls on the final budget agreement to:

- Preserve the \$400 million in annual TIRCP and \$200 million in annual LCTOP funding included in SB 840;
- Appropriate the \$230 million in committed Zero-Emission Transit Capital Program funds and recommit to appropriate the remaining \$460 million in ZETCP funding in FY 2027-28.

With support from RTD, we engaged your legislative delegation to encourage their sign-on. The final letter includes sign-on by Senator Jerry McNerney and Assembly Member Rhodesia Ransom.

Potential Impact to RTD: See update "Potential Impact to RTD" for "Governor Releases May Revise, Legislature Outlines Budget Priorities" above.

Bills of Interest

AB 1599 (Ahrens) California Transit Stop Registry – WATCH

This bill would require the Department of Transportation to create the California Transit Stop Registry as a centralized, statewide dataset of standardized information regarding transit stops by June 1, 2027. Additionally, this bill would require all transit operators that qualify for the funding under the Mills-Alquist-Deddeh Act to ensure that the name, location, of each of their transit stops are accurately reflected in the California Transit Stop Registry. *This bill is in the Senate Transportation Committee.*

Potential Impact to RTD: This bill would create a new requirement for RTD to review the statewide dataset of standardized information regarding transit stops, creating new staff workload.

AB 1944 (Lee) Zero-Emission Bus Axle Weight Limit – WATCH

Sponsored by the California Transit Association, this bill would amend the axle weight limits that apply to zero-emission buses purchased by California transit agencies by postponing the dates by which certain axle weight limits apply. This proposal would provide for a near-term increase in axle weight limits to help facilitate continued compliance with the California Air Resources Board's ICT regulation.

This bill is in the Senate Transportation Committee.

Potential Impact to RTD: This bill would provide RTD with the option to procure extended range zero-emission buses that, today, exceed the axle weight limits in current law. This bill would, therefore, allow RTD to operate zero-emission buses that better meet the agency's operational needs.

**AB 2776 (Committee on Environmental Safety and Toxic Materials)
Hazardous Materials: Storage Tanks. – WATCH**

Existing law provides for the regulation of underground storage tanks by the State Water Resources Control Board and the unified program agency. Existing law defines an "underground storage tank" for these purposes. Existing law requires the interstitial space of the underground storage tank to be maintained under constant vacuum or pressure such that a breach in the primary or secondary containment is detected before the liquid or vapor phase of the hazardous substance stored in the underground storage tank is released into the environment.

This bill would make that requirement applicable to the interstitial space of the underground storage tank beneath the surface of the ground. *This bill is in the Senate Environmental Quality Committee.*

Potential Impact to RTD: This bill would help clarify the requirements that apply to underground storage tanks, providing greater flexibility to RTD. SYASL has worked with RTD to review and respond to amendments to the bill, taken on March 26.

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LEAD: DEREK GRAVES, RTD CHAIR OF BOARD OF DIRECTORS

I. SUMMARY

- RTD's Rules of Procedure require that the Chairman of the Board review and appoint committee and Retirement Board assignments with the concurrence of the Board annually in February.
- The Board deferred this item to give the Chairman time to evaluate and make his assignments.
- The Chairman of the Board has reviewed the assignments and will assign two Directors to the Retirement Board, subject to the Board's concurrence.
- One Director will be appointed to the RTD Retirement Board.
- The second Director will be appointed as their alternate.
- Section 15 of the RTD Retirement Plan allows each Retirement Board member (other than the Umpire Member) to designate an alternate, subject to approval by the Retirement Board prior to commencing service.
- The non-represented employee representative Retirement Board member still needs to be appointed.
- All other assignments will be presented at a later meeting.

II. DISCUSSION/BACKGROUND

RTD's Rules of procedure provide that the Chairman of the Board of Directors may create standing, special, and/or Ad Hoc committees consisting of not more than two Directors and one alternate Director to advise the Board on matters assigned to the committees.

The Chairman shall appoint committee members with the concurrence of the Board. The Chairman of the Board has reviewed the assignments and will assign a Director to the Retirement Board, subject to the Board's concurrence. An alternate will also be designated.

Assignments to all other committees and liaison appointments will be presented at a later meeting.

Section 15 of the RTD Retirement Plan establishes the composition and administration of the Retirement Board and expressly authorizes each Retirement Board member, other than the Umpire Member, to designate an alternate, provided that such appointment is approved by the Retirement Board before the alternate begins service.

In January 2023, the RTD Board approved amendments to the Retirement Plan and subsequent Retirement Board Bylaws to formalize the designation and use of alternate members. To maintain continuity and ensure uninterrupted participation on the Retirement Board when needed, one RTD Director will be appointed to the RTD Retirement Board and a second Director will be appointed as their alternate.

Consistent with the Retirement Plan, this appointment is subject to the concurrence of the RTD Retirement Board prior to the Directors commencing service.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board’s Strategic Priority 4.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. CUSTOMER IMPACT

None. This action is administrative in nature and does not directly impact transit customers.

V. FINANCIAL CONSIDERATIONS/IMPACT

None.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

None as this action ensures continuity of representation and compliance with the Retirement Plan and Retirement Board Bylaws.

VIII. ATTACHMENTS

Attachment A: Retirement Plan Restated January 20, 2023

Attachment B: San Joaquin Regional Transit District Retirement Board Bylaws Effective February 23, 2023

Prepared by: Erica Aguiñiga, Executive Assistant to the CEO and Board



Attachment A
Cover Page



LEAD STAFF: **CHRISTOPHER WADDELL**
 RTD RETIREMENT BOARD LEGAL COUNSEL

REPORT: **RETIREMENT PLAN AMENDMENT PROVIDING FOR**
 ALTERNATE RETIREMENT BOARD MEMBERS

I. SUMMARY

- RTD's Retirement Board members would like to designate alternates other than the Umpire Member to serve in their stead when the Board Member cannot attend a Retirement Board meeting.
- For this change to occur, an amendment to the Retirement Plan is necessary.
- The RTD Board would adopt the attached proposed Plan amendment.

II. DISCUSSION/BACKGROUND

At its September 15, 2022 meeting, the Retirement Board considered a memorandum concerning the designation by Retirement Board members other than the Umpire Member of alternates to serve in their stead when the Board Member is unable to attend a Retirement Board meeting. This memorandum covered language for a proposed Retirement Board Bylaw. It noted that to effectuate this change, an amendment to the Retirement Plan would be necessary, as the composition of the Retirement Board is spelled out in the Retirement Plan document.

Attached for the Board's consideration is a proposed Plan amendment to effectuate this change. The proposed amendment also addresses the process for the appointment of the Non-Represented employee representative on the Retirement Board, which the CEO has discussed with RTD's Non-Represented employees.

This Plan amendment would become effective upon its adoption by the RTD Board.

The Bylaw language provided with the September 15 memorandum sets forth a number of provisions applicable to each alternate. These have been incorporated into the comprehensive set of proposed Bylaws for the Retirement Board's consideration.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priority 4.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

None.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

None.

VII. ATTACHMENTS

Attachment A: Proposed Retirement Plan Amendment

Attachment B: Resolution

Prepared by: Christopher Waddell, RTD Retirement Board Legal Counsel

**DRAFT PROPOSED RETIREMENT PLAN AMENDMENT—ALTERNATE
RETIREMENT BOARD MEMBERS**

SECTION 15. ADMINISTRATION

A. This Retirement Plan shall be administered by the Retirement Board, which shall be composed of five (5) members, two (2) members as representatives of RTD (one being a member of the RTD Board of Directors and one Non-Represented Employee representative) and two (2) representatives of the Union, and one Umpire Member (who shall only participate as a member of the Retirement Board when there is a deadlock vote of the other four members). The Non-Represented Employee representative need not be an RTD employee and shall be appointed by the RTD Board upon the recommendation of the CEO with the concurrence of RTD's Non-Represented employees. Each Retirement Board member other than the Umpire member may designate an alternate, whose appointment shall be approved by the Retirement Board before commencing service. The Retirement Board shall administer all of the provisions of this Retirement Plan. Its duties, among others, shall include:

- (1) It shall authorize the employment of such actuarial, and other professional services as it may deem appropriate.
- (2) It shall be responsible for the filing and maintaining of personnel records necessary or operation of this Retirement Plan.
- (3) It shall authorize the payment of retirement benefits under this Retirement Plan.
- (4) It shall approve mortality tables, interest rates, and other actuarial factors to be used in determining the requirements of this Retirement Plan. The Retirement Board shall determine the amount of any benefit that is determined on the basis of actuarial assumptions using assumptions adopted by the Board by rule or policy; such benefits shall not be subject to Employer discretion.
- (5) Such duties as are prescribed by the San Joaquin Regional Transit District Act, including all amendments of this Retirement Plan.
- (6) It shall, among other things, interpret the provisions of the Plan, hear and decide all appeals from participants and beneficiaries with respect to application and/or interpretation of the provisions of the Plan, enter into any and all contracts in the name of the Plan or Retirement Board and do all acts that the Retirement Board in its sole discretion, deems necessary and advisable to carry out its duties and obligations as prescribed by law, the Collective Bargaining Agreement and this Plan.
- (7) The Retirement Board shall adopt such rules and procedures for the conduct of its meetings and determine the time and place of its meetings.
- (8) The Retirement Board shall not engage in a transaction prohibited by Section 503(b) of the Code.

Remaining subsections of Section 15 unchanged



Attachment B
Cover Page

SAN JOAQUIN REGIONAL TRANSIT DISTRICT RETIREMENT BOARD BYLAWS

Effective February 23, 2023

As adopted and approved by the San Joaquin Regional Transit District Board of Directors,
pursuant to California Public Utilities Code Section 50150.

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ADOPTED BY THE:
San Joaquin Regional Transit District Retirement Board
on February 23, 2023
BYLAWS FOR THE RETIREMENT BOARD

ARTICLE 1

RETIREMENT BOARD COMPOSITION AND PURVIEW

GOVERNANCE

§ 1.10 Definitions

For the purposes of these Bylaws, the "Board" or the "RTD Board" shall refer to the Board of Directors of the San Joaquin Regional Transit District. The "Retirement Board" shall refer to the Board of Directors of the San Joaquin RTD Retirement Plan. "Employee" shall refer to any person employed by RTD.

§ 1.11 Retirement Plan; Application of Bylaws

These Bylaws are created by and under the full authority and approval of the Retirement Board and govern its actions in maintaining the Retirement Plan established for employees of the San Joaquin Regional Transit District (hereinafter "RTD".)

The plan is referred to herein as the "Retirement Plan."

These Bylaws apply to the Retirement Plan as they may be amended from time to time, except when the terms of the Act and/or the terms of the Plan are inconsistent with the terms of these Bylaws, in which case the terms of the Act and/or the Plan will govern its operations.

§1.12 Governance of the Retirement Plan

The Retirement Plan is governed by one board, hereinafter individually referred to as the "Retirement Board."

Pursuant to the Retirement Plan, operating under the authority of California Public Utilities Code Sections 50150 and 99159, the RTD Board shall create a retirement board of no more than five members. Two (2) members shall be representatives of the RTD (one being a member of the RTD Board of Directors and one being a Non-represented employee representative), and two members of which shall be representatives of the Union. The Non-Represented Employee representative need not be an RTD employee and shall be appointed by the RTD Board upon the recommendation of the CEO with the concurrence of RTD's Non-Represented employees. The fifth member – referred to as the Umpire –shall be selected jointly by the Union and RTD.

The Retirement Board has determined that in order to ensure continuity of its operations in the event that one or more of its members is unable to attend a meeting, each member other than the Umpire Member shall have the authority to designate an alternate to serve in their stead in their absence. The Non-represented employee representative shall seek the concurrence of the non-represented employees of RTD prior to designating their alternate.

The following provisions apply to each alternate member:

1. Their appointment must be approved by the Retirement Board prior to assuming office.
2. In order to develop and maintain continuity of knowledge and experience with Retirement Board operations, each alternate must regularly attend all Regular and Special meetings of the Retirement Board.
3. Each alternate should pursue education in areas that are pertinent to administration of the Retirement Board, as described more fully in in Section 1.14.
4. Each alternate must comply with the economic disclosure requirements of the Political Reform Act that are applicable to Retirement Board members.

The Retirement Board shall administer the retirement system, and shall define its powers, duties and responsibilities of the Retirement Board members.

In the event of a vacancy of a Retirement Board member because of death, resignation, illness, or other reason, a new member must be appointed in compliance with applicable regulations and legislation as soon as may reasonably occur, but no later than 60 days after such vacancy.

§1.13 Retirement Board Fiduciary Duty and Authority

The duties and responsibilities of each Retirement Board Member must be executed in accordance and in full compliance with the requirements of Sections 50150-50153 of the California Public Utilities Code, the California Constitution, Article 16, §17, and any other provision of law applicable to fiduciary duties of the Retirement Board.

The Retirement Board shall administer and carry out the terms and provisions of the Retirement Plan. The Retirement Board has no authority to amend or change the terms of the Retirement Plan.

§1.14 Board Member Responsibilities and Core Competencies

A. Attendance

All board members, including alternates, are expected to attend all board and applicable committee meetings. While attendance is not always possible, board members should, once the calendar for a year is set, immediately flag any scheduling conflicts and thereafter manage their schedules to avoid creating additional conflicts. Absences for medical or other substantial reasons shall be deemed to be excused absences in the discretion of the Board President.

B. Preparation

Board members should come to board and committee meetings having read the materials prepared and circulated by staff and/or consultants and having asked any questions of staff necessary to their understanding of materials.

C. Inquisitiveness

Board members should be inquisitive, and should appropriately question staff, advisors and fellow trustees as circumstances require. There is no such thing as a "dumb question."

D. Integrity

Board members shall conduct themselves with integrity and dignity, maintaining the highest ethical conduct at all times. They should understand system objectives and exercise care, prudence and diligence in handling confidential information.

E. Knowledge

Board members should develop and maintain their knowledge and understanding of the issues involved in the management of the system. The specific areas in which board members should develop and maintain a high level of knowledge should include:

- Public pension plan governance.
- Asset allocation and investment management.
- Actuarial principles and funding policies.
- Financial reporting, controls and audits.
- Benefits administration.
- Vendor selection process.
- Open meeting and public records laws.
- Fiduciary responsibility.
- Ethics and conflicts of interest.

F. Education

Board members should identify areas in which they might benefit from additional education and work with staff to find educational opportunities. Board members should fulfill the training expectations outlined in the Board Member Education policy and are encouraged to attend additional relevant educational opportunities as outlined therein.

G. Collegiality

Members shall make every effort to engage in collegial deliberations, and to maintain an atmosphere in which board or committee members can speak freely, explore ideas before becoming committed to positions and seek information from staff and other members. Board members should come to meetings without having fixed or committed their positions in advance.

H. Independence

Board members shall, upon taking office, sign a pledge confirming their independence and their understanding of their fiduciary duties. The pledge shall be renewed annually and shall read as follows:

"I understand that as a board member, I must discharge my duties as a fiduciary with respect to the system solely in the interest of its members, retirees and beneficiaries. I pledge not to allow political meddling or other forms of intimidation to affect my independence of judgement in the exercise of my fiduciary responsibilities."

ARTICLE 2

RETIREMENT BOARD RULES

MEETINGS

§2.10 Regular Quarterly Retirement Board Meeting Schedule

The Retirement Board shall hold regular meetings at least quarterly. No later than December 31st of each year, the Retirement Board must adopt a resolution setting forth their regular meeting schedule for the following calendar year. The resolution establishing the Retirement Board's regular meeting schedule shall state the date and time for each meeting and the place for each such meeting if it differs from the place set out in the Bylaws. Unless otherwise specified in the meeting notice, the Retirement Board will conduct its meetings at RTD's Downtown Transit Center Boardroom located at 421 East Weber, Stockton CA 95202-3024.

§2.11 Special Meetings

A special meeting may be called at any time by the Chair, the Vice-Chair, or by a majority of the members of the Retirement Board, by delivering personally, via electronic mail ("e-mail"), or by U.S. mail, written notice to each member of the Retirement Board, and by posting a notice on the San Joaquin Regional Transit District's internet web site. Such notice must be delivered and received at least 72 hours before the time of such meeting. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No business other than as specified in the notice shall be considered at such meeting.

§2.12 Quorum

Three Retirement Board members constitute a quorum of the Retirement Board for purposes of convening a meeting and for the transaction of business.

§2.13 Open Meetings; Application of the Ralph M. Brown Act

All meetings and associated notices must comply with the provisions of the Ralph M. Brown Act. (Government Code Sections 54950, et seq.) Accordingly, all Retirement Board meetings are open to the public except when the subject matter may be properly addressed in, and properly noticed for, a closed session.

§2.14 Agenda Preparation, Delivery, and Posting

In addition to those requirements set forth in the Brown Act, each meeting agenda, together with all supporting documents, must be delivered to the Retirement Board members and Legal Counsel to the Retirement Board at least five days before the meeting. The purpose of this requirement is to give Board members advance notice of all business coming before them. In the case of special meetings which may be called less than seven (7) days in advance of the meeting date, the requesting individual shall provide such notice as soon as may be practical under the circumstances, but at least 24 hours prior to the special meeting.

If a Retirement Board Member wishes to have an item placed onto the Agenda, and before it will be placed on the Agenda, the requesting Board Member must provide sufficient information to the Retirement Board Secretary to advise the Retirement Board of the subject matter, the desired action being requested, and

sufficient information for the Retirement Board to consider and act upon it. Said information must be submitted at least ten (10) working days prior to a regular Retirement Board meeting date and five (5) working days prior to a special Board meeting date

§2.15 Access to Public Records Distributed at Meeting

Writings which are public records and which are distributed with the agenda prior to the Board meeting or during a meeting shall be made available for public inspection at the meeting if prepared by RTD or a member of the Retirement Board or after the meeting if prepared by some other person.

§2.16 Continuing Body

The Retirement Board is a continuing body and no measure pending before it is abated or discontinued by reason of the expiration of the term of office or removal of a member of the Retirement Board.

§2.17 Adjournment of Meeting

The Retirement Board may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. Notice of adjournment of a duly called special meeting at which less than a quorum is present shall be given in the same manner as notice of the original meeting. If all members are absent from any regular or adjourned regular meeting, the Secretary of the Board may declare the meeting adjourned to a stated time and place and he or she shall cause a written notice of the adjournment to be given in the same manner as provided herein for special meetings. In the case of all adjournments, a copy of the order or notice of adjournment shall be conspicuously posted on the door to the San Joaquin Regional Transit District Downtown Transit Center, located at 421 East Weber, within 24 hours after the time of the adjournment. When an order of adjournment of any meeting fails to state the time at which the adjourned meeting is to be held, it shall be held at the time specified for regular meetings.

ARTICLE 3

OFFICERS

§3.10 Officers

The Retirement Board shall elect a Chair and a Vice Chair in accordance with the Retirement Plan.

The election of officers will be conducted at the last meeting of the calendar year for the following calendar year. New officers will assume their position on January 1.

§3.11 Chair Responsibilities

1. The Chair presides over and preserves order at all regular meetings, special meetings, and hearings of the Retirement Board. The Chair states every question coming before the Retirement Board, and decides all questions of order without debate, subject, however, to an appeal by a member of the Retirement Board. The Chair may move, second, and debate from the chair, subject only to such limitations of debate as are imposed on all members, and has all other rights or privileges of all others members.
2. In all cases, the Chair can direct the Secretary to include discussion or action items on the

agenda for future Retirement Board meetings. The Chair, or Chair Pro Tem presiding at the meeting, signs all Board resolutions and all minutes of Retirement Board meetings or hearings, which have been adopted or approved.

§3.12 Vice Chair

The Vice Chair serves as the Chair Pro Tem in the Chair's absence. When serving as the Chair Pro Tem, the Vice Chair has all of the rights, duties and responsibilities of the Chair as set forth in Section 3.11 above.

§3.13 Secretary

The Chief Executive Officer (CEO) of San Joaquin RTD, or his or her designee, shall serve as the Secretary to the Retirement Board. The Secretary may designate an Assistant Secretary.

In addition, the Secretary has the following powers and duties, any or all of which may be delegated by the Secretary to the Assistant Secretary if and as designated by the Secretary.

1. Create meeting notices and agendas;
2. Post agendas;
3. Call the roll at the beginning of each Board meeting and for each roll call vote;
4. Announce the result of each vote;
5. Attend and keep minutes of all meetings and hearings of the Board;
6. Furnish each Retirement Board member a copy of the minutes of each meeting with the agenda for the following meeting;
7. Attest all resolutions of the Retirement Board and the minutes of all meetings or hearings which have been approved by the Board;
8. Keep and have custody of all books, records and papers of the Retirement Board, and certify true copies thereof whenever necessary; and,

Perform such other duties as may be required either by the Retirement Plan or by statute, ordinance, resolution or order.

§3.14 Vacancy

If an officer vacates his or her seat on the Retirement Board because of death, resignation, illness, or other reason, officer selections must be held at the first Retirement Board meeting after the vacancy has occurred.

§3.15 Additional Delegable Duties

The Retirement Board, at its discretion and by resolution, may authorize its Chair, Vice Chair and/or Secretary or other RTD staff to exercise additional administrative authority, such as to execute contracts or other legally-binding documents, manage Board-awarded contracts, make purchases up to Board-

authorized limits, and approve service retirements.

The Retirement Board may also authorize the CEO of RTD or other delegates to carry out other support functions for the Retirement Plan.

ARTICLE 4

ORDER OF BOARD BUSINESS

§4.10 Agenda

The order of business for regular and special meetings will be as follows:

1. Call to Order
2. Roll Call
3. Consent Items
4. Unfinished Business
5. New Business
6. Public Comment
7. Questions and Comments from the Retirement Board and/or staff
8. Closed Session
9. Adjourn

Notwithstanding the above, closed sessions (and associated announcements) may be included on the agenda at any point after Roll Call and before Adjournment, at the discretion of the Chair.

The order of business during any meeting may be changed upon order of the Chair with consent of the Retirement Board, or upon motion of the Retirement Board.

§4.11 Contents of Agenda

The agenda must specify the time and location of the meeting and must contain a brief general description of each item of business to be transacted or discussed at the meeting. The descriptions must adequately summarize the general matter or subject matter of each agenda item so as to inform interested members of the public about the subject matter under consideration so that they can determine whether to monitor or participate in the meeting.

The Retirement Board shall not act upon or discuss an item that is not listed on the agenda except as provided under Section 4.10 or as otherwise permitted by the Brown Act.

§4.12 Consent Items

The Consent Items shall consist of matters requiring Retirement Board action of a routine nature or on which staff comment is not appropriate or necessary, or which have previously been discussed and appear on the Agenda for final action only.

All items listed under the Consent Items, excepting those individual items which are removed for separate discussion and/or vote at the request of any Retirement Board member, may be acted upon by a single motion and vote.

Retirement Board minutes are included as part of the Consent Items to be approved without reading unless a member requests such reading, in which case the minutes require action by a separate motion

and vote.

§4.13 Disability and Early Retirements

The Retirement Board shall hear presentations from RTD staff and act on proposed Early Retirements and Disability Retirements (as defined by the RTD Retirement Plan) only. Regular retirements meeting all qualifications under the RTD Retirement Plan will not be submitted to the Retirement Board for action, but will be reported to the Retirement Board at the next regular meeting.

§4.14 Quarterly Investment Performance Reviews

The Retirement Board must review the performance of Retirement Plans' fund managers and investment manager at each Quarterly Retirement Board Meeting as part of Unfinished or New Business, as appropriate.

The Retirement Boards' financial and investment consultant must be present at each Quarterly Retirement Board Meeting and must report on the investment performance of the plan assets on a quarterly basis. The Retirement Board will review the report on the investment performance of plan assets at each regular meeting based upon criteria set forth in the San Joaquin Regional Transit District Retirement Plan's investment policy and guidelines.

§4.15 Items Not on the Agenda

A matter requiring Retirement Board action must be listed on the posted agenda before the Board may discuss and/or act upon it unless an exception as specified under the Brown Act applies.

The Retirement Board may take action at any Regular Meeting on items of business not appearing on the posted agenda under any of the following conditions in accordance with Brown Act:

1. Upon a determination by an affirmative vote of the Retirement Board that an emergency situation exists;
2. Upon a determination by the affirmative vote of the Retirement Board, in accordance with the Brown Act, that there is a need for immediate action which cannot reasonably wait for the next regularly scheduled meeting, and the need to take action arose subsequent to the agenda being posted;
3. If the item was properly posted for action at a prior meeting of the Retirement Board occurring not more than five (5) calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.
4. By directing the Chair, Vice Chair or Secretary to place an item of business for discussion and/or action on a subsequent agenda.

§4.16 Minutes

The Secretary shall prepare minutes in the form of an action summary; however, during the consideration on any particular matter, a Retirement Board member may make a request that the minutes contain a more thorough description of the discussion or deliberations of any question coming before the Retirement Board.

ARTICLE 5

MEMBERS ADDRESSING THE BOARD

§5.10 Recognition by the Chair

A Retirement Board member may speak on any item on the agenda upon being recognized by the Chair. Comments on items not on the agenda will be heard at the time noticed on the agenda for "Questions and Comments from the Retirement Board."

§5.11 Speaking Interruption

A Retirement Board Member will not be interrupted when speaking unless it is to call him or her to order, for the purpose of explanation or to permit solicited responses. If a Board member, while speaking, is called to order, he or she must cease speaking until the question of order is determined, when, if permitted, he or she may proceed.

§5.12 Limitation of Presentations, Discussion

The Chair may limit discussion at any particular meeting by a Retirement Board member to such time as the Chair may find to be reasonable under the circumstances, provided that any decision of the Chair to limit discussion may be overruled by the Board.

§5.13 Impertinence

Any Retirement Board member making personal, impertinent, or inappropriate remarks may be barred by the Chair from further appearance before the Retirement Board at that meeting, unless permission to continue is granted by an affirmative vote of the Retirement Board.

§5.14 Debate Closing

The member moving the adoption of a resolution or motion shall have the privilege of closing the debate.

§5.15 Disqualification of Members

Any member who is legally disqualified from participating in Board action on any particular matter must, as soon as such matter is reached on the agenda, disclose his or her disqualification and the reason therefore and must recuse himself or herself during the discussion, debate, and vote on such matter. If such disqualification is not known to the Retirement Board Member at the time such matter is reached on the agenda, he or she must make such disclosure as soon as he or she knows his or her disqualification, or recuse himself or herself during consideration of the matter.

ARTICLE 6

PERSONS ADDRESSING THE BOARD

§6.10 Recognition by the Chair

Persons attending the meeting may address the Retirement Board only when recognized by the Chair. The Chair will ask the speaker to introduce himself or herself. Individuals who do not identify themselves may not be included in the minutes for the meeting at which they speak.

§6.11 Limitation of Presentations, Discussion

The Chair may specify a time limitation on any presentation made before the Retirement Board, which shall not be less than three (3) minutes.

§6.12 Inappropriate or Disruptive Behavior

Any person engaging in personal, impertinent, or inappropriate remarks or behavior while addressing the Retirement Board may be barred by the Chair from further appearance before the Retirement Board at that meeting, unless permission to continue is granted by an affirmative vote of the Board. Any person willfully disrupting the meeting may be excluded from the meeting by the Chair.

In extreme situations where persistent disruptions from multiple members of the public prevent an orderly meeting, the Chair, subject to Retirement Board appeal, or the Retirement Board itself, may order that all members of the public except the media be removed from the public meeting, or meeting may be adjourned or continued.

ARTICLE 7

OFFICIAL ACTIONS

§7.10 Timing of an Action

Motions and resolutions, unless put over to a future meeting by a majority vote of the Retirement Board, may be acted upon on the day of introduction or presentation. No continuance will be granted if the effect of such a continuance is to render useless a subsequent vote on the issue.

§7.11 Form of Action

Motions are considered an act of the Retirement Board and carry the same weight as a resolution. Resolutions are typically used for actions that will be referred to for historical purposes, such as adoption of a policy, award of a contract or grant of an individual's disability or early retirement.

§7.12 Votes, Signature and Attestation

Votes upon an action item, whether by motion or resolution, are cast as "ayes," "noes" or abstain pursuant to roll call and so recorded. Each resolution must be in written or printed form. Procedural motions do not require a roll call vote.

Every resolution shall be attested by the Secretary.

§7.13 Codification

Resolutions are codified as follows: [Year]-[Month]-[Resolution Number]. For example, the fifth resolution a board adopted at its March 2015 meeting is codified: 15-03-0005.

§7.14 Vote Threshold; Majority Minimum

All official acts of the Retirement Board shall require the affirmative vote of a majority of the members of the Retirement Board unless applicable law requires a greater number of affirmative votes.

§7.15 Motion Reconsideration

A motion to reconsider any action taken by the Retirement Board may be made only on the day such action was taken, either during the same session or at an adjourned session thereof. Such motion must be made by a member on the prevailing side and seconded by any member. The motion, which may be made at any time during said meeting, has precedence over all other motions. The motion to reconsider is debatable unless the action to be reconsidered is not debatable.

§7.16 Deadlock Vote

If a motion or resolution is brought before the Retirement Board for a vote and results in a deadlock vote, the Retirement Board will set a meeting (regular or special) and invite the Umpire Member to make a decision on the matter, pursuant to Section 15 of the Retirement Plan document.

ARTICLE 8

COMMITTEES

§8.10 Appointment

The Chair may create and appoint ad hoc committees consisting of two Retirement Board members, one member who is a union representative and one member appointed by the RTD Board.

§8.11 Ad Hoc Advisory Committee Meetings

Ad Hoc Committees are limited term, limited scope advisory committees comprised exclusively of less than a quorum of the Retirement Board. For example, an advisory committee comprised of two members for the purpose of producing a report in six months on trends in public agency benefit policies would be considered an ad hoc committee because it is composed of less than a quorum of the Board and it is charged with accomplishing a specific task in a limited period of time.

Ad hoc committee meetings are specifically exempt from open meeting requirements under these Bylaws and under the Brown Act. However, when creating and appointing an Ad Hoc Committee, the Chair retains authority to direct that meetings of that committee shall be noticed and open to the public.

ARTICLE 9

RULES

§9.10 Amendment

Any provision hereof may be altered, amended or annulled at any time by an affirmative vote of the San Joaquin RTD Board of Directors, provided at least a week's notice of such change is given to each Board member.

§9.12 Robert's Rules

Meetings of the Retirement Board shall be guided by the principles embodied in "Robert's Rules of Order Newly Revised" to the extent that such principles are consistent with the Brown Act.

§9.13 Copies – Bylaws

The Secretary shall furnish each Retirement Board member copies of these Bylaws and make them available on the RTD website.

§9.14 Protocol for Requesting Information from Independent Contractors

The purpose of this protocol is to ensure accuracy, consistency, and transparency of information provided to the members of the Retirement Board. This protocol will ensure that all members of the Retirement Board are aware of any and all information requested and received by any board member.

- 1) Retirement Board members may request information from the Retirement Plan's independent contractors during the regular or special board meeting. The CEO or designee will provide information requested to all Retirement Board members.
- 2) A Retirement Board member wishing information outside of the Retirement Board meeting will direct the request to the CEO. The CEO will provide the information requested to all members of the Retirement Board.

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LEAD STAFF: BEARNARD VEASLEY, INTERIM CEO

I. RECOMMENDED ACTION

Motion to approve meeting minutes from the May 15, 2026, Regular Board of Directors meeting.

II. SUMMARY

- Staff is providing the minutes from the May 15, 2026, Regular Board of Directors meeting.
- Minutes provide an official record of the discussions, decisions, and actions taken during the previous board meeting.
- Meeting minutes are recorded after each meeting and will be provided for approval at the following regularly scheduled meeting.

III. DISCUSSION/BACKGROUND

Meeting minutes are prepared by staff and serve as an official public record of actions taken by the Board of Directors. Once approved, minutes are filed and will remain in RTD’s archives to provide a clear and accurate record of the proceedings. This ensures that Board members, staff, and stakeholders can refer to the documented decisions and rationale, reinforcing trust in the organization's governance. Additionally, as the organization evolves, approved minutes serve as an important historical reference. They help track the progression of decisions, policies, and strategies, which can inform future actions.

Minutes will be made available to any member of the public upon request.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board’s Strategic Priority 4.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. CUSTOMER IMPACT

Meeting minutes provide customers with transparent agency information.

VI. FINANCIAL CONSIDERATIONS/IMPACT

N/A

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

N/A

IX. ATTACHMENTS

Attachment A: Draft minutes of the RTD Board of Directors Regular Meeting of May 15, 2026

Prepared by: Erica Aguiñiga, Executive Assistant to the CEO and Board



Attachment A
Cover Page

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT
FRIDAY, MAY 15, 2026

The San Joaquin Regional Transit District (RTD) Board of Directors held a regular meeting at 10:00 a.m. on Friday, May 15, 2026, in the Boardroom of RTD's Downtown Transit Center, 421 East Weber Avenue, Stockton, California.

1. CALL MEETING TO ORDER Vice Chair Geneva Moorad called the meeting to order at 10:00 a.m.
2. MOMENT OF SILENCE/REFLECTION Vice Chair Moorad called for a moment of silence and reflection.
3. SAFETY ANNOUNCEMENT Safety, Security, and Risk Management Director Curtis Moses made the Safety Announcement.
4. PLEDGE OF ALLEGIANCE TO THE FLAG Acting CFO Thomas Dempsey led the pledge.
5. ROLL CALL Present: Geneva Moorad, Vice Chair
Aaron Edwards, Director
Saiha San, Director

Nicole Witt, RTD Legal Counsel

Absent: Derek Graves, Chair
6. INFORMATION ON PUBLIC COMMENTS All public comments are under each Agenda Item and non-agenda item public comments are under Agenda Item 12.
7. SPECIAL PRESENTATIONS
 - A. RECOGNITION OF EMPLOYEES OF THE QUARTER Human Resources Senior Specialist Jessica Jimenez Munoz was recognized as the Administration Employee of the Quarter.
Bus Operator Cristian Vega Rosas was recognized as the Transportation Employee of the Quarter.
8. REPORTS
 - A. INTERIM CHIEF EXECUTIVE OFFICER UPDATE

Interim CEO Bearnard Veasley provided an oral update on RTD matters.

9. INFORMATION ITEMS

Reports provided for information only.

- A. MARKETING UPDATE - RIDERSHIP GROWTH FOCUS
- B. FINANCIAL UPDATE
- C. FEDERAL LEGISLATIVE UPDATE
- D. STATE LEGISLATIVE UPDATE
- E. QUARTERLY PARATRANSIT OPERATIONS STATUS REPORT
- F. RTD BOARD STANDING COMMITTEE ASSIGNMENT

10. CONSENT CALENDAR

- A. MOTION: APPROVING THE MINUTES OF THE MARCH 20, 2026, SPECIAL BOARD OF DIRECTORS MEETING

ACTION: MOTION: Aaron Edwards SECOND: Saiha San
Roll Call:
AYES: Moorad, Edwards, San
ABSENT: Graves NAYES: ABSTAIN:

- B. MOTION: APPROVING THE MINUTES OF THE MARCH 30, 2026, SPECIAL BOARD OF DIRECTORS MEETING

ACTION: MOTION: Aaron Edwards SECOND: Saiha San
Roll Call:
AYES: Moorad, Edwards, San
ABSENT: Graves NAYES: ABSTAIN:

- C. MOTION: APPROVING THE MINUTES OF THE APRIL 17, 2026, REGULAR BOARD OF DIRECTORS MEETING

ACTION: MOTION: Aaron Edwards SECOND: Saiha San
Roll Call:
AYES: Moorad, Edwards, San
ABSENT: Graves NAYES: ABSTAIN:

- D. MOTION: AUTHORIZING THE INTERIM CHIEF EXECUTIVE OFFICER TO EXECUTE A CONTRACT WITH ROSCO COLLISION AVOIDANCE LLC FOR A FIRM FIXED PRICE OF \$617,720 FOR THE PURCHASE AND INSTALLATION OF A PEDESTRIAN COLLISION AVOIDANCE DETECTION (PCAD) SYSTEM AND ASSOCIATED TELEMATICS SERVICES

ACTION: MOTION: Aaron Edwards SECOND: Saiha San
Roll Call:
AYES: Moorad, Edwards, San
ABSENT: Graves NAYES: ABSTAIN:

- E. RESOLUTION: AUTHORIZING THE INTERIM CEO TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH THE REDDING AREA BUS AUTHORITY (RABA) TO SELL AND TRANSFER TWO (2) 2018 GILLIG DIESEL ELECTRIC HYBRID COMMUTER BUSES

ACTION: MOTION: Aaron Edwards SECOND: Saiha San
Roll Call:
AYES: Moorad, Edwards, San
ABSENT: Graves NAYES: ABSTAIN:

- F. RESOLUTION: APPROVING THE LIST OF PERSONS AUTHORIZED TO SIGN ON SAN JOAQUIN REGIONAL TRANSIT DISTRICT'S (RTD) BANK OF STOCKTON ACCOUNTS, SAN JOAQUIN COUNTY TREASURY ACCOUNTS, DEFINED BENEFIT RETIREMENT PLAN ACCOUNTS, 457(b) DEFERRED COMPENSATION PLAN, AND 401(a) DEFINED CONTRIBUTION PLAN

ACTION: MOTION: Aaron Edwards SECOND: Saiha San
Roll Call:
AYES: Moorad, Edwards, San
ABSENT: Graves NAYES: ABSTAIN:

- G. RESOLUTION: APPROVING THE TITLE VI PROGRAM (2026 UPDATE) AND AUTHORIZING ITS SUBMITTAL TO THE FEDERAL TRANSIT ADMINISTRATION (FTA)

ACTION: MOTION: Aaron Edwards SECOND: Saiha San
Roll Call:
AYES: Moorad, Edwards, San
ABSENT: Graves NAYES: ABSTAIN:

11. ACTION ITEMS

- A. MOTION: AUTHORIZING THE INTERIM CHIEF EXECUTIVE OFFICER TO EXECUTE CONTRACTS WITH THREE (3) FIRMS FOR ON-CALL CONSTRUCTION MANAGEMENT SUPPORT SERVICES AND FOUR (4) FIRMS FOR ON-CALL ENGINEERING AND CONSTRUCTION MANAGEMENT SUPPORT SERVICES FOR A THREE (3) YEAR TERM, WITH TWO (2) ONE YEAR OPTION EXTENSIONS, FOR AN AGGREGATE COMBINED NOT-TO EXCEED AMOUNT OF \$3,500,000

ACTION: MOTION: Aaron Edwards SECOND: Saiha San
Roll Call:
AYES: Moorad, Edwards, San
ABSENT: Graves NAYES: ABSTAIN:

- B. MOTION: APPROVING THE REVISED FY 2025-26 (FY26) OPERATING BUDGET TO ADDRESS THE OPERATING REVENUE SHORTFALL 3 AND TO BUDGET \$20,411,097 FROM RESERVE FUNDS TO COVER THE SHORTFALL

ACTION: MOTION: Aaron Edwards SECOND: Saiha San
Roll Call:
AYES: Moorad, Edwards, San
ABSENT: Graves NAYES: ABSTAIN:

12. PUBLIC COMMENT

One public comment was received.

13. QUESTIONS AND COMMENTS FROM DIRECTORS AND STAFF

14. ADJOURNMENT

Vice Chair Moorad adjourned the meeting at 10:32 a.m.

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LEAD: DEREK GRAVES, RTD CHAIR OF BOARD OF DIRECTORS

I. RECOMMENDED ACTION

That the Board of Directors consider and approve the updated estimated Board travel expenses for calendar year 2026.

II. SUMMARY

- RTD's Board Travel Policy requires that the full Board approve estimated expenses before board member travel.
- RTD staff annually solicits the Board members' interest in attending educational conferences and events.
- This report includes a table summarizing estimated expenses associated with Board travel for calendar year 2026.
- The full Board will consider expressions of interest received for travel from Board members throughout the year as necessary.

III. DISCUSSION/BACKGROUND

RTD acknowledges its responsibility to administer limited public resources prudently and to expend them only when there will be a substantial benefit to the agency and the community it serves.

RTD is an active member of local, state, and national associations representing transit's interests before the legislative and regulatory agencies at the local, state, and federal levels. Associations, including the California Association for Coordinated Transportation (CALACT), California Transit Association (CTA), and American Public Transportation Association (APTA), convene annual conferences to provide educational sessions focusing on the public transit industry's current challenges, technology innovations, lessons learned, best practices, and networking opportunities for public transit professionals at all levels, including Board members.

The San Joaquin Council of Governments also convenes an annual advocacy program (One Voice) for San Joaquin County, to promote projects, programs, and issues of regional significance to federal legislators and agencies, typically through a yearly trip to Washington, D.C. The purpose of One Voice is to advocate for new or increased funding and new or amended legislation for issues and projects of significance to the San Joaquin region.

On an annual basis, RTD staff solicits Board members for expressions of interest in attending educational conferences.

Pricing between Board member travel events may differ as a result of such factors as:

- Date the flights were finalized and booked
- Flights with connections versus direct flights
- Departing airports (SFO v. SMF)
- Destination airports (IAD v. DCA)
- Mileage to and from departing airports (SFO v. SMF)
- Airport parking fees (SFO v. SMF)
- Traveling expenses to and from the airport
- Duration of the trip may vary due to the conference agenda and Board Member's committee assignments

The estimated cost of travel expenses for board members, listed by conference for the 2026 calendar year, is provided in a table on the next page.

2026 CONFERENCES

Board Member	APTA Legislative Conference April 12-14, 2026 Washington, DC	CALACT Spring Conference April 14-16, 2026 Temecula, CA	San Joaquin One Voice May 4-6, 2026 Washington, DC	APTA Mobility Conference May 17-20, 2026 Salt Lake City, UT	APTA Workforce Summit May 20-21, 2026 Salt Lake City, UT	CTA Spring Legislative Conference May 21, 2026 Sacramento, CA	APTA Transit Board Members & Transit Board Admins. Seminar July 18-21, 2026 Detroit, MI	APTA TRANSform October 4-7, 2026 Chicago, IL	CTA Fall Conference & Expo October 28-30, 2026 Monterey, CA	CALACT Fall Conference November 3-7, 2026 Sonoma, CA	Total Estimated Cost for 2026
Derek Graves			Did not attend								
Geneva Moorad			\$3,758.42				X	X	X	X	
Aaron Edwards			\$3,980.72		\$2,327.82			X		X	
Saiha San								N			
Donald Tafoya											
Estimated Cost Per Person			\$3,900		\$2,100		\$3,000	\$4,300	\$1,700	\$2,200	\$31,500

N: New Request to Attend a Conference.

X: Previously Approved Request.

Red Font: Updates.

Actual costs will be added to the table after each conference.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board’s Strategic Priority 4.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

VI. CUSTOMER IMPACT

By attending and participating in educational conferences, Board members remain updated with industry best practices benefiting the Board, RTD, and the community it serves.

VII. FINANCIAL CONSIDERATIONS/IMPACT

Estimated Board member travel expenses for 2026, including registration, total \$31,500. This figure is subject to change based on future travel requests. These expenses are budgeted according to fiscal year under account number 403000-50912 – Board Travel.

VIII. CHANGES FROM COMMITTEE

N/A

IX. ALTERNATIVES CONSIDERED

N/A

X. ATTACHMENTS

None

Prepared by: Erica Aguiñiga, Executive Assistant to the CEO and Board



LEAD STAFF: BEARNARD VEASLEY, INTERIM CEO

I. RECOMMENDED ACTION:

Adopt of the proposed Fiscal Year (FY) 2027 Strategic Plan.

II. SUMMARY

- RTD’s Strategic Plan is reviewed and updated annually to ensure its initiatives align with the organization's current goals.
- The annual collaborative review process begins in January and includes frontline employees, supervisors, managers, and executives.
- RTD’s Management team has developed Specific, Measurable, Achievable, Relevant, and Time-Bound (SMART) goals to monitor and measure the plan's success throughout the year.
- The FY 2027 Strategic Plan is attached for board consideration and adoption.

III. DISCUSSION/BACKGROUND

On January 14, 2026, RTD employees representing all departments across the agency met to begin updating RTD’s Strategic Plan for the 2027 fiscal year. RTD’s leadership team met to refine and plan further. This process includes reviewing the agency's current goals and initiatives and making revisions based on current business needs, focusing on six critical areas: employees, customers, financial health, operational excellence, community relations, and innovation.

The first draft of the FY25 Strategic Plan was presented to the RTD Board of Directors on March 20, 2025, for review and feedback. The Interim CEO is seeking Board approval for the attached Strategic Plan.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with all of the Board’s Strategic Priorities:

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. CUSTOMER IMPACT

RTD remains committed to its mission and vision by adopting a customer-centric approach that prioritizes high-quality, accessible mobility options for both its

customers and the community. RTD continuously refines its services to deliver personalized experiences and address the diverse needs of its users effectively by leveraging data analytics and customer feedback.

VI. FINANCIAL CONSIDERATIONS/IMPACT

N/A

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

Do nothing. Without a current strategic plan, staff would not have a clear vision of RTD's goals and initiatives and a work plan.

IX. ATTACHMENT

Attachment A: FY 2027 Strategic Plan

Prepared by: Erica Aguiñiga, Executive Assistant to the CEO and Board



Attachment A
Cover Page

FY27 Strategic Plan

FY27 Strategic Plan					
	Safety	Accessibility	Customer Service	Community	Resiliency
<p>Mission: Our primary mission is to provide a safe, reliable, and efficient transportation system for the region.</p> <p>Vision: Our vision is to be the transportation service of choice for the residents we serve.</p>	<p>We prioritize safety at the forefront, ensuring a secure and responsible atmosphere for our employees, customers, and the community around us.</p>	<p>We ensure equal access and opportunities for all while fostering accessibility and inclusivity in our programs, services, and workplace.</p>	<p>We treat each other, our customers, and our community with respect and a commitment to service excellence.</p>	<p>We foster a connected and inclusive workplace where employees are valued and respected for their abilities and contributions through open communication, collaboration, and mutual appreciation.</p>	<p>We are adaptable and flexible to changes to ensure a resilient business framework, and sustainable service to our community.</p>
Customers	Employees	Financial Health	Operation Excellence	Community Relations	Innovation
<p>Implement targeted ridership growth strategies through data-driven service adjustments, community outreach, and partnerships with major employers and educational institutions.</p> <p>Implement forefront security technologies and safety protocols to significantly enhance customer safety.</p> <p>Ensure services meet and exceed customer expectations for a seamless transportation experience that encourages increased transit use.</p> <p>Simplify fare transactions and improve customer's travel journey with tap-to-pay option and real-time trip planning features.</p> <p>Build upon recent service improvements by optimizing routes and schedules to strengthen connectivity between underserved communities, employment centers, and key destinations while supporting ridership growth.</p>	<p>Enhance safety with effective communication and maintain cohesive safety plan for employees.</p> <p>Offer support programs that create career opportunities, strengthen leadership development, and encourage employees to advance their careers through aligned training and professional development.</p> <p>Deliver immediate and impactful feedback through inclusive decision-making.</p> <p>Deliver a mental health and wellness program to achieve optimal work-life balance.</p> <p>Strengthen organizational leadership through succession planning, executive team development, and enhanced cross-departmental collaboration.</p>	<p>Leverage grants, revenue contracts, and strategic partnerships to support sustainable ridership growth and long-term financial resiliency.</p> <p>Revamp RTD's business strategy with thorough input from the community, driving financial resiliency.</p> <p>Align business decisions with robust key performance indicators, transparency, and a steadfast commitment to fiduciary accountability.</p> <p>Continue to monitor farebox recovery and reduce fare evasion.</p> <p>Continue to identify operational efficiencies and cost-saving opportunities that strengthen financial sustainability.</p>	<p>Revitalize service offerings while being agile to customers' needs and funding availability.</p> <p>Continuously evaluate and refine service design to maximize efficiency, improve reliability, and support increased ridership.</p> <p>Maintain and monitor departmental key performance indicators.</p> <p>Continue to assess and implement secure, reliable, and integrated software solutions agency-wide to support operational continuity and efficiency.</p>	<p>Foster meaningful public engagement that informs, involves, and encourages individuals to utilize and advocate for public transit.</p> <p>Strengthen and support the Community Advisory Committee (CAC) as a formal channel for community feedback, rider engagement, and service awareness.</p> <p>Showcase RTD as a leading example of safe, efficient, clean, and affordable transportation.</p> <p>Actively promote RTD services to regional governing boards, Chamber of Commerce, transit dependent resource groups and centers, educational institutions, and stakeholders.</p> <p>Continue to forge and strengthen partnerships with regional allies to expand and improve public transportation initiatives, delivering greater community benefits.</p>	<p>Transform the customer experience to boost ridership.</p> <p>Proactively monitor and maintain our fleet to ensure every ride is accessible, safe, and comfortable for all.</p> <p>Monitor and evaluate the hydrogen refueling infrastructure to ensure sustainable, seamless operations for hydrogen fuel-cell buses to maintain current investment.</p> <p>Assess and strengthen the Business Continuity Plan to further improve organizational resiliency and system reliability.</p> <p>Continue to evaluate opportunities to enhance, upgrade, and replace technology to drive greater efficiency.</p>



LEAD STAFF: THOMAS DEMPSEY, ACTING CFO

I. RECOMMENDED ACTION:

Authorize the Interim CEO to provide a Cost-of-Living Adjustment (COLA) increase to all non-represented employees who were hired or promoted before July 1, 2026, effective July 1, 2026.

II. SUMMARY

- On November 19, 2021, the RTD Board approved a Resolution authorizing an annual COLA to all non-represented employees effective July 1st of each year.
- The authorized COLA, not to exceed 3%, is to be presented for Board approval annually in June of each year.
- The recommended COLA is to be based on a Consumer Price Index (CPI) applicable to San Joaquin County, not to exceed 3%.
- In August 2022, the RTD Board established the CPI-U for the San Francisco-Oakland-Hayward area as the benchmark CPI for the region.
- The CPI-U for the San Francisco-Oakland-Hayward area for the twelve months ended April 2025 is 3.8%.
- In compliance with Board Policy, since the CPI-U for the benchmark area exceeded 3%, the CEO recommends Board approval of 3% COLA for non-represented employees, effective July 1, 2026.

III. DISCUSSION/BACKGROUND

At the November 19, 2021, Board meeting, the RTD Board approved a Resolution authorizing an annual COLA for non-represented RTD employees, based on a CPI applicable to the San Joaquin County region, not to exceed 3% annually. The Board Resolution established the annual COLA to be the region's CPI, not to exceed 3%.

In 2022, following extensive research, the CEO recommended to the Board that the San Francisco-Oakland-Hayward Bureau of Labor Statistics (BLS) CPI-U represents the closest and most applicable CPI to be used annually in the determination of the COLA adjustment for non-represented employees. In August 2022, the Board approved the CEO's recommended approach. The CEO was unable to locate a standalone San Joaquin County CPI. In contrast, the BLS Pacific Division Area was seen as too broad since it includes Alaska, California, Hawaii, Oregon, and Washington.

Additionally, the Consumer Price Index for all urban consumers (CPI-U) was recommended since it includes urban consumers and all items, including food and energy.

The CPI-U for the San Francisco-Oakland-Hayward area is published every two months, and the June CPI-U is not expected to be published until about mid-July each year. Therefore, the CEO recommended that when he submits his annual recommendation to the Board in June each year, the BLS CPI-U for the twelve months ending in April be used annually as the basis for his recommendation.

Since the CPI-U for the San Francisco-Oakland-Hayward area for the twelve months ended April 2026 exceeded 3%, the CEO recommends that the Board approve a COLA for the non-represented employees of 3%, who are employed by June 30, 2026. The FY26 COLA will be effective July 1, 2026.

However, staff has observed that this CPI index has demonstrated significant volatility and, at times, has not accurately reflected regional economic conditions or the actual cost-of-living impacts experienced within our service area. As a result, staff is currently evaluating alternative methodologies for determining COLA adjustments that provide greater consistency, reliability, and alignment with local economic realities. The Board can anticipate a future recommendation regarding potential modifications to RTD’s COLA determination methodology prior to final adoption of the FY2028 budget.

Benchmark Area	12-Months Ending	Data Series	CPI-U
San Francisco-Oakland-Hayward* https://www.bls.gov/regions/west/news-release/consumerpriceindex_sanfrancisco.htm	April 2026	CPI-U** for all urban Consumers	3.8%

*San Francisco-Oakland-Hayward includes Alameda, Contra Costa, Marin, San Francisco, and San Mateo Counties

**Consumer Price Index for All Urban Consumers (CPI-U) All items, including food and energy

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priorities 1 and 3.
 Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations

6. Innovation

V. CUSTOMER IMPACT

N/A

VI. FINANCIAL CONSIDERATIONS/IMPACT

The required funding of \$251,304.16 representing a 3% COLA for all non-represented employees, including the COLA impact on employee benefits and FICA/Medicare, is budgeted in each Cost Center in the FY27 Budget. Gross 3% increase of wages \$207,834,.23; 401(a) contribution of \$17,824.76; Defined Benefits Contribution of \$9,745.85; and FICA/Medicare \$15,899.32.

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

- Do nothing - This would result in the Board's temporary or permanent policy suspension and the FY26 COLA increase for non-represented employees would not be implemented.
- The Board could direct staff to implement a different COLA increase.
- The Board could direct staff to return with a new Board Policy recommendation for non-represented employees.

IX. ATTACHMENT

Attachment A: Resolution 6021 dated November 19, 2021

Attachment B: Resolution dated June 16, 2026

Prepared by: Maria Berberich, Finance Manager



Attachment A
Cover Page

RESOLUTION NO. 6021
DATED NOVEMBER 19, 2021

RESOLUTION APPROVING AN AMENDMENT TO THE POLICIES AND PROCEDURES MANUAL
FOR NON-REPRESENTED EMPLOYEES TO INCLUDE AN ANNUAL COST-OF-LIVING
ADJUSTMENT (COLA) INCREASE BASED ON THE APPLICABLE CONSUMER PRICE INDEX (CPI)
FOR SAN JOAQUIN COUNTY

WHEREAS, the overall purpose of a Cost-of-Living Adjustment (COLA) is to offset or reduce the effects of inflation by annually reviewing employee salaries in relation to changes in applicable cost-of-living indexes; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the San Joaquin Regional Transit District (RTD), as follows:

- 1) The Policies and Procedures Manual for Non-Represented Employees be amended to include a provision that in June of each year, the RTD Board will approve a CPI applicable to San Joaquin County not to exceed 3% which will be the basis for COLA adjustment for nonrepresented employees effective July 1, the beginning of RTD's fiscal year.

Gloria G. Salazar, the duly appointed, qualified, and acting Secretary of the San Joaquin Regional Transit District, does hereby certify that the foregoing is true and exact copy of the Resolution passed and adopted at a regular meeting of the Board of Directors of said District held on November 19, 2021.

DATED: November 19, 2021



GLORIA G. SALAZAR, SECRETARY



Attachment B
Cover Page

RESOLUTION NO. _____
DATED: JUNE 16, 2026

RESOLUTION AUTHORIZING THE CEO TO PROVIDE A COST-OF-LIVING ADJUSTMENT (COLA) INCREASE TO ALL NON-REPRESENTED EMPLOYEES WHO WERE HIRED OR PROMOTED PRIOR TO JULY 1, 2026, EFFECTIVE JULY 1, 2026

WHEREAS, on November 19, 2021, the Board approved a Resolution authorizing an annual COLA to all non-represented employees effective July 1st of each year; and

WHEREAS, the recommended COLA is to be based on a Consumer Price Index (CPI) applicable to the San Francisco-Oakland-Hayward Region, a region nearby San Joaquin County, not to exceed 3%; and

WHEREAS, the CPI Data Series will be the CPI-U (urban area includes food & energy); and

WHEREAS, the CPI is based on the most recent twelve months ended, as published by the BLS ending April 2026; and

WHEREAS, for the FY27 COLA increase, the Board concurs that the CPI-U for the San Francisco-Oakland-Hayward Region for the twelve months ending April 2026 is 3.8%; and

WHEREAS, the CPI-U for the San Francisco-Oakland-Hayward area exceeded 3%, the CEO recommends that the Board approve a COLA for the non-represented employees of 3%; and

WHEREAS, the required funding in the amount of \$251,304.16, representing a 3% COLA for all non-represented employees, inclusive of the COLA impact on employee benefits and FICA/Medicare, was budgeted in each Cost Center in the recently approved FY27 Budget.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of San Joaquin RTD that the Board authorize the CEO to provide a COLA increase of 3% for all non-represented employees, effective July 1, 2026.

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LEAD STAFF: THOMAS DEMPSEY, ACTING CFO

I. RECOMMENDED ACTION:

Adopt the Fiscal Year 2026-2027 (FY27) Operating Budget in the amount of \$69,984,705 and the Capital Budget in the amount of \$8,720,197.

II. SUMMARY

- RTD develops its annual fiscal year budget using a hybrid zero-based budgeting method.
- RTD's strategic plan and special initiatives serve as a guide during the budget process.
- The proposed operating and capital budgets were developed with input from and in coordination with the service planning staff, RTD leadership team, and board members.
- The funding sources were projected using current estimates and historical data.
- The budget was drafted to meet RTD's objectives with available resources. It outlines the revenues and expenses necessary to maintain and enhance transit service.
- Upon Board approval, RTD's FY27 Operating Budget will provide RTD with the expenditure authority from July 1, 2026, through June 30, 2027. The FY27 Capital Budget will provide RTD with authority to spend on approved capital projects through completion. Staff will post the adopted budget report on the RTD website and distribute it to stakeholders.

III. DISCUSSION/BACKGROUND

RTD presents its budget for Board adoption prior to the start of its fiscal year. FY27 proposed operating and capital expenses were developed based on proposals from each department head and then evaluated at a line-item level based on justified costs within each functional area of RTD and compared with historical data for reasonableness and justifications. Available funding sources were projected using current estimates and historical data and prioritized to support operations while ensuring compliance with funding agency requirements and agreements.

Budget details were presented to the Finance and Audit Committee at its May 28, 2026, meeting and no changes have been made since that review.

Adoption of the FY27 Budget authorizes staff to proceed with planned expenditures and capital projects, ensuring continuity of operations and implementation of strategic priorities. Changes to operating and capital funding source levels will result in reprogramming and re-prioritization of capital projects and will be reported to the Board during the monthly budget review.

Operating Budget

RTD’s proposed FY27 operating budget is \$69,984,705. The budget assumes the same service level, directly operating all services through April 2029, except for the Dial-A-Ride service which will continue to be contracted out. The budget also assumes RTD will implement a student fare-free pilot program to increase ridership. The program will be supported by funding from the Low Carbon Transit Operations Program (LCTOP).

RTD will hire new positions for a HR Wellness Coordinator and a Senior Administrative Assistant to support the COO, continue to implement measures to fill vacancies, retain personnel, provide career development, and strategies to enhance the safety and security of customers and employees.

Proposed FY27 Operating Budget

Description	FY26 Adopted Budget	FY27 Proposed Budget	FY26 Increase (Decrease) over FY25 Budget	
Revenue				
Passenger Fares	\$ 2,775,585	\$ 2,111,541	\$ (664,045)	-23.9%
Auxiliary and Non-transportation	2,732,432	1,708,101	(1,024,331)	-37.5%
Property Tax	1,606,556	1,697,651	91,094	5.7%
Measure K	5,709,244	5,709,244	-	0.0%
LCTOP	1,736,225	1,686,288	(49,937)	-2.9%
TDA-LTF	16,857,289	45,889,834	29,032,544	172.2%
TDA-STA		1,708,197		
SB 125	24,601,390		(24,601,390)	100.0%
Federal Programs	11,115,831	9,473,851	(1,641,980)	-14.8%
Total Operating Revenue	\$ 67,134,552	\$69,984,705	\$ 2,850,153	4.2%
Expenses				
Wages & Fringes	\$ 44,704,249	\$47,220,089	\$ 2,515,840	5.6%
Services	8,488,500	8,494,284	5,783	0.1%
Materials & Supplies	4,756,068	4,685,932	(70,136)	-1.5%
Utilities	1,217,894	1,434,607	216,713	17.8%
Insurance	2,312,105	2,321,704	9,599	0.4%
Taxes & Licenses	388,089	428,014	39,926	10.3%
Purchased Transportation	3,351,979	3,476,705	124,726	3.7%
Operating Contingency	500,000	350,000	(150,000)	-30.0%
Miscellaneous Expenses	1,415,668	1,573,370	157,702	11.1%
Total Operating Expenses	\$ 67,134,552	\$69,984,705	\$ 2,850,153	4.2%
Surplus (Deficit)	\$ -	\$ -	\$ -	

Capital Budget

The FY27 Proposed Capital Budget totals \$8,720,197 and is primarily funded by formula grants. RTD will continue to pursue discretionary and competitive grant opportunities.

Consistent with RTD’s Core Values, the FY27 Capital Projects prioritize customer and employee safety and security. Other objectives include, technology and facilities improvements, maintaining infrastructure, equipment, and fleet assets in a state of good repair, and reducing greenhouse gas emissions in compliance with the California Air Resource Board’s (CARB) Innovation Clean Transit (ICT) regulation.

Proposed FY27 Capital Budget

Capital Funding Sources	Type	Amount	%
FTA 5307 Urbanized Area (UZA) Formula	Formula	\$ 1,624,898	18.6%
FTA 5339(a) Bus and Bus Facilities	Formula	1,330,520	15.3%
SB1 State of Good Repair (SGR)	Formula	1,540,328	17.7%
State Transit Assistance (STA)	Formula	1,624,451	18.6%
SB 125 (Capital)	Discretionary (Awarded)	2,600,000	29.8%
Total Projected Capital Funds		\$ 8,720,197	100.0%
Proposed Capital Projects by Category		Amount	%
Communication, IT: HRI System Procurement, Wi-Fi Modernization, 800 MHz Radio Procurement, Radio Consoles for Control, Laptops and USB-C Monitors Procurement for EOC Readiness		\$ 1,097,675	12.6%
Facilities - Other Capital Improvements: Additional Funding for DTC HVAC Units Replacement, 1% Transit Improvement Requirement for 5307, Office Furniture for Ergonomic Requirements		2,770,470	31.8%
Maintenance - Non-revenue Vehicles: Replace Seven (7) Aging Operations and Admin Support Vehicles		300,000	3.4%
Maintenance - Revenue Vehicles: Nine (9) VanGo Replacement Fleet Vehicles (1906-1914)		2,250,000	25.8%
Maintenance and Facilities Equipment: Ticket Vending Machines, FareBox Simulator, AC Reclaim and Charge Machines		1,076,300	12.3%
Safety and Security: Replace Security Camera Server at RTC and Consolidate Exacqvision Servers at DTC , Hazard Communications Software		225,752	2.6%
Capital Contingency		1,000,000	11.5%
Total Proposed Capital Projects		\$ 8,720,197	100.0%
Surplus (Deficit)		\$ -	

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with all of the Board’s Strategic Priorities:
 Strategic Priorities:

1. Employees
2. Customers

3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. CUSTOMER IMPACT

Approval of the budget will authorize RTD to carry out its goals and objectives of providing the best service to the community it serves, within the available resources.

VI. FINANCIAL CONSIDERATIONS/IMPACT

Operating Budget of \$69,984,705 and Capital Budget of \$8,720,197, for a total of \$78,704,902.

VII. CHANGES FROM COMMITTEE

None.

VIII. ALTERNATIVES CONSIDERED

The Board may choose to delay adoption of the budget with spending authority from the start of the fiscal year or request revisions to specific budget elements. However, a delay could affect funding disbursements and procurement schedules.

IX. ATTACHMENT

- Attachment A:** FY27 Proposed Operating and Capital Budgets Review Presentation
- Attachment B:** Resolution

Prepared by: Virginia Alcayde, Financial Consultant



Attachment A
Cover Page



Proposed Budget Draft Review Fiscal Year 2026-27 (FY27)

Finance and Audit Committee Meeting
May 28, 2026

Presented by:

Maria Berberich, Finance Manager

Budget Process

- Strategic Planning and Budget Training
 - Departmental Budget Proposals
 - Funding Projections
- One-on-one Departmental budget line-item review with CEO and Department Heads
 - Capital Budget review with CEO and Department Heads
 - CEO's Final Budget Draft Review (5/26/2026)
- **Finance and Audit Committee –Budget Assumptions and Budget Draft Review (5/28/2026)**
 - Full Board's Review of the Draft Budget
 - Board Budget Adoption (6/16/2026)
 - Budget Distribution to Stakeholders
 - Budget Control, Monitoring, and Status Reporting

FY27 Operating Budget

- **July 1, 2026 through June 30, 2027**
- **Hybrid Zero Base Budgeting Method:** *Expenses are reevaluated at a line-item level based on justified costs within each functional area of RTD, a review of the historical line-item costs, and aligned with available resources.*

FY27 Service Plan

- Operate the same service level
- Continuously evaluate service design to maximize resource efficiency and provide sustainable service
- Service improvements, if any, will be cost neutral and more focused on underserved communities
- Provide a high-quality transit experience
- Implement Student Fare-free Pilot Program (Funded by LCTOP)
- Actively promote RTD services to increase ridership
- Continue to enhance safety and security of customers and bus operators
- Directly operate county services through April 24, 2029. RTD is mandated to bid out its county services every five years

FY27 Operating Days

	<u># of Days with service</u>
Weekday Service	252
Weekend Service	103
Paid Holidays with Weekday Service	3
Paid Holidays without service (7 days)	
Total	358

FY27 Paid Holidays			Service Level
07/03/26	Independence Day	Friday	No Service
09/07/26	Labor Day	Monday (Always)	No Service
11/11/26	Veterans Day	Wednesday	Weekend Service
11/26/26	Thanksgiving Day	Thursday (Always)	No Service
12/25/26	Christmas Day	Friday	No Service
01/01/27	New Year's Day	Friday	No Service
01/18/27	Martin Luther King Jr Day	Monday (Always)	Weekend Service
02/15/27	Presidents' Day	Monday (Always)	Weekend Service
03/28/27	Easter Sunday (Represented EE only)	Sunday (Always)	No Service
05/31/27	Memorial Day	Monday (Always)	No Service
FY27 Unpaid Holidays			Service Level
10/12/26	Columbus Day	Monday (Always)	Regular Service
06/19/27	Juneteenth Nat'l Independence Day	Saturday	Regular Service

RTD Services



Local (Stockton) Service

RTD's Local services connect to RTD's BRT Express, Hopper, and Commuter services at RTD's major transfer locations; the Downtown Transit Center (DTC), Mall Transfer Station (MTS), Union Transfer Station (UTS), and Hammer Transfer Station (HTS).



Bus rapid Transit (BRT) Express

BRT Express routes 40-Pacific Corridor, 43-Hammer Corridor, 44-Airport Way Corridor, 47-Midtown Corridor, and 49-Martin Luther King Corridor, operate within the City of Stockton with fewer stops and more frequent trips than regular bus service to make it fast, reliable, and with convenient connections at the following RTD's major transfer locations: Routes 40,44, and 47 at DTC, Routes 40 and 43 at HTS, Routes 44 and 49 at UTS, and Route 40 at MTS.

RTD Services



Paratransit Service

RTD offers paratransit, Dial-A-Ride service for Americans with Disabilities Act (ADA)-certified passenger within the City of Stockton. This program provides curb-to-curb service to eligible individuals who, due to their disability, are functionally unable to use fixed-route services. This service is available seven days a week by advance reservation during the City of Stockton service hours and within three-quarters of a mile of the City of Stockton fixed routes. Anyone interested in this service must obtain certification under the ADA through an eligibility process.

(cont'd)



Van Go!

Van Go! is an on-demand micro-transit rideshare service outside the City of Stockton that offers seamless trips throughout San Joaquin County. The service requires advance booking and should be booked using Van Go! Desktop web app or mobile app. Van Go! service is provided in safe and accessible vehicles (it can transport wheelchairs).

RTD Services



Metro and County Hopper Services

Metro Hopper is a deviated fixed-route service serving popular destinations throughout the Stockton city limits. Seven routes operate Monday through Friday, 6:00 a.m. to 6:30 p.m. Metro Hopper can deviate from its normal route for ADA-certified customers up to one mile with advance reservation. 75% of ADA-certified customers in the City of Stockton use deviated Metro Hopper service.

County Hopper is a deviated fixed-route service serving San Joaquin County. It provides intercity connections between Stockton, Tracy, Lodi, Manteca, Ripon, Lathrop, and Escalon. Seven weekday routes operate from 5:30 a.m. to 9:00 p.m. County Hopper can deviate from its normal route up to one mile to accommodate customers who are not able to reach their destinations within a rural area. Deviation requires an advance reservation.

Other Services - CTSA



- Access San Joaquin is a Consolidated Transportation Services Agency (CTSA) formed by public transit operators in San Joaquin County
- Its primary goal is to improve the quality of transportation services for low-mobility groups who are unable to use traditional public transit services
- RTD is the designated CTSA to manage programs that are contracted out to Medical Transportation Management (MTM), Inc.
- CTSA programs are fully funded by an off-the-top apportionment from Transportation Development Act-Local Transportation Fund (TDA-LTF)

Programs:

- **ADA Eligibility Assessment:** Centralized ADA certification for countywide ADA transit service in San Joaquin County
- **Travel Training Program:** Training on how to use public transit
- **Discount Fare Card (DFC) Program:** Discounted fares for DFC card holders, Medicare card holders or DMV placards and photo ID
- **Access Pass:** Allows ADA-certified passengers to ride free of charge on fixed-route services in San Joaquin County
- **My Ride Program:** Mileage reimbursement service program to volunteer drivers

Other Services : LAFA

Local Access Fund Administrator (LAFA) for San Joaquin County

- California Senate Bill 1376 established the **Access for All Program** under the California Public Utilities Commission's (CPUC) Program
- The programs are funded by Fees collected from Transportation Network Companies (TNC) and distributed to LAFAs
- RTD will implement a call for projects process to award funds to eligible Access Providers, monitor compliance with CPUC requirements, and submit necessary reports and performance data
- RTD will manage and administer funds to support the following projects for seniors, individuals with disabilities, and other transportation-disadvantaged populations:
 - Improve the availability of wheelchair-accessible vehicles and on-demand transportation services
 - Support coordination, efficiency, and accessibility across transportation services throughout San Joaquin County

FY27 Estimated Revenue Sources

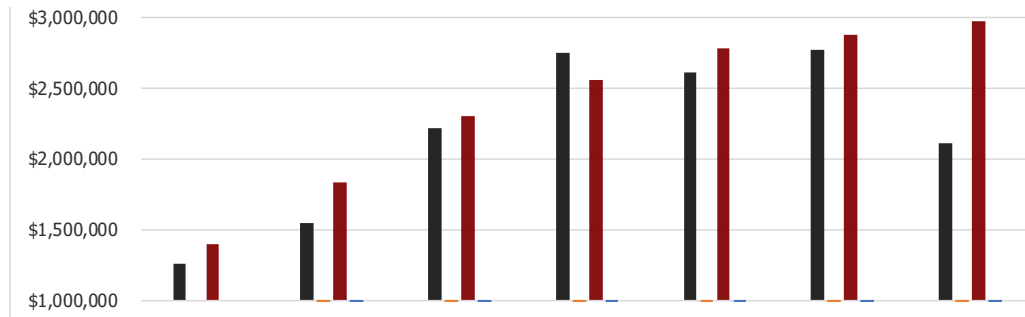
	<u>Operating</u>	<u>Capital</u>	<u>Total</u>
Local			
Fare Revenue	\$ 2,111,541		\$ 2,111,541
Property Tax	1,697,651		1,697,651
Measure K	5,709,244		5,709,244
Other Sources: advertising, interest revenue, rent, etc.	1,708,101		1,708,101
State			
Transportation Development Act (TDA): Local Transportation Fund (LTF)	45,889,834		45,889,834
TDA: State Transit Assistance (STA) Fund	1,708,197	1,624,451	3,332,648
Low Carbon Transit Operations Program (LCTOP)	1,686,288		1,686,288
Senate Bill 1: State of Good Repair		1,540,328	1,540,328
Senate Bill 125 (Phase 2)		2,600,000	2,600,000
Federal			
Section 5307: Urbanized Area Formula Grant	8,815,763	1,624,898	10,440,661
Section 5311: Rural Operating Assistance	658,088		658,088
Section 5339(a): Bus and Bus Facilities		1,330,520	1,330,520
Total	\$ 69,984,705	\$ 8,720,197	\$ 78,704,902

Local Funding Sources

Fare Revenue

- Estimated 24% reduction in fares compared to FY26 estimates because RTD plans to implement a Students Fare-free Pilot Program, to be funded by Low Carbon Transit Operations Program (LCTOP)
- Student Fare-free Pass Program contracts will not be renewed in FY27. (San Joaquin Office of Education (\$76K) and Stockton Unified School District (\$400k)
- RTD offers free transit to cooling centers during periods of 100-degree temperatures or higher, to voting centers, and to Veterans on Veterans Day

Passenger Fares compared with Ridership



	FY21	FY22	FY23	FY24 (Unaudited)	FY25 (Unaudited)	FY26 Estimates	FY27 Estimates
Passenger Fares	\$ 1,257,608	\$ 1,546,588	\$ 2,215,924	\$ 2,746,576	\$ 2,606,893	\$ 2,775,585	\$ 2,111,541
% Increase (Decrease)		23%	43%	24%	-5%	6%	-24%
Ridership	1,402,927	1,839,753	2,301,789	2,556,358	2,778,341	2,877,227	2,979,594
% Increase (Decrease)		31%	25%	11%	9%	4%	4%

Current Fare Structure

Effective 1/1/2012

RTD FARE STRUCTURE

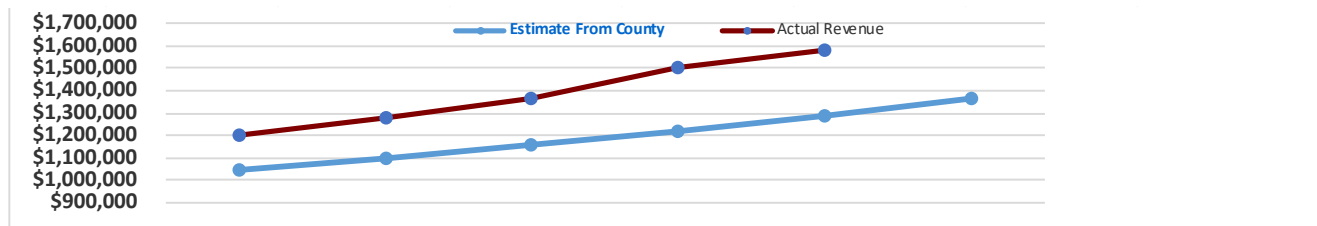
Services:	1-Ride	Day Pass	31-Day Pass
Express, Local, Intercity, & Hopper Services			
Full Fare Ages 18 to 59.	\$ 1.50	\$ 4.00	\$ 65.00
Discount Ages 60 and over, persons with disability, veterans, Medicare card holders, and eligible passengers with Discount Fare Card(DFC).	\$ 0.75	\$ 2.00	\$ 30.00
Student 31-Day Pass requires valid student ID. Students from schools that subsidizes "Fare-Free Program", ride for FREE. i.e., Students of Stockton Unified School District (SUSD 9th-12th grade) and San Joaquin Office of Education (SJOE).	\$ 1.50	\$ 4.00	\$ 40.00
Children Limited to three children ages 4 and under, must be accompanied by a fare paying adult. \$1.50 for each additional child. Riders under age 9 must be accompanied by an adult.	FREE for the first 3 children, \$1.50 for each additional child.		
Class Pass Good for up to 30 passengers on regular fixed routes.	\$75 for round-trip including transfers.		
Paratransit ADA certified passengers. Reservations required.	\$ 3.00		
Hopper Deviation ADA certified passengers. Reservations required.	\$ 1.00	10-Ride Pass for \$10.	
Commuter Monthly pass is by subscription only.	\$ 7.00	Varies by route	
VanGo			
Discount Ages 60 and over, persons with disability, veterans, Medicare card holders, and eligible passengers with Discount Fare Card(DFC).	\$3 one-way base fare for the first 5 miles, \$0.50 cents per mile after the 5th mile.		
Full Fare Ages 18 to 59.	\$4 one-way base fare for the first 5 miles, \$0.50 cents per mile after the 5th mile.		

Local Funding Sources...continued

Property tax

- Generated from general property tax levy and Homeowners Property Tax Relief reimbursement from the state
- Distributed by the San Joaquin County Auditor-Controller pursuant to State Assembly Bill 8 (AB 8) and based on assessments collected in the prior year
- The state property tax allocation system developed under Proposition 13 in 1978 continues to be the basis for the property tax allocation among local governments. RTD's share is currently at 0.1227%
- RTD's FY27 estimated apportionment is based on FY25 actuals multiplied by the 5-year average percentage increase of 7.5%

Estimates from SJ County vs. Actual Revenue



	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26 Budget</u>	<u>FY27 Projection</u>
Estimate From County	\$1,041,649	\$1,093,776	\$1,156,777	\$1,221,591	\$1,287,932	\$1,368,220	
Actual Revenue	\$1,202,129	\$1,279,994	\$1,368,645	\$1,500,528	\$1,579,239		\$ 1,697,651
Annual Increase	\$32,952 9.2%	\$77,865 6.5%	\$88,652 6.9%	\$131,883 9.6%	\$78,711 5.2%	5-years Average---->	7.50%

Local Funding Sources ...continued

Measure K (MK)

- Generated from half-cent sales tax and allocated by SJCOG based on MK Categorical Allocation:

MK CATEGORICAL ALLOCATION : (After Administration Fees for SJCOG)	
Local Street Repairs and Roadway Safety (35%), Congestion Relief Projects State Highways & Regional Arterials (32.5%), Railroad Crossing safety (2.5%).	70%
Passenger Rail, Bus, and Bicycles	30%
Bus Transit (RTD is guaranteed to receive a minimum of 50%, and based on need for other eligible bus transit providers within the County).	49%
Bus Rapid Transit Capital	5%
Passenger Rail Transit	39%
Bicycle, Pedestrian, and safe routes to school (40% Formula; 60% Competitive)	7%
Total	<u>100%</u> <u>100%</u>

- RTD's apportionments for FY24 through FY27 have not changed since FY18

MK Programs	FY24-FY27	FY27	MK % Share
BRT Express Operations	\$13,600,000	\$ 3,400,000	25%
Intercity Service Operations	7,200,000	1,800,000	40%
Interregional Services Operations	2,000,000	500,000	25%
Regional Bus Service : Park-and-Ride leases	24,120	9,244	100%
Engine replacement, passenger amenities	915,880	<-Used in Prior Years	100%
BRT Capital Projects	6,000,000		
Total	\$ 29,740,000	\$ 5,709,244	

Local Funding Sources ...continued

Other Local Sources

- **Advertising** revenue is projected at \$125K based on the current level. Bus advertising is under a Lamar Transit, LLC contract with a guaranteed \$100K minimum revenue
- **Interest** revenue is projected to decrease from \$2.5 million FY26 projection to \$1.5 million for FY27 due to decreased reserves balance (*4.1% annualized yield of County pooled funds as of March 31, 2026*)
- **Rental** revenue is generated from Downtown Transit Center (\$31K) and SBA Structure (\$14K)
- **Other miscellaneous revenues** (\$1.6K) i.e. rebates

State Funding Sources

Transportation Development Act (TDA) - Local Transportation Fund (LTF)

- Generated from a quarter-cent of the general sales tax and administered by SJCOG
- SJCOG provides estimates before the start of each FY, which may change during the FY, and final apportionments are released two to three months after the FY-end
- Area apportionments are calculated after off-the-top apportionments, based on population estimates. \$547,011 of off-the-top apportionment is administered by RTD for Access San Joaquin/CTSA Programs
- FY27 Apportionment estimate for RTD increased by \$234K (0.77%) vs. FY26
- RTD will use both FY27 Apportionment (\$30.7M) and prior year LTF (\$14.1M) for FY27 operations in Stockton, County Area Transit, and unincorporated areas

LTF	FY26 Estimate		FY27 Estimate	Increase
Estimated Revenues for SJ County	\$ 64,608,840		\$ 65,254,928	
Administrative Allocations (County Auditor (\$2K) & SJCOG administration & Planning)	2,165,656		2,184,393	
County and Cities : Bicycle/Pedestrian	1,248,864	2%	1,261,411	
San Joaquin Regional Rail Commission	7,037,347	11.50%	7,108,049	
Consolidated Transportation Services Agency	541,570	1%	547,011	
Balance Available for Area Apportionment	\$ 53,615,403		\$ 54,154,064	
State Dept of Finance population estimate-->		Pop Est, Jan 2024		
San Joaquin RTD	30,438,933	456,439 56.64%	30,673,007	\$ 234,074 0.77%
Other Jurisdictions	23,176,470	349,417 43.36%	23,481,057	
Total LTF Apportionments	\$ 64,608,840		\$ 65,254,928	

State Funding Sources ...continued

TDA - State Transit Assistance (STA) Fund

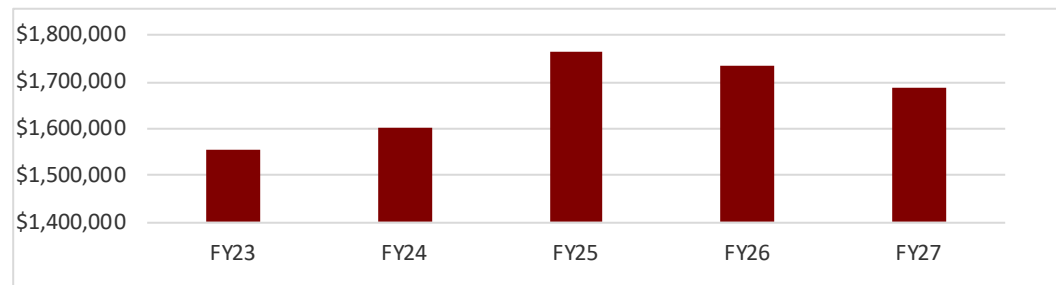
- Generated from sales tax on diesel fuel
- Distributed under Public Utility Codes(PUC):
 - PUC 99313 – apportioned by SJCOG based on FY24 ridership
 - PUC 99314 – apportioned by State Controller’s Office based on local revenues
- The FY27 Estimate for San Joaquin County decreased by 9%, so RTD’s apportionment decreased by \$69K (-9%)
- RTD will use FY27 STA and prior year carry-over to fund operating expenses and capital projects

STA	FY26 Estimate	FY27 Estimate		Decrease
PUC 99313 (Apportioned by SJCOG)				
SJCOG administration & Planning	\$ 161,887	FY24 Ridership		
San Joaquin RTD	\$ 6,834,910	2,578,472	87%	\$ 6,225,123
SJRRC/ACE	1,047,538	395,184	13%	952,228
Total 99313	\$ 8,044,335	2,973,656	100%	\$ 7,177,351
PUC 99314 (Apportioned by SCO)				
San Joaquin RTD	\$ 709,141			\$ 639,990
Other Jurisdictions	1,092,722			986,168
Total 99314	\$ 1,801,863			\$ 1,626,158
Total STA Apportionments to SJ County	\$ 9,846,198			\$ 8,803,509
Total Apportionment to RTD	\$ 7,544,051			\$ 6,865,113
				\$ (69,151) -9.8%
				\$ (678,938) -9.0%

State Funding Sources ...continued

Low Carbon Transit Operations Program (LCTOP)

- Established by Senate Bill 862 in 2014 and generated from 5% of the annual auction proceeds from the California Air Resource Board's Cap-and-Trade Program, with proceeds deposited into the Greenhouse Gas Reduction Fund
- Funds are distributed under PUC 99313 and 99314
- RTD is using an LCTOP grant a year in arrears due to the timing of the apportionment amount. i.e. FY26 allocation will be used in FY27 operations
- RTD will use FY27 apportionment to fund the Student Fare-free Pilot Program



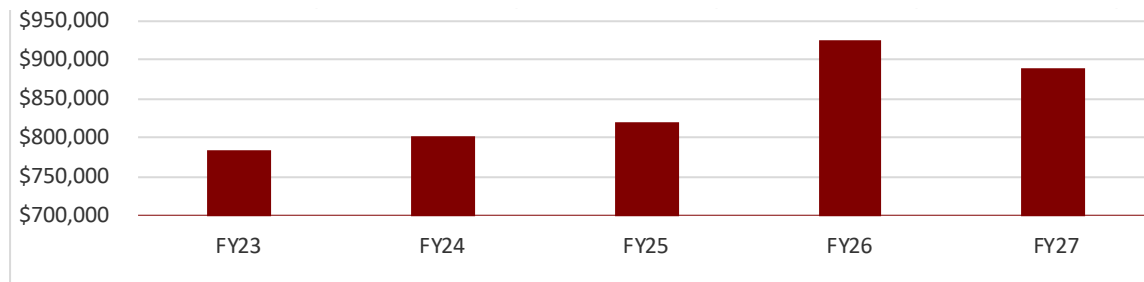
Apportionment Year ->	FY22	FY23	FY24	FY25	FY26 Estimate
Used in Fiscal Year ->		FY23	FY24	FY25	FY26
					FY27
PUC 99313	\$1,385,475	\$1,430,676	\$1,582,358	\$1,555,900	\$1,504,696
PUC 99314	\$171,381	\$171,500	\$183,907	\$180,325	\$181,592
Total	\$1,556,856	\$1,602,176	\$1,766,265	\$1,736,225	\$1,686,288
% Increase (Decrease)		3%	10%	-2%	-3%

* Auction proceeds were down in FY25 & FY26

State Funding Sources ...continued

State of Good Repair (SGR)

- Established by Senate Bill 1 (SB1) on April 28, 2017. The State provides annual consistent revenue source to eligible recipients for transit repair, rehabilitation, and capital projects to build a safe, resilient, and equitable transportation future
- Distributed under Public Utility Codes (PUC):
 - PUC 99313 – apportioned by SJCOG based on population, similar to LTF
 - PUC 99314 – apportioned by the State Controller’s Office
- Used for capital projects
- FY27 estimated apportionment is \$35,178 (-3.8%) lower than FY26



Apportionments	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>
PUC 99313 \$	675,793 \$	689,147 \$	705,280 \$	802,520 \$	\$ 764,913
PUC 99314 \$	107,884 \$	111,990 \$	115,350 \$	122,986 \$	\$ 125,415
Total \$	783,677 \$	801,137 \$	820,630 \$	925,506 \$	\$ 890,328
% Increase (Decrease)		2.2%	2.4%	12.8%	-3.8%

State Funding Sources...continued

Senate Bill 125 (Phase 2)

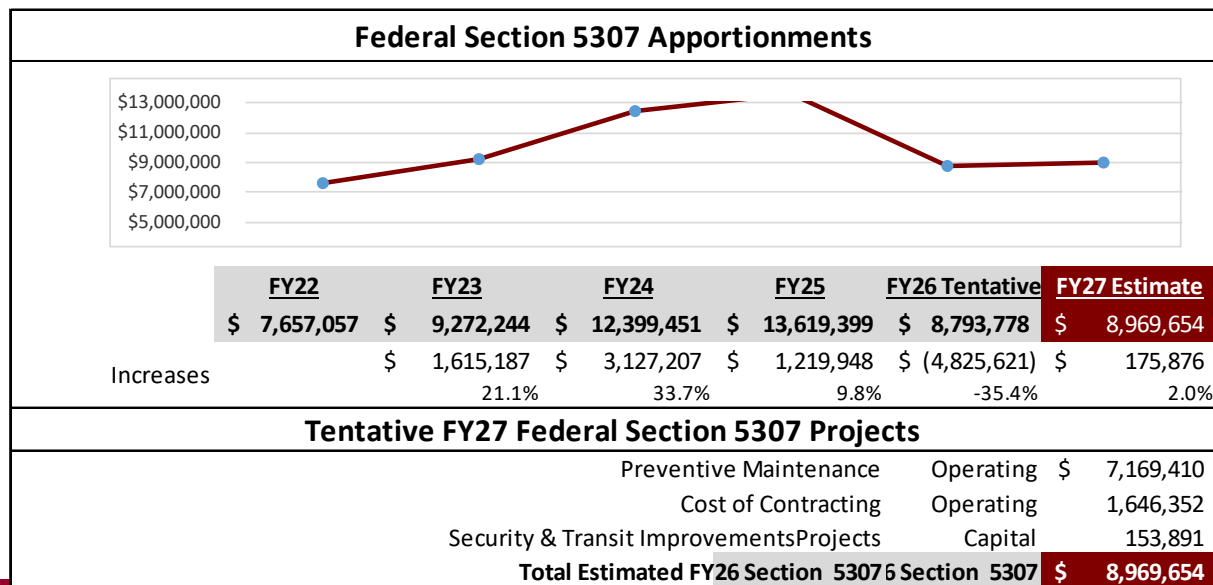
- SB 125 (Phase 2) consists of unprogrammed balance of \$25.663 million for years 3 and 4 of SJCOG's SB 125 Program Allocation
- This program is subject to the California Transportation Agency (CalSTA) releasing Year 3 and 4 funds to SJCOG
- RTD was apportioned \$2.6 million for its replacement of VanGo vehicles and Ticket Vending Machine capital projects

Federal Funding Sources

• Section 5307 Urbanized Area Formula Grant

- The grant award is for City of Stockton Urbanized Zone Area (UZA)
- Apportioned by Federal Transit Administration (FTA) based on unit values generated by each transit providers within Stockton UZA, which can be found in FTA's Table 5: Apportionment Data Unit Values under Bus Tier and Fixed Guideway/Rail
- RTD is the designated recipient and in charge of the funding split between service providers in Stockton UZA
- FY27 is estimated to be 2% higher than FY26's tentative apportionment

(The FY27 Federal register which is normally available in February of each fiscal year has not been released yet by FTA.)



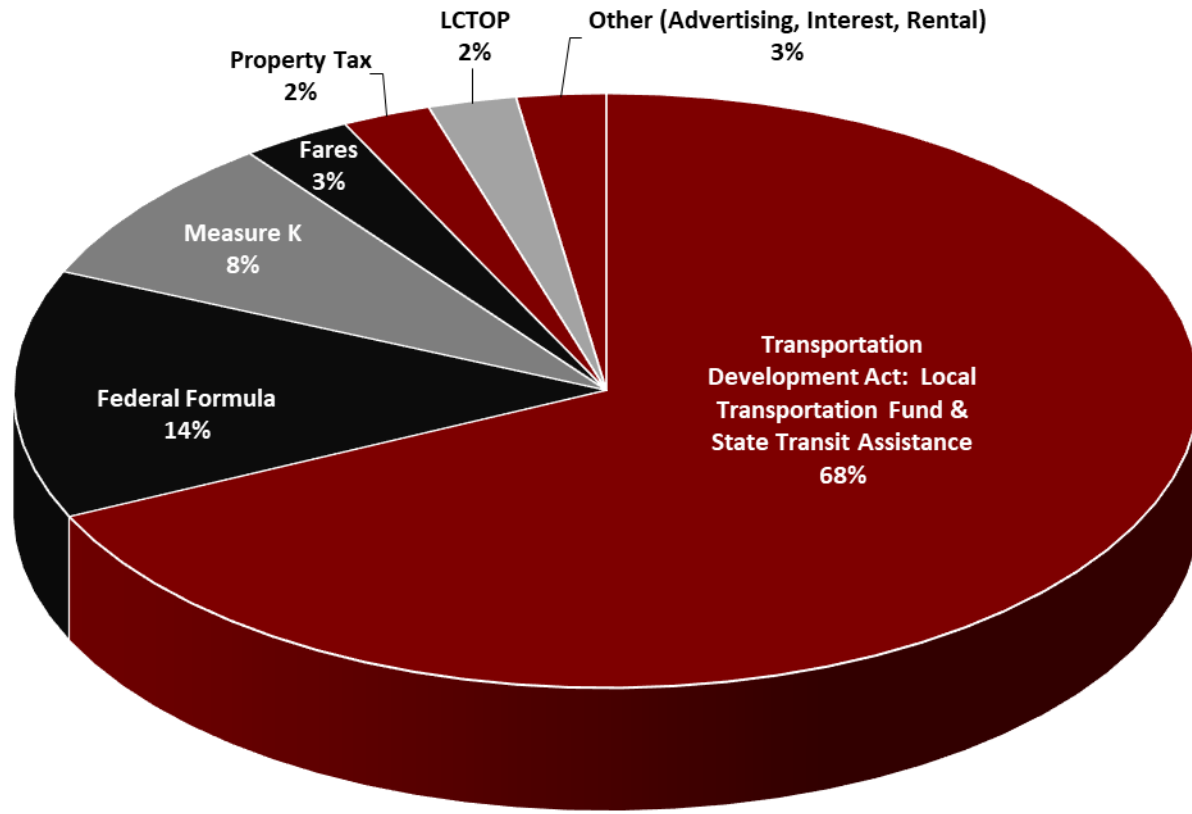
Federal Funding Sources ...continued

- **Section 5311 Rural Operating Assistance**
 - Operating assistance in areas with a population of less than fifty thousand
 - The 5311 apportionment is being used a year in arrears due to the timing of the apportionment availability
- **Section 5339a Bus and Bus Facilities Formula Grant**
 - For capital purchases/projects
- **Discretionary or Competitive Grant Opportunities:**
 - 5339b Bus and Bus Facilities Improvements Project
 - 5339c Low or No Emission Grant Program
 - Congestion Mitigation and Air Quality (CMAQ)
 - Rebuilding American Infrastructure with Sustainability and Equity(RAISE)
 - Innovative Coordinated Access and Mobility (ICAM) Program
 - Transit and Intercity Rail Capital Program (TIRCP)
 - CEC: Energiize; Clean Transportation Program
 - FEMA DHS Transit Security
 - Caltrans Sustainable Communities
 - FHWA: Advanced Transportation Technologies and Innovative Mobility; Build Rural and Tribal Assistance; August-Redistribution and Flex Funding Opportunity
 - Other grants, as it becomes available

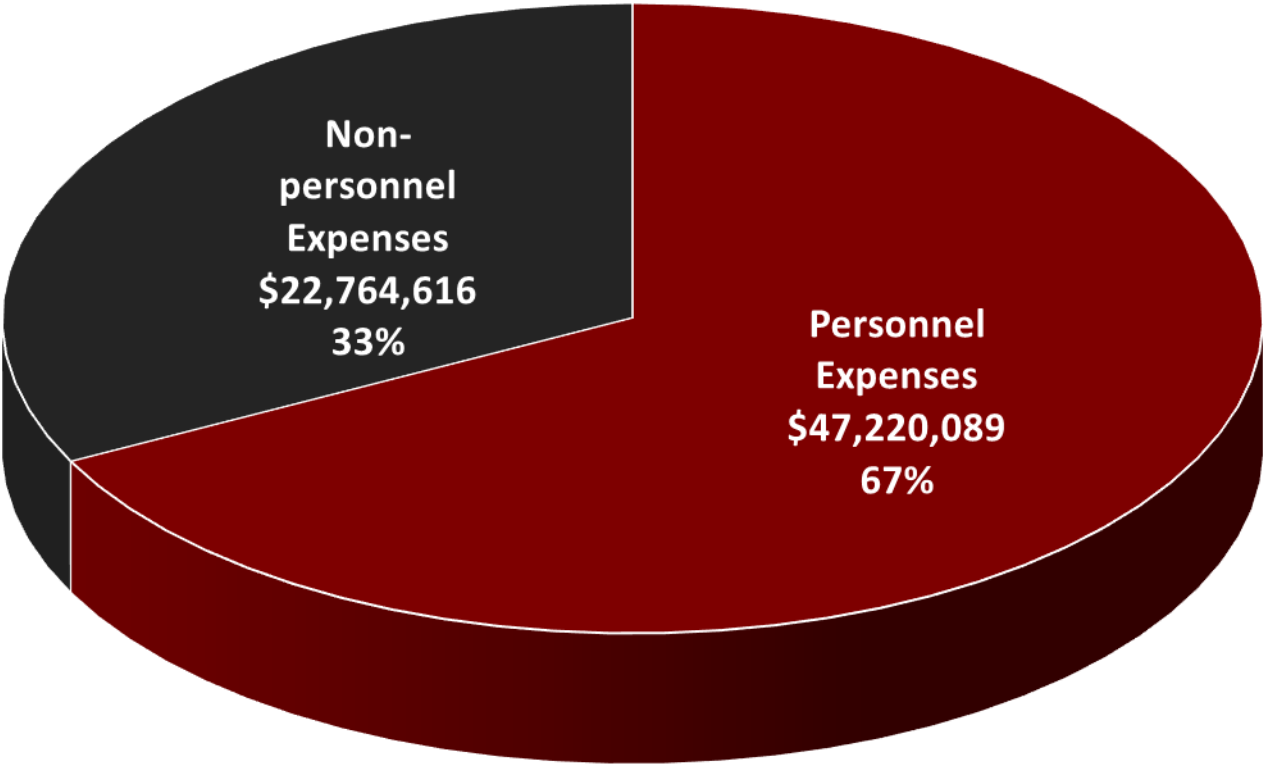
FY27 Proposed Operating Budget

Description	FY26 Adopted Budget	FY27 Proposed Budget	FY26 Increase (Decrease) over FY25 Budget	
Revenue				
Passenger Fares	\$ 2,775,585	\$ 2,111,541	\$ (664,045)	-23.9%
Auxiliary and Non-transportation	2,732,432	1,708,101	(1,024,331)	-37.5%
Property Tax	1,606,556	1,697,651	91,094	5.7%
Measure K	5,709,244	5,709,244	-	0.0%
LCTOP	1,736,225	1,686,288	(49,937)	-2.9%
TDA-LTF	16,857,289	45,889,834	29,032,544	172.2%
TDA-STA		1,708,197		
SB 125	24,601,390		(24,601,390)	100.0%
Federal Programs	11,115,831	9,473,851	(1,641,980)	-14.8%
Total Operating Revenue	\$ 67,134,552	\$69,984,705	\$ 2,850,153	4.2%
Expenses				
Wages & Fringes	\$ 44,704,249	\$ 47,220,089	\$ 2,515,840	5.6%
Services	8,488,500	8,494,284	5,783	0.1%
Materials & Supplies	4,756,068	4,685,932	(70,136)	-1.5%
Utilities	1,217,894	1,434,607	216,713	17.8%
Insurance	2,312,105	2,321,704	9,599	0.4%
Taxes & Licenses	388,089	428,014	39,926	10.3%
Purchased Transportation	3,351,979	3,476,705	124,726	3.7%
Operating Contingency	500,000	350,000	(150,000)	-30.0%
Miscellaneous Expenses	1,415,668	1,573,370	157,702	11.1%
Total Operating Expenses	\$ 67,134,552	\$69,984,705	\$ 2,850,153	4.2%
Surplus (Deficit)	\$ -	\$ -	\$ -	

FY27 Operating Revenues



FY27 Operating Expenses



FY27 Major Budget Drivers – Personnel Expenses

Personnel Expenses	FY26 Adopted Budget	FY27 Proposed Budget	Increase	
Wages and Fringes	\$ 44,704,249	\$ 47,220,089	\$ 2,515,840	5.6%

- **Positions Changes (Non-neutral):**
 - Senior HR Specialist (\$122.5K)
 - Operations Specialist II to Support New COO (\$122.1K)
 - Net position decrease not applied to positions changes i.e. reduced number of operators (-\$528.7K)
- **4.5% plus progression level pay rate increases for represented employees** (\$1.18 million)
- **3% Cost of Living Allowance (COLA) pay increases for non-represented employees** (\$309.2K)
- **4.2% Defined Benefit Retirement Plan contribution rate increase, no increase in 401(a) contribution rate** (\$561.6K)
- **Section 115 Trust : Pension Rate Stabilization Program** (\$500K)
- **7.35% medical and 3.5% dental and vision premiums increases** (\$247.6K net of changes to coverage level)

FY27 Major Budget Drivers : Non-Personnel Expenses

Non-personnel Expenses	FY26 Adopted Budget	FY27 Proposed Budget	Increase	
	\$ 22,430,303	\$ 22,764,616	\$ 334,313	1.5%

- **Services** (\$5.8K): RTD will engage a consultant to implement an operational structure study, provide general legal services for the Board, and increase security services. The budget has a minimal increase in spite of new services because consulting expenses for the data restoration project will be completed in FY26 and reduced outside services expenses for vehicles due to newer vehicles
- **Materials and Supplies** (-\$70.1K): Diesel and Unleaded fuel cost per gallon is assumed at \$4.50/gal (\$4/gal in FY26). Average as of March is \$3.69/gal). A net reduction in budget is due mostly on reduced passenger information materials because there is no anticipated changes to service, reduced fare media materials and farebox parts due to implementation of tap-to-pay option
- **Utilities** (\$216.7K): Increase is mostly due to inflationary increase in electricity and communications-related expenses
- **Insurance** (\$9.6K): The net increase in liability insurance premiums is mostly from Excess Auto and General premiums and Cyber Insurance Premiums

FY27 Major Budget Drivers : Non-Personnel Expenses

- **Taxes & Licenses** (\$39K): Mostly increase in fuel and lubricant taxes
- **Purchased Transportation** (\$124.7K) Service contract for Dial-A-Ride service is set to expire on December 26, 2026. FY27 includes a start-up costs in case a new service provider is selected and a 5% projected increase in other costs due to increase in demand for paratransit service
- **Miscellaneous Expenses** (\$157.7K) Increase is mostly due to increase in staff training and travel and other inflationary increases
- **Operating Contingency** (-\$150K) reduced from \$500K in FY26 to \$350K in FY27 to fund for new Facilities Technician position

FY27 CAPITAL BUDGET

FY27 Capital Project Objectives

- Improve the safety and security of RTD customers and employees
- Improve customer experience with technology and facility improvements, upgrades, and replacement
- Maintain RTD's infrastructure, fleet assets, structures, and equipment in a state of good repair
- Focus on capital expenditures to improve services specially in underserved neighborhoods
- Reduce greenhouse gas emissions and comply with California Air Resource Board's (CARB) Innovative Clean Transit (ICT) Regulation by replacing vehicles that have reached their useful life with Hybrid Electric Buses

FY27 Capital Project Revenue Sources

FY27 CAPITAL PROJECTS BY CATEGORY	FUNDING SOURCES (\$ in Thousands)					TOTAL PROJECT COST
	FEDERAL		STATE			
	FTA 5307 UZA Formula	FTA 5339 (a) Bus & Bus Facilities	SGR	STA	SB 125	
Communication, IT: HRI System Procurement, Wi-Fi Modernization, 800 MHz Radio Procurement, Radio Consoles for Control, Laptops and USB-C Monitors Procurement for EOC Readiness	\$ 818			\$ 280		\$ 1,098
Facilities - Other Capital Improvements: Additional Funding for DTC HVAC Units Replacement, 1% Transit Improvement Requirement for 5307, Office Furniture for Ergonomic Requirements	\$ 694	\$ 1,331	\$ 600	\$ 146		\$ 2,770
Non-revenue Vehicles: Replace Seven (7) Aging Operations and Admin Support Vehicles			\$ 290	\$ 10		\$ 300
Revenue Vehicles: Nine (9) VanGo Replacement Fleet Vehicles (1906-1914)			\$ 450		\$ 1,800	\$ 2,250
Maintenance and Facilities Equipment: Ticket Vending Machines, FareBox Simulator, AC Reclaim and Charge Machines			\$ 200	\$ 76	\$ 800	\$ 1,076
Safety and Security: Replace Security Camera Server at RTC and Consolidate Exacqvision Servers at DTC , Hazard Communications Software	\$ 113			\$ 112		\$ 226
Capital Contingency				\$ 1,000		\$ 1,000
TOTAL REVENUES	\$ 1,625	\$ 1,331	\$ 1,540	\$ 1,624	\$ 2,600	\$ 8,720

FY27 Proposed Capital Budget

Capital Funding Sources	Type	Amount	%
FTA 5307 Urbanized Area (UZA) Formula	Formula	\$ 1,624,898	18.6%
FTA 5339(a) Bus and Bus Facilities	Formula	1,330,520	15.3%
SB1 State of Good Repair (SGR)	Formula	1,540,328	17.7%
State Transit Assistance (STA)	Formula	1,624,451	18.6%
SB 125 (Capital)	Discretionary (Awarded)	2,600,000	29.8%
Total Projected Capital Funds		\$ 8,720,197	100.0%
Proposed Capital Projects by Category		Amount	%
Communication, IT: HRI System Procurement, Wi-Fi Modernization, 800 MHz Radio Procurement, Radio Consoles for Control, Laptops and USB-C Monitors Procurement for EOC Readiness		\$ 1,097,675	12.6%
Facilities - Other Capital Improvements: Additional Funding for DTC HVAC Units Replacement, 1% Transit Improvement Requirement for 5307, Office Furniture for Ergonomic Requirements		2,770,470	31.8%
Maintenance - Non-revenue Vehicles: Replace Seven (7) Aging Operations and Admin Support Vehicles		300,000	3.4%
Maintenance - Revenue Vehicles: Nine (9) VanGo Replacement Fleet Vehicles (1906-1914)		2,250,000	25.8%
Maintenance and Facilities Equipment: Ticket Vending Machines, FareBox Simulator, AC Reclaim and Charge Machines		1,076,300	12.3%
Safety and Security: Replace Security Camera Server at RTC and Consolidate Exacqvision Servers at DTC , Hazard Communications Software		225,752	2.6%
Capital Contingency		1,000,000	11.5%
Total Proposed Capital Projects		\$ 8,720,197	100.0%
Surplus (Deficit)		\$ -	

FY27 Capital Budget

- Changes to operating and capital funding source levels will result in reprogramming and re-prioritization of capital projects
- RTD will not start projects unless fully funded
- Projects will be added to FY27 Capital Budget as funding becomes available within the delegation of authority

Non-controllable Budget Risks

- Revenues

- Passenger Fares: Fluctuations in Ridership, Non-receipt of LCTOP phase 2 for Student Fare-free Program
- Measure K, State Transit Assistance(STA), and Local Transportation Fund (LTF): Revenue sources are from sales tax. Consumer spending is uncertain
- Property Tax may come lower than the projection
- Federal Revenue Sources: Federal budget adoptions and deficit limit, and changes to Section 5307 splits within Stockton UZA
- Economic Downturn
- Unanticipated revisions in budgeted apportionments
- State and Federal deliberations about operating assistance

- Expenses

- Effects of escalating tariff rates (increased cost)
- Actual costs could be higher than budget assumptions for Fuel, utility, insurance premiums, Worker's Compensation claims, accidents, contract renewals and rebids, cost of goods and services, etc.
- Unfunded government mandates
- Unfunded liability and liability costs that are higher than historical data: pension plan sustainability, workers' compensation, lawsuits/third-party liabilities, and other liabilities
- Changes in State and Federal legislation and regulations
- Force Majeure (i.e. clause in a contract that releases the contractor from fulfilling their contractual obligations when circumstances beyond their control impedes them, i.e. earthquakes and other natural calamities)

RESERVE FUNDS

Reserve Funds as of 5/26/2027

	Operations Sustainability Reserve Fund <u>Assigned</u>	Cash Flow Reserve Fund <u>Assigned</u>	Operating and Capital Reserve Fund <u>Unassigned</u>	Uninsured Risk Reserve Fund <u>Assigned</u>	Total
Target minimum Amount per Policy	3 month of fiscal year budget	\$10 million based on prior years Line of Credit limit	None	5-year rolling average of paid claims	
Reserves,05/20/2025 (Board Approved)	\$ 16,650,000	\$10,000,000	\$30,300,000	\$5,000,000	\$61,950,000
9/30/2025: FY25 Operating Deficit (unaudited)			(15,400,010)		(15,400,010)
05/15/2026: FY26 Proposed draw for projected budget revenue shortfall	(10,375,872)		(10,035,225)		(20,411,097)
05/15/2026: Cash used on FY26 operations pending receipt of FY26 operating grants		(10,000,000)	(4,864,765)		(14,864,765)
Reserves Balance, 5/15/2026	\$ 6,274,128	\$ -	\$ 0	\$5,000,000	\$11,274,128
FY27 Target Minimum Balance per Policy	\$ 17,634,271				
FY27 Projected Reserves Shortfall	\$ (11,360,143)				

Any Questions?





Attachment B
Cover Page

RESOLUTION NO. _____
DATED JUNE 16, 2026

RESOLUTION ADOPTING THE FISCAL YEAR 2026-27 (FY27) OPERATING BUDGET IN THE AMOUNT OF \$69,984,705 AND THE CAPITAL BUDGET IN THE AMOUNT OF \$8,720,197

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the San Joaquin Regional Transit District as follows:

- 1) That the Fiscal Year 2026-27 operating budget in the amount of \$69,984,705 and capital budget in the amount of \$8,720,197 be, and hereby are, approved; and
- 2) That the Interim CEO be, and hereby is, authorized and directed to conduct the programs as outlined within the budget.

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LEAD STAFF: BEARNARD VEASLEY, INTERIM CEO

I. RECOMMENDED ACTION:

Approve the resolution updating the list of persons authorized to sign on San Joaquin Regional Transit District's (RTD) Bank of Stockton, San Joaquin County Treasury, Defined Benefit Plan, 457(b) Deferred Compensation Plan, and 401(a) Defined Contribution Plan accounts.

II. SUMMARY

- Revise the authorized signatories for the following:
 - Bank of Stockton Accounts and San Joaquin County Treasury Accounts:
Bearnard Veasley, Interim Chief Executive Officer
Thomas Dempsey, Acting Chief Financial Officer
John Hodson, Chief Information Officer
 - Retirement, Retiree Health, and Sub-accounts:
Bearnard Veasley, Interim Chief Executive Officer
Thomas Dempsey, Acting Chief Financial Officer
John Hodson, Chief Information Officer
- Two authorized signatory signatures are required to exercise authority over the Bank of Stockton and San Joaquin County Treasury accounts.
- The financial system's electronic signature, with the signatures of the Interim Chief Executive Officer and Acting Chief Financial Officer, will be used to sign checks.
- Authorized signatory for retirement, retiree health, and sub-accounts is authorized to sign directives to take actions regarding RTD's Defined Benefit Plan, Retiree Health Plan, and its sub-accounts; 457(b) Deferred Compensation Plan; and 401(a) Retirement Contribution Plan.

III. DISCUSSION/BACKGROUND

Approval by the Board is necessary to implement changes to the authorized signatories. RTD would like to implement the following:

- Bank of Stockton Accounts and San Joaquin County Treasury Accounts:
Bearnard Veasley, Interim Chief Executive Officer
Thomas Dempsey, Acting Chief Financial Officer
John Hodson, Chief Information Officer
- Retirement, Retiree Health, and Sub-accounts:
Bearnard Veasley, Interim Chief Executive Officer

Thomas Dempsey, Acting Chief Financial Officer
John Hodson, Chief Information Officer

Upon Board approval, RTD will coordinate to implement the changes to authorized signatories, as applicable, for the following accounts:

Bank of Stockton Accounts:

General Checking Account
Payroll Checking Account
Merchant Savings Account

San Joaquin County Treasury Accounts:

General Fund Account	
Local Transportation Fund	FEMA Grant
State Transit Assistance Fund	Health Reserve
Measure K Funds	Prop. 1B – General
Operations Sustainability Account	Prop. 1B – Homeland Security
Cash Flow Reserve Fund	Penalties Enforced
Uninsured Risk Reserve Fund	Federal UMTA
Workers Compensation Reserve	Escrow IFB Bond Contract
County Area Transit – Fuel	Maintenance & Op Account

US Bank National Association:

Directives to take action regarding RTD Defined Benefit Plan's Retirement Funds, Retiree Health Funds, and sub-accounts.

Fiduciary Trust of New Hampshire and Empower:

Directives to take action regarding 457(b) Deferred Compensation Plan accounts.

Financial Decisions:

Directives to take action regarding 401(a) Defined Contribution Plan account.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priorities 1 and 3.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. CUSTOMER IMPACT

None.

VI. FINANCIAL CONSIDERATIONS/IMPACT

None.

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

No alternative: this action is needed to update the list of authorized signatories.

IX. ATTACHMENT

Attachment A: Resolution

Prepared by: Virginia Alcayde, Financial Consultant



Attachment A

RESOLUTION NO. _____
DATED: JUNE 16, 2026

RESOLUTION APPROVING THE LIST OF PERSONS AUTHORIZED TO SIGN ON SAN JOAQUIN REGIONAL TRANSIT DISTRICT'S (RTD) BANK OF STOCKTON ACCOUNTS, SAN JOAQUIN COUNTY TREASURY ACCOUNTS, DEFINED BENEFIT RETIREMENT PLAN ACCOUNTS, 457(b) DEFERRED COMPENSATION PLAN, AND 401(a) DEFINED CONTRIBUTION PLAN

RESOLVED AND ORDERED by the Board of Directors of RTD that the list of persons authorized to sign, be, and hereby is, updated, effective June 16, 2026 to include those persons listed below:

Bearnard Veasley, Interim Chief Executive Officer
Thomas Dempsey, Acting Chief Financial Officer
John Hodson, Chief Information Officer

RESOLVED FURTHER, that any two signatures of authorized signatories are required to exercise authority to the Bank of Stockton accounts and San Joaquin County Treasury Accounts.

RESOLVED FURTHER, that the use of financial system electronic signature with the signatures of the Interim Chief Executive Officer and Acting Chief Financial Officer will be used as a means of signing checks.

RESOLVED FURTHER, that the list of persons authorized to sign directives to take actions regarding RTD's Defined Benefit Plan, 457(b) Deferred Compensation Plan, and 401(a) Retirement Contribution Plan, includes the persons listed below:

Bearnard Veasley, Interim Chief Executive Officer
Thomas Dempsey, Acting Chief Financial Officer
John Hodson, Chief Information Officer

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of San Joaquin Regional Transit District that the Interim CEO is hereby authorized and directed to implement such actions as may be necessary to carry out the intent and purpose of this resolution.

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LEAD STAFF: BEARNARD VEASLEY, INTERIM CEO

I. RECOMMENDED ACTION:

Adopt a policy to implement Senate Bill 707 (Durazo) updates to the Brown Act and adopt a resolution making specified findings to authorize remote meetings for the Citizens Advisory Committee (CAC).

II. SUMMARY

- Senate Bill 707 (Durazo) (SB 707) introduces significant changes to the Ralph M. Brown Act (the Brown Act; California Government Code section 54950 et seq.). Most notable for San Joaquin Regional Transit District (RTD) are new remote participation and outreach requirements for “eligible legislative bodies”, effective July 1, 2026.
- RTD Board of Directors qualifies as an “eligible legislative body” because RTD’s boundaries include all of San Joaquin County, which has a population exceeding 600,000, and RTD has more than 200 full-time equivalent employees.
- Key requirements include providing access to Board meetings using two-way remote public access via audiovisual or telephonic plus webcast platforms, automatic captioning if available on the platform, allowing members of the public participating remotely to have the same opportunity to comment as members of the public participating in person, and adoption of a written policy for handling disruptions to remote participation.
- RTD must maintain a dedicated Board meeting webpage with plain language instructions for attendance and comment (both remotely and in person), prominently linked from the homepage. Additionally, RTD must make reasonable efforts (as determined by the Board) to invite groups that do not traditionally participate in public meetings. SB 707 provides examples of these groups, but delegates to the Board broad discretion to choose the types of reasonable efforts that will be made and which groups to target.
- SB 707 provides that agendas and meeting webpages must be translated into “applicable languages”. Analysis of American Community Survey data shows RTD currently has no “applicable languages”, therefore translation of agendas and meeting webpages is not required at this time. RTD will monitor annual data updates to determine whether there are any changes to the “applicable languages”.
- SB 707 creates a new category of legislative bodies called “eligible subsidiary bodies” and provides them with added flexibility for remote participation.

- The CAC qualifies as an eligible subsidiary body under SB 707. The Board may authorize remote participation for CAC meetings by making specified findings at the initial meeting and every six months thereafter.
- Staff recommend that the Board adopt the attached Policy on Disruptions to Public Participation During Remote or Hybrid Meetings and Public Meeting Outreach and authorize remote meetings for the CAC.

III. DISCUSSION/BACKGROUND

SB 707, was signed into law on October 3, 2025, and amends the Brown Act. While many changes took effect January 1, 2026, the remote participation and outreach requirements for “eligible legislative bodies” take effect July 1, 2026. RTD must be fully compliant by this date.

As an “eligible legislative body”, RTD must provide remote public access to Board meetings with either real-time audiovisual participation or two-way telephone participation combined with live webcasting. If the chosen platform has automatic captioning, that function must be enabled. Remote participants must have the same ability to provide public comment as in-person attendees. The Board must adopt a written policy for handling disruptions to remote participation.

If remote participation is interrupted, the Board must recess. If access cannot be restored and the disruption remains unresolved after one hour, the meeting may resume only if the Board adopts a finding, by roll call vote, that good faith efforts to restore remote access were made in accordance with the adopted policy and that the public interest in continuing the meeting outweighs the public interest in remote public access. The attached policy details these procedures and good-faith efforts, including Information Technology staff troubleshooting and the use of backup systems.

For outreach, RTD must make reasonable efforts, as determined by the Board, to invite groups that do not traditionally participate in public meetings to attend Board meetings. Examples include media organizations serving the jurisdiction, including those serving non-English speaking communities, and good government, civil rights, civic engagement, neighborhood, and community organizations. Staff propose meeting this requirement through posts on RTD social media accounts and other appropriate methods, as delegated to the CEO or designee by amendment to the Board's Rules.

SB 707 also provides flexibility for eligible subsidiary bodies that are advisory bodies without final decision-making authority on certain matters. The CAC meets this definition. To allow CAC members to participate remotely under alternative teleconferencing rules without posting remote locations or opening them to the public, the Board must first adopt the following findings: (1) the

Board has considered the circumstances of the CAC; (2) teleconference meetings of the CAC would enhance public access to meetings of the CAC; (3) the public has been made aware of the type of remote participation being contemplated and has been provided with an opportunity to comment at an in-person meeting of the Board; and (4) teleconference meetings of the CAC will improve the attraction, retention, and diversity of the eligible subsidiary body members. These findings must be readopted every six months. The CAC itself must vote to allow remote meetings. A staffed physical location in the jurisdiction must remain open to the public with the agenda posted there. CAC members must appear on camera unless experiencing connectivity issues or needing disability accommodation.

Allowing remote participation in the CAC will remove barriers for volunteer members representing a broad geographic area of San Joaquin County. It has been difficult at times to recruit members and reach a quorum under strict in-person requirements. Remote options will support a more diverse and engaged advisory body while maintaining transparency and public access, despite the need for physical presence and on-camera participation.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priority 2.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. CUSTOMER IMPACT

Enhanced remote participation options and dedicated meeting information resources will improve access for members of the public who cannot easily attend meetings in person due to work schedules, mobility limitations, or other reasons. Outreach to traditionally underrepresented groups will broaden community engagement. For the CAC, remote flexibility will help recruit and retain a wider range of passenger representatives, providing better input on service and accessibility matters that directly affect RTD customers.

VI. FINANCIAL CONSIDERATIONS/IMPACT

There is no fiscal impact associated with approving these actions. The disruption policy implementation and remote access requirements will be met using existing meeting platforms, such as Zoom for webcasting and captioning, where available; the RTD website for the dedicated Board meetings page; and current staff resources for outreach, policy maintenance, and CAC support. Any minor

costs for platform reliability enhancements, if identified, will be managed within the existing Information Technology operating budget.

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

No viable alternatives exist. These updates and the disruption policy are required by SB 707 for RTD to maintain compliance as an eligible legislative body effective July 1, 2026. Failure to adopt the required policy or implement the remote access and outreach provisions could result in legal challenges. For the CAC, maintaining only in-person meetings would continue to limit recruitment and diversity of the advisory body.

IX. ATTACHMENT

Attachment A: Policy on Disruptions to Public Participation During Remote or Hybrid Meetings and Public Meeting Outreach

Attachment B: Resolution

Prepared by: Shelby Pate, Executive and Board Support Specialist II



Attachment A
Cover Page

SAN JOAQUIN REGIONAL TRANSIT DISTRICT

POLICY ON DISRUPTIONS TO PUBLIC PARTICIPATION DURING REMOTE OR HYBRID MEETINGS AND PUBLIC MEETING OUTREACH

This policy outlines the procedure for managing disruptions to two-way remote participation tools during meetings of the Board of Directors (Board) of the San Joaquin Regional Transit District, subject to the Ralph M. Brown Act, as may be amended (the Brown Act). This policy complies with legislative amendments to the Brown Act under Senate Bill 707.

Effective July 1, 2026, the following procedure shall apply.

- 1. Recess Upon Disruption.** If a disruption prevents public participation via two-way telephonic or audiovisual platforms, the Board shall recess the open session and make good-faith efforts to restore the disrupted means of public access.
- 2. Closed Session During Recess.** During the recess, the Board may meet in closed session to address matters lawfully permitted under the Brown Act.
- 3. Reconvening Open Session.** The Board of Directors may not reconvene open session until at least one hour has elapsed, or the disrupted means of public access has been restored, whichever occurs first.
- 4. Continuing Without Restored Access.** If the disrupted means of public access cannot be restored after one hour of good-faith efforts, the Board may reconvene in open session only after adopting, by roll-call vote, the following findings: (1) good faith efforts were made to restore access in accordance with this policy; and (2) the public interest in continuing the meeting outweighs the public interest in remote public access.
- 5. Public Outreach.** The CEO or designee shall make reasonable efforts to publicize and invite groups that do not traditionally participate in public meetings to attend RTD's Board meetings. Such efforts may include posts on RTD's social media accounts and other appropriate outreach methods, as determined by the CEO or designee.

Adopted by the Board of Directors of San Joaquin Regional Transit District on June 16, 2026.

Board Chair Signature: _____ Date: _____

Interim CEO Signature: _____ Date: _____



Attachment B
Cover Page

RESOLUTION NO. _____
DATED JUNE 16, 2026

RESOLUTION APPROVING THE POLICY ON DISRUPTIONS TO PUBLIC MEETINGS
DURING REMOTE OR HYBRID MEETINGS AND PUBLIC MEETING OUTREACH AND
AUTHORIZING THE CITIZENS ADVISORY COMMITTEE TO MEET REMOTELY
PURSUANT TO SENATE BILL 707

On October 3, 2025, Governor Newsom signed Senate Bill 707 (SB 707), which amends the Ralph M. Brown Act (California Government Code 54950 et seq.);

SB 707 creates a new "eligible legislative body" category, which includes the governing body of any special district that maintains an internet website and meets any one of the following criteria: (1) The district's boundaries include the entirety of a county with a population of 600,000 or more, and the district has more than 200 full-time equivalent employees; (2) The district has more than 1,000 full-time equivalent employees; or (3) The district has annual revenues exceeding \$400,000,000, as shown in the State Controller's Financial Transaction Report and employs more than 200 full-time equivalent employees;

As San Joaquin Regional Transit District's (RTD) boundaries include all of San Joaquin County, which has a population of more than 600,000, and RTD has more than 200 full-time employees, RTD's Board of Directors (Board) qualifies as an "eligible legislative body";

Eligible legislative bodies must adopt a written policy for handling disruptions to remote participation and identifying groups that do not traditionally participate in public meetings to attend Board meetings and detailing proposed outreach efforts;

Effective January 1, 2026, SB 707 permits certain advisory committees, designated as "eligible subsidiary bodies," to hold remote meetings once (1) a Board of Directors has considered the circumstances of the committee; (2) the Board of Directors finds that teleconference meetings of the eligible subsidiary body will improve the attraction, retention, and diversity of committee members; (3) the public has been made aware of the type of remote participation available and has been provided with an opportunity to comment at an in-person meeting of the Board of Directors concerning the transition to remote meetings; and (4) the eligible subsidiary body take subsequent action to approve their use of remote meetings;

"Eligible subsidiary bodies" are defined as committees that serve exclusively in an advisory capacity and are not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements, grants, or allocations of funds, nor have subject matter jurisdiction, as defined by charter, ordinance, resolution, or any formal action of the legislative body that created the subsidiary body, over elections,

budgets, police oversight, privacy, removal or restriction of materials in public libraries, or taxes or related spending proposals;

The Board of Directors of RTD established the Citizens Advisory Committee (CAC);

The CAC meets this definition of "eligible subsidiary bodies;"

The Board has considered the circumstances of the CAC and finds that allowing the CAC to hold remote meetings via Zoom teleconferencing under SB 707 would promote the attraction, retention, and diversity of CAC members;

The public has been made aware of the types of remote participation being contemplated and has been provided with an opportunity to comment at an in-person meeting of the Board regarding the use of remote meetings;

The Board desires to authorize the CAC to hold remote meetings, with the understanding that at least one staffed physical location will be made available to CAC members and the members of the public who wish to attend in person, though there will be no need for a quorum of the committees to attend in person, publish their respective remote locations, or open such locations to the public;

The Board further recognizes that any recommendations made by the CAC during a remote meeting must be presented to the Board through an oral report at one meeting before the Board may take action on such recommendation at a subsequent meeting; and

The Board understands that SB 707 limits the authority granted hereunder to be in effect for up to six months.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the San Joaquin Regional Transit District as follows:

- 1) That the Board of Directors of the San Joaquin Regional Transit District (Board) hereby adopts the Policy on Disruptions to Public Participation During Remote or Hybrid Meetings and Public Meeting Outreach attached as Attachment A;
- 2) The Board authorizes the Citizens Advisory Committee to meet remotely as an eligible subsidiary body under Senate Bill 707; and
- 3) This Resolution will be in effect for six months, and the Board directs staff to agendaize reconsideration of the authority granted hereunder at the Board's December 2026 meeting.

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LEAD: BEARNARD VEASLEY, INTERIM CEO

I. RECOMMENDED ACTION

Authorize the execution of an interagency agreement between San Joaquin Regional Transit District (RTD) and the City of Lathrop for the Dual Designated Recipient role for Federal Transit Administration (FTA) funding programs for the Stockton Urbanized Area (UZA).

II. SUMMARY

- RTD is currently the Designated Recipient of FTA funds in the Stockton UZA.
- As Designated Recipient, RTD has the authority to apportion the respective federal transit funds to the Direct Recipients in the Stockton UZA, which include the San Joaquin Regional Rail Commission (SJRR) and the City of Lathrop, both of which operate transit services within the Stockton UZA.
- RTD is the primary bus transit provider for the City of Stockton, and the City of Lathrop is now the primary bus transit provider for the City of Lathrop.
- With the City of Lathrop now operating its own transit system, it has requested that RTD share the role of Designated Recipient, dividing apportionment responsibilities between RTD and the City of Lathrop.
- This would require the identification of "Dual Designated Recipients" for the UZA.
- FTA Circulars 9050.1A, 5010.1F and 8100.1D, as amended, explain the roles and responsibilities of a Designated Recipient, including seeking the approval of the Governor of California, which the Governor or their designee would file with the FTA Region 9 Regional Administrator for new Designated Recipients.
- A draft agreement between RTD and the City of Lathrop establishes a Dual Designated Recipient structure in which the City of Lathrop assumes apportionment responsibilities for federal transit dollars in the city limits, and RTD retains responsibility over everything else.

III. DISCUSSION/BACKGROUND

RTD has served as the Designated Recipient for FTA formula funds for the Stockton UZA. The City of Lathrop became a part of the Stockton UZA in the 2000 Census; however, it did not operate a public transit program until April 1, 2025, so the FTA funds have historically been split between RTD and SJRR. In May 2025, RTD convened a funding allocation process for the Stockton UZA, through which the City of Lathrop received FTA funding and was authorized to become a Direct Recipient.

The results of the 2026 process for Federal Fiscal Year 2026 apportionment are shown in the table entitled, "FFY 2026 FTA Apportionments."

FFY 2026 FTA APPORTIONMENTS				
	Section 5307 & 5340	Section 5339a	Section 5337	Total
	Urbanized Area	Bus and Bus	High Intensity Fixed	
	Apportionment	Facilities	Guideway State of	
			Good Repair	
STOCKTON, CA				
UACE CODE: 85087				
Bus Tier (San Joaquin RTD)	\$ 7,941,056	\$ 1,274,321		\$ 9,215,377
Bus Tier (City of Lathrop)	\$ 2,939,603	\$ 292,706		\$ 3,232,309
Fixed Guideway Tier (SJRRRC/ACE)	\$ 6,356,299		\$ 2,832,053	\$ 9,188,352
Total Apportionment to Stockton UZA	\$ 17,236,958	\$ 1,567,027	\$ 2,832,053	\$ 21,636,038

At the conclusion of the 2026 process, the City of Lathrop, RTD, SJRRRC, and San Joaquin Council of Governments (SJCOG) discussed a concept raised by the City of Lathrop about a Dual Designated Recipient. Under this framework, RTD would no longer make funding decisions in the City of Lathrop. All agencies discussed at length how the proposed process would work with a Dual Designated Recipient. A foundational understanding among all agencies was that every step would comply with FTA regulations. Staff discussions also addressed the apportionment assumptions for each Designated Recipient. These parameters are spelled out in the attached draft Interagency Agreement.

Notably, this Interagency Agreement does not allocate funding to either party but merely identifies roles and funding apportionment shares. Each party to the Agreement would be ultimately responsible for deciding how the monies are split to eligible transit operators in their role as a Designated Recipient per FTA regulations.

RTD and the City of Lathrop developed the proposed Interagency Agreement, which would recommend the City of Lathrop become a Dual Designated Recipient for FTA Sections 5307 and 5340 and Section 5339. As a Designated Recipient, the City of Lathrop Council has the authority to initiate a funding process to determine how to split transit funds in the Lathrop area and the RTD Board of Directors and CEO have the authority to initiate a funding process to determine how to split transit funds in the rest of the Stockton UZA.

As part of the proposed framework in the distribution of FTA apportionment between the City of Lathrop and RTD, RTD would receive the following and would make the final determination on how to split among eligible transit providers:

- NTD (National Transit Database) vanpool revenue miles (and vanpool incentive) with an origin and destination outside the City of Lathrop;
- NTD bus transit revenue miles (and bus transit incentive) for everything outside of the City of Lathrop, or within Lathrop if operated by RTD directly; and
- Stockton UZA population, population density, and low-income population outside the City of Lathrop.

RTD will continue to have responsibility of FTA Section 5337 funding, which is specific to fixed guideway operations (i.e., rail transit), which will be suballocated to SJRRC. In addition, RTD and the City of Lathrop acknowledge that the California Department of Transportation serves as the Designated Recipient for the FTA Section 5310 - Enhanced Mobility of Seniors and Individuals with Disabilities program funding within the Stockton UZA.

Upon execution of this Interagency Agreement, the City of Lathrop and RTD will submit a copy of the executed agreement to SJCOG. Under Federal Regulations, SJCOG will need to pass a resolution documenting concurrence by the parties, and then the City of Lathrop and RTD would submit a request to the Governor of California to approve the Dual Designated Recipients. Once the Governor approves these designations, this state approval supersedes any Interagency Agreement at the local level.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priority 5.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

Continue to forge and strengthen partnerships with regional allies to expand and improve public transportation initiatives, delivering greater community benefits.

V. CUSTOMER IMPACT

The coordinated transit services will improve the overall mobility of residents in the urbanized area, as RTD, SJRRC, and the City of Lathrop continue to collaborate and develop a quality and financially sustainable transit system in the Stockton UZA.

VI. FINANCIAL CONSIDERATIONS/IMPACT

Because funding split decisions are made annually, the precise fiscal impact is determined annually.

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

Taking no action will result in RTD remaining the single Designated Recipient of the Stockton UZA. This alternative was considered, but is not recommended

because it prevents opportunities for regional collaboration and fails to recognize new conditions in the City of Lathrop, including the creation of their own transit system to serve Lathrop residents.

IX. ATTACHMENTS

Attachment A: Agreement

Attachment B: Resolution

Prepared by: Bearnard Veasley, Interim CEO



Attachment A
Cover Page

Interagency Agreement
between
San Joaquin Regional Transit District
and the
City of Lathrop
for the
Dual Designated Recipient Designation
for
Federal Transit Administration Funding Programs
for the
Stockton Urbanized Area

This Interagency Agreement is entered into by and between the San Joaquin Regional Transit District (RTD) and the City of Lathrop, herein referred to collectively as the Parties, or individually as a Party.

WHEREAS, per the 2020 United States (“US”) Decennial Census, the Stockton Urbanized Area has a population of over 200,000 people, and this urbanized area includes the population of the City of Lathrop; and

WHEREAS, per the Federal Transit Administration, the Stockton Urbanized Area is considered a large urbanized area; and

WHEREAS, a large urbanized area can have one or more Designated Recipient(s), and that selection(s) is made by the Governor of California; and

WHEREAS, the San Joaquin Regional Transit District and the City of Lathrop mutually agree to serve as dual Designated Recipients for Federal Transit Administration (FTA) programs Sections 5307 & 5340, and FTA Section 5339(a); and

WHEREAS, the parties desire to set forth the roles and responsibilities for each agency acting as dual Designated Recipients for each of the FTA programs as described herein; and

WHEREAS, RTD and the City of Lathrop wish to enter this Interagency Agreement to document funding and administrative efforts for development of FTA Programs of Projects for FTA funding for the Stockton Urbanized Area.

NOW THEREFORE, the parties do mutually agree as follows:

1. The above recitals are true and correct and incorporated herein.
2. Overview and Introduction
 - A. The purpose of this Interagency Agreement is to document and agree to serve as dual Designated Recipients for the Stockton Urbanized Area (“UZA”).
 - B. The Parties agree that the UZA shall have dual Designated Recipients as follows:

- i. San Joaquin Regional Transit District (“RTD”); and
 - ii. City of Lathrop
- C. The Federal Transit Administration (“FTA”) requires Designated Recipient(s) for the following Federal Formula Funding Programs that are the subject of this Interagency Agreement:
- i. FTA Sections 5307 and 5340 – Urbanized Area Funding Grants
 - ii. FTA Section 5339(a) – Grants for Buses and Bus Facilities Formula Program

Not subject to this Interagency Agreement is the FTA Section 5337 State of Good Repair Grants Program and/or any other FTA funding programs not identified in C(i) and C(ii). The Parties acknowledge that the California Department of Transportation serves as the Designated Recipient for FTA Section 5310 - Enhanced Mobility of Seniors and Individuals with Disabilities program within the UZA.

- D. Funding will be apportioned to Designated Recipients to support the transit needs for the UZA and may be further allocated by the Designated Recipients to other public transit providers in the UZA. The Designated Recipients will serve the following roles:
- i. Receive and apportion funds to eligible projects and recipients in UZA (conveyed through Split Letter to FTA).
 - ii. Develop program of projects (“POP”) for Sections 5307 & 5340 and 5339(a) funds that includes suballocation of funds to Direct Recipients or Subrecipients and project descriptions and corresponding costs.
 - iii. Ensure the POP meets program requirements and coordinate with the San Joaquin Council of Governments acting as the Metropolitan Planning Organization (“MPO”) to ensure projects in POP are included in MPO planning and project programming products (e.g., Regional Transportation Plan (“RTP”), Federal Transportation Improvement Program (“FTIP”)).
 - iv. Sub-allocation of funds to Direct Recipients and Subrecipients is a local decision based on local needs in coordination with the Designated Recipients through a defined process that the Parties will develop for their respective areas.

3. Term

The term of this Interagency Agreement shall commence when the agreement secures approval by the San Joaquin Regional Transit District Board and the City of Lathrop Council and when the Governor of California approves the Dual Designated Recipients, unless otherwise modified. Terminating the Interagency Agreement does not terminate the Governor of California dual designation for the UZA.

4. Roles and Responsibilities

- A. The City of Lathrop shall be responsible for apportionments that are a result of National Transit Database vanpool revenue miles (and vanpool incentive) with an origin and destination in the City of Lathrop; National Transit Database, City of Lathrop bus transit revenue miles (and City of Lathrop bus transit incentive); City of Lathrop population, population density, and low-income population in the UZA.

- B. RTD shall be responsible for apportionments derived from everything else not identified for City of Lathrop in sections 4A and 4C. This includes National Transit Database RTD and rail (fixed guideway) public transit revenue miles; vanpool service revenue miles that do not have an origin and/or destination in the City of Lathrop; corresponding bus and fixed guideway incentives; population, population density, and low-income population in the UZA with the exclusion of City of Lathrop.
- C. The parties agree to the following allocation of funds between the dual Designated Recipients for the FTA Sections 5307 & 5340 and FTA Section 5339(a) programs:
- i. RTD and City of Lathrop shall both serve as Designated Recipients for these federal funding programs.
 - ii. RTD and the City of Lathrop shall convene once the FTA releases annual apportionments for these FTA funding programs to review and agree upon apportionment amounts between RTD and City of Lathrop, no later than 30 business days after the release of apportionments by FTA. RTD and City of Lathrop jointly agree SJCOG will calculate the apportionment amounts based upon the parameters of this agreement for review by RTD and City of Lathrop.
 - iii. Annually, FTA Sections 5307 & 5340 and Section 5339(a) funding shall be allocated as follows with the allocation amounts prepared by SJCOG using the defined formula:
 - Lathrop Population-based, Lathrop Population x Density - based and Lathrop Low-Income-based revenues shall be allocated to City of Lathrop.
 - Attributable performance-based vanpool revenue miles are those revenues apportioned by FTA based on data reported to the National Transit Database associated with vanpool transit operations with an origin and/or destination in City of Lathrop, and any corresponding vanpool incentives will be allocated to City of Lathrop.
 - Attributable performance-based City of Lathrop bus transit revenue apportioned by FTA based on data reported to the National Transit Database and any related City of Lathrop bus incentive will be allocated to the City of Lathrop.
 - Everything else in FTA Sections 5307 & 5340 and Section 5339(a) revenue miles attributable to bus and rail (fixed guideway) transit operator performance shall be allocated to RTD as follows:
 - Attributable performance-based revenues for rail transit (fixed guideway) service and fixed guideway incentive will be allocated to RTD.
 - Attributable performance-based revenues for RTD bus transit service and RTD bus incentive will be allocated to RTD.
 - Attributable performance-based vanpool revenue reported to the National Transit Database, and corresponding bus incentive, that do not have an origin and destination in the City of Lathrop will be allocated to RTD.
- D. For FTA Section 5337 Fixed Guideway program, the parties agree that RTD will serve as the Designated Recipient for this federal funding program.

5. Relationship and Third Parties

Nothing in the Interagency Agreement creates any partnership, principal-agent, employer-employee or joint venture relationship between the Parties or any of their agents or employees for any purpose. The Interagency Agreement is for the sole benefit of the parties

and is not intended to confer any rights on any other person; there are no third-party beneficiaries of this Interagency Agreement.

6. Designated Representatives & Notices

Parties shall establish a Designated Representative for administering this Interagency Agreement. Any notice or consent required or permitted to be given under this Interagency Agreement shall be given to the respective parties in writing, by personal delivery, or with postage prepaid by first class mail, registered or certified mail, or express courier service, to the Designated Representative. Those representatives are shown below:

Agency	Contact Individual and Information
RTD	Mr. Bearnard O. Veasley Interim Chief Executive Officer San Joaquin Regional Transit District 421 E. Weber Avenue Stockton, CA. 95202
City of Lathrop	Mr. Stephen J. Salvatore City Manager City of Lathrop 390 Towne Centre Drive Lathrop, CA 95330

RTD and City of Lathrop may modify their Designated Representative by providing in writing the new individual’s contact name and information to the other party’s Designated Representative. The parties may also provide notice at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

7. Indemnification

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to California Government Code Section 895.6, the parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead all parties agree that pursuant to California Government Code Section 895.4, each of the parties hereto shall fully indemnify and hold each of the other parties, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by California Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this Interagency Agreement. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other parties hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such other parties under this Interagency Agreement.

8. **Entire Interagency Agreement and Amendments**

In conjunction with the matters considered herein, this Interagency Agreement contains the entire understanding and agreement of the Parties, and there have been no promises, representations, agreements, warranties or undertakings by any of the Parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Interagency Agreement may be altered, amended or modified only by an instrument in writing, executed by the Parties to this Interagency Agreement and by no other means. Each Party waives their future right to claim, contest, or assert that this Interagency Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver, or estoppel.
9. **Termination**

This Interagency Agreement may be terminated by either party for convenience or otherwise upon ninety (90) days of written notification to the other. Terminating the agreement does not terminate the Governor of California's designation of dual Designated Recipients as the termination only affects funding apportionment split between City of Lathrop and RTD.
10. **California Law and Jurisdiction**

This Interagency Agreement shall be governed by the laws of the State of California. Any litigation regarding this Interagency Agreement or its contents shall be filed in the County of San Joaquin, if in State court, or in the federal district court nearest to San Joaquin County, if in federal court.
11. **Compliance with Law**

Each party, at its sole cost and expense, shall comply with all Federal, State, Local, Executive Orders, statutes, regulations, circulars, and ordinances, including regulations now in force or which may hereafter be in force as applicable to this Interagency Agreement.
12. **Execution of Counterparts**

This Interagency Agreement may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.
13. **Authority**

All signatories and Parties to this Interagency Agreement warrant and represent that they have the power and authority to enter into this Interagency Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any State and/or federal law in order to enter into this Interagency Agreement have been fully complied with.
14. **Precedence**

In the event of conflict between the provisions contained in other agreements between the parties in existence as of the effective date of this Interagency Agreement between the parties, the provisions contained herein control with respect to FTA dual Designated

Recipient roles. If this Interagency Agreement should conflict with either Party's FTA Master Agreement, the FTA Master Agreement shall control.

15. Debarment and Suspension

The Parties certify that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state, or local government contracts.

16. No Publicity or Endorsement

Neither Party shall use the other Party's name or logo or any variation of such name or logo in any publicity, advertising, or promotional materials, unless otherwise required. Neither Party will use each other's name or logo in any manner that would give the appearance that one is endorsing the other. Neither Party shall in any way contract on behalf of or in the name of the other Party. Neither Party shall release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the other Party or its projects without obtaining the prior written approval of the other Party.

17. Property and Information

The Party providing property, documents, and information for use in connection with the services shall remain the property of that party. Both Parties shall return any such items whenever requested by the other Party and whenever required according to the Termination section of this Interagency Agreement. Each Party may use such items only in connection with providing the services. Neither Party will disseminate any of the other Party's property, documents, or information without prior written consent.

18. Records, Audit, And Review

Each Party shall keep and maintain business records pursuant to this Interagency Agreement for at least four (4) years following the termination of this Interagency Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. Each Party shall have the right to audit and review all such documents and records at any time during the other Party's regular business hours or upon reasonable notice. Each Party agrees to participate in any audits and review, whether by the other Party, Federal, or the State, at no charge.

19. Mandatory Disclosure

Each Party must disclose, in a timely manner, in writing to the other party all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the award. Each party is required to report certain civil, criminal, or administrative proceedings to the System for Award Management (SAM) located at www.sam.gov. Failure to make required disclosures can result in any of the remedies described in Title 2 of the Code of Federal Regulations ("CFR"), section 200.338 Remedies for Noncompliance, including suspension or debarment. (See also 2 CFR part 180 and 31 U.S.C. 3321.)

20. Civil Rights, Nondiscrimination, and Equal Employment Opportunities

Each Party agrees to, and assures that any Third-Party receiving FTA funding will comply with applicable federal laws, regulations, and requirements, and follow applicable federal guidance regarding civil rights, nondiscrimination, and equal employment opportunities including but not limited to:

- A. Prohibiting discrimination based on race, color, religion, national origin, sex (including sexual orientation and gender identity), disability, or age.
- B. Complying with federal transit law, specifically 49 USC § 5332 prohibiting discrimination or the exclusion from participation in employment or a business opportunity for reasons identified.
- C. Complying with Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000d, et seq., and US DOT regulations, “Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964,” 49 CFR Part 21. Following the most recent edition of FTA Circular 4702.1, “Title VI Requirements and Guidelines for Federal Transit Administration Recipients,” to the extent consistent with applicable federal laws, regulations, requirements, and guidance; Following US Department of Justice “Guidelines for the enforcement of Title VI, Civil Rights Act of 1964,” 28 CFR § 50.3 and all other applicable federal guidance that may be issued.
- D. Prohibiting discrimination based on race, color, religion, sex, sexual orientation, gender identity, or national origin, and: (i) Comply with Title VII of the Civil Rights Act of 1964, as amended, 42 USC § 2000e, et seq.; (ii) Comply with Title I of the Americans with Disabilities Act of 1990, as amended, 42 USC §§ 12101, et seq.; (iii) Facilitate compliance with Executive Order No. 11246, “Equal Employment Opportunity” September 24, 1965 (42 U.S.C. § 2000e note), as amended by any later Executive Order that amends or supersedes it in part and is applicable to federal assistance programs; (iv) FTA Circular 4704.1 “Equal Employment Opportunity (“EEO”) Requirements and Guidelines for Federal Transit Administration Recipients;” and (v) Follow other federal guidance pertaining to EEO laws, regulations, and requirements.
- E. Prohibiting discrimination based on disability in accordance with (i) Section 504 of the Rehabilitation Act of 1973, as amended, 29 USC § 794, which prohibits discrimination based on disability in the administration of federally assisted Programs, Projects, or activities; (ii) The Americans with Disabilities Act of 1990 (“ADA”), as amended, 42 USC §12101, et seq., which requires that accessible facilities and services be made available to individuals with disabilities; (iii) The Architectural Barriers Act of 1968, as amended, 42 USC § 4151, et seq., which requires that buildings and public accommodations be accessible to individuals with disabilities; (iv) Federal transit law, specifically 49 USC § 5332, which now includes disability as a prohibited basis for discrimination; and (v) Other applicable federal laws, regulations, and requirements pertaining to access for seniors or individuals with disabilities.

21. Survival

All provisions of this Interagency Agreement which by their nature are intended to survive the termination or expiration of this Interagency Agreement shall survive such termination or expiration.

22. Severability

If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Interagency Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

23. Remedies Not Exclusive

No remedy herein conferred upon or reserved to either party is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

24. Exemption

Each party's obligations under this Interagency Agreement are subject to the appropriation of resources by the FTA, State Legislature, the State Budget Act authority, and each Party's governing body.

25. Conflict of Interest.

RTD and the City agree that both Parties are subject to Title 2, Code of Federal Regulations, Section 200.112 Conflict of Interest.

26. Federal Uniform Guidance.

As applicable, the Parties agree to comply with the requirements of Title 2, Code of Federal Regulations, Part 1201 et seq., which are hereby incorporated by reference.

27. Definitions

The following definitions apply to this Interagency Agreement. Any word not defined herein shall be defined as found in, or in accordance with, first, current FTA regulations or circulars, then, the most current FTA Master Agreement entered into by either party with respect to dual Designated Representation.

- A. Density means the number of people per square mile of land area, as reported by the US Census to FTA.
- B. Designated Recipient means one or more agency(ies) designated by the Governor or their designee to apply directly for, receive, manage, and sub-allocate grants for specified FTA formula programs.
- C. Direct Recipient means an agency that receives FTA formula grants based on a split or suballocation letter.
- D. Incentive Portion of Tier means additional 5307 and 5339(a) funding awarded on the basis of a relatively high level of passenger miles and/or relatively low operating costs.
- E. RTD Bus and Fixed Guideway Transit Service means RTD operated and/or controlled bus transit and San Joaquin Regional Rail Commission vehicle trips, routes, or lines.
- F. City of Lathrop Public Transit Service means vehicle trips, routes and services reported to the National Transit Database for City of Lathrop operated and/or controlled bus transit.

- G. Lathrop Vanpool Transit Service means vanpool trips or routes which begin or end within the City of Lathrop operated by the San Joaquin Council of Governments' Dibs Program.
- H. All Other Vanpool Transit Service means vanpool trips or routes which begin or end outside the City of Lathrop, but within the Stockton Urbanized Area operated by the San Joaquin Council of Governments' Dibs Program.
- I. Origin means where a transit vehicle trip, route, or line begins revenue service.
- H. Population means the number of people in a given area according to the US Census Bureau.
- I. Low-Income Population means it refers to persons with incomes of up to 150% of poverty, per the American Community Survey Table "Age by Ratio of Income to Poverty in the Last Twelve Months", as reported by the US Census Bureau to FTA.
- J. Revenue Miles mean the number of miles a transit vehicle travels when it is available to the general public, and there is an expectation of carrying passengers.
- K. Split Letter means documentation sent to FTA showing how the FTA Sections 5307 & 5340, 5337 and 5339(a) formula apportionments will be split among multiple Direct Recipients in large, urbanized areas. FTA can only make grants to Direct Recipients after the Designated Recipient provides a Split Letter to the FTA regional office.

DRAFT

This Interagency Agreement is entered into in San Joaquin County and shall be effective on the last date appearing below, executed by the parties.

SAN JOAQUIN REGIONAL TRANSIT DISTRICT

Derek Graves
Chair, RTD Board of Directors

DATE: _____

ATTEST:

Bearnard Veasley
Interim Chief Executive Officer, RTD

DATE: _____

CITY OF LATHROP

Paul Akinjo
Mayor, City of Lathrop

DATE: _____

ATTEST:

Stephen J. Salvatore
City Manager, City of Lathrop

DATE: _____

APPROVED AS TO FORM:

Salvador Navarrete
City Attorney, City of Lathrop

DATE: _____



Attachment B
Cover Page

RESOLUTION NO. _____
DATED: JUNE 16, 2026

RESOLUTION AUTHORIZING THE EXECUTION OF AN INTERAGENCY AGREEMENT
BETWEEN SAN JOAQUIN REGIONAL TRANSIT DISTRICT AND THE CITY OF LATHROP
FOR THE DUAL DESIGNATED RECIPIENT ROLE FOR FEDERAL TRANSIT
ADMINISTRATION (FTA) FUNDING PROGRAMS FOR THE STOCKTON URBANIZED AREA

WHEREAS, San Joaquin Regional Transit District (RTD) as the Designated Recipient of FTA funds for the Stockton Urbanized Area (UZA), has the authority to apportion federal transit funds to the Direct Recipients which include the San Joaquin Regional Rail Commission (SJRRC) and the City of Lathrop, both of which operate transit services within the Stockton UZA; and

WHEREAS, RTD is the primary bus transit provider for the City of Stockton, and the City of Lathrop is now the primary bus transit provider for the City of Lathrop; and

WHEREAS, RTD and the City of Lathrop utilize FTA funding from the Stockton UZA; and

WHEREAS, the City of Lathrop has requested that RTD share the role of apportioning these federal transit dollars between RTD and the City of Lathrop; and

WHEREAS, FTA Circulars 9050.1A, 5010.1F and 8100.1D, as amended, define the roles and responsibilities of a Designated Recipient, including seeking the approval of the Governor of California, which the Governor or their designee would file with the FTA Region 9 Regional Administrator for new Designated Recipients; and

WHEREAS, a draft agreement between RTD and the City of Lathrop establishes a Dual Designated Recipient structure in which the City of Lathrop Council assumes apportionment responsibilities for federal transit dollars in the Lathrop city limits and RTD retains responsibility over federal transit dollars in the remainder of the Stockton UZA; and

WHEREAS, this approach would require the identification of "Dual Designated Recipients" for the Stockton Urbanized Area for both RTD and the City of Lathrop.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the San Joaquin Regional Transit District as follows:

- 1) That the San Joaquin Regional Transit District concurs in the selection of the City of Lathrop and the San Joaquin Regional Transit District as Dual Designated Recipients for the Stockton UZA, as described in the interagency agreement between the City of Lathrop and the San Joaquin Regional Transit District and authorized by this resolution.

- 2) That the Chair of the Board of Directors (Board) and the CEO be, and they hereby are authorized and directed to finalize the interagency agreement with the City of Lathrop for the purposes of establishing the City of Lathrop and the San Joaquin Regional Transit District as Dual Designated Recipients for the Stockton Urbanized Area.
- 3) That the Chair of the Board and the CEO, acting separately, are hereby authorized and directed to execute such other agreements and amendments to this agreement, and to take such other actions as may be necessary or appropriate to carry out the intent and purpose of this resolution.



LEAD STAFF: CURTIS MOSES, CHIEF OF SAFETY, SECURITY, AND RISK MANAGEMENT

I. RECOMMENDED ACTION:

Authorize the Interim-Chief Executive Officer to negotiate and execute a contract with Elite Private Security Services LLC for Security Guard Services pursuant to Request for Proposals (RFP) No. 26008-S, for a total amount not to exceed \$6,000,000 for a three (3) year term contract with a one (1) year, and two (2) optional years, and in a form approved by legal counsel.

II. SUMMARY:

- On March 19, 2026, RTD issued Request for Proposal (RFP) No. 26008-S for Security Guard Services to procure comprehensive security services through a competitive procurement process.
- The solicitation was publicly advertised, and on May 1, 2026, proposals were received from 24 interested firms, including Elite Private Security Services LLC (Elite), Inter-Con Security Systems, Platinum Security, and American Guard Services.
- An evaluation committee reviewed all proposals in accordance with the criteria established in the RFP, including qualifications and experience, staffing approach, management plan, technical capabilities, past performance, oral interview performance, and cost proposal.
- Following completion of written proposal evaluations, oral presentations were conducted on June 1, 2026, with Elite, Inter-Con Security Systems Incorporated, and Platinum Security Incorporated, and final scoring followed, Elite received the highest overall evaluated score and was determined to provide the best value to RTD.
- Staff recommend award of RFP No. 26008-S to Elite as the proposer offering the best combination of qualifications, technical approach, demonstrated experience, and cost effectiveness to meet RTD's operational security needs.

III. DISCUSSION/BACKGROUND

RTD relies on contracted security personnel to support the safety and security of passengers, employees, facilities, transit centers, and vehicles throughout RTD service area. To ensure continued delivery of these services and to obtain the best value for RTD, staff conducted a competitive procurement through RFP No. 26008-S.

The RFP sought a qualified contractor capable of providing comprehensive security guard services, including fixed-post security, mobile patrol services,

transit facility monitoring, customer assistance, incident response, and coordination with local law enforcement and emergency response agencies. Proposals were evaluated by an evaluation committee utilizing the methodology established in the RFP. Evaluation factors included proposer qualifications, staffing and operational approach, experience providing similar services for public agencies and transit systems, quality control procedures, transition plan, oral interview performance, and price.

Following evaluation of all proposals and completion of oral presentations, Elite achieved the highest overall score and was determined to provide the best value to RTD. The evaluation committee found that Elite demonstrated a strong understanding of RTD's operational environment, presented a comprehensive staffing and management approach, demonstrated extensive relevant experience, and offered a competitive pricing structure.

Awarding the contract to Elite will ensure continuity of security services while providing RTD with a qualified contractor capable of supporting RTD's safety and security objectives.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report pertains to the Board's Strategic Priorities 1 through 4.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. CUSTOMER IMPACT

A lapse in security services would cause an unreasonable reliance on local law enforcement entities to respond to minor or major incidents at RTD properties, but would also place our passengers, staff members, and community partners' safety at risk.

VI. FINANCIAL CONSIDERATIONS/IMPACT

Funding for the contract is included within the annual operating budget for Safety and Security. Contract expenditures will be budgeted annually throughout the contract term and any option periods.

VII. CHANGES FROM COMMITTEE

N/A

VIII. ALTERNATIVES CONSIDERED

The Board could instead do the following:

- Reject all proposals and resolicit the services. This alternative is not recommended due to the additional time, cost, and operational risk associated with delaying the procurement.
- Continue existing services through short-term extensions. This alternative is not recommended because it does not provide long-term operational stability and value achieved through the competitive procurement process.

IX. ATTACHMENTS

None.

Prepared by: Thomas Dempsey, Acting CFO